



# ROADMAP TO DOWNTOWN SAN FRANCISCO'S FUTURE

Version: February 9, 2023

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***"In San Francisco, we don't just face our challenges - we grow stronger in overcoming them."***

**– Mayor London N. Breed**

**Strategy 1** – Ensure Downtown is clean, safe, and inviting

**Strategy 2** – Attract and retain a diverse range of industries and employers

**Strategy 3** – Facilitate new uses and flexibility in buildings

**Strategy 4** – Make it easier to start and grow a business

**Strategy 5** – Grow and prepare our workforce

**Strategy 6** – Transform Downtown into a leading arts, culture, and nightlife destination

**Strategy 7** – Enhance public spaces to showcase Downtown

**Strategy 8** – Invest in transportation connections

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**NOTE:** This is a summary as of **February 9, 2023**. See the latest at [sf.gov/roadmap-downtown-san-franciscos-future](https://sf.gov/roadmap-downtown-san-franciscos-future)



*"In the post-pandemic world, our Downtown is undergoing a shift because of changes in how people work and how businesses operate. The impacts of these shifts are hurting our economy, Downtown small businesses and neighborhoods, and our ability to fund the critical services residents need and deserve. This Roadmap calls for programs, investments, and policy changes, but more importantly it calls for an all-hands approach to supporting our city's future, and that is just the start. We will work with the business community, residents, and our workforce to implement these solutions and develop new ones. This moment demands action and ingenuity. Downtown's future will be determined not by those who look in on us from far away, but by the people who care about San Francisco and are committed to doing the work every day to lift this City up."*

**– Mayor London N. Breed**

## MAYOR BREED'S VISION

As economic changes continue to emerge in the wake of the COVID-19 pandemic, Mayor Breed has laid out a vision for the future of Downtown.

### Five priorities

This vision focuses on five key areas that respond to today's needs and guide our city into its next chapter. This vision imagines a Downtown that provides:

- An economically diverse and resilient job engine
- A welcoming, clean, and safe environment
- A dynamic destination active at all hours, every day
- A world-class transportation experience
- An equitable economy that supports full participation by all



## An economically diverse and resilient job engine

San Francisco will use this opportunity to broaden our economic base by increasing the range of industries and jobs locating here to reflect the Bay Area's diverse economy. Downtown San Francisco will be known as the most productive and innovative business district in the country. It will remain the launchpad for cutting edge industries, while building out sectors that create new advantages and opportunities. The shifting nature of work will create new opportunities for businesses to locate in San Francisco, allow Downtown to position itself as the region's primary location for key face-to-face meetings and interactions, and enable companies to connect to a talented workforce with a wide range of skills. Increased flexibility in how Downtown building and spaces is used will allow new forms of work and activities to emerge bringing a dynamic energy to San Francisco and reaffirming it as a leading economy into the future.

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## A welcoming, clean, and safe environment

Downtown's public realm will be thoughtfully designed, well-maintained, and inviting, including its streets, sidewalks, plazas, parks, and other open spaces. Public spaces will offer an environment that visitors and workers actively seek out. Pedestrians will feel at ease making their way through our streets and sidewalks, which will be walkable, clean and safe. Downtown San Francisco will be known as a pedestrian paradise celebrated for its beauty and uniqueness.

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## **A dynamic destination active at all hours, every day**

Downtown will be a destination for everyone - residents, workers and visitors from around the city, the region and around the world - that offers unique only-in-San Francisco experiences day and night. Downtown will not only be a place to gather for work, but the backdrop for civic celebrations, political and creative expression, and all manner of social and cultural pursuit. It will provide the platform where people come to create new concepts and share innovative endeavors to the world. Arts, culture, recreation, and entertainment offerings will add to existing and new retail, culinary, and nightlife attractions to create a compelling one-of-a-kind destination throughout the year.

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## A world-class transportation experience

The journey to and through Downtown will be easy and convenient, accessible by an exceptional range of efficient and sustainable travel modes. Pedestrians and cyclists will enjoy a safe and easily navigable environment. Transit stations, ferry terminals, bike stations, sidewalks, plazas, and other gateways into Downtown will be clean and safe, and incorporate art and activations that showcase the best aspects of the city. Downtown will exemplify San Francisco's transit-first vision with frequent, fast, clean, and reliable public transit options that are easy to navigate. It will remain at the center of the city and region's transit network with ongoing investments that deepen connectivity to the rest of the region and beyond.

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## **An equitable economy that supports full participation by all**

Downtown will be a place that is welcoming and reflects the true diversity of our city. We will celebrate our proud history as one of the most culturally vibrant cities in the nation. Inclusivity will be embedded in every aspect of our economic recovery. Greater economic diversity will offer a wider range of job opportunities while new communities and cultures will be invited to participate in Downtown activities, and expanded transit options will make Downtown more accessible. Coordinated efforts to reduce barriers to opening and growing a business will expand the ethnic and racial diversity among Downtown businesses and entrepreneurs. Strategic partnerships and programs will ensure that San Francisco and Bay Area residents have the skills, preparation and networks to access, succeed and advance in quality jobs. Through dedicated and ongoing investment in housing production across the city and region, the Bay Area will welcome everyone seeking the promise that a thriving economy offers.

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# WHY DOWNTOWN SAN FRANCISCO?

**Downtown forms the foundation of San Francisco's world-renowned spirit of entrepreneurial innovation and drives the long-term economic success of the Bay Area and California. Its success stems from a highly-skilled workforce, long history of cultural and social openness, unparalleled natural setting and quality of life, and regional and global transportation connections.**

From the Financial District and the transit spine of Market Street to the theater and shopping destination of Union Square, the Yerba Buena arts and museum district, the iconic Embarcadero waterfront, key hubs like Moscone Center and Salesforce Park, and the emerging office and industry clusters along and south of Market and into Mission Bay, the foundation of San Francisco's economy is centered Downtown.

At over \$250 billion in Gross Domestic Product (GDP), San Francisco accounted for more than a quarter of the Bay Area's total economic output in 2022. More than half of the region's record \$30 billion in U.S. venture-backed business deals in 2021 went to San Francisco. Downtown has long been at the heart of this dynamic economy, supplying more than two-thirds of the city's total jobs prior to the pandemic, and continuing to represent more than three-quarters of the city's total GDP as of 2021. At the same time, Downtown-based businesses generated nearly half of the City's sales tax revenue and almost all, 95%, of the City's business tax revenue. This revenue funds many of the city's key services such as public safety, cleaning, open spaces, transportation and many other essential resources.



# WHY DOWNTOWN SAN FRANCISCO?

San Francisco's economy continues to grow - and quite significantly. From 2020 to the end of 2021, San Francisco's economy grew by 14 percent, the highest rate of any large county in the United States. In 2022, the Bay Area was the fastest growing regional economy in the country. Office-based sectors have continued to grow in San Francisco, with more jobs in the Professional Services, Finance, Insurance, and Information industries at the start of 2023 than in early 2020. Meanwhile, the city's transportation infrastructure makes Downtown uniquely accessible to the region's high-skilled labor force.

Despite this growth, the shift to hybrid work patterns brought on by the pandemic has had immediate impacts on the workers and to Downtown's business ecosystem, including our small businesses. The ongoing reduction in foot traffic combined with changes to demand for office space pose a threat to this ecosystem that was built up to support office-based businesses and workers.

In order to position San Francisco for the future, the City must put forward policies that respond to new economic trends and challenges head-on, while continuing to invest in the strengths and assets that are the core pillars of San Francisco's competitiveness. Throughout history, San Francisco has reinvented itself to bounce back from seemingly existential threats, and this moment is another opportunity to do just that, starting where it always has, in Downtown.

# **WE'VE BEEN HERE BEFORE**

San Francisco is resilient. From devastating earthquakes to economic crises to radical shifts in growth and development patterns, we've always responded to adversity by adapting and rebuilding stronger than ever. The COVID-19 pandemic and its economic aftershocks present yet another moment for us to reshape our future.





# WE'VE BEEN HERE BEFORE

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## The Great Earthquake of 1906

The Great Earthquake and fire of 1906 destroyed most of city's core, took thousands of lives, and helped spark an exodus to Oakland and the East Bay or beyond. Within a decade the city was largely rebuilt, inaugurating new electric streetcar lines and consolidating private transit companies under a new municipal agency, or "Muni," hosting the Panama-Pacific International Exposition, and constructing a grand new City Hall and Civic Center by 1915. During the 1920s, a series of new high-rise office towers Downtown reaffirmed San Francisco's position as the business and financial capital of the west, with the 31-story Russ Building remaining the tallest building west of Chicago until 1964.



