



The **Mid-Market Street** Redevelopment District: A Plan for **Incremental Change**

THE CONCEPT

SPUR invites you to explore the potential to revitalize Mid-Market Street—that stretch of the city between the downtown commercial/office core and the Civic Center. This report has been

adopted by the SPUR Board of Directors as a recommendation to the elected Redevelopment Agency Project Area Committee (PAC), the Redevelopment Agency staff and Commissioners, the Planning

Commission, and the Board of Supervisors. These recommendations evolved out of our seven-year participation on the PAC by the SPUR Mid-Market Task Force and over 40 years of SPUR involvement with the subject (see sidebar, *SPUR's Long History Working on Market Street* on page 9).

SPUR strongly supports plan adoption and it further recommends to the PAC and the Agency a number of specific measures to strengthen it.

The procedure by which the plan was developed fits the Agency's new style. While there was consultant input at various times, the plan was developed by stakeholders negotiating among themselves. The Agency's approach toward Mid-Market is an incremental, evolutionary approach.

Unlike some other past redevelopment districts, this neighborhood is not a candidate for mass demolition or wholesale replacement with new uses.

The plan is designed to help bring about social, economic and physical regeneration of the whole area. It will improve the neighborhood by adding

continued on page 3



Market Street is San Francisco's "Main Street" but the neighborhood between Fifth and Ninth Streets has been in decline for decades. The area within the dashed line is proposed by the city as a Redevelopment District. Photo: Beenthere.com

TABLE OF CONTENTS

Forum Calendar	12
Election Recap	20
SPUR Board Nominations	22

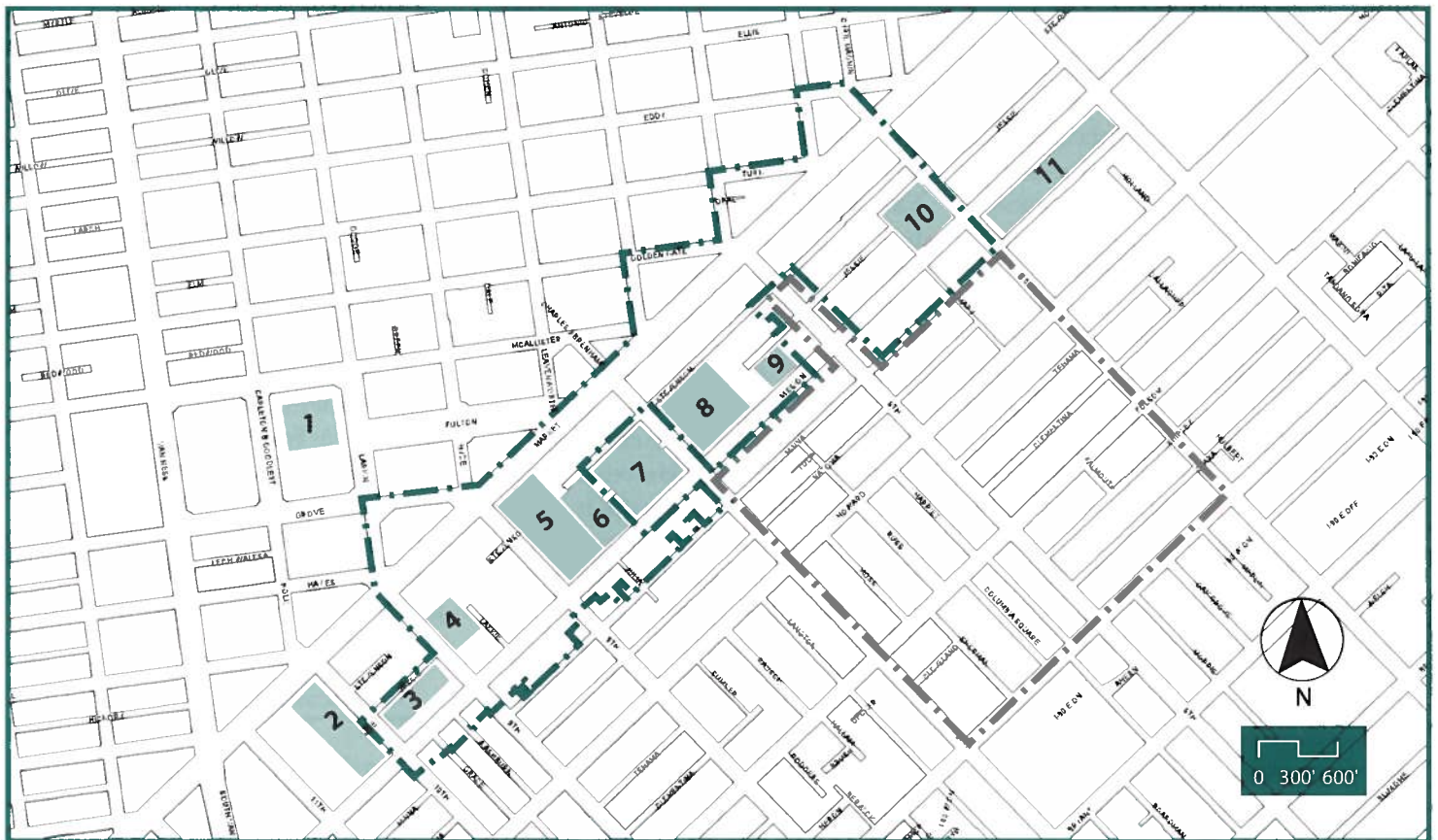


Figure 1: Location Map

Source: San Francisco Redevelopment Agency

— · — Mid Market Redevelopment District — · — South of Market Redevelopment District

Redevelopment District Boundary

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Existing Civic Center Garage 2. Proposed TNDC mixed-use office and housing project catalyst site 3. Mercy California housing catalyst site 4. State Insurance Compensation Board mixed-use office and housing catalyst site 5. Former Del Webb Towne House housing catalyst site | <ol style="list-style-type: none"> 6. AGI Capital housing catalyst site 7. New Federal Office Building site 8. Federally-owned parking lot catalyst site 9. Former Moss Lighting housing catalyst site 10. Mint adaptive reuse catalyst site 11. Existing Fifth and Mission parking garage |
|---|--|

more housing (including significant affordable housing), retaining non-profit office space and existing social service agencies, investing in public improvements to the streetscape, and reinforcing the area as a theater district. It is also designed to provide incentives for market-rate housing developers by reducing parking requirements. It is a departure from the existing zoning, which foresaw developing Mid-Market into an extension of the downtown office zone. The Redevelopment actions will increase activity on the streets and minimize conditions that encourage criminal activity. The city also will have to enforce existing laws against such activity.

SPUR agrees that the city should adopt a Redevelopment Plan for the

area shown on Figure 1. There are compelling reasons for this action:

- **Transit Spine.** Market Street is the most transit-intensive corridor in the city, and provides a major opportunity to densify development in a sensitive, San-Francisco style.
- **Historic Resources.** There are many vacant or underutilized historic buildings that are worth saving but that do not meet the needs of modern office users. Some of these may be adapted for housing or non-profit uses, others as theaters.
- **Housing Neighborhood.** This is an ideal place to help solve San Francisco's housing crisis, by adding housing, especially affordable housing. The neighborhood offers transit accessibility, proximity to down-

town, and an historic pattern of small-footprint buildings.

