



A Fraternal Organization

2750 N. Lakeview Avenue, Chicago, IL 60614-1889 • Phone: (773) 755-4810 • Fax: (773) 755-4811
E-mail: bobh@elks.org

ROBERT M. HENNINGS
*Assistant to
Grand Secretary*

June 9, 2014

Todd Moreno, Exalted Ruler
San Francisco Lodge No. 3
216 Forest Park Drive
Pacifica, CA 94044-1009

Dear Exalted Ruler Moreno,

Enclosed is a copy of the permit issued to your Lodge, Permit No. W-40-11.

This is the only permit we have a record of that was issued to your Lodge since 2001.

There is no mention of any correspondence to or for the building association of San Francisco Lodge.

Fraternally,

A handwritten signature in black ink, appearing to read "Robert M. Hennings".

Robert M. Hennings
Assistant to Grand Secretary

RMH/ct



A Fraternal Organization

B.P.O. ELKS

SEP 14 2011

Walter B. Linthacum
Board of Grand Trustees
Building Applications West

OFFICE OF THE
GRAND SECRETARY

PO Box 995
Goodland, KS 67735-0995
(785)890-5678 Office
(785)899-2195 Home
(785)890-2070 Fax
(785)821-2345 Cell
E-mail: walter.linthacum@sbcglobal.net

9-07-2011

COPY

Josh Hachadourian
PER, Trustee
San Francisco Lodge #3
450 Post Street 2M
San Francisco, CA. 94102-1526

Dear Josh,

Enclosed please find a confirmed copy of the **OFFICIAL PERMIT, No. W-40-11**, based upon the Application for Building and / or Financial Transaction. This permit is issued with the approval of your State Sponsor, Hon. Louis J. Grillo Past Grand Exalted Ruler.

This permit will authorize the Exalted Ruler and Lodge Trustees to spend up to \$1,000,000 on the remodeling and refurbishing of the Lodge properties as described in the permit. The money for this project is to come from Lodge funds, as stated in the permit, without borrowing any additional funds.

Please be aware that pursuant to provisions of G.L. Statutes, Section 16.050, (1) the project must be commenced within one (1) year from the date the Permit is approved and be completed within one (1) year after commencement; (2) that the terms of the Permit are not to be exceeded without further authorization from the Board of Grand Trustees; and (3) that upon completion of the project the Lodge should promptly complete the Certification Form at the bottom of Page 1 of the Permit, detach it, and mail it to the Grand Secretary, with a copy to your State Sponsor.

If you have any questions or encounter any obstacles in completing this project in a timely manner, please contact your State Sponsor or the Grand Trustees.

Sincerely & Fraternally,

Walter B. Linthacum

Walter B. Linthacum
Board of Grand Trustees
Building Applications – West

Cc: Hon. Louis J. Grillo PGER
Hon. Bryan R. Klatt, Grand Secretary (w/ Original Permit)

FORMAL APPLICATION
for
BUILDING and/or FINANCIAL TRANSACTION APPROVAL
by
THE BOARD OF GRAND TRUSTEES



GRAND LODGE
Benevolent and Protective Order of Elks
United States of America

(For Grand Trustees Use)

Application Form

(Only Section on This Page to Complete for Submission)

Application No. W-40-11
Received 7-14-11
Sponsor Comment APPROVED
Permit Issued 9-7-11

SAN FRANCISCO Lodge No. 3
450 POST STREET 2M
SAN FRANCISCO, CA 94102

(Include Mailing Address)

OFFICIAL PERMIT
APPROVING GRAND TRUSTEES

Walter B. Linthicum
Building Applications Member

9/7/11
Date

Reviewing Member (or Alternate)

09/07/2011
Date

PROJECTS SHALL BE COMMENCED WITHIN ONE YEAR AFTER THE DATE OF THE PERMIT AND SHALL BE COMPLETED WITHIN ONE YEAR AFTER COMMENCEMENT. A LODGE MAY REQUEST AN EXTENSION OF THE PERMIT AND NO LODGE SHALL EXCEED THE AUTHORITY GRANTED IN THE PERMIT UNLESS AND UNTIL IT HAS RECEIVED FURTHER AUTHORIZATION FROM THE BUILDING APPLICATIONS MEMBER OF THE BOARD OF GRAND TRUSTEES HAVING JURISDICTION.

