

SAN FRANCISCO HISTORIC PRESERVATION COMMISSION



Draft – Meeting Minutes

Commission Chambers, Room 400
City Hall, 1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Wednesday, November 1, 2017
12:30 p.m.
Regular Meeting

COMMISSIONERS PRESENT: Wolfram, Hyland, Pearlman, Johns, Johnck
COMMISSIONERS ABSENT: Matsuda

THE MEETING WAS CALLED TO ORDER BY PRESIDENT WOLFRAM AT 12:34 PM

STAFF IN ATTENDANCE: John Rahaim – Director of Planning, Jenny Delumo, Desiree Smith, Rebecca Salgado, Jonathan Vimr, Tim Frye – Historic Preservation Officer, Jonas P. Ionin –Commission Secretary

SPEAKER KEY:

- + indicates a speaker in support of an item;
- indicates a speaker in opposition to an item; and
- = indicates a neutral speaker or a speaker who did not indicate support or opposition.

A. GENERAL PUBLIC COMMENT

At this time, members of the public may address the Commission on items of interest to the public that are within the subject matter jurisdiction of the Commission except agenda items. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. Each member of the public may address the Commission for up to three minutes.

SPEAKER: Arnold Cohn – I want to talk about 3620 Buchanan your reference 2016-010079COA. The Board of Supervisors in 1973 passed Resolution 88 that designated 3620 Buchanan, Block 459 Lot 3, the entire area - a designated historical landmark 58. The boundaries and perimeters of the historical landmark defined in both the Resolution 88 and the recording of the Resolution in the City's official records - the entire area of Block 459 Lot 3. These documents are in your files at 1650 Mission Street fourth floor. Do not allow new proposed construction at 3620 Buchanan, because it violates Resolution 88 and may violate CEQA.

B. DEPARTMENT MATTERS

1. Director's Announcements

Director John Rahaim:

Two announcements today I want to share with you: one, I have asked AnMarie Rogers to be our new director of Citywide Planning, that is, as you know our policy and planning group within the Department. AnMarie has been with the Department for 18 years in different capacities. She will be taking on that role and that also necessitates some restructuring of the Department of some of the components she was overseeing, mainly the communications group and the legislative group and those two groups will now be reporting to Dan Sider as a result of her appointment. So AnMarie takes over for Gil Kelley who was in that position up until a few months ago, so that's announcement number one. Number two, I think you may be aware about three or four weeks ago the Mayor issued an executive directive to all city departments that are involved in the permitting and approvals of new housing with the goal of streamlining all of our processes related to approving new housing projects. The overall goal is to see as a city that we can maintain the current rate of producing housing, which is about 5,000 units a year, which is more than twice our historic average; just as a side note, we have been doing a lot of regional work on this issue. As a region, the region, every decade for the last five decades, has produced fewer housing units than the previous decade. We are on track now since the '70s to produce, this decade, half the number of units that the region built in the 1970s. That to me is an indication more than anything of the kind of housing crisis that we're in, so obviously not just a San Francisco issue, it is a regional and state-wide issue but the Mayor has really asked all of us, there are eight different departments involved in this request, to really think about how we may streamline our processes to approve housing projects more quickly. The directive asks for a couple of things, one is to sign a high level manager to oversee this work, in our case it will be Dan Sider with the help of Jacob Bintliff, who I think you might know, who works in the Department, who will be the point person on this and it asks us to produce a plan to meet the directive's goals by December 1st. We are working on a whole number of different options; we've had some brown bags on staff in talking to folks outside of the City about how we might be able to do things differently. We'll be preparing a plan to present to the mayor by December 1st. There is actually an informational hearing on this topic at the Planning Commission on November 16th. As we move forward, the plan won't be just to fix things it will evolve as we go forward. I am happy to share more details, I'm happy to hear any thoughts you have about the processes and how we can streamline. One of the types of projects and types of processes that keep coming up is the notion that if we can streamline how we work on smaller projects, we can spend more time on bigger projects. We are looking on a number of ways of doing that. All the departments then are being asked to streamline the approvals after entitlements as well. So it involves, of course DBI, Public Works, PUC, all the

agencies involved in issuing permits are also being asked to streamline and shorten their approval processes after entitlement. It is a pretty extensive directive; it gets into a lot of details about timeframes depending on the size of the project and so on. Happy to share the actual directive with you or it is on the mayor's website as well. Happy to hear thoughts from you and have more discussion in the coming weeks.

