

CIVIC CENTER PROPOSAL

DIANNE FEINSTEIN

MAYOR

NOVEMBER 1987

Office of the Mayor
SAN FRANCISCO



Susan
DIANNE FEINSTEIN

November 3, 1987

Honorable Members
The Board of Supervisors
City Hall, Room 235
San Francisco, California 94102

Rudy Nothenberg, Chief Administrative Officer

Dear Ladies and Gentlemen:

Recently, in my State of the City message, I made some general proposals for the Civic Center and promised to amplify them later for your review. What follows here are my specific recommendations. This is accompanied by a supporting document: the Civic Center Plan prepared at my request by the Planning Department, covering all issues in detail and responding to your request in Resolution 938-86 of October 25, 1986.

I urge each of you to study this plan in detail. These proposals would provide a central consolidated courthouse, a new main library, a new Asian Art Museum, funded privately, as well as Civic Center plaza and mall improvements. Specific recommendations are also made on financing and implementation.

I regret that this comprehensive set of proposals comes to you late in my tenure in office, however, once work began it became clear that there were a large number of unanswered questions requiring detailed technical review. For example, it was essential that we know the projected space needs of the courts, the main library, the museums and city offices into the next century. We also needed to know the feasibility of renovating and expanding the main library, while exploring alternative uses for this grand building. We now have the necessary studies and consultants' analyses to proceed.

Our fiscal situation requires, and these proposals assume, that the General Fund not be the source of support. In fact, as you will see, the financing proposals are designed with the objective of limiting our General Fund responsibility to existing levels.

As you review this plan, please keep in mind that implementation will require great effort and will. I hope these proposals will find support and move ahead, because they offer major public improvements which benefit all San Franciscans.

Sincerely yours

A large, stylized handwritten signature of Dianne Feinstein in dark ink.

DIANNE FEINSTEIN
Mayor

DF/PH:la



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The Civic Center of San Francisco has a special importance to the City as its governmental core, its cultural hub and its gathering place for celebration, inspiration and mourning.

Offered here is a proposal that seeks to address all those functions -- with particular emphasis on the increasingly urgent utilitarian needs, while enhancing the civic heart of our vital, international city as a lasting legacy for future generations.

Envisioned in the proposal is a new Main Library, moving the Asian Art Museum from the DeYoung Museum in Golden Gate Park into the old library structure, building a consolidated courthouse at the Hall of Justice, and a number of other consequential related elements.

I propose that the Chief Administrative Officer and the Redevelopment Agency implement separate portions of the proposal, with overall coordination by the Chief Administrative Officer. Please note that 1) parts of the plan are interrelated, with changes in one recommendation affecting others -- as in a chess game; 2) cost estimates are preliminary, all requiring further refinement, and 3) full realization of the proposal will take years, major resources and political will.

I regret this proposal comes late in my tenure, because it has long been my hope to see it through personally. But as work began, it became clear that critical technical studies were needed to support any conclusions we might draw. For example: What are the realistic space needs of our courts, our Main Library and city offices well into the next century? What "recycling" options do we have with selected buildings? Each such question required extensive analysis. Hence the delay in a comprehensive plan.

What follows is a brief discussion of each component of the proposal:

1 -- A New Main Library on Marshall Square

No City that is great, has vision or a future exists without an investment in its citizens. Past generations have left their legacy to us in institutions that enrich our lives and the lives of our children. We need to be willing to bear the same responsibility for our future. A key to our future is a great public library.

Our classic old Main Library Building at Hyde and McAllister Streets has graced a corner of Civic Center and enriched the lives of generations of San Franciscans. However, the existing building is no longer capable of housing a state-of-the-art library for the present and future of our great city.

The space needs for a modern main library for San Francisco are now known. Those needs cannot be met effectively by the existing building -- even with extensive renovation, construction of an addition at 45 Hyde Street and expensive excavation to increase underground space on three sides of the building.

Between now and the year 2005, the Library needs 346,000 square feet. The maximum in the present building, using every nook and cranny, is 347,000 square feet -- with no room for expansion and no flexibility. Some remodeling of the historic "noble" spaces would be needed even to achieve that much space -- a move that would certainly prompt preservationist opposition.

The Marshall Square site could provide two additional floors (one basement, one above grade) for expansion or other purposes in the interim. A museum of the City and County of San Francisco -- using the historic collections of the Library, Fine Arts Museums and other collections -- could occupy the top floor, for example. Remaining space could house the Performing Arts archives -- a natural, related use in a main library building. Alternatively, the City could use the top floor for offices and the second floor below grade for City archives, storage or parking for City vehicles -- all demonstrated needs.

