

City & County of San Francisco, California

MAYOR'S 2016-2017 & 2017-2018

# MAY PROPOSED BUDGET

MAYOR EDWIN M. LEE



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# MAYOR'S LETTER

May 1, 2016

Dear Residents of San Francisco,

I am proud to present my May 1 budget for 12 City departments, totaling \$6.8 billion over Fiscal Years 2016-17 and 2017-18.

The departments included in the May 1 proposed budget are our four enterprises (Airport, Municipal Transportation Agency, Port, and Public Utilities Commission) as well as eight self-funded departments (Board of Appeals, Building Inspection, Child Support Services, Environment, Law Library, Library, Rent Arbitration Board, and Retirement System), and funding to support the San Francisco Unified School District.

The May 1 budget supports additional services for neighborhoods across the City, major investments in capital improvement projects, and short- and long-term safety initiatives. On June 1, when the remainder of the City's budget is released, you will see even more investments to improve residents' safety, our neighborhoods, and quality of life.

## **A SAFE AND RESILIENT CITY**

One of my goals as City Administrator, and now as Mayor, has been to better prepare our residents, buildings, and infrastructure for the challenges of the next century. In many areas, our 19th and early 20th century infrastructure is no longer adequate to meet the challenges of our city today. We have worked hard to improve our understanding not only of what those challenges are, but also how to proactively address them.

My May 1 budget invests in resiliency. We need to invest in what we have while preparing for the future. Our four enterprise departments are making major capital investments over the next two years to strengthen our Seawall, upgrade our water, power, and sewer infrastructure, improve transit, and deliver safer streets. Over the next two years, these departments will invest \$4.9 billion in capital, supporting over 41,000 jobs over the life of these projects.

The Port of San Francisco is tackling vulnerabilities in the Seawall that stretches from Fisherman's Wharf to Mission Creek, providing a foundation for most of the northern waterfront. Invisible to the millions who traverse it each year, this century old structure underpins the Embarcadero and piers along the



waterfront while protecting areas further inland from the Bay. As it enters its second century of service, it is increasingly vulnerable to the dual threats of seismic events and sea level rise. The Port is initiating a long-term planning initiative to ensure that San Francisco's waterfront remains a vital, thriving part of the City for the next 100 years.

Over the past decade, the Public Utilities Commission (PUC), which is charged with maintaining the City's municipal water, power, and sewer systems, has been replacing and upgrading each of these systems, making them more resilient, efficient, and safe. Over the next two years the PUC will turn its attention to investments in the City's sewer system and infrastructure as well as to an upgrade of the Auxiliary Water Supply System, which provides a critical backup high-pressure water source for firefighting.

In the public realm, the MTA's capital plan will make streets safer for all users—including pedestrians, bicyclists, and drivers—with nearly \$70 million allocated for 30 safety-related projects consistent with the City's Vision Zero goal of eliminating pedestrian fatalities by 2024.

As we invest substantial resources in our public infrastructure, we must not forget life safety concerns in private buildings across the City. The proposed budget for the Department of Building Inspection (DBI) includes funding for culturally competent, multi-lingual fire safety outreach services in vulnerable communities. The Mayor's Nuisance Abatement Revolving Loan Fund will create an affordable financing mechanism to help homeowners make safety and code compliance improvements that will pay off over the long term.

## **NEIGHBORHOOD AND QUALITY OF LIFE IMPROVEMENTS**

San Francisco is a city of neighborhoods, and this budget makes substantial investments in them. Over the coming year, the Library will expand service hours at 14 neighborhood branches – increasing their hours from 45 to 50 hours per week (a five percent increase in hours system wide). This improvement means that all libraries in the City will be open at least 50 hours per week – and six more branches will be open seven days a week. The expanded hours of operation will provide additional library services and programs for approximately 300,000 residents, including 49,000 residents aged 0 - 19. Enhanced access to library services will support academic achievement for school age children, enrich the lives of seniors, and expand digital inclusion in diverse communities. The Library will also invest in capital improvements to the Chinatown, Ocean View, and Mission branches.

In FY 2016-17, the Municipal Transportation Agency (MTA) will have fully implemented our historic ten percent service increase, which has put more buses and trains on the streets across the City. Continued

implementation of Muni Forward will increase service in every neighborhood while adding more late night transit, new routes, and improvements to existing routes. A safe, reliable Muni system is essential to the City's mobility and economic vitality. To that end, Muni will continue to provide free Muni service for low- and moderate-income youth, seniors, and people with disabilities, while increasing the upper age limit for discounted youth fares from 17 to 18. Lifeline passes will continue to provide reduced fares for qualified low-income Muni customers.

Finally, included in my May 1 budget is the PUC's launch of CleanPowerSF, our new community choice aggregation program. This local energy alternative will reduce the City's greenhouse gas emissions, expand San Francisco's local renewable resources, stabilize energy prices over the long-run, and build a more sustainable future while creating good local jobs.

This May 1 budget proposal is the first step in crafting a balanced budget for the coming two fiscal years. Over the next month, we will work to close a \$246.4 million two year General Fund shortfall in our June 1 budget without reducing service to the public. I look forward to working with the Board of Supervisors, residents, businesses, and other stakeholders to finalize a balanced budget that best embodies San Francisco's values and priorities.

Sincerely,



Edwin M. Lee  
Mayor



# BUDGET SUMMARY TABLES

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# USES BY DEPARTMENT

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
AIRPORT COMMISSION	1,015,547,176	925,831,985	967,563,709	41,731,724	1,001,059,426	33,495,717
BOARD OF APPEALS	875,398	928,604	971,442	42,838	987,221	15,779
BUILDING INSPECTION	64,380,627	72,065,853	72,526,278	460,425	71,788,210	(738,068)
CHILD SUPPORT SERVICES	12,775,614	12,926,081	13,960,062	1,033,981	14,006,750	46,688
COUNTY EDUCATION OFFICE	116,000	116,000	116,000	0	116,000	0
ENVIRONMENT	21,366,319	17,368,744	18,675,494	1,306,750	18,619,810	(55,684)
LAW LIBRARY	1,353,577	1,611,832	1,727,119	115,287	1,816,837	89,718
MUNICIPAL TRANSPORTATION AGENCY	964,323,554	1,021,454,182	1,166,929,407	145,475,225	1,188,092,671	21,163,264
PORT	80,863,633	109,731,648	135,481,924	25,750,276	124,126,413	(11,355,511)
PUBLIC LIBRARY	112,228,224	117,128,318	123,830,085	6,701,767	128,833,697	5,003,612
PUBLIC UTILITIES COMMISSION	824,788,951	973,661,875	993,473,154	19,811,279	1,057,400,995	63,927,841
RENT ARBITRATION BOARD	6,078,532	6,942,409	7,538,989	596,580	8,015,353	476,364
RETIREMENT SYSTEM	21,796,647	26,669,227	29,015,814	2,346,587	29,753,246	737,432
<b>Expenditure Subtotals</b>	<b>3,126,494,252</b>	<b>3,286,436,758</b>	<b>3,531,809,477</b>	<b>245,372,719</b>	<b>3,644,616,629</b>	<b>112,807,152</b>
Less Interdepartmental Recoveries And Transfers	(66,557,200)	(179,752,560)	(181,433,006)	(1,680,446)	(191,022,636)	(9,589,630)
<b>Net Uses</b>	<b>3,059,937,052</b>	<b>3,106,684,198</b>	<b>3,350,376,471</b>	<b>243,692,273</b>	<b>3,453,593,993</b>	<b>103,217,522</b>

