SAN FRANCISCO
VOTER GUIDE
JUNE 2014
Ballot analysis and recommendations

PROP. A
Earthquake Safety Bond
YES

PROP. B
Waterfront Initiative
NO
Earthquake Safety and Emergency Response Bond
Provides up to $400 million to rehabilitate or replace key fire and public safety facilities that have seismic vulnerabilities.

What it does
Proposition A is a general obligation bond that would finance repairs to deteriorating emergency response infrastructure throughout the City and County of San Francisco. Improvements to neighborhood firehouses and the city’s emergency water system — as well as the relocation of important police functions to new, seismically secure facilities — would be prioritized for Earthquake Safety and Emergency Response (ESER) 2014 funding.

ESER 2014 is the second phase of a three-part capital plan designed to fund repairs that will allow the city to respond quickly and effectively after a major earthquake or other disaster. Planned projects include:

- Making resiliency upgrades to 23 of the city’s 42 neighborhood fire stations
- Rehabilitating the city’s Emergency Firefighting Water System (also called the Auxiliary Water Supply System), a specialized backup system for fighting large fires that was first built in response to the 1906 earthquake
- Making resiliency upgrades to nine of San Francisco’s 10 police district stations and infrastructure
- Relocating the city’s motorcycle police, crime lab and medical examiner (functions essential to daily public safety and citywide disaster response) from the seismically deficient Hall of Justice

Funds from ESER 2014 would allow the construction of two new seismically sound facilities: one for the motorcycle police and crime lab at a single site located in the Bayview, and a second for the medical examiner in India Basin.

The bond would be repaid over a 20-year period and would not increase the property tax rate beyond the level established in 2006. The bond would be overseen by the Capital Planning Committee, the Police and Fire Commissions, and the independent Citizens’ General Obligation Bond Oversight Committee. Periodic public hearings and a webpage (www.sfearthquakesafety.org) with progress updates and reports would help to maintain transparency.

ESER 2014 is identified in the city’s 10-year capital plan, adopted in April 2013. In addition, the city’s Capital Planning Committee reviewed this bond and voted to support it in November 2013.

Why it’s on the ballot
The ESER 2014 bond is part of a multiyear plan to make repairs to the city’s aging and deteriorating infrastructure so that San Francisco can respond quickly to a major earthquake or other disaster.

Capital planning for public facilities is part of the city’s 10-year capital planning process. The 2014-2023 Capital Plan includes seismic repairs to critical facilities, as well as investments in roads and parks. The plan provides a financing strategy for the city and its partner agencies to deliver $25.1 billion in infrastructure improvements over the next decade without raising property tax rates or overburdening the city’s General Fund. The city holds the property tax rate steady by retiring bond debt before issuing new bonds. The mayor and the Board of Supervisors approved San Francisco’s current 10-year capital plan in 2013.

The first Earthquake Safety and Emergency Response Bond was passed in 2010 by 79 percent of San Francisco voters. ESER 2010 initiated a series of strategic investments in seismic upgrades to key public safety facilities. The second stage in this long-range capital plan, ESER 2014 would carry many of these projects from the planning phase through to completion. A third ESER bond, expected in several years, will be smaller and will focus on continuing improvement projects for police and fire.

This measure was placed on the ballot with the support of the mayor and all 11 members of the Board of Supervisors. The San Francisco Fire Department and the San Francisco Police Department also fully support ESER 2014.

FIGURE 1
Earthquake Safety and Emergency Response Projects Prop. A Would Fund

<table>
<thead>
<tr>
<th>ESER 2014 Projects and Programs</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood firehouses</td>
<td>$85 million</td>
</tr>
<tr>
<td>Emergency firefighting water system</td>
<td>$55 million</td>
</tr>
<tr>
<td>District police stations and infrastructure</td>
<td>$30 million</td>
</tr>
<tr>
<td>Motorcycle police and crime lab</td>
<td>$165 million</td>
</tr>
<tr>
<td>Medical examiner facility</td>
<td>$65 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$400 million</strong></td>
</tr>
</tbody>
</table>
Pros