Renovating and expanding the existing Main Library structure would cost no less than 75 to 80 percent of the cost of new construction, and produce a renovated building that would be no more than 70 percent efficient. A detailed cost projection is due in early December, but the present cost estimates are credible and based on work already completed. Renovation would pose another problem: relocating the Main Library for at least 2 years. A shutdown would be impractical, since the Main Library serves about 3,000 persons daily.

Cost and Financing: Cost of a new Main Library is estimated at \$70 million in 1987 dollars. The figure includes site preparation, financing, design, actual construction and basic furnishings for a five-story building with one story below grade. Should a larger structure be desirable, the site can accommodate another level and a second basement floor for an estimated \$10 million additional. Recommendations for financing the \$70 million construction package:

1 -- At least \$25 million would be needed from a \$300 million State Library bond issue proposed for the June, 1988 ballot. This is a must -- with every major California city competing for a share of any bond money. I am asking the Chief Administrative Officer to carefully monitor and keep the Board of Supervisors advised of the progress of this bond issue.

2 -- A City general obligation bond designed to generate at least \$30 million on the June or November 1988 ballot. The C.A.O. will present a proposal to the Board for placement on the ballot.

3 -- At least \$15 million from private contributions and public subscription.

With help from the Library Commission, "The Friends" and a newly organized non-profit foundation, I plan to work with the in-coming mayor to appoint a citizens committee to spearhead the state bond ballot effort, the local bond campaign and private donations through a major campaign.

In Summary: Renovation and expansion of the existing Main Library would most likely be almost as expensive as new construction on Marshall Square, but wouldn't be as efficient or flexible. A new building would provide expansion space and meet library needs well into the 21st Century. Financing appears to be feasible.

2 -- Re-use of the Existing Main Library as the Asian Art Museum

As part of a comprehensive Civic Center review, numerous possibilities were analyzed for use of the handsome old structure if the final judgment was that a new library was the best alternative. So well situated on Civic Center Plaza, the building could be a civil courthouse, a museum, a conference center, performing arts center, cultural center, City offices. All such options were explored.

Based on studying the costs, needs and suitability, I propose the Main Library become the new home of the Asian Art Museum. The preferred alternative to this would be to recycle the structure into a civil courthouse.

The rationale for giving the Asian Art Museum first priority -- though the need for a courthouse is clear and will be addressed later in this letter -- is as follows:

- 1) The Main Library structure cannot meet the total space needs of our courts -- at present or in the future.
- 2) A Civic Center location is not essential to the courts, which in fact could be more efficiently housed near the Hall of Justice.
- 3) The building would adapt more efficiently to museum use than to the courts and their support facilities -- creating the City's largest museum, with a total of 136,000 feet in attractive display areas. Such uses would preserve the structure's admirable great spaces while greatly enhancing Civic Center's mix of government, education and the arts. The Library's architectural excellence and the Museum of Modern Art's impending move out of Civic Center to Yerba Buena lend added importance to those considerations.
- 4) Housing the Asian Arts Museum's fine collection in such a focal location would showcase this civic treasure -- making it more accessible to more people while boldly highlighting San Francisco's Asian heritage in the Century of the Pacific.
- 5) Moving Asian Art out of the DeYoung Museum would automatically solve pressing space needs of both institutions without worsening traffic and parking problems in Golden Gate Park. Also, a new building and the resulting controversy would be avoided. The DeYoung would gain 90,000 square feet -- and, secondarily, avoid having to re-locate during its forthcoming seismic work.

Cost and Financing: Of the alternative uses explored for the Main Library building, the Asian Art Museum option proved to be both the easiest "fit" and the least expensive. Museum commissioners are using the working figure of \$25 million, a figure they consider within reach of private funding.

This cost estimate needs refining as soon as possible, with the help of the Chief Administrative Officer. Estimates vary depending upon whether (a) an addition is built at 45 Hyde Street; (b) an auditorium is included, or (c) the building's exterior requires extensive renovation. Additional features would, of course, increase the cost.

It is notable that refitting the building for a Superior Court civil courthouse would cost \$51 million by recent estimate -- more than twice as much.

Steps to finance this proposal would include the following:

--The City would offer the existing Main Library to the Asian Art Commission to house the Asian Art collection.

-- The City would agree to include the building in a forthcoming bond issue for seismic improvements. Estimate cost of the building's seismic needs: about \$8 million.

-- A "blue ribbon committee" formed by the City and the Asian Art Commission would raise funds for the renovation and expansion -- completing the capital campaign within three to four years, in time for the Library's move to Marshall Square.

