

Newsom: 'I never did subscribe to the decline' in S.F.'s population

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ple feel about a city that's growing — or shrinking — to the revenue streams from the U.S. government to the state, and from the state to cities, counties and regions.

For the U.S. census to change to Department of Finance methodologies, says Mary Heim, DOF's chief of Demographic Research, would "somewhat" affect money coming to the state. "Often population plays a small part (in the formulas). It's hard to put a dollar amount on it."

The city broke 800,000 in 2006. Its previous high mark was 798,300 in July 1954, according to DOF records researched by Daniel Sheya, DOF's head of city estimates.

By law, the scores of federal revenue streams that come to the state and in some cases counties, cities and regional governments, employ the U.S. census population numbers in complex formulas. Likewise, the state revenue streams to counties, cities and regional entities use the DOF population figures, as all state departments and agencies

have been required to do by law since the 1950s.

The California population disparity is so great — 3% statewide and 8.7% for San Francisco — that the state and federal experts met in November to begin an unprecedented communication to get on the same page, or at least in the same chapter. They want to revise their methodologies to bring them closer.

"The numbers are really different and we are all professionals," Heim said. "We want the best estimates possible."

Heim attended the Sacramento meeting, requested by the U.S. census staff. It has led to biweekly phone conferences, she said, far more communication than any time since 1996, when the two departments first began discussing differing methodologies.

"No. 1 is to understand the methods being used because we are not on the same page," she said. "Once that's done then we can look further into the data sources. They (the feds) seem to have taken more interest lately."

A report in April from the Center for Continuing Study of the California Economy, entitled "Which Population Estimates Are Best?," tells how the federal government strayed with confusing numbers. The center has been a source for investors, businesses and public agencies for 35 years and fingered the culprit as estimations of out-migration.

The U.S. census reported that, from 2000 to 2006, California had a net loss of 1 million residents, the article said, "unusual in a growing economy." In the same time, the Department of Finance reported a small positive in-migration from other states.

"While it is possible that high housing prices currently may lead to increased out-migration," it said, "the Census data says large out-migration was occurring during the period while housing markets were surging."

Center Director Stephen Levy mentioned other factors that shore up the case for the state's estimates.

"The DOF numbers are more compatible with what we see with (the growth of) jobs and income," Levy told The Extra.

The article's bottom line was that "the DOF estimates are based on a richer methodology and are more consistent with recent economic and housing market trends."

"It became an issue because we have 1 million more people living in California than the census does," said Sheya. "We're getting too far apart. Our first meeting with them was in November. They don't want California to challenge the federal estimates. It would be a lot for them to adjust."

"So we're working on it. But nothing is solved. Maybe they can use some of our data. Now they see where we're coming from."

In an August 2005 story on the census controversy, The Extra reported the DOF's Jan. 1, 2005, population estimate for San Francisco was 799,263 and growing. At that time, it was 55,000 more than the feds' count.

Each decade, the feds announce the long-awaited census count. Then annually they revisit their methodology to tweak and refine it. Each decade, too, the state of California takes the census figure as a benchmark and, working backward, revises its estimates in relation to it. (The city's former high mark in 1954, for example, was revised much lower after the 1960 census.)

The Census Bureau operates nationally and relies on data sources that are uniform across the country. Its "immigration data" includes immigration from foreign countries and also compares federal tax data — address and exemption information from IRS Form 1040.

The state relies heavily on Department of Motor Vehicles statistics, while the feds put their emphasis on tax returns. "And they are different populations," Sheya says.

After each U.S. census, the DOF resumes its methodology, making annual estimates until the next benchmark, when the cycle repeats. In 2010, the two departments will be on the same page, and it will be known if that figure pegs the San Francisco population at over 800,000.

"We don't know if it will reach that," says

Sheya. "But our figures will be revised downward. And the census will be something in between the two numbers."

The state has been revising its figures down for at least two decades, according to Heim. But if the feds change their counting system as a result of the current talks, they may find more people in the city and state than ever before; and 800,000 may hold, she implied.

The accuracy the departments seek is relative. Delayed information habitually compromises it. Heim says California's birth and death reports lag by two to three years.

"And immigration data now is from late 2005-2006 and here we are in mid-2007," she said.

Apparently, the census has yet to catch up with the city's rebound from the population exodus after the dot com bust. And the Chronicle and Associated Press, among other news media, have reported a dipping city population that carries a negative aura that the mayor eschews. But other factors more than made up for the drain, the state says, which has not reported a net loss in any year after April 2000. (See P.1 graph.) Since that time, the U.S. census showed only declines until July 1, 2006, when the feds estimated 744,041, a modest uptick.