- **Entertainment District.** This was once the city's entertainment and theater district and many of these theaters still exist but are underutilized. The district can become part of San Francisco's cultural and entertainment venue again if reinforced by public actions.
- **Non-profit Offices and Social Services.** There are already many non-profit and social service agencies in the neighborhood that can be retained and strengthened.
- **Clean and Safe.** There must be an overall policy approach to enforcing existing laws and making the neigh-

continued on page 4

neighborhood safe and clean for existing residents and businesses.

- **Eminent Domain.** Non-profit housing advocates want the Agency to take specific parcels, but some property owners object to this possibility. SPUR recommends that the Agency be able to take parcels using eminent domain where the owners refuse to meet the strictures of the plan, under certain specified conditions.
- **Rezoning.** Non-profit housing advocates want to rezone C-3 parcels for Residential; others prefer simply to set goals and let the market be more opportunistic. SPUR believes that a number of selected parcels should be rezoned now and further recommends that incentives be included in the plan to create housing.
- **Parking Garages.** The PAC has selected four sites for new parking garages that will likely be controversial. SPUR recognizes that while this is a prime Transit First area, some additional parking in accordance with the Downtown Plan may be needed in the short run. SPUR recommends certain specified conditions for new parking facilities.

PLAN STRUCTURE

There is no comprehensive future land use map; there will be a map of (probably five) catalyst sites (opportunity sites, which, when developed have the potential to attract additional development and improve the neighborhood) to be acquired for non-profit housing, and possibly two sites for non-profit office space. There is no comprehensive transportation plan; the assumption is that the Agency and PAC will work with various city departments over time on future changes. The emphasis is on strategies rather than plans. Much of the land use strategy will be implemented through changes to the Planning Code.

There are other future plans that will need to be developed after adop-

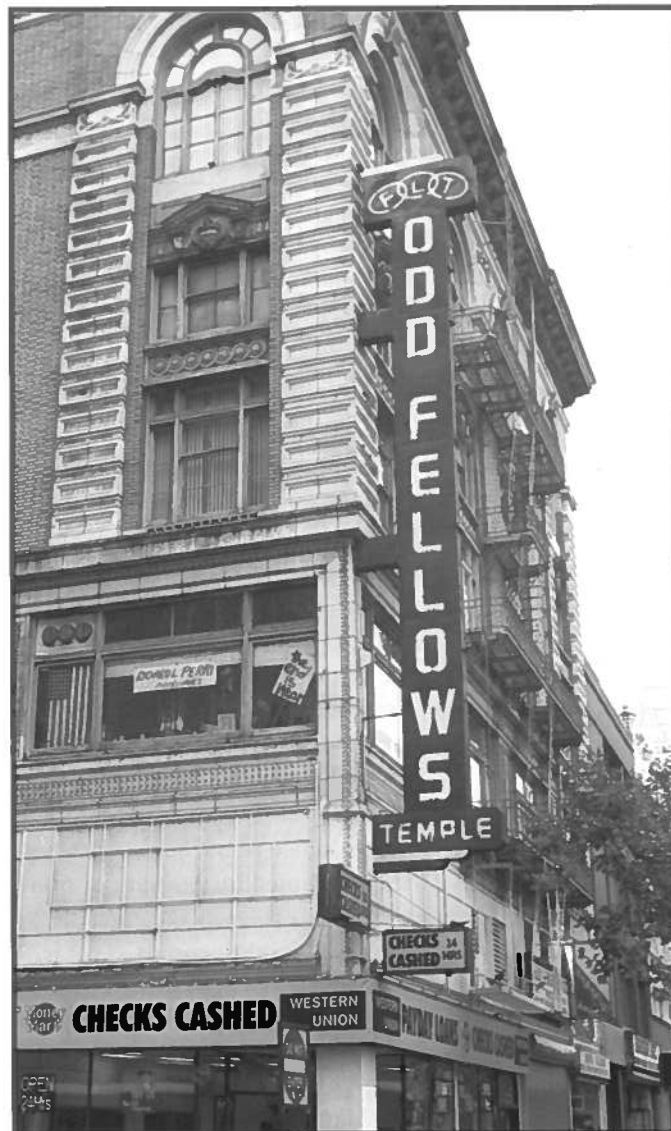
tion of the Redevelopment Plan: a comprehensive Streetscape Plan (street furniture, lighting and street trees) and Architectural Guidelines including sign controls.

INTRODUCTION

Existing Conditions. The neighborhood has been in a state of urban decline for decades and is the locus of social and economic problems. Yet Mid-Market is an area of great cultural diversity. It is served by both BART and Muni Metro, the historic F-Line trolley on Market Street, and numerous bus lines on both Market and Mission streets, as well as other local and regional lines. The vibrant downtown, commercial core, and Yerba Buena Center are immediately to the east; the refurbished and expanding Civic Center, the cultural and adminis-

trative center of the city, is just to the northwest. Mid-Market contains many architecturally notable buildings, including a number of theaters, and has several key sites potentially available as catalysts to help transform the area.

The South of Market blocks are very large, about four times the area of the north of Market blocks; because of their size, they discourage pedestrian activity. Vibrant pedestrian-scaled retail activity is lacking in most locations. Sidewalks on the numbered north-south streets are narrow, and strong pedestrian connections between Market and Mission are lacking. There are numbers of vacant or underutilized buildings, particularly above the ground floor, and a number of surface parking lots.



Upper floor spaces at the Odd Fellows Temple, rated "A" by Heritage (highest importance), have recently been leased to community dance groups after many years of underutilization. As Heritage has stated, "The clutter of commercial signs and remodeling around its base detract from the building's stature."

The Right Moment for a

Redevelopment District. A confluence of economic and political events and trends has resulted in a consensus among varied interest groups that now is the right moment to form a Redevelopment District.

The economic boom of the late 1990s brought with it both a city-wide housing shortage and mobility problems which resulted in high rents, congestion and parking shortages. Located on the main transit spine of the region, the district is suited for both housing and economic development. Redevelopment of the district will make better use of the billions of dollars of public transit infrastructure already on and under Market Street, without construction of major new transit lines.

Arts organizations see the district as a good “Transit First” location at a reasonable cost.

Housing advocates have identified a number of low-rise buildings in the district that are below the 80- to 180-foot height limits. Affordable housing activists also recognize that the threat of eminent domain will bring owners of blighted properties to the table to negotiate in good faith for purchase of their buildings or lots for affordable housing.

SPUR believes that the unique confluence of agreement among varied special interest groups provides an historic opportunity to regenerate this long-neglected neighborhood.

Why Redevelopment? The conditions under which state redevelopment law will allow an area to be deemed “blighted” have been recently narrowed; nevertheless, the Agency has found the area to be “blighted” and therefore eligible for designation as a Redevelopment District. Two economic booms, in the late 1980s and the late 1990s, by and large have not improved the lives of those who live and work in the Mid-Market Street area.

