



The BOMA San Francisco

ADVOCATE

An Update on Legislative, Regulatory, and Political Issues Affecting Commercial Real Estate

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November 27, 2000 Volume 6, Number 6 **Run-Off Elections Issue!**

This Issue of the BOMA-San Francisco Advocate Is Brought To You By

Thyssen Dover Elevator

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BOMA - SF- PAC Announces Run-Off Endorsements for Board of Supervisors

The November 7th election is over, but the final round for the San Francisco Board of Supervisor is still to come...! The local anti-business **Proposition L** was defeated, as was the better alternative, **Prop K**. The efforts to re-write commercial development planning policies in San Francisco will continue to dominate the political agenda, and BOMA will stay involved in the process, advocating for a balanced, sensible, fair, and more predictable set of rules governing city planning and commercial development. Ultimately, much of this action will shift to the soon-to-be-decided new Board of Supervisors. BOMA San Francisco's Political Action Committee is deeply concerned that our next Board of Supervisors could be one that does not fully appreciate the importance of the city's business community to the financial sustainability of the City's many public services. BOMA is concerned that a number of candidates running for the Board may be tempted to only focus on district issues, to the detriment of important city-wide problems. BOMA's PAC therefore urges all its members to review its endorsements below and get involved in the December 12th run-off elections to help elect a pro-business majority on that Board! A contribution to BOMA-SF's PAC can also make a difference!

Here is BOMA-SF-PAC's run-off Supervisor slate, and how you can help:

District 1: **Michael Yaki** (incumbent) Yaki is pro-business, a tireless advocate for more efficient, responsible public transportation, and a supporter of initiatives to increase more parking where needed in the City. To get involved with the Yaki campaign for the Richmond district seat, contact Schafer/Gray Campaigns at 415-206-9831.

District 2: **Gavin Newsom** (incumbent): ELECTED! (no run-off)

District 3: **Lawrence Wong**. Lawrence Wong made the run-off, facing Aaron Peskin. He has the support of Meagan Levitan, Mike DeNuncio, and Alicia Becerril, all fellow competitors for the Supervisor seat representing the North Beach/Downtown/Chinatown/Nob Hill/Telegraph Hill/Russian Hill district. Lawrence Wong has been elected twice citywide to the Community College Board, created a Small Business Development Center there, and understands and appreciates the business community, and in particular, commercial real estate. He would make a knowledgeable and fair Supervisor, one who would work with the business community, not against it. To assist in his campaign, contact Lawrence Wong for Supervisor at 415-928-2371. Send contributions to 981 Jackson Street, San Francisco, CA 94124.

District 4: **John Shanley**. The Sunset District native son is making his first bid for public office against incumbent Leland Yee. Shanley worked in the Jordan administration and considers former state senator Quentin Kopp his role model. Important for BOMA is his appreciation for the business community and his support for improving the city through the creation of additional Business Improvement Districts. He also has the support of Tom Hsieh, Jr., his opponent whom BOMA supported in the general election, and the support of the Realtors. He is a property owner (4-unit building) in a town where that fact is often considered a liability when running for public office! Shanley's campaign may be contacted at 415-753-6358. Contributions should be sent to Shanley for Supervisor, 1675 37th Avenue, SF, CA 94122. E-mail: vote@johnshanley.com

District 5: **Juanita Owens**. As a current member of the San Francisco School Board, and a former Police Commissioner, Juanita will bring a valuable perspective to the Board of Supervisors. She is also a property owner, and takes a balanced viewpoint on growth and development issues. For further information, contact her campaign at JuanitaFor5@hotmail.com or by telephone at 415-885-2125.

