



**SAN
FRANCISCO
CHAMBER OF
COMMERCE**

February 19, 2016

The Honorable London Breed, President
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

RE: OPPOSE: File #151257, Increasing Transportation Sustainability Fee for Nonresidential Projects

Dear Supervisor Breed,

The San Francisco Chamber of Commerce, representing over 2,500 local businesses, supported the Transportation Sustainability Fee (TSF) legislation when it came before the Board of Supervisors last December. The TSF, which replaces the Transportation Impact Development Fee (TIDF), was crafted over several years by the SFMTA, members of the Board of Supervisors and a diverse stakeholder group. The final vote last year reflects a good faith collaborative effort to come to agreement on fees paid by developers for new construction projects in the city. After much back and forth and an additional increase on nonresidential construction fees in the 11th hour, everyone came to agreement and the TSF legislation was passed.

Two months after that vote was taken, new legislation proposing to further increase the TSF on nonresidential construction over 99,999 gross square feet is coming before the full Board on February 23, 2016, after a "Do Not Pass" vote by the Land Use and Transportation Committee earlier this month. This proposed fee increase comes without stakeholder input, discussion or consensus that the additional increase is necessary or prudent. It comes to the Board without any effort to get stakeholders together again to discuss and debate the increase, or to justify it on the basis of new data or information of any kind. It is simply an attempt to extract more dollars from those developing nonresidential projects in San Francisco.

Transportation fees have already increased exponentially on nonresidential construction in the course of crafting the TSF. Those who will pay them have been at the table and agreed to the terms because they understand the need to help pay for the transportation infrastructure impacts of their projects. To force the fees higher without demonstrating the need to go beyond what was agreed to and voted on just two months ago, and without input from developers or the business community, is not the right way to raise additional dollars for transportation improvements.

The San Francisco Chamber urges you to uphold the Land Use Committee's recommendation of "Do Not Pass" and reject this legislation when it comes before you on February 23rd.

Sincerely,

Jim Lazarus
Senior Vice President of Public Policy

cc: Clerk of the Board, to be distributed to all Supervisors; Mayor Ed Lee; Ed Reiskin, SFMTA; Gillian Gillett, Mayor's Office, Nicole Elliott, Mayor's Office