2. Review of Past Events at the Planning Commission, Staff Report and Announcements

Tim Frye, Preservation Officer:

No formal report from the Planning Commission, however, this morning your Mills Act Contracts that you reviewed and endorsed earlier this year were at the Government Audit and Oversight Committee this morning and I was in attendance with planner Shannon Ferguson, and it was quite a lengthy hearing and there were a number of things that came up at that hearing that I wanted to make you aware of. The Committee had a lot of questions, and I think it will necessitate maybe a larger conversation by this Commission at a future date. There were two properties in the Duboce Park area that had previously had owner move in evictions from quite some time ago; that did concern the Committee. The Supervisor Peskin brought up the notion that many properties that were inquiring about a Mills Act Contract had already had a substantial amount of rehabilitation work completed, so they were having a hard time seeing the relationship between needing the property tax savings and any unresolved work at the site. The Committee was also concerned about sort of a larger Planning Department policy and that is if any property is actively trying to abate an outstanding enforcement issue, we will generally continue to process some permits and applications because they are actively pursuing to resolve that enforcement. There is one project that currently is under enforcement, but the property won't -- or the issue won't be formally abated for a couple months. They were concerned about approving anything until that enforcement issue had been fully resolved. The Committee then also had a lot of concerns about or sort of rhetorical questions about, should the City be affording property owners of substantial means a substantial property tax in addition? The Department did convey that this is one of the only financial incentives we can offer historic properties and that as there is a lot of ongoing maintenance and repair that has to occur on historic properties that this is also one of the primary incentives to encourage landmark designations as we saw in the Duboce Park Landmark District several years ago. So with that, the Committee decided to -- they did not endorse all of the Mills Act Contracts with a positive recommendation to the full board. So I'm just going through the eight just to give you an update where they are because we will be back at the Committee next week. For 55 Laguna Street, the Teacher's College, they believe there is an enforcement action on part of the new construction related to this site. They would like us to confirm if they are the same property owner as the historic buildings and therefore have continued that item to the call of the chair. The property at 56 Potomac has an outstanding C of A for a large rear horizontal addition. Supervisor Peskin is concerned that that sort of diminishes or could diminish the integrity of the resource and would rather see this Commission weigh in on that project before considering another Mills Act Contract so they continued 56 Potomac to the call of the chair. 60-62 Carmelita Street there was also a concern about--this is the property that had one of the potential Ellis Act Evictions associated with it and also has a C of A for a new garage that this commission approved. Peskin also raised the issue maybe that garage was not the most appropriate change to the front façade of this property and also continued that to the call of chair. The Committee approved 101 Vallejo Street which is one of the oldest warehouse buildings in the Jackson Square or I believe Northeast Waterfront Landmark District so that one will

move forward next week. 627 Waller Street which was subject to an Ellis Act Eviction but before the current owners had the property and the current owner was there to sort of state his case and explain some of the work that needed to be done so the Committee agreed to issuing or endorsing a contract but they'd like it to be a 10 year contract only. As you know Mills Act is a revolving contract in perpetuity until the city or owner terminates that contract. This one will be a strict 10 year limitation for that property tax savings. 940 Grove, which was the large corner house adjacent to Postcard Row, was also moved forward with a positive recommendation and there is still discussion on limiting that contract also to a 10 year contract. Then finally, the Mills Act Contract for Filbert Street Cottages, which you know, attempted to get a contract last year as well, the Committee decided to table that again for the second year so it doesn't appear that they will be eligible for applying again the following year; the main reason the Committee gave was that there are several condos for sale in that complex for an excess of \$12 million so they didn't feel that a property tax savings was warranted there. So that concludes my comments on that committee; happy to answer any questions should you have them. In addition Supervisor Kim, who chairs the committee, did ask for a full list of all current Mills Act Contracts within the city which we are providing them. They're likely going to have a larger discussion, whether it's at the committee level or otherwise, so we will keep you updated when that is scheduled and that concludes my report unless you have any questions. Thank you.