(Cut on Line)

CERTIFICATION FORM

Upon the completion of the project, this form must be executed, detached from the Official Permit and mailed to the Office of the Grand Secretary and a copy to the State PGER-Sponsor(s).

GRAND SECRETARY
B.P.O. Elks
2750 N. Lakeview Avenue
Chicago, Illinois 60614-1889

We, the undersigned Exalted Ruler and Secretary of _____ Lodge, No. _____ of the Benevolent and Protective Order of Elks of the United States of America, hereby affirm on our obligation as Elks that the project authorized by the Board of Trustees by Permit No. _____ has been completed within the terms set forth therein, all as required by the provisions of Section 16.050, B.P.O.E. Statutes.
Dated this _____ day of _____

IMPORTANT!!

In no case shall an expenditure approved by the Board of Grand Trustees be exceeded without prior authorization from the Building Applications Member of the Board of Grand Trustees having jurisdiction.

Exalted Ruler

Secretary

Total Amount of expenditures \$ _____

FILL THIS IN

APPLICATION

SECTION ONE: COMPLETE FOR ALL PERMITS

To the Board of Grand Trustees:

In compliance with Section 16.050 of the Statutes of the Order, Lodge No. 3 of SAN FRANCISCO, State of CALIFORNIA, respectfully submits the following Application. If additional information is required, the LODGE REPRESENTATIVE to be contacted is:

NAME: JOSH HACHADDURIAN TITLE: PER TRUSTEE PHONE: Home (415) 297-3970 Bus (415) 288-3568

SECTION TWO: COMPLETE FOR ALL PERMITS

OFFICIAL PERMIT SHALL BE OBTAINED FOR THE FOLLOWING A thru I.

1. AMOUNTS TO BE AUTHORIZED:

- A. Purchase real property at a cost in excess of \$25,000. \$ _____
- B. Acquire property by lease for a period of more than one year. \$ _____
- C. Construct a new facility, whether a building or otherwise. \$ _____
- D. Make additions to or alterations in its present facilities, if the cost is in excess of \$25,000. 1,000,000
- E. Contract for services, purchase furnishings, fixtures and equipment at a total cost in excess of \$25,000. \$ _____
- F. Sell, exchange, or make a gift of its real property, or any portion thereof. \$ _____
- G. Lease its real property, or any portion thereof, for a term of more than five (5) years. \$ _____

H. State how the above costs have been determined: DETAILED ESTIMATE/BID AT \$825,000 - INCLUDED
POTENTIAL OVERRUN TO \$1M IN NOTICE TO MEMBERS AND IN THIS APPLICATION

I. Have you provided in the above figures for unforeseen extras? Explain: YES. \$825,000 IS THE ESTIMATE.

J. The proposed project will be paid from reserve on hand. Yes ☒ No ☐

K. Incur or refinance a debt involving:

1. Mortgage of real property. \$ 0
2. The sale of debentures. \$ 0
3. The sale of bonds. \$ 0
4. Other certificates of indebtedness. \$ 0

L. Borrow money for any purpose. \$ 0

TOTAL AUTHORIZATION K. thru L. \$ 0

SECTION THREE: COMPLETE WHEN APPLICABLE

1. METHOD OF FINANCING OR REFINANCING:

A. INCUR MORTGAGE DEBT:

Incur mortgage debt in the amount of \$ 0 Name of Lender _____ at _____ % Terms of payment will be \$ _____ per month payable over _____ years. Prepayment clause (if any and describe): _____

Is loan secured with a mortgage? Yes ☐ No ☐

B. SALE OF DEBENTURES, BONDS OR OTHER CERTIFICATES OF INDEBTEDNESS:

\$ 0 to be borrowed from the membership through the issuance of debenture bonds in the denominations of \$ _____ with _____ % interest payable over _____ years.

C. RESERVE ON HAND:

\$ _____ reserve on hand to be applied to the proposed project.

D. OTHER METHOD OF FINANCING:

(Please elaborate by insert or on back of application) 825K TOTAL COST
390K REIMBURSED BY MASTER LESSEE
435K TO BE FINANCED THROUGH RESERVES
& PAID THROUGH FUNDING FROM
BUILDING ASSOCIATION FROM
RENTAL INCOME.

