Chapter I: Introduction

This report discusses the changes that have taken place in downtown San Francisco since the adoption of the *Downtown Plan* in 1985 and how these changes have met or have failed to meet the *Plan*'s goals and objectives. It evaluates the effectiveness of the *Downtown Plan*'s policies and guidelines based on Downtown's growth over the past 20 years. The findings contained in this report can inform current and future initiatives to plan for areas in and around Downtown.

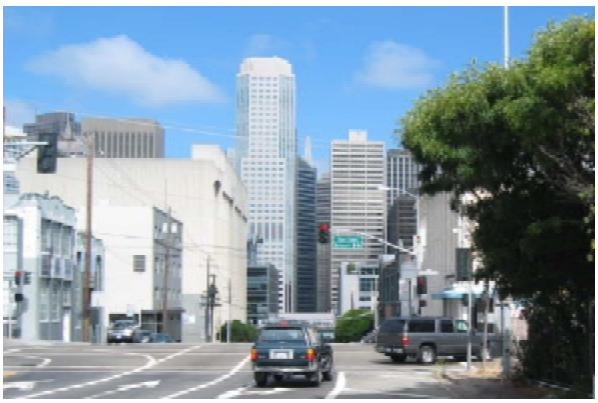
THE DOWNTOWN PLAN

The *Downtown Plan* contains objectives and policies to guide decisions impacting Downtown San Francisco. The *Plan* contains seven principal sections: Space for Commerce, Space for Housing, Open Space, Preserving the Past, Urban Form, Moving About, and Seismic Safety. The *Plan* details development guidelines and public policy actions and creates requirements for new programs to improve services and infrastructure.

The San Francisco Planning Commission adopted the *Downtown Plan* as part of the *San Francisco Master Plan* (now known as the *San Francisco General Plan*) in November 1984. The *Plan*'s Environmental Impact Report (EIR) was certified in May 1983. The Planning Commission first approved planning Code Amendments in November 1984; however, this approval did not include annual limits on the amount of office development. In September 1985, the Board of Supervisors adopted *Downtown Plan* code amendments (Ordinance 414-85). This final approval included an annual office development limit of 950,000 square feet.

At the time, however, there was already approximately 7.5 million square feet of commercial development approved in the C-3. In order to keep development to an average of 950,000 square feet per year, this previously approved space had to be factored in. A voter initiative, Proposition M, responded to this concern, limiting new commercial development to 475,000 square feet of office per year through 1998, with 75,000 square feet within that reserved annually for small office development. Proposition M passed in November 1986.

Other specific ordinances were developed to implement related programs, including the Office Affordable Housing Production Program, the Transit Impact Development Fee, the Downtown Park Special Fund, and the Affordable Childcare Fund.



MONITORING REQUIREMENTS

The *Downtown Plan* ordinance (Chapter 10E of the *San Francisco Administrative Code*) requires the completion of an annual report and a five-year report. The annual *Commerce and Industry Inventory* and *Housing Inventory* reports, completed by the Planning Department, satisfy the annual report requirement. The previous five-year report was completed in 1994.

The *Downtown Plan Monitoring Report* is required to cover the following topics (the complete text of the ordinance is shown in Appendix A):

- Annual amounts of office space approved, under construction and completed
- Office vacancy rates
- Employment in the city's office, retail and hotel sectors
- Business formation and relocation trends in relation to the Bay Area
- New housing production
- Housing assisted by the Office of Affordable Housing Production Program
- Changes in Downtown parking supply
- Vehicle occupancy rates

- Peak period transit ridership and capacity
- Uses of funds from the Transit Impact Development Fee
- Tax revenues from office, retail and hotel space

This report discusses each of these topics. However, not all indicators are documented as requested by the *Administrative Code*. For business formation and relocation trends, an employee/employer survey was not performed as mandated, due to lack of funding. The Downtown parking supply data uses Department of Parking and Traffic 2001 estimates only. And vehicle occupancy rates data uses CalTrans estimates from bridges and highways entering the city only because census journey-to-work data is not yet available; due to its high cost and resource constraints, a full cordon count was not performed as mandated.

Although the Ordinance does not require the *Monitoring Report* to report on urban form, open space, or historic preservation, those topics were important elements of the *Downtown Plan*, intended to retain and enhance the qualities that make Downtown San Francisco an attractive and lively place. For this reason, this report also includes an assessment of how the goals of these sections of the *Downtown Plan* have been met.

Downtown Monitoring Report Study Boundaries

Chapter 2: Downtown Development Trends

A primary goal of the *Downtown Plan* is to concentrate office development and employment in a way that minimizes office encroachment on surrounding neighborhoods. This section evaluates employment and business trends between 1985 and 2000, the two peaks of economic and employment growth. The *Plan* was adopted in 1985 and included projections to 2000. Thus, this report compares the projections contained in the original *Downtown Plan* with what actually occurred over the same period.

The assessment of Downtown development trends relies on Planning Department data, Employment Development Department (EDD) employment data, Dunn and Bradstreet business data, Cushman & Wakefield and BT Commercial real estate data, and information gathered from the Department of Building Inspection and Office of the Assessor/Recorder. A description of the methodologies used in calculating employment numbers and build-out scenarios is included as Appendix B.

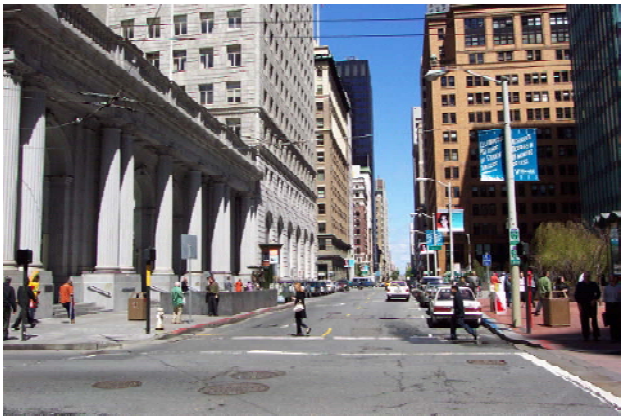
EMPLOYMENT AND BUSINESS TRENDS

After adoption of the *Downtown Plan* in 1985, the economy continued to grow until the national recession of 1989. Local employment and annual office construction declined considerably from 1989 to 1994. By 1995 the economy began to recover and by mid-2000 it had reached its peak.

San Francisco's share of regional employment has declined since 1985 as Bay Area job growth outside San Francisco grew faster. In 1985, 21% of Bay Area employment could be found in San Francisco. By 2000, this declined to 17%, as the regional growth rate during this period was four times greater than San Francisco's (Figure 2.1).

The office sector showed the greatest change. In 1985, San Francisco contained 57% of regional office space and by 2000, it declined to 40% (Figure 2.2).

Regional trends illustrate a continuing decentralization of businesses and jobs. A significant portion of Bay Area gross domestic product comes not only from high tech manufacturing, but from the financial and business services they use, jobs traditionally concentrated in San Francisco.[1]



Since 1985, these jobs have increasingly grown outside of San Francisco, adjacent to the high technology manufacturing companies they serve.

The *Plan* antcipated the continued growth of office jobs downtown. This growth was largely expected to be in such sectors as Finance, Insurance, and Real Estate (FIRE), and Business Services. However, by 2000, the City largely failed to capture the regional growth occurring in these sectors since 1985 (Figure 2.3).

Although office jobs grew less than expected, the cultural and institutional (CI) and entertainment sectors grew more

[1] Bay Area Council, Bay Area Economic Profile 2004.

Figure 2.1: San Francisco Share of Regional Employment

	1985	2000	% Growth
San Francisco Employment	583,200	634,400	9%
Bay Area	2,758,100	3,753,600	36%
San Francisco Share	21%	17%	

Source: ABAG 2002, 90

Figure 2.2: San Francisco Share of Regional Office Space

	1985*	2000**	% Growth
San Francisco Office Space	63,000,000	82,146,000	30%
Bay Area	110,000,000	204,963,000	86%
San Francisco Share	57%	40%	

**Downtown Plan*
***Estimated from BT Commercial*

Figure 2.3: San Francisco Share of Office Jobs in Financial, Insurance, and Real Estate and Business Services

	1985	2000	% Growth
San Francisco	151,500	158,100	4%
Bay Area	463,400	730,000	58%
San Francisco Share	33%	22%	
Source: ABAG 2002, 1990			

Figure 2.4: Downtown Plan Total Employment Forecast (Including Self-Employed)

	1985	2000	2000 Forecast
*Total Citywide**	583,200	634,400	664,800
*Total C-3***	280,900	313,100	372,000
Office	234,200	252,400	303,500
C-3 Share of Citywide Office Employment	40%	40%	46%
C-3 Share of Total Citywide Employment	48%	49%	56%
**ABAG 1983 and 2002, Total Employment*			
***1985 C-3 boundaries. Data was prepared by the Planning Department based on building space inventory and employment density. See Appendix.*			

than expected. By 2000, office employment failed to concentrate Downtown as forecast with only 32,200 new jobs created, far less than the 91,100 jobs forecast in 1985 (Figure 2.4).

Despite less than expected office growth, the C-3 district retained its relative share of citywide jobs and remained the densest employment center in the region and from 1985 to 2000 all employment sectors grew. Overall, Downtown employment expanded 10% with particularly strong growth in the CI sector.

OFFICE ACTIVITIES

San Francisco retains the greatest concentration of office jobs in the region including financial, legal, and other specialized business services. However, its role as the center for such activities is declining.

Although citywide office employment experienced strong growth during the late 1990s, only professional services such as legal and consulting services gained jobs since 1985. All other sub sectors, including finance, insurance, and real estate, declined. By 2000, total office jobs within the C-3 were estimated at 248,500, representing an eight percent increase since 1985.

However, from 2000 to 2002 office employment decreased nine percent citywide (EDD). Many of the job gains from the previous decade were lost, including those in business and professional services. Office employment Downtown declined eight percent, less than elsewhere in the City.

Office wages are highly differentiated within the C-3 district. Office sector wages vary greatly depending on occupation and location. The average salary for an office sector job in the Financial District is over $90,000, but only

$47,000 in the Civic Center area. Such jobs typically require the highest levels of formal education and overall pay higher wages than other sectors.

VISITOR, HOTEL, AND RETAIL ACTIVITIES

Visitor and Convention Activities

Since 1985, as San Francisco's regional role as the primary provider of financial services has declined, its role as a center for visitor and entertainment activities has expanded and diversified. The development of the Convention Center, growth in hotels, increase in eating, drinking, and entertainment establishments, and expansion of museum and arts facilities have made it a prime visitor destination. The completion of the Sony Metreon, Yerba Buena Gardens, and SBC Park have added to this effect.

By 2000, 62% of San Francisco hotel guests were business travelers, many attending conventions (Convention Bureau). Currently, there are almost 2.7 million square feet of meeting space in the City, much of which is located at the Moscone Convention Center, which expanded 50% in 2003 for a total of 900,000 square feet of space.

Hotel

Since 1985, citywide hotel employment grew by approximately 35%. Most of this growth did not occur in the C-3 district, but immediately adjacent to it. By 2000 hotel jobs in the C-3 grew eight percent to 13,800, up from 12,800 in 1985.

Approximately 90% of hotel jobs can be found in the greater Downtown area, most of which are in the C-3. Hotel jobs pay $30,000 per year on average. Overall, hotel jobs require less formal education and pay much less than office jobs.

Retail

Responding to the expansion of the visitor economy, citywide retail growth occurred mostly in eating and drinking establishments during this period, while department store employment declined significantly. Despite this loss of jobs in department stores, the growth in eating and drinking establishments from 1985 to 2000 translated to an overall eight percent growth in retail for the C-3 district. By 2000, over 25,400 retail jobs could be found in the C-3 district.

Although retail jobs pay less than office and require less formal education, they typically require good customer service and language skills. As with office jobs, average annual wages for retail employees were higher in the Financial District than the Civic Center. In the Financial District, retail employees earned approximately $41,000, as compared to $28,000 elsewhere in Downtown. Both Financial District retail employees and those working elsewhere in Downtown, earn less than half the salary of office employees in these areas. From 2000 to 2002 as the economy declined, retail employment in Downtown declined only two percent compared to eight percent for office.

CULTURAL AND INSTITUTIONAL ACTIVITIES

Cultural and institutional activities serve the city, region, and visitors alike, and are closely connected to the visitor economy. This sector includes health centers, schools, and museums among others. Citywide growth in the cultural and institutional (CI) sector was very strong from 1985 to 2000 and concentrated in the C-3 district. During this period, CI employment Downtown grew by 67%, more than 5,000 jobs. Such growth was not anticipated by the *Plan*, which projected only a few new CI jobs.

Job loss in this sector has been minimal during the last two years of economic contraction: as with retail jobs, CI jobs declined only two percent in the C-3. Wages averaged $35,000 per year, similar to retail wages, but lower than office. These jobs are very diverse and require a range of skills and educational levels.

INDUSTRIAL ACTIVITIES

There is relatively little industrial employment Downtown.[2] Although some industrial sector jobs remain, most notably in auto services and repair and printing, most of these jobs have moved elsewhere. Many of the Downtown industrial jobs belong to administrative offices for industrial businesses such as Del Monte, Fleischmans, WorldCom and Chronicle Books.

The *Downtown Plan* forecast an employment decline for industrial jobs. However, in 2000, 8,300 industrial jobs could be found in the C-3, a net growth of 3,000 jobs from 1985.

Average wages for industrial jobs in the Greater Downtown are about $51,000 annually, higher than retail and CI jobs. Industrial headquarter jobs require the same skills as office.

LAND USE AND BUILDING SPACE

The C-3 district boundaries that define Downtown changed since the adoption of the Downtown Plan. By 1990, the Tenderloin, Chinatown, and portions of SoMa were withdrawn from the C-3 district. As a result of redevelopment plans, the C-3 presently consists of approximately 1200 buildings, (providing at least 82 million square feet of building space), on 340 acres of land. More than 54% of these buildings contain over 20,000 square feet of space, and 25% of the buildings are over ten stories tall. About 30% of the buildings Downtown are either purely office or are buildings where office activities represent at least 80% of the building space. These buildings amount to 58% of the total building square

footage in the C-3 and over 35% of the land area.

In terms of employment density, office activities make the most efficient use of space. Retail and entertainment activities employ fewer people per square foot: these activities occur as a primary use in 20% of the buildings Downtown but occupy only 7.5% of the total building square footage and 11% of the total land area in the district. On average, hotels use three times the space per employee compared to office.

The C-3 district contains a variety of space types satisfying a diversity of business sizes and sectors. Within the area bounded by The Embarcadero, 4th, Stockton, and Mission Streets, more than 60% of the total building space is occupied by office establishments. Within the Financial-Retail core, bounded by Powell, Kearny, Pine and Mission Streets, 12% of the total building space is currently occupied by retail activity. The remainder of the C-3 contains a more diverse set of activities with the two largest uses, office and retail, representing 14% and 7% of total building space respectively. The remaining space consists of other uses, or buildings in which one land use activity does not dominate.

PROPOSITION M

The *Downtown Plan* established an annual limit of 950,000 square feet for new office projects over 25,000 square feet.

[2] For the purposes of this report, industrial is used as a business classification, not a land use classification. For example, corporate headquarters or administrative functions of larger manufacturing firms are classified here as industrial, not office.

Proposition M required that half of this annual limit be allocated for office space previously approved between November 1984 and November 1986. This had the effect of reducing the annual limit for new office space to 475,000 square feet until 1998. (Figure 2.7.) Projects ranging from 25,000 to 50,000 were designated "small," and 50,000 and above as "large." Figure 2.8 illustrates the geographic distribution of Prop. M projects. Figures 2.9 and 2.10 list small and large office projects approved or completed after 1993.

The *Downtown Plan* anticipated the continued production of office space; however, no major office projects were approved in the C-3 between 1992 and 1997, due to the recession during that period. The first major office building completed since 1992, 101 Second Street, entered the market in 1999 with just over 350,000 square feet of available office space.

Small Cap

The amount of space reserved annually for small projects is 75,000 square feet. This cap may accumulate over time and the accumulated space can then be used in a single year. For example, in October 1998, 920,000 square feet of small project office space was available as a result of accumulation since 1991. By May 2003 much of this space was used with 22 small office proposals approved, for a total of 960,000 square feet.

Of the approved small office projects, ten, or 45% of them were located in the C-3 district, while another six, or 27%, were located in the greater Downtown portion of the SoMa district. Four of these projects were subsequently withdrawn in favor of housing projects. Of these remaining projects, 75% were located in the greater Downtown area.

Large Cap

Subtracting the 75,000 square feet reserved for small projects, there is 875,000 square feet of space available for large projects. As with the small projects, this cap may accumulate over time and the total can be used in a single

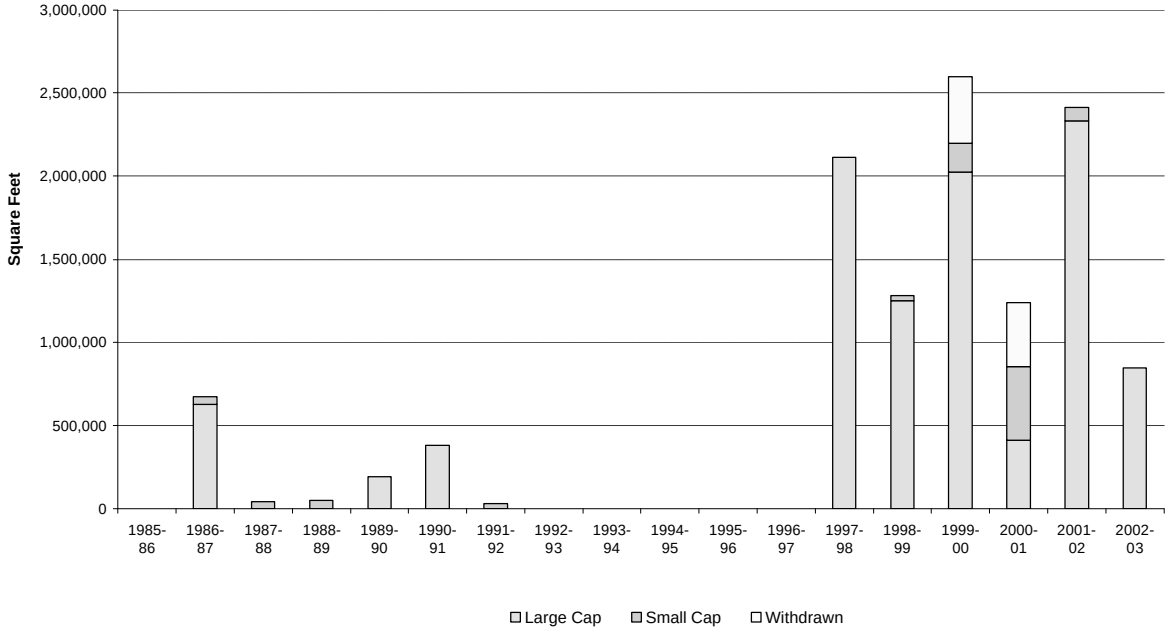


Figure 2.7: Proposition M New Office Space

Figure 2.8: Major Office Projects 1994-2002

Figure 2.9: Small Cap Office Projects 1994-2002

	Project	Square Feet	Status
1994-1995	none	-	-
1995-1996	none	-	-
1996-1997	none	-	-
1997-1998	none	-	-
1998-1999	1301 Sansome Street	31,606	Completed
1999-2000	435 Pacific	32,500	Completed
	2801 Leavenw orth	40,000	Completed
	215 Fremont	47,950	Completed
	820-880 Mission	49,100	Approved
2000-2001	166-178 Tow nsend	49,002	Approved
	530 Folsom	45,944	Completed
	272 Main	46,500	Approved
	35 Stanford	48,000	Under Construction
	2800 Leavenw orth	34,945	Completed
	199 New Montgomery	49,345	Withdraw n/Converted to housing
	3433 Third	42,000	Approved
	177 Tow nsend	46,775	Completed
	500 Pine	44,450	Approved
	150 Pow ell	39,174	Withdraw n/Converted to housing
	185 Berry	49,500	Withdraw n/Converted to housing
	201 Second	44,500	Completed
	35 Haw thorne	40,350	Approved
	639 Second	49,500	Withdraw n/Converted to housing
	699 Second	49,500	Withdraw n/Converted to housing
2001-2002	545 Sansome	49,500	Pending
	3251 18th St.	47,377	Approved
	501 Folsom	30,000	Approved
2002-2003	none	-	-
2003-2004	none	-	-
Total		**1,007,518**	

Note: Prop M Projects under 49,999 sqft. Since 1995. "Approved" designates approval by the Planning Commission, not necessarily the Department of Building Inspection.