Since the plan will be largely implemented primarily by private developers, not by the Redevelopment

Needed Planning Code Changes

The vision expressed in the Planning Code text changes may be generally summarized as follows:

- 1) Provide height and density bonuses to incent desired uses such as the arts, non-profits, community services, affordable housing, as well as historic preservation
- 2) Increase the density of residential zoning
- 3) Encourage new single room occupancy (SRO) housing
- 4) Allow loft-style housing in existing buildings
- 5) Discourage demolition of dwelling units and group housing units
- 6) Change art requirement provisions for residential uses
- 7) Encourage non-profit offices, and arts and culture
- 8) Encourage community service uses
- 9) Prohibit ground floor office use
- 10) Eliminate or reduce minimum parking requirements; establish maximum parking requirements
- 11) Encourage historic preservation
- 12) Govern adult uses and their signs

Agency, a number of detailed Planning Code changes will be necessary. (These changes are listed in the sidebar above “Needed Planning Code Changes.”) Some are already agreed to by the PAC; other are still being discussed. (See the SPUR website www.spur.org for details on these proposed changes.)

SPUR RECOMMENDATIONS

In addition to the Planning Code changes, SPUR’s specific recommendations for the Redevelopment District are as follows:

1. Fiscal Merger of Current Redevelopment Districts

In order to jump-start the district financially, SPUR recommends the fiscal merger of current redevelopment districts. Fiscal studies of the amount of tax increment financing that will accrue over the first 10 years of the Mid-Market Project Area, especially in the current depressed economic climate, make it clear that the available budget of the Agency will be small.

While housing may tap tax increment funds from all parts of the city, non-housing projects cannot. If the district is to build up any momentum, it must be able to use tax increment monies accumulating in other

Redevelopment Districts. These funds will be needed as a source of income for new bonds which must be sold early in the life of the Project Area to help pay for affordable housing, arts and entertainment facilities, and proposed physical improvements.

The Redevelopment Districts that are currently (or will soon) be generating positive income streams for the Agency include the Golden Gateway, South Beach/Rincon Hill, and Yerba Buena. Any of these may be merged fiscally with the Mid-Market Street District either directly, or indirectly with other redevelopment districts that are already fiscally merged with the areas mentioned above. The SOMA Redevelopment District and the “Bloomingdale’s” Redevelopment District are already fiscally merged into the Golden Gateway area. The Mid-Market Redevelopment District could be merged fiscally into either of these two or into the Golden Gateway area directly.

SPUR also believes that the half-block at Tenth Street between Market and Mission Streets, to be developed into a residential/commercial tower by Tenderloin Neighborhood

continued on page 6

Alternatives Rejected by the PAC

The Project Area Committee has analyzed several alternatives in addition to the much larger (and in our view, preferable) Redevelopment District foreseen in SPUR's 1990 *Mid-Market Visions* report. In some cases the PAC rejected such alternatives; others have been incorporated in the official proposed plan. Those which have not been incorporated in the plan include:

Rejected Alternative One: Form a Business Improvement District (BID)

This idea has been tabled as current very low rents make most property owners reluctant to increase their property taxes. It may be a future option as the economic health of the area improves. In addition, some district residents and homeless activists fear that establishment of a BID would result in the displacement of the poor and homeless.

Rejected Alternative Two: Promote the District as "42nd Street West"

A large-scale Arts and Entertainment district was proposed by a new group called MiMa to bring a number of new and renovated old theaters, cafes, restaurants and other entertainment uses to Market Street in a comprehensive manner. This idea was similar to the 42nd Street Development District in Manhattan which improved that district in the 1990s. MiMA's proposal for city use of eminent domain immediately to acquire six buildings generated controversy that it would result in too much development too quickly, and at the expense of the poor and homeless. Others felt that a more indigenous and home-grown San Francisco approach should be used to revive the former theater district on Market Street, making more use of existing small theater companies looking for new homes.

Rejected Alternative Three: Non-Profit Tenant Protections

Several pieces of legislation have been introduced by past and current members of the Board of Supervisors to retain non-profit arts and social services groups in their current locations by limiting the ability of landlords to replace them with for-profit tenants paying higher rent. The proposed mechanism would have prevented landlords who rent to non-profits from ever renting to for-profit tenants. Obviously, this would be a disincentive to landlords to rent to non-profits and thus counterproductive. The idea has been dropped as the economic boom died and non-profits have suffered less dislocation.

Rejected Alternative Four: Adult Theater Prohibition

A former San Francisco supervisor informally proposed the removal of all adult uses in the district, a program successfully used to help redevelop Manhattan's 42nd Street. This proposal was dropped in the Redevelopment Plan by the PAC in favor of banning future new uses of this kind, as questions arose regarding whether removal of existing businesses would be unconstitutional.

Rejected Alternative Five: A Larger District

The original Redevelopment Survey Area (a state law prerequisite to the establishment of a Redevelopment District) included all of Mission and Market street, between Fifth Street and the Central Freeway/Market Street overpass (Octavia Street), a considerably larger area than the proposed Redevelopment District as shown on Figure 1, page 3. Over the seven year planning process, the area was truncated. It is typical for the Agency to start with a large Survey Area, to be sure all options are considered. In some places, the Agency did not find blight. There were many other reasons for the selection of the final boundaries.

Unfortunately, over the last several years, the city has removed the two largest development parcels in the area (the Seventh and Mission site of the new federal building and the Tenth Street site from Market to Mission, 7 and 2, respectively, on Figure 1) which constituted the two largest possible sources of new property taxes that would benefit the Redevelopment District. This further challenges the short-term ability of the Area to improve through the accumulation of large tax increment revenues.

Rejected Alternative Six: Form a Separate Oversight Commission or Form a Public-Private Development Corporation

Some members of the PAC advocated a separate city commission to be an oversight body for carrying out the plan. The SPUR Task Force recommended that the city not create an additional bureaucracy. Instead, the combination of the elected PAC and the Mid-Market Partnership Corporation is a better alternative. The Agency proposed a Mid-Market Street Development Corporation that would be a public-private corporation that would lead the development of the district. As explained previously, this remains part of the current discussions, as a companion piece of a Redevelopment District.

Development Corporation (TNDC) and Citizens Housing, will eventually be generating positive tax increment which should be captured by a fiscal merger. However, current economic conditions make the non-housing portion of this project problematic for the foreseeable future. Redevelopment law would most easily allow use of Redevelopment funds for non-housing uses on this site if it were part of a Redevelopment District.

It is critical to assure that the Golden Gateway Redevelopment District, the main source of positive cash flow to the Agency, remain in existence as a redevelopment district. Unless the state passes Senate Bill 211, which would allow an extension of the current expiration date in 2019, and the Agency extends the term of the plan for the Golden Gateway District in accordance with SB 211, there is not enough tax increment money to finance the SOMA Redevelopment Plan or the Federal Office Building Redevelopment Plan.

Another danger is that the potentially huge tax increments that will accrue in the future in the Yerba Buena Redevelopment District will cease unnecessarily soon if the expiration date of that Project Area is not extended. It cannot currently be extended unless blight can be found in that Redevelopment District, which would be problematic. The merger of the Yerba Buena with the blighted Mid-Market area would allow the Yerba Buena Redevelopment District expiration date to be extended.