-- Exploration should be made regarding the use of tax exempt revenue bond financing, using "rent" from the Museum as revenue, through incorporating the existing Main Library into a Redevelopment Agency district, or via a non-profit corporation.

As a final note, let me say we should venture into this project knowing that in its new home, the Asian Art Museum will need expanded operating and maintenance subsidies -- largely requested from the General Fund. Most of its costs are presently covered by our budget contributions to the de Young Museum. While it isn't clear whether the de Young's operating and maintenance costs would increase beyond existing levels, the independent needs of the Asian would certainly mean a new demand on the General Fund. Based upon recent staff estimates, this additional obligation could be greater than \$2 million annually. Alternative funding sources should be explored to meet this, such as raising an endowment fund along with the capital costs.

In Summary: The recycled use of the existing Main Library as the new home for the Asian Art Museum is the most cost-efficient recycling option. Such a move would add a significant cultural dimension to the Civic Center and would also symbolize our Pacific Rim heritage and future. Financing is reasonable and within reach.

3 -- A Consolidated Courthouse Adjacent to the Hall of Justice

Moving all courts and court-related activities to a new facility adjacent to the Hall of Justice will provide much-needed benefits to the courts and the public they serve. San Francisco is the only major county in California without a courthouse. Our courts are cramped in both City Hall and the Hall of Justice, with no space for key functions such as jury rooms, waiting and conference areas.

A recent study (attached) of court space needs dramatizes the problem: By the year 2005, San Francisco courts will require more than twice the space they now occupy! And in fact, they already need 81 percent of that additional space.

The study says all Municipal and Superior Court-related activities -- including civil and criminal but not juvenile courts -- will require 532,000 to 592,000 square feet. That is enough space for courts, clerks, executive offices, jury assembly rooms, a law library, adult probation, the County Clerk and Sheriff.

In addition to crowded conditions, significant inefficiencies and inconveniences result by the present separation of civil and criminal courts. An estimated 20 percent of total court operating costs is wasted because of duplication of management and support services. Staffing and scheduling is inflexible and new technologies are difficult to integrate in two locations.

There are other major benefits to the City from this proposal:

- A new court facility could include space for services presently using private leased space in the Hall of Justice area. Our present leasing obligations total \$600,000 a year.

- Moving the courts out of the third and fourth floors of City Hall would add about 100,000 square feet to relieve our shortage of office space.

While a Civic Center location might be desirable, space is not available for all of the courts and their related activities. As noted above, fitting out the Main Library building for Superior Court civil courts alone would cost \$51 million. And since renovation would have to wait for the Main Library to move out, the court space crunch would continue at least until 1996.

It is my understanding that what matters most to the judges is adequate space, maximum efficiency, security and ample parking. A Civic Center location is desirable, but not their highest priority.

A formal vote from both courts is necessary on both the concept and the revenue increases, but preliminary discussions with the judges indicate they endorse this concept. Therefore, I propose that San Francisco begin to plan for a consolidated courthouse adjacent and connected to the Hall of Justice. This facility should be planned in concert with any future jail expansion and take into consideration the most efficient allocation of space between the existing Hall of Justice and new construction. Planning must incorporate adequate parking for the total complex.

I have asked the Redevelopment Agency to review possible sites and to assess the value of establishing a Redevelopment Area for a consolidated Superior and Muni courthouse with all support services. Land acquisition, relocation, and project management would be under the Redevelopment Agency.

Cost and Financing: I propose this project be undertaken by the San Francisco Redevelopment Agency, using its unique resources and financing powers. Tax-exempt lease-revenue bonds, a lease-purchase arrangement, or tax-increments appear to be the most likely financing options.

A cost of \$175 per square foot for the minimal courthouse space requirements yields a price tag in excess of \$90 million, with \$10 million per year necessary to finance the project. The final size and function requirements must be known before an exact figure can be determined. A court sponsored study of these questions will be underway very shortly.

Financing of such a project is possible, but will require a number of concrete actions. The goal is to fund the structure without any substantial use of the General Fund.

Several revenue sources have been identified to make the plan a reality. The courts are empowered to raise construction funds by increasing filing fee surcharges and imposing a surcharge on traffic fines. Those unable to pay increased filing fees could be exempted by the courts. Some part of the cost can be financed by savings of City departments now in rental offices moving to space in City Hall vacated by the courts. In addition, the Public Defender and District Attorney offices, now in leased space near the Hall of Justice, could save lease rents by being included in a new courthouse. Financing help could also come through the Trial Court Funding bill, recently passed by the State legislature and signed by the Governor.