Source: San Francisco Planning Department

Figure 2.10: Large Cap Office Projects, 1994-2002

	Project	Square Feet	Status
1994-1995	-	-	-
1995-1996	-	-	-
1996-1997	-	-	-
1997-1998	One Second Street	345,000	Completed
	244 Front Street	58,650	Completed
	650 Townsend	263,000	Completed
	455 Golden Gate	420,000	Completed
	945 Battery	52,715	Completed
	475 Brannan Street	63,500	Completed
	250 Steuart Street	540,000	Completed
	101 Second Street	368,567	Completed

Figure 2.10: Large Cap Office Projects, 1994-2002 (Continued)

1998-1999	One Market Street	51,822	Completed
	524 How ard Street	201,965	Completed
	Pier One	76,418	Completed
	554 Mission Street	645,000	Completed
	700 7th Street	273,650	Completed
	475 Brannan Street	2,500	Completed
1999-2000	670 Second Street	60,000	Completed
	160 King Street	160,000	Completed
	350 Rhode Island	250,000	Completed
	First & How ard 2	440,400	Completed
	First & How ard 3	154,000	Approved
	First & How ard 4	126,670	Under Construction
	235 Second Street	180,000	Completed
	Mission Bay 26a	277,046	Approved
	535 Mission Street	253,000	Withdraw n temporarily
	2101 Bryant Street	148,000	Withdraw n -- converted to housing
	Mission Bay 28	225,004	Completed
	899 How ard Street	153,500	Under Construction
2000-2001	First & How ard 1	241,200	Approved
	Mission Bay 28	60,150	Completed
	Mission Bay 26E	145,930	Pending
	801 Market Street	112,750	Approved
2001-2002	350 Bush	344,540	Approved
	38-44 Tehama	73,000	Under Construction
	235 Second	64,000	Completed
	250 Brannan	113,500	Completed
	555 Mission	549,000	Approved
	Mission Bay 42/4	80,922	Approved
	Mission Bay 41/1	164,828	Approved
	7th & Mission GSA	514,727	Under Construction
	499 Illinois (MBX4)	429,542	Approved
2002-2003	Mission Bay 26W	269,721	completed)
2003-2004	Pier 30-32	390,000	Approved
	55 9th	267,000	Approved
	Presidio-Letterman Digital Arts Complex	839,301	Under Construction
Total		**10,450,518**	

Note: Prop M Projects over 49,999 sqft. Since 1995. "Approved" designates approval by the Planning Commission, not necessarily the Department of Building Inpection.

Source: San Francisco Planning Department

year. Since 1994, the publication of the last *Downtown Monitoring Report*, to May 2003, the Planning Department approved 40 large office projects with a total of 9.5 million square feet.

Of the approved large office projects, 19 or 48%, were located in the C-3 district while six, or 15%, were located in SoMa. Sixty-two percent of large projects could be found in the greater Downtown area.

In late 2000, after accumulating square footage for some time, the large office cap was nearly exhausted. As a result, proposed projects were evaluated under the so called "beauty contest." Since more square footage was proposed than the cap would allow, the Planning Commission selected projects determined most appropriate for approval.

Following the economic downturn in 2000, office space production slowed considerably as approved projects were not built. Some approved office projects are now being proposed for housing. The entire amount of office space approved during the most recent cycle, 2002-03, was assigned to the Letterman Digital Arts Complex in the Presidio.

CURRENT AND FUTURE DEVELOPMENT TRENDS

By 2003, office space production still fell about 2.1 million square feet short of that estimated for 2000 (Figure 2.13).[4] As shown in Figure 2.12, office accounted for less than half of all new construction from 1994 to 2002. Also, contrary to the *Downtown Plan* policies, parking was not reduced. Instead it expanded significantly (Figure 2.13).

As shown in Figure 2.11, new office space as a share of total new development produced in the C3 has declined since 1985. At the same time, the visitor economy expanded. From 1985 to 1989 an estimated 93% of all projects were office. Of the space produced from 1994 to 2002 only 43% was office; remaining space consisted of retail, residential, cultural/educational, and visitor activities (Figure 2.12).

Given the downturn in the economy, many approved office projects have been stalled indefinitely or canceled and few remain under construction. No new construction broke ground in 2003.

The deluxe hotel production trend of the late 1990s reflected the increasing importance of SoMa as a cultural and tourist center and the growing strength of the retail, visitor, and entertainment economy. Several deluxe hotel projects were constructed in the C-3 district during this period. The W Hotel and the Hotel Palomar opened in 1999 with a total of 621 rooms, and the completion of the Four Seasons and Omni San Francisco hotels added another 639 rooms in 2002. Although some additional

Figure 2.11: New Space Completed in the C-3

	1985-1989*	1990-1993	1994-2002	Total
All New Projects (squ.ft.)	9,168,023	1,829,709	11,437,985	22,435,717
New Office Projects (squ.ft.)	8,515,317	1,348,603	4,873,335	14,737,255
% New Office Space	93%	74%	43%	66%

[4] Based on 2000 C-3 boundaries.

Figure 2.12: C-3 New Construction (1994-2002)

	Units	Square Feet	Percent
Office	N/A	4,873,335	43%
Retail	N/A	1,988,813	17%
Residential	1,825	1,929,511	17%
Industrial	N/A	9,448	0%
CI (Cult. Inst.)	N/A	1,634,863	14%
Visitor	1,260	1,002,015	9%
Total	**3,085**	**11,437,985**	**100%**

hotel construction remains underway, including 95 rooms to be completed in September 2004 in the historic Williams Building at 3rd and Mission Streets, the production of large luxury hotels has diminished since 2002.

Although the Downtown Plan did not evalulate at what point all the space allowed under existing zoning would be built, it did acknowledge that space for growth was limited. Assuming current zoning regulations, approximately 18.2 million square feet is available for future jobs Downtown. This should accomodate projected office employment growth through 2025 and beyond (Figure 2.14).

Vacancy and Rental Rates

In 1985, citywide office vacancy rates were estimated at 9.7% and the *Downtown Plan* assumed a 5% vacancy rate for the C-3 district.[5] By 2000, the citywide vacancy rate fell to 3.0%, and 2.3% for the Financial District. By 2003, however, the vacancy rate dramatically increased to a record high of over 20% citywide, and only slightly less for the financial district, because of the "dot com bust" led recesssion.

Between 1996 and late 1997, the significant growth of San Francisco's core industries led to the beginning of a three-year stretch of rising rents and falling vacancy rates. During this period of exceptional growth in the number of businesses, employees, and total gross receipts, vacancies fell from an overall rate of six to three percent with demand highest in the Financial District. By the end of 1999, all office markets reached a record low three percent vacancy rate. (Figure 2.15)

Due to intense competition for space by companies interested in industrial-style office space, Class B-as well as some Class C-space in SoMa became rent competitive with Class A space during this period. Vacancy rates continued to drop to very low levels until the end of 2000 when the economy began to decline.

By mid-2002, new space reaching the market had slowed considerably, and positive net absorption failed to materialize amidst anemic demand. Leasing activity increased, although not from expansion but horizontal migration as firms either took advantage of lower rents or upgraded their location, in many cases decreasing their occupied space.

There has been little relocation of firms from other Bay Area markets into San Francisco, a prevalent trend during past downturns.[6] Instead, the office vacancy rate for San Francisco approximates the regional average, a reversal of historical trends. This vacancy reflects in part the dispersal of office employment to other areas, most notably the Peninsula and the East Bay. San Francisco's office vacancy rate as of 4th quarter 2004 was 16.5%, or 13.8 million square feet, compared with 17.3% for the overall Bay Area.

Figure 2.13: C-3: *Downtown Plan* Forecasts and Actual Development

	1985-2000 Plan Forecast*	1985-2003 Actual Development**	Difference
Office (sq.ft.)	16,815,000	14,737,255	-2,077,745
*Parking (sq.ft.)***	-211,000	1,132,160	1,343,160
Parking (spaces)	-692	3,712	4,404
**Forecast development - calculated as net gain.*			
***Actual development - demolitions not subtracted.*			
Sources: Planning Dept., Building Dept., Department of Parking and Traffic			

[5] Source: Cushman & Wakefield

[6] Source: CB Richard Ellis.

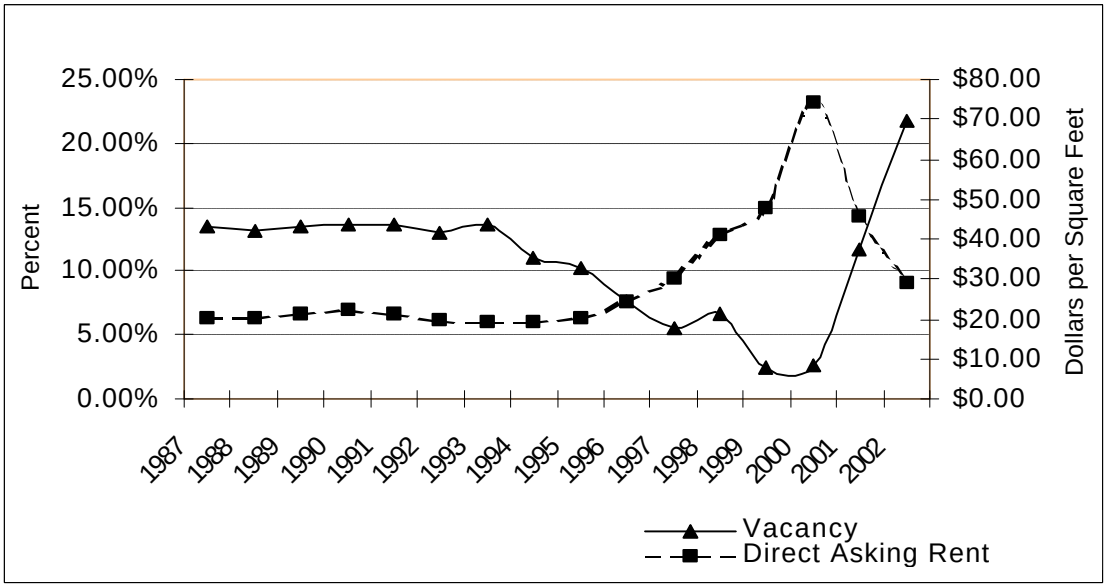
By the end of 2002, overall vacancy for the Downtown increased to a record high 19.7%. Class A asking rents declined to $31.80 psf, just 6% above the low of 1993 when adjusted for inflation. SoMa remained the most affected area with a vacancy rate of 36.5%, totaling nearly 4 million square feet of available space, in part because of industrial to office conversions by failed dot-com businesses during the late 1990's. Asking rents in SoMa declined more than 60% from the 2000 peak of $66.60 psf to $25.80 psf in 2003. By the end of 2003 the Downtown office market stabilized, but only after rents fell a staggering 55% from the 2000 peak. (Figure 2.15)

Figure 2.14: C-3 Space Available for Future Jobs

Space Available for Future Office Jobs	*18,198,556*
- Space Needed for Projected Office Employment by 2025	*11,366,370*
Additional Available Office Space Remaining after 2025	***29,564,926***

**Sources: Planning Department, Building Department, ABAG Projections 2025*

Figure 2.15: Total Vacancy versus Asking Rents (1987-2002)



URBAN FORM

Following the *Urban Design Element* of the *General Plan*, the *Downtown Plan* makes specific recommendations for building height, bulk, and appearance for new construction in the C-3 District. The *Plan* considers the appearance of new construction as it relates to the skyline composition viewed from a distance, as well as how buildings meet the street. These requirements were put in place to create an interesting and legible city form, and to ensure that new Downtown development is consistent with existing city patterns and development. Individual buildings, the *Plan* asserts, should complement and enhance the overall city pattern, rather than create isolated structures that compete with one another for visual prominence.

The *Plan* achieves these goals by crafting height, massing, and design guidelines. In considering the overall Downtown form, the *Plan* calls for the clustering of tall buildings, heights that taper to surrounding districts and to the waterfront, and tower shapes that decrease in bulk as they increase in height, and contain a visually interesting termination. To achieve streetscape interest, the *Plan* calls for buildings to come to the sidewalk edge, facades that are consistent with neighboring buildings (both in terms of streetwall heights and horizontal rhythm), and avoiding blank street frontages in favor of active ground-floor uses. Additionally, the *Plan* uses tower height and bulk requirements to ensure adequate sun and sky access to streets, and to minimize wind exposure at street level.

Using existing examples of developments built following the *Downtown Plan* guidelines, this section provides an assessment of how Downtown development constructed since the *Downtown Plan* was enacted has met the above goals. The examples used here are chosen to illustrate specific physical attributes that fulfill or fall short of the *Downtown Plan* goals; they are not necessarily representative of all recent Downtown construction. That is, this is not a systematic analysis of all Downtown development since 1985; however, some effort is made to relate the findings discussed here to broader issues with the *Downtown Plan's* implementation that may need to be further reviewed. It is important to note that the *Downtown Plan* does not cover every building built since 1985. Those developments that were entitled before the *Downtown Plan* was enacted were not subject to its requirements, even if they were constructed later. It is also important to consider that the *Downtown Plan* requirements were set for commercial, not residential, development.

SKYLINE COMPOSITION

The *Downtown Plan* describes the cluster of tall buildings with their high point near the foot of Market and Mission Streets as a visual punctuation in the city's form, similar to the city's hills and bridges, and asserts that this form should be conserved as a defining urban topographical feature. It codifies this shape by sculpting height limits for the C-3, with high points around the intersection of 1st and Mission Streets, and a somewhat lower peak near the intersection of Market and 11th Streets connected by a low ridge of development along the length of Market Street. Height limits taper from there to surrounding districts and to the waterfront. The purpose of the carefully tailored height limits is to create a distinct skyline element, and to keep high-rise development from bleeding into surrounding

Compact high-rise development downtown creates a distinct visual highlight as a counterpoint to the city's hills and bridges.

districts and flattening out the city's defining topographic variation. The compact form of Downtown is also intended to cluster businesses into a walkable center, so that people working in offices can walk to other businesses and services.

For the most part, high-rise construction within San Francisco has taken place within this Downtown cluster of buildings, where higher height limits are employed. With the C-3 area north of Market primarily built out, however, a high percentage of new high-rise construction since 1985 has taken place between Market and Howard Streets, effectively moving the peak of the cluster towards the south, while retaining its consistency as a visual element. This fulfills the intent of the plan, which also places peak heights between Mission and Howard Streets.

There are current plans to develop high-rise towers around a rebuilt Transbay Terminal and in Rincon Hill, which will alter the area's urban form, shifting the apex and the tapering building heights surrounding it to the south. Discussions are ongoing regarding the exact locations and heights of new development in these areas.

Although much new development has acted to preserve the compact shape of Downtown, as identified in the *Downtown Plan*, there has also been some recent high-rise development outside of this core. Areas such as Rincon Hill, South Beach and Mission Bay have seen the emergence of mid-rise towers, which begin to diminish the clarity of the Downtown mound as a skyline element, and block views of it from the south. Although these areas are outside the jurisdiction of the *Downtown Plan*, their form will affect how Downtown is viewed from afar.

Recently built residential towers in Rincon Hill (left) and South Beach (right)

On Howard at First Streets, two new nine and ten story buildings were built in an area designated for 400 foot heights, with two others planned

Conversely, there has been some recent low-rise office construction in areas the *Downtown Plan* designates for nearly the highest heights. Since the plan assumed that buildings would be built to the highest height allowed, it shaped height limits to create a tapering, sculpted skyline composition. Where buildings are built significantly under this height limit, these low-rise buildings act against this intent.

In order to create an interesting skyline, and to avoid the flat-topped high-rise style prevalent in the 1960s and 70s, the *Downtown Plan* also calls for the tops of new buildings to be more visually interesting and varied, and to setback at upper stories so that building massing decreases with increased height.

These upper-story setbacks make large buildings look smaller, generate interesting building shapes, and allow more sun and sky access to streets. Recent developments, such as 100 First Street (shown below) have interpreted this requirement in a variety of different ways.

STREET-LEVEL URBAN DESIGN

The *Downtown Plan* also stipulates urban design requirements to create an active urban environment from the perspective of people walking on Downtown streets. The *Plan* directs new construction to build to the sidewalk line, maintain prevailing streetwall heights, minimize reflective materials and create active ground-floor designs and uses.

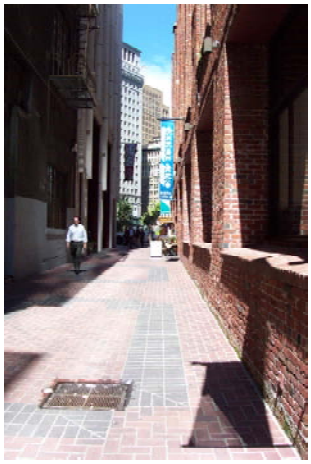
New construction has achieved these guidelines to varying degrees. Most examples of new construction are built to the sidewalk line, defining the sidewalk space and creating streetscape interest. This is a positive change when compared with high-rise buildings built prior to the *Downtown Plan* in the 1960s and 70s. Many of these structures were built away from the street, with landscaping or high arcades in front and entries located well off the street, creating blank, often unusable frontage.

Some new commercial buildings contain successful and active retail frontages and high levels of window transparency at ground levels, while others have no retail at all, or forbidding dark glass at ground level. Many buildings have also attempted to align podiums and horizontal rhythms with surrounding buildings, or to break up the façade below a certain level into vertical elements that reflect prevailing lot widths.

In many instances, however, ground level and lower level facades in recent C-3 construction are not as active, visible,

New buildings at 150 California Street (top) and 343 Sansome Street (bottom) match horizontal and vertical rhythms to neighboring development.

or clearly identified as retail spaces as they potentially could be. Many office buildings have only one retail space, comprising a small portion of the overall façade, and leaving long gaps in retail frontage on the street. These gaps are especially noticeable on important retail corridors, such as Mission Street. Other retail spaces are out of scale with, and use different materials, shapes and detailing than neighboring retail frontages, decreasing their efficacy in adding to the life of the street.



Sun access to streets and alleys: Buildings entitled before the Downtown Plan *and not built to its requirements, do not allow sufficient sun to streets or mid-block pathways (left). Sun on Ecker Street, an important pedestrian connection between Market and Mission Streets (right).*

MICROCLIMATE

The *Downtown Plan* also sets height and massing guidelines so that buildings are oriented to maximize sun access to streets and public spaces and minimize wind exposure at street level. These requirements result in maximum podium heights, related to the angle and width of the street, for new construction in certain locations. This policy preserves sunlight in key locations at key times of the day. Due to the compact nature of development in the area, however, the *Downtown Plan* notes, it is unrealistic to require sun access at all times of day.

Belden Lane, a sunny spot for office workers to eat lunch.

There are also controls to minimize high-rise construction surrounding key conservation alleys, such as Belden Alley and Claude Lane. Because of this regulation, these streets have retained an intimately-scaled atmosphere that provides a sunny space for office workers to lunch. Some other alleys and pedestrian ways that are not identified for conservation do not trigger these height and bulk regulations and have become dark as a result. For example, Ecker Street, though it is a very well-used pedestrian throughway from Market to Mission, can be quite dark even in the middle of the day.

Chapter 3: Downtown Support Services

Projecting an increase of 90,000 jobs in the downtown by the year 2000, the *Downtown Plan* concluded that significant impacts on demand would exist for housing, transportation, open space, and childcare. Accordingly, the *Plan* proposed specific targets to increase housing supply, improve transportation systems, and create new open spaces and childcare facilities. It called for an increase in housing construction by 1,000 to 1,500 units per year; an increase in ridesharing from 1.48 to 1.66 persons per vehicle; improvements to the public transit system; and an increase in the use of transit by Downtown workers from 64 to 70% of all work trips. New development projects are required under the *Downtown Plan* to contribute to funds for housing, transit, open space and child care, and to provide some of these amenities directly, to offset the impacts generated by new development.