SPUR recommends that the Agency start this lengthy fiscal merger process immediately if the Mid-Market area is to see any improvements in the next several years. The Agency should also work to assure all necessary legislative steps are taken in Sacramento.

2. Oversight and Accountability

The Redevelopment Agency has no control over other city departments whose activities are crucial to an improved district. SPUR recommends three mechanisms to assure continuity

and accountability over the 30-year life of the district.

1. Funding. Funds in the various city departments that are earmarked for this district should be funneled through the Redevelopment Agency. This will trigger periodic reporting to the Agency to assure funds are being spent as intended.

2. Mid-Market Partnership

Corporation. The Redevelopment Agency has proposed a non-profit Mid-Market Partnership Corporation both to make sure that all aspects of the plan are actually carried out by city agencies and to ensure coordination among public and private sector activities. This Partnership could also undertake some of its own physical projects where there are legal constraints preventing the Agency from doing so. The Partnership should not be involved in reviewing Owner Participation Agreements (OPAs) or Development and Disposition Agreements (DDAs).

Proposed is a nine-member Board of Directors with five public officials, including directors of the Department of Public Works, Planning, the Municipal Transportation Agency (which will be comprised of both Muni and the Department of Parking and Traffic beginning July 2002), Social Services, Redevelopment or the Mayor's Office, as well as four private sector representatives (property owner, merchant, resident, and service provider).

SPUR strongly recommends that the public officials must be department directors in order to ensure that recommendations will be carried out by the appropriate city department.

This non-profit corporation would be funded by a combination of the Agency, private corporations and foundation donations. It could be set up as a separate corporation, but initially use the existing structure and administrative staff of the Market Street Association in order to begin operating quickly and economically. Once estab-

lished, the corporation could later become a separate entity. When the area becomes a Redevelopment District, the Agency should contribute funds to the non-profit corporation for staffing, street-level office space for public outreach in the district and for programs. As the economic health of the area improves over the years, a privately funded Business Improvement District (BID) may become an attractive option, coordinated by this Mid-Market Partnership.

SPUR recommends that as an integral part of the plan, the Agency commit to funding the Partnership for 15 years and that the Agency Commission appoint the Partnership as an advisory group to the commission.

The Partnership would benefit by an association with the California Main Street program, which is administered through the California Trade and Commerce Agency, and affiliated with the National Main Street Center of the National Trust for Historic Preservation. The Main Street program's basic tenets—improving the physical environment through design, building and promoting an area to improve how it is perceived, and strengthening its economic base—appear to be particularly applicable to issues and in the Mid-Market corridor.

SPUR recommends linking the Partnership to the existing California Main Street Program in order to increase its effectiveness.

3. Project Area Committee

Maintain the Project Area Committee (PAC) and continue its important role. While the Partnership will reflect each mayor's priorities through department heads, the elected PAC is the only way to assure continuity over the 30-year life of the district.

While under state redevelopment law a PAC is advisory only, it is clear from the last seven years that the elected Mid-Market PAC has empowered residential tenants and property own-

continued on page 8

“Redevelopment District” from page 7

ers and given them a chance to meet regularly to advocate for changes.

SPUR recommends that as an integral part of the plan, the PAC meet at least monthly during the 30-year term of the plan to ensure that pledges of city departments, and in particular of the Redevelopment Agency, remain consistent with the goals of the plan.

The PAC would review proposed rezonings and height district changes and the design of individual projects and help develop and implement the proposed Streetscape Guidelines and Architectural Guidelines.

3. Eminent Domain

As a part of the plan, certain sites called “catalyst sites” will be designated for specific use, principally affordable housing, market rate housing, or non-profit office space. Eight sites identified by SPUR are identified on Figure 1.

It is assumed that the Agency will notify owners of certain properties that they must enter into an Owner Participation Agreement (OPA). In particular, owners of SRO (single room occupancy) hotels and apartment buildings should be required to sign OPAs to correct identified problems. Such an OPA would obligate the property owner, and/or a business entity, to devote the property to the uses specified in the Redevelopment Plan and abide by all conditions of the plan. If the property owner or business entity does not comply within a certain number of years, the Agency, in addition to its contractual remedies, would be able to acquire the property by eminent domain for its fair market value. An owner would have the right to compete with non-owners for redevelopment of the property.

Once a site is designated for a specific use and it is determined by the Agency that the owner will not comply

with the OPA, and the site cannot be purchased by negotiations with the property owner, SPUR believes eminent domain should be employed.

4. Office Space for Non-Profit Groups

The economic boom of the last six years has priced many non-profit office users out of the Mid-Market District. SPUR agrees with the PAC that the Redevelopment Plan should set a goal to buy or lease approximately 130,000 square feet of affordable non-profit office space to insulate non-profits (arts groups, social service providers, and non-profit office users) from the commercial office space market.

Since it is necessary to encourage private investment in this neighborhood, and the plan period is 30 years, SPUR recommends office rents be set at a certain percentage below the market rate non-profit office space during a particular time period. Rents should not be set at a specific dollar amount, as some have advocated.



This site of the old Embassy Theater on Market Street between Seventh and Eighth Streets has been vacant since its demolition following the Loma Prieta earthquake. The new Federal Building will be built on the site of the former Greyhound terminal, in the background, and will form a wall between this site and Mission Street.

SPUR's Long History Working on Market Street

SPUR also believes that as part of the plan, entire buildings should be master leased or acquired for multiple non-profit users. This will be more effective than an inclusionary requirement, advocated by some, which would discourage rather than encourage private development.

State law should be altered to allow local governments to provide property tax rebates to owners who lease large amounts of office space at below-market rents to non-profits.

Funds for such acquisitions or master leasing (at subsidized rates) of non-profit office space should be made available from bonds floated against the Redevelopment District's future tax increment property tax collections.

Current state law has some constraints on floating bonds to acquire, build or subsidize office space. The state should consider amending the law which so limits the use of state bonds.

SPUR recommends that the Agency work with state legislators to amend current Redevelopment law to make it easier to obtain state bond money to assist in preserving non-profit office space.

5. Affordable Housing.

SPUR strongly supports development of affordable housing in San Francisco and the development of an effective city-wide housing policy. SPUR supports the development of the "100% affordable" projects recommended by the PAC.

There are a number of surface parking lots in the district that have been identified as potential sites for housing. There are also a number of historic buildings with small and narrow floors that are unlikely to be redeveloped as office space and offer potential housing development. Some sites facing alleys also provide desirable locations for housing.

(There is a legal definition of "affordable" which relates to various levels of total household income. The San Francisco Board of Supervisors is

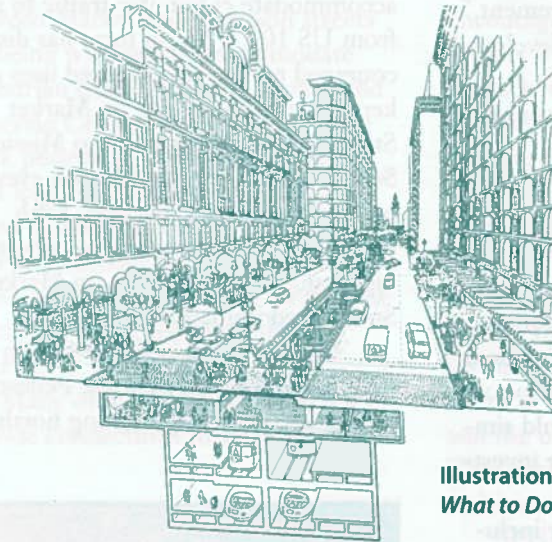


Illustration from our 1962 publication *What to Do About Market Street*.

