SAN FRANCISCO BAY AREA: EVERYTHING MUST CHANGE

The cities and counties of the San Francisco Bay Area reacted judiciously and swiftly in the face of an emerging COVID-19 crisis. But while the dramatic change in work, consumption and lifestyle habits during months of shelter-in-place have given a glimpse of alternative futures, long-term solutions to the housing and transportation crises that trouble the Bay Area have not as yet been built into COVID-19 responses. Despite strong regional collaboration between local authorities, sudden budgetary cuts mean these challenges are likely to persist, and to the degree that they do change, the shifts may result from private sector decisions rather than public sector policies.

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Like the COVID-19 pandemic, the major challenges the city of San Francisco faces – most notably housing supply and transportation infrastructure – are shared by the neighbouring cities that together with San Francisco make up the greater Bay Area. As residents of the city itself commute south to Silicon Valley to work, as displaced residents move to Oakland or even farther east to Sacramento for housing, and as counties collaborate on their COVID-19 responses, San Francisco benefits from analysis that takes a metropolitan approach. The metabolism of the city and its economy suggest as much, as do the demographics: San Jose's population in fact exceeds that of San Francisco, and at approximately eight million, the metropolitan region is nearly ten times the size of San Francisco's.

When on Tuesday March 17th seven counties in the San Francisco Bay Area implemented "shelter-in-place" orders, the metropolitan region became one of the first in the United States (US) to take dramatic steps to limit the spread of COVID-19. The City of Los Angeles and Los Angeles County soon followed, and on March 19th California Governor Gavin Newsom issued a state-wide order. In both these initial orders and subsequent ones, residents and companies were bound by the more conservative or restrictive orders – whether issued by a city, county or the state. At the time of the initial order, the Bay Area, and in particular Santa Clara and San Mateo counties – along with Seattle's King County – looked to be the early West Coast epicentres of the pandemic. Nearly three months later, neither Santa Clara nor San Francisco County ranked in the top 50 US counties for COVID-19 cases. And while questions about reopening remained fraught and the economic consequences dire, the mayors of the three largest cities in the region – London Breed of San Francisco, Libby Schaaf of Oakland and Sam Liccardo of San Jose – all received positive press coverage for their quick action and leadership.

On May 7th, while the San Francisco Bay Area continued to shelter in place, a group of more than 40 cities, organised by the network C40 Cities Climate Leadership Group, issued a forward-looking "Statement of Principles" regarding economic recovery from COVID-19. It is ambitious and worthy of analysis. Two principles in particular speak to the difficulty of undertaking a preliminary – albeit necessarily partial – analysis of the COVID-19 response in the San Francisco Bay Area. First, the endorsing cities asserted that: "The recovery, above all, must be guided by an adherence to public health and scientific expertise, in order to assure the safety of those who live in our cities" (C40, 2020). The principle, of course, reflects the politicisation of response measures in countries like the US, but it also reflects the dynamic, real-time nature of COVID-19 knowledge and expertise. Even with lessons learned shared across borders (whether by governments or civil society, see Abdullah and Reynés Garcés in this volume), policymakers and responders in spring 2020 had to operate with a degree of uncertainty regarding the pandemic's trajectory. A subsequent principle from the C40 statement added: "The recovery must address issues of equity that have been laid bare by the impact of the crisis – for example, workers who are now recognised as essential should be celebrated and compensated accordingly and policies must support people living in informal settlements." Here is a different temporal frame: one that begins with structural economic forces that long predate COVID-19. Economic and social inequities "laid bare" by COVID-19's social and economic effects did not spread from Wuhan or emerge suddenly in 2020. In Davos-esque jargon, a mega-crisis of unprecedented proportions met with structural megatrends around economic and social inequality, technology, climate change and geopolitical competition.

This combination of expertise and uncertainty, and long-term trends and breaking developments, has provided seemingly endless material for analysts, panellists and commentators: we'll build back better; we can't afford to build back; the international order is dead; the US alliance system is shredded; the EU won't survive; the suburbs will rise again; cities and urban areas are done.

On the same day in late May, the *New York Times* featured an op-ed headline declaring meat over while another headline noted the return of the hot dog.

It is in this context – where nothing is certain and everything is possible – that geographical focus provides a helpful anchor. As organised as cities have become collectively on the global stage, not all megatrends or repercussions from COVID-19 affect them equally. This is part of the reason there are now more than 300 such networks globally, and why larger ones such as C40 have subnetworks focused on discrete issues. For example, many of London's economic competitive advantages, such as global connectivity and density, are points of vulnerability during a pandemic or early recovery (see Rhode in this volume). The same can be said of New York City. Tech, however, is a bit different. Analysis in mid-March – early days indeed – by Mark Muro, Mark Maxim and Jacob Whiton of the Brookings Institute (Muro et al., 2020) overlaid the industries expected to be hardest hit with their weight as a percentage of discrete municipal economies. The analysis showed non-"Global Cities" that were highly reliant upon energy or leisure, such as Midland and Odessa, Texas, and Savannah, Georgia and Las Vegas, Nevada, respectively, to be at most risk. Neither the Brookings analysis nor the financial market analysis by Moody's upon which they drew (Zandi, 2020) identified technology as an especially vulnerable industry. In fact, the Brookings paper suggested that "[a]mong the 100 largest metro areas, the economically safest are mostly tech-oriented university towns. Provo, Utah is the least exposed, followed by Durham-Chapel Hill, N.C., Hartford, Conn., Albany, N.Y., and San Jose, Calif."

