

Office Development Annual Limit Program **Program Overview**



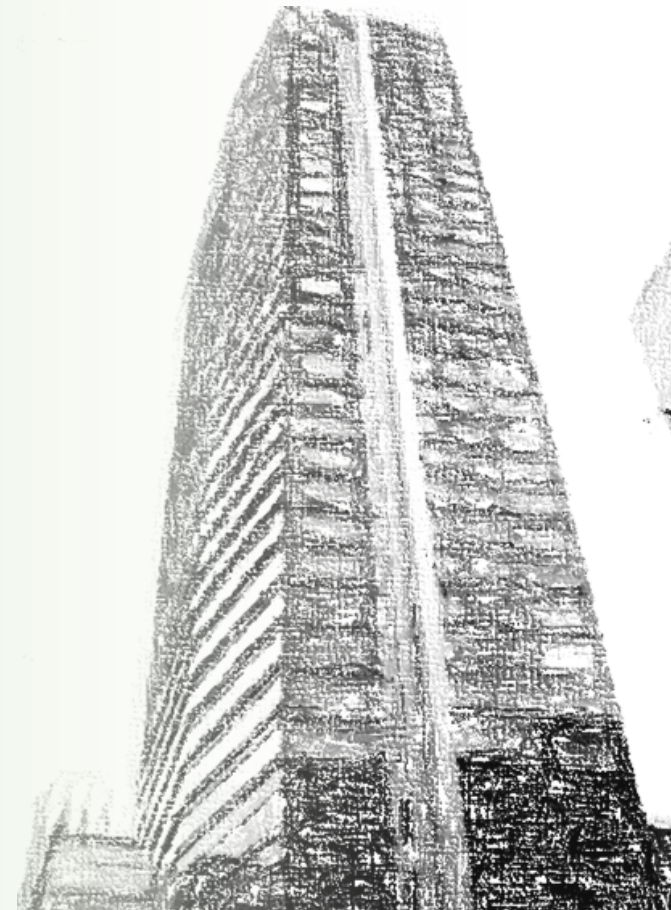
SAN FRANCISCO
PLANNING DEPARTMENT

Excerpted from June 2011
Update to the Planning Commission

The Annual Limit

What Is It?

- Regulation to meter major office development
- Housed in the Planning Code
- City-wide, independent of zoning districts
- Applies to any office development of more than 25,000 gsf



The Annual Limit

How Does It Work?

- Provides 950,000 gsf each year for allocation
 - 75,000 gsf for small projects (25,000-50,000 gsf)
 - 875,000 gsf for large projects (>50,000 gsf)
- Unused allocation carries over between years

History of the Annual Limit Program

- The 1985 Downtown Plan established the Program
 - 50,000 gsf threshold
 - 1988 expiration
 - modifiable by BoS

- 1986's Proposition M amended the Program
 - 25,000 gsf threshold
 - No expiration
 - Cannot be modified except by Voters

Why an Annual Limit?

Proposition M eliminates special interest exemptions granted by supervisors and restores the integrity of the Downtown Plan. It extends the Plan's growth control limits beyond the 1988 expiration date artificially set by the supervisors. And it closes the Board's debilitating loopholes.

The problems that past overdevelopment has created for all San Franciscans are clear: over-crowded streets, freeways, parking, and public transportation; the loss of affordable housing and neighborhood serving small businesses; and a distorted and unbalanced "one-crop" economy, narrow in its opportunities, vulnerable to mergers and technological change, and greedy in its consumption of city services.

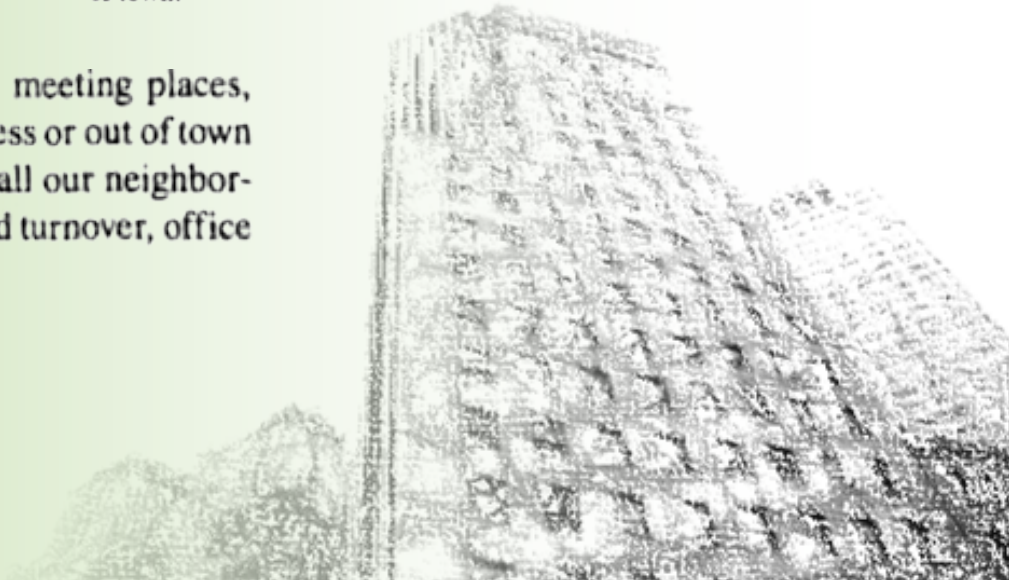
Neighborhood-serving merchants, community meeting places, and small employers are being driven out of business or out of town by direct highrise expansion, or by its effects on all our neighborhoods — higher rents, denser traffic, neighborhood turnover, office conversions, and parking problems.

Proposition M plugs the Downtown Plan's loopholes, allows a manageable rate of new development, and requires the City to develop a desperately needed long range plan to address the City's growth and planning problems.

Highrises mean high rents. Downtown overdevelopment has meant cut-throat competition for land, cut-throat competition for housing and apartments, and the disappearance of affordable housing. We now have more evictions, less parking, more congestion, and no seats on the MUNI.

Proposition M will close the loopholes and eliminate the special privileges in the City's current development ordinance, and impede this city's rush to further Manhattanization. Stop the wheeling and dealing downtown and close the developers' loopholes. VOTE YES ON PROPOSITION M.

From Mark Twain to Jack London, from Dashiell Hammett to Clifford Still, from Robert Motherwell to the Grateful Dead to Alice Walker, this City's arts and artists have made it a vital, important, and cosmopolitan city. Past highrise over-development has already forced our artists out of North Beach. Present City Planning policies target the arts community in the South of Market for highrise expansion, and artists are now being driven completely out of town.



The Allocation Process

- In years where demand exceeds availability, a “beauty contest” informs allocations, in other years projects are reviewed as received.

- Planning Commission “B Case” and public hearing required, except for ‘automatic allocations’:
 - State and Federal office buildings
 - Office buildings in Redevelopment Project Areas
 - Office buildings under the jurisdiction of the SF Port
 - City and County office buildings



Project Performance Requirements

- Must commence construction within 18 months of allocation
- Commission Policies on Performance:
 - 2002 – recognized bad economy; closely monitor but do not revoke active projects
 - 2009 – recognized horrific economy; do not revoke active projects but “projects that are not diligently pursued should be revoked”