# WE'VE BEEN HERE BEFORE

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## Great Depression and World War II

Faced with the economic turmoil of the Great Depression in the 1930s, San Francisco built a more equitable economy, enthusiastically embracing federal funding under the Works Progress Administration to reengage the workforce and improving wages and working conditions after the General Strike of 1934. Major public works projects like the Bay Bridge and Golden Gate Bridge put people back to work and connected the region as never before, while our position as a military and industrial hub during World War II laid the groundwork for a post-war economic boom.



# WE'VE BEEN HERE BEFORE

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## Post-war Suburbanization

After the war, San Francisco was among many U.S. cities that suffered from suburbanization and disinvestment in its urban core, losing some 100,000 residents between the 1950s and 1980, a more than 10 percent decline. But, the City by the Bay never gave up. Residents came together in the “freeway revolt” that put a stop to expansion plans for the Embarcadero Freeway and other auto-centric highway projects that would have bulldozed swaths of the city. City and regional leaders came together to build a regional rail system, BART, that served as the backbone for Downtown’s ultimate economic resurgence, and San Francisco’s industrial shoreline began to adapt to changes in shipping technology and global supply chains that planted the seeds of today’s vibrant waterfront attractions and neighborhoods.





# WE'VE BEEN HERE BEFORE

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## Loma Prieta Earthquake

The 1989 Loma Prieta earthquake hit the Bay Area hard, knocking out a part of the Bay Bridge and other critical infrastructure in San Francisco. In its aftermath, City and community leaders took the opportunity to reshape the city for the better. The Embarcadero Freeway that had cut off Downtown from its iconic waterfront since the 1950s was removed and replaced with a vibrant urban boulevard, public spaces and parks that sparked economic transformation, while the Ferry Building was restored and reimagined as a showcase for the region's culinary excellence and artisanal craftsmanship. The earthquake's impact on transportation infrastructure also led to the launch of its modern commuter ferry system, which continues to strengthen connections throughout the regional economy.



# WE'VE BEEN HERE BEFORE

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## Dot-com bubble and bust

In 2000, following a decade of break-neck growth fueled by the introduction of the internet, Downtown BART stations were so crowded that system operators had to block escalators at the sidewalk to manage the rush. Within months, the boom turned to a bust as tens of thousands of jobs evaporated with the implosion of the nascent tech sector. Soon after, new security concerns after the September 11 attacks further called into question San Francisco's economic future, along with other cities with city centers of concentrated high-rise buildings nationwide. Near-record commercial vacancies followed the crash and many questioned if San Francisco would ever have such demand for jobs again. However, through planning efforts for a high-rise residential and mixed-use neighborhood in and around Rincon Hill and the adoption of the Transbay Redevelopment Plan that envisioned a thriving office and mixed-use district surrounding a new multi-modal Transbay Terminal the City used those years to lay the groundwork for the next phase of Downtown's growth. After a short recession demand for both office space and housing skyrocketed once again.



# WE'VE BEEN HERE BEFORE

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## Great Recession and housing crash

In the aftermath of the global financial and mortgage crisis that erupted in 2008, San Francisco again faced economic upheaval through the ensuing Great Recession. The city's unemployment rate rose to 10%, household wealth throughout the region was wiped out on a mass scale by a wave of foreclosures, and proposed development projects came to a halt. Again, many argued that the demand for jobs and housing would never return to where it had been just a few years earlier. Instead, San Francisco's economy recovered and began a historic economic boom, reaching record low unemployment and adding more than 30,000 housing units over the ensuing decade as business and housing market trends shifted toward urban areas and made San Francisco among the most desirable cities for tech and knowledge-based businesses in the world. Downtown became a key hub for start-ups and business expansion opportunities for the rapidly growing tech sector that previously had been mostly confined to the Peninsula and South Bay. During these years, the City continued charting a course for future development and growth, through major planning efforts including the Eastern Neighborhoods Plans and the adoption of redevelopment plans on Treasure Island and Yerba Buena Island which paved the way for thousands of new housing units to be added in support of the labor force.



# WE'VE BEEN HERE BEFORE

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## COVID-19 pandemic

In March 2020, public health mandates during the early months of the pandemic pulled the emergency brake on our economy and a decade-long economic boom. As tens of thousands of workers faced massive layoffs and hundreds of thousands of others instantly shifted to working from home, many began questioning the long-term viability of dense and compact cities such as San Francisco and the need for a concentration of offices in the Downtown. While our streets continue to see less activity than in 2019, it's clear that a continued need for in person meeting and collaboration offer the potential for cities like San Francisco to remain the vital hearts of our regions and economies.

As a city, we've regularly faced challenges and threats to our future. As we've responded each time we have evolved in ways that reaffirmed our position at the forefront of the global economy. We are presented again with an opportunity to respond to today's challenges by reimagining and reinvesting in a Downtown of the future that will guide San Francisco's economy into the next decades and beyond.



## Economic Activity



### [San Francisco Population and Migration](#)

Track how many San Franciscans moved into and out of the city each year.



### [San Francisco Office Attendance](#)

Track how many workers are reporting in-person to the office each month.



### [San Francisco Tourism](#)

Track the San Francisco tourism industry with monthly hotel data and quarterly airport data.



### [San Francisco BART ridership](#)

Track how many people are travelling to downtown on BART each month.

# SAN FRANCISCO ECONOMIC RECOVERY DASHBOARDS

Data about the impact of the COVID-19 pandemic on the San Francisco economy and its progress towards economic recovery can be found at:



### [San Francisco Monthly](#)

Track unemployment and labor force data for San Francisco each month.



### [San Francisco Unemployment by ZIP](#)

Track average annual unemployment by San Francisco ZIP code.



### [San Francisco Income After Housing](#)

Track how much income San Franciscans have after paying rent and housing costs each year.

**[sf.gov/resource/2022/san-francisco-economic-recovery-dashboards](https://sf.gov/resource/2022/san-francisco-economic-recovery-dashboards)**

## Economic Recovery



### [San Francisco Employment by Industry](#)

Track job trends in San Francisco industries each month.



### [San Francisco Office Space Vacancy](#)

Track supply of office space in San Francisco each quarter.



### [San Francisco Sales Tax](#)

Track how much sales tax each San Francisco neighborhood produces each quarter.



# Our Strategies

The Roadmap to Downtown San Francisco's Future is a plan comprised of nine strategies with nearly fifty specific initiatives, that collectively address San Francisco's new economic context and advance a new vision for the role of Downtown into the future.





# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Strategy

Downtown San Francisco is a world-class destination that offers a variety of amenities. By prioritizing investments in cleanliness and public safety, we are working to ensure everyone feels at ease while in our Downtown. This strategy supports a Downtown that successfully attracts widespread interest, while addressing some of our greatest challenges with a humane approach that is coordinated, efficient and effective.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Support businesses, residents, and visitors with an **enhanced public safety presence**.
- Continue and grow **Healthy Streets coordinated response** programs that connect people experiencing homelessness, behavioral health challenges, and addiction with services while keeping streets and sidewalks safe for everyone.
- Implement **street vending regulations** to discourage and disrupt the resale of stolen merchandise while supporting small entrepreneurs and keeping sidewalks accessible.
- Provide a welcoming gateway to Downtown attractions through increased **parking garage security** at City garages.
- Expand on the City's partnership with Community Benefit Districts to keep sidewalks and plazas clean through the **311 Connected Worker App**.
- Continue to fund and expand **targeted cleaning crews** in key areas and hot spots.
- Welcome transit riders and visitors Downtown with **refurbished transit platforms and shelters**.

# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Initiatives

### Enhanced public safety presence

One of Mayor Breed's top budget investments is public safety, including police officer recruitment and retention. The City is committed to ensuring residents, workers and tourists feel safe in San Francisco by ramping up a public safety presence in priority locations while maximizing the efficiency and effectiveness of our public safety approach.