# FUNDED POSITIONS BY SERVICE AREA AND DEPARTMENT

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>Service Area: 02 Public Works, Transportation &amp; Commerce</b>						
AIRPORT COMMISSION	1,472.66	1,492.61	1,553.05	60.44	1,597.25	44.20
BOARD OF APPEALS	5.00	5.00	5.00	0	5.00	0.00
BUILDING INSPECTION	287.34	283.15	285.92	2.77	285.80	(0.12)
MUNICIPAL TRANSPORTATION AGENCY	4,685.16	4,930.78	5,159.98	229.20	5,175.60	15.62
PORT	241.34	241.29	246.33	5.04	247.77	1.44
PUBLIC UTILITIES COMMISSION	1,618.25	1,633.53	1,654.04	20.51	1,657.41	3.37
<b>Service Area: 02 TOTAL</b>	<b>8,309.75</b>	<b>8,586.36</b>	<b>8,904.32</b>	<b>317.96</b>	<b>8,968.83</b>	<b>64.51</b>
<b>Service Area: 03 Human Welfare &amp; Neighborhood Development</b>						
CHILD SUPPORT SERVICES	80.65	74.87	81.06	6.19	79.40	(1.66)
ENVIRONMENT	61.69	61.07	66.25	5.18	66.14	(0.11)
RENT ARBITRATION BOARD	30.52	31.29	33.96	2.67	36.46	2.50
<b>Service Area: 03 TOTAL</b>	<b>172.86</b>	<b>167.23</b>	<b>181.27</b>	<b>14.04</b>	<b>182.00</b>	<b>0.73</b>
<b>Service Area: 05 Culture &amp; Recreation</b>						
LAW LIBRARY	3.00	3.00	3.00	0	3.00	0.00
PUBLIC LIBRARY	660.70	662.28	683.12	20.84	696.02	12.90
<b>Service Area: 05 TOTAL</b>	<b>663.70</b>	<b>665.28</b>	<b>686.12</b>	<b>20.84</b>	<b>699.02</b>	<b>12.90</b>
<b>Service Area: 06 General Administration &amp; Finance</b>						
RETIREMENT SYSTEM	103.14	105.43	110.05	4.62	111.76	1.71
<b>Service Area: 06 TOTAL</b>	<b>103.14</b>	<b>105.43</b>	<b>110.05</b>	<b>4.62</b>	<b>111.76</b>	<b>1.71</b>
<b>Report Grand Total</b>	<b>9,249.45</b>	<b>9,524.30</b>	<b>9,881.76</b>	<b>357.46</b>	<b>9,961.61</b>	<b>79.85</b>



# DEPARTMENT BUDGETS

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# AIRPORT

The San Francisco International Airport (SFO or “the Airport”) strives to be an exceptional airport in service to its communities. SFO is the Bay Area’s largest airport, offering non-stop links to more than 40 international cities on 34 international carriers as well as non-stop connections to 77 cities in the U.S. on 13 domestic airlines.

## SERVICES

The Airport provides services through the following divisions:

**ADMINISTRATION AND POLICY** creates and enhances partnerships within the City and with the Airport’s neighbors; recruits and maintains a competent workforce; oversees internship programs for workforce development; develops SFO’s federal and state policy agenda; develops environmental sustainability plans; and coordinates sustainability efforts throughout the Airport.

**BUSINESS AND FINANCE** ensures that Airport property and facilities achieve cost-efficiency; provides the proper environment for existing and new businesses; develops and implements innovative fiscal policies and solutions; manages the Airport’s financial performance; and oversees medical services at the Airport.

**DESIGN AND CONSTRUCTION** plans and implements capital improvement projects and programs. This division designs and oversees improvements to buildings, utilities, and other Airport systems.

**FACILITIES MAINTENANCE** keeps the Airport facilities clean, safe, and running efficiently.

**INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS (ITT)** is a telecom, network, internet and hosting service provider to all entities operating at the Airport, including airlines, concession tenants and government agencies, as well as a corporate technology provider to the Airport Commission.

**MARKETING AND COMMUNICATIONS** provides timely and accurate information regarding the Airport to the public, media, airlines, and neighboring communities; markets opportunities for new or expanded airline services, on-site parking, and concessions to increase Airport revenue; and oversees customer service programs.

**MUSEUMS** provide a broad range of attractions for the traveling public and displays wide ranging exhibitions reflecting the cultural diversity of San Francisco.

*Services (continued on next page)*

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	1,015,547,176	925,831,985	967,563,709	41,731,724	1,001,059,426	33,495,717
Total FTE	1,473	1,493	1,553	60	1,597	44

**OPERATIONS AND SECURITY** manages the airfield, public transportation, terminals, airport security program, and emergency procedures to provide the public with a safe, secure, efficient, and customer-friendly Airport.

**PLANNING** prepares long-range facility development planning studies and analyzes projects to support the development of the Airport capital improvement program.

## **LOOKING BACK**

SFO made important progress in a variety of objectives over the past year. Highlights include achieving a historic milestone of 50.1 million passengers in the fourth consecutive year of record-setting traffic. The 2015 figure represents a 6.2 percent increase over the previous record year, set in 2014. The International Trade Administration, an agency of the Department of Commerce, reported that SFO experienced the highest rate of international passenger traffic growth of any airport in the United States in 2015. SFO continues to be recognized as an industry leader and received numerous awards including Best Airport in the Americas by Frequent Business Traveler and #1 Airport in North America for Customer Service in the 2015 SkyTrax Passengers' Choice Awards.

### **ECONOMIC IMPACT**

In Fiscal Year (FY) 2014-2015 the Airport generated more than 39,400 jobs and \$7.8 billion in business activity. Off-site business activities that depend directly on local air service for staff travel, cargo deliveries, or visitor spending together raise the Airport's direct economic contribution to the Bay Area to \$34.7 billion in business sales and approximately 158,400 jobs. Operations at SFO also generated \$2.8 billion in state and local tax revenues during FY 2014-2015.

### **AIR TRAFFIC CONTROL TOWER PROJECT**

SFO and the Federal Aviation Administration have built a first-of-its-kind Airport Traffic Control Tower and Integrated Facility building that will provide the Airport with a state-of-the-art \$80 million control tower and base, expected to be fully operable in 2016. The 221 foot control tower meets stringent safety, security, and design standards, and obtained LEED® Gold status. The seismic design for the tower allows for the structure to withstand a magnitude 8 earthquake. The cab at the top of the tower features a cantilevered roof and frameless glass windows to give controllers an unobstructed view of the airfield

below. The tower façade consists of curved metal panels and a vertical glass band facing the public that will glow at night.

The tower was honored as the top engineering project in both the State of California and the United States by the American Council of Engineering Companies for its innovative and collaborative approach to design and construction.