For the larger area defined by the 1985 C-3 district boundaries, employment increased from roughly 283,000 to 313,000. Although less than the projected 90,000 job increase, this still represents a significant change with regards to impact on services and infrastructure.

New developments have contributed approximately $40 million to affordable housing, $96 million to transit

(collected since 1981), $9 million to open space, and $4 million to childcare services between 1985 and 2002. The fees collected by year are shown in Appendix D. Additionally, projects have created on-site open spaces and transportation demand management programs.

This chapter assesses how well the services and amenities provided or funded by new development have met the demands of a growing Downtown office population. The chapter is divided into Housing, Transportation, and Other Services. Other Services includes assessments of open space and childcare, and discusses the state of historic preservation and seismic safety for Downtown buildings, two other goals of the *Downtown Plan*.

HOUSING

The *Downtown Plan* provided a yearly housing production schedule of an average of 1,000 to 1,500 units per year citywide. This goal was achieved with an average of 1,200 units of housing completed per year between 1985 and 2002. Housing production between 1999 and 2002 surpassed the goals of the *Downtown Plan* with an average of 1,800 units completed each year. Moreover, San Francisco was one of the three counties in the Bay Area to reach a jobs/housing balance as reported by ABAG in *Projections 2002*.

The *Downtown Plan* is not the housing plan for the city, and housing produced as part of this *Downtown Plan* is not expected to meet the goals established by the California Housing and Community Development Department (HCD). HCD requires that each county provide housing for 50 percent of the new workforce. These goals were established in 1989, after the adoption of the *Downtown Plan*. HCD has established San Francisco's share of the Regional Housing Needs Determination (RHND) from 1999 to June 2006 to be 20,372 units or an average of about 3,000 units per year. The HCD has also stipulated that 36% of these units should serve above moderate income levels, 28% should serve moderate income levels, and 36% should serve low and very low income levels.

All figures reported here are taken from the *Housing Inventory*, including the *Draft 2001/2002 Housing Inventory*; Planning Department databases; the Department of Building Inspection; and the California Housing and Community Development Department. The Planning Department prepares an annual edition of the *Housing Inventory*, which details new housing construction, demolitions and alterations of market rate and affordable housing citywide, and at the district level.

OVERALL HOUSING PRODUCTION

A large number of units were completed in 1990 and 1991. With the downturn in the economy in 1992 and 1993, housing production slowed to a near standstill. In 1993, only 379 newly constructed units were produced. In 1994, the Redevelopment Agency produced a large number of affordable housing units, but between 1995-1999 housing production remained very low. Since 1999, there has been a dramatic increase in housing production. In 1999, 3,400 units were approved and granted building permits and 1,285 units were built. In 2000, the number of permits approved dropped to just under 3,000 units, and a total of 1,626 newly constructed units appeared on the market: this was the first time that production surpassed *Downtown Plan* housing goals since 1991. In 2001 and 2002 production numbers continued to increase with a total of almost 2,500 units completed in 2002. (See Figure 3.1)

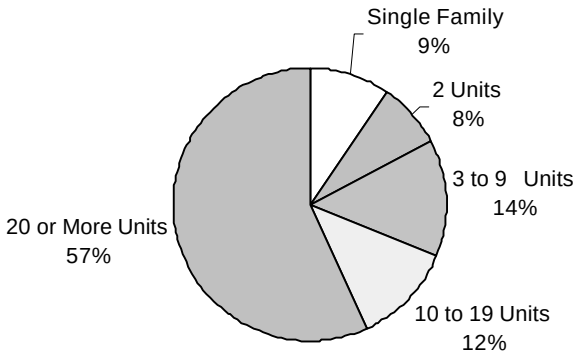
Despite the recent downturn in the economy, the housing market has remained strong. Over 7,000 units have been proposed citywide and are awaiting approval by the Planning Commission. In the C-3 district, 2,500 units have been filed with the Department of Building Inspection. As these projects get approved, many more housing units will enter the market in the next few years.

In part, the increase in housing production is a result of the production of live/work units. From 1987–2002, 2,700 live/work units were built or rehabbed. The 437 live/work units completed in 2000 accounted for almost 30% of the year's new housing stock. An ordinance prohibiting the construction of live/work was passed in 2001, and no new live/work units were subsequently approved. Completion of live/work units slowed to 298 in 2001 and 261 in 2002. Prior to this ordinance, 880 more live/work units were approved by the Planning Department, and these units may still be built.

San Francisco's total housing stock consisted of 349,908 units as of April 2003. This total grew by almost five percent since 1992. In the last ten years, new development has tended toward higher density housing consisting of ten units or more. Between 1991 and 2002, 69% of new units constructed consisted of units in buildings of ten or more units. (Figure 3.2) In 2002, 76% of all new units citywide were built in developments with ten or more units.

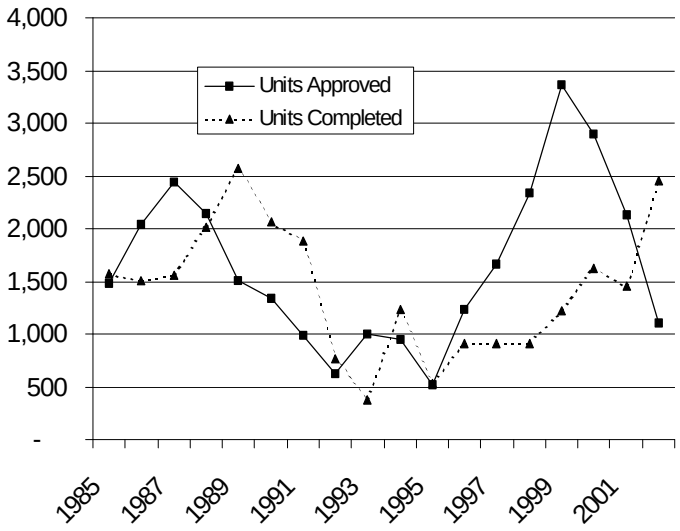
HOUSING AFFORDABILITY

Figure 3.2: Building Type (1991-2002)



In San Francisco, affordable housing is primarily produced by non-profit housing developers, by the Redevelopment Agency, as inclusionary[1] housing within large market-rate projects, or as part of the Jobs-Housing Linkage Program. Existing housing and residential hotels remain a valuable source of housing that is more affordable than new, market-rate units.

Figure 3.1: New Housing Units in San Francisco



[1] As of March 2002 every residential project with 10 or more units must supply 10% of its units to be affordable in projects that are permitted as-of-right and 12% of the units to be affordable if the project requires conditional use approval. The target population for these units is households with incomes of between 60% and 100% of median income. This requirement was modified from a pervious policy that required 10% of the units to be affordable for all projects that filed for conditional use or planned unit development status.

Between 1996 and 2002, 2,375 affordable[2] units were built. Cumulatively, despite many projects being built without affordable housing, 25 percent of new units constructed between 1996 and 2002 were affordable. However, many of these affordable units replaced demolished, older units. While not strictly held to affordability requirements, older, units are generally more affordable than new market rate units. Between 1996 and 2002, 716 units were demolished.

In 1994, following a period in which little market-rate housing was being constructed, the public sector built 776 affordable housing units, or 63% of the total housing constructed that year. Since 1994 more market-rate housing has been built than affordable housing. In 2002, 625 of the units produced were affordable: 239 units served very low income populations, at or below 50% of median income; 287 units served low income populations, at or below 80% of median income.

The influx of live/work projects in the late 1990s as a proportion of all projects built in San Francisco had a negative impact on inclusionary affordable housing. Until the adoption of the Inclusionary Housing Ordinance in March 2002, Live/Work projects, like all large projects that did not file for a conditional use, were not required to provide inclusionary housing. Between 1996 and 2000, 88 market rate residential projects were built. Sixteen percent of those 88 projects contained affordable units. The number of affordable units built as inclusionary housing represents about five percent of the total units in these projects.

After steep increases in the late 1990s, rental rates began to fall in 2000. Nonetheless, San Francisco's housing market remains strong. The median asking rent for a two-bedroom apartment in San Francisco rose from $1,274 to $2,750 between 1994 and 2000 (constant 2000 dollars), a 115% increase in 6 years. By 2002 the average rent for a two-bedroom unit in San Francisco had decreased by 23% since 2000. Between 1994 and 2000, the median price of a three-bedroom home in San Francisco leapt from $274,690 to $543,059, or 70% in constant 2000 dollars.

There are a limited number of residential hotel rooms in San Francisco. However, they present a unique and irreplaceable resource for many thousands of lower income households. The *Downtown Plan*, with this in mind, was the impetus for the Residential Hotel Conversion Ordinance (RHC). Under the direction of this ordinance, the existing stock of residential hotel rooms is preserved by regulating

Figure 3.3: Median Home Price

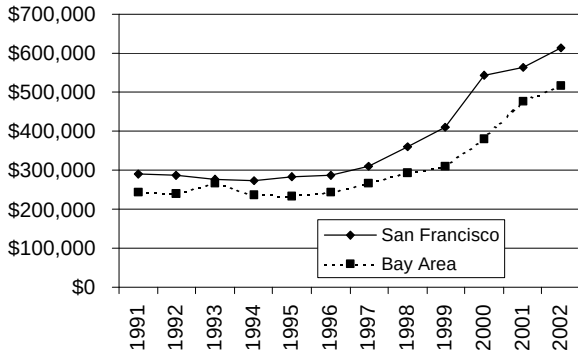
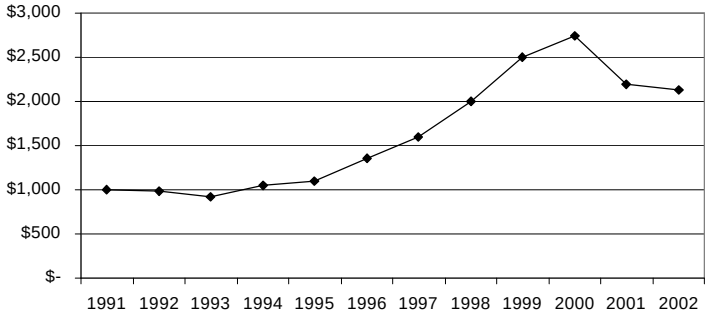


Figure 3.4: Average Rental Cost of a Two-Bedroom Apartment



[2] Affordable units must be affordable to residents making less than 120% of the median income, as established by the Mayor's Office of Housing.

their conversion to commercial uses. Between 1996 and 2002, a net loss of 392 residential hotel rooms was recorded citywide. As of 2002, there were 19,375 residential hotel units in San Francisco, with 3,142 units Downtown.

Prompted by the Downtown Plan, the Board of Supervisors in August 1985 determined that large-scale developments attract additional employees, creating a direct correlation between new development and the increased demand for housing. To alleviate some of these additional pressures on the housing market, the Office Affordable Housing Production Program (OAHPP) was created (renamed the Jobs-Housing Linkage program in 2001). This program required developers of all new buildings larger than 50,000 gross square feet to contribute to the development of affordable housing. This legislation was modified in 1990 and again in 1999 and currently all commercial projects with a net addition of 25,000 gross square feet are required to contribute. From 1985 until June 2003, approximately 1,000 units of affordable housing have been produced with funds from this program.

There are three ways for a developer to fulfill this housing contribution requirement: they can build the housing themselves, pay a sum or contribute land to another housing developer to build the affordable units, or they can contribute an in-lieu fee to a fund administered by the Mayor's Office of Housing.[3] The Citywide Affordable Housing Fee was set up to provide the city with the financial resources to develop citywide affordable housing for qualifying households.[4]

This requirement was developed based on the housing demand generated as a result of the potential for new jobs created by office construction. Fees and affordable units were calculated based on the expected employment density of new commercial developments, the percentage of employees therein that would opt to live in San Francisco, and the number of working adults per housing unit. The program requires that 62% of the units created through use of the fund be affordable to households of low or moderate income and must remain affordable for 50 years.

Since 1985, a total of 67 projects that were subject to the OAHPP requirements have contributed fees to the Affordable Housing Fund. Approximately $39.7 million has been collected since 1985, 88% ($34.9 million) of which has been collected since 1995. Appendix C describes the projects that have been built with funding from the OAHPP program.

HOUSING IN AND AROUND DOWNTOWN

Objective 7 in the *Downtown Plan* states that "the city should expand the supply of housing in and adjacent to Downtown." From 1990 through 1997, only four residential projects producing 174 units were completed in the C-3 district. Since 1998, four more residential projects with 697 units have been completed within the C-3 boundaries. Based on preliminary estimates, housing in the C-3 is expected to increase dramatically over the next few years, with 353 units filed in 2001 and 1,491 units (which includes a net gain of 1,033 units on the Trinity Plaza site) filed in 2002 with the Planning Department and awaiting approval. Since the first live/work project Downtown was completed in 1996, 105 live work units have been built. There are an additional seven approved projects with 146 live/work units in the Downtown, which may be built in the future.

Through pending legislation, redevelopment plans, and planning initiatives, housing in and near Downtown is projected to increase dramatically. Legislation that incentivizes housing in the Downtown has recently been proposed. The legislation proposes to exempt dwelling

[3] If they build the housing themselves they are required to build 14 units of affordable housing for every 100,000 square feet of entertainment space developed, 11 units of for every 100,000 square feet of hotel space developed, 27 units for every 100,000 square feet of office space developed, 20 units for every 100,000 square feet of R&D space developed, and 14 units for every 100,000 square feet of retail space developed.

[4] As of January 2002, the fees per net additional gross square feet of use are: Entertainment: $13.95; Hotel: $11.21; Office: $14.96; R&D: $9.97; Retail: $13.95.

Figure 3.5: New Housing Units 1990-2002
(excluding rehabs)

Year	C-3	Area 1000' outside of C-3	Citywide
1990	102	199	2,065
1991	0	333	1,882
1992	0	31	767
1993	0	239	379
1994	59	192	1,234
1995	0	185	532
1996	0	121	909
1997	13	168	906
1998	0	0	909
1999	0	0	1,225
2000	0	16	1,626
2001	115	442	1,460
2002	495	256	2,459
Total	784	2,182	16,353

Figure 3.6: Housing Units Filed with the Planning Department 1998-2002

	Filed		
	C-3	Area 1000' outside of C-3	Citywide
1998	52	35	951
1999	0	179	1370
2000	376	396	4135
2001	353	768	2075
2002	1491	1073	4702

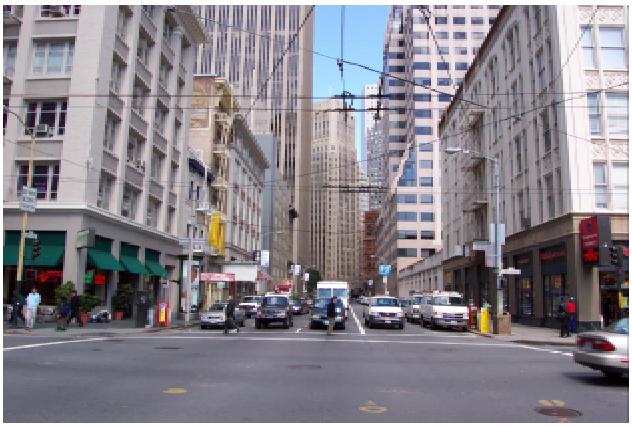
units from the floor area ratio calculations, to eliminate certain restrictions on the transfer of development rights, and to increase the maximum density ratios. The area around the Transbay Terminal is expected to see dramatic changes with the redevelopment of the terminal and the availability of old freeway parcels for housing development. Potential residential buildout of the area is approximately 4,700 units.

The Planning Department is also undertaking a plan to create the potential for approximately 4,000 new units in the Rincon Hill area. The Planning Department is also undergoing a community planning process in the South of Market neighborhood. As part of this planning process, SoMa will be rezoned so areas in the north and east can accommodate more housing. The residential buildout for this area is projected to be between 3,100 and 6,600 units.

TRANSPORTATION

In its "Moving About" section, the *Downtown Plan* supported "the efficient movement of persons" through the development of transit and other alternative modes of transportation to the automobile. In an attempt to mitigate many of the potential negative impacts resulting from increased traffic from significant job growth, the *Plan* supported the policies of Transit First in the Downtown and established specific targets for commuter vehicle occupancy rates (people per car) and modal shift (less single occupancy automobile trips and more public transit ridership). Ridesharing into Downtown was expected to experience an increase in average vehicle occupancy during the peak period from 1.48 to 1.66; and transit share of all peak period trips into Downtown was expected to rise from 64 percent to 70 percent in 2000.[5] In the case of transit, targets were set to accommodate 90,000 new jobs in the C-3 District by 2000, without increasing the number of autos beyond Downtown's capacity. These targets are defined by changes in ridership and capacity for transit operators serving San Francisco, vehicle occupancy rates for cars entering the City, and the number of off-street parking spaces in the C-3 District.

Available data indicate that most objectives were not met.[6] Until the mid 1990s, a decline in the number of jobs eliminated the pressure that new commuters would have created on the transportation system; however, in the latter part of that decade, the city experienced significant job growth that may have triggered a rise in the drive alone rate to fringe areas of the Downtown, where transit service is less accessible. Since relevant data are not presently available for 2000, it is still not possible to determine whether the occupancy and transit share targets were actually met.



Based on available data from the 1990s, it is unlikely auto occupancy targets were met. It is possible, however, that transit mode share may have come close to the year 2000 target set by the *Downtown Plan*. According to past highway counts, vehicle occupancy on the bridges continued to decline during the 1990s, continuing a trend that began in the previous decade. In contrast, both the 1995 Citywide Travel Behavior Survey (CTBS) and the 2000 Transportation Management Association of San Francisco (TMASF) Survey indicate that transit mode share of all Downtown work trips did not decrease significantly over the period, and in fact, was probably somewhere between 65 and 70% in 2000. However, there is reason to believe from these surveys and residence-based surveys conducted by RIDES that automobile use may in fact have increased as a result of significant losses in the proportion of commuters sharing a ride to work.

This section provides an update on the transportation-related trends and patterns that have evolved over the past ten years, since publication of the 1994 *Downtown Monitoring Report*. During the past decade, San Francisco has witnessed both periods of transit growth and decline, both in terms of passenger demand and service capacity. This section also provides a summary of the Transit Impact Development Fee (TIDF) program and the ongoing efforts to revise its fee structure to better finance needed service improvements throughout the City.

[5] Peak periods have varied over time from two to three hours when the maximum amount of travel occurs; peak hours are the 60-minute periods in the morning and afternoon during which vehicle volumes are the highest.

[6] Work-based mode splits from the Census 2000 Journey-to-Work data are due to become available in Spring 2004.

TRANSIT RIDERSHIP AND MODE SPLIT

According to the 1995 CTBS Report, released by the San Francisco County Transportation Authority (SFCTA), the modal split for workers commuting to work in all of San Francisco was 46% taking transit, 31% driving alone and 15% using rideshare; the mode split for workers commuting from work is only slightly different. This pattern is identical to the one reported earlier in the 1992 CTBS report. While travel patterns have probably changed in the past decade, the 1995 CTBS is the most recent citywide survey available.

People who work in the Superdistrict 1 (an area limited by Van Ness Avenue, Townsend Street and the San Francisco Bay) are more likely to take transit regardless of where they live. Approximately 61% of all work trips destined for Superdistrict 1 were taken on transit (see Figure 3.7), a figure that is significantly higher than the citywide transit share (46%) (Figure 3.7). As Superdistrict 1 includes commercial and residential areas north of the Downtown that are not as easily accessible, transit mode share is higher in the C-3 district than it is in the Superdistrict 1. It is still unclear whether the 70% transit share target established in the *Downtown Plan* was met. However, based on past CTBS and TMASF survey data, there is reason to believe that transit mode share for work trips to the Downtown was at least 65% in 2000.