DOF's annual report on state, county and city populations in May says San Francisco at the first of the year had grown by 1.1% compared with its historic Jan. 1, 2006, estimate of 800,099 residents — the first time the city had climbed above 800,000.

By California law, all state departments and agencies use DOF figures for determining annual appropriations to city, county and regional jurisdictions, and for research and planning. The federal government, by federal law, uses its census figures to determine distributions to the states and their entities. So if the feds used DOF figures, San Francisco presumably would get millions more from the government. But the population factor is usually buried deep in complex formulas and dollar estimates directly tied to population are hard to cipher.

What causes the gap in estimates is the kinds of data used.

The state uses more factors and has "a closer relationship with local information," is

the way DOF's John Malson, research manager over city estimates, explained the difference in The Extra's August 2005 population story. Roger Johnson, chief of records and research for the Census Bureau's Population Division, agreed. "The state has data not available to us," he said.

The census uses income tax information and immigration from foreign countries. The state counts births, deaths, driver's licenses, school enrollments, migration, medical aid enrollments and tax returns. Changes to the housing stock are also used. "Estimated occupancy of housing units and the number of persons per household further determine population levels," according to the state's May population report.

The DOF figures are used widely outside of state government. Four examples DOF gave were the Center for the Continuing Study of California's Economy, Rand Corp., the Public Policy Institute of California and the California Research Board. Generally, a city's declining population is less than swell, and not just for business interests.

"Any city needs to show that it's keeping its young and talented people," says Joe D'Alessandro, president of the San Francisco Convention & Visitors Bureau. "If it's not, it would be one more thing in the mix that people consider in coming here. I don't know the population of Atlanta, but if it's losing population because a lack of quality, it could impact my decision to go there."

"But I've heard the population is on the increase for the first time because of South of Market."

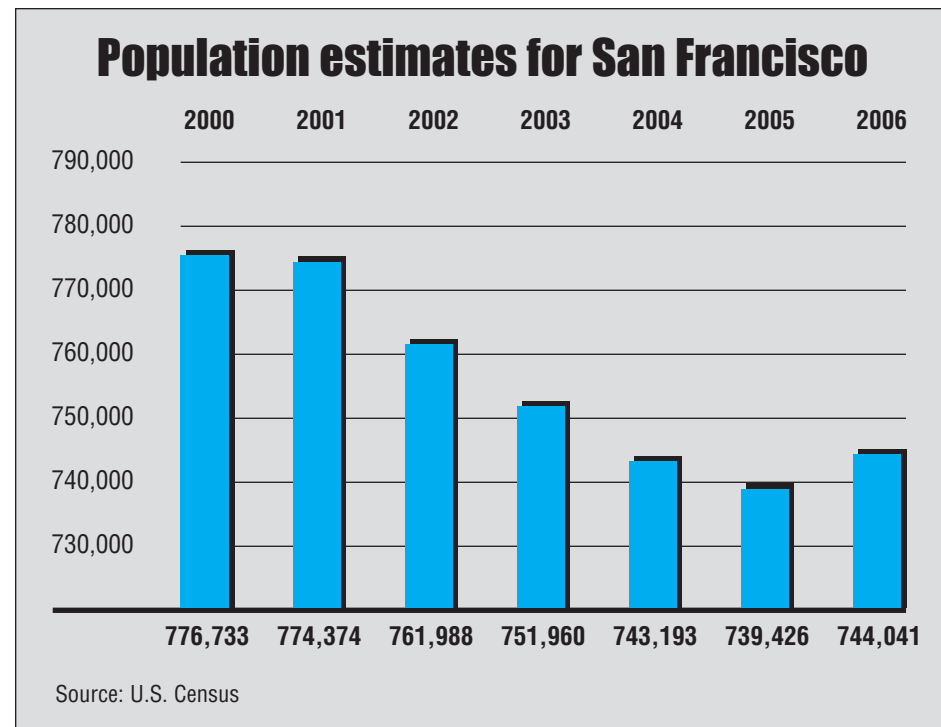
Two years ago, because of SoMa's housing boom, District 6 accounted for 35% of the city's state-estimated growth.

For brochures or promotions, the Convention & Visitors Bureau uses the census figure. Despite the finance department revelation, D'Alessandro said he won't change because "census is what the industry uses," and he wants to maintain consistency.