Ever since an underground Muni and BART system was proposed for Market Street in the 1950s, SPUR has actively supported the beautification and economic development of Market Street as the city's "Main Street." SPUR published a landmark 1962 study, *What to Do About Market Street*, that became the inspiration for the entire "beautification" program which was implemented with the construction of the BART and Muni Metro subways. In 1964, SPUR published further concepts in the report *Market Street Subway Stations*. Of course, what the "beautification" was really about was economic development. There followed in the subsequent years a number of SPUR reports on Market Street.

The city followed with the official Market Street Design Plan in 1967, which specified the elegant streetscape improvements and plazas that were constructed in the 1970s and early 1980s. Various changes to that plan were made over time, including keeping streetcars on the surface streets. In 1985, the city adopted further plan changes, both permanently accommodating trolleys on the surface and also cheapening the streetscape improvements for sectors not yet completed. While the economic development clearly worked in lower Market Street, and is increasingly working in upper Market, the mid-section has been stubbornly resistant to change.

In 1997, SPUR published a report entitled *Mid-Market Visions* as an inspirational guide for the future redevelopment district. The preamble to that report states:

"Market Street has always remained, through ebb and flow of the urban milieu, the city's major axis, seam and spine....(However) the area defined as Mid-Market has been in a state of urban decline for decades, and correspondingly...has been the locus of social and economic problems. In recognition of both the existing problems and the tremendous potential of the area based on its urban resources, the city has begun a concerted effort to resolve these problems."

The report went on to identify significant urban design issues, redevelopment and infill opportunity sites, urban design objectives, and presented eight "before and after" renderings for important opportunity sites. (See Figures 3b and 4 for just two examples of this work).

In 1999, the Redevelopment Agency followed with the *Mid-Market Street Plan and Development Project* report, building on SPUR's work as well as results of the Redevelopment Agency planning up to that time.

“Redevelopment District” from page 9

currently considering increasing to 12% the “Inclusionary Requirement,” the percentage of total units developed that must be “affordable.” Such a requirement would apply to projects of 10 residential units or more.)

SPUR recommends that the inclusionary policy for Mid-Market match the city-wide inclusionary requirement of a maximum of 12% for projects of 10 units or more. If the inclusionary requirement for the Mid-Market area were to exceed the citywide inclusionary housing percentage, it would simply discourage private housing investment in the district.

Alternatively, if a stronger inclusionary policy is set for the district, SPUR recommends that Redevelopment reimburse private developers for the difference.

In a particular market rate project, SPUR recommends that local affordable housing bonds, State of California mortgage revenue bonds, or similar governmental funds be used to provide any additional affordable housing units, beyond the city-wide requirements standard, if they are desired.

Since 1995, when the Mid-Market Survey area was established, the number of affordable units in the district has decreased due to market pressure and a variety of other factors. The PAC has proposed that the plan require that the total number of affordable housing or dwelling be returned to the number that existed in 1995.

SPUR supports the recommendation to increase the number of affordable units in the district to the 1995 level with the goal of a 30-year time frame. This goal should not be “front-loaded” as, again, we need to jump start the plan economically, not discourage early development.

6. Pedestrian Safety

One factor that contributes to the sad state of Mission Street is the lack of attractive pedestrian connections from Market Street south. Not only are the

Market Street blocks very long, but the sidewalks on the north-south streets have been narrowed over time to accommodate commuter traffic to and from US 101. This, in turn, has discouraged pedestrian-oriented uses and kept pedestrian activity on Market Street from moving south to Mission Street. This is true on Mission even outside the district, between Fifth Street and the Embarcadero, where high value economic uses on Market Street predominate.

The San Francisco Downtown Plan recommends Exclusive Pedestrian Walkways, generally running north-

south between the numbered streets. The plan proposes walkways connecting Market and Mission between Fifth and Sixth, Sixth and Seventh and Seventh and Eighth streets.

When new development is being considered, such as the site of the Old Del Webb Towne House between Seventh and Eighth streets, a wide pedestrian alley should be created to connect Mission and Market streets as foreseen in the Downtown Plan. In order to accomplish this, public benefits and incentives such as density bonuses should be considered. Easements might also be built into



Figure 2a. View along Mint Alley from Mission Street, showing several buildings which are underutilized and do not capitalize on the great architectural resource of the vacant historic Mint.



Figure 2b. View of Mint Alley from Fifth Street, showing the site redeveloped as a catalyst, capitalizing on the major resources of the Old Mint and the alleys which surround it.

Source: The Martin Company

development agreements. On smaller sites, the Agency should purchase, through eminent domain or otherwise, ground floor easement or fee title connections for pedestrian alleys between Mission and Market streets. These could be located in small-scale buildings where vacant or poorly used retail storefronts exist. Private developers should be encouraged to use sale or easement proceeds to add housing to buildings that are substantially below the permitted height limits on Market or Mission Streets.

In addition to mid-block connections, the quality of the pedestrian

experience on the north-south numbered streets needs to be improved. The sidewalks on Fourth Street between Market and Harrison streets are being widened to accommodate pedestrian traffic between Market and Moscone Center, even as a new mid-block pedestrian connection is being built from Market Street to Yerba Buena Gardens between Third and Fourth. Likewise, sidewalks on Sixth Street are being widened as part of the South of Market Redevelopment District.

Many of the north-south streets provide connections to and from US

101. The goal of traffic calming is not to decrease traffic flow but to even it out to steady speeds, rather than encouraging jackrabbit starts and stops. Studies by the San Francisco County Transportation Authority have demonstrated that street capacity is not the limiting factor south of Market; rather it is intersection capacity, which is controlled by the need to move traffic east-west as well as north-south. This is not greatly affected by street or lane width. Transportation Authority studies also show that the other limiting factor is the capacity of the Bay Bridge and the on and off ramps to US 101. These are totally unaffected by street width south of Market.

SPUR recommends that the Agency and the PAC work with the city and county agencies to address pedestrian safety and the quality of life in the pedestrian realm over time.

7. Streetscape Plan

The original Market Street beautification plan included many high-quality design features, such as benches, bus shelters, and trash containers. Many of these have been neglected or removed in a series of misguided actions by the city.

As part of the plan, SPUR recommends that the city fund a comprehensive Streetscape Plan to improve the basic features that make sidewalks comfortable and safe throughout the district.

The Streetscape Plan would cover Market Street as well as all streets and alleys in the district. Trash receptacles, transit shelters, kiosks, street and sidewalk lighting, street maps and informational signs, and toilets are all features to be included in the Streetscape Plan.