- Like public safety agencies across the country, the San Francisco Police Department is facing record staffing shortages. As part of the Mayor's budget, increased police recruitment and retention efforts are underway and more incentives are in development.
- While rebuilding staffing in the long run, San Francisco has been relying on overtime to ensure police are providing critical levels of service. Mayor Breed will be introducing a \$25 million dollar budget supplemental to ensure the police are able to continue to keep residents, workers, and businesses safe.
- Additionally, the City is hiring and deploying retired officers as on-the-ground Community Safety Ambassadors and Police Services Aides in order to deter criminal activity and respond to lower and mid-level calls for service, allowing sworn officers to respond to more serious offenses more quickly. To further support public safety, the Mayor's [Camera Access legislation](#) passed in September 2022 to give police officers lawful access to privately-owned live video footage.
- Taken together, these efforts allow the Police Department to rapidly deploy sworn personnel when and where it is warranted, to further criminal investigations into organized crime and will support a continued visible public safety presence in targeted areas including Union Square and Mid-Market in Downtown.



# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Initiatives

### Healthy Streets coordinated response

San Francisco's [Healthy Streets](#) suite of programs provides a coordinated street response that offers alternatives to law enforcement responses to homelessness and behavioral health crisis.

- These innovative strategies bring City-led [outreach](#) and [response](#) teams into community to focus on acute behavioral health responses, wellness checks, housing and supportive services, and overdose response and prevention. Additionally, the City is [expanding community ambassadors](#) along the downtown corridor, tourist areas, and other priority locations to help support public safety and community needs.
- Partner City agencies include the Department of Emergency Management, San Francisco Fire Department and Community Paramedicine, Department of Homelessness and Supportive Housing, Department of Public Health, and Public Works. Together, these teams work in unison to address crises and street conditions appropriately and efficiently.
- In 2023, the City will expand its existing network of Street Response Teams to include a new Community Response Team pilot that aims to strengthen partnerships with community organizations to further expand the City's ability to respond to street conditions and incidents with a community-based and human-centered approach. This pilot will be complemented by a new Public Awareness Campaign to educate the public on these coordinated street response services so residents will feel more comfortable making the right call when they observe situations on the street in need of response.

# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Initiatives

### Street vending regulations

Street vending is an important platform for small merchants and artisans, and a part of San Francisco's cultural fabric, but street vending can also lead to sidewalk overcrowding, the resale of stolen merchandise, unsafe conditions, and disruption to nearby small businesses.

- In March 2022, the Board of Supervisors passed [street vending legislation](#) introduced by Mayor Breed that established a regulatory framework for vendors. This new framework gives street vendors clear operating parameters while creating a way for the City to monitor and discourage the resale of stolen merchandise and thereby reduce incentives for retail theft.
- The City developed permitting guidelines and is now working to engage with street vendors to educate them about the new permitting program and encourage registration. The goal is to reduce retail theft and property crime, while creating cleaner, safer public spaces that empower the legal street vending economy.

# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Initiatives

### Parking garage security

Public parking garages are a gateway to Downtown for many visitors, and the City is committed to ensuring that these facilities present a safe and welcoming atmosphere for all users.

- The San Francisco Municipal Transit Authority (SFMTA) recently upgraded all City-managed garages with new technology to provide secure credit card transactions and tighten access to facilities during off hours. In partnership with the Recreation and Parks Department, the SFMTA is additionally increasing security at Union Square Garage by installing secure rolling doors and enhancements that limit access overnight as well as increasing staffing to expand the presence of roving staff in the garage.
- By the end of February 2023, security gates and locked pedestrian entrances will also be installed at the Fifth and Mission Garage near Yerba Buena Gardens. The SFMTA will also upgrade the lighting at the Ellis and O'Farrell Garage to ensure evening and night time visitors feel more secure and safe entering and exiting this facility between Market and Union Square.

# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Initiatives

### 311 Connected Worker App

Community Benefit Districts (CBDs) are City-sponsored organizations that are vital to day-to-day essential services, including cleaning, activation and other community needs in specific neighborhoods.

- In 2021, 311 expanded its [Connected Worker App](#) to allow Community Benefit District (CBD) crews to directly receive and respond to street and sidewalk cleaning requests through 311 so that they can work in closer partnership with Public Works and other City departments to resolve situations in their districts efficiently as they arise.
- To date, resolution time for complaints of loose trash was reduced from 34 to 5 hours on average, for graffiti in public spaces from six days to four hours, and graffiti on private properties from nine days to 13 hours. CBD's include the Downtown, East Cut, Yerba Buena, SoMa West, Tenderloin and Civic Center.
- The City will continue partnering with CBDs to expand the reach and effectiveness of this new tool to keep Downtown streets clean and inviting at all times.



# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Initiatives

### Targeted cleaning crews

San Francisco Public Works partners with neighborhood-based [Community Benefit Districts](#) (CBDs) to provide daily [cleaning services](#) to keep San Francisco's sidewalks, streets, and public spaces clean and welcoming to residents, workers, visitors and business owners.

- Cleaning crews are active in Downtown areas including the Financial District and East Cut. Additionally, Public Works deploys "Hot Spots" encampment cleanup crews to priority locations such as Embarcadero Plaza and throughout SoMa, as well as the citywide overnight alley cleaning program that includes a substantial presence Downtown.
- Mayor Breed's 2022-2023 budget provided additional funding to ramp up areas in and around Union Square, Moscone Center, and Tenderloin.
- As Public Works continues to hire key positions, additional needs in Downtown districts will be assessed for further targeted efforts.

# ENSURE DOWNTOWN IS CLEAN, SAFE, AND INVITING

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## Initiatives

### Refurbished transit platforms and shelters

Bus shelters and transit platforms are where many trips Downtown begin and end and a place where riders form their impressions of the overall conditions of the area where they are located. The City strives to provide a safe and clean experience at every bus, train or streetcar stop.

- Beginning in 2023, the San Francisco Metropolitan Transit Authority (SFMTA) has increased regular transit stop cleaning by 50%. Under this new schedule, every transit shelter will be cleaned at least three times per week and all boarding platforms will be cleaned five days a week.
- The SFMTA is also conducting a citywide evaluation of transit shelter conditions to target repairs and upgrades where they are needed most, including graffiti removal, replacing glass, benches and map cases, and general repairs and maintenance.

# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Strategy

The greater the range of industries and sectors in a city, the better able it is to withstand economic shifts and disruptions. A diverse economy supports a wider variety of jobs accessible to jobseekers with a range of skills and experiences. San Francisco's economy already includes a broad array of industries including finance and real estate, information and technology, healthcare, hospitality and entertainment, education, transportation, and more. We will bolster our existing business to maintain the strength of our economic foundation. As business models continue to shift, creating unprecedented office availability Downtown, we have a once-in-a-generation opportunity to recruit new sectors and businesses that will position us competitively for the future and add to our resilience.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Support businesses recovery with ongoing **tax relief and incentives** in key sectors.
- **Explore business tax reform** to adapt to shifting work patterns and make our tax base more resilient and competitive.
- Ensure voters can evaluate the economic impact of future tax proposals with greater **tax measure transparency**.
- Complete a **Competitive Industries Assessment** to identify high-potential industries and supporting strategies.
- Launch a **business attraction campaign** to bring new ventures in high-potential industries to San Francisco.
- Continue attracting convention and business travel with the **Moscone Recovery Fund**.
- **Increase filming in Downtown** to promote San Francisco's image and develop the local film industry.

# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Initiatives

### Tax relief and incentives

Downtown is grappling with high vacancy rates in its office market and ground floor storefronts as office tenants contract their physical footprints and the retail and service businesses that relied on office-generated foot traffic continue to struggle.

- To support existing businesses still struggling to recover from the pandemic and attract new businesses to locate in San Francisco, Mayor Breed is pursuing a legislative package of tax relief and incentives.
- The package extends Gross Receipts Tax relief for businesses in industries that were most impacted by revenue losses during the pandemic, including Retail Trade, Food Services, Manufacturing, Accommodations, Arts, Entertainment, Recreation and others. These reductions, originally scheduled to expire in 2023 and 2024 will now go into effect in 2025 and 2026.
- The tax incentive package additionally establishes a discount for new office-based businesses in the Administrative and Support Services, Information, Insurance, and Professional, Scientific, and Technical Services industries on their Gross Receipts Tax for up to three years through 2028.
- The Mayor's office is working to introduce legislation that would take effect in 2023.

# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Initiatives

### Business tax reform

As Downtown evolves in the face of the shifting economic trends that have emerged following the pandemic, the City has an opportunity to adjust its tax structure in response.

- In 2023, the Controller's and Treasurer's office will begin a stakeholder process to explore a broad package of tax amendments. These efforts will explore identifying tax adjustments that mitigate disincentives for in-person work, diversify the City's tax base to reduce disproportionate dependence on a very small set of tax payers, stabilize the City's finances, and allow San Francisco to better compete with its peer cities in attracting new businesses.
- Adjustments identified through this process would be considered for inclusion on the 2024 ballot.



# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Initiatives

### Tax measure transparency

San Francisco voters are often asked to consider tax initiatives aimed at changing business behavior or creating new revenue streams to fund specific programs, but these measures and their projected impacts are often highly complex and voters may struggle to understand the net effect of certain proposals.

- To provide voters with a clear understanding of the fiscal impacts of proposed tax measures, the Mayor's Office is currently developing legislation that would allow all signature-based tax initiatives to obtain a fiscal impact analysis from the Controller's office early in the process, and require reporting of that analysis in the voter guide for measures that ultimately appear on the ballot.
- This additional transparency will support voters' ability to make an informed decision while also providing initiative proponents with a level of analysis that has not previously been available to them.

# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Initiatives

### Competitive Industries Assessment

To prepare for the future, San Francisco must understand key trends and growth potential in various industries, what different industries might contribute to the city's economy and range of job opportunities, and which sectors we are best positioned to attract. As we identify high potential industries that support the diversity and resilience of our economy, we must also know what aspects of San Francisco present advantages or challenges for these businesses.

- The Office of Economic and Workforce Development has commissioned [KPMG](#) and the [Bay Area Council Economic Institute](#) to identify high-potential industries where San Francisco appears most competitive, and identify best practices and recommendations that the City can employ to proactively recruit and attract these sectors.
- Recommendations from this analysis are expected in summer of 2023.

# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Initiatives

### Business Attraction Campaign

Attracting new businesses and expanding the diversity of San Francisco's economy will require proactive and coordinated efforts to recruit targeted businesses and sectors.

- The Office of Economic and Workforce Development will develop sector-based business attraction campaigns to target new or expanding industry sectors with a high potential for growth in San Francisco.
- The campaigns will be aimed at specific regions and entrepreneurs likely to start or expand their businesses to San Francisco through advertising within distinct markets that have strengths in our target sectors and activating influential channels and platforms to showcase San Francisco's competitiveness to businesses in these sectors.
- The campaign is expected to launch upon the completion of the Competitive Industries Assessment in summer 2023.

# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Initiatives

### Moscone Recovery Fund

Conventions and the business travelers they bring to the city are a key part of San Francisco's \$10 billion tourism industry, and a boon to Downtown businesses - particularly the restaurants, bars and entertainment venues along with retail establishments that visitors support during their stay.

- In 2021, Mayor Breed announced \$4.6 million in funding to support a return of conventions, conferences, trade shows and other large events to [Moscone Center](#), San Francisco's world-class convention center and host to Dreamforce, the annual Salesforce convention that is the largest annual software event in the world.
- The [Moscone Recovery Fund](#) covers the cost of reduced convention rates through 2024 to attract event organizers back to San Francisco, and is estimated to return up to 150,000 room nights of hotel stays to San Francisco, generating up to \$173 million in direct convention spending and nearly \$5 million in hotel tax revenue to the City.

# ATTRACT AND RETAIN A DIVERSE RANGE OF INDUSTRIES AND EMPLOYERS

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## Initiatives

### Increase filming Downtown

San Francisco's Downtown has historically been a favorite for film and commercial productions – bringing economic activity to the city during shooting as well as promoting widespread interest from film viewers across the world.

- [Film SF](#) is developing new ways to market San Francisco and grow its brand. By activating local venues for film events and screenings, Film SF will invite more producers and others in the industry to San Francisco and generate increased interest.
- It will make it easier for filmmakers to choose San Francisco by connecting scouts to available real estate and shooting locations along with offering enhanced support in facilitating production activity.
- Film SF is also developing a strategy to help new film and media businesses make San Francisco their home to grow a locally-based film sector as part of the future for Downtown.



# FACILITATE NEW USES AND FLEXIBILITY IN BUILDINGS

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## Strategy

Economies are dynamic and the needs of businesses and institutions change over time. The COVID-19 pandemic triggered a dramatic change in the way office-based businesses operate and how they use office space. Prior to the pandemic, San Francisco's office vacancy rate was minimal and new businesses struggled to gain access. Now, different office configurations and commercial occupancy models are emerging as businesses adapt to post-pandemic norms. New industries and business types may have vastly different space requirements and configurations. Other underutilized commercial buildings may be able to convert to entirely new uses, such as hotels, institutions, museums and cultural venues, research and design spaces, or housing. By reducing unnecessary zoning and process impediments and actively facilitating the ability of companies and building owners to update and adapt office buildings to emerging uses, we can support new job offerings, economic growth, and a renewed vibrancy in our Downtown.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Amend the Planning Code to ensure **flexible zoning Downtown** to accommodate the widest possible range of activities and uses.
- Prepare a **housing conversion analysis** to identify the feasibility of office-to-residential conversions and recommend supporting policy changes.
- Develop a **recovery entitlement program** that would allow time and flexibility for previously entitled development projects to adjust to market conditions.

# FACILITATE NEW USES AND FLEXIBILITY IN BUILDINGS

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## Initiatives

### Flexible zoning Downtown

Downtown's historically office-centric environment should be a welcoming place for the widest possible variety of commercial, cultural and residential uses and activities.

- As part of its [Future of Downtown](#) effort, the Planning Department is exploring adjustments that would simplify Downtown's zoning and building controls in order to support the establishment of new commercial, institutional, and residential uses and flexible spaces through a clear and predictable process.
- Zoning and process changes will support an active and dynamic experience for residents, workers and visitors to the area, and will be informed by the findings of the Competitive Industries Assessment being conducted by the Office of Economic Workforce Development to consider the use and space needs of growing and high-potential industries that will be key to San Francisco's economic future.
- Planning aims to develop legislation for introduction by summer of 2023.

# FACILITATE NEW USES AND FLEXIBILITY IN BUILDINGS

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## Initiatives

### Housing conversion analysis

As the City's economic core, Downtown has developed as a place for offices and businesses that support offices and office workers - leaving a scarcity of housing options. In recent decades significant amounts of housing have been added in and around Downtown, particularly in Rincon Hill, the East Cut and SoMa. The shift in office demand brought on by the pandemic could present a unique opportunity to weave more housing into the City's office core, creating the potential to support a greater variety of businesses and institutions in the area while also allowing workers to live closer to their jobs.

- To explore this potential further, the City is exploring the viability of converting underutilized Downtown commercial buildings to residential uses. As part of its [Future of Downtown](#) effort, the Planning Department, in partnership with SPUR and Gensler, is conducting an analysis to better understand the key elements that may make certain buildings good candidates for conversion, how many existing office buildings might be suitable for conversion, and what would make residential conversions financially feasible.
- The results of this analysis will be released in Spring 2023 and include a set of recommendations for how the City might facilitate such projects, including any zoning or building code changes necessary to support the conversion of existing office or commercial spaces into residential uses Downtown.

# FACILITATE NEW USES AND FLEXIBILITY IN BUILDINGS

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## Initiatives

### Recovery entitlement program

The economic disruption and market uncertainty brought on by the pandemic has prevented many developments that were entitled in the years leading up to and during the pandemic from moving forward to construction. In some cases, the market has changed and the originally proposed development program needs to be reevaluated.

- While project sponsors are reconfirming the viability of their project, the planning entitlements for some may expire or require discretionary approval from the Planning Commission to be extended or modified - adding cost and uncertainty that could risk the feasibility of these projects.
- The Planning Department is assessing the inventory of development projects in the pipeline that may seek to extend their entitlements or propose modifications in response to changed market conditions and is exploring options to expedite such extensions or revisions.
- Such a program would allow already entitled projects a chance to quickly regroup and pivot to a mix of uses and designs that will be most successful in our new context without having to restart the development process.

# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Strategy

Downtown offers unparalleled benefits to a wide range of businesses. Yet the complexity, time, and effort required to launch a new venture or move into a new space can be a significant barrier to small and large businesses – particularly those that may lack extensive resources to help them navigate the permit process. By creating transparency, streamlining processes and proactively building out systems to support new enterprises, we can fill vacancies more quickly while removing barriers for small, independent and local businesses. Simplified permitting also helps to attract a more diverse mix of uses – from a wider range of office tenants as well as arts, entertainment, and other commercial users – that collectively enhance San Francisco’s identity and cultural draw.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Build on pandemic emergency financial assistance to provide direct **business recovery assistance** including grants and loans.
- Expanded the **First Year Free** program to reduce permit costs for new business ventures.
- **Right-size local employer healthcare contributions** under the Health Care Security Ordinance (HCSO) to provide adequate healthcare funding while supporting San Francisco businesses.
- Connect new businesses, ventures, and opportunities to ground floor vacancies and provide targeted support through a new **Vacant to Vibrant** program.
- Build on the Save Our Small Business Initiative and Small Business Recovery Act to deliver **smoother business permitting**.
- Modernize processes and add resources to **support businesses at the Permit Center**.
- **Streamline business inspections** to reduce delays and unexpected costs for new and existing businesses.





# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Initiatives

### Direct business recovery assistance

Since the beginning of the pandemic, the Office of Economic and Workforce Development (OEWD) has led City efforts to provide immediate and ongoing support for small businesses, assisting with applications to local, state and federal relief funding and investing more than \$83 million of local funds in grants and loans that are projected to support more than 4,800 small businesses. Of the awards issued so far, 60% of recipients are minority-owned businesses. Additionally, the Treasurer and Tax Collector granted tens of millions of dollars in fee and tax deferrals to businesses and sectors most impacted by the pandemic.

- As economic needs shifted from emergency relief to post-pandemic recovery, OEWD has adjusted its [grant](#), [loan](#) and business assistance programs accordingly with programs focused on storefront improvements and repairs, entrepreneurship training, fee waivers in targeted sectors, and low-interest loans to support investment and growth of entrepreneurs and a diversity of small businesses. Grants and loans continue to focus on those businesses and entrepreneurs least likely to receive assistance through other channels and supporting the success of low-income and underrepresented entrepreneurs and business owners, as well as businesses in San Francisco's opportunity neighborhoods.
- In 2023, OEWD will pursue direct business assistance programs that support specific business types and under-represented businesses launching and expanding operations in Downtown.

# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Initiatives

### First Year Free

Starting any business is a costly endeavor. Initial City permit and inspection fees can pose an additional barrier to new businesses, especially those with limited capital and access to resources.

- The [First Year Free](#) program was created in 2021 to spur new ventures to open and give small businesses and entrepreneurs a greater opportunity to start or grow their business as the city began to reopen after the pandemic. The program waives first-year permit, license, and business registration fees for new and expanding businesses in order to reduce the cost of opening a new business location.
- The Office of Small Business has provided ongoing support to the Treasurer's office to administer this program with small business permit specialists who help identify businesses that are eligible for fee waivers. To date, over 2,000 businesses have benefited from the program and the City is working on technology improvements to ensure all eligible businesses are identified and fully benefit from the program.
- In November 2022, the Board of Supervisors extended the program through June 2023 and expanded the size and types of businesses that qualify.

# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Initiatives

### Right-sized local employer healthcare contributions

The [Health Care Security Ordinance](#) (HCSO) requires businesses to pay into a fund held by the City in order to offer important health care coverage to part-time, temporary, and other employees who do not receive full benefits from their employers. However, the program adds a significant expense to the cost of doing business in San Francisco. As the program is currently designed, employers pay more into the program than employees end up using, generating a balance.

- To right-size the program and employer contributions, Mayor Breed is exploring a one-year reduction in the rates that employers need to pay into the system. This reduction would give immediate relief to San Francisco based businesses while preserving the existing level of healthcare services for employees.
- The Mayor has further directed the Department of Public Health, in coordination with the Controller's office, to identify additional long-term strategies to ensure the system effectively meets its original goals of providing workers with healthcare while supporting San Francisco businesses.

# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Initiatives

### **Vacant to Vibrant: connecting new ventures to ground floor vacancies**

Pop-ups and temporary uses in storefront spaces fill ground floor vacancies with interesting new offerings that support a successful evolution of our Downtown, while providing a low-cost way for entrepreneurs, businesses, makers, brands, and arts organizations to test new concepts and gain access to the Downtown market before investing in a permanent location.

- In the spring of 2023 the Office of Economic and Workforce Development, in partnership with SF New Deal, will launch its [Vacant to Vibrant](#) program to match pop-up ventures - prioritizing small, local, and underrepresented ventures - with owners of vacant spaces in Downtown. This program will offer technical assistance in navigating leasing and permitting processes and support the start-up costs of pop-ups through micro-grants. In partnership with key permitting departments, the Vacant to Vibrant program will develop an efficient process for permitting temporary uses and pop-ups. The program will also partner successful pop-ups with small business permit specialists and provide assistance in pursuing permanent locations using a new commercial vacancy database in development by the Office of Small Business.
- By combining proactive outreach and support with a streamlined permitting process for short-term activations of ground floor space and a user-friendly [guide for hosting pop-ups and temporary events](#) that gives prospective entrepreneurs a sense of what to expect and how to plan, the City aims to make the process for pursuing a pop-up as simple and transparent as possible.

# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Initiatives

### Smoother business permitting

Opening and operating a small business must be simplified so entrepreneurs can focus on running their business and making a living, not navigating the complexities of City Hall. We need to support local business owners as they work to re-activate empty storefronts.

- In November 2020, San Francisco voters approved Mayor Breed's [Save Our Small Businesses initiative](#) (Proposition H) to create a streamlined permitting process for neighborhood storefront businesses and standardize regulations for common retail uses across the city, with a guaranteed 30-day approval timeline for most business permits.
- In August 2021, Mayor Breed signed the [Small Business Recovery Act \(SBRA\)](#), which expanded many of these provisions to include Downtown ground floor businesses of all sizes. Many businesses can now be instantly approved “over the counter,” and neighborhood notification requirements were lifted for most changes to storefront businesses. These changes dramatically reduced the time required to get permits and have helped new businesses open and adapt more quickly.
- The Office of Small Business is working with permitting departments to continue to refine the process and promote the program so eligible businesses can fully realize the benefits of the program and to identify opportunities to further improve the permitting process in order to support businesses to open and operate in San Francisco. As additional efficiencies are identified, the Mayor is committed to advancing policies that make it easier for businesses to open in San Francisco and ensure the permitting process is as straightforward and customer-friendly as possible.





# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Initiatives

### Business support at the Permit Center

The City opened a new one-stop [Permit Center](#) in 2020 that brought multiple permitting agencies under one roof for the first time. The Permit Center has already created efficiencies and significantly improved the experience of business owners in getting through the “over-the-counter” process for most common permits that don’t involve major work on the building or interior renovations. This makes opening a business more accessible to smaller and less resourced business owners and entrepreneurs.

- In 2023, the City will leverage the Permit Center to further improve the customer service experience for business owners by working with permitting departments to continue to find opportunities to simplify and modernize the application process, such as the recent change the Department of Building Inspection and Planning Department implemented to remove a requirement for costly architectural drawings for projects without interior changes.
- The Permit Center will also begin digitizing the permit application and review process beginning with some of the most common permits required by new businesses, reducing the need for business owners to submit applications and supporting materials in-person.
- To ensure ongoing support and improved customer service for businesses, the Office of Economic and Workforce Development will build off of the success of small business permit specialists that the Office of Small Business created in 2022 by adding additional business specialists to expand the number and size of businesses that can get individualized assistance.



# MAKE IT EASIER TO START AND GROW A BUSINESS

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## Initiatives

### Streamlined business inspections

Starting and operating a business requires compliance with a variety of City requirements and standards and a series of inspections by City agencies. By providing clear and understandable information to business owners prior to inspection, the City can help businesses be prepared, ensuring they have all required documentation, that inspectors have easy access to areas and equipment that they need to inspect, and that key requirements are addressed prior to inspection so that they can successfully pass inspections.

- In coordination with the Office of Small Business, permitting agencies that require inspections prior to permit issuance are developing a [simplified checklist](#) that their staff will use during inspections. By identifying clear expectations that allow business owners to prepare their businesses for an inspection, the City aims to reduce the need for repeat inspections and increase the speed of opening a business.
- The Office of Small Business and Permit Center are exploring further improvements to better coordinate inspections across multiple departments to reduce wait times and increase the efficiency of inspections for brick-and-mortar and mobile businesses.