### **TERMINAL 3 EAST**

Opened to the public in November 2015, Terminal 3 East continued the enhancement of SFO's customer experience with the renovation and expansion of the concourse area connecting Boarding Areas E and F.

The reconfiguration of the security checkpoint at Terminal 3 East improves passenger flow and includes technology to inform passengers of anticipated queue times. It also expanded the building by approximately 54,000 square feet to provide for more concessions and enhanced passenger amenities.

### **AWARDS**

In 2015, SkyTrax ranked the Airport fourth in the world in the 40-50 million passenger class while also declaring that SFO has Best Airport Staff in North America.

SFO was honored for Best Concession Management Team in the Airport Revenue News 2015 Best Airport & Concession Awards program.

Travel Weekly recognized the Airport with two 2015 Magellan awards for excellence, a Gold Award for a social media contest celebrating flights on Swiss International Airlines, and a Silver Award for leadership in environmental sustainability.

SFO was honored with a 2015 "Best of California" award for creating an Application-Based Commercial Transport System which tracks app-enabled commercial vehicles operating at the airport boundaries.

SFO's Visually Impaired Nav App was named by the



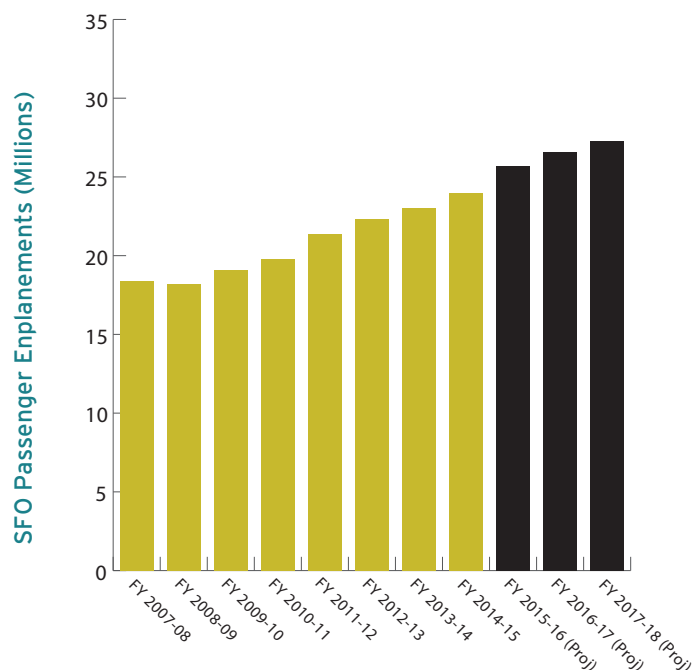
W3 Awards as a 2015 Silver winner. The W3 Awards honors creative excellence on the web.

SFO was voted “Best Airport in the Americas” by Frequent Business Traveler in 2015.

The Airport received the 2015 Gold Level Achievement Award from the American Heart Association for the Fit-Friendly Worksite Program.

### GROWTH IN SFO PASSENGER ENPLANEMENTS

The number of passenger enplanements (the number of passengers boarding an airplane) is expected to total 25.7 million in FY 2015-16 and 26.6 million in FY 2016-17. Enplanements are expected to total 27.3 million in FY 2017-18, a 2.7 percent increase over FY 2016-17.



## PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>ADMINISTRATION, BUSINESS</b>					
<b>Contribute to the strength of the local economy</b>					
• Amount of annual service payment to the City's General Fund, in millions	40.50	42.10	42.00	42.80	43.40
• Percent change in domestic air passenger volume	4.3%	1.7%	4.4%	2.5%	1.9%
• Percent change in international air passenger volume	5.3%	2.7%	6.4%	3.3%	2.9%
<b>Control airline cost per enplaned passenger</b>					
• Airline cost per enplaned passenger (in constant 2008 dollars)	\$14.11	\$14.73	\$14.39	\$14.89	\$15.34
<b>SAFETY &amp; SECURITY</b>					
<b>Provide accessible and convenient facilities and superior customer service</b>					
• Average immigration and customs wait times as a percent of the average of comparable airports	138%	110%	127%	130%	135%
• Overall rating of the airport (measured by passenger survey where 5 is outstanding and 1 is unacceptable)	4.01	4.10	4.04	4.10	4.10



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$967.56 million for the Airport is \$41.73 million, or 4.5 percent, higher than the FY 2015-16 budget of \$925.83 million. This increase is primarily due to the annualization of new positions added in the prior year; new positions proposed for FY 2016-17; higher costs for various non-personnel services and services of other City departments; and the purchase of new and replacement equipment. The budget includes a \$43.6 million annual service payment to the City's General Fund.

The FY 2017-18 proposed budget of \$1.00 billion for the Airport is \$33.50 million, or 3.5 percent, higher than the proposed FY 2016-17 budget of \$967.56 million. This increase is primarily due to the annualization of new positions added in the prior year; new positions proposed for FY 2017-18; higher costs for various non-personnel services; and rising debt service costs. The budget includes a \$44.5 million annual service payment to the City's General Fund.

## INVESTING IN CAPITAL, CREATING JOBS

The Airport's Ten-year Capital Improvement Plan (CIP) calls for \$4.5 billion in capital investments that will support the local economy and businesses.

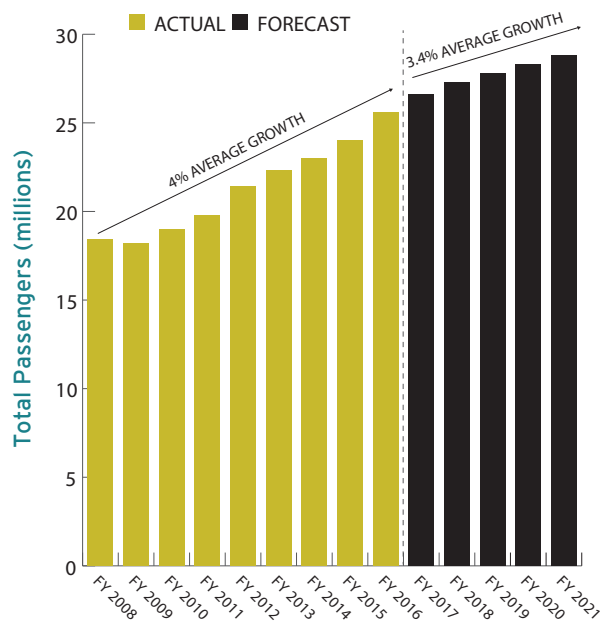
Highlights of the CIP include investments in terminal improvements, such as the renovation of Terminal 1 and the western portion of Terminal 3, an on-airport hotel, a second long-term parking garage, an extension of the AirTrain System to the long-term parking garages, a consolidated administration campus, runway and taxiway improvements and utility infrastructure improvements. The CIP anticipates that the Airport will invest approximately \$675 million in FY 2016-17 and another \$577 million in FY 2017-18. These investments are estimated to support approximately 10,500 jobs.

