“Salesforce.com Inc. — the anchor tenant of the 61-story building’s Class A office space — has announced a permanent ‘work from anywhere’ policy that lets employees remain on remote or flexible schedules after the pandemic ends. As San Francisco’s largest private employer, the customer-management software giant is a heavy hitter on the list of companies with similar plans set to affect downtown office spaces, including Twitter, Facebook and Square, prompting tough questions about the vitality of the city’s core and overall economy.

“Salesforce’s location choice [in the downtown South of Market neighborhood] offered an example of how, in contrast with peers bunkered down in suburban Silicon Valley or clustered in Mission Bay, the tech industry could be better integrated into civic life.

“After so much baggage attached to Salesforce’s San Francisco footprint, it now faces a potentially emptier future, as does all of downtown. How much emptier isn’t clear yet: A Salesforce spokesperson said that the company plans to evaluate future real estate needs as its business priorities shift.

“Assuming that pattern holds in San Francisco, Kim-Mai Cutler, a partner at the venture capital firm Initialized, expects most workers to sprawl not into other states but into neighboring cities. That could affect San Francisco’s bottom line by reducing local tax revenue, and could complicate gross receipts tax calculations, without making much of a catastrophic dent in the region’s overall population.

“Despite the forecast for turmoil, some also hope that an exodus of commercial lease-holders — tech companies or otherwise — from downtown San Francisco could be a chance to rethink how the urban core is used.

“Perhaps vacant office space could be repurposed into much-needed housing, transforming the area into a more vibrant and affordable residential option than its pre-pandemic profile ever offered, said Molly Turner, a lecturer at the University of California, Berkeley who specializes in tech’s influence on cities.”

Read the full article here. (~7 min.)

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