# GROW AND PREPARE OUR WORKFORCE

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## Strategy

San Francisco's strong economy is rooted in its extremely productive labor force. A large pool of qualified workers is central to staying competitive, attracting new businesses, and helping them to grow. We must work to include San Franciscans at all educational and experience levels in our economy by continuing to invest in industry-specific training and by collaborating with businesses to build strategic programs that connect jobseekers from underemployed communities to promising job opportunities. The City must also ensure an adequate supply of housing for workers and their families to maintain and grow the local workforce.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Implement the Mayor's Housing for All plan to **deliver housing for our workforce**.
- Provide **industry-informed training programs** that target resources to employers' shifting needs.
- **Expand outreach to grow the workforce** through programs that match new job seekers and those outside the labor force with emerging opportunities.

# GROW AND PREPARE OUR WORKFORCE

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## Initiatives

### Deliver housing for our workforce

San Francisco's housing shortage hurts workers, families, and our economic recovery. It hurts our ability to recruit businesses who want to locate here but are concerned with where their workers will live. To address this, the City will implement Mayor Breed's [Housing for All](#) plan to fundamentally change how San Francisco approves and builds housing.

- Housing for All is the implementation plan for the recently certified [Housing Element](#), which sets the City's goals and policies to allow for 82,000 new homes to be built over the next eight years. It consists of administrative reforms, legislative actions, and government accountability actions and puts forward new tools that will address longstanding hurdles to producing housing including stabilizing unpredictable impact fees, making City funding available for required public infrastructure and revising inclusionary housing requirements to make more projects financially feasible
- As a first step to set this plan in motion, Mayor Breed has issued an [Executive Directive](#) that lays the groundwork for the City to unlock its housing pipeline, accelerate the approval of new housing projects, and create additional capacity for all types of housing across San Francisco.

# GROW AND PREPARE OUR WORKFORCE

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## Initiatives

### Industry-informed training programs

The labor market often can't keep up with changes in the job market and new job requirements. In the post-pandemic context, a number of shifts have occurred in the types of jobs available and the skills employees are expected to have.

- Through the Employer Support initiative, the Office of Economic and Workforce Development engages with employers, labor unions, and industry associations to identify employment needs from small and large businesses and inform workforce programming priorities to help guide job seekers, and partner to deliver population/ industry-specific job fairs and hiring events.
- The initiative will build upon OEWD's employer engagement programs such as [WorkforceLinkSF](#) to [help businesses recruit new workers](#) and provide a resource of in-demand jobs for our diverse community of job seekers.

# GROW AND PREPARE OUR WORKFORCE

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## Initiatives

### Expanded outreach to grow the workforce

Changes in business models and practices due to the pandemic have caused many workers to have a hard time finding work opportunities or have left the labor force altogether.

- The City will expand outreach in 2023 to new job seekers, underemployed and displaced workers, and San Franciscans not currently in the labor force by:
  - increasing community engagement to connect with residents who have not interacted with the workforce system,
  - promoting workforce programming like [youth and young adult job centers](#) and the [WorkforceLinkSF](#) job matching tool,
  - coordinating with City departments to better serve disadvantaged community members who have experienced barriers to employment, and
  - promoting [workforce training](#) and support available in growing industries with quality job opportunities.

# TRANSFORM DOWNTOWN INTO A LEADING ARTS, CULTURE, AND NIGHTLIFE DESTINATION

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## Strategy

As the economic engine of the Bay Area, Downtown has evolved into a destination for major corporations and office-oriented industries. As companies transition to more remote and hybrid work arrangements, this worker-centered area must also evolve. By leveraging San Francisco's world-renowned culinary, cultural, and entertainment offerings, and adding new arts, leisure, and recreational experiences Downtown, the city can enhance its brand as the center of one of the most unique and culturally vibrant cities in the world.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Designate an **Arts, Culture and Entertainment (ACE) Zone** with targeted City programs and incentives to foster new arts and culture establishments.
- Continue supporting **public space events and activations** that showcase local talent, entrepreneurs and culture.
- **Permitting improvements for community events** to support neighborhood festivals and street fairs.
- Advocate for and implement state legislation to allow for **outdoor alcohol consumption in Entertainment Zones** in select areas.
- **Leverage the Moscone Visitor Center** as a point to connect guests to local arts, culture, and entertainment offerings.



# TRANSFORM DOWNTOWN INTO A LEADING ARTS, CULTURE, AND NIGHTLIFE DESTINATION

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## Initiatives

### Designated Arts, Culture and Entertainment (ACE) Zone

The pandemic changed work and shopping habits and revived a desire for in-person experiences such as live events, shows and cultural gatherings. These changes, coupled with the increased availability of Downtown commercial spaces present new opportunities for emerging culinary, arts and culture, recreation, and entertainment and nightlife establishments to open – bringing new energy and creating new points of interest for visitors.

- To encourage new activities Downtown, the Office of Economic and Workforce Development will lead efforts to designate an ACE Zone. Staff will identify and evaluate existing arts, culture, and entertainment assets in the Downtown area to propose boundaries of an ACE Zone and work with public, private, and industry stakeholders to create a package of incentives and supporting investments that can foster new venues, event spaces and other cultural institutions, with a focus on independent local establishments, in the area that generate increased interest.

# TRANSFORM DOWNTOWN INTO A LEADING ARTS, CULTURE, AND NIGHTLIFE DESTINATION

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## Initiatives

### Public space events and activations

Downtown's large number of unique public spaces and venues can host a wide range of activities that celebrate the community and cultural offerings that are so important to San Francisco's identity, but coordinated efforts and ongoing investments are necessary for these spaces to flourish.

- As part of Mayor Breed's Downtown Economic Recovery Fund, the Office of Economic and Workforce Development made a series of grants to support seasonal and reoccurring events throughout Downtown. These events - including [World Cup viewing parties](#), Asian American & Pacific Islander Film Festivals, [Let's Glow SF](#) holiday light projections and an expanded [Litquake literary festival](#), along with regular street celebrations and markets generate new activity Downtown while showcasing San Francisco-based entrepreneurs, artists, performers, and bring neighborhood based and cultural activations into our Downtown.
- In 2021, the Mayor announced [SF Live](#), a series of live performances presented by local entertainment venues at outdoor spaces. SF live uses \$2.5 million in state funding to cover production costs for these outdoor events and provide stipends to source talent and promote the performances by local venues still struggling to recover from pandemic closures.
- The City will provide ongoing support to ensure these events grow, become established and have long-term success.

# TRANSFORM DOWNTOWN INTO A LEADING ARTS, CULTURE, AND NIGHTLIFE DESTINATION

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## Initiatives

### Permitting improvements for community events

Street festivals, markets, neighborhood fairs and other special events draw people to neighborhoods citywide, including Downtown. All these experiences make our economy stronger and add cultural vibrancy to San Francisco.

- To encourage and support these events, the Office of Economic and Workforce Development will lead efforts to implement several process improvements identified by an interdepartmental Special Events Steering Committee to streamline the permitting processes for special events to make it easier for event organizers and City staff to host events in public spaces and streets.
- This initiative will include technical assistance and guidance to help event organizers manage event costs and navigate City requirements and explore ways to reduce the financial burden of producing neighborhood events by community-based organizations.

# TRANSFORM DOWNTOWN INTO A LEADING ARTS, CULTURE, AND NIGHTLIFE DESTINATION

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## Initiatives

### Outdoor alcohol consumption in Entertainment Zones

Bars, restaurants and venues rely on foot traffic and community interest to thrive. During the pandemic, street openings and sidewalk seating allowed clients to dine and drink outdoors, offering a critical lifeline to these businesses.

- Pending state legislation - [SB 76 \(Wiener\)](#) - would allow local governments to designate “Entertainment Zones,” where local restaurants and bars could sell alcoholic beverages for outdoor consumption in street closures, such as during festivals and street fairs, which is currently prohibited under state law. Currently, outdoor alcohol sales at fairs and festivals must be provided by outside vendors.
- If the legislation passes, the City would see double benefit: brick-and-mortar businesses will get a revenue boost and the street activation will drive more visitors.
- The City will advocate for this legislation to pass and work diligently to establish Entertainment Zones, as permitted.

