FILE NO. 231058

RESOLUTION NO. 600-23

[Mills Act Historical Property Contract - 988 Market Street]

Resolution approving a historical property contract between 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California corporation, the owners of 988 Market Street, and the City and County of San Francisco, under Administrative Code, Chapter 71; and authorizing the Planning Director and the Assessor-Recorder to execute and record the historical property contract.

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 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, The Planning Department has determined that the actions contemplated in this Resolution comply with the California Environmental Quality Act (California Public Resources Code, Sections 21000 et seq.); and

WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in File No. 231058, is incorporated herein by reference, and the Board herein affirms it; and

WHEREAS, San Francisco contains many historic buildings that add to its character and international reputation and that have not been adequately maintained, may be structurally deficient, or may need rehabilitation, and the costs of properly rehabilitating, restoring, and preserving these historic buildings may be prohibitive for property owners; and

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

WHEREAS, 988 Market Street is a Category I - Significant Building under Article 11 of the Planning Code and a Contributor to the Market Street Theater and Lofts National Register Historic District, and thus qualifies as an historical property as defined in Administrative Code, Section 71.2; and

WHEREAS, A Mills Act application for an historical property contract has been submitted by 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California Corporation, the owners of 988 Market Street, detailing rehabilitation work and proposing a maintenance plan for the property; and

WHEREAS, As required by Administrative Code Section 71.4(a), the application for the historical property contract for 988 Market Street was reviewed by the Office of the Assessor-Recorder and the Historic Preservation Commission; and

WHEREAS, The Assessor-Recorder has reviewed the historical property contract and has provided the Board of Supervisors with an estimate of the property tax calculations and the difference in property tax assessments under the different valuation methods permitted by the Mills Act in its report transmitted to the Board of Supervisors on July 1, 2023, which report is on file with the Clerk of the Board of Supervisors in File No. 231058 and is hereby declared to be a part of this Resolution as if set forth fully herein; and

WHEREAS, The Historic Preservation Commission recommended approval of the historical property contract in its Resolution No. 1348, including approval of the Rehabilitation Program and Maintenance Plan, attached to said Resolution, which is on file with the Clerk of the Board of Supervisors in File No. 231058 and is hereby declared to be a part of this Resolution as if set forth fully herein; and

WHEREAS, The draft historical property contract between 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California Corporation, the owners of 988 Market Street, and the City and County of San Francisco is on file with the Clerk of the Board of Supervisors in File No. 231058 and is hereby declared to be a part of this Resolution as if set forth fully herein; and WHEREAS, The Board of Supervisors has conducted a public hearing pursuant to Administrative Code, Section 71.4(d), to review the Historic Preservation Commission's recommendation and the information provided by the Assessor's Office in order to determine whether the City should execute the historical property contract for 988 Market Street; and

WHEREAS, The Board of Supervisors has balanced the benefits of the Mills Act to the owner of 988 Market 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 988 Market Street and the resultant property tax reductions, and has determined that it is in the public interest to enter into a historical property contract with the applicants; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby approves the historical property contract between 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California Corporation, the owners of 988 Market Street, and the City and County of San Francisco; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Planning Director and the Assessor-Recorder to execute the historical property contract and record the historical property contract.

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City and County of San Francisco Tails Resolution

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

File Number: 231058

Date Passed: December 12, 2023

Resolution approving a historical property contract between 140 Partners, L.P., a California Limited Partnership and Marlin Cove, Inc., a California corporation, the owners of 988 Market Street, and the City and County of San Francisco, under Administrative Code, Chapter 71; and authorizing the Planning Director and the Assessor-Recorder to execute and record the historical property contract.

December 07, 2023 Government Audit and Oversight Committee - RECOMMENDED AS COMMITTEE REPORT

December 12, 2023 Board of Supervisors - ADOPTED

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

File No. 231058

I hereby certify that the foregoing Resolution was ADOPTED on 12/12/2023 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