Commissioner Pearlman:

I do have a question. Did they say why they wanted to limit the 10 year limit on the particular properties? It seems to me that the time you need the money to improve a building is later on, not -- I mean 940 Grove is recently restored and repaired so, yes, they'll get the benefit 10 years but they're not going to don't need to do very much work until after 10 years. What is the point ultimately?

Tim Frye, Preservation Officer:

That is a good question. For 940 Grove in particular, Supervisor Breed did mention or recognize that the owner has done substantial amount rehabilitation to that building and is also adjacent to 930 Grove which is our vacant property that we referred to the City Attorney Office and the empty lot where there was a C of A for new construction which still continues to be a large hole. The Supervisors feel strongly that this building and that this property or the work this property owner has done is helping to anchor sort of a blighted corner that still are needed some change and assistance. So I believe she wanted to recognize that, at least that's what her comments reflected. It does bring up a larger question--a policy question of whether or not San Francisco wants to treat the Mills Act differently than other cities in California is more of an investment tool rather than strictly as preservation incentive because there were a number of questions from the Committee about where are the property owners that do need the savings to pour back into the building right now, not a number of projects that have already been completed.

Commissioner Pearlman:

Typically, of course, the number one the values of the houses, of course, are so much more here than most any other place in the state. Also, that, you know, someone who can afford a \$1 million house isn't buying a big historic house that needs a lot of work. These houses tend to be bigger, tend to need a lot of work, and they tend to be expensive. It seems like as a policy I appreciate it as a policy, but to retain these older tending to be bigger buildings, it seems like we shouldn't lose sight of that in the argument about do wealthy

people need a tax break? That seems to be a side argument. It seems to be a political argument relative to the preservation argument.

Commissioner Johnck:

I would be concerned, based on your report Tim, that there is abuse of the Mills Act. I am surprised at least in my experience on the commission, I don't recall the Board really dinging our decisions on Mills Act; there may be a few, but I guess to me and these are political or external, but if there is abuse involved, I think it would be important for us to get a grip on this so maybe we should have another discussion about it. As you say, some information about what other communities is doing about Mills Act or whatever. I would like to have greater alignment between our commission and Planning and the Board.

President Wolfram:

I would recommend since we don't have this on our agenda today, I recommend that we calendar something for this discussion and also because these property owners are spending a lot of time putting together the paperwork. Maybe we could calendar this was a separate item for a future hearing.

C. COMMISSION MATTERS

3. President's Report and Announcements

None

4. Consideration of Adoption:

- [Draft Minutes for ARC October 4, 2017](#)
- [Draft Minutes for HPC October 4, 2017](#)
- [Draft Minutes for CHA October 4, 2017](#)
- [Draft Minutes for HPC October 18, 2017](#)

SPEAKER: None
 ACTION: Adopted
 AYES: Wolfram, Hyland, Pearlman, Johns, Johnck
 ABSENT: Matsuda

5. Commission Comments & Questions

Commissioner Johnck:

I have a question of John Rahaim; John on the streamlining, that is quite a challenge and particularly when you said increase up to 5,000 a year which is double or triple, are you saying – I guess my question is to get a grip on this and I may have some ideas based on my experience and other environmental permit processes in general, as it applies to housing I don't know how it would work but we'll see. My question pertains to what's the rate now? Maybe you said that.