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But while the major technology employers may not have immediately experienced the catastrophic economic blows endured by the travel and energy sectors, for instance, the public and private sectors in the Bay Area both began planning for radically different futures. As the joint OECD and United Cities and Local Governments (UCLG) report *Subnational Governments Around the World: Structures and Finance* (2016) makes clear, subnational governments in the US, including cities, do not top the table in terms of subnational revenue as a percentage of national public revenue. The top spots were taken by Denmark and Canada. But while the federal and state governments do provide the majority of the funding for issues like infrastructure, cities like San Francisco are nonetheless extremely reliant upon their own business and property tax bases. This has long been viewed as a source of strength and independence, but during periods like the COVID-catalysed economic downturn in the first half of 2020, it also exposes them to sudden shocks. In May 2020, Mayor Breed directed city departments to slim their budgets by 10% in the face of a looming $1.7 billion deficit. True to the uncertainty surrounding the direction of the pandemic and the global, national and regional economy, she also directed staff to make preparations for an additional 5% cut. To the east across the Bay Bridge, Oakland, a city with a population roughly half that of San Francisco, was projecting an unexpected $80 million budget gap. Mayor Liccardo estimated San Jose's deficit at between $70 and $100 million. The US Conference of Mayors' "Fiscal Pain Tracker" makes clear the breadth of the budget crisis, which stretches beyond the bigger cities to include tertiary cities such as Richmond, Sant Cruz, Fremont, Santa Rosa and West Sacramento.

These budgetary constraints, coupled with those faced by the State of California, are likely to limit the ability of San Francisco and other cities to radically address the ongoing housing crisis in the region. State Senate Bill 50, which sought to increase housing density and limit certain zoning restrictions, including those introduced by local governments, has long been the focal point of the housing debate and battle in California. On May 22nd State Senator Scott Wiener introduced a pared-down version of the bill that while still targeting zoning restrictions did not include new public funding for housing developments. In the context of COVID-19, with residents staying home across the state, the need for the bill became all the more apparent while the means to address the larger crisis reduced.

The housing crisis has a rough parallel in the transportation crisis: amplified by the success of the technology, it threatens to worsen upon recovery. The Google COVID-19 Community Mobility Report for California on May 2nd, almost exactly six weeks after the shelter-in-place orders were issued, showed a 75% drop versus the baseline for retail and recreation-related movement in San Francisco County, with a 65% reduction in Santa Clara County.[1] Workplace-related mobility was down 47% and 40%, respectively. (The numbers, for what it's worth, were dramatically different in the surrounding agricultural counties. Fresno, Kern and Tulare Counties, sources for much of California and the country's food, showed workplace mobility reductions of 23%, 20% and 19%, respectively.) As embodied in the famous tech buses departing from San Francisco, Oakland and elsewhere to Silicon Valley, traffic and transportation have become a battleground for larger questions about the influence of the ICT revolution on the region.

1. The latest Google COVID-19 Mobility Report is available at: https://www.google.com/covid19/mobility/

In some futures, this continues to be the case. The "Rebound Travel Time Calculator" developed by the Work Research Group at Vanderbilt University calculates the changes to traffic and commute times if residents return to work but increase their use of single occupancy vehicles (Hu et al., 2020). Of the major metropolitan areas in the US, according to their model, if commuters abandon public transport San Francisco faces the steepest increase in commute times at somewhere between 20–80 minutes per person (Boston, by comparison, is between 6–22 minutes). During the shelter-in-place period, cities like Oakland and San Jose have accelerated their progress and programmes on pedestrianising city streets; and while these programmes can improve city life and ultimately limit traffic, they will not solve the challenge outlined by the Work Research Group should public transportation options remain limited or the public choose to avoid them.

THE MOST INFLUENTIAL RECOVERY POLICIES IMPLEMENTED IN THE REGION MAY TURN OUT TO BE THOSE OF THE MAJOR TECHNOLOGY COMPANIES WHO SO ALTERED THE BAY AREA LANDSCAPE TO BEGIN WITH.

The most influential recovery policies implemented in the region may turn out to be those of the major technology companies who so altered the Bay Area landscape to begin with. On May 21st Menlo Park-based Facebook announced that employees could permanently work remotely. The announcement followed similar policy changes by Twitter and Square. Within days an anonymous survey of more than 4,000 tech-sector workers claimed that two-thirds of those asked would consider leaving the Bay Area if they could work remotely. As with most of the long-term COVID-19 repercussions, these are early days yet. Nonetheless, the first principle of the C40 statement declared: "The recovery should not be a return to 'business as usual' – because that is a world on track for 3°C or more of over-heating" (C40, 2020). The COVID-19 crisis intersected and continues to intersect with an array of ongoing global trends. It has driven down emissions temporarily but radically disrupted climate negotiations. It has laid bare the selfishness of America First policies but sown mistrust of China. And, zooming in to the San Francisco Bay Area, it has prompted major employers to radically rethink how they work in ways that could dramatically change housing and transportation dynamics in the Bay Area. The more things change, the more they stay the same? Maybe. Or as Giuseppe Tomasi di Lampedusa had it in *The Leopard*: "If we want things to stay as they are, things will have to change".

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