

March 27, 2024

The Honorable Ben Allen Chair, Senate Environment Quality Committee 1021 O Street, Suite 3230 Sacramento, CA 95814

The Honorable Brian Dahle Vice Chair, Senate Environment Quality Committee 1021 O Street, Suite 3230 Sacramento, CA 95814

Re: Senate Bill 1227 (Wiener) Housing: San Francisco: downtown revitalization zone: welfare tax and California Environmental Quality Act exemptions —SUPPORT

Dear Chair Allen and Vice Chair Dahle,

I write you on behalf of the Building Owners and Managers Association (BOMA) San Francisco in support of Senate Bill 1227 (Wiener), which would create a Downtown Revitalization Zone, where a new CEQA exemption and expansion of the welfare tax exemption for workforce housing would be in effect for 10 years.

Fundamental changes in remote work trends have resulted in historically high office and retail vacancy rates. Although BOMA remains optimistic about the long-term prospects for downtown San Francisco's recovery, we believe that a robust recovery necessitates bold investments from local and state government to spur the next iteration of our downtown. This future requires a more diversified downtown, including more residential projects, exciting commercial projects that entice workers, residents, and tourists, and new uses that don't exist widely in our downtown such as academic campuses and lab space.

By providing a temporary CEQA exemption for these critical conversion projects, SB 1227 would save projects from costly appeals, resulting in at least a 2-month time savings for smaller projects, and 9 to 12 months or more for projects that would otherwise require a full EIR. By building on the state-level welfare tax exemption, this legislation would apply the exemption to middle-income workforce housing in Downtown, whether new providing missing workforce housing close to downtown jobs and businesses.

Thank you for your consideration of this important legislation for BOMA San Francisco. Please do not hesitate to reach out if our staff or our membership can answer any questions regarding the impact of this proposal on our industry.

Sincerely,

John R. Bryant

CEO, BOMA San Francisco