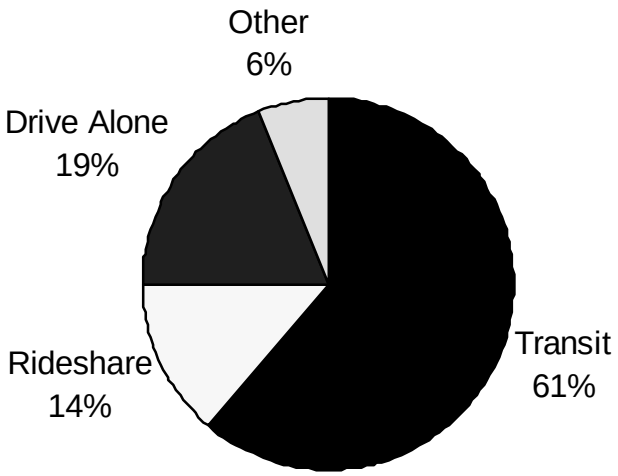
Figure 3.9 give a geographic breakdown of the origin of trips to San Francisco, by mode. In general, the table shows a predominance of drive alone trips from the South Bay and the use of transit and rideshare from the East Bay and other parts of San Francisco, while the North Bay exhibits a disproportionately high number of bus and ferry trips into San Francisco. A higher percentage of workers that drive alone into San Francisco come from the South Bay, the Southeast Quadrant of San Francisco, and the East Bay, while a higher percentage of carpool trips come from the East Bay and the South Bay. Due to relative proximity, most walk and bicycle trips tend to originate in

San Francisco, especially in Superdistrict 1, the Northwest and Southeast Quadrants.

Figure 3.10 provides the modal split for employees working in member buildings of the Transportation Management Association of San Francisco (TMASF), according to the 2000 and 2002 TMASF Commuter Behavior Surveys. The 2000 data clearly shows that while workers in SoMa tend to drive alone, walk and bicycle more frequently than their counterparts in the Financial District do, the two groups have similar rideshare rates. One reason for the difference in drive alone rates may be that access to transit is generally better in the Financial District. A high drive alone rate for SoMa can be attributed to the ample availability of parking facilities in this area and its relative proximity to the Central Freeway and the Bay Bridge.

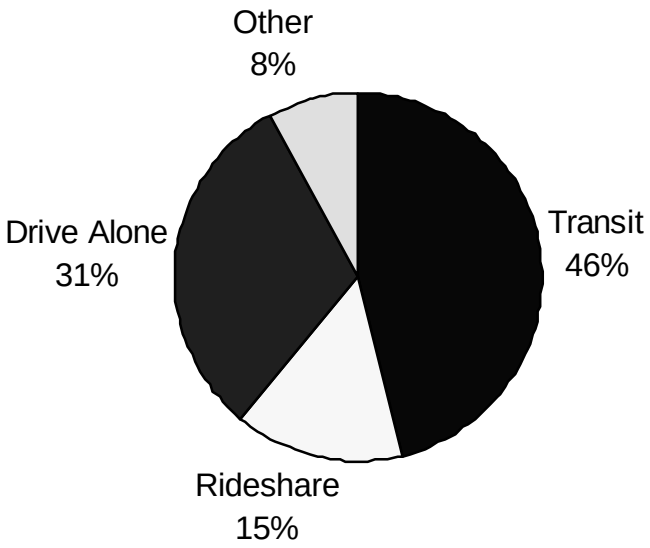
A comparison of the 2000 and 2002 survey data for all Downtown trips, shows almost no change in the proportion of drive alone trips (just under 14%) and transit trips (close to 72%); however, between 2000 and 2002, the proportion of bicycle and walking trips decreased from seven to three percent, and the proportion of rideshare trips increased from eight to eleven percent.

Data on commute time to work provide a relative measure of access to and from centers of employment. The 1995 CTBS data for work journeys showed that close to 15% of all workers in Superdistrict 1 had one-way commutes



Source: 1995 CTBS

Figure 3.7: Mode Share to Work for Downtown Workers (Superdistrict 1) (P.M.)



Source: 1995 CTBS

Figure 3.8: Mode Share to Work for All San Francisco Workers (P.M.)

Mode	Trip origin								
	Greater Downtown	*Northwest Quadrant*	*Southeast Quadrant*	*Southwest Quadrant*	*East Bay*	*North Bay*	*South Bay*	*Other*	*Total*
Drive alone	4.30%	14.10%	17.00%	11.70%	16.90%	10.20%	23.90%	1.90%	**100.00%**
Carpool	3.30%	10.80%	11.40%	7.50%	37.80%	11.30%	16.90%	1.00%	**100.00%**
Vanpool	0.60%	0.00%	0.60%	0.00%	83.30%	7.90%	1.90%	5.60%	**100.00%**
Public Bus	16.60%	30.90%	13.20%	7.90%	7.80%	15.70%	6.90%	1.00%	**100.00%**
MUNI Metro/	14.90%	27.20%	25.30%	30.20%	0.20%	0.00%	1.90%	0.30%	**100.00%**
Cable Car									
BART	6.50%	0.30%	13.60%	1.60%	69.90%	0.20%	11.60%	1.60%	**100.00%**
Caltrain	0.00%	0.10%	0.90%	0.00%	2.40%	0.10%	95.50%	0.90%	**100.00%**
Ferry	1.50%	0.00%	1.00%	0.00%	28.40%	66.80%	0.00%	2.20%	**100.00%**
Priv. Shuttle	10.90%	21.00%	22.30%	7.90%	11.40%	9.60%	15.30%	1.70%	**100.00%**
Motorcycle	15.80%	20.40%	22.60%	10.30%	14.10%	8.20%	8.20%	0.50%	**100.00%**
Bicycle	15.00%	38.30%	32.50%	9.60%	2.40%	1.10%	1.10%	0.00%	**100.00%**
Walk	53.40%	21.90%	13.30%	7.70%	1.70%	0.60%	0.70%	0.70%	**100.00%**
Other	15.70%	20.90%	24.00%	9.80%	3.50%	7.70%	16.70%	1.70%	**100.00%**
Total	**8.90%**	**14.60%**	**15.00%**	**9.00%**	**27.90%**	**8.10%**	**15.00%**	**1.4**	**100.00%**

Source: San Francisco County Transportation Authority, 1995 Citywide Travel Behavior Survey(CTBS)

Figure 3.9: Mode Share to Work for All San Francisco Workers (P.M.)

of less than 15 minutes, while close to 30 percent have commutes of more than 45 minutes. In contrast, the 2000 TMASF survey found that seven percent of workers have one-way commutes of less than 15 minutes, while nearly 40 percent have commutes of more than 45 minutes (see Figure 3.11). This difference may be attributed to the fact that the CTBS survey covered Superdistrict 1 while the TMASF survey concentrated on office buildings in the Downtown core, which may attract a larger proportion of out-of-city trips.

Figure 3.11: Commute Time

One-way time	Total Percentage of Trips		
(in minutes)	*CTBS Survey*		*TMASF Survey*
	To Work	**From Work**	**To/From Work**
one-15	15.90%	14.90%	7.20%
16-30	32.30%	29.90%	29.80%
31-45	25.40%	24.60%	25.80%
46-60	16.30%	17.60%	23.20%
61+	10.00%	13.00%	14.10%

Sources: SFCTA, 1995 CTBS; TMASF, 2000 Commuter Behavior Survey

San Francisco Municipal Railway (MUNI) - Ridership and Capacity

Although MUNI suffered some ridership losses in the early 1990s, recent data suggest that daily systemwide ridership has gradually increased, from 685,000 in 1994 to slightly more than 700,000 in 2000 and more than 720,000 in 2002. While recent data have suggested an overall rise in regional transit ridership, MUNI's increase in average daily ridership may partly be attributed to the expansion of MUNI Metro service to the CalTrain Depot and F-Line service to Fisherman's Wharf.

Despite these gains, peak period and peak hour ridership has continued to decline, following a regional trend toward a higher proportion of riders traveling in the off-peak. Afternoon peak period ridership declined by 11% between 1989 and 1994, and by almost 20% between 1994 and 2000 (see Figure 3.12). During the latter time interval, peak period ridership from Downtown to the Northwest Quadrant increased by 21%; however, ridership to the remaining quadrants declined by an average of 34%. In contrast, the total MUNI peak period capacity has slightly increased over this period of time.

Figure 3.10: Mode Share to Work for TMASF Employees (P.M.)

Mode	Trip Destination			
	2000			*2002*
	Core Financial District	**South of Market**	**All Downtown**	**All Downtown**
Drive Alone	9.20%	20.00%	13.80%	13.60%
Carpool	7.60%	6.90%	7.20%	10.20%
Vanpool	0.40%	1.10%	0.70%	1.10%
Public Bus	27.30%	22.30%	25.10%	20.00%
MUNI Metro/Cable Car	6.30%	10.30%	8.00%	8.70%
BART	35.60%	26.30%	31.60%	36.90%
Caltrain	2.90%	0.70%	1.70%	2.70%
Ferry	5.00%	4.00%	4.60%	2.70%
Priv. Shuttle	0.40%	0.60%	0.50%	1.10%
Bicycle	0.80%	9.60%	1.40%	0.60%
Walk	4.60%	6.30%	5.30%	2.40%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Source: Transportation Management Association of San Francisco (TMASF), 2000 & 2002 Commuter Behavior Surveys

Similarly, peak hour ridership declined by almost ten percent between 1994 and 2000. Again, ridership from Downtown to the North-west Quadrant actually increased, while ridership to the other quadrants declined substantially. Nevertheless, peak hour capacity was virtually unchanged during the period; hence, service to all four quadrants, particularly the Northeast Quadrant, is currently operating below capacity.

Transit Ridership and Service from the East Bay

Figure 3.13 shows the mode split of East Bay commuters to San Francisco. BART carries the most transit riders from the East Bay into San Francisco (51% of all commuters), far exceeding AC Transit, the major bus operator, and ferry services from Oakland, Alameda and Vallejo.

The East Bay contributes a high proportion of all Downtown workers traveling by transit. Only 27% of all Downtown workers were from the East Bay, whereas 34% of Downtown workers taking transit were from the East Bay. More importantly, the East Bay is the home of more than 65% of all workers entering Downtown from outside of San Francisco. Currently, East Bay commuters are the only group coming from outside the county that exceeds 1984 transit ridership levels.

Transit Ridership and Service from the North Bay

Golden Gate Transit (GGT) provides bus and ferry service from the North Bay counties of Marin and Sonoma into San Francisco. Figure 3.13 shows the mode split of North Bay commuters to San Francisco. Past studies have shown that travel analysis that focuses solely on Downtown work sites yields a higher North Bay transit share (greater than 50%), a smaller proportion of drive-alone commuters (about 26%) and the same percentage of rideshare commuters.

Between 1994 and 2000, the Golden Gate Transit system experienced a steady increase in average daily ridership, from 36,100 to more than 38,000. During this period, there was a nine percent rise in peak period bus ridership (from 4,800 to 5,200); however, peak period ferry ridership actually decreased by 14%, from 1,500 to fewer than 1,300 riders. Peak hour bus ridership increased 12%, from 2,800 to more than 3,100, while peak hour ferry ridership decreased 17%. Although recent ridership data are not available, there is reason to believe that the service cuts and fare hikes implemented in 2003 will have a detrimental effect on both bus and ferry ridership levels in 2003 and 2004.

Transit Ridership and Service from the South Bay

SamTrans, a county-wide bus system, and CalTrain, a regional rail linking San Francisco with San Jose, are the principal transit operators serving Downtown workers living in the South Bay. In addition, BART provides service in the South Bay on its Millbrae and SFO lines. Figure 3.13 shows the mode split of South Bay commuters to San Francisco. Commuters from the South Bay show the highest drive alone percentage compared to any other area within and outside of San Francisco: 51% versus 32% regionwide.

Overall, there have been negligible changes in the percentage of Downtown workers taking transit from the South Bay; however, since 1994, systemwide ridership on SamTrans has declined by more than five percent, while ridership on CalTrain has increased by more than 23%.

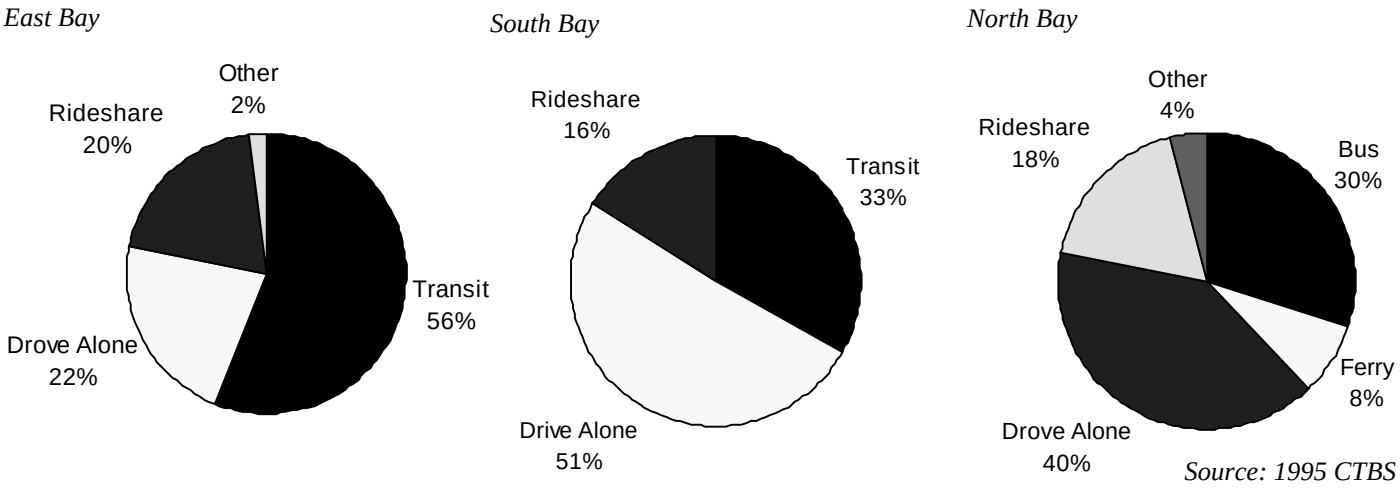
SamTrans service from San Francisco experienced substantial declines in ridership and capacity during the peak period and peak hour (see Figure 3.12). SamTrans has seen a 30% decline in peak period riders (2,300 to 1,600), and a 22% decline in capacity (3,200 to 2,500 seats). Additionally, SamTrans has experienced a 47% decline in the number of peak hour riders (1,300 to 700), and a 48% decrease in capacity (1,800 to just over 900 seats). Between 1989 and 1994, there had been almost no change in peak period levels of demand and supply.

In contrast, between 1994 and 2000, CalTrain experienced significant systemwide growth (more than 20%) and higher levels of ridership during the peak period. Peak period ridership has risen 19% (3,200 to 3,800 riders), while peak period capacity has been increased by 17% (from 5,500 to 6,400 seats). On the other hand, peak hour ridership has declined by 12% (from 2,300 to 2,000) and peak hour capacity has decreased by five percent.

Figure 3.12: P.M. Peak Period Transit Patronage: San Francisco Outbound Travel

	1989		1994		2000	
	Riders	*Seats*	*Riders*	*Seats*	*Riders*	*Seats*
P.M. Peak Hour						
MUNI NE	5,700	5,700	4,800	5,400	3,100	4,300
MUNI NW	8,100	7,300	6,300	6,700	8,500	9,900
MUNI SE	5,800	6,400	4,600	5,800	3,600	4,100
MUNI SW	10,200	8,900	8,700	8,500	6,700	7,700
MUNI Total	29,800	28,300	24,400	26,400	21,900	26,000
BART (Transbay)	13,700	11,500	15,900	12,000	20,100	12,900
AC Transit	4,400	6,200	2,200	4,000	2,000	4,100
SamTrans	1,500	2,000	1,300	1,800	700	900
CalTrain	2,200	3,900	2,300	3,800	2,000	3,600
Golden Gate Bus	2,500	3,700	2,800	3,600	3,100	5,300
Golden Gate Ferry	1,000	3,400	900	3,400	800	2,400
P.M. Peak Period						
MUNI NE	10,200	9,700	8,900	10,000	5,300	8,600
MUNI NW	12,700	12,500	11,700	12,500	14,100	19,900
MUNI SE	10,000	11,000	8,600	10,700	5,900	8,200
MUNI SW	10,200	15,300	8,700	15,700	11,100	15,400
MUNI Total	50,800	48,500	45,400	48,900	36,400	52,100
BART (Transbay)	22,900	20,900	25,900	21,100	NA	NA
AC Transit	7,500	10,700	3,700	7,800	4,600	14,000
SamTrans	2,300	3,100	2,300	3,200	1,600	2,500
CalTrain	3,100	5,800	3,200	5,500	3,800	6,400
Golden Gate Bus	4,300	6,100	4,800	6,000	5,200	10,700
Golden Gate Ferry	1,700	6,100	1,500	6,100	1,300	4,800

Sources: MUNI; BART; Peninsula JPB; Golden Gate Bridge, Highway and Transportation District



Source: 1995 CTBS

Figure 3.13: Mode Share from East Bay, South Bay and North Bay

AUTO TRAVEL VOLUMES AND OCCUPANCY RATES

Morning peak vehicle volumes on the Bay Bridge and Golden Gate Bridge are presented in Figure 3.14. Morning (inbound) peak direction commute data were used because they are the only reliable data available for the Golden Gate Bridge and are probably more accurate for the Bay Bridge than afternoon counts are, since tolls are collected in the westbound direction. Where available, vehicle occupancy rates have also been noted. Comparable information for the South Bay commute on US-101 and I-280 is not available from Caltrans.

Unfortunately, limited data is available on bridge volumes after 1996. Although the Bay Bridge has shown an overall increase in the number of vehicles over the past decade, available data suggests that at least during the early 1990s, the number of persons in autos during the morning commute has actually declined. Meanwhile, traffic volumes on the Golden Gate Bridge also declined slightly during the same period.

Bay Bridge Auto Travel

Except for a brief downturn in the volume of westbound traffic in the a.m. directly following the Loma Prieta Earthquake of 1989, traffic volume has steadily increased in the past 15 years. Between 1985 and 1990, the average annual rate of increase was just over two percent, however, over the following ten years, it averaged less than one percent per year. More recent vehicle data indicate that the total number of vehicles decreased between 2000 and 2003 during all three periods: a 13% decrease during the peak hour; a 15% decrease during the peak period; and an 11% decrease during the 6-10 a.m. period.

Available data suggest that vehicle occupancy rates have continued to spiral downward, particularly during the early 1990s and 2000s. The most recent available data, from 1996, indicate that fewer vehicle drivers are taking a passenger along during the morning peak.

Figure 3.14: Vehicles on Local Bridges (P.M.)