Director John Rahaim:

I think the goal the Mayor has set is to get 5,000 units a year actually built. I mean we have a permit at close to 50,000 units most of which are not yet being built. If you recall back in 2014, he set a goal of building 30,000 units by 2020 which averages 5,000 a year and we

have exceeded that goal; the city has built about over 17,000 in the last three years. The point of the directive is kind of to see, to put processes in place to actually make that the norm into the future. The idea is to catch up for this latent demand and really for this serious crisis we are in as a region. The goal is to push the envelope to get them not only approved but permitted and actually built. We're at 5,000; historically the average was something like 1800 or 1900 so substantially it is higher than we have been in the past.

D. REGULAR CALENDAR

6. [2013.1535ENV](#) (J. DELUMO: (415) 575-9146)
450-474 O'FARRELL STREET/532 JONES STREET PROJECT – on the block is bounded by Geary Street to the north, O'Farrell Street to the south, Taylor Street to the east, and Jones Street to the west (Assessor's block/lot 0317/007, 0317/009, and 0317/011) (District 6) – Commission **Review and Comment** on the Draft Environmental Impact Report (DEIR). The proposed project would demolish the existing structures, merge the three lots, and construct a 13-story, 130-foot-tall, 237,353-sf mixed-use building. The church façade at 450 O'Farrell Street would be retained as part of the proposed project. The proposed development would include up to 187,640 sf of residential space (with 176 dwelling units), 6,200 sf of restaurant and retail space, and 13,595 sf of religious institution space. Up to 41 parking spaces would be provided within a 21,070-sf, one-level subterranean parking garage with access off of Shannon Street. The project site is located in a Residential-Commercial, High Density (RC-4) District, the North of Market Residential Special Use District No. 1, an 80-T-130-T Height and Bulk District, and the Uptown Tenderloin National Register Historic District.

Note: This public hearing is intended to assist the Commission in its preparation of comments on the DEIR. Comments made by members of the public at this hearing will not be considered comments on the DEIR and may not be addressed in the Final EIR. The Planning Commission will hold a public hearing to receive comments on the DEIR on Thursday, November 30, 2017. Written comments on the DEIR will be accepted at the Planning Department until 5:00 p.m. on Monday, December 11, 2017.

Preliminary Recommendation: Review and Comment

- SPEAKER: = Jenny Delumo – Staff report
 = Mike Buhler – Project objectives
 = Courtney Damkroeger – Adaptive reuse of religious institutions
 = Richard Hack – Membership: I have lived at 535 Geary Street for 31 years. The Church at 450 O'Farrell appears to have less than 10 congregants, and neighbors have seen no signs of any activity. Chapter 5 of the draft EIR, "Other CEQA Considerations," says the project will result in increased traffic, noise, and emissions; sunlight being completely cut off at neighborhood buildings; effects on air quality, and contamination of soil and groundwater. Many residents of 565 and 535 Geary are dismayed. Some have moved. There will be no road in and out, and no on-site loading spaces. (Initial Study, p. 9.) They want to get by with two parking spaces on O'Farrell, but that is certain to cause a big mess for the 38 Geary and other traffic. The housing units will not be affordable. The virtually infinite demand to reside here cannot be dented by this project.
 = David Cincotta
- ACTION: Directed staff to draft a Comment Letter:

- The HPC concurred with the conclusions in the Draft EIR that the proposed project does not meet the Secretary of the Interior's Standards and will result in a significant, unavoidable impact to the identified individual historic resource at 450 O'Farrell Street. The HPC commented that the Fifth Church of Christ, Scientist is an important structure in the Uptown Tenderloin National Register District and that it is highly unfortunate that the building will be removed.
- The HPC stated that the project sponsors' Objectives should be further defined and be less subjective.
- The HPC agreed that the alternatives analyzed are adequate but the HPC generally disagreed with the assessment that the alternatives do not meet Objective #3 (*Create a new church facility for Fifth Church of Christ, Scientist that will enable it to fulfill its mission of bringing hope, comfort, compassion, and peace to the Tenderloin, where it has been for more than 90 years*) as this objective is too vague and overly subjective; the HPC generally agreed that the project objectives should be less qualitative.
- Two HPC members provided input to the project team to provide massing diagrams for the preservation alternatives from, at minimum, the same vantage point as the proposed project massing diagram. In addition, the direction was to provide the same level of detail in the graphics as the proposed project, if possible.
- The HPC agreed that the full preservation alternative was the preferred alternative as it avoids significant impacts to the historic resource by retaining the majority of character defining features and allows the building to continue to convey its significance while also allowing for adaptive use and new construction to accommodate many of the project objectives.

