



PROWLER, Inc.

PROWLER NEWS

ISSUE #9 - Fall 2008

Prowler, Inc. is now in its 10th year of assisting owners and developers, non-profits, and public agencies with development and planning challenges. We publish this newsletter to let friends know about our activities and how we are helping our clients. It's a good way to share our thoughts on some public policy questions - and a fun way to keep in touch. We hope you find it useful and thought-provoking. We welcome [your feedback](#) And check out the website, at www.prowler.org.

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>> GREENING THE BATTERY FACTORY



David Prowler is participating in the shaping of the Eastern Neighborhoods Plan on behalf of 888 Brannan, the GiftCenter. You might have read about it in the last Prowler News

At about 350,000 square feet, it's one of the biggest buildings in the Eastern Neighborhoods. Built in 1918 as a battery factory, the building now houses hundreds of gift showrooms and jewelers. But the industry has evolved and because of the internet, overseas manufacturing, short lead times for production, and competition from other cities, this model of product distribution is shrinking. The building is about 1/3 empty.

The owners are considering investments in the building of up to \$25 million: from a new roof to new sump pumps, new elevators, electrical system, and bathrooms. With energy efficient windows and HVAC systems, the entire infrastructure would be upgraded with the goal of potential LEED certification - while maintaining 888 Brannan's historic look. These improvements would better serve the existing tenants, preserve this iconic industrial building, and allow the building to house the innovative industries which will best grow the City's economy.

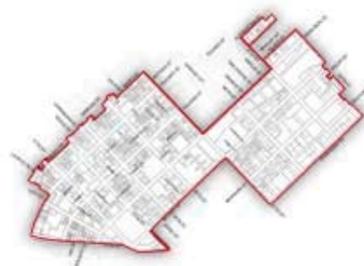
The owners continue to seek jewelry and showroom tenants. At the same time, they believe that nontraditional tenants—digital media, software developers, designers, architects, green-tech, and entrepreneurs in industries yet to come – would be a good fit with the existing users. And because of the large floorplates, industrial character, 12-13 -foot ceiling heights, and location within the hub of these industries the building offers a good home to these companies—a place for them to start and, as importantly, to grow. According to the City's Economic Development Strategy, the ability to grow in place is a crucial factor that enables companies to attain the large size needed to hire less educated San Franciscans

The Eastern Neighborhoods Plan, though, considers any use where most work is done on computers an office use - and the Plan caps office use. In most of the Eastern Neighborhoods, it's banned. At 888 Brannan, it is capped at two floors. But in the 21st century, all kinds of work is done on computers. As the founder of Wild Brain animation studio (the people who brought us the Rocky and Bullwinkle movie) said: "I once worked in an office, and I can tell you Wild Brain isn't an office."

We think this broad definition of office will discourage the growth of digital media, design, animation, and other growth industries.

>> DO YOU KNOW THE WAY TO WESTERN SOMA?

A jigsaw puzzle piece carved out of the Eastern Neighborhoods Plan



Almost anyone could find the Haight or the Tenderloin or North Beach. Everybody knows where they are. They're distinct. They are round the clock neighborhoods where people work and live. However,

only a handful of city planners and activists could point out the boundaries of Western SOMA - a jigsaw puzzle piece carved out of the Eastern Neighborhoods Plan.

For the past three years a panel of experts and city staff appointed by the Board of Supervisors has been preparing a Plan to "preserve and stabilize" these thirty blocks. Among the Plan's goals: "Generally maintain the existing scale and density of the neighborhood" and "Proposed new land use development shall primarily serve the needs of existing residents and businesses. Citywide and regional needs are subordinate to existing local needs."

Keep out—The Plan is subtitled "Building a Complete Neighborhood". But to have a neighborhood, you need people - and the plan would hang a "Keep Out" sign over WSOMA.

Elements of the Plan:

- With the exception of sites of over ½ acre, no more than 100 market rate units could be built per year.
- In about half the district, housing would be banned altogether.
- In some areas, heights are raised 15-20 feet. To take advantage of this modest increase, sponsors would need to contribute toward open space, transit, community facilities/services, historic/social heritage preservation and affordable housing, “above and beyond citywide inclusionary requirements.”
- In some places, heights are dropped.
- No lot mergers are allowed; no housing below the third story on major streets; no new shadows on alleys.
- Planning Commission hearings are required for any building proposed over four stories.
- About half the area would be historic districts, with controls on demolitions and alterations.
- And the Plan calls for 80 acres of parks in the 206-acre Plan area.

The Plan calls for a prohibition on housing throughout the entire area south of Harrison Street, almost half of the Plan area. It calls for concentrating housing in “*areas most appropriate for new housing with a proximate mix of uses and services serving local needs*”.