District 6: **Chris Dittenhafer**. Chris is the West Portal branch manager for Wells Fargo Bank, and is attempting his first elective office. A former member of the San Francisco Taxi Commission, and President of the Council of District Merchants, Chris has long championed better taxi service for the City. He agrees with BOMA that better transportation and parking are major issues for his district (SOMA). Chris also agrees that a healthy business community is key to everything else. Unfortunately, Chris is in a race against a well-financed Tenant's Union candidate (Chris Daly) who has promised more restrictions on every kind of development in District 6. Chris Dittenhafer especially needs the help of property owners in SOMA who share his vision for a more prosperous future for the district. That can only happen if new commercial developments are allowed that bring good jobs into the area. To help Chris Dittenhafer, contact at 415-609-4679.

District 7: **Mabel Teng**. (Incumbent) As a current (twice-elected) city Supervisor, Mabel epitomizes the city-wide vision that will be so crucial on this soon-to-be-elected-by-districts Board. Mabel has been a champion for stronger laws against graffiti vandals and red-light-runners. She has been a strong voice against new taxes. She shares BOMA's concerns for maintaining a good economy in San Francisco. To help her campaign office call 415-786-3877.

District 8: **Mark Leno**. (Incumbent) Barely forced into a run-off in the Castro/Noe Valley district, Leno is a supervisor who wants to do the right thing for everyone concerned, whatever the issue. Leno is recognized as the leading small business supervisor on the Board who championed the creation of a fully-funded and staffed Small Business Commission last year. He is also spearheading an effort to re-write some of the city's planning codes to make it easier to build much-needed housing. For information about Leno's campaign, contact 415-554-0431.

District 9: **No Endorsement**.

District 10: **Linda Richardson**. If any area of San Francisco needs more development and revitalization, it's this southeast district of Bayview/Hunter's Point, including parts of Potrero Hill and Portola. Richardson is an 18-year employee of the Bank of America and a resident of the area for years. She knows what new development can mean in terms of jobs, opportunities, better housing, and a higher quality of life for everyone. She is a former member of the city's Planning Commission and would be an ideal person to represent the diverse communities of District 10. For additional information, contact the campaign office at 415-206-9831 or check out www.electrichardson.com.

District 11: **Rev. Amos C. Brown**. (Incumbent) Supervisor Brown has been a voice for personal responsibility in San Francisco. He believes quality of life crimes need to be prosecuted. He believes city services such as fire and police protection should be fairly provided to all neighborhoods. He is a smart-growth advocate and a supporter of more housing, better libraries, and clean, safe parks. He has been a consistent voice for more accountability in the city's homeless assistance programs, now costing city taxpayers almost \$100 million annually. BOMA's PAC agrees with Supervisor Brown's efforts to reduce the number of city residents on welfare by increasing treatment for drug and alcohol abusers and providing more job training programs. To obtain more information contact Brown's campaign office at 415-437-9907 or reelectbrown2000@yahoo.com.

BOMA Building Codes and Permits Seminar Nov 29th!

BOMA's Building Codes Task Force has assembled an excellent group of speakers to review/discuss key building code issues affecting commercial real estate in San Francisco. Three separate panels will discuss local building, fire, and disabled access code interpretation and enforcement policies. It will be a must attend event for any building manager engaged in tenant buildouts, building renovations, or upgrades. The seminar will precede the monthly luncheon at the Palace Hotel, and will begin at 8:30 a.m. and end at 11:50 a.m. Cost: \$95 members/\$130 non-members. Special thanks to our corporate sponsors: **Alliance Roofing, Glumac International, KML Contractors, Ottolini, Booth & Associates, Pankow Builders, and Rolf Jensen & Associates**. Check out www.bomasf.org to register.

Supervisor Yaki Introduces Non-Profit Zoning Legislation

San Francisco Supervisor Michael Yaki recently stunned BOMA members when he introduced legislation to temporarily control office space leased to non-profits in the mid-Market Street area. His intent was to help preserve office space for non-profit organizations who currently face being squeezed out of town due to the high commercial office rental rates.

