



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 17575

MILLS ACT CONTRACT

HEARING DATE MARCH 27, 2008

Date: March 20, 2008
Case No.: **2008.0014GU**
Project Address: **690 MARKET STREET**
Zoning: C-3-O (Downtown Office)
285-S Height and Bulk District
Block/Lot: 0311/006
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RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE: ADOPTING FINDINGS RELATED TO A REQUEST FOR A MILLS ACT HISTORIC PROPERTY CONTRACT FOR 690 MARKET STREET, THE CHRONICLE BUILDING, ASSESSOR'S BLOCK 311, LOT 6 (SPECIFICALLY LOT NOS. 016-069, 73-74, AND 78-79), PURSUANT TO CHAPTER 71 OF THE ADMINISTRATIVE CODE.

WHEREAS, in accordance with Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2 of Division 1 of the California Revenue and Taxation Code, the City and County of San Francisco may provide certain property tax reductions, such as the Mills Act; and

The Mills Act authorizes local governments to enter into contracts with owners of private historical property who assure the rehabilitation, restoration, preservation and maintenance of a qualified historical property; and

Ordinance No. 191-96 amended the San Francisco Administrative Code by adding Chapter 71 to implement California Mills Act, California Government Code Sections 50280 *et seq.*; and

On October 23, 2007, Supervisors Peskin and Mirkarimi introduced a Resolution No. 581 under Board of Supervisors (hereinafter "Board") initiating the designation of 690 Market Street, the Chronicle Building, Lot 6 in Assessor's Block 311, as a landmark pursuant to Section 1004.1 of the Planning code and urging expedited consideration of the building's landmark status and a Mills Act contract associated with the building's rehabilitation and restoration; and

The Planning Department, concurrent with findings of Ordinance Number 54-06, found the loss of substantial portions of the building's historic fabric precluded 690 Market Street from conforming to the standards set forth in Article 10 of the City Planning Code used to deem landmark status. However, being that 690 Market Street is within the downtown C-3 zoning district, the Planning Department found the structure to be better suited as a Significant Building – Category II. A Category II designation allows alterations and additions to buildings of individual importance, so as long the architectural quality or relationship to the environment is not compromised, as referenced in Section 1102(b)(4); and

At a duly noticed public hearing on February 6, 2008, the Landmarks Board considered the request to designate 690 Market Street, Assessor's Block 311, Lot 6, as Category II (Significant). The agenda item was continued to the duly noticed public meeting on February 20, 2008 at which the Landmarks Board unanimously approved Resolution No. 620, adopting findings that the proposal meets the applicable standards set forth in Article 11 of the Planning Code and recommended that the Planning Commission approve the Category II designation; and

Under Section 71.2 of the Administrative Code, buildings designated as significant or contributory (Categories I or II) pursuant to Article 11 qualify as a historic property, thus the property is eligible to apply for the Mills Act historical property contract. The Mills Act would take effect only after the designation of the building becomes final; and

The Landmarks Preservation Advisory Board (Landmarks Board) recognizes the historic building 690 Market Street as an historical resource and believes the rehabilitation and maintenance plans are appropriate for the property; and

The eight story addition completed in 2007 as part of the rehabilitation of the building does not contribute to the building's historic or architectural significance and shall not be subject to the Mills Act valuation; and

The Landmarks Board has encouraged the building owners to provide information on the historical, architectural, technological, and cultural significance of the building through an on-site public interpretative program of photographs, written histories, and other documentation on Burnham and Root, Michael H. de Young, *The San Francisco Chronicle*, the printing trades and their technological evolution, "Newspaper Corner" as a center of San Francisco newspaper publishing, and the Chronicle Building's construction, reconstruction, alterations, and rehabilitation; and

The Planning Department has reviewed the Mills Act application, historical property contract, rehabilitation program, and maintenance plan for 690 Market Street, which are located in Case Docket No. 2008.0014U. The Planning Department recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan; and

The Planning Department has determined that actions by regulatory agencies for protection of the environment are exempt from environmental review pursuant to the CEQA Guidelines (Title 14 of the California Code of Regulations, Section 15308); and

At a duly noticed public hearings held on January 16, February 6, and February 20, 2008 the agenda item was continued to March 5, 2008. At the duly advertised public meeting on March 5, 2008 the Landmarks Board reviewed documents, correspondence and heard oral testimony on the Mills Act application, historical property contract, rehabilitation program, and maintenance plan for 690 Market Street, which are located in Case Docket No. 2008.0014U. The Landmarks Board recommends approval of the Mills Act historical property contract, rehabilitation program, and maintenance plan; and

At a duly noticed public hearing held on March 27, 2008, the Planning Commission reviewed the case file and considered the findings and recommendations of the Landmarks Board set forth in the Landmarks Board Resolution No. 621; and

The proposal will promote the following relevant objectives and policies of the General Plan and Downtown Area Plan:

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 2: CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.4: Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.

DOWNTOWN AREA PLAN

Objectives and Policies

OBJECTIVE 12: CONSERVE RESOURCES THAT PROVIDE CONTINUITY WITH SAN FRANCISCO'S PAST.

Policy 12.1: Preserve notable landmarks and areas of historic, architectural, or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past development.

Discussion: The proposed Mills Act historical property contract supports these general plan policies. The proposed contract will allow for the long-term preservation and maintenance of a historical resource, thereby furthering continuity with the past for the benefit of future generations. The Mills Act serves as a financial incentive to offset the costs incurred during the rehabilitation and the continued annual maintenance of the historic resource. The proposed contract will not have a significant impact on any of the other elements of the General Plan.

The Department has not received any letters or phone calls in support or in opposition to the proposed Resolution.

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in:

1. That the landmarks and historic buildings be preserved (Priority Policy 7);

Discussion: The proposed Mills Act historical property contract supports these general plan policies. The proposed contract will ensure the long-term preservation and maintenance of a historical resource that will be listed as Category II (Significant). The proposed contract will not have a significant impact on any of the other elements of the General Plan. The designations will not have a significant effect on the other Priority Policies. It will not impact the City's supply of affordable housing; adversely impact existing housing or neighborhood character; adversely impact public transit or place a burden on the existing supply of parking in the neighborhood; involve any commercial office development or displace any industrial or service sector uses; or impact any parks or open spaces or their access to sunlight. Although the building has undergone significant seismic upgrade to protect against injury and loss of life in an earthquake, the Mills Act itself would not trigger the requirements for a seismic upgrade.

NOW THEREFORE BE IT RESOLVED that the Commission hereby concur with the findings and recommendation of the Landmarks Board and approves the Mills Act historical property contract for 690 Market Street, the Chronicle Building, Assessor's Block 311, Lot 6 (specifically lot nos. 016-069, 73-74, AND 78-79); and

BE IT FURTHER RESOLVED, that the Commission hereby directs its Recording Secretary to transmit this Resolution No. 17575, the Mills Act historical property contract, rehabilitation program, and maintenance plan for 690 Market Street, and other pertinent materials in the file for Case No. 2008.0014U to the Board of Supervisors.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on March 27, 2008.

Linda Avery
Commission Secretary

AYES: Antonini, S. Lee, Moore, Olague, and Sugaya

NOES: None

ABSENT: W. Lee

ADOPTED: March 27, 2008