SECTION FOUR: COMPLETE FOR ALL PERMITS

1. GENERAL DESCRIPTION OF REQUESTED PERMIT:

STRUCTURAL & MAINTENANCE AND RESTORATIVE TERRA COTTA WORK ON AND AROUND
THE THIRD FLOOR BALCONY AT 450 POST STREET LOCATION.

SECTION FIVE: COMPLETE FOR ALL PERMITS

1. LODGE INFORMATION:

- A. Do you own or rent your present facilities? Yes ☒ No ☐ If rented, state the monthly rental cost \$ \$1/YEAR
- B. What real estate or personal property is now owned by the Lodge or a separate holding corporation?
ENTIRETY OF 450 POST IS OWNED BY BUILDING ASSOCIATION, & IS SUBJECT TO A MATTER LEASE.
LODGE SUBLEASES A PORTION OF THE BUILDING FROM MATTER LESSEE FOR \$1/YEAR.
- C. If real estate is owned, state: (a) Date acquired 1980'S (b) Cost at acquisition \$ 1.6 MILLION (c) Amount of present encumbrances \$ 0 (d) Date of encumbrance _____ (e) Nature of encumbrance _____
- D. State PRESENT VALUE of any stock, bonds or other securities owned \$ _____ If encumbered, state nature and amount thereof: _____
- E. Does the project described in SECTION FOUR involve any REAL ESTATE or PERSONAL PROPERTY owned by a LODGE CORPORATION? Yes ☒ No ☐ If Yes, have all CORPORATE VOTES required by state law been duly taken? Yes ☒ No ☐
- F. Amount of annual Lodge dues: \$ 180
- G. Amount of initiation fee: \$ 300

SECTION SIX FOR PERMIT TO SELL N/A

IF PROPERTY NOW OWNED BY LODGE IS TO BE SOLD, PLEASE ANSWER THE FOLLOWING QUESTIONS.

1. State price and terms of proposed sale of the property: _____
 2. In what manner is it proposed to dispose of the proceeds of the sale? _____
 3. When did Lodge acquire above property? _____
 4. What was the purchase price originally paid? _____
 5. Is property mortgaged or otherwise encumbered? _____ If so, what is the total balance due on the encumbrance? \$ _____ What is the rate of interest? _____ %.
 6. Is land improved or unimproved? _____
 7. Was land improved when acquired? _____ If so, describe the improvements: _____
- If not, state when improvements were added and the cost and character thereof: _____
8. What is the annual gross income derived from the property? \$ _____
 9. What are the annual gross expenditures for this property? Taxes \$ _____ Interest \$ _____ Upkeep \$ _____ Other charges (specify) _____
 10. Is the property assessed for the purposes of taxation? _____ If so, state amount of current assessments: \$ _____

SECTION SEVEN FOR PERMIT TO EXCHANGE N/A

IF PROPERTY IS TO BE EXCHANGED FOR OTHER PROPERTY, PLEASE ANSWER THE FOLLOWING QUESTIONS.

11. Describe location and type of property to be acquired in the exchange: _____
12. Is it improved? _____ If so, describe the improvements fully: _____
13. What is the annual gross income derived from the property? \$ _____
14. What are the annual gross expenditures for this property? Taxes \$ _____ Interest \$ _____ Upkeep \$ _____ Other charges (specify) _____
15. What is the PRESENT MARKET VALUE of the property? _____
16. Specifically, what advantage will be gained for your Lodge by this exchange? _____

SECTION EIGHT FOR PERMIT TO LEASE N/A

IF PROPERTY IS TO BE LEASED

17. A true copy of the proposed lease should be attached to each application and Questions 1 through 16 need not be answered.