The Hall of Justice option also opens the possibility of developing the courthouse along with any new jail facilities planned at the Hall of Justice. Between \$22 and \$37 million in State bond funds will be available for this purpose, and substantial economies of scale could result if construction occurred in concert.

I am asking the Redevelopment Agency -- with the assistance of the CAO -- to develop a precise tax-exempt financing plan for the courthouse, using the revenue sources mentioned and giving priority consideration to "lease-purchase" financing arrangements. Specifically, the revenue sources to be considered, among others, are:

Courthouse Construction Fee: Courts would increase their filing fees for courthouse construction to the maximum allowed by State law. At present, the fees for both courts yield just under \$1 million per year. Increasing the Superior Court construction filing fee from \$20 to \$50, for example, would yield \$890,000 to \$1,200,000 additional, and increasing the Municipal Court's fee from \$5 to \$50 would bring in \$2,050,000 to \$2,200,000.

Surcharge on Traffic Citations: State code authorizes the imposition of a 10 percent surcharge on moving violations and a flat surcharge of \$1 on parking fines for courthouse construction. Los Angeles and San Diego have both used this source for courthouse improvements. Estimated Revenue Per year: \$2,800,000 - \$3,400,000

Savings in City Rental Costs - City departments that currently lease office space would be relocated to City Hall when courts vacate. In addition, the Public Defender, Sheriff, District Attorney and the Office of Citizens' Complaints could move to the Hall of Justice. Potential Annual Revenue: \$2.2 million.

State Trial Courts Bailout bill, as intended, would produce a \$5.8 million net annual windfall for San Francisco. As much as \$2.1 million could be used for a courthouse lease.

Annual grants from a \$20 million state authorization for court improvements will be available in January, 1989. San Francisco must effectively compete for these funds, and at least \$1 million annually should be set as a goal.

State Bond Issue for jail construction will bring us at least \$22 million, and could offer economies of scale by integrating construction of jails and courts.

4 -- The High Cost of Leasing for City Departments

We spend more than \$3 million each year to lease space for city operations in the Civic Center area. This represents a great future financial exposure, and needlessly fragments city management and operations. Duplication and inefficiencies abound. For example, data processing is now in six locations -- for no reason except that no consolidated space is available. The City needs about 400,000 square feet to effectively and efficiently consolidate those departments now in leased space.

Several proposals have been made, but I am unable to make a recommendation at this time because of concerns about additional costs to the General Fund. Any proposal for a new City office building must meet cost constraints and I do not see one that does at this time.

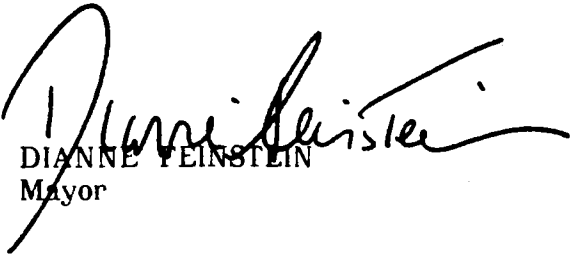
5 -- Reserve City Parcels in Civic Center Area

