

# Public Affairs Committee May 13, 2025, 9:00 am – 10:30 am Zoom OR 291 Geary Street, Suite 200 Minutes

In attendance: Stephen Brett (Brett & Co.), J. Timothy Falvey (Hanford Freund & Co.), Russell D. Keil Jr. (The Keil Companies), Donald Thomas (Club Donatello), Spencer Sechler (ACE Parking), Lauren Ellis (CK Contemporary), Josh Callahan (Roxborough), Brian Fenwick (The Marker Hotel), Jessie Kozar (John Varvatos), Tammy Brock (167 Powell LP), Beau Simon (Womble Bond Dickinson) Jeremy Kueffner (Axiom Hotel), Erik Murray (Oak Investment), and Pam Mendelsohn (Maven Properties).

**Staff**: Daniela Vasile (COO), Ken Rich (Director of Policy & Economic Development), Melanie Medina (Executive Assistant), and E. Ryan Santamaria (Intern).

**Guest**: Ben Rosenfield (Advisor and Consultant)

### 1. Call to order and Introductions.

Ken called the meeting to order at 9:02 am, and introductions were made.

### 2. Public Comment

Ken called for public comment. Hearing none, he moved onto the next agenda item.

### 3. Announcements & Updates

# Staffing Updates

Daniela informed the committee that the Alliance is fully staffed with new team members including Sokhom Mao, Director of Services; Hollie Chiao, Marketing and Communications Associate; Marlenne Mendoza, Project Coordinator; and E. Ryan Santamaria, Intern.

### Union Square Foundation Luncheon

Melanie stated that the luncheon was a success and expressed her gratitude to those in attendance. The fundraising goal of \$140,000 was exceeded. She then asked the committee for any feedback regarding the event. Lauren congratulated the team on a successful event and the keynote speaker, Chris Thornberg, was a great addition to the event.

### Powell Street Project Updates

Ken discussed updates regarding the Powell Street Project. He announced that the Alliance received \$22 million allocated out of the Prop B bond. Additionally, there is another \$4 million from previously allocated funds. By the end of the design development phase of this year, the Alliance will have approximately \$26 million for this project and will cost between mid-30s and low-40s. There has been discussion between the Alliance and the City about ownership of the proposed lighting system,



along with street furniture and landscaping. Discussion took place regarding the proposed timeline of the project.

### Bollards Update

Daniela stated that the Alliance has been working with DPW on getting bollards throughout Union Square. There will be a pilot program consisting of 60 bollards on Grant Street between Post and Geary Street and is expected to be installed in June.

### SFPD Staffing

Daniela announced that Chief Scott is leaving SFPD and will be moving to Los Angeles to lead LA Metro PD and Paul Yep will be the interim Chief of Police. AC David Lazar is leaving as well, as he is retiring. The Alliance is focused on maintaining a high level of SFPD presence in the district despite these changes.

# Action to approve letter of support to continue funding DA's Office

Ken asked the committee to review a coalition letter of support for continued funding of the District Attorney's Office, which has been signed by various organizations. Discussion took place regarding whether the Alliance should support the letter of the broader coalition or consider issuing its own letter highlighting the direct impact of proposed budget cuts on the district. The committee agreed to prepare a statement, if needed, outlining the positive reasons the Alliance supports full funding for key public safety departments, including the DA's Office and SFPD. The group also discussed the upcoming budget season and the importance of navigating proposed cuts carefully while maintaining strong relationships with city partners, given the potential impact on the Union Square district.

<u>Action:</u> The committee unanimously approved the letter of support to continue funding DA's Office, motioned by Erik Murray and seconded by Brian Fenwick.

### 4. Action to approve the April 8, 2025, minutes.

Ken directed the committee to review the April 8, 2025, meeting minutes.

<u>Action</u>: The committee unanimously approved the minutes from April 8, 2025, as motioned by Jeremy Kueffner and seconded by Brian Fenwick.

## 5. <u>Downtown Economic Core update – Ben Rosenfield</u>

Ken introduced Ben Rosenfield and his background experience of 16 years as a City Controller and numerous years as a Mayor's Budget Director prior. Ben formally introduced himself as a 28-year city resident and has been working with his colleague Kat Daniel on this project.

Ben presented a Union Square Project Overview, prepared by himself and Kat Daniel as part of the Downtown Investment Strategy. It outlines a comprehensive and urgent plan



to revitalize San Francisco's downtown core. Although downtown occupies just 4% of the city's land area, it plays an outsized role in the city's economy, hosting 70% of all office space, 65% of hotel rooms, 45% of jobs, and over 40% of the general fund tax base. However, the area is facing serious challenges, such as high office and retail vacancies, and low hotel occupancy. While various short-term efforts have been made, Ben emphasized the need for a long-term, large-scale strategy to restore downtown's vitality.

Ben presented an executive summary proposal that includes a three-part strategy. First being that the city must establish critical tools to deliver change which includes creating new delivery structures such as a Downtown Development Authority or catalytic project teams, as well as robust financing tools. Potential funding mechanisms include tax increment financing, overlay assessments, state support, and private philanthropy. Ben provided successful models from other cities like Detroit, Pittsburgh, and Phoenix.

Second, the city should launch transformative strategies to reshape downtown into a more vibrant, mixed-use district. This includes a stronger focus on housing, not just through office conversions but also through other residential development; a cohesive citywide cultural strategy to amplify downtown's arts, entertainment, and nightlife assets; and a robust business attraction plan aimed at recruiting anchor tenants and improving the overall business climate.

Lastly, the third component involves immediate action. The strategy recommends bridging the current gap with a near-term investment package totaling \$600 million. This would be funded through increased general fund allocations, non-voter-approved bonds backed by the downtown tax base, and corporate fundraising. Immediate priorities include clean and safe services, capital improvements, retail and business incentives, and cultural programming to bring energy back to the area quickly.

To move forward, the plan recommends finalizing new governance and financing structures within the next six months, launching and completing strategic planning efforts by the end of 2025, and securing funding commitments for the investment package by year's end. The overarching goal is to reposition downtown San Francisco—and Union Square in particular—as a thriving, multi-use district where people want to live, work, and visit.

Discussion took place regarding housing opportunities, funding for Kat and Ben's work, the city's response to this plan, and building conversions and demolition. Ben emphasized and thanked the Alliance and the other downtown CBDs for their commitment and work to the downtown recovery and is hopeful for its future.



6. Adjourned: 10:25 A.M.

# 7. Upcoming Events

- Next Committee Meeting Tuesday, June 10<sup>th</sup>, 2025 TBC
- Union Square Alliance Board of Director's Meeting Thursday, May 22<sup>nd</sup>, 2025 Location Beacon Grand Hotel
- Blooms and Bubbles Bar Crawl Saturday July 19th