For example, the subsurface “uplights” along Market Street, which were installed during the original streetscaping program and which were never made usable or have been abandoned, should be replaced. These lights were intended to shine upward



Figure 3a Before. View of the existing structures, including the former Del Webb Towne House at the end of Grove Street. This underutilized site is the largest potential housing site in the District.

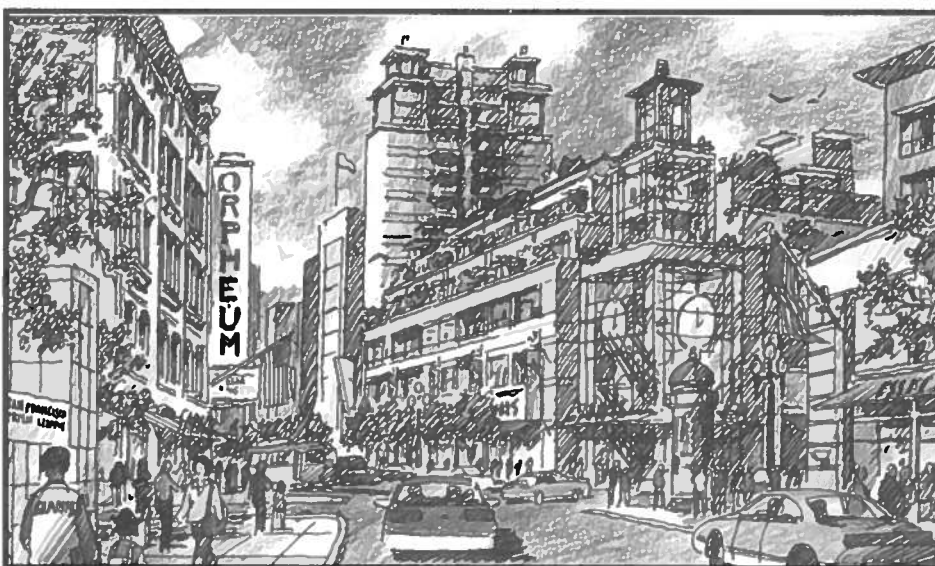


Figure 3b After – New buildings at Eighth and Market designed to provide hundreds of new housing units on upper floors and in high rise buildings, with commercial space facing the sidewalks and office space above.

continued on page 14

from the pavement, to illuminate the tree canopies, and provide pedestrians with a feeling of safety and beauty.

The Public Utilities Commission or other appropriate city department should be funded to increase sidewalk lighting, especially at certain intersections on Market Street and north of Market Street where criminal activity is prevalent. BART and Muni collectively should design and fund well-designed metal and glass canopies over their stairs, particularly over escalators to reduce down time and maintenance costs.

The numbered north-south streets and Mission Street have never had a streetscape plan and should be included. While they would be less elaborate and costly than Market Street, well-designed features are needed in these locations also.

The alleys in particular are key to the quality of life in this neighborhood of huge blocks and deserve their own special treatment in the Streetscape Plan. They constitute much of the public realm for both the residents and patrons of the neighborhood and those passing through on foot. Current alleys in the district include portions of Stevenson Street, Jessie Street, Minna Street, and a few other discontinuous alleys. The plan should specify retention of existing alleys in the district. For the alleys, the Streetscape Plan should include improvement of lighting, installation of bollards to prevent car use of sidewalks and to delineate more clearly the borders between commercial delivery areas at the rear of Market Street buildings and residential areas, and a comprehensive street tree plan.

SPUR recommends that after adoption of the comprehensive street tree plan, Friends of the Urban Forest be contracted by the city to install and maintain street trees in this district.

The Agency should make sure that rules are followed which require new or rebuilt buildings to include dumpster areas within their own buildings.

For existing buildings, owners should be encouraged to place them within well-designed covered sheds in the alleys outside buildings when there is no room inside. It goes without saying that the city must assure that the highest standards be met in such basic services as street cleaning and garbage collection.

All of these actions of course assume that public health and social programs will be established and adequately funded to assure that the streets in the district are safe for all users.

8. Marquees and Façade Lighting

The Planning Code was amended in the 1970s to require the removal of historic Market Street marquees that were deemed to interfere with the proposed new trees.

SPUR recommends that now that the Market Street trees are mature, the Code should be amended, and financial or Planning Code incentives should be established to encourage the restoration of marquees, such as at the Warfield Building and other historic theaters, and with the construction of new entertainment uses.

As part of the Redevelopment Plan, the Redevelopment Agency should also establish a low interest loan fund for owners of historic buildings to uplight historic facades.

The city has established a modest program to light City Hall and the other government buildings around the Civic Center, and the results are impressive. Lighting the facades of the many historic buildings along Market Street will be attractive and also help create feelings of safety and security.

9. Catalyst Sites

The Redevelopment Plan is not a comprehensive, prescriptive plan for every site in the district. Rather, it suggests land use changes for a limited number of key "catalyst sites." This was a strategy first suggested by SPUR in *Mid-Market Visions*. Two of the recommendations SPUR made in that report are:

- The conversion of Mint Street to a combined vehicular and pedestrian space behind the Mint (10 on Figure 1), a building that SPUR proposed as a conference center and museum, with the opening up of the side of the Mint building to a public use such as restaurant or retail. The January 2002 announcement that the City and County of San Francisco was nearing agreement to acquire the building is a step in the right direction. Finding funds to seismically upgrade and adaptively reuse the building is a goal yet to be accomplished. Figure 2a shows the existing conditions.
 - Figures 3a and 3b show SPUR's proposal for replacement of the obsolete and pedestrian unfriendly former Del Webb Towne House motel (now Trinity Place Apartments—5 on Figure 1) and the construction of a dense mixed-use retail/office/market rate residential project. The concept is for retail on the ground floor and offices, with slim residential towers.
- SPUR encourages the federal government, now that it has taken the extensive former Greyhound site (7 on Figure 1) for a non-housing use which provides no property tax revenues, to allow the development of mixed-income housing on its vacant Mission Street parcel next to the old Court of Appeals building between Sixth and Seventh Streets (8 on Figure 1). While a city Redevelopment Plan cannot compel the federal government, SPUR recommends that this goal be included in the Plan.
- SPUR also suggests that the Agency work to induce the State Unemployment Compensation Insurance Board to develop a dense housing project in addition to its proposal for additional state offices on its Ninth Street parking parcel (4 on Figure 1).
- Over the course of the last seven years of PAC meetings, a number of other catalyst sites promoted in SPUR's *Mid-Market Visions* report



The "closed" signs tell the story not just of this building but of much of Mid-Market. Little architectural integrity remains of what was built as The Empress theater, designed by John Galen Howard in 1910, which along with the neighborhood has suffered decades of indignities.

have now either been built, funded or projected for development, or rejected.

10. Uncoupling Parking from Housing

SPUR recommends that for any public or private housing development in the district which benefits from Redevelopment powers or public funding, the Agency mandate that housing developers not require potential tenants or unit owners to rent or own a parking place in the building.

This will allow residents to compare the cost of parking a car versus the cost of renting a car when needed, in this public transit-intensive district. This also complements SPUR's recommendation regarding new parking structures in the district.

