

San Francisco, California -- February 10, 1999

In a stunning victory for neighborhood activists and preservationists, San Francisco's Board of Appeals rejected a bid by a developer to demolish a small Victorian house and replace it with a large two unit condominium. In so ruling, the Board affirmed an earlier unanimous decision by the Planning Commission which cited provisions of the priority policies of the Planning Code and Proposition M, a voter approved initiative from 1986, which requires that existing, affordable housing be preserved and that existing neighborhood character be conserved and protected.

The developer, Rathnew Corporation is a member of the powerful Residential Builders Association which is headed by chief lobbyist and president Joseph O'Donoghue. The attorney for the developer, former City Attorney and advisor to the Board Alice Barkley, argued that the house at 1725 Lake Street should be demolished because it was simply too small to be functional and was not "affordable housing" because of its small size and relatively high price.

Much to the surprise and satisfaction of the surrounding neighbors who opposed the demolition and new construction, two members of the Board, attorney Carole Cullum and newly appointed Board member and community activist Sabrina Saunders both voted to uphold the Planning Commission's previous ruling. Cullum and Saunders cited the testimony from the surrounding neighbors that destruction of the building would violate Proposition M and would, with the subsequent construction, negatively impact the existing neighborhood character. The neighbors were represented by attorney Stephen M. Williams.

The remaining Board members, embattled president John E. McInerney III, and real estate developer/attorney Arnold Chin voted in favor of the demolition and proposed construction but the split vote was insufficient to set aside the previous unanimous ruling by the Planning Commission. At the hearing, McInerney, who is also head of Coldwell Banker Real Estate,

reasoned that any property owner should be permitted to demolition any existing structure and replace it with a new building as permitted under the Zoning Code.

The Planning Commission's ruling had been made nearly one year earlier on March 12, 1998, and the developer had lost an earlier bid to set aside that ruling at a hearing before the Board on August 12, 1998. The Board granted the developer a rehearing in the matter because only three Board members were present at the August hearing.

The Board's ruling could well mark a turning point for the extensive development which is occurring in San Francisco's residential neighborhoods. The City had in place a ten year ban on the demolition of "sound" housing from 1986 until 1996. With the lifting of that moratorium in 1996, the residential neighborhoods have seen a rash of demolitions and new construction based on the City's apparent inability or unwillingness to enforce the requirements of Proposition M and the Planning Codes Master Plan Priority policies. Neighborhood preservationists and activists are hopeful that the Board's ruling will set a precedent for the retention of existing sound housing in the residential neighborhoods.

The Board's decision was supported by numerous neighborhood groups and associations including the Coalition for San Francisco Neighborhoods (an umbrella group of 30 neighborhood associations), the Telegraph Hill Dwellers, the Sunset District Action Committee, the Richmond Community Association, the Foundation for San Francisco's Architectural Heritage, Buena Vista Neighborhood Association, Lower Potrero Hill Neighborhood Association and numerous other concerned groups and individuals.