[Non-Renewal of a Mills Act Historical Property Contract - 621 Waller Street]

Resolution regarding non-renewal of a Mills Act historical property contract with Claude Zellweger and Renee Zellweger, the owners of 621 Waller Street, Assessor’s Parcel Block No. 0864, Lot No. 023, under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor Recorder’s Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner and record a notice of non-renewal.

WHEREAS, The California Mills Act (Government Code, Section 50280 et seq.) authorizes local governments to enter into a contract with the owners of a qualified historical property, as defined in the Act, who agree to rehabilitate, restore, preserve, and maintain the property in return for property tax reductions under the California Revenue and Taxation Code; and

WHEREAS, Chapter 71 of the Administrative Code was adopted to implement the Mills Act in San Francisco and to preserve these historic buildings; and

WHEREAS, Under the Mills Act and Chapter 71, a year is added automatically to the initial term of the contract at the anniversary date of the contract, unless notice of non-renewal is given as provided as prescribed in the Mills Act; and

WHEREAS, A Mills Act application for an historical property contract was submitted by Claude Zellweger and Renee Zellweger, the owners of 621 Waller Street Assessor’s Parcel Block No. 0864, Lot No. 023, detailing rehabilitation work and proposing a maintenance plan for the property; and

WHEREAS, At a public hearing on November 25, 2014, in Resolution No. 440-14, and after reviewing the Historic Preservation Commission’s recommendation and the information
provided by the Assessor’s Office, the Board of Supervisors approved the historical property
contract between Claude Zellweger and Renee Zellweger, the owners of 621 Waller Street,
and the City and County of San Francisco; and

WHEREAS, When it considered the approval of the historical property contract, the
Board of Supervisors balanced the benefits of the Mills Act to the owner of 621 Waller Street
with the cost to the City of providing the property tax reductions authorized by the Mills Act, as
well as the historical value of 621 Market Street and the resultant property tax reductions, and
determined that it was in the public interest to enter into a historical property contract with the
applicants; and

WHEREAS, The historical property contract for 621 Waller Street was recorded at the
Assessor Recorder Office on December 19, 2014, which is the anniversary date of the
contract; and

WHEREAS, The Mills Act Historical Property Contract and Rehabilitation Plan for 621
Waller Street included six specific scopes of work scheduled for completion between 2014
and 2020; and

WHEREAS, To date, the property owner has not legally completed any of the
Rehabilitation scope items as required under the Mills Act contract; specifically, the property
owner completed or partially completed four scope items without benefit of permits, partially
completed one scope item that does not require a permit (painting), and has not begun work
on one scope item; and

WHEREAS, On September 9, 2020, Planning Department Enforcement Staff opened
Enforcement Case No. 2020-008528ENF to legalize work performed without benefit of a
permit as outlined in Planning Case No. 2020-006466PRJ/COA and Building Permit
Application No. 202010035800; and
WHEREAS, The property owner’s failure to timely comply with its obligations under the Mills Act contract for this property has deprived the City of benefits to which it is entitled under the contract, specifically the legal completion of specified preservation and rehabilitation work on this historic property between 2014 and 2020; and

WHEREAS, At a public hearing on March 16, 2022, for the legalization of work performed without benefit of a permit under Planning Case No. 2020-006466PRJ/COA, the Historic Preservation Commission expressed concern that the property owner has not acted in a good faith to complete scope of work items in a timely manner in accordance with the Mills Act contract for 621 Waller Street; and

WHEREAS, At a public hearing on July 20, 2022, in Resolution No. 1255, the Historic Preservation Commission recommended that the Board of Supervisors non-renewal of the Mills Act Historical Property Contract for 621 Waller (Assessor’s Parcel Block No. 0864, Lot No. 023); now, therefore, be it

RESOLVED, That the Board of Supervisors hereby elects not to renew the historical property contract for 621 Waller Street Assessor’s Parcel Block No. 0864, Lot No. 023; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby notifies the Assessor Recorder of the non-renewal of the historical property contract for 621 Waller Street; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning Director to send notice at least 60 days prior to the anniversary date to the current owners of 621 Waller Street, informing them that the historical property contract will not be renewed; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning Director to cause a notice of the non-renewal of the contract to be recorded in the City Recorder’s office.
Resolution regarding non-renewal of a Mills Act historical property contract with Claude Zellweger and Renee Zellweger, the owners of 621 Waller Street, Assessor's Parcel Block No. 0864, Lot No. 023, under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner and record a notice of non-renewal.

October 06, 2022 Government Audit and Oversight Committee - RECOMMENDED

October 18, 2022 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

I hereby certify that the foregoing Resolution was ADOPTED on 10/18/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved 10/28/22