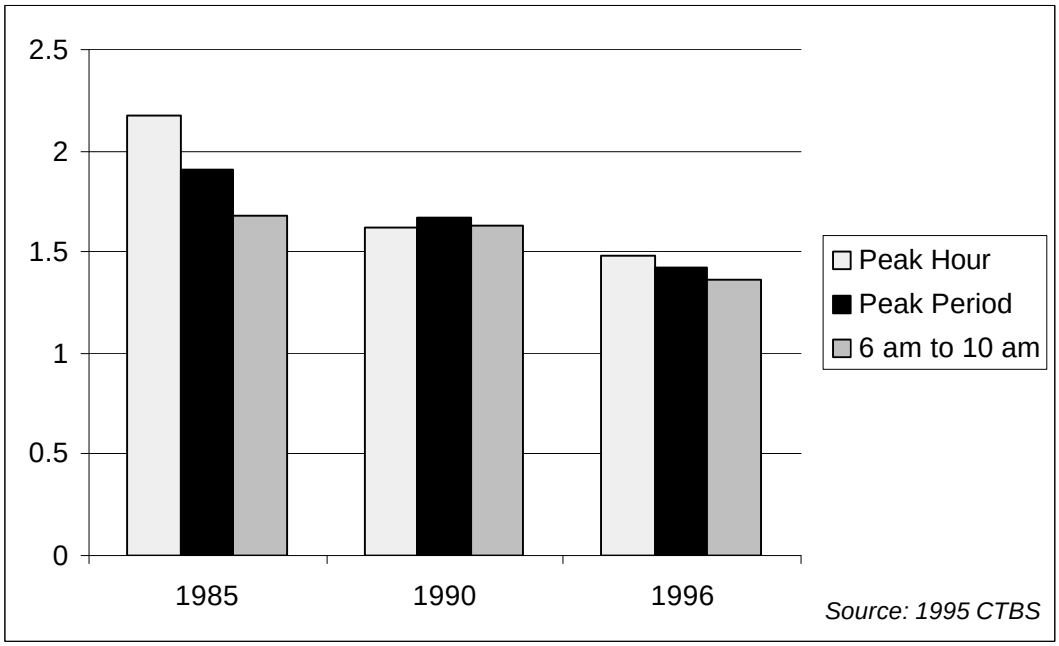
Facility	1985	1990	2000	2003
Bay Bridge				
Peak Hour	7,700	9,400	9,600	8,500
Peak period	16,000	17,300	18,800	16,000
6-10 AM	31,400	30,700	35,800	31,700
Golden Gate Bridge*				
Peak Hour	6,200	6,700	6,300	
Peak period	12,600	13,400	13,500	
6-10 AM	21,200	22,700	21,500	

*No data available in 2003 for the Golden Gate Bridge

Sources: Caltrans; Golden Gate Bridge, Highway and Transportation District

Using 1996 vehicle occupancy ratios for the 2000 counts, we can calculate that approximately 14,200 persons crossed the bridge westbound during the morning peak hour, 26,700 crossed during the morning peak period and 48,700 crossed during the 6-10 a.m. period. This data suggests that between 1990 and 2000, the number of person-trips declined by approximately six percent during the peak hour and peak period and declined by two percent for all the 6-10 a.m. period. Indications are that there were further declines in the number of persons crossing the bridge during the three morning periods studied. One explanation for this pattern may be that more residents of the East Bay are either traveling by BART to reach destinations in the West Bay, or are choosing to work closer to home. The drop in auto occupancy is consistent with an overall

Figures 3.15: Average Vehicle Occupancy for the Bay Bridge



decrease in the number of carpools on the principal bridges of the region and with the decreased number of cars on the Bay Bridge.

Golden Gate Auto Travel

Vehicle volumes on the Golden Gate Bridge have been relatively constant since 1985. There was a small increase in vehicle volumes during the peak hour, peak period and 6-10 a.m. period between 1985 and 1990; however, during the 1990s, volumes decreased for peak hour and the 6-10 a.m. period, while peak period volume increased slightly (see Figure 3.14). These small declines may be the result of an overall decrease in the number of North Bay residents commuting into San Francisco, coupled with the recent implementation of a $5.00 bridge toll.

Vehicle occupancy rates for the Golden Gate Bridge have not been available after 1993; the Bridge District now assumes a 1.2 occupancy rate for all commute trips. Earlier data suggested that there was a gradual decline in these rates, from 1.35 (during the peak period) in 1985 to 1.26 in 1990 and 1.25 in 1993. This trend conflicts with *Downtown Plan* objectives, which propose a 14% increase in vehicle occupancy between 1985 and 2000.

PARKING SUPPLY

The Downtown Plan includes several objectives and supporting policies that deal with parking in the Downtown area. In particular, Objective 18 states that the City should "ensure that the number of auto trips to and from Downtown will not be detrimental to the growth or amenity of Downtown." The policies supporting this objective discourage new long-term parking structures in Downtown, limiting the long-term parking supply Downtown to pre-1985 levels.

Since adoption of the Downtown Plan in the mid-1980s, only two evaluations have been made of local parking supply, in 1991 and 2001. Due to limited resources, a full parking survey has not been conducted since 1991. The 2001 data include changes in the total number of parking spaces in the C-3 and the total number of spaces in the C-3 and SoMa combined.

Between 1991 and 2001, the supply of parking spaces in Superdistrict 1 increased by more than 9,200 spaces, from 57,600 in 1991 to over 66,800 in 2001, a 16% increase (see Figure 3.16). Approximately 6,700 of these new spaces were in the C-3, while approximately 2,500 new spaces were

created in the SoMa, an increase of 16% in both cases. This continued growth in parking supply over the past decade has occurred despite *Downtown Plan* policies discouraging the provision of additional parking in the Downtown.

Clearly, an increase in the availability of parking in the vicinity of Downtown could make driving an attractive commute mode. While transit share in the Downtown has not significantly changed over the past decade, the total number of autos in certain areas of the Downtown has increased because trips have increased while the number of rideshare commuters have decreased. Consequently, more automobile use has resulted in localized impacts, such as increased congestion on key streets in the area, thus reducing goods and people moving capacity.

TRANSIT IMPACT DEVELOPMENT FEE (TIDF)

The Transit Impact Development Fee (TIDF) of $5 per gross net square foot has been in effect since June 1981 and is applicable to all new and converted office space in the Greater Downtown, an area bounded by Van Ness, Broadway, and Berry Streets, The Embarcadero and US 101. In response to a projected increase in travel demand (primarily generated by a rise in the number of Downtown office workers during the late 1970s), the TIDF was created to offset the increased marginal operating and capital costs incurred by Muni in providing expanded peak period transit service. Previously, costs for expanded service had come from state and federal programs or the General Fund; however, it was argued that a special transit impact fee could effectively mitigate the impacts of an influx of new commuters on the Downtown.

Figure 3.16: Parking Supply in the C-3

Districts*	Total Parking Spaces		
	1982	*1991*	*2001*
C-3-O	12,775	15,666	
C-3-R	4,290	7,916	
C-3-G/other NOM**	13,428	15,576	
C-3-G	*11,615*	*7,889*	
other NOM	*1,813*	*7,687*	
C-3-S/SOMA***	14,777	18,446	
C-3-S	*8,259*	*3,586*	
SOMA	*6,518*	*14,860*	*17,360*
ALL C-3	38,752	42,744	49,440
Total	45,270	57,604	66,800

*District boundaries were changed between 1982 and 1991, but districts (in bold letters) are comparable.

**North of Market (Civic Center & part of Chinatown)

***South of Market

Source: Department of City Planning, Summary of Findings for the 1991 Downtown Parking Survey, 2001 Parking Update

The TIDF is limited in scope, as it is restricted to the enhancement of peak period transit service on Downtown routes. Its primary goal is to provide additional transit service that will satisfy increased peak period travel demand in the Downtown. Restrictions on the manner in which revenues were to be spent were further strengthened by state legislation in the late 1980s, which prohibited the use of impact fees for other purposes and provided guidelines for monitoring the expenditure of funds. Thus far, revenues have been used to cover service changes (e.g., increased capacities), operating costs and the acquisition of rolling stock for downtown bus lines.

In 1984, after much debate, the fee was capped at $5 per square foot of downtown office development. However, in the 1980s, separate fee studies commissioned by Muni concurred that this rate was insufficient to cover the actual costs of providing additional service stemming from

office expansion. The TIDF fee has never been increased and as a result, does not cover the actual cost of providing the peak period transit service prescribed by the original TIDF Resolution. For example, TIDF fees often only cover a limited number of service enhancements, such as fleet upgrades on key downtown bus lines.

Thus, while the original 1981 resolution was clear in its intent to recuperate all costs stemming from increased transit demand, the subsequent establishment of a $5 fee in 1984 effectively prevented local authorities from recuperating all service costs. The fee certainly provided some additional funding to Muni, however, it could not cover all anticipated growth in service. All attempts to modify the structure of this fee were unsuccessful, due in large part to the absence of an effective mechanism and a political will to impose higher fees.

Between 1981 and 2000, revenues amounting to $96 million were collected in full or on an installment basis, and $48 million accumulated in interest income (Figure 3.17). In the late 1990s, as the local economy improved and the number of commercial developments constructed in the Downtown rose, new office projects contributed significantly to TIDF revenues, far exceeding the $9.5 million collected between 1990 and 1993. The only exception was in 1999, when the total TIDF revenue collected amounted to only $0.7 million. In the 1990s, the key capital projects that were funded in part by TIDF revenue included the Metro East engineering studies, and various vehicle purchases (for both rail cars and trolley buses). More recently, much of Muni's proposed service expansion in SoMa has come from TIDF revenue, however, annual fee revenues have varied, reaching $2.9 million in 2001, $7.9 million in 2002 and $4.0 million in 2003. In addition, interest income has recently fallen.

In 2000, the Planning Department commissioned a team of consultants to assess the effectiveness of the TIDF in addressing existing transit needs and to explore options for revising the fee structure to account for changing patterns of development and travel in San Francisco. A nexus study considered a wide variety of issues related to the application of the TIDF, such as the geographic area and land uses subject to the fee, the current rates charged and the constraints to satisfying existing transit need. The findings of the study were published in *TIDF Development Fee Analysis Final Report*, released in 2001.

The *Final Report* explored various alternatives for implementing a new impact fee structure, prompting Muni to consider modifying the fee and to seek political support for a new ordinance. In 2003, Muni developed a number of alternative TIDF schedules for consideration, in conjunction with Supervisor McGoldrick's Office and the City Attorney. A two-tiered fee structure for non-residential development throughout San Francisco was adopted by the Board of Supervisors in August 2004, effective October 4, 2004. Clearly, the generation of an expanded revenue stream for transit investments will have implications for the development of land use planning and coordination, not only downtown, but also in other areas of the city.

Figure 3.17: TIDF Revenue by Year

Fiscal Year	Total Collections *(in thousands)*
1995	1,140
1996	129
1997	3,300
1998	2,270
1999	740
2000	5,520
2001	2,950
2002	7,880

* not including interest accrued

Source: MUNI Finance

OPEN SPACE

DOWNTOWN OPEN SPACE POLICIES

The *Downtown Plan* recognized an open space deficiency in Downtown and in SoMa. Major new development, the report added, would create additional open space needs in the Downtown area by bringing a large number of daytime workers to the area. To meet this need, the *Plan* calls for "preservation and enhancement of existing open spaces and creation of additional open space through public and private efforts…connected by a pedestrian network."

To create this open space network, the *Plan* requires that developers in the C-3 district provide publicly accessible open space for all new construction projects, or for additions greater than 20% of the original structure, except exclusively residential, institutional and retail projects. One square foot of open space per 50 gross square feet is required for all C-3 districts, except the C-3-R district, where the requirement is one square foot of open space per 100 square feet of building space. The open space can be provided in many forms, including a plaza, an urban park, an urban garden, a view terrace, a sun terrace, a greenhouse, a snippet (a small sitting space), an atrium, an indoor park, or a public sitting area, and may be located on site, or within 900 feet of the project.[1]

Trinity Lane

Wall seating at the Bank of America building

Additionally, new office developments are required to contribute $2.00 per gross square foot of development into the Downtown Park Special Fund (DPSF). Funds from this pool are designated for the acquisition and development of parks and open spaces within the C-3 district. The purpose of this is to create open space to serve the general Downtown population, not just the needs of individual building's populations.

The *Downtown Plan* recognized that simply requiring a minimum square footage of open space was not enough to ensure the creation of quality, usable open spaces that serve the needs of Downtown employees, visitors and residents. Too often in the past, plazas had been difficult to access, wind-swept, or had minimal amenities and seating. These spaces became unused and did not enhance the Downtown open space system in any meaningful way.

Accordingly, the *Downtown Plan* created the *Guidelines for Downtown Open Space* to ensure that new spaces were well-designed and well-used. The Guidelines provide the kind of details such spaces should possess including location, access, landscaping, commercial services, amount of

[1] If a project is too small to generate enough square footage for a practical public open space, the project sponsor may cooperate with another project sponsor to satisfy the requirement.

sunlight and wind, and other features. Code Section 295 (following Proposition K) additionally stipulates that new construction should not increase shading of existing parks.

DOWNTOWN OPEN SPACE TODAY

Since 1985, when the *Downtown Plan* was enacted, 14 open spaces have been created or enhanced as part of the *Downtown Plan* requirements, at the following locations:

Before 1994 (listed in the previous *Downtown Monitoring Report*):

- *505 Montgomery Street*: Pedestrian improvements to Commercial Street and creation of Grabhorn pocket park.
- *235 Pine Street*: Improvements to Commercial Street.
- *525 Market Street*: Improvements to plaza on Market Street
- *343 Sansome Street*: Creation of new roof garden.
- *100 First Street*: Creation of second-level view terrace, accessible from the street.
- *600 California Street*: Contributed money to develop a park in Chinatown.

Since 1994:

- *101 Second Street*: Creation of indoor garden in lobby with rotating public art exhibits.
- *150 California Street*: Creation of 6th floor terrace garden with sculpture "Arbor Arch" built into plaza.
- *199 Fremont Street*: Creation of south-facing plaza and pedestrian walkway connecting Howard and Fremont Streets behind an existing building. Plaza has public art and poetry built into the design.
- *235 Second Street*: Creation of south-facing entry plaza with arcade, and indoor public seating area.
- *55 Second Street*: Creation of indoor galleria and greenhouse, and outdoor plaza on Jessie and Anthony Alleys.
- *560 Mission Street*: Creation of 14,000 square foot ground-level plaza with public art, and continuous pedestrian arcade around base of building.
- *200 California Street*: Improvements to sidewalk, by bulbing-out the sidewalk, and addition of a seating area and sculpture.
- *500 Howard Street*: Creation of two corner plazas on 1st and Howard Streets (the other two corners are planned for similar treatment); sidewalk extensions along Natoma and 1st Streets.

Additionally, since 1985, 20 construction projects in the C-3 district have contributed to the Downtown Park Special Fund,

Plaza seating at 525 Market Street

totaling about $8.9 million. (Not all of these projects also created open spaces.) About $6.35 million of this has been collected since the last *Downtown Monitoring Report* in 1994.

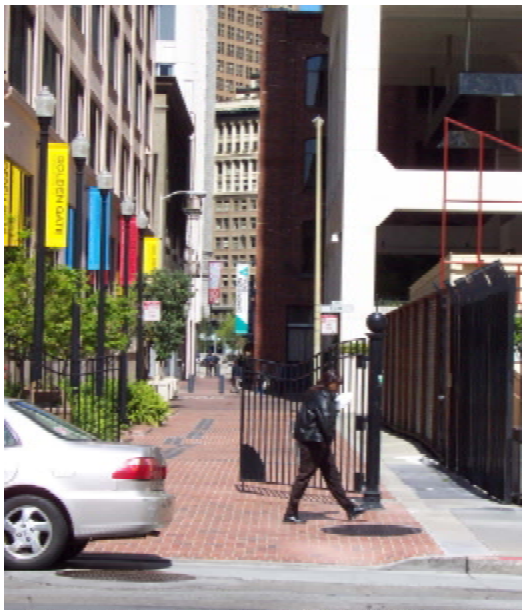
The Downtown Park funds have primarily been used for three projects: Rincon Point Park, the mid-Embarcadero Open Space, and the renovation of Union Square. Funds of over $2.6 million were loaned to the Redevelopment Agency for the acquisition of land for Rincon Point Park along the waterfront at Folsom Street and the Embarca-

Figure 3.18: Open Spaces in the Downtown Area

dero. This money is in the process of being reinstated into the fund; $1.4 million was returned in April 2002. The Mid-Embarcadero open space, across the Embarcadero from the Ferry Building, used $984,000 of the fund. This park creates a gateway open space to the Downtown district, linking the financial district to the newly-renovated Ferry Building. Most recently, in 2001, $2.4 million of the fund was allocated for enhancements to Union Square. The renovated Union Square re-opened in August 2002.

Because much recent development has taken place south of Market Street, many of the privately-provided small open spaces are located here as well, relieving somewhat an open space deficiency identified in the *General Plan* and the *Downtown Plan*. Most portions of the C-3 district and SoMa are now within 900 feet of a Downtown open space, or within one-quarter mile of a neighborhood-serving open space.[2] The area between Third, Kearny and Steuart Streets has the highest concentration of workers and no

2 These distances and classifications are consistent with those described in the *Recreation and Open Space Element* of the *General Plan*.



Ecker Street: A pedestrian connection from Mission to Market Streets.

open space larger than a plaza. Other areas near Downtown that remain underserved include large parts of the western and southern SoMa, and an area of Rincon Hill.

Additionally, many open spaces are connected by a network of pedestrian throughways, enabling easier access to open spaces; for example, parallel pedestrian north/south walkways between First and Second and Market and Mission Streets, connect recently provided open spaces at 525 Market, 560 Mission, 55 Second and 77 Stevenson Streets.

This distribution of new parks applies only to small privately-provided open spaces, and not to larger new public parks, provided through the DPSF. These funds have been primarily used to develop parks on the outside edges of the C-3 on existing public parcels, and not to acquire new lands for open space in the heart of the C-3, as was envisioned in the *Downtown Plan.* The *Plan* allows for the funds to be used for acquisition and/or development of open spaces, but to date they have only been used for open space development.

In general, the design of Downtown open spaces have been successful. The publicly and privately provided projects have created spaces that are attractive, sunny, and well-used, some spaces more fully than others. Developments have provided a range of open space types, from plazas to roof gardens to walkways. Indoor spaces, roof gardens, and view terraces, which are required to be open to the public during normal working hours and to have street-level signs identifying the public space, generally meet those criteria. Public art is integrated into the design of many spaces, such as the roof garden at 150 California Street or the plaza at 199 Fremont Street.

Some design details cause some open spaces to be less

Plazas with public art: 199 Fremont Street and 150 California Street.

well-used than others and could enhance the quality of future spaces if altered. Many types of open space, such as plazas or view terraces, are required to provide food services but currently do not. Certain open spaces are hidden away on the building site, and are difficult to access or invisible from the major street that the building faces onto.

A high percentage of recent development proposals have intended to use roof gardens or view terraces to meet some or all of their required square footage. Roof gardens, view terraces, and indoor gardens can be sunny and attractive, with good views, and can play a role in the Downtown open space network. However, whereas most street-level spaces are well-used throughout the day, those located off of street-level, such as roof gardens, and view terraces, are not visible and directly accessible from the street, are generally less well-used. (Exceptions to this are the second-floor roof terrace at One Montgomery Street, which is connected to the Crocker Galleria food court and the indoor garden at 101 Second Street, which is also connected to a café and has highly transparent windows.)

With roof and mezzanine gardens and indoor spaces, there are also potential issues relating to building security and the public perception of not wanting to enter the lobbies of private buildings; one indoor space that should have been open was marked as 'closed indefinitely for security reasons.' Additionally, roof gardens and indoor spaces can be built without adjustments to building massing, allowing buildings to cover a greater percentage of lots. In turn, this allows for less sun and sky access to the street, an important goal of the *Downtown Plan*, than do parks, plazas, or walkways.

The roof garden at Crocker Galleria.

Although this open space distribution is generally adequate to meet the needs of the current population that uses the Downtown, primarily office workers, it would not as successfully meet the needs of a growing number of residents. Currently, there are projects underway that plan for several thousand new housing units in the Transbay Terminal Area, Rincon Hill, and other Downtown neighborhoods. New residents will need neighborhood parks, recreation areas, and recreation programs, not just the intimate urban spaces created under the *Downtown Plan*. As the nature of Downtown changes to include a greater residential population, open space policies should change in order to create spaces appropriate to the area's residents.

A Comparison of Two Open Spaces Created Under the Downtown Plan Guidelines

235 Second Street

The open space at 235 Second Street consists of an outdoor plaza and arcade, as well as an indoor public lobby space. It is an example of a well-used and easily accessible open space that meets the guidelines set forth in the *Downtown Plan*. The plaza is hardscape, with a small amount of bamboo landscaping on the southern edge. It has exposure to the South and West, and an arcaded space at the rear of the plaza provides some shade. There are tables and chairs, which people can manually move depending on the weather and their preference. Low walls provide additional places to sit. Because the street is sloped, but the plaza is level, the plaza is at street level at the uppermost elevation, with a few stairs connecting to street level as the street descends. As such, it is highly visible from the street, and almost reads as an extension of the street, rather than as a private open space. This plaza is successful because of easy visibility from the street, the variety and flexibility of its seating arrangements, and its good sun exposure.

55 Second Street

Down the street, the new office building at 55 Second Street provides an example of an open space that mostly meets the letter of the *Downtown Plan* guidelines, but isn't well used. The open space at 55 Second Street consists of an indoor arcade, a greenhouse (a converted historic structure), and a small plaza at the rear of the building. This open space suffers from its lack of accessibility and visibility, its relation to the building mass, and its lack of amenities.

