



SPUR

San Francisco | San Jose | Oakland

February 26, 2016

Steve Wertheim
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA

RE: Prioritization of Public Benefits in Central SoMa

Dear Steve:

Thank you for the opportunity to weigh in on the prioritization of public benefits in the Central SoMa Plan. We believe the choices made around Central SoMa's growth will influence the future of San Francisco as a whole. As we have discussed, the proposed area upzonings create great opportunity for value capture to benefit the neighborhood, the city and even the region.

While the projected \$2 billion that could be generated by the Central SoMa Plan and allocated toward public benefits over 25 years is significant, the need is also enormous. San Francisco's transportation needs alone require \$10 billion in investment by 2030. Given the need to prioritize finite public resources, we believe that the most important public investments in Central SoMa are those that will significantly improve the public realm; that benefit all of the neighborhood's residents, workers, and visitors; and that are key to neighborhood livability.

Building on the "baseline" proposal the Planning Department has presented, we urge the Department to put forth a financially-feasible public benefits program that prioritizes housing affordable to a range of household incomes, transit, complete streets, open space and sustainability.

Affordable Housing: \$908 Million (33% overall affordability)

Housing affordability is the crisis of our time, and SPUR has long supported increasing both new housing production overall and the availability of affordable housing. We agree with the Planning Department's "baseline" proposal, which dedicates a large portion of the potential funding in Central SoMa to making new and rehabilitated housing units affordable. We want to acknowledge that the proposed 33 percent affordability goal commits approximately \$908 million of the potential \$2 billion in public benefits to housing, and that the baseline proposal in fact increases affordability across new and rehabilitated units from 23 – 26 percent up to 33 percent, through a combination of 100% affordable projects, dedication of Jobs-Housing Linkage fees and on-site inclusionary units. We believe that this is the right investment and that 33 percent is the right goal for new and rehabilitated units in Central SoMa.

Beyond affordable housing investments, there is \$481 million in existing baseline fees and requirements that we support, including \$95 million not included in the categories discussed below. We propose that the \$611 million in new value-capture left to allocate across other public priorities be distributed as discussed below.

SAN FRANCISCO

654 Mission Street
San Francisco, CA 94105
(415) 781-8726

SAN JOSE

76 South First Street
San Jose, CA 95113
(408) 638-0083

OAKLAND

1544 Broadway
Oakland, CA 94612
(510) 827-1900

spur.org

Complete Streets: \$127 Million (\$62 Million over Baseline)

Redesigning all the major streets of the Central SoMa Area is key to the success of the neighborhood for all who live, work and travel through it. The streets of Central SoMa are currently designed to allow car traffic to move through the neighborhood quickly and not for the safety and enjoyment of walkers and bikers in the neighborhood. This is also an important effort because of the highly visible and tangible nature of the investment. We support a public benefits program which funds the \$62 million build-out of the second half of the major streets (the first half—\$65 million—is already included in the baseline).

Open Space: \$70 Million (\$30 Million over Baseline)

Open space is also a significant need for the neighborhood. A requirement for privately-owned public open spaces (POPOS) and existing fees will fund a new playground, a new recreation center and 4 acres of POPOS, but as SPUR staff have mentioned in prior letters to you, a new South Park-scaled one-acre public park is a \$30 million investment which we believe will improve the overall neighborhood and provide open space opportunities for new and existing residents and workers.

Sustainability: \$55 Million

Sustainability is a high priority for SPUR. This is a complex area in which to allocate public benefits. State and city baseline performance requirements of private development are constantly changing (energy and water efficiency, materials selection, etc.), and it is difficult to put a price tag on many areas of potential investment. We propose two areas of focus:

- To build out the public realm—primarily open space and complete streets—to the highest level of sustainability and to make them visibly greener. Priorities would include greening public spaces, planting and maintaining street trees, and incorporating stormwater best practices into the complete streets build-out and all open space (publicly-owned and POPOS). The Planning Department's estimate to incorporate comprehensive stormwater management into the streets is \$20 million. We imagine that this number might need to be increased in order to fund additional greening measures in the public realm, and request that the Planning Department estimate those costs for potential inclusion in the public benefits program. Green infrastructure must also be maintained differently than traditional grey infrastructure, and we encourage you to develop and fund a maintenance plan to accompany green capital investments.
- To create a Sustainability Innovation Fund that could help tip cutting-edge sustainability investments into the realm of feasibility for private development as well as for public projects (if this is an eligible use of funds). Given the ever-shifting baseline, this would be a flexible way to incentivize innovations that stay current. We suggest an investment of \$25 million over 25 years.

Transportation: \$745 Million (\$464 Million over Baseline)

SPUR believes strongly in the need for a significant investment in transit in Central SoMa, particularly given the high cost of meaningful transit investment. The city's 2030 plan identifies over \$10 billion in transportation needs; many of those needed capital and operating investments go through or touch the Central SoMa area and would have a real impact on those who live and work in this neighborhood. These investments could include transit expansion (such as the Downtown Extension), fleet expansion and Muni Forward. Rather than make specific transit project recommendations, we believe that transit priorities should be set by the SFMTA and the SFCTA. Given Central SoMa's proposed density and its proximity to similarly dense neighborhoods, getting transportation right in this plan is critical.

We acknowledge that there are many important areas of need for Central SoMa, far more than the potential \$2 billion can support, and we applaud the Planning Department for its work to identify and quantify those needs while also keeping economic feasibility in mind. We urge the Department to prioritize those investments that are truly in the public realm; that benefit all of the neighborhood's residents, workers, and visitors; and that are key to neighborhood livability.

Please feel free to contact SPUR's Community Planning Policy Director Kristy Wang if you have any questions. Thank you for the opportunity to provide input on this key plan.

Sincerely,

Charmaine Curtis Paul Woolford
SPUR Central SoMa Task Force Co-Chairs

cc: SPUR Board of Directors