A Task Force member explained that south of Harrison lacks parks, groceries, transit, and schools. At the southeastern corner of WSOMA, for example, this is not the case. There, Prowler, Inc. client Clubcorp USA owns the 2.6 acre San Francisco Tennis Club.

Within just two blocks of the Tennis Club site are found:

- a Safeway supermarket,
- South Park,
- the Caltrain station,
- a bank and other stores,
- a public library,
- restaurants, and
- Muni lines 30, 45, 47, 76, 27, 9X, 12, 10 and the T and N streetcars – ten lines.
- A stop on the Central Subway line is planned - on the same block.

The Plan is undergoing environmental review for the next year or so.

Few members of the Task Force either live or work in WSOMA. A group of actual WSOMA residents and business owners has organized with a more urban vision—www.westernsoma.com.



1: According to John Stewart (affordable housing developer and manager, writing in the *S.F. Business Times*), below market rate condos require a public subsidy how many times that of below market rate rentals:

- A. Half (1/2x).
- B. Twice (2x).
- C. About the same. *See last page for answers.*

2. How many 303-acre Mission Bays could fit into the City’s public golf courses?

- A. One third (1/3) of a Mission Bay
- B. Two (2) Mission Bays
- C. 1.5 Mission Bays

3: Western SOMA is an area of about 30 blocks South of Market where Board-appointed experts are preparing a re-zoning proposal. In Western SOMA, 13% of the population resides in just one building. What is that building?

- A. The Palms
- B. 850 Bryant Street
- C. SOMA Grand

4: What has been the trend in U.S. spending on energy research since 1979?

- A. It’s doubled
- B. It’s been cut in half
- C. Adjusted for inflation, it’s about the same

5: Who’s the recycling-est of them all? Rank these cities based on the percentage of waste recycled:

- San Francisco • New York • Chicago
- Houston • San Jose

6: What San Francisco non-profit was voted by the readers of the San Francisco Bay Guardian as “The Best Non Profit in the Bay Area”?

- A. San Francisco Opera
- B. S.F. Jazz
- C. HPP the Homeless Prenatal Program

[See last page for answers.](#)

>>CHINESE DELEGATION VISITS SAN FRANCISCO



In late August David (front row center in photo above) addressed a large delegation from the Chinese port city of Shenzhen. The delegation was composed of high ranking municipal officials who were in California for a month of executive training at the University of Southern California. "The trainees are hand-picked from among the most promising department managers or deputies", according to USC's Professor Michael Woo.

Here, they wanted to learn about Mission Bay. David had served as the Mayor's Project Manager for the 300-acre redevelopment project and described its genesis. For a history of the project read his *From Railyards to Neighborhood*. Or, for an inside look at the negotiation of Mission Bay, read Prowler's article *Public/Private Partnerships*.

>>SUGGESTED READING

The demographics of San Francisco are changing: household size is shrinking, the population is aging, families and minorities are moving out. And we have the third most extreme class disparity in the U.S., increasingly becoming a city of the rich and the poor. The implications for our city are enormous.

These trends are playing out in cities all over the country. To understand why this is happening, it's important to put these shifts in context. A recent article in *The New Republic* is important background reading: *Trading Places: The Demographic Inversion of the American City* is worth reading.

At the same time, less affluent households looking to buy have gravitated to exurbs, the fringes of metropolitan areas where they hope to afford to buy. But sometimes they get in over their heads financially and as gas prices soar the cost of commuting makes the trek less attractive. Homes are foreclosed, community amenities are left undone, and cities are ringed by ghost towns. Here's a piece from the *Wall Street Journal* on these modern ghost towns: *After the Bust; Ghost Towns Across America*.

>>ANSWERS TO THE QUIZ:

1. Answer: **B. – Twice.** A below market rate condo requires twice as much subsidy as a rental – \$200,000 per unit vs. \$100,000 for the rented unit. The punchline: we could house twice as many lower income families in rentals.

2. Answer: **C. – There are 485 acres of public golf course** in this 47- square mile city. So that would be more than 1.5 Mission Bays.

3. Answer: **C. – 850 Bryant, the Hall of Justice.** Of the total 9,595 residents, 1,232 are prisoners in the jail. SOMA has ¼ the residential density of the Mission—and the population is dropping.

4. Answer: **B. – Adjusted for inflation, it's been halved.** In the same period, spending on military research has doubled and it's now roughly 20 times what is spent on energy research.

5. Answer: **San Francisco is the recyclingest of them all! We recycle an astounding 69% of our waste.**

A not-too-shabby San Jose recycles 61%, followed by Chicago at 55% and New York at 34%.
The worst big city: Houston, with a pathetic 2.6%.



6. Answer: **C. – The Homeless Prenatal Program.** (www.homelessprenatal.org). David Prowler is the Board President and asks you to donate.