Several affected non-profits have been petitioning him for relief. In a meeting with the Supervisor, both BOMA and the Market Street Association objected to this draconian measure, which would restrict (for 12 months upon passage) an owner's ability to rent space occupied by a non-profit to another tenant, unless it was also a non-profit organization. BOMA suggested it was a heavy-handed way to gain the cooperation of commercial landlords, would discourage owners from renting to non-profits not only in the Civic Center area (as specified by the legislation), but city-wide, and was a very bad precedent. Both organizations suggested the city provide incentives to owners to retain non-profits in their buildings, such as tax assessment breaks for space leased long-term to non-profits. BOMA supports the city providing an emergency fund to help non-profits pay their rents as well as developing city-owned properties into non-profit centers. These kinds of solutions would more fairly spread the costs of maintaining a healthy non-profit community in San Francisco. BOMA has also requested a meeting with the Mayor on this issue. Call BOMA for a copy of the ordinance.

New Ergonomics Standards: They Will Affect You and Your Tenants

On November 14, 2000, the Federal Register published the final ergonomic standard for most non-construction employers. These standards will require employers to identify and abate work processes that could cause musculoskeletal disorders, or MSDs. MSDs most often result from repeated exposure to "risk factors" such as repetition, force, awkward postures, contact stress, and vibration. For more information, call BOMA for an excellent summary of the proposal provided courtesy of the OSHA practice group at Jackson Lewis Schnitzler & Krupman, attorneys.

BOMA California Report from Les Spahnn: This Number Has Been Disconnected

With a sigh of relief BOMA California watched the legislative year come to an end with no action being taken on a telecommunications access bill. The measure BOMA had fought for two years – **AB 651** (R. Wright) remained in the Senate Judiciary Committee, and no other bills were amended in the legislature's closing days to replace it. Thus, the mandatory access issue is dead for the time being. However, in light of very recent action by the Federal Communications Commission (see below), the telecom industry may be inclined to redouble their efforts at the state level. We will have to wait and see. BOMA should take pride in its effort to stand up to the very politically powerful telecommunications industry and to fight this attempt to erode owners' property rights.

Property Tax Relief

It was also a relief to see the legislature adjourn without taking any final action on proposals to tax non-residential property differently than the current practice. But here again, while the so-called "split role" property taxing measures failed to make it out of the starting blocks this year, the debate on the issue is far from over. It seems that the Governor chose not to give cities and counties much in the way of fiscal relief this year, saying that he wanted to see more comprehensive reforms. While this statement in no way implies that the Governor supports some form of split role, it could be taken as a signal that the proposal(s) should be pursued in the next legislative session. At least BOMA knows that it has virtually the entire business community to work with in opposing any renewed efforts of this sort.

FCC Issues Orders On Telecom Access

On October 25th the Federal Communications Commission released its first report and Notice of Rulemaking on the Promotion of Competitive Networks in Local Telecommunications Markets by a 4-1 vote. Importantly, the FCC did not take steps to directly regulate access to and use of private property of building owners, and declined to issue extensive regulations governing the way property owners provide use of their buildings. Instead the FCC's orders regulates actions by telecom carriers, including incumbent local exchange carriers (ILECs). First, they ruled that telecom companies can not sign an access agreement with an owner which excludes other telecom companies from having access to a building. This rule is consistent with what the California Public Utilities Commission ruled last March. It does not affect an owner's right to determine who can come on to their property and under what terms and conditions access can be permitted. Second, the FCC ruled that any utility property such as conduit and poles that are in a building, but owned by the utility, must be available to telecom companies for attachment of their wires. We do not know whether this is significant for California building owners because we do not know to what extent, if any, utilities own right of way inside a building. Third, the FCC ruled that incumbent telecom companies must relocate the Minimum Point of Entry to the building's demarcation line at the owner's request to facilitate competitive carrier access to the incumbent's lines. Quite frankly, at this time we do not fully understand the implications of this rule. It is interesting, however, that the CPUC has begun its own rulemaking process regarding MPOE relocation and BOMA California plans to respond to it.

**Special Thanks to Rolf Jensen & Associates for providing the BOMA-SF Library
with a copy of the IBC 2000!**