- The U.S. Geological Survey estimates a 63 percent chance that a 6.7 or greater earthquake will hit the Bay Area in the next two decades. San Francisco can’t afford to wait any longer to ensure that its public safety personnel and lifeline services will be able to save lives and protect homes and businesses in the critical hours after such an event.
- The biggest danger after an earthquake is fire. The majority of damage in San Francisco’s historic earthquakes has been caused not by shaking but by the resulting fires that could not be effectively fought. Prop. A prioritizes repairs to the city’s Emergency Firefighting Water System to ensure that it will be ready when it’s most needed.
- Investing in upgrades will protect the public’s investment in these facilities. The cost of retrofitting buildings now is much lower than the cost of rebuilding them after an earthquake and providing temporary facilities during the rebuilding process. If the city fails to maintain these buildings today, all of the public funding invested in the city’s emergency infrastructure could be lost to disaster.
- A bond is the proper financing tool for this long-range capital planning project. The estimated cost of the proposed projects is too great to be paid out of the ordinary income and revenue of the city.

Cons

- By simply replacing facilities where they are, the city may be missing an opportunity to rethink and better plan the placement of key neighborhood services. The current locations of many fire and police stations have been shaped by vagaries of history, tradition and politics that don’t align with the neighborhood needs of the city today.
- The proposal to move some personnel out of the seismically unsafe Hall of Justice building before incarcerated people are moved out is ethically troubling. The city plans to complete a replacement jail by 2019, but until then incarcerated people will continue to be held in a building that has been designated seismically unsafe.

**SPUR’s analysis**

San Francisco is at great risk of a major earthquake in the near future. Response and recovery planning and seismic mitigation are needed on many fronts. Prop. A provides a modest amount of public financing to ensure that the city’s first responders can be prepared to save lives and aid in recovery in the crucial hours and days following a disaster.

Over the last 10 years, SPUR’s Resilient City initiative has brought together city leaders and experts to plan for disaster preparedness in San Francisco. All phases of this effort have emphasized the necessity of protecting key public safety infrastructure and lifelines such as the emergency water system. As things now stand, it may take months or even years for some facilities to be restored to full operation after a major earthquake. The disruption of services could mean lives lost and could determine whether people are able to stay in San Francisco or not. ESER 2014 is a critical step to ensure public safety now and to improve the city’s resilience to disaster.

**SPUR recommends a “Yes” vote on Prop. A**
Waterfront Initiative

Waterfront Height Limit Right to Vote Act
Requires voter approval for increases to height limits on Port of San Francisco property.

What it does
This measure would require that voters approve any increases to current building height limits on existing or future Port of San Francisco property. Any ballot measure to approve future height increases would need to state both the current and proposed height limits in the ballot question itself.

Property currently owned or controlled by the port includes areas east of the Embarcadero along the entirety of San Francisco’s northeast waterfront, from Fisherman’s Wharf to AT&T Park, including the piers, as well as many of the “sea wall lots,” the often triangular-shaped sites to the west of the Embarcadero that were created by landfill when the city’s protective sea wall was constructed. The port also controls Sea Wall Lot 337 (SWL 337), which is currently home to the Giants parking lot and is being considered for a new mixed-use development called Mission Rock. South of SWL 337, the port administers much of the land to the east of Illinois Street, including Pier 70, although some of that area is privately owned and controlled. The port’s jurisdiction ends roughly north of India Basin at Jennings Street and Cargo Way. (Figure 2 shows all land owned or controlled by the port.)

The port does not control any lands west of Webster Street in the Marina, nor any lands on the Pacific Ocean side of San Francisco.1

The majority of port land was acquired from the State of California and is held in trust for the people of California. Because state law restricts the allowable uses of this property, state bodies such as the Bay Conservation and Development Commission and the State Lands Commission have certain types of jurisdiction over it.