As the fourth largest city in California, the state reported in May that San Francisco didn't grow as much as No. 3 San Jose (1.6%), but had a higher rate than No. 2 San Diego (0.9%) and Los Angeles (0.9%), which broke the 4 million mark for the first time with 4,018,080. ■

Year	People	U.S. rank
1794	1,056	—
1798	833	—
1800	867	—
1815	1,488	—
1830	350	—
1842	196	—
1844	50	—
1846	200	—
Aug 1847	459	—
Apr 1848	850	—
Jul 1849	5,000	—
Dec 1849	25,000	—
1850	21,000	—
1852	36,151	—
1860	56,802	15
1870	149,473	10
1880	233,959	9
1890	298,997	8
1900	342,782	9
1910	416,912	11
1920	506,676	12
1930	634,394	11
1940	634,536	12
1950	775,357	11
1960	740,316	12
1970	715,674	13
1980	678,974	13
1990	723,959	14
2000	776,733	13

Source: SFgenealogy.com



Landlord pulls plug on Mason St. pot club

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pensary near Fisherman's Wharf because of neighborhood opposition. But five have been approved. Alazraie owns two of them, both licensed in March, at 1328 Grove St. and 208 Valencia St.

His Mason Street Dispensary was considered a lock. It had no problems with the police and had received the commission's preliminary recommendation. A large majority of Alliance for a Better District 6 members, voting in a March poll, favored it.

But CitiApartments' lawyer's letter to the Planning Department "revoked the (current) letter of authorization," which had "been signed without the owner's knowledge," Planner Michael Li, assigned to the project, told The Extra. "Frank Lembi was not aware" the dispensary was there, Li said.

Even so, Alazraie said after the May 17 hearing, he has had "a good relationship with the landlord for four years" while serving 800

patients, 80% of them, he estimates, from Tenderloin SROs.

Alazraie's lease expires at the end of the year. He expected to renew it for five years.

"But I've found that a lot of people don't know we're here," Alazraie added, somewhat surprised.

Low profile, though, is the image the Planning Commission has favored in previous hearings.

Alazraie's Mason Street Dispensary is practically incognito. There's no signage for it in front and it's discreetly located in the back of Café.Com, Alazraie's Internet coffeehouse and juice bar. The dispensary is a converted 8-by-8-foot storage closet. Under its large one-way mirror is a small window with an open space to pass the goods to customers.

Alazraie said when he addressed the Alliance for a Better District 6 meeting on April 10 that the application might face trouble.

"The large hotels like the Hilton don't feel comfortable with a dispensary in the neighbor-

hood," he said. "They are pressuring our landlord who owns eight hotels."

Alazraie said getting through to talk to the hotel owners was "difficult."

"On what basis do the hotels object?" asked one man.

Alazraie said he didn't know. "They are leaning on the landlord," he said. "I don't know what kind of leverage they have. But that's the way they're going about it."

Alazraie later told The Extra that he had talked with people from Parc 55 Hotel, the Union Square Business District and the Market Street Association. None would write him a letter of support, but they wouldn't oppose the application, either, he said.

The rear of Parc 55 is adjacent to Café.Com. The Hilton is a half block away. Its spokeswoman is Debbie Larkin, who serves on The Extra's editorial advisory committee, as does Alazraie.

"The sole problem is the Hilton," Alazraie said. "It called my landlord. I've talked to

Debbie Larkin and she asks all these 'what if' questions. She wanted to know how we knew these people were sick. That's medical and out of my hands. I've been here four years. I thought she was my asset."

Reached by phone, Larkin told The Extra that she had not been aware the dispensary was there but that the Hilton had "no official position" on the application. And "no," she said, the Hilton had not talked to Skyline about the application.

"If this is going to portray us as anti-people in pain," she added, "that's ridiculous."

The Rev. Cecil Williams of Glide Memorial Methodist Church's seemed to have some leverage. Alazraie said his landlord asked him what Williams had to say about the application.

"We've been donating to Glide for years," Alazraie said. "I've been trying to get a meeting with Cecil for weeks. I'm still trying. He's seen as the Godfather of the neighborhood."

If the application goes back on the calen-

dar it won't be until a month after the department mails 30-day notices.

The city backs the dispensaries but had no firm controls until 18 months ago after the Planning Department suspended the operations of the Green Cross, then located in the Mission. Neighbors complained of crime and noise associated with its client traffic.

"I support medical marijuana but we've put some common sense restrictions on it," Mayor Newsom told a roundtable meeting of the Neighborhood Newspaper Alliance on May 23 in his office. "The bad actors shouldn't be in the business."

The Department of Public Health says 25 other dispensaries have applications pending still to be considered — even after the deadline, if necessary.

Dispensaries originating after April 1, 2005, have to be located in Planning Department-approved areas. The largest section by far is a stretch of the Tenderloin and SoMa in District Six. ■



PHOTO BY LENNY LIMJOCO
Mason Street marijuana dispensary is inside Café.com. The 4-year-old pot club has had no problems with police.