AYES: Wolfram, Hyland, Pearlman, Johns, Johnck
 ABSENT: Matsuda
 LETTER: 0083

7. [2017-011910DES](#) (D. SMITH: (415) 575-9093)
DIAMOND HEIGHTS SAFETY WALL – consideration to **Initiate Landmark Designation** of the Diamond Heights Safety Wall, located on an easement along Diamond Heights Boulevard at Clipper Street, Assessor's Block 7504, Lots 011-015, as an individual Article 10 Landmark pursuant to Section 1004.1 of the Planning Code. Constructed in 1968, the Diamond Heights Safety Wall was designed by Bay Area artist and architect, Stefan Alexander Novak. It is significantly associated with the Diamond Heights Redevelopment Project and is an important visual landmark for the Diamond Heights neighborhood. The property was nominated for Landmark Designation through a community-sponsored Landmark Application, submitted to the Department on May 1, 2017. It is located in a RH-2 (Residential-House, Two-Family) Zoning District and 40-X Height and Bulk District.
Preliminary Recommendation: Approve

SPEAKER: = Desiree Smith – Staff report
 + Bob Pollum – Landmark initiator
 + Betsy Eddy – Support
 + Dave Manin – Support

+ Evalyn Rose - Support
 ACTION: Initiated
 AYES: Wolfram, Hyland, Pearlman, Johns, Johnck
 ABSENT: Matsuda
 RESOLUTION: 914

8. [2017-003492PTA](#) (R. SALGADO: (415) 575-9101)
235 GEARY STREET – located on the south side of Geary Street, Assessor’s Block 0314, Lots 013, 013A, 014, 015 (District 3). Request for a **Major Permit to Alter** for the removal of the existing non-historic first-floor storefront systems that flank the main entrance to the building on Geary Street and the construction of five projecting storefront bays and three new entrances with illuminated marquees in the existing openings, for the addition of approximately 175 square feet of floor area. The subject property is a Category V Unrated Building within the Kearny-Market-Mason-Sutter Article 11 Conservation District, and is located within a C-3-R (Downtown-Retail) Zoning District and 80-130-F Height and Bulk Limit.

Preliminary Recommendation: Approve with Conditions

SPEAKER: = Rebecca Salgado – Staff report
 + Charin Jackson – Project presentation
 + Alisa Skags – Preservation presentation
 + Claude Embeau – Outreach
 ACTION: Approved with Conditions
 AYES: Wolfram, Hyland, Pearlman, Johns, Johnck
 ABSENT: Matsuda
 MOTION: 0319

9. [2017-008122PTA](#) (J. VIMR: (415) 575-9109)
101 POST STREET – south side, between Grant Avenue and Kearny Street; Assessor’s Block 0310, Lot 001 (District 4) – Request for **Major Permit to Alter** for exterior alterations including the replacement of existing stone tile cladding with a running bond brick veneer; replacement of the existing canopy with a glass and steel canopy; removal of non-historic vertical lighting components; and insertion of a new entry at the Post Street façade to provide access to an ATM vestibule. The subject property is a Category V (Unrated) building within the Kearny-Market-Mason-Sutter Article 11 Conservation District, and is located within a C-3-O (Downtown-Office) Zoning District and 80-130-F Height and Bulk District.

Preliminary Recommendation: Approve with Conditions

SPEAKER: = Jonathan Vimr – Staff report
 + William Chung – Project presentation
 ACTION: Approved with Conditions
 AYES: Wolfram, Hyland, Pearlman, Johns, Johnck
 ABSENT: Matsuda
 MOTION: 0320

ADJOURNMENT – 2:44 PM