The plaza is located in the rear of the building, next to the loading dock. There is no indication to a passerby on Second Street that the open space is there. Landscaping is stark, and seating is limited to some low walls. The building rises to its full height immediately adjacent to the southwest of the plaza, screening the plaza from sun. At last visit, the arcade was closed "due to security reasons." There is nothing to activate this out-of-the-way space, and as a result it is poorly used.

CHILD CARE SERVICES

With the anticipated increase in employment, the *Downtown Plan* included a provision for adequate childcare to keep up with citywide growth. As a result, all office and hotel development projects over 50,000 gross square feet are required to contribute to the pool of childcare available in San Francisco. Although this is a citywide requirement, only office and hotel uses were targeted because it was determined that these two uses generate the most jobs in and around Downtown. A developer can fulfill their obligation by providing on-site childcare (solely, or in conjunction with another project sponsor), or by providing childcare within one mile of the development site. The childcare facility must have a minimum gross floor area of 3,000 square feet or 2,000 square feet if the project development is less than 300,000 square feet. Alternatively, the project sponsor may pay a non-profit to provide childcare off-site or contribute $1.00 per gross square foot of office or hotel space to the Childcare Capital Fund.

Since 1999, the Childcare Capital Fund revenue has been expended through the Child Care Facilities Fund (CCFF), a public-private partnership that develops childcare spaces for children from low-income families. Partners in the CCFF include the Department of Children, Youth and their Families (DCYF), the Department of Human Services, the Mayor's Office of Community Development, and the Low Income Housing Fund, a national non-profit community development financial institution. CCFF offers childcare providers technical assistance on business and real estate matters, provides grants and low-cost loans, and engages in policy planning and advocacy for childcare development. The CCFF funds both non-profit centers and family childcare homes. All providers receiving CCFF funding serve a minimum of 25% low-income children; typically, the percentage is higher.

Examples of Childcare Capital Fund financed programs include: pre-development grants of up to $20,000 to cover center planning costs; start-up grants for expanded capacity of up to $2,200 per slot; working capital grants of up to $40,000; quality improvement grants of up to $8,000; and flex fund grants of up to $10,000 to cover health and safety emergencies for both centers and family homes. In addition, larger grants or revolving loans of up to $200,000 are made to close capital gaps on new center construction. In 2002, San Francisco also embarked on a project to perform external quality assessments of family childcare homes and child care centers. Childcare Capital Fund revenue will be a significant source of funding for quality improvements based on these evaluations.

As of December 2002, CCFF had used Childcare Capital Funds in conjunction with other public and private funding to facilitate the creation of 3,176 new child care spaces for children from low income families and provided over $13.8 million in financing for child care providers. Since its inception in the 1980s, $3.96 million has been collected, from 35 development projects. Almost $2.63 million (about 2/3) of that sum has been collected since 1994, from 22 projects.

It is difficult to determine whether the amount provided by Downtown development for childcare is appropriate to the need it creates. To better answer this question, DCYF is undertaking a childcare nexus study. While gains have been made in expanding childcare supply and quality in San Francisco, the need for additional capacity in some areas remains high. The need for additional infant and toddler care is particularly acute throughout the city. The recent economic downturn has also increased the demand for subsidized care.

HISTORIC PRESERVATION

Preserving the Past, another section of the *Downtown Plan*, details the objectives, policies and actions necessary for the preservation of significant older buildings and areas of established character in the C-3 district. The *Plan* requires the preservation of the highest quality buildings and retention of their significant features. It provides a framework of five categories in which to classify buildings according to their age, architectural design, and relationship to the environment.

Categories I and II are considered significant buildings. They are at least 40 years old, are considered '*Buildings of Individual Importance*,' and are rated excellent in architectural design or very good in both architectural design and relationship to the environment. Category I buildings are distinguished by the entire facade, interior and exterior of the building being important to its historic nature, whereas in Category II buildings, the important historic features are largely confined to the facade. Category I and II buildings under Downtown Plan provisions, cannot be demolished unless the property retains no substantial remaining market value or reasonable use, or presents an imminent safety hazard. Because the whole building is historically important with Category I buildings, provisions are intended to protect these from signifcant alterations.

Categories III and IV are defined as '*Contributory Buildings*' and are rated very good in architectural design or in relationship to the environment. Buildings in these categories are encouraged for retention but not required. If major alterations are proposed, the Planning Commission considers them, using standards that assess the effect of changes on the historic and architectural character of the building.

Category V includes buildings that are located in conservation districts but not historically rated.

The *Plan* also creates conservation districts where rated buildings are clustered. In these areas, new construction should match the character and scale of the historic buildings. New buildings are assessed for how well they fit in with the historic buildings in the district on the basis of composition and massing, scale, materials and colors, and detailing and ornamentation.

Finally, The *Downtown Plan* permits Transfer of Development Rights (TDR) for rated buildings in the C-3 district. TDRs are calculated as the difference between the maximum buildable gross floor area permitted under the Planning Code regulations and the amount presently used by the historic building. A qualifying parcel—one that contains a Significant or Contributory building or a landmark structure—may sell this "excess" square footage to another lot within the C-3 district. The intent is to maintain development potential in the C-3 while taking development pressure off of historic parcels and providing the historic building with additional funds to be spent on the preservation of that building.

ALTERATIONS TO HISTORICALLY RATED BUILDINGS

Since the Downtown Plan's adoption, there have been a total of 56 cases of rated buildings receiving a Certificate of Appropriateness or a permit to alter a historic building (see Figure 3.19). A full list of these projects is included in Appendix E.

Figure 3.19: Activity in Historically Rated Buildings, 1985-2004

	Certificate of Appropriateness	Permit to Alter Rated Building
Category I	23	13
Category II	1	6
Category III	2	2
Category IV	4	5
Total	*30*	*26*

The following sections detail some additional examples of recent activity relating to rated buildings.

Major Alterations and Demolitions

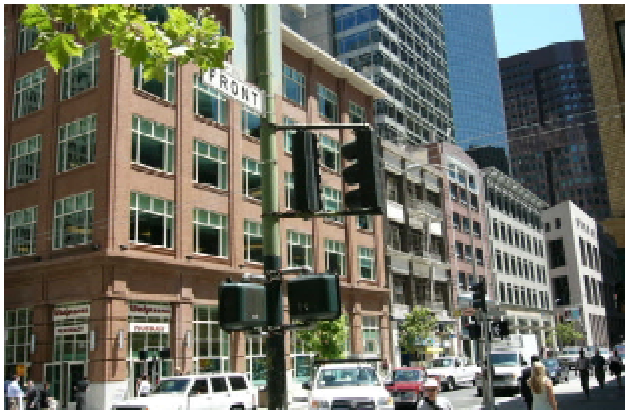
These rated buildings in the C-3 have been significatntly altered since the adoption of the *Downtown Plan,* including major additions and/or demolition of major portions of exterior and interior historic features.

- *835 Market Street (Old Emporium Building)* – (Category I) Converts the Old Emporium Building to 1.5 million square-foot shopping center; restores historic façade and dome. Additionally, the dome is to be moved. These major alterations are not consistent with the Downtown Plan's intent to protect Category I buildings. However, when this structure became part of a redevelopment area it lost its status as a Category I building.
- *125 Geary Street* – (Category IV) Demolition of building, and replacement with extension to existing adjacent Nieman-Marcus department store.
- *116-124 Maiden Lane* - (Category IV) Demolition of building, replacement with new 40-foot structure.

Seismic Upgrades and Rehabilitations

These projects in the C-3 have been rehabilitated, including seismic upgrade, façade restoration, and historic interior rehabilitation.

- *333 Grant Street* - (Landmark #141) Seismic upgrade and conversion of office to retail and residential use.
- *524 Post Street (Olympic Club)* – (Category I) Facade restoration and mechanical penthouse relocation, and maintaining historic interior lobby.
- *150 Powell Street* - (Category IV) Seismic upgrade, facade restoration, and additions. Major parts of the interior have been preserved.



244-256 Front complements the materials and scale of neighboring historic buildings

- *One Powell Street* - (Category I) Seismic upgrade and ground level facade renovation to accomodate retail including ADA requirements, and removal of incompatible signage. Also involves restoring and retaining the interior of the building, and changing from office to residential and retail use.

In sum, the historic preservation requirements created by the *Downtown Plan* have contributed to the preservation and rehabilitation of many individual buildings. However, in the three cases described in *Major Alterations and Demolitions*, important buildings have been significantly altered causing the loss of historic elements or the demolition of the entire structure.

NEW CONSTRUCTION IN CONSERVATION DISTRICTS

These are new projects designed to be compatible with the Conservation District in which they are located.

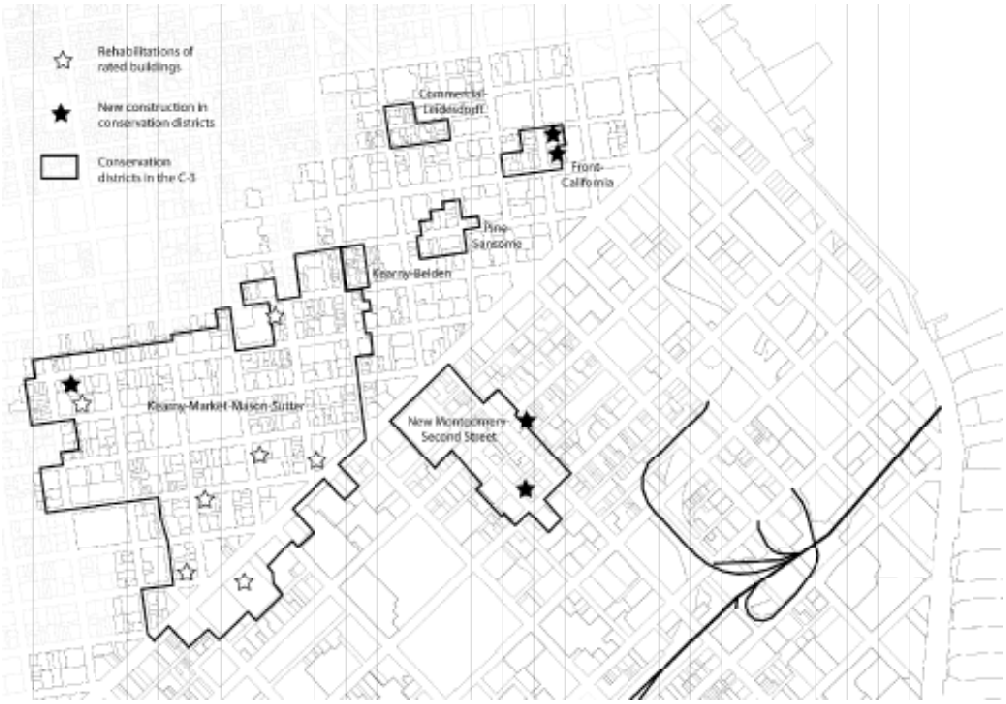
- *150 California Street* – New high-rise building in Front/California District; six-story massing and cornice line on northern portion of site aligns with historic buildings along Front Street.
- *244-256 Front Street* – Five-story new building in Front/California District; height, massing, materials and ornamentation designed to follow the design guidelines

The facades of 150 California Street (left) and 101 Second Street (right) were designed to respect the massing of the buildings along historic Front and Second Streets, respectively.

for compatibility with neighboring historic buildings. This and 150 California Street replaced historic buildings that were demolished after the 1989 Loma Prieta earthquake.

- *101 Second Street* – New high-rise building in Second/New Montgomery District; cornice lines and height of indoor park align with neighboring buildings' cornices.
- *199 New Montgomery Street* - Sixteen-story mixed use building containing 165 dwelling units and 5,000 square feet of retail at grade. Replaces existing surface parking lot in the New Montgomery/Second Street Conservation District. Designed to be compatible with the scale and materials of the Conservation District.
- *663-665 Sutter Street (Olympic Garage)* - A seven-story above grade public parking and recreation structure expanding the facilities of the Olympic Club. This

Figure 3.20: Recent Activity in C-3 Conservation Districts



project replaces an existing four level parking garage. The facade designed to be compatible with surrounding buildings in the Kearny-Market-Mason-Sutter Conservation District, and is designed to look like a building, not a garage.

New buildings in conservation districts have generally respected the massing of existing historic structures, especially by creating cornice lines at the level of neighboring buildings and setting back above this height. In some cases, the design of the ground-floor has not been consistent with the historic structure or district in which they are located. The standards and guidelines for new construction in conservation districts cover composition and massing, scale, materials and colors, and detailing and ornamentation, but do not specifically call out ground-floor requirements.

TRANSFERS OF DEVELOPMENT RIGHTS

The Transfer of Development Rights (TDR) program was designed to maintain development potential in the Downtown, shifting that potential from both historic structures and non-historic ones in conservation districts, to areas where higher levels of growth were encouraged. To date, 71 historic properties have filed for and been declared eligible to sell their development rights. There have been 107 cases of transfers of development rights, and 24 cases in which purchased development rights have been used for new development, representing roughly one million square feet of development, or about 28% of the eligible square footage that could be used through TDR. 140 of these cases took place between 1996 and 2001.

SEISMIC SAFETY

The *Downtown Plan* includes the following objective concerning seismic safety: "Reduce hazards to life safety and minimize property damage and economic dislocations resulting from future earthquakes." There are two aspects to specific earthquake hazards that exist in Downtown San Francisco: existing hazardous buildings that are likely to pose significant dangers during an earthquake, and unstable soils that are likely to experience ground failure or to magnify ground shaking during an earthquake. The policy to "initiate orderly abatement of hazards from existing buildings and structures, while preserving the architectural design character of important buildings" is being implemented through two City programs.

The Parapet program (which dates prior to the *Downtown Plan*) requires the anchoring of parapets and other roofline appendages to prevent them from falling during earthquakes. Compliance with the parapet ordinance is virtually complete in the Downtown area.

The Unreinforced Masonry Building Hazard Reduction Program, established in 1992, requires the retrofit of Unreinforced Masonry buildings. This building type is one of the most likely to pose a safety hazard during an earthquake. A $350 million bond was passed in 1992 to provide loans to property owners undertaking this work. The Seismic Safety Loan Program (SSLP), under the Mayor's Office of Economic Development, administers these funds. Up to $35 million in loans can be awarded annually, and $150 million of the $350 million is set aside for affordable housing projects, with the rest loaned for all other buildings.

Between 1995 and the present, the SSLP has funded four projects in the C-3, at 601 Mission Street, 425 Bush Street, 731 Market Street, and 131 Eddy Street. It has also funded an additional three projects within the Greater Downtown study boundaries, at 1091 Mission Street, 1095 Folsom Street, and 88 Sixth Street. Several other projects in the

neighborhoods surrounding the Downtown, such as Chinatown and Civic Center, have also received loans from the SSLP.

As of April 2004, of a total of 2,341 Unreinforce Masonry Buildings (UMBs), 1,063 have been retrofitted and 140 have been demolished. There remains 756 UMBs where no action has been taken (see Figure 3.21).

Figure 3.21: Summary of UMB Activities

	Number of UMBs	Percent of Total
Total	2341	100%
Rehabbed	1063	45%
Demolished	140	6%
Exempt	382	16%
No Action	756	32%

** as of April 26, 2004*

Chatpter 4: Tax Revenues

This section of the Monitoring Report describes tax revenues on a citywide basis from business, property, sales, and hotel taxes, as required by the *Administrative Code.* Where available, references are included about taxes collected in a Greater Downtown area, covering generally the Financial District, Civic Center, and areas of SoMa, Showplace Square and Central Waterfront.

Between 1994 and 2003, general fund revenues displayed strong and relatively steady growth, with an overall increase of 19% (Figure 4.1). During this period, 1999 through 2001 provided the highest amount of general fund revenue. In large part, this increase can be attributed to the growth of the high technology sector and associated businesses in the city. By 2002, general fund revenues decreased 3.8% to $1.96 billion, as the local economy experienced a downturn (Figure 4.2). In 2002-03, general fund revenues are expected to increase slightly from the previous year to $2.01 billion.

Property taxes typically represent 26% of total revenue, business taxes 16%, and other local taxes, including sales, hotel, utility user, parking, real property transfer, and

admission taxes 21% (Figure 4.3). The remaining 32% is made up of grants and subventions (such as social service, health and welfare realignment, health / mental health subventions, public safety sales, motor vehicle in-lieu), licenses, investments, and charges for services.

Figure 4.1: Citywide General Fund Revenues by Tax Categories (2002 Constant 1,000 Dollars)

	Property	Business	Sales	Hotel	Total Revenues
1994-95	$416,124	$213,539	$117,308	$67,854	$1,658,435
1995-96	$394,636	$218,239	$128,208	$74,992	$1,663,550
1996-97	$389,387	$242,615	$130,530	$110,201	$1,832,614
1997-98	$399,301	$260,212	$131,855	$122,519	$1,930,495
1998-99	$416,799	$257,717	$131,304	$120,895	$1,928,462
1999-00	$437,489	$288,233	$143,897	$132,275	$2,012,968
2000-01	$467,506	$280,432	$145,548	$132,985	$2,037,837
2001-02	$510,001	$274,125	$111,293	$72,285	$1,959,950
*2002-03	$512,441	$270,647	$115,645	$75,437	$1,972,623
Source:	*City and County of San Francisco, Office of the Controller*				

Figure 4.2: Annual Percentage Change in General Fund Revenues from Tax Sources (2002 Constant 1,000 Dollars)

	Property	Business	Sales	Hotel	Total Revenues
1996	-5.2%	2.2%	9.3%	10.5%	0.3%
1997	-1.3%	11.2%	1.8%	47.0%	10.2%
1998	2.5%	7.3%	1.0%	11.2%	5.3%
1999	4.4%	-1.0%	-0.4%	-1.3%	-0.1%
2000	5.0%	11.8%	9.6%	9.4%	4.4%
2001	6.9%	-2.7%	1.1%	0.5%	1.2%
2002	9.1%	-2.2%	-23.5%	-45.6%	-3.8%
2003*	0.5%	-1.3%	3.9%	4.4%	0.6%
* Based on year-end projections					
Source:	*City and County of San Francisco, Office of the Controller*				

Figure 4.3: Tax Categories Contribution to the General Fund (1994-2003)

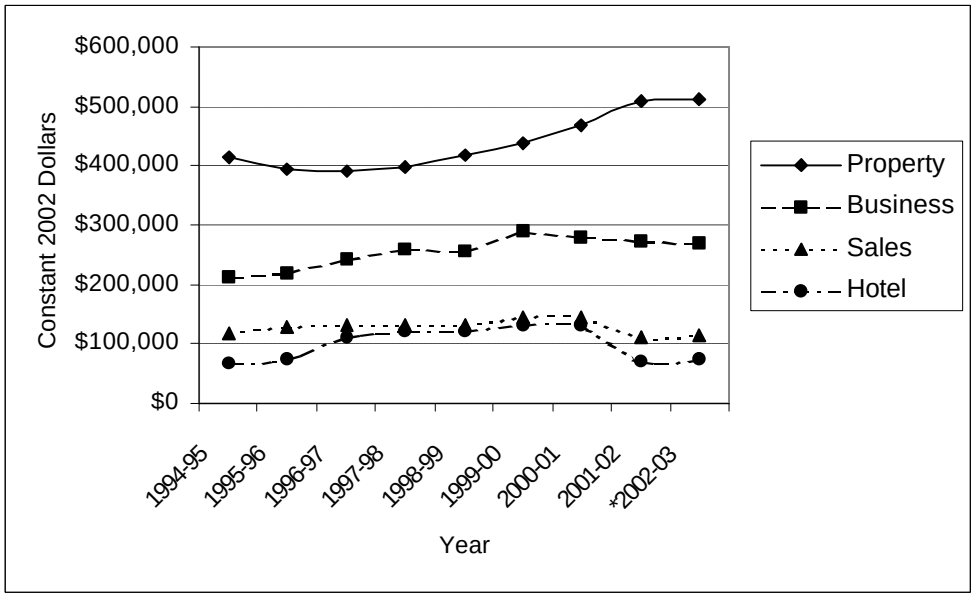
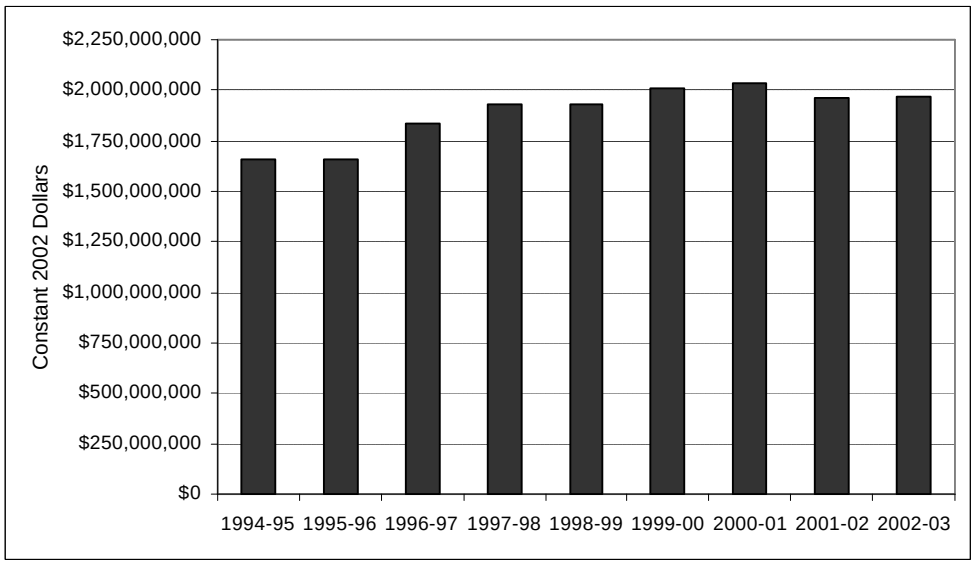


Figure 4.4: General Fund Revenues (FY 1994/95 - FY 2002/03)



BUSINESS TAXES

Between FY 1994-95 and 2002-03, business taxes showed strong growth, increasing from $214 million to $271 million. Business tax revenue is collected based on business registration tax and payroll tax. Business registration tax is an annual fee imposed for general revenue purposes on all business in the City. It requires businesses to share in the costs of local government in return for the benefits, opportunities, and protections afforded by local government. Business registration fees declined significantly from FY 2000-01 to 2001-02, from $9.98 million to $6.61 million, mirroring the downturn in the economy.

