

May 14, 2025

Supervisor Shamann Walton
1 Dr. Carlton B. Goodlett Place
Room 244
San Francisco, CA 94102

**RE: Support for Establishing the Downtown Revitalization
and Economic Recovery Financing District Board of
Directors (BF 250424)**

Dear Chair Walton,

We are writing to express enthusiastic support for establishing a Board of Directors for the San Francisco Downtown Revitalization and Economic Recovery Financing District, which would provide critical financial support for commercial-to-residential conversion projects and other projects of community-wide significance in downtown San Francisco.

By bringing more housing to our downtown, the Financing District can both address our housing shortage and revitalize our downtown neighborhoods, which are suffering from a vicious cycle of high office vacancy, retail store closures, empty sidewalks and public spaces, deteriorating street conditions, and an insolvent transit system.

Given that office demand is not expected to fully rebound due to the rise of remote and hybrid work, filling our vacant office buildings with housing is our best hope for bringing people and activity back to San Francisco's core. An increased residential population can restore foot traffic, increase transit ridership, provide a lifeline to our remaining small businesses, and support new entrepreneurial endeavors including restaurants, shopping, and nightlife.

Wilson Meany has been developing in San Francisco for more than 35 years. Our work includes the rehabilitation and adaptive reuse of downtown historic buildings including the Ferry Building, the Flood Building, and the Pacific Telephone Building at 140 New Montgomery Street. We are also part of the team currently developing Treasure

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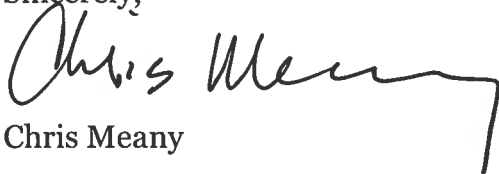
Island into a new residential district, with 1,000 housing units completed and 7,000 more to come.

In recent years, we have evaluated many potential office-to-residential conversion opportunities in downtown San Francisco, with a focus on historic buildings in the Union Square area. Under current market conditions, we have found that project costs would need to be reduced or offset by over \$200,000 per residential unit to become financially feasible for us to undertake.

The Financing District would significantly reduce this gap by reinvesting the increased property tax revenue generated by the conversion projects to offset their development costs. This funding would not draw from the General Fund or creating a new tax. Paired with the City's other efforts to reduce development costs for residential conversions, it would produce much-needed housing and restore our downtown neighborhoods' cultural and economic vitality.

For these reasons, Wilson Meany is in strong support of the Downtown Revitalization and Economic Recovery Financing District and ask for your "AYE" vote.

Sincerely,



Chris Meany