11. Architectural Design Guidelines and Signage Rehabilitation

Immediately after the district is created in 2002, enforceable Architectural Design Guidelines for new or substantially improved buildings should be established in the district. SPUR suggests this be done through a design

charrette organized as a part of established programs by the American Institute of Architects and/or the American Society of Landscape Architects and/or the Urban Land Institute and/or the Department of Interior's Main Street Program. Key players would include the Agency staff, the PAC, the Planning Department, DPW, Heritage, SPUR, and others. Architectural design guidelines should include features such as treatment of the ground floor spaces fronting streets and alleys, exterior building lighting, garage entrances and loading docks.

Signage standards should specifically target buildings already identified as historic. Other standards would apply to non-historic buildings. Objectives should include the elimination of blinking lights, signage wider than that of the street frontage containing the use, and the reduction in size of adult-use signage. The Planning Department and Department of Building Inspection should administer the Guidelines in their routine

approval of alteration and building permits and signage permits. Article Six of the Planning Code, dealing with signage, should be amended during the Design Guidelines implementation.

12. Parking Structures

A primary quality that distinguishes San Francisco's downtown from other American cities is our dense, contiguous buildings rather than free-standing buildings surrounded by parking lots or parking garages. In fact, in the city's most successful areas, such as lower Market Street and Union Square, most of the new office towers (e.g., the +/- 40 story CitiCorp Center at One Sansome at Sutter and Market) either have no parking or only a few of spaces for top executives. The Hyatt Regency Hotel at Sutter and Stockton (also +/- 40 stories on the north side of Union Square) has no parking.

This increased density creates lively commercial uses on ground floors, eliminates crossings to access under-

continued on page 16

ground garages, and encourages transit use rather than single occupant vehicles adding to street congestion and air pollution.

There is considerable surface parking in the district. These sites are most susceptible to change, are wasters of land, and have been identified as catalyst sites for a variety of uses. As these surface lots are developed into other uses, structured parking will be needed to replace a portion of these spaces. Given that Market Street has major transit, and San Francisco has a Transit First policy, there should not be any 1:1 (or similar) replacement

requirement.

While many individual property owners want parking for income since it is a lucrative operation, from the public viewpoint, parking must be limited to carefully selected locations and controlled in terms of absolute numbers. San Francisco's downtown functions so well, in part, because there is "just enough parking but not too much." Finding this balance, and locating it correctly as Mid-Market evolves, is a challenge to all parties.

Pricing policy is also important. The downtown garages managed by the San Francisco Parking Authority are priced to encourage short-term use for people coming downtown for

shopping, meetings, dining, and the theater. This is crucial both to make parking readily available for shoppers, diners and theater-goers and to discourage commuting by single occupancy automobile.

As a part of the San Francisco Downtown Plan, the Transportation Plan included what is known as the "Downtown Core-Auto Control Area" surrounded by the "Parking Belt." The objective is to keep major parking garages out of the primary pedestrian and transit districts and to store automobiles on the periphery. The Auto Control Area extends over much of the Mid-Market District, all along Market Street and south to Natoma (the alley just north of Howard) and from the bay to Eighth Street. On the north, it includes all of the Civic Center area and all the blocks along Market Street.

The block between Howard and Folsom, and portions of the blocks from Eighth to Eleventh, are within the Parking Belt. When the Downtown Plan was developed some 15 years ago, downtown was small; it had not begun to extend south of Market, and Mid-Market was not being considered as a Redevelopment District. SPUR recommends that the Auto Control Area be revised and moved farther out of the expanded downtown area.

Even with parking garages, people will still need to walk to and from their destinations, which is often the same distance as walking to transit. In either case, the streets must be safe and comfortable. It is not an option to internalize parking garages within each building like a self-contained city. Active retail spaces and physical streetscape improvements, especially sidewalk widening and lighting on the north-south streets, are essential.

SPUR believes that it is crucial to locate and design any new parking structures very carefully. Important principles include:

- directing cars to the north, south and west of the Mid-Market core—before they conflict with transit traffic on Market and Mission Streets



Beautifully designed streetscape improvements have not been enough to give confidence to property owners, merchants and developers. The small floor plans make it difficult to finance seismic upgrades on buildings with few prospective tenants. Without active building use, there is little pressure for the city to maintain the public realm, and the downward spiral continues.