## PROVIDING LOCAL BUSINESS OPPORTUNITIES AND REVENUE

SFO continues to be one of the top performing airports for retail, food, and beverage concessions. With nearly sixty percent of concessionaires locally-owned, the Airport not only provides a unique experience, but also provides valuable opportunities and exposure for local businesses. In 2014, an innovative pop-up retail program was developed to facilitate small local business participation in SFO's retail program by providing opportunities for short-term permits with minimal start-up costs and ready-to-move-in facilities. This program has proven to be very successful and, to the delight of

### TOTAL PASSENGERS

The number of total passengers traveling through SFO has grown by an average of 4 percent annually over the past 10 years. Airport projections anticipate 3.4 percent annual passenger growth from 2017 through 2021.



passengers and tenants, it will be expanded in new terminal development. The Airport held a well-attended outreach workshop in January 2016 for local small business owners and is continuing to engage, educate, and encourage local businesses to participate in upcoming leasing opportunities for soon-to-be renovated areas of Terminal 3 and the new Terminal 1 Boarding Area B.

## **SUPPORTING TOURISM AND TRADE**

By attracting new and expanded airline service, the Airport supports tourism and international trade, while promoting lower fares. The Airport forecasts that enplanements (the number of passengers boarding an airplane) will exceed 26.5 million in FY 2016-17, a 3.8 percent increase from the FY 2015-16 projection of 25.6 million. Enplanements in FY 2017-18 are forecast to reach 27.3 million, a 2.7 percent year over year increase. Growth in the international sector is expected to outpace domestic growth in upcoming years, due to new and increased services. Recently added international services include new destinations served by Turkish Airways, Copa Airlines, and Air India, as well as increased frequencies or

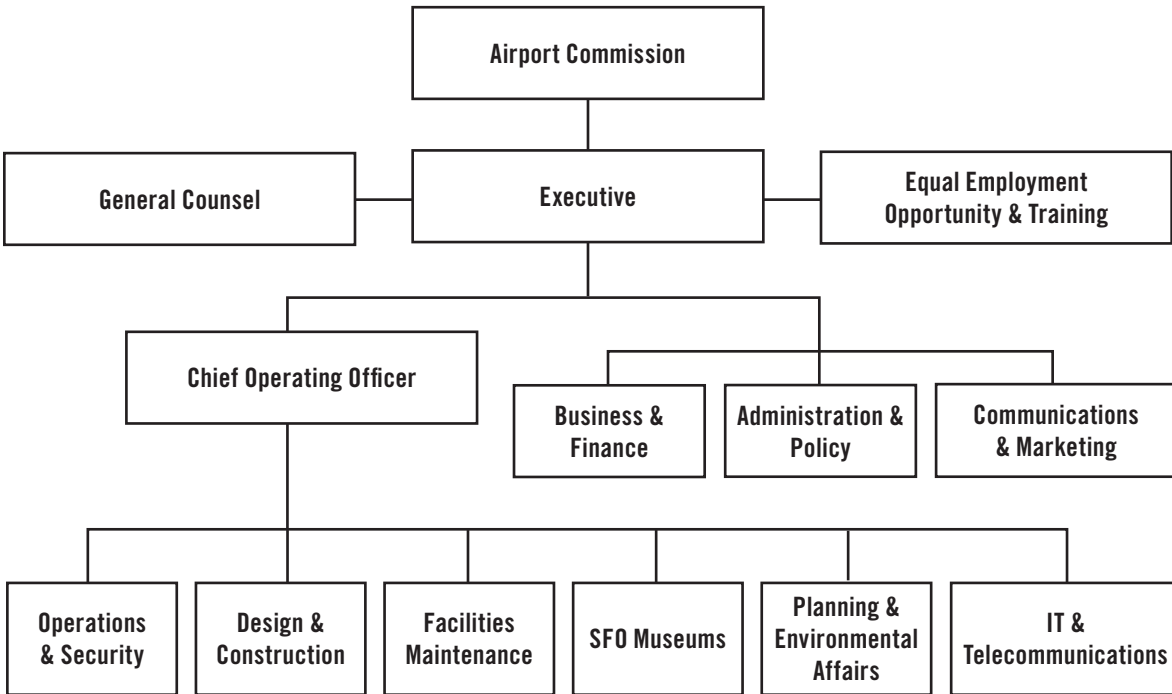
seat capacity growth by Etihad, Emirates, British Airways, Air Canada, Virgin Atlantic, and the return of service by Qantas Airlines. Additional new services commencing in the second half of FY 2015-16 include United Airlines flights to Tel Aviv, X'ian and Singapore, WOW Airways to Reykjavik, Air Berlin to Dusseldorf, and Fiji Airways seasonal service to Nadi.

## **GUEST EXPERIENCE**

The Airport strives for the highest ratings of guest satisfaction among international gateway airports in the United States as measured by the Airport Service Quality global survey and benchmarking program. Satisfaction scores for key performance indicators continue to rise on a year-over-year basis. Several key drivers of satisfaction saw improvement during 2015. Terminal 2 and Terminal 3 Boarding Area E have some of the highest scores in North America for cleanliness, ambiance, and comfort. A unique "Travel Well" service training curriculum, developed for Airport tenants, has contributed to higher staff courtesy scores airport-wide. New and ongoing programs, such as the Airport's Concierge and VIP service 'Airport Butler,' the Wag Brigade Therapy Dog Program, and 'You Are Hear' live music initiative continue to set SFO apart from other airports.