# TRANSFORM DOWNTOWN INTO A LEADING ARTS, CULTURE, AND NIGHTLIFE DESTINATION

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## Initiatives

### Leverage the Moscone Visitor Center

The City can offer convention-goers and other tourists a memorable visitor experience while also directing their attention to unique, local, and independent San Francisco establishments and offerings.

- The City Administrator's Office is leading efforts to explore making the Visitor Center at [Moscone Center](#) a focal point and resource for visitors to Downtown. The program may include [Welcome Ambassadors](#) and other elements to engage visitors and connect them to arts, cultural, entertainment, and nightlife experiences Downtown and throughout San Francisco.
- The center would serve to promote events and activations produced by the city's vibrant mix of neighborhood, arts, and community organizations.

# ENHANCE PUBLIC SPACES TO SHOWCASE DOWNTOWN

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## Strategy

San Francisco's downtown is one of the most walkable in the nation and is celebrated for its world-renowned architecture and impressive parks, plazas, and alleyways. Downtown's large collection of public open spaces in private buildings has been a key selling point to new businesses. The city offers premium commercial real estate, networking opportunities, and a unique built environment. By capitalizing on these advantages, we can elevate Downtown's prominence as a prime location for gathering, ideation and recreation for workers, residents, and tourists.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Complete the transition of **Shared Spaces** to a permanent program allowing businesses to activate streets, plazas, and sidewalks.
- Continue adding **new design elements** in public spaces to showcase Downtown's environment and support community activities.
- Create **new points of interest** that attract visitors and encourage gatherings in public spaces like the Landing at Leidesdorff.
- **Reimagine transit stations** as platforms for local art and talent to support local artists and spark interest Downtown.

# ENHANCE PUBLIC SPACES TO SHOWCASE DOWNTOWN

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## Initiatives

### Permanent Shared Spaces

The Shared Spaces program allows the use of sidewalks, curbside parking lanes, whole streets, and vacant lots to serve patrons. The Program, which was started to help businesses continue to operate outdoors during the pandemic, has become a proven model for improving street life, adding flexibility and increased earning potential for San Francisco businesses.

- In 2023, Shared Spaces will complete its transition from an emergency initiative to a permanent program under legislation introduced by Mayor Breed and passed unanimously by the Board of Supervisors. As of January 2023, nearly 1,000 Shared Spaces operators, more than 80% of participants in the pandemic program, applied to be part of the permanent program.
- Program staff will continue to support Shared Spaces participants by offering technical assistance, as well as through grants to small businesses and businesses located in historically marginalized communities to help them upgrade their Shared Spaces to satisfy the permanent program's requirements.



# ENHANCE PUBLIC SPACES TO SHOWCASE DOWNTOWN

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## Initiatives

### New design elements in public spaces

Since 2021, San Francisco Public Works, Recreation and Park Department, and the Office of Economic and Workforce Development have invested in infusing character to key Downtown locations by adding stringing lights, plantings and colorful furnishings at Hallidie Plaza as well as replacing trees and deep cleaning the marble of Union Square Plaza.

- The City will continue to invest in projects that not only improve the functionality of streets and sidewalks but also enhance and showcase the beauty, uniqueness of Downtown and support community-driven activities.
- Projects in the works for 2023 and 2024 include improvements to Belden Alley and Maiden Lane, further maintenance work at Hallidie Plaza, adding decorative street lighting along Folsom Street between 2nd and Spear, and the creation of the City's first Street Tree Nursery at 5th and Harrison Streets to enhance the pedestrian experience in this part of SoMa.

# ENHANCE PUBLIC SPACES TO SHOWCASE DOWNTOWN

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## Initiatives

### New points of interest

By creating new points of interest in strategic locations, we can tell a new story about a Downtown in which residents and visitors want to spend more time in.

- As an Arts Culture and Entertainment Zone is established, the Office of Economic and Workforce Development (OEWD) will convene City agencies to identify nightlife, entertainment, and cultural “hot spots” where strategic street closures, along with additional improvements such as lighting and public art, could be used to establish the location as a gathering point and drive attendance to local venues and other businesses. Additionally, OEWD will engage community organizations, local businesses, and property owners to identify locations that have the potential be turned into new gathering places in Downtown.
- To pilot this approach, OEWD is working with the [Downtown SF Partnership](#) to build out the Landing at Leidesdorff – creating a hub of activity that combines day and evening events, ground floor pop-ups, art, and street beautification in the alleyways of Commercial and Leidesdorff streets in the Financial District.

# ENHANCE PUBLIC SPACES TO SHOWCASE DOWNTOWN

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## Initiatives

### Reimagine Transit Stations

Transit stations are the entry point to San Francisco for millions of visitors and workers each year and the point where riders form their first impressions of the city.

- Transit stations and surrounding plazas, including the Ferry Building, BART, and Muni stations, and the Salesforce Transit Center can be leveraged to showcase San Francisco's culture while encouraging residents and visitors to reimagine public spaces through creative programming.
- The Entertainment Commission is working to identify resources to activate transit stations entrances and plazas by adding performances and art installations that spark interest in Downtown while supporting local artists and performers.

# INVEST IN TRANSPORTATION CONNECTIONS

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## Strategy

A key factor of Downtown's competitiveness is its geography and role at the center of the city and the region's transportation network, enabling access by millions. Maintaining and increasing access by every mode of transportation will be fundamental to sustaining this unique advantage. As the region grows and the economy evolves, continuing investments in reliable high-quality transit service, safe sidewalks and streets and bicycle infrastructure will preserve San Francisco's draw into the future.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Make it easy for workers, residents and visitors to travel Downtown with **improved Muni connections**.
- Provide **faster trips to Downtown** with ongoing Muni Forward improvements on key lines.
- Work with City and regional partners to **bring high-speed rail to the Salesforce Transit Center**.
- Pursue new strategies to ensure **long-term financial stability for Muni**.
- Ensure biking is safe and convenient with a more connected and protected **Downtown bike network**.
- Strategically deploy traffic control officers to **keep traffic moving Downtown**.
- Make Muni a more attractive option with **cellular service in the Metro**.
- Launch additional **fare pass programs** to boost Muni ridership.

# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### Improved Muni connections Downtown

Extensive transportation connections to San Francisco's neighborhoods and the entire Bay Area have always been a pillar of Downtown's economic success by making it easier for workers, businesses, residents and visitors to gather here than anywhere else in the region. The City recognizes the need to maintain and improve these connections to ensure our economic future.

- Following the major disruptions to transit service caused by the pandemic, the SFMTA has restored most pre-pandemic bus and rail service to Downtown and recently opened two of the most transformative Muni system upgrades in decades. This includes the [Van Ness Bus Rapid Transit \(BRT\)](#) service on the crucial north-south 49 Van Ness/Mission line and the [Central Subway](#) service on the new T Third line connecting Sunnyvale to Chinatown, with stops at Union Square and in SoMa.
- The SFMTA is [partnering with Golden Gate Transit](#) (GG Transit) to connect Cow Hollow and the Marina to Downtown while the 41 Union and 30X Marina lines remain temporarily suspended via GG Transit Routes 101, 130 and 150 that run from Lombard Street to the Salesforce Transit Center. The SFMTA maintains shared Golden Gate Transit stops on these lines, while the new Van Ness BRT service has cut down travel times on this corridor by several minutes. Local riders will simply need to tag off at their last GG Transit stop so they're only charged for the length of their trip.
- In February 2023, the SFMTA will also begin piloting a 1X California Express line from the Outer Richmond to the Financial District, similar to the former 1AX and 1BX California express lines. The SFMTA also plans to restore the 10 Townsend and extend the 12 Folsom lines as operator hiring continues to ensure connections to Downtown from the City's southeastern neighborhoods.



# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### Faster trips Downtown with Muni Forward

Rapid, reliable transit service is essential to Downtown's economic viability and vibrancy and the City will continue improving service in 2023 through its Muni Forward program.

- Muni's main transit lines are faster and more reliable than they have been in decades thanks to recent infrastructure improvements such as red transit lanes, bus bulbs and smart traffic signals. These investments have significantly boosted travel times on key transit lines in recent years, making service up to 20% faster on the 38 Geary, up to 35% faster on the 49 Van Ness/Mission, and up to 11% faster on the 1 California line.
- The SFMTA will continue these improvements in 2023 by completing additional [Muni Forward](#) projects on key corridors that connect riders to Downtown, including the 14/14R Mission, 27 Bryant, and 38/38R Geary that will ensure that these lines run more quickly and efficiently.

# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### **The Portal: bringing high-speed rail Downtown**

The Transbay Joint Powers Authority (TJPA)'s six-level Salesforce Transit Center – which opened in 2018 – features a 5-acre rooftop park, regional bus terminal, restaurants, cafes, gym and other businesses. The Center, which has revitalized the East Cut neighborhood and become a Downtown landmark, will be essential to providing effective regional service as transit ridership returns.

- The City is working to ensure the Transit Center opens to California High-Speed Rail service within a decade, which will cement the facility as a world-class transportation hub with direct access to and from the entire state.
- In 2023, the City will continue working with regional partners and the TJPA to ensure that the project to extend the existing Caltrain railway from the 4th and King station in SoMa, known as [the Portal](#), meets federal grant deadlines and leverages critical federal infrastructure investments.

# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### Long-term financial stability for Muni

The COVID-19 pandemic has posed major challenges to our public transit system, significantly lowering ridership and associated fare revenues that the SFMTA relies on to operate the City's fleet of buses and trains.

- While ridership on neighborhood routes has returned to close to pre-pandemic levels, ridership remains significantly lower on Downtown routes, contributing to a projected operating budget deficit for Muni in the years ahead.
- The SFMTA is committed to doing everything possible to keep service running, including collaborating with other Bay Area transit agencies to ask the state for “bridge” funding to transit operators and exploring options to establish a new source of long-term funding for transit operations.



# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### A more connected, protected Downtown bike network

Biking is one of the most efficient and sustainable ways to travel through dense areas and the SFMTA is committed to making it convenient and safe to get to Downtown on bikes and scooters.

- Following the launch of [Car-Free Market Street](#) in 2020, private cars are now diverted away from Market between Steuart and Van Ness, making it easier and safer for people to cycle along Downtown's main transportation artery.
- During the pandemic, the SFMTA [completed an enhanced bike network](#) in SoMa, with protected bike lanes now on Beale, 2nd, 5th, 7th, 8th, Folsom, Howard and Townsend Streets. More recently, the agency added a two-way protected bikeway along the Embarcadero between Mission and Broadway Streets in front of the Ferry Building.
- In 2023, the SFMTA will continue to expand the Downtown bike network by adding protected bike lanes to Battery and Sansome Streets between Market and Broadway Streets and creating additional bikeway connections on Sutter, Beale and 3rd Streets.

# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### Keep traffic moving Downtown

As businesses reopen, some of our Downtown streets have seen a return of pre-pandemic traffic and congestion, creating delays for drivers. Keeping traffic flowing on Market and other key streets will be essential to inviting workers and residents back to Downtown.

- The SFMTA has worked over recent years to improve the safety and reliability of taking transit, biking and walking Downtown to make it easier to visit without a car. Still, many residents and workers will continue to travel Downtown by car, and the resulting traffic must be proactively managed to ensure that Downtown remains accessible from across the city and region for everyone.
- The SFMTA will deploy Parking Control Officers (PCOs) at strategic intersections along Market and approaching streets to direct traffic and ensure that traffic bottlenecks on streets that cross Market do not impede Downtown travel. As traffic volume increases, SFMTA will respond accordingly to ensure smooth and safe traffic flow during peak hours.

# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### Cellular service in the Metro

A fast, reliable transit ride to Downtown is even more attractive to riders when cellular service is available during their trip.

- The SFMTA is partnering with BART to install commercial cellular services in the Muni Metro tunnel on Market Street and the Central Subway tunnel, expanding on previous efforts that made public wi-fi available in Market Street Muni stations as well as throughout the Central Subway. The partnership with BART will give riders full cellular and data service at subway platforms as well as on the train.
- Cellular service went live in the Central Subway in January 2023 and the installation in the Muni Metro tunnel is scheduled to be completed in early 2024.

# INVEST IN TRANSPORTATION CONNECTIONS

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## Initiatives

### Boost transit ridership with fare passes

In 2023, SFMTA will launch new fare pass programs that respond to the needs of customers and encourage riders to choose Muni.

- Bay Area transit operators, in partnership with the Metropolitan Transportation Commission (MTC), are launching [Bay Pass](#), a new fare pass pilot program to encourage more people to choose transit. This program provides unlimited free travel on all transit agencies that use the Clipper card. SFMTA is seeking to partner with San Francisco employers to pilot this program as an employee benefit.
- As a way to boost ridership on the California Cable Car Line, the SFMTA also plans to pilot a special one-day pass that will include unlimited travel on the Cable Car and all Muni buses and trains. The pass will cost \$8, the price of a single cable car ride and travelers will be able to use the pass throughout the day. This will encourage public transit use between the Financial District, Chinatown, Nob Hill and Polk Street.
- These efforts will build on the SFMTA's existing suite of [fare pass and discount programs](#), including free rides to people over 65 and under 19 years of age and discounted or free passes to people on limited incomes.

# TELL OUR STORY

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## Strategy

San Francisco has long been synonymous with opportunity, innovation, and, above all, acceptance and tolerance. The city is home to dreamers, thinkers, builders, creators, inventors, makers, and doers. The disruption triggered by the COVID-19 pandemic, combined with real and perceived challenges facing the city, have advanced a narrative that questions our vibrancy, beauty, innovative capacity, and creative culture, and even our commitment to equity. To continue fostering a vibrant economy that also embodies our beliefs and values, we must reclaim our narrative by investing in the elements that have made San Francisco great while addressing our greatest challenges. As we build toward the future, we will proactively promote our vision, our strengths and our successes as one of the most beautiful, welcoming, inclusive, and forward-looking places in the world.

The City has begun to advance a series of initiatives and will launch additional programs that support this strategy:

- Promote a national **visitor attraction campaign** in targeted markets to remind potential visitors of San Francisco's unique allure.
- Launch the **Heart of SF social media campaign** to amplify a cohesive narrative around Downtown's evolving identity.
- Develop a **San Francisco recovery campaign** to put forward overall positive stories of San Francisco.

# TELL OUR STORY

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## Initiatives

### Visitor attraction campaign

Tourism is a cornerstone of the San Francisco economy, generating over \$8.4 billion in economic impact in 2019. While the number of visitors has been growing steadily since 2020, overall visits and tourist spending remain far below from pre-pandemic levels.

- The Office of Economic and Workforce Development has partnered with [SF Travel](#) to deliver a national marketing campaign aimed at increasing leisure and business travel to San Francisco through original creative content, strategic partnerships in the arts, travel, and hospitality industries, and through a multi-channel promotion campaign in targeted domestic markets that have been identified as having the greatest potential to attract new conventions, general businesses, and leisure travelers. The goal of the campaign will be to attract and remind potential visitors of the City's one-of-a-kind attractions, cultural experiences, and natural beauty to accelerate tourism recovery.
- The Always San Francisco Campaign will launch in spring 2023 and run through the summer.

# TELL OUR STORY

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## Initiatives

### Heart of SF social media campaign

Downtown has long been known primarily as a place to go to the office. Expanding that image and reputation to include the full range of activities and possibilities that the area has to offer will require focused and proactive marketing.

- The Office of Economic and Workforce Development has commissioned a social media campaign designed to establish a compelling vision and promote one cohesive narrative of San Francisco's evolving Downtown. The Heart of SF campaign will amplify and supplement user-generated content about gatherings and cultural happenings and highlight progress towards making Downtown a more inviting, easier to access, and appealing place.
- The Heart of SF Campaign will launch in spring 2023.

# TELL OUR STORY

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## Initiatives

### San Francisco recovery marketing campaign

Beyond individual campaigns focused on specific audiences or content, the City recognizes that it must put forward a proactive narrative that reaffirms San Francisco as a premiere U.S. city offering unparalleled opportunities, matchless quality of life, and serving as a beacon of innovation and creativity – a city that embraces equity and inclusion.

- The Office of Economic and Workforce Development will partner with the business community to identify resources and retain a marketing firm that can develop and execute a national campaign that would strategically deploy a multi-pronged approach including a combination of images, graphics, social media, paid and earned media, validators, and additional tactics to affect the positive perception of San Francisco nationally.
- The campaign concept and resources will be developed over 2023.