Business registration fees range from $25 to $500, and typically comprise less than 5% of business tax revenue.

Business tax revenues were based on businesses' gross receipts income; historically, either gross receipts tax or payroll tax was assessed, whichever was greater, but since 2001, they have been based only on payroll. Payroll taxes assess the payroll expense of persons and associations engaging in business in San Francisco. This tax imposes a fee on all businesses that employ or contract with one or more employees to perform work or render services within the city. Banks, insurance companies, and regulated utilities are exempt from local business taxes by state law.

Since 1995, the payroll tax rate has been assessed at 1.5 percent of total taxable payroll expenses for businesses with tax liability greater than $2,500. Since the payroll tax ordinance came into affect in 1970, the payroll tax rate has not dropped below 1.1% or increased beyond 1.6%. In FY 2002-03, the tax stands at 1.5% and payroll tax revenues are projected to be $266 million.

Between 1994 and 2000, approximately 60% of the gross receipts tax collected citywide came from Greater Downtown, which includes SoMa and Civic Center.. Between 1994 and 2000, an average of $25.9 million was collected annually. The Financial District generates the largest share of gross receipts tax; an average of $16.2 million was collected annually from 1994 through 2000. In the combined area of SoMa, Mission Bay, Showplace Square and Central Waterfront, an average of $7 million was collected annually from 1994 through 2000. In the Civic Center District, $1.4 - $1.5 million in gross receipts was collected annually from 1994 through 1996; $1.8 million in 1998 and $1.9 million in 1999; and $2.9 million in 2000. In this area, the gross revenue generated peaked in 1999 and declined beginning in 2000.

Between FY 2000-01 and 2001-02, Greater Downtown's share of business tax revenue decreased from 64% to 45%. Most of this business tax revenue was generated in the office, retail, and industrial land use sectors of the economy. Overall, business tax revenues are not expected to fully recover in 2003.

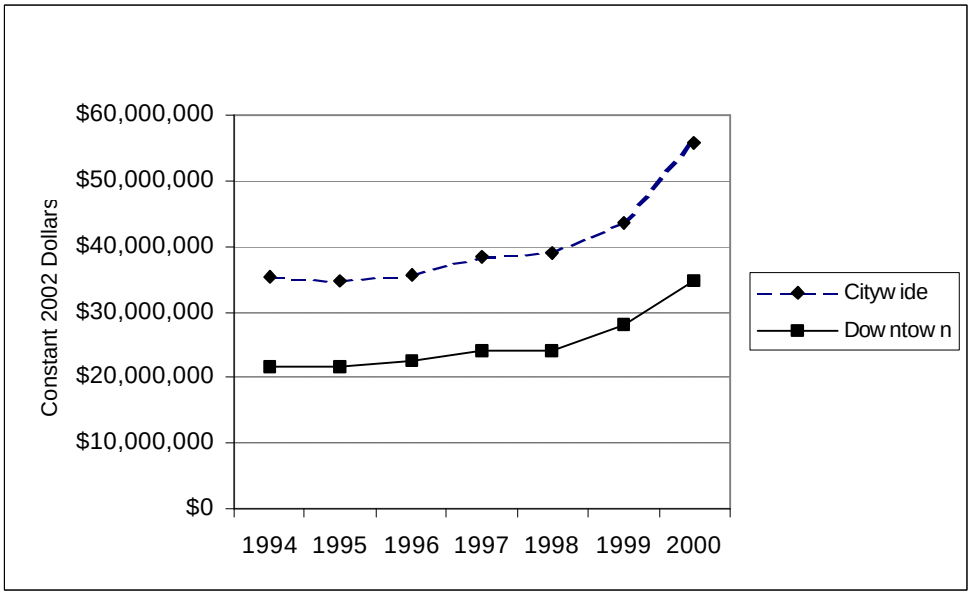


Figure 4.5: Gross Receipts Tax Revenue, 1994-2000

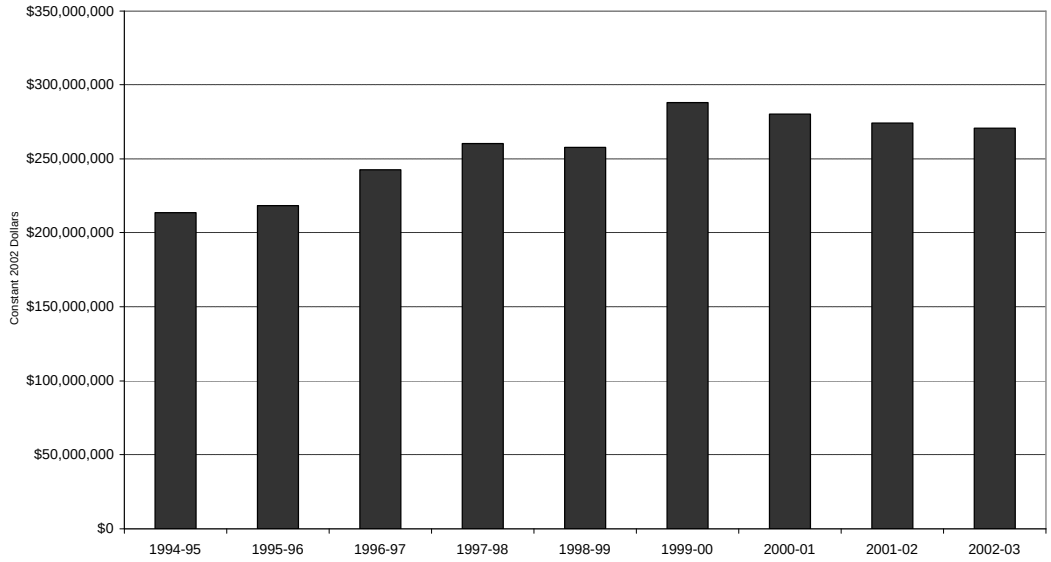


Figure 4.6: Business Tax Allocated to the General Fund

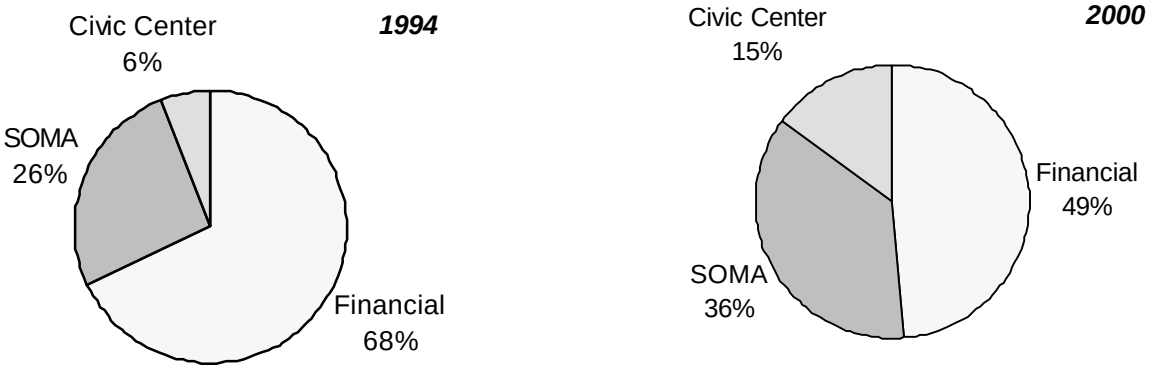


Figure 4.7: Downtown Gross Receipts Tax Revenue, 1994 and 2000

PROPERTY TAXES

In 2001-02, San Francisco property owners paid approximately $994 million in property taxes[1]. Property tax is the largest tax revenue source for the city, and in 2001-02 contributed approximately 26% to total general fund revenues.

Between 1996-97 and 2001-02, property tax revenues allocated to the general fund increased by approximately $95 million, representing a 31% increase over the five-year period, which is a major increase considering the Proposition 13 annual inflationary limit; most of this increase results from a strong real estate market and consequent growth in the assessed value of property. Property taxes collected in the C-3 district represent about 20% of this total. During fiscal year 1999-00, $160.1 million in property taxes were collected in the Downtown area; $186.6 million in fiscal year 2000-01; and $172.1 million (2002 constant dollars) in 2001-02 (Figure 4.8 and 4.9).

Between 1994-95 and 2002-03, the overall property tax rate has declined from 1.16 percent of assessed value to 1.12 percent. Although there were significant fluctuations in the allocation earmarked for the city's General Fund for several years prior to 1994-95, that allocation has remained fairly steady at 58% since then. Another factor that tends to moderate property tax revenue over time is Proposition 13's annual inflationary limit, which does not allow the assessed value of a property to increase more than two percent a year, except where there is a change in ownership. Inflationary rates were below this cap for some of the years during the period 1994-95 and through 2000-01: 1.19 percent in 1996-97, 1.11 percent in 1997-98, and 1.85 percent in 1999-2000. However, a booming real estate market in the late 1990's produced solid growth in property tax revenues as many properties upon sale were re-assessed at higher values.

Although property taxes have increased recently, they could potentially decline. If, in light of the recession, major commercial property owners contest current assessments based on declining values, property taxes could decrease significantly.

In 2001-02, residential property contributed 61% of total property taxes, commercial 35%, industrial 2%, and other/miscellaneous property 2%. Comparatively, their respective proportion of the city's parcels break down to 85% residential, 10% commercial, 1 percent industrial, and 4 percent miscellaneous parcels. In 2002-03, property tax revenues are projected to increase by 0.5 percent due to mid year reassessments and supplemental tax revenues.

1 All property tax refers to secured property tax, which covers real and personal property.

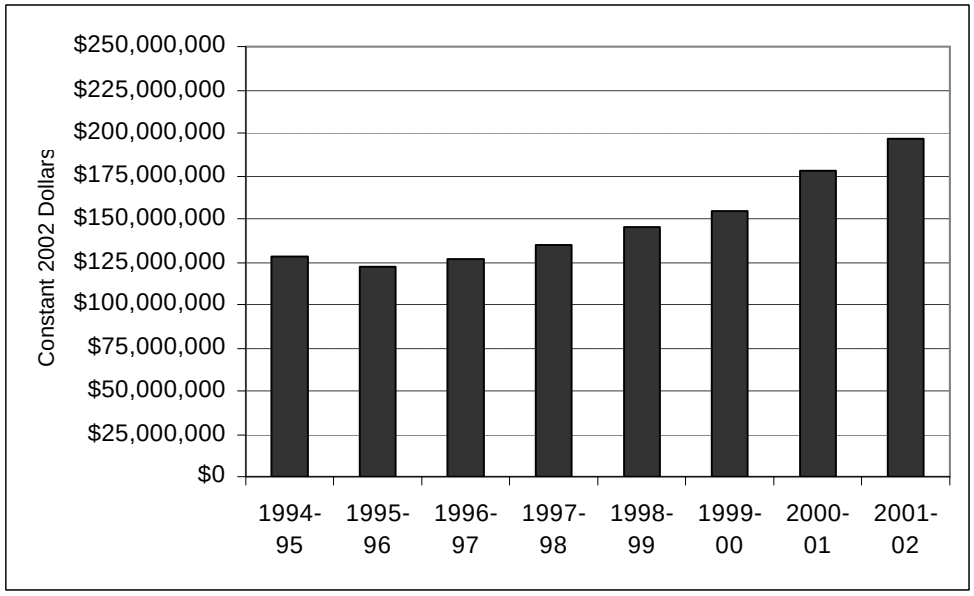


Figure 4.8: Property Tax Collected within C-3 District, 1994-2002

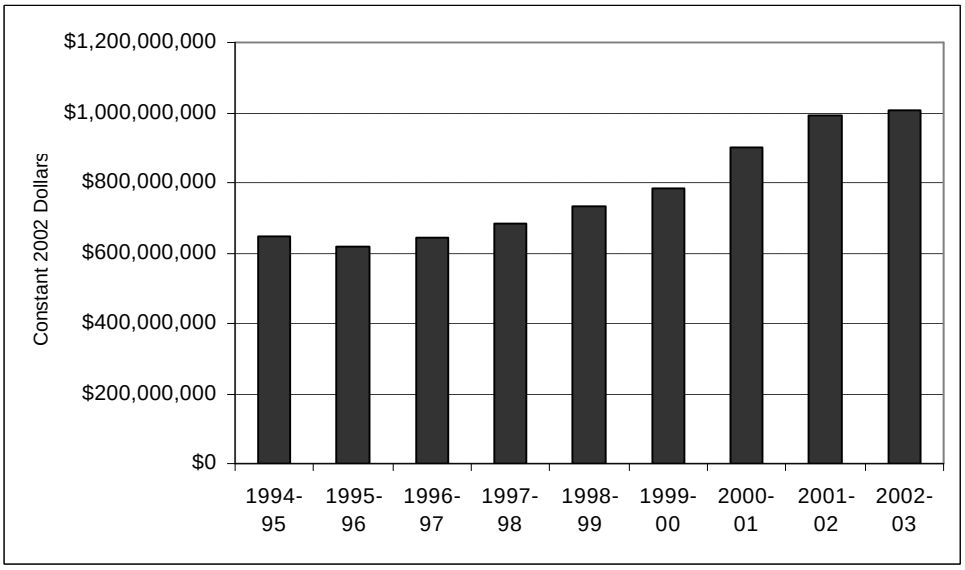


Figure 4.9: Property Tax Citywide, 1994-2003

SALES TAXES

Sales tax revenue is a dynamic revenue source that responds to changing economic conditions and grows with inflation and expands through business retention and development. It is driven mainly by employment, tourism, business travel, consumer confidence, and inflation. Seven major business groups generate the majority of sales tax revenue: general consumer goods, restaurants & hotels (excluding room charges), business & industry (including office furniture), autos & transportation, food & drugs, building & construction, and fuel & service stations.

Sales tax revenue generated in the Downtown (C-3 zoned lands plus a few other parcels) accounts for over 45% of the sales tax revenue generated citywide. The Union Square area generates the majority of this revenue, while SoMa produces the second most sales tax revenue in the Downtown area. At its peak in 2000, Downtown accounted for approximately $55 million in sales tax revenue. In 2002, this figure declined to $41 million.

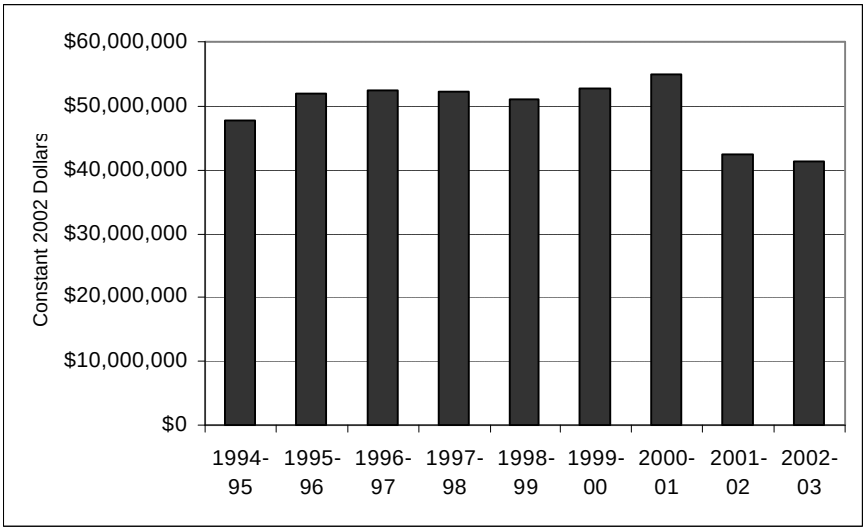


Figure 4.10: Sales Tax Revenue Generated in Downtown San Francisco, 1994-2003

During most of the nine-year period between FY 1994-95 and 2002-03, the State collected 8.5 percent on all taxable sales from retail stores, businesses and personal services, and all other outlets. Historically, the sales tax rate has increased only eight times from 6.5 percent to the current rate of 8.5 percent, with less than 10 percent of this allocated to San Francisco's General Fund. (The overall sales tax rate dropped to 8.25 percent for calendar year 2001.) For FY 2000-01, approximately 6.4 percent was allocated to the General Fund; 5.7 percent in FY 2001-02; and 5.9 percent in FY 2002-03. The available data collected on the city's sales tax, highlighted in this section, only pertain to the 1 percent local sales tax portion of the 8.5 percent total sales and use tax rate.

Citywide sales sales tax revenue increased by $28.2 million between 1994-95 and 2000-01, growing 24% over that period. The largest increase occurred between 1998-99 and 1999-00 when sales tax receipts rose $12.6 million or 9.6 percent. After a peak in 2000-01, sales tax revenue began to level off. Between FY 2000-01 and 2001-02, due to the slowing economy, sales tax revenue decreased approximately $34.2 million dollars, from $145.5 million to $111 million. For FY 2002-03, sales tax revenue did not significantly improve.

HOTEL TAXES

There are over 500 hotels, with 32,000 rooms, in San Francisco. Nearly 400 hotels are in the Downtown area. Hotel taxes are imposed to recover some of the costs of governmental services associated with nonresidents. Hotel tax revenue is generated by a 14% tax levied on hotel room charges for hotel guests. When first introduced in 1961, the tax rate was 6 percent and has increased incrementally to the current rate of 14%. Hotel tax revenues for 2002-03 are projected to be $132.2 million, of which $76.8 million will be allocated to the General Fund. The remainder of this hotel tax revenue is allocated to the following:

- Moscone Center & convention facilities;
- Grants for the Arts;
- War Memorial & Performing Arts;
- Convention & Visitors Bureau;
- Low Income Housing Programs;
- Redevelopment Agency Bonds;
- Fine Arts Museum;
- Cultural Centers;
- Cultural Equity Endowment
- Asian Arts Museum
- Administration; and
- Yerba Buena Gardens

Citywide, general fund hotel tax receipts have fallen by $45.5 million between 1998-99 and 2002-03, showing a 37.6% decrease over a five-year period. Between 1996-97 and 1997-98, hotel tax revenue increased $35.2 million, or 47% , the greatest one-year increase during this period. In that year, hotel tax revenues collected Downtown represented over 71% of the hotel tax revenue collected citywide. Hotel tax revenues dropped dramatically in 2001-02, reflecting the decrease in visitors, hotel room rates and occupancy rates. Only $72.3 million dollars was collected citywide, and approximately $54.8 million in the Downtown area, or 75%. This represents a 15% decrease in hotel tax revenue.