# AIRPORT ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	1,640.68	1,676.62	1,750.46	73.84	1,819.96	69.50
Non-operating Positions (cap/other)	(168.02)	(184.01)	(197.41)	(13.40)	(222.71)	(25.30)
<b>Net Operating Positions</b>	<b>1,472.66</b>	<b>1,492.61</b>	<b>1,553.05</b>	<b>60.44</b>	<b>1,597.25</b>	<b>44.20</b>
<b>SOURCES</b>						
Licenses & Fines	421,664	253,000	438,000	185,000	445,000	7,000
Use of Money or Property	295,040,288	299,162,000	320,131,000	20,969,000	329,132,000	9,001,000
Intergovernmental Revenue - Federal	32,705,846	22,250,000	20,909,000	(1,341,000)	21,510,000	601,000
Intergovernmental Revenue - State	2,583	20,000	20,000	0	20,000	0
Charges for Services	595,340,089	592,244,000	610,538,000	18,294,000	641,761,000	31,223,000
Other Revenues	82,346,760	42,610,000	42,764,000	154,000	43,545,000	781,000
Transfers In	65,804,453	94,328,212	76,675,588	(17,652,624)	77,070,000	394,412
Expenditure Recovery	402,375	9,272,869	7,632,577	(1,640,292)	8,337,797	705,220
Transfer Adjustments-Sources	(65,770,759)	(170,787,284)	(157,858,366)	12,928,918	(160,952,800)	(3,094,434)
Use of / (Deposit to) Fund Balance	9,253,877	36,479,188	46,313,910	9,834,722	40,191,429	(6,122,481)
<b>Sources Total</b>	<b>1,015,547,176</b>	<b>925,831,985</b>	<b>967,563,709</b>	<b>41,731,724</b>	<b>1,001,059,426</b>	<b>33,495,717</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	119,942,199	142,469,803	152,650,953	10,181,150	157,166,095	4,515,142
Fringe Benefits	61,399,228	84,112,725	79,413,012	(4,699,713)	86,807,333	7,394,321
Overhead	1,766,036	1,723,614	2,650,000	926,386	2,700,000	50,000
Professional & Contractual Services	96,953,757	105,857,537	129,368,959	23,511,422	132,871,224	3,502,265
Materials & Supplies	15,052,394	17,362,146	18,194,495	832,349	17,924,300	(270,195)
Equipment	1,341,116	1,972,180	3,996,782	2,024,602	2,504,438	(1,492,344)
Debt Service	391,124,285	424,391,269	420,860,380	(3,530,889)	433,023,815	12,163,435
Services of Other Departments	62,421,866	68,612,248	72,219,206	3,606,958	73,932,258	1,713,052
Transfers Out	141,650,752	135,205,675	120,264,301	(14,941,374)	121,614,963	1,350,662
Budgetary Reserves	0	0	0	0	9,185,000	9,185,000
Transfer Adjustments-Uses	(65,770,759)	(94,328,212)	(76,675,588)	17,652,624	(77,070,000)	(394,412)
<b>Uses - Operating Expenditures Total</b>	<b>825,880,874</b>	<b>887,378,985</b>	<b>922,942,500</b>	<b>35,563,515</b>	<b>960,659,426</b>	<b>37,716,926</b>
<b>USES - PROJECT EXPENDITURES</b>						
Facilities Maintenance	9,986,499	12,084,000	14,584,000	2,500,000	15,000,000	416,000
Capital Projects	179,679,803	26,369,000	30,037,209	3,668,209	25,400,000	(4,637,209)
<b>Uses - Project Expenditures Total</b>	<b>189,666,302</b>	<b>38,453,000</b>	<b>44,621,209</b>	<b>6,168,209</b>	<b>40,400,000</b>	<b>(4,221,209)</b>
<b>USES BY PROGRAM RECAP</b>						
Administration	22,274,127	27,585,835	32,673,217	5,087,382	35,442,283	2,769,066
Airport Director	9,267,478	8,974,493	9,302,337	327,844	9,307,825	5,488
Bureau Of Design And Construction	6,810,489	15,070,026	16,428,567	1,358,541	17,365,177	936,610
Business & Finance	482,149,027	540,450,743	538,640,958	(1,809,785)	561,622,745	22,981,787
Capital Projects And Grants	0	27,119,000	30,946,209	3,827,209	26,410,000	(4,536,209)
Chief Operating Officer	26,899,391	30,526,792	35,159,473	4,632,681	35,736,303	576,830
Communications & Marketing	7,631,316	9,211,710	18,230,080	9,018,370	18,736,554	506,474
Continuing Projects, Maint And Renewal	1,187	12,084,000	14,584,000	2,500,000	15,000,000	416,000
Departmental Fund Transfer	35,368,072	0	0	0	0	0
Facilities	166,070,637	178,258,624	184,285,748	6,027,124	190,847,032	6,561,284
Facilities Maintenance,Construction	189,603,035	0	0	0	0	0
Fire Airport Bureau Non-Personnel Cost	580,451	675,981	982,594	306,613	875,485	(107,109)
Operations And Security	60,924,110	68,401,111	74,987,449	6,586,338	79,429,756	4,442,307
Planning Division	5,548,492	4,182,008	6,394,959	2,212,951	6,154,495	(240,464)
Police Airport Bureau Non-Personnel Cost	2,419,364	3,291,662	4,948,118	1,656,456	4,131,771	(816,347)
<b>Uses by Program Recap Total</b>	<b>1,015,547,176</b>	<b>925,831,985</b>	<b>967,563,709</b>	<b>41,731,724</b>	<b>1,001,059,426</b>	<b>33,495,717</b>



# BOARD OF APPEALS

The Board of Appeals (BOA or PAB) provides the public with a final administrative review process for the issuance, denial, suspension, revocation, and modification of City permits as well as for certain decisions of the Zoning Administrator, Planning Commission, and Historic Preservation Commission.

## SERVICES

The Board of Appeals provides services through the following program areas:

**APPEAL PROCESSING** assists members of the public who want to learn about the appeal process, and those who want to file or respond to an appeal. BOA staff ensure that appeals are processed in conformance with the requirements of the City Charter and relevant codes, that appeals are decided at duly noticed public hearings, and that the BOA issues timely decisions to uphold, overrule, or modify departmental decisions.

**CUSTOMER SERVICE** provides notification of and information regarding public hearings on appeals, and strives to create a fair and impartial forum within which appeals may be considered and decided. Information about the appeal process is available through a variety of means, including the Department’s web site, at its offices, and at meetings at City Hall. Written materials are available in English, Spanish, Chinese, and Tagalog, and staff members are available to assist limited English speaking customers in Spanish.

The benchmarks used to assess the quality of customer service include clearly articulated timelines for assigning hearing dates, established briefing schedules, and hearing protocols that create a fair and accessible process, allowing all parties an equal opportunity to present their case. To ensure the appeals process is carried out in a timely manner, the BOA also benchmarks the timeliness of its determinations and issuance of written decisions.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	875,398	928,604	971,442	42,838	987,221	15,779
Total FTE	5	5	5	-	5	-



# LOOKING BACK

In Fiscal Year (FY) 2014-15, the volume of new appeals filed with the Board of Appeals was 183, just under the ten-year average of 198 appeals per year. Additionally, 19 requests for late jurisdiction and 26 rehearing requests were filed with the Board for a total of 228 new matters in FY 2014-15. The Board heard 162 of these matters: 125 appeals, 16 requests for late jurisdiction and 21 rehearing requests. The remaining cases were either settled by the parties and withdrawn, dismissed because the underlying determination was canceled, or were filed late in the year and carried over to be heard in the following year.

The BOA denied 58 percent of the appeals it heard during the year, upholding the underlying department’s decision. The BOA granted 38 percent of the appeals it heard, overruling or modifying the department’s original decision. The remaining eight percent were continued by the Board after hearing to allow other City processes to be completed before Board action.

The appeals heard during FY 2014-15 were associated with properties located in a wide range of San Francisco neighborhoods and stem

from decisions made by many different City departments and commissions. Two-thirds of the appeals heard during the year were land-use related determinations made by the Department of Building Inspection, the Planning Department, Planning Commission, or the Zoning Administrator. It is common for land-use matters to comprise the majority of the Board’s docket. This year, the Board saw an increase in appeals associated with permits to remove unpermitted residential dwelling units. The next largest number of appeals were related to Public Works determinations regarding tree removal and utility excavation permits to place telecommunications devices on public sidewalks. The remaining cases include nine appeals of determinations made by the Department of Public Health, most of which involved tobacco sales permits, and two by the Municipal Transportation Agency related to taxis.

Statistics on FY 2015-16 cases will be more fully compiled within the first quarter of the new fiscal year, but mid-year data indicate a slight increase in overall appeal volume and a continuation of the Board’s emphasis on land-use related appeals.



# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target

## APPEALS PROCESSING

### Provide a fair and efficient administrative appeals process to the public

• Percentage of cases decided within 75 days of filing	60%	60%	65%	60%	60%
• Percentage of written decisions released within 15 days of final action	93%	97%	97%	93%	93%





# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$0.97 million for the Board of Appeals is \$0.04 million, or 4.6 percent, higher than the FY 2015-16 budget of \$0.93 million. This increase is due to growth in staff costs.

The FY 2017-18 proposed budget of \$0.99 million for the Board of Appeals is \$0.02 million, or 1.6 percent, higher than the proposed FY 2016-17 budget of \$0.97 million. No staffing increases or programs that would require additional funds are budgeted. This modest budget increase is driven by operational cost escalation.

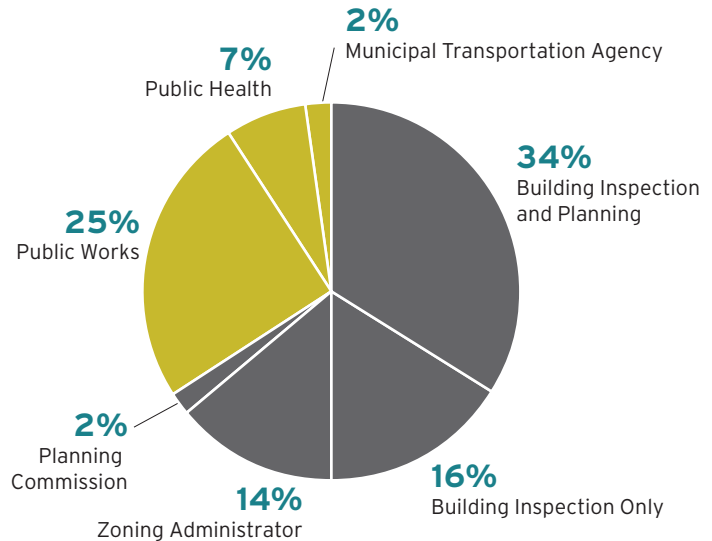
## INCREASING ACCESS AND EFFICIENCY

The Board continues to improve the accessibility of the appeal process by developing new resource

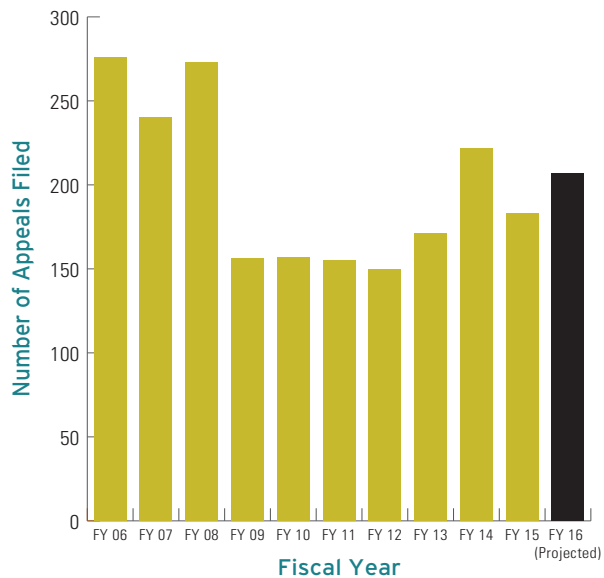
materials for the public and by providing written information in different languages. The Board is also posting more information to its web site, including all Board decisions dating back to its inception in 1932. The briefs, exhibits, and written public comment submitted to the Board for each case are also available on the Department's web site, in an effort to maximize public access to this information and to encourage the public's participation in matters heard by the Board.

The Board continues to pursue inter-agency data sharing to increase the efficiency of the appeal process. The ongoing enhancement of the Department's internal appeal management database continues to improve both the appeal filing experience and the Department's ability to report on appeal trends and outcomes.

**CASE ORIGINATION**  
Appeals stem from decisions made by a wide range of City departments and Commissions. Land use-related cases, shaded in dark gray, represent 66 percent of all case origination.

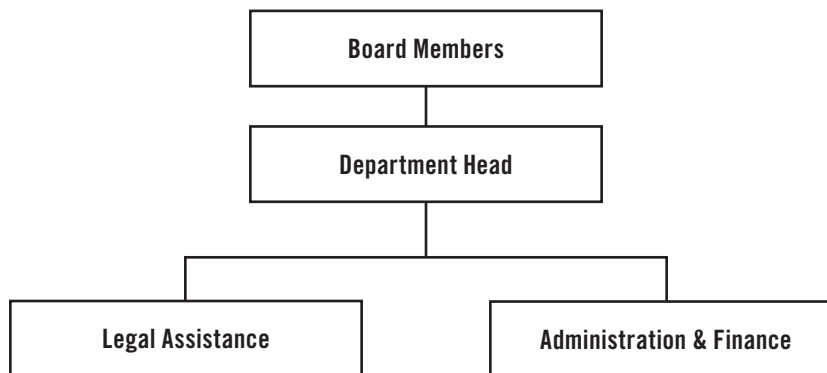


**APPEAL VOLUME**  
After a decline in the Great Recession, appeal volume has been increasing over the last four fiscal years.





# BOARD OF APPEALS ORGANIZATIONAL STRUCTURE



## TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	5.00	5.00	5.00	0.00	5.00	0.00
<b>Net Operating Positions</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	<b>5.00</b>	<b>0.00</b>
<b>SOURCES</b>						
Charges for Services	894,633	928,604	971,442	42,838	987,221	15,779
General Fund Support	(19,235)	0	0	0	0	0
<b>Sources Total</b>	<b>875,398</b>	<b>928,604</b>	<b>971,442</b>	<b>42,838</b>	<b>987,221</b>	<b>15,779</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	395,459	435,473	451,333	15,860	449,679	(1,654)
Fringe Benefits	245,911	193,142	201,972	8,830	219,150	17,178
Professional & Contractual Services	32,960	74,192	74,192	0	74,192	0
Materials & Supplies	9,649	9,398	9,398	0	9,398	0
Services of Other Departments	191,419	216,399	234,547	18,148	234,802	255
<b>Uses - Operating Expenditures Total</b>	<b>875,398</b>	<b>928,604</b>	<b>971,442</b>	<b>42,838</b>	<b>987,221</b>	<b>15,779</b>
<b>USES BY PROGRAM RECAP</b>						
Appeals Processing	875,398	928,604	971,442	42,838	987,221	15,779
<b>Uses by Program Recap Total</b>	<b>875,398</b>	<b>928,604</b>	<b>971,442</b>	<b>42,838</b>	<b>987,221</b>	<b>15,779</b>

# BUILDING INSPECTION

The Department of Building Inspection (DBI) ensures that life and property within the City and County of San Francisco are safeguarded and provides a public forum for community involvement in that process. The Department of Building Inspection oversees the effective, efficient, fair, and safe enforcement of Building, Housing, Plumbing, Electrical, and Mechanical Codes, along with the Disability Access Regulations.

## SERVICES

The Department of Building Inspection provides services in the following areas:

**ADMINISTRATIVE SERVICES** is responsible for fiscal management, purchasing, payroll and personnel, business analysis, and records management. Administrative services also includes the Development Impact Fee Collection Unit.