REVENUE AND EXPENSES

COMPLETE IN ITS ENTIRETY FOR ALL PERMITS
For Two Years Prior to Application, and Estimated
One Year Following Completion of Project

REVENUE	April 1, 2009 to April 1, 2010	April 1, 2010 to April 1, 2011	(Estimated) First year following completion of project
Dues	\$ 148,217	\$ 141,866	\$ 165,250
Rents	16,900	20,650	25,000
Interest and Dividends	1,805	100	2,000
Club Operation - Net Profit (Loss) <i>UNAVAILABLE. RENT & DUES PORTIONS CLUB & SOCIAL ARE SUBSIDIZED</i>			
Social Activities - Net Profit (Loss) <i>BASED ON RENTS AVAILABLE</i>			
Other Revenue (give source) <i>PRIMARYLY RENTAL INCOME TO BUILDING ASSOCIATION PASSED THROUGH TO THE LODGE. ALSO INCLUDES GYM FEES.</i>	1,136,549	1,415,729	1,193,800
FEES (INITIATION)	14,935	15,235	30,000
CONTRIBUTIONS	22,032	5,731	
MAINTENANCE REIMBURSEMENT			390,100
Sub Total	\$ 1,340,438	\$ 1,599,311	\$ 1,806,050
Life Membership Fees <i>ALREADY INCLUDED ABOVE. AMOUNTS ARE NOT MATERIAL</i>	\$	\$	\$
Initiation Fees	\$	\$	\$
Total Revenue	\$ 1,340,438	\$ 1,599,311	\$ 1,806,050

LODGE EXPENSES

Interest on debentures, bonds or other certificates	\$ 0	\$ 0	\$ 0
Interest on Notes and Mortgages	0	0	0
Dividends on Preferred Stock	0	0	0
Rents	1	1	1
Taxes	9,905	10,000	10,000
Insurance	18,045	71,500	61,600
Officers' Salaries <i>SECRETARY 14K. 14K = 14,000 TREASURER 100 x 12 = 1,200 CLERK 50 x 12 = 600 TOTAL 15,800</i>	15,800	15,800	15,800
Utilities	103,138	103,598	100,000
Grand Lodge Dues	12,446	13,608	15,000
State Association Dues	4,645	5,766	5,000
District Dues	0	0	0
Supplies	0	0	0
Repairs	218,445	180,000	900,000
Depreciation	62,795	60,000	60,000
Mortgage and/or Loan Payments	0	0	0
Payments on other liabilities (identify)	0	0	0
Other expense (identify) <i>YOUTH ACTIVITIES, COMMITTEES SALARIES, BENEFITS, & ALL OTHER MISCELLANEOUS</i>	476,468	1,177,676	614,120
Total Expenses	\$ 921,687	\$ 1,637,948	\$ 1,781,520
Net Profit	\$ 355,956	\$ 38,637	\$ 24,530

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(Submitting financial backup sheets is optional)

FINANCIAL STATEMENT
COMPLETE IN ITS ENTIRETY FOR ALL PERMITS

ASSETS	Present Value	Evaluation at completion of project
Land	\$ 209,361	\$ 200,361
Buildings	1,499,497	2,324,497
Furniture and Fixtures	2,073,979	2,073,979
Stocks and Bonds	1,436,748	1,000,000
Cash on Hand and in Bank	285,402	100,000
Inventories	\$ 9,000	\$ 9,000
Receivables	\$ 0	\$ 0
Other Assets (itemize)	0	0
	5,504,987	
Total Assets	\$ 5,504,987	\$ 5,707,837

LIABILITIES		
First Mortgage	\$ 0	\$ 0
Second Mortgage	0	0
Debentures or Bonds Issued to Members	0	0
Capital Stock	0	0
Notes Outstanding	0	0
Accounts Payable	608,438	650,000
Other Liabilities (itemize) <i>DEFERRED INCOME</i>	50,264	50,000
Total Liabilities	658,702	700,000
Total Equity (Net Worth)	4,846,285	5,007,837
% Equity Upon Completion of Project		
Total Liabilities & Equity (should equal Assets)	\$ 5,504,987	\$ 5,707,837

MEMBERSHIP: COMPLETE FOR ALL PERMITS

Three Years Prior to, and at Date of Application

	April 1, 2009	April 1, 2010	April 1, 2011	At Date of Application
Total Membership	889	972	917	920
Number in good standing	829 889	962	912	815
Applications on hand and not acted upon				24

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COMPLETE IN ITS ENTIRETY FOR ALL PERMITS