Overall, hotel tax revenues have been severely impacted by the weak economy and recent global events affecting business and leisure travel. However, as the economy recovers, the Office of the Controller project's hotel tax revenues for 2002-03 to increase by 4.4%. Hotel room tax revenues are projected to be similar to prior year levels because hotels have been aggressively discounting their daily room rates to increase hotel occupancy rates, putting downward pressure on total hotel tax revenue.

	Occupancy Rate	Occupancy % Change	Average Daily Room Rate (ADR)	ADR % Change
FY 1998-89	79.9%		$147.53	
FY 1999-00	80.9%	1.4%	$157.77	6.9%
FY 2000-01	77.1%	-4.7%	$176.19	11.7%
FY 2001-02	63.0%	-18.3%	$152.22	-13.6%
**FY 2002-03	66.3%	5.2%	$143.36	-5.8%
* Based on an industry sample representing 70-80 percent of all hotel rooms and hotel tax revenue in San Francisco				
** Projected for Fiscal Year 2002-03				
Source:	City and County of San Francisco, Office of the Controller			

Figure 4.11: Hotel Industry Data, 1998/99-2002/03

Appendices

- Appendix A: Downtown Plan Monitoring Ordinance
- Appendix B: Employment and Build-Out Methodologies
- Appendix C: Projects Funded Through the Jobs/Housing Linkage Program
- Appendix D: Downtown Fees Collected by Year
- Appendix E: Permit Activity for Rated Buildings in the C-3

APPENDIX A: DOWNTOWN PLAN MONITORING ORDINANCE

(Chapter 10E of the San Francisco Administrative Code)

SEC. 10E.1. FINDINGS.

The Board of Supervisors makes the following findings in support of this ordinance.

(a) The Planning Commission has adopted the Downtown Plan as part of the General Plan of the City and County of San Francisco, and the Board of Supervisors, acting upon the recommendation of the Planning Commission, has adopted amendments to the Planning Code called for in the Downtown Plan.

(b) The focus of the Downtown Plan is to prevent development where change would diminish the City's character or livability but to allow appropriately scaled development that would further the City's economic, fiscal and social objectives.

(c) The Downtown Plan is based on certain assessments about the ability of the City to absorb the impacts of growth in downtown San Francisco and the desirability of increasing housing, ridesharing and transit use in light of the anticipated downtown growth. The Downtown Plan proposes various actions which should be taken to achieve the following goals: An increase in the City's housing supply by an average of 1,000 to 1,500 new housing units per year; and increase in ridesharing to a point where the number of persons commuting by auto or van rises from 1.48 to 1.66 persons per vehicle; and an increase in the use of transit by downtown workers from 64 percent to 70 percent of all work trips.

(d) The Downtown Plan recommends the adoption of a formal process for monitoring progress toward Plan goals. This monitoring process is necessary to evaluate the effectiveness of the Plan and the impacts of downtown growth, and to make any adjustments deemed appropriate to the controls described in the Downtown Plan or to additions to the City's infrastructure and services.

(e) The purpose of this monitoring system shall be to determine whether the infrastructure and support systems necessary to accommodate the growth of downtown, particularly housing supply and transit capacity, have kept pace with development in the C-3 Districts. If downtown is growing at a faster pace than the necessary infrastructure and support systems, it may become necessary to make further efforts to slow down the pace of development, or devise additional mechanisms for providing required infrastructure and support systems.

(f) The Planning Department shall undertake a two-tiered monitoring program. The two tiers are: 1) An annual collection and reporting of data from selected sources that are gathered on a regular basis, and 2) every five years, a more extensive data collection effort that includes a cordon count of downtown oriented travel and an employer/employee survey. The annual monitoring should provide an early warning system for trends that may develop, indicating a shortfall in the long range goals. (Added by Ord. 500-85, App. 11/22/85; amended by Ord. 263-99, File No. 991548, App. 10/15/99)

SEC. 10E.2. ANNUAL REPORT.

The Planning Department shall prepare an annual report detailing the effects of downtown growth. The report shall be presented to the Board of Supervisors, Planning Commission, and Mayor, and shall address: (1) the extent of development in the C-3 Districts; (2) the consequences of that development; (3) the effectiveness

of the policies set forth in the Downtown Plan in maintaining San Francisco's environment and character; and (4) recommendations for measures deemed appropriate to deal with the impacts of downtown growth.

(a) Time Period and Due Date. Reports shall be due on March 15th of each year, and shall address the immediately preceding calendar year, except for the five year report, which shall address the preceding five calendar years.

(b) Data Source. The Planning Department shall assemble a data base for 1984 and subsequent years for the purpose of providing the reports. City records shall be used wherever possible. Outside sources shall be used when data from such sources are reliable, readily available and necessary in order to supplement City records.

(c) Categories of Information. The following categories of information shall be included:

Commercial Space and Employment.

(1) The amount of office space "Completed," "Approved," and "Under Construction" during the preceding year, both within the C-3 Districts and elsewhere in the City. This inventory shall include the location and square footage (gross and net) of those projects, as well as an estimate of the dates when the space "Approved" and "Under Construction" will become available for occupancy.

(1) Office Vacancy Ratio. An estimate of the current office vacancy rate in the C-3 Districts and citywide.

(3) Citywide and C-3 District Office Employment. An estimate of additional office employment, by occupation type, in the C-3 Districts and citywide.

(4) Tourist Hotel Rooms and Employment. An estimate of the net increment or tourist hotel rooms and additional hotel employment in the C-3 Districts.

(5) Retail Space and Employment. An estimate of the net increment of retail space and of the additional retail employment relocation trends and patterns within the City and the Bay Area.

(6) Business Formation and Relocation. An estimate of the rate of the establishment of new businesses and business and employment relocation trends and patterns within the City and the Bay Area.

Housing.

(7) Housing Units Certified for Occupancy. An estimate of the number of housing units throughout the City newly constructed, demolished, or converted to other uses.

(8) Office-Housing Production Program. A summary of the operation of the Office/Housing Production Program and the Housing Affordability Fund, identifying the number and income mix of units constructed or assisted with OHPP monies.

Transportation.

(9) Parking Inventory. An estimate of the net increment of off-street parking spaces in C-3 Districts.

(10) Vehicle Occupancy Rates. An estimate of vehicle occupancy rates for vehicles entering the City.

(11) Transit Service. An estimate of transit capacity for peak periods.

(12) Transit Impact Fee. A summary of the use of the transit impact development fee funds, identifying the number of vehicles, personnel and facilities acquired.

Fiscal.

(13) Revenues. An estimate of the net increment of revenues by type (property tax, business taxes, hotel and sales taxes) from office, retail and hotel space.

(d) Report. The analysis of the factors under Commercial Space and Employment will provide an estimate of the increase in housing and transit demand. The comparison of increased demand with the increase in the supply of housing and in transit capacity will indicate the degree that the City is able to accommodate new development. Based on this data, the Department shall analyze the effectiveness of City policies governing downtown growth and shall recommend any additional measures deemed appropriate. (Added by Ord. 500-85, App. 11/22/85; amended by Ord. 263-99, File No. 991548, App. 10/15/99)

SEC. 10E.3. FIVE YEAR REPORT.

On March 15, 1990, and every fifth year thereafter on March 15th, the report submitted shall address the preceding five calendar years and, in addition to the data described above, shall include a cordon count of downtown oriented travel and an employer/employee survey, as well as any other information deemed appropriate for the purpose of monitoring the impact of downtown development. If the Planning Department determines that early warnings from the annual reports indicate the need for collection of the cordon count and employer/employee survey earlier than at five-year intervals, it may include such data in any annual report, and may include an analysis of data for a period of time earlier than the preceding calendar year. (Added by Ord. 500-85, App. 11/22/85; amended by Ord. 263-99, File No. 991548, App. 10/15/99)

SEC. 10E.4. INFORMATION TO BE FURNISHED.

It shall be the duty of the heads of all departments, offices, commissions, bureaus and divisions of the City and County of San Francisco, upon request by the Planning Department, to furnish such information as they may have or be able to obtain relating to the matters to be included in the reports required herein. (Added by Ord. 500-85, App. 11/22/85; amended by Ord. 263-99, File No. 991548, App. 10/15/99)

APPENDIX B: EMPLOYMENT AND BUILD-OUT METHODOLOGIES

EMPLOYMENT

1. Compared the 1984 space forecast with actual 2000 space production.
2. 1985 C-3 boundaries used for comparison.
3. Reviewing the pipeline, space to 2000 was calculated and adjusted to account for a vacancy factor by 4.5%
4. Multiplied space by employment densities for employment estimates.
5. Employment densities were derived from Dunn and Bradstreet business database. For Hotel, outliers between 400<>2500 were omitted. For Cultural/Institutional outliers between 100<>1500 were omitted.
6. Citywide numbers for both 1985 and 2000 are EDD estimates and adjusted by 12% to account for self-employment.

General Notes:

- EDD data includes wage and salary jobs only. It does not include self-employed.
- Jobs attributed to office were increased after 2000 by the switch from the SIC to NAICS job classification system: NAICS reclassified administrative support jobs in other sectors specifically Cultural/Institutional and Industrial, as office. Also, some internet jobs previously identified as Industrial were reclassified as office.

DOWNTOWN EMPLOYMENT FORECAST

1. Reviewed Employment Growth Allocation to 2025 by TAZ.
2. Identified TAZ's completely within C-3 and included associated employment growth by sector.
3. If more than 50% of a TAZ was inside the C-3 its' employment was counted by its' proportional geographic share within the C-3. For example, if 75% of a TAZ was within the C-3, 75% of it's employment was counted by sector.
4. TAZ's 537 and 553, near the Market/Octavia and Van Ness areas, were also included although less than 50% of their land area was in the C-3. These TAZ's were included because they are partly in the C-3 and job growth is expected to focus along the C-3 portions of these TAZ's. To yield a conservative estimate of employment growth in these cases, only the geographic proportion of the TAZ within the C-3 was used to estimate employment. For example, if 25% of the TAZ was within the C-3, only 25% of it's employment was counted.
5. Office space potential was estimated using five and 30% softsites.
6. This information was further supplemented by field-work that resulted in more conservative space estimates.

APPENDIX C: PROJECTS FUNDED THROUGH THE JOBS/HOUSING LINKAGE PROGRAM

(Formerly the Office Affordable Housing Production Program)

Project Name	Address	Project Status 6/1/03	Tenure	Target Population	Units	Units Restricted at: 60% of median	80% of median	100% of median	Actual Income of Occupants is below: 30% of median	50% of median	60% of median	80% of median	100% of median	Market Rate
Mercy Family Plaza, Ltd.	1509 Hayes		Rental	Family rental	36		22					22		14
101 Valencia	101 Valencia	Completed	Ownership	First time homebuyer families	109		55	54				55	54	
Tenderloin Family Apts.	201 Turk	Completed	Rental	Family rental	175		175		68	50	15	29	13	
Embarcadero Triangle (note 3)	600 Embarcadero	Completed	Rental	Special needs	177	177					177			
Leandro Soto Apts.	2155 Mission	Completed	Rental	Family rental	48	47			29		16	2		1
Minna St. Apts.	518 Minna	Completed	Rental	Family rental	24	23			5	13	5			1
Lady Shaw	1483 Mason	Completed	Rental	Seniors	70	70					70			
Hamlin Hotel	385 Eddy	Completed	Rental	Very low income single persons	69	69			69					
Connecticut Street Court	1200 Connecticut	Completed	Rental	Family rental	10	10			1	3	1	3	2	
Del Carlo Court	3330 Cesar Chavez	Completed	Rental	Family rental	25	25			1	15	9			
Hamilton Family Center	1530 Fell	Completed	Rental	Homeless families	20	20			16	1				
8th & Howard Family Housing	1188 Howard	Pending occupancy	Rental	Family rental	74	74								
Broadway Family Apts.	150 Broadway	Pre-construction	Rental	Family rental	87									
Curran House	145 Taylor	Pre-construction	Rental	Family rental	67	67								
North Beach Place	401 Bay	Under construction	Rental	Family rental	112	112								
Total					**1,103**	**694**	**252**	**54**	**189**	**82**	**293**	**111**	**69**	**16**

APPENDIX D: DOWNTOWN FEES COLLECTED BY YEAR

Affordable Housing Fees

Fiscal Year	Fiscal Year Starting	Fiscal Year Ending	Number	Total Amount Collected
1986	7/1/1985	6/30/1986	0	$ -
1987	7/1/1986	6/30/1987	0	$ -
1988	7/1/1987	6/30/1988	0	$ -
1989	7/1/1988	6/30/1989	4	$ 1,186,315.65
1990	7/1/1989	6/30/1990	0	$ -
1991	7/1/1990	6/30/1991	6	$ 3,316,974.20
1992	7/1/1991	6/30/1992	0	$ -
1993	7/1/1992	6/30/1993	4	$ 246,170.87
1994	7/1/1993	6/30/1994	3	$ 73,506.00
1995	7/1/1994	6/30/1995	2	$ 245,137.47
1996	7/1/1995	6/30/1996	1	$ 20,769.23
1997	7/1/1996	6/30/1997	1	$ 1,000,000.00
1998	7/1/1997	6/30/1998	4	$ 2,761,823.60
1999	7/1/1998	6/30/1999	8	$ 62,903.10
2000	7/1/1999	6/30/2000	11	$ 10,753,894.30
2001	7/1/2000	6/30/2001	13	$ 13,397,925.05
2002	7/1/2001	6/30/2002	9	$ 5,698,006.74
2003	7/1/2002	6/30/2003	1	$ 959,411.00
Total			67	$ 39,722,837.21
Effective 7/19/1985 (P.C. Sec. 313)				

Downtown Park Fees

Fiscal Year	Fiscal Year Starting	Fiscal Year Ending	Number	Total Amount Collected
1986	7/1/1985	6/30/1986	0	$ -
1987	7/1/1986	6/30/1987	0	$ -
1988	7/1/1987	6/30/1988	1	$ 772,326.00
1989	7/1/1988	6/30/1989	0	$ -
1990	7/1/1989	6/30/1990	3	$ 1,034,680.00
1991	7/1/1990	6/30/1991	2	$ 737,860.00
1992	7/1/1991	6/30/1992	0	$ -
1993	7/1/1992	6/30/1993	0	$ -
1994	7/1/1993	6/30/1994	0	$ -
1995	7/1/1994	6/30/1995	0	$ -
1996	7/1/1995	6/30/1996	0	$ -
1997	7/1/1996	6/30/1997	0	$ -
1998	7/1/1997	6/30/1998	1	$ 16,310.00
1999	7/1/1998	6/30/1999	0	$ -
2000	7/1/1999	6/30/2000	2	$ 906,042.00
2001	7/1/2000	6/30/2001	3	$ 984,228.00
2002	7/1/2001	6/30/2002	7	$ 3,569,256.73
2003	7/1/2002	6/30/2003	2	$ 1,134,140.00
Total			21	$ 9,154,842.73
Effective 9/17/1985 (P.C. Sec. 139)				

Child Care Fees

Fiscal Year	Fiscal Year Starting	Fiscal Year Ending	Number	Total Amount Collected
1986	7/1/1985	6/30/1986	0	$ -
1987	7/1/1986	6/30/1987	0	$ -
1988	7/1/1987	6/30/1988	0	$ -
1989	7/1/1988	6/30/1989	2	$ 133,944.00
1990	7/1/1989	6/30/1990	1	$ 153,115.00
1991	7/1/1990	6/30/1991	9	$ 1,011,773.00
1992	7/1/1991	6/30/1992	0	$ -
1993	7/1/1992	6/30/1993	1	$ 26,217.00
1994	7/1/1993	6/30/1994	2	$ 120,000.00
1995	7/1/1994	6/30/1995	1	$ 60,000.00
1996	7/1/1995	6/30/1996	1	$ 60,000.00
1997	7/1/1996	6/30/1997	0	$ -
1998	7/1/1997	6/30/1998	3	$ 329,680.00
1999	7/1/1998	6/30/1999	0	$ -
2000	7/1/1999	6/30/2000	5	$ 565,736.00
2001	7/1/2000	6/30/2001	2	$ 110,472.00
2002	7/1/2001	6/30/2002	5	$ 802,979.00
2003	7/1/2002	6/30/2003	4	$ 714,874.00
Total			36	$ 4,088,790.00
Effective 9/6/1985 (P.C. Sec. 314)				

Fees Reported as of May 31, 2003

APPENDIX E: PERMIT ACTIVITY FOR RATED BUILDINGS IN THE C-3

Year	Address	Building Name	Rating	Case Type
1983	325 Battery	Federal Reserve Bank Building	I	A
1983	601 Market	Santa Fe Building/ West Coast Life	IV	A
1986	235 Powell		IV	H
1987	220 Montgomery	Mills Building and Tower	I	A
1987	1 Mission	Audiffred Building	I	A
1988	225 Post		I	A
1988	275 Post	Lathrop Building	I	A
1988	491 Post	First Congregational Church	I	A
1988	600 Stockton	Met Life-Pacific Coast Head Office	I	A
1988	39 New Montgomery	The Sharon Building	I	A
1989	540 Market	Flatiron Building	I	A
1989	433 California	Insurance Exchange Building	I	H
1989	165 Steuart	Army-Navy Y.M.C.A.	II	H
1990	400 California	Bank of California	I	A
1990	501 Geary	Bellevue Hotel	I	H
1990	421 Powell	Argonaut Club	I	H
1990	101 Howard	J.A. Folger and Co. Building	I	H
1990	979 Market	Hale Brothers Department Store	II	H
1990	1215 Market	Whitcomb Hotel	II	H
1990	256 Front		IV	H
1991	301 Powell	St. Francis Hotel	I	H
1991	2 Turk	Hotel Glenn	I	H
1991	555 California		I	H
1991	114 Sansome	Adam Grant Building	I	H
1991	2 New Montgomery	Palace Hotel, Garden Courtyard	II	A
1991	41 Van Ness		III	H
1991	324 Howard	Marine Electric Company	III	H
1992	870 Market	James Flood Building	I	A
1992	220 Bush	Mills Building and Tower	I	A
1992	1 Taylor	Golden Gate Theater	II	H
1992	565 Commercial	PG&E Old Station J	IV	A
1992	100 Grant	Livingston Brothers	IV	H
1993	345 Montgomery	California Commercial Union Building	I	H
1994	750 Market	Phelan Building	I	A
1994	647 Mission	Veronica Building	I	H
1994	825 Market	Commercial Building	II	H
1994	566 Bush	Notre Dame des Victoires Church and Rector	III	A
1995	132 Geary	Sachs Building	I	A
1995	415 Geary	Geary Theater	I	A
1995	564 Bush	Notre Dame des Victoires Church and Rector	I	A
1996	401 Sansome	National Building	I	A
1997	255 Sutter	White House Department Store Building	I	A
1997	582 Market	The Hobart Building	I	A
1997	166 Grant		IV	A
1998	1 Market	Southern Pacific Building	I	H
1999	130 Sutter	Hallidie Building	I	A
1999	130 Sutter	Hallidie Building	I	A
2000	182 Second	Barker, Knickerbocker, Bostwick Building	IV	A
2000	559 Clay		IV	H
2001	615 Sacramento	Jack's Restaurant Building	III	A
2002	216 Stockton		IV	H
2003	57 Post	The Mechanics Institute	I	A
2003	1182 Market	Orpheum Theater Building	I	A
2003	1301 Market	Western Furniture Exchange	I	H
2003	938 Market	Dressler or Garfield Building	I	H
2003	50 Oak	Young Men's Institute	II	H

A = Certificate of Appropriateness/Permit to Alter

H = Proposition M Review