In 1990, voters passed Proposition H, which banned hotel development on the piers and required the creation of a land use plan for the waterfront. In 1997, the Port Commission adopted the Waterfront Land Use Plan, which identified areas to be preserved for maritime uses and other areas to be targeted for mixed-use development. The plan also established a Waterfront Plan Implementation Process, with specific steps the city would take when contemplating the development of a port site. This process includes forming citizen advisory groups to review and provide input into development concepts.2

Currently, any zoning changes on port land, including height increases, are approved by the Planning Commission and the Board of Supervisors. Additional commissions and other public bodies, such as the Historic Preservation Commission, may be required to review and approve such changes. City staff provide significant technical analysis to help the public understand the effect of proposed changes and to help inform decision-making by these commissions and boards.

If Prop. B were to pass, this process would change in several significant ways:

1. The first approval for any project seeking a height increase would be a vote of the people at the ballot. Depending on how the project sponsor chooses to word the ballot measure, it could focus on the narrow question of a height increase, or it could authorize the entire project — including the project design, the number of parking spaces, the size and location of open spaces, and other factors. It is likely that project sponsors who went to the time and expense of putting a measure on the ballot would seek authorization for more than just an increase in height.

2. Whatever aspects of the project are approved at the ballot could not be changed in the legislative process. For example, if the approved ballot measure authorizes a project that interferes with important maritime activities, the Planning Commission and Board of Supervisors would not be authorized to make any changes to those aspects of the project.

3. City staff members — who provide technical support to help inform the Planning Commission, Board of Supervisors and other decision-making bodies — would only be allowed to provide objective and impartial analysis of measures placed on the ballot. They would not be allowed to weigh the benefits or shortcomings of any project nor to provide this type of guidance to voters.3

4. Certain aspects of the process for local review under the California Environmental Quality Act would also change. Environmental impacts created by aspects of the development that voters approved could still be analyzed, but project sponsors would not be required by law to address those impacts, as they are today.4

Two large developments along the waterfront would be impacted by Prop. B: SWL 337, home to the future Mission Rock development; and Pier 70. Both of these developments would require height limit increases that would be put before the voters. The Golden State Warriors basketball team had proposed plans for a new arena at Piers 30-32 but recently

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3 Letter from the San Francisco Planning Department to John Arntz, Director of Elections, February 20, 2014, page 3.

4 Ibid.
FIGURE 2
Property Owned or Controlled by the Port of San Francisco

Prop. B would apply to developments on any of the land either owned or controlled by the port, shown in orange. If the measure passes, two current projects will need to go to the ballot: Mission Rock and Pier 70. Another project, the Golden State Warriors Arena, recently elected to move to a site on non-port land.
**FIGURE 3**
Current Developments Affected If Prop. B Passes

<table>
<thead>
<tr>
<th></th>
<th>Mission Rock</th>
<th>Pier 70</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>What is it?</strong></td>
<td>A mixed-use development proposal including housing, commercial development and a large new waterfront park on SWL 337</td>
<td>A mixed-use development proposal including preservation of significant historic buildings and a waterfront park on Pier 70</td>
</tr>
<tr>
<td><strong>Current zoning</strong></td>
<td>Open space</td>
<td>Heavy industrial</td>
</tr>
<tr>
<td><strong>Current height limit</strong></td>
<td>0 feet</td>
<td>40 feet</td>
</tr>
<tr>
<td><strong>Planning process</strong></td>
<td>A Port Commission committee oversaw a community planning process, which led to a two-phase developer solicitation process. Development proposals were juried by a community advisory body. Their recommendations led the Port Commission to select the Mission Rock development team.</td>
<td>The port led a public planning process, which resulted in the Pier 70 Preferred Master Plan to preserve the site’s ship repair facility and create a historic district and shoreline park system, along with two development proposals. Pier 70 efforts have been guided by the port’s Central Waterfront Advisory Group.</td>
</tr>
<tr>
<td><strong>Would project need to go to ballot if Prop. B passes?</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
announced that it would instead seek to build in Mission Bay, on property not owned by the port.

It is estimated that these projects would collectively create between 1,600 and 3,300 units of housing — including 268 to 596 affordable housing units — as well as $93 million in developer fees that would go to the production of additional affordable housing. In addition, these projects would provide $65 million in state-of-good-repair improvements to port facilities at the project sites and $175 million in enhancements such as parks, streets, utilities and seismic upgrades. These projects would also provide $26 million to the city’s General Fund annually.