**INSPECTION SERVICES** is responsible for inspecting buildings, structures, and sites within the City for compliance with applicable laws regulating construction, quality of materials, use of occupancy, location, and maintenance. Inspection Services includes Building, Electrical, Plumbing, Housing, and Code Enforcement.

**PERMIT SERVICES** is responsible for the collection of fees associated with permits, over-the-counter permit plan check and issuance, coordination of submitted permit applications, final approval, and technical services to ensure that proposed construction work meets all code safety requirements. Permit Services also includes Management Information Services.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	64,380,627	72,065,853	72,526,278	460,425	71,788,210	(738,068)
Total FTE	287	283	286	3	286	0



# LOOKING BACK

In Fiscal Year (FY) 2014-15, the Department issued over 68,000 construction permits and performed over 154,000 inspections; total construction permit valuation equaled \$3.6 billion, and the Department processed more than 90 percent of permits over the counter.

## INCREASE AND MAINTAIN HOUSING STOCK

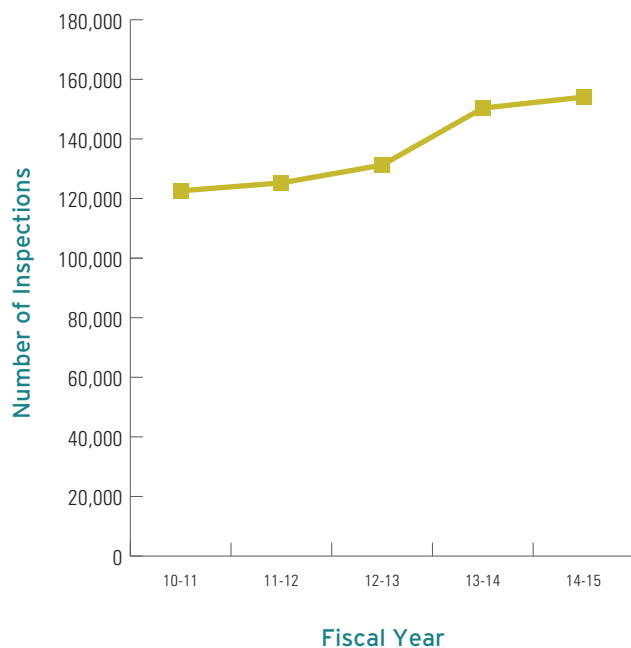
In FY 2014-15, DBI worked with city departments and community based organizations to meet the Mayor’s Executive Directive to increase housing production in the City. The continuing construction activity resulted in approximately 4,000 residential units through new construction or alterations of existing buildings. DBI ensured that work was done in accordance with applicable codes for residential and mixed-use projects.

In addition, the Department continued to work to maintain habitable housing stock through various programs. The Code Enforcement program addressed lack of heat, inadequate toilet and shower facilities, egress, fire alarm, and other housing safety issues. In FY 2014-15, over 6,000 households were assisted.

For the past two fiscal years, DBI has worked closely with the Mayor’s Office of Housing and Community Development to provide priority permitting for the Rental Assistance Demonstration Project (RAD). DBI issued permits for 1,400 units for Phase I of the project.

### INSPECTIONS PERFORMED

The number of DBI inspections has grown in recent years as construction activity in San Francisco has increased.



## ENHANCE SEISMIC SAFETY THROUGH CODE ENFORCEMENT AND OUTREACH

In recent years, DBI implemented several seismic safety measures and completed Phase I of the Mandatory Seismic Safety Program, including notifying all owners of property subject to the program and creating a registry of these properties. DBI is working with property owners to complete Phases II and III, which require noticed property owners to file permits and complete construction. In addition, the Department implemented seismic safety outreach programs in Chinatown, the Bayview, and the Western Addition and provided earthquake preparedness information to the general public.

DBI re-established the Disaster Preparedness Coordination Unit (DCU) to improve emergency response during disasters. The DCU develops trainings and maintains adequate emergency supplies for DBI staff. The DCU also coordinates department emergency response with city, state, and federal partners.

## FEE REDUCTION AND RESTRUCTURING

In FY 2015-16, the Department implemented a number of changes to its fees. The seven percent reduction in fees for staff services introduced as temporary in FY 2014-15 was made permanent. In addition, three new valuation tiers were added to

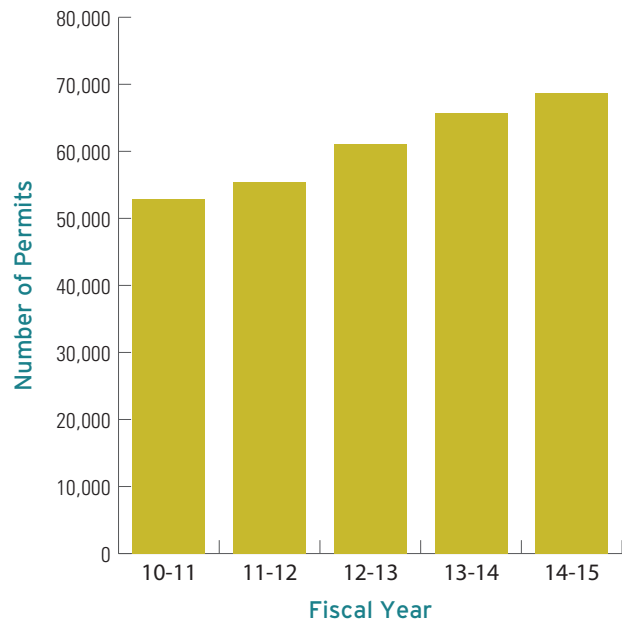
the Department's fee table to reflect the increase in valuation of construction projects. The existing fee schedule assessed the same fees on any project assessed above \$5.0 million. The new fee schedule includes the following valuation tiers: \$50.0 million to \$100.0 million, \$100.0 million to \$200.0 million, and \$200.0 million and above.

## CONTINUE HIRING TO MEET INCREASED DEMAND AND IMPROVE CUSTOMER SERVICE

DBI continues to experience growth in the demand for permit and inspection services. To address increased demand, DBI is continuing its recruitment efforts to hire inspection, engineer, administrative, and information technology staff. The Department filled over 35 positions in FY 2015-16.

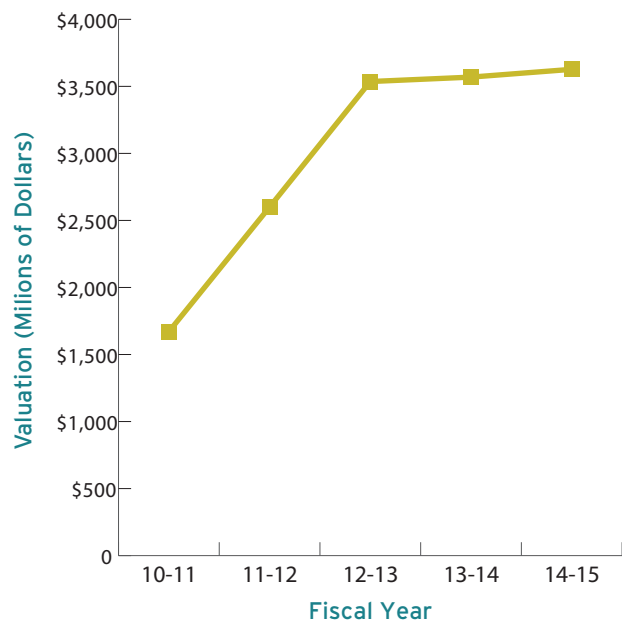
### NUMBER OF PERMITS ISSUED

The number of permits issued by DBI has grown steadily from FY 2010-2011 to FY 2014-2015.