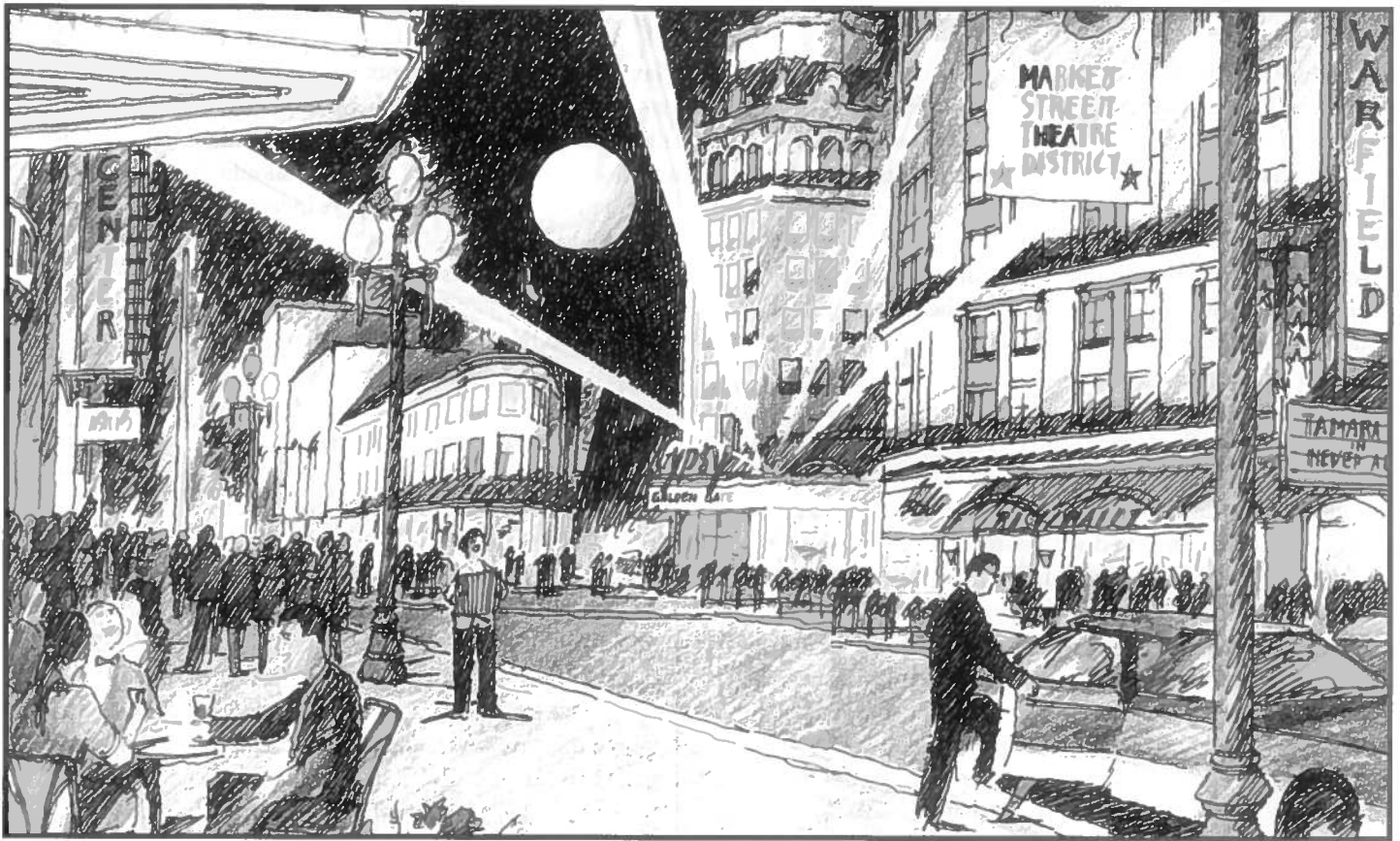


Figure 4. The historic theaters on Market Street provide an incomparable resource for an evening entertainment district, providing sorely lacking space for San Francisco's vibrant performing arts community, and truly giving back the street to all San Franciscans.

- providing direct or nearly direct access to parking from Hwy. 101 for cars arriving by the freeway
- forbidding curb cuts on Market; allowing only very limited curb cuts on other streets and alleys
- requiring parking garages to have high-ceilinged commercial ground floor perimeters to enliven the street
- requiring parking garages to have flat floors and ceilings high enough to be converted to other uses in the future should parking not be needed
- locating garages mid-block so they can be surrounded by other uses and hidden from view.

Parking will continue to be controversial in the Mid-Market area, as the neighborhood has functioned in many peoples' minds as simply a place to drive through.

It will take years to evolve from today's conditions of perceived danger on the sidewalks and limited late night transit connections to a time when regional visitors will leave their cars at

home. In the interim, small new parking structures (ideally with another use on top) likely will be needed. The PAC has identified several locations as desirable for such structures.

SPUR recommends that where it can be demonstrated that a successful arts and culture district along Market Street must have additional safe, convenient, accessible parking to thrive, garages be located, designed and operated to have minimum negative impacts, and to be convertible to other uses over time.

Proposed locations include the lots owned by AGI Capital next to the new Federal Building site, the lot owned by the federal government just east of the Court of Appeals, and a Jessie Street lot between Fifth and Sixth owned by Nordstrom.

New, larger public and private housing development projects and office projects, if they provide parking, should be required to devote several spaces each to City CarShare, and to

bicycle spaces in numbers exceeding what the planning code requires. They should also be required to allow valet parking for retail and neighborhood residential use when building resident usage is low.

The existing Fifth and Mission (11 on Figure 1) and Civic Center (1 on Figure 1) garages are largely empty at night, even with their proximity to such popular venues as the Metreon, the Opera House, and Davies Hall. These two parking facilities bracket the proposed entertainment district and are part of the parking solution to Mid-Market. Again, to ensure pedestrian safety, SPUR strongly urges the city to solve the social problems on the street concurrently with physical improvements to the district. By way of example, the opera and symphony currently employ security guards on the streets around their facilities, which have considerably fewer prob-

continued on page 18

lems than the Mid-Market neighborhood. Yet few of their patrons utilize the Civic Center Garage at night. Combinations of social programs, health treatment, street security, shuttles from the garages, better lighting, ground floor restaurants and retail, and parking structures convertible to other uses are all a part of the solution. It will not be easy, or cheap, and the timing will be difficult.

Another concept is multiple use of the same parking structures for different users with different peak usage times. For instance, between December 8, 2001 and January 6, 2002, free, validated weekend shuttle service was run successfully between the Civic Center Garage and downtown, adding 300 to 400 extra free spaces for downtown shoppers. Either or both the Civic Center and Fifth and Mission garages could be connected with entertainment venues in Mid-Market for evening and Sunday matinee performances, when those garages are largely empty. In peak times, valet parking has also proved successful in Parking Authority garages. Approximately 40 percent more cars can be accommodated with valet parking, at greater profit to the operator, even though the valet service is provided free.

Finally, a reformed taxi management system has great potential to make city life more desirable (see SPUR's website at www.spur.org for SPUR's comprehensive program, Making Taxi Service Work in San Francisco, November 2001).

SPUR will continue to work with Muni and the Department of Parking and Traffic (which will merge into one department in July 2002) to enable the streets be managed cohesively under San Francisco's Transit-First policy. A study is currently being designed to look at traffic management on Market and Mission streets, in particular. It is nonetheless certain that solutions to San Francisco's parking and congestion problems can be solved only by strictly controlling provision of parking. This will be key to improving the quality of life on the sidewalks of Mid-Market. Think New York City, not Los Angeles.

REMAINING ACTIONS TO CREATE THE MID-MARKET DISTRICT

The Redevelopment Agency currently anticipates publishing the Mid-Market Draft Plan, the Preliminary Report (with the financial analysis and list of projects over the 30-year life of the plan), and Draft EIR in the Spring of 2002. It then goes to the Project Area Committee (PAC) for endorsement and to the Redevelopment Commission, the Planning Commission, and the Board of Supervisors shortly thereafter.

In addition, changes in the Planning Code and rezonings must go through the Planning Commission and the Board of Supervisors.

SPUR recommends that the Planning Department's long-range planning division immediately set up a team, working with the City Attorney's office, to draft the

Planning Code amendments and initiate the rezonings required by the plan. If such amendments are not final at the time that the plan goes before the Planning Commission and Board of Supervisors, the plan should definitely go forward and be voted on so that tax increment financing in the district can be put in place while property values remain at low, post-1990s levels.

CONCLUSION

There is opportunity at hand—the first since the 1980s—to form a Redevelopment District for Mid-Market neighborhood rehabilitation. In the intervening years, we have learned that this neighborhood cannot turn itself around and that it needs the tools of redevelopment to succeed. The Redevelopment Agency has proven that it knows how to work with existing residents and businesses, and that it can make incremental changes to the district that benefit residents, merchants, landowners and visitors.

SPUR was founded in 1959 to revitalize the urban core, to keep San Francisco from going the way of the rust-belt cities of the east coast, and to maintain San Francisco as the focus of the region. Rehabilitation of Market Street was one of our first projects. It worked on lower and upper Market Street. Now is the time for the stakeholders and city leaders to work together to implement the proposed Mid-Market Redevelopment. SPUR strongly supports adoption of a Redevelopment Plan with modifications as recommended in this report.

This paper, consisting of the report and the accompanying sidebars, was written by the SPUR Mid-Market Street Task Force, with Brett Gladstone, Esq., principal author. Brett has been Chairman of the SPUR Mid-Market Task Force and SPUR's representative on the elected Project Area Committee since their inception in 1995. The paper was debated and adopted by the full SPUR Board of Directors on January 16, 2002, and is official SPUR policy.

*The photographs of Market Street were taken by Jack Fabnestock, AIA, a member of the Task Force. Figures 3b and 4 were drawn by Peter Hasselman, FALA as part of SPUR's 1997 Mid-Market Visions. Marjorie Blackwell was guest editor for these articles. **