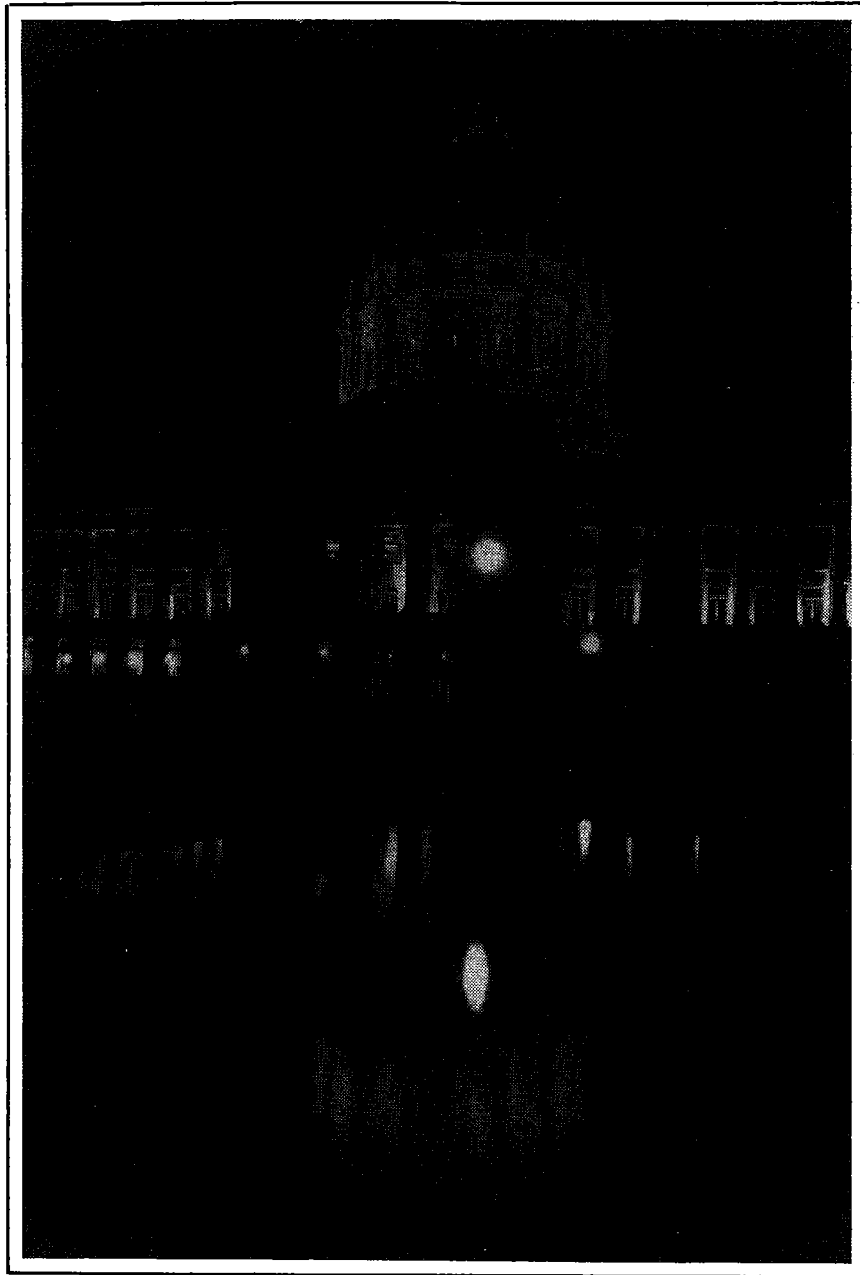
City-owned properties on Grove Street and McAllister Street adjacent to City Hall and the steam plant site next to the Main Library should be reserved for future City uses, possibly with interim long-term leases to the private sector. This could yield an estimated \$770,000 a year. Any development would need to conform to strict design and use requirements. Should it turn out to be preferable to purchasing an existing building, these properties could be used for construction of City office buildings.

This proposal embodies a number of subordinate elements that need additional study but, in concept, warrant discussion:

- o A City History Museum: Various collections of fascinating San Francisco memorabilia are available from The Fine Arts Museums, the Library, the Police and Fire Departments and private collectors. We should consider establishing a City museum, which could be housed either in the new Main Library or in space when the Museum of Modern Art leaves the Veteran's Building. The latter would require approval of the Museum of Modern Art and the War Memorial Board, and a feasibility study is needed to determine needs, cost, financing and governance.
- o Restoring Civic Center Plaza to its original design -- removing the existing pool, building the facing fountains and integrating the entire plaza in the design envisioned when it was named James Rolph Jr. Plaza. Estimated cost: \$1.8 million. Funding could be added to the Library bond or to a capital improvements appropriation.
- o Convert the portion of Fulton Street between Hyde and Larkin into a genuine pedestrian mall, symbolically linking the new Asian Art Museum to the new Main Library. This would require reconfiguration of the Brooks Hall ramp and truck staging area. This must be accomplished without a negative impact on Brooks Hall.
- o Off-street parking for City-owned and operated vehicles within one of the new Civic Center structures -- possibly under the new Main Library building.
- o Reserve space next to Davies Symphony Hall for future performing arts uses that may include: a small concert/recital hall with rehearsal space; Archives for the Performing Arts; Symphony, Opera and War Memorial Board offices, restaurant or ceremonial hall with kitchen. Private donations are essential as the source of financing -- along with a feasibility study on needs, cost and financing.
- o Expand the Civic Center Garage under Fulton Mall and connecting it to the new and old library buildings. This deserves a feasibility study, given the area's increased activity and parking crunch.
- o Establish design requirements for private development at the southeast corner of Grove and Larkin Streets -- since it is the only corner of the Civic Center not now in public hands.
- o Retain Brooks Hall as a convention facility, but as mentioned above, re-configure its ramp as part of the design for the new Main Library and of any plans for Fulton Mall.

The attached report prepared by the Planning Department, "The Civic Center: A Development Program", describes these and other elements in greater detail.


 DIANNE FEINSTEIN
 Mayor



THE CIVIC CENTER
A Development Program

NOVEMBER 1987

SAN FRANCISCO DEPARTMENT OF CITY PLANNING

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