AFFIDAVIT THAT THE PROVISIONS OF SECTION 16.050 OF
THE B.P.O.E. STATUTES HAVE BEEN COMPLIED WITH

We, the undersigned Exalted Ruler and Secretary of SAN FRANCISCO Lodge No. 3, of the Benevolent and Protective Order of Elks of the United States of America, do hereby swear on our obligation as Elks that the attached application for Permit to acquire, mortgage, refinance, sell, exchange or contract for services, purchase furnishings, fixtures or equipment or borrow money for any purpose, contains true and correct information relating thereto; that full and complete written notice of said proposal was read on the Lodge floor on the 16 day of JUNE, 2011, at least two but not more than eight weeks prior to the scheduled date for a vote of the Lodge; that full and complete notice of said proposal was mailed on the 3 day of JUNE, 2011, to each and every member of SAN FRANCISCO Lodge No. 3, of the Benevolent and Protective Order of Elks of the United States of America, at least ten days before a vote was held thereon; that said proposal was adopted by at least a favorable two-thirds vote of the members present at a regular session held on the 16 day of JUNE, 2011; that said vote was as follows:

Number present at Lodge session..... 19
Number voting for proposal..... 18
Number voting against proposal..... 0

Kenneth J. Cottura
Signature Secretary

KENNETH J. COTTURA
Typed / Printed Secretary

Jonathan R. Borus
Signature Exalted Ruler

JONATHAN R. BORUS
Typed / Printed Exalted Ruler

CERTIFICATION

We certify that the within statements are correct. We further certify:

1. That a true and complete copy of the NOTICE mailed to members is attached to this Application.
2. That a complete copy of this Application, including the Notice to members, has been mailed to our Lodge Sponsor(s).

Witness our signatures and the seal of SAN FRANCISCO Lodge No. 3
hereunto affixed this 7 day of JULY, 2011

William B. Davis
Exalted Ruler

Kenneth J. Cottura
Secretary

(AFFIX LODGE SEAL)

Josh H
Nicholas M. [unclear]

SEE NEXT PAGE FOR SIGNATURE

William B. Davis
Board of Trustees (Chairman first)

COMPLETE IN ITS ENTIRETY FOR ALL PERMITS

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hereunto affixed this 7 day of JULY, 2011

Jonathan R. Borus
Exalted Ruler

Kenneth J. Cottura
Secretary

(AFFIX LODGE SEAL)

Josh H
Michael Wilson
Edw J Cooke

Board of Trustees (Chairman first)

DO NOT DELETE ANY OF THIS PAGE

Members of San Francisco Lodge No. 3,

As discussed at our recent election meeting for this fraternal year, the building at 450 Post is due for some major required maintenance on and around the third floor balcony. Our March/April bulletin included details about the project, noting that while structural work is being performed, the balcony will also have certain terra cotta put in place to restore portions of the structure to its former beauty. The planning for this project has been lengthy and as mentioned, has been the topic of discussion at meetings and in our bulletin.

We are getting close to the anticipated commencement of this project, which we anticipate will be completed during this calendar year. With that in mind, and in the interest of continued transparency, here are some key factors of note:

- 1- Purpose: To restore structural integrity to the third floor balcony in order to avoid damage to the building and/or anything below the balcony. While we are at it—restore portions of the balcony to its former beauty.
- 2- Amount to be expended for each purpose enumerated above: The total expected cost for the project is \$825,000. Allowing for potential overruns, this could be up to \$1 million. Of the \$825,000, \$225,000 is for restorative terra cotta work. Of the remaining \$600,000, 65% (or \$390,000) will be reimbursed to the Lodge by the Master Lessee of the building.
- 3- Amount of indebtedness to be incurred: It is expected that there will be no indebtedness to non-related parties as a result of this project. Project funding will be through operations and pass through funds from the Building Association.
- 4- Any property to be mortgaged: No property will be mortgaged to finance this maintenance.
- 5- Persons authorized to act for the Lodge: Trustees David Harmer and Josh Hachadourian, PER. Project oversight will be facilitated through Architectural Resources Group (ARG).
- 6- Amount to be received by Lodge: 65% of non terra cotta related costs as previously noted.

This proposal will be voted on at the next regularly scheduled Lodge meeting on Thursday, June 16th. As always we hope to see you at the meeting and look forward to discussing this and any other matter.

Faternally,

The Trustees of San Francisco Lodge No. 3