Should Prop. B pass, it is likely that the provision of these amenities would be delayed, reduced or perhaps abandoned altogether.

Why it’s on the ballot
Concerns over increased development along the waterfront led proponents of this measure to gather signatures to place it on the ballot.

Pros
• This measure enables members of the public to have a direct say in development along the waterfront. Any height increase would need to be approved by voters. Voters would not need to attend the numerous public hearings that are part of providing input into a development process.
• Because voters would be voting directly on development projects, project sponsors would be motivated to incorporate a strong package of public benefits in their developments so that their measures would pass.

Cons
• This measure would circumvent the existing planning and legislative process, which allows for give and take between city agencies and project sponsors and which already requires substantial public input. If this measure passes, project sponsors would instead go directly to the voters, bypassing this process and putting forward projects that may poll well but may not best serve the public interest.
• The Planning Department and other city staff would be precluded from weighing the benefits or shortcomings of any project and from providing this type of guidance to voters.
• Any aspect of a proposed project that is approved at the ballot could not be altered through the legislative process, even if it is later deemed to be problematic. Parts that are approved would have to go back to the voters if changes were necessary.
• Developers would not undertake projects unless they were fairly certain they could succeed at the ballot. This would have a chilling effect on the port’s efforts to develop some of its key parcels and use the resulting funds to support upgrades to crumbling piers, investment in historic buildings and other important activities. Key benefits of the projects currently proposed on port land include significant funding to upgrade port facilities and the addition of more housing, including affordable housing.
• By requiring that the height limit increase be called out in the ballot question, this measure would emphasize the least politically popular aspect of a project while downplaying the benefits it might offer.
• The ballot is not an appropriate place to make complex land use decisions that can only be undone through another ballot measure.

SPUR’s analysis
San Francisco is undergoing a time of great change, and concern about the future of the city is very real. It’s understandable that citizens want to have more engagement with decisions about the shape their city will take. On the face of it, Prop. B sounds like it offers a more democratic process for approving development — but in fact it’s the exact opposite. Prop. B would circumvent the existing planning process, which includes significant public participation, and replace it with one that requires project sponsors to go to the ballot as a first step. Citizens could no longer offer ongoing input into the planning of a project — they would only hear about it after it was mostly planned and placed on the ballot for a one-time, yes-or-no vote. Any bad decisions made at the ballot could only be undone through another vote of the people. Project sponsors would be motivated to put forward projects that poll well and to seek approval for as many aspects of their project as they think voters will approve, thereby limiting how much could be discussed and debated in the public planning process. These complications would almost certainly discourage investors from pursuing projects on port lands. If Prop. B passes, the port runs the risk of not being able to finance badly needed improvements, such as seismic upgrades to aging piers and deteriorating historic structures.

SPUR recommends a “No” vote on Prop. B.

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Two city measures will appear on the San Francisco ballot on June 3, 2014. As we do before every election, SPUR researched and analyzed each one. Our Ballot Analysis Committee heard arguments from both sides of the issues, debated the measures’ merits and provided recommendations to our Board of Directors. The board then voted, with a 60 percent vote required for SPUR to make a recommendation.

For each measure, we asked: Is it necessary and appropriate to be on the ballot? Is it practical and, if enacted, will it achieve the result it proposes? And most importantly: Is it a worthy goal, one that will make San Francisco a better place to work and live?

The SPUR Board of Directors reviewed, debated and adopted this analysis as official SPUR policy on March 19, 2014.

SPUR Ballot Analysis Committee
Michaela Cassidy, Jim Chappell, Mike Ege, Robert Gamble (chair), Dave Hartley, Ellen Huppert, Bree Mawhorter, Terry Micheau, Dick Morten, Debbie Quick, Bill Rosetti, Victor Seeto, Mike Teitz, Steve Vettel, Cynthia Wilusz-Lovell, Howard Wong

SPUR staff
Sarah Karlinsky, Jennifer Warburg, Eli Zigas

Edited by Karen Steen

Typeset by Hillary Caudle