



TO: President Mandelman and Members of the Board of Supervisors
FROM: Adam Thongsavat, Mayor's Liaison to the Board of Supervisors
RE: Behested Payment Waiver - Economic Revitalization Efforts
DATE: April 21, 2026

Downtown is San Francisco's front door to the world, the Bay Area's primary transit nexus, and our economic engine. When downtown thrives, it powers our city's services and employs San Franciscans from every neighborhood. Downtown has historically accounted for more than 40% of the city's resident employment, tax revenue, and number of small businesses. Its world-renowned cultural institutions, iconic destinations, and innovation ecosystem attract visitors from across the region and globe.

San Francisco and its downtown area have faced unprecedented challenges resulting in part from the Covid-19 pandemic, including a decline in tourism, the closure of businesses, a rise in homelessness, an increased number of residents living in or near poverty, a lack of affordable housing, and residents relocating out of the City. More resources are urgently needed to support downtown's evolution into a live, work, play destination, accelerate downtown's recovery as the city's economic engine, and promote greater prosperity and opportunity for all San Franciscans.

This urgent need led the Mayor's Office to pursue and secure a waiver of the Behested Payments Ordinance under Section 3.620(f) in June and December 2025. The waiver has enabled the Mayor's Office and OEWD to coordinate with organizations like the San Francisco Downtown Development Corporation, a public benefit corporation that is raising funds to revitalize San Francisco and specifically its downtown area. Through these efforts, more than \$60 million has been pledged to support downtown revitalization, with \$34.3 million already secured. Funds raised through the existing waiver have supported several key initiatives, including:

- Launch of Downtown Business Fund: \$25 million program by the San Francisco Downtown Development Corporation and SF New Deal that provides technical assistance, accessible capital, and move-in grants of up to \$500,000 to support existing businesses opening new storefronts in downtown San Francisco. The program is also available to established operators on key corridors who are making meaningful investments to attract new audiences and communities downtown.
- Downtown Safety Ambassadors: Funding a 1-year continuation of the city's sunseting HEART Safety Ambassador program in Union Square and Yerba Buena.
- BART Station Ambassadors: Funding for Embarcadero BART and Montgomery BART safety ambassadors since November, with additional funding for 1 year starting April. Funding to expand to Powell BART station.
- Cleaning & pressure washing: (1) Continuing daily pressure washing in the Convention Corridor, (2) New grant for enhanced pressurewashing / cleaning in Union Square and Hallidie Plaza, (3) New grant for pressurewasher equipment for Mid-Market.
- Major events: Funding to continue Downtown First Thursdays for 2026.
- Public space activation: Funding for East Cut Park programming for 2026; the park hosted more than 300 successful events in 2025 with over 18,000 attendees.
- Public art: Arts installation, including artist Jeffrey Gibson's fa√bade installation across the vacant Bloomingdale's space, in partnership with the SF ICA. In addition, Sadie Barnette vinyl art on City College building.

The staff covered under this waiver may participate in conversations with potential funders to continue this revitalization effort. Together, we will ensure that downtown is a safe, clean, dynamic, economically vibrant, innovative, and inviting place for residents, visitors, and businesses alike.

Engagement with Potential Interested Parties

Businesses, foundations, property owners, and other private employers and parties could be solicited under this waiver. These parties are increasingly recognizing how vital downtown's success is — not only for their own operations and employees, but for the broader economic prosperity of San Francisco. We are pursuing a behested payments waiver out of an abundance of caution since some of the types of parties named below (especially businesses or property owners) could have business before the City.

The Mayor's Office and OEWD staff covered under the previous waiver has engaged with the following entities that may be considered interested parties:

- Amazon
- BXP
- Gap, Inc.
- Google
- JPMorgan Chase
- OpenAI
- Ripple Labs Inc.
- Salesforce

As stated in the resolution in terms substantially similar to the existing waiver, we will offer a report that identifies donors and their interested party relationship, if any, within 60 days of the waiver's expiration.