### CONSTRUCTION VALUATIONS

In FY 2014-15 DBI permitted construction projects with a total valuation of \$3.6 billion.





# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>DBI - INSPECTION SERVICES</b>					
<b>Improve Code Enforcement</b>					
• Inspections per inspector/day (building)	11.8	11.0	11.0	11.0	11.0
• Inspections per inspector/day (electrical)	12.2	11.0	11.0	11.0	11.0
• Inspections per inspector/day (plumbing)	11.7	11.0	11.0	11.0	11.0
• Percentage of Life Hazards or Lack of Heat Complaints Responded to Within One Business Day	92%	100%	100%	100%	100%
• Percentage of Non-Hazard Housing Inspection Complaints Responded to Within Three Business Days.	96%	80%	80%	80%	80%
<b>Improve Construction Inspection Response Time</b>					
• Percentage of Customer-Requested Inspections Completed Within Two Business Days of Requested Date	97%	90%	90%	90%	90%
<b>DBI - PERMIT SERVICES</b>					
<b>Percentage of Submitted Permit Applications Routed within One Business Day</b>					
• Timeliness of Distributing Submitted Drawings	100%	90%	100%	90%	90%
<b>DBI - PLAN REVIEW SERVICES</b>					
<b>Improve Plan Review Turnaround Time</b>					
• Percentage of Permit Applications for Multi-Family Residential and/or Mixed-Use Buildings Reviewed Within 42 Calendar Days	99%	90%	90%	90%	90%
• Percentage of Permit Applications for Office and/or Commercial Buildings Reviewed Within 42 Calendar Days	99%	90%	90%	90%	90%
• Percentage of Permit Applications for One and Two Family Dwellings Reviewed Within 28 Calendar Days	96%	90%	90%	90%	90%



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$72.53 million for the Department of Building Inspection is \$0.46 million, or 0.6 percent, higher than the FY 2015-16 budget of \$72.07 million. This growth is due to increased grants to community based organizations, additional code enforcement and fire prevention outreach programs, and escalation in personnel cost.

The FY 2017-18 proposed budget of \$71.8 million for the Department of Building Inspection is \$0.7 million, or 1.0 percent, lower than the proposed FY 2016-17 budget of \$72.5 million. This reduction is due to the continuation of a 7 percent reduction in fees for staff services implemented in FY 2015-16.

## EXPAND DEPARTMENT EDUCATION AND OUTREACH

The proposed budget includes funding to meet the Department’s goal of proactively engaging and educating the public on DBI services. This includes increased funding for fire prevention education and outreach; seismic safety and code enforcement outreach programs; printing and mailing; and translation services. Over the next two fiscal years, the Department will update brochures, information sheets, and other department materials to assist DBI customers with the permitting process.

## CONTINUED IMPLEMENTATION OF BUILDING LEGISLATION

The Department will continue to implement recently enacted legislation to address construction activity and ensure building safety and accessibility.

The Department has developed various programs including Mandatory Seismic Safety and Illegal Unit Legalization. The budget continues to fund positions, materials and supplies, and outreach for these programs. In addition, the Department will implement new legislation including Mandatory Accessibility Improvement Ordinance and planning the implementation of the Building Façade Inspection and Maintenance Ordinance.

## MEET MAYOR’S HOUSING EXECUTIVE DIRECTIVE

DBI will continue to address the Mayor’s Housing Executive Directive. The Department will accelerate the review and approval process for affordable housing projects. In partnership with the Mayor’s Office of Housing and Community Development, DBI will begin review of Phase II of the Rental Assistance Demonstration program. In addition, the Department will continue to work with other city departments and community based organizations to identify and address code enforcement issues.

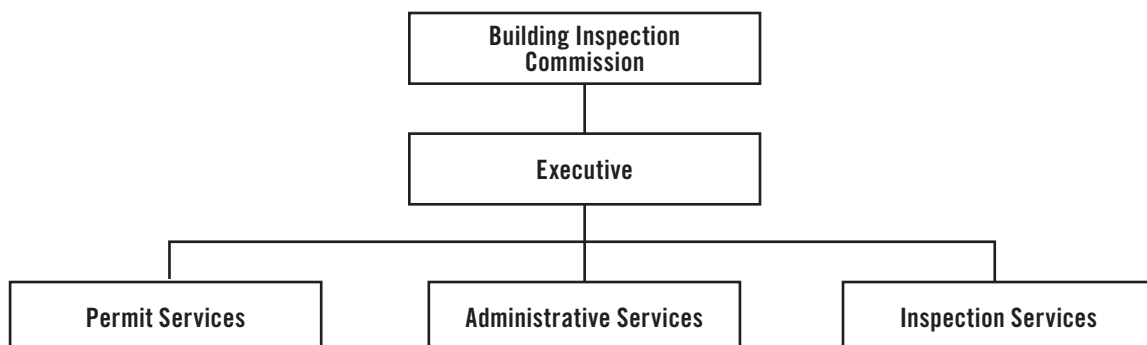
## CUSTOMER SERVICE

Over the next two fiscal years, DBI will continue to focus on customer service improvement as it implements a variety of technology and building upgrades. Additionally, DBI will continue to complete digitization of department records which will reduce the time needed to process record requests.

As in FY 2014-15, DBI will hire new inspection, permit, and IT staff to help the Department expand services for residents.



# BUILDING INSPECTION COMMISSION ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	308.58	307.15	309.92	2.77	309.80	(0.12)
Non-operating Positions (cap/other)	(21.24)	(24.00)	(24.00)	0.00	(24.00)	0.00
<b>Net Operating Positions</b>	<b>287.34</b>	<b>283.15</b>	<b>285.92</b>	<b>2.77</b>	<b>285.80</b>	<b>(0.12)</b>
<b>SOURCES</b>						
Licenses & Fines	6,647,383	6,696,009	6,696,009	0	6,696,009	0
Use of Money or Property	793,818	559,214	559,214	0	559,214	0
Charges for Services	65,481,089	54,216,592	57,495,931	3,279,339	55,014,777	(2,481,154)
Other Revenues	8,460	0	0	0	0	0
Transfers In	65,351,926	7,279,763	5,501,579	(1,778,184)	5,501,579	0
Expenditure Recovery	425,388	148,372	167,472	19,100	157,125	(10,347)
Transfer Adjustments-Sources	(65,351,926)	(7,279,763)	(5,501,579)	1,778,184	(5,501,579)	0
Use of / (Deposit to) Fund Balance	(8,975,511)	10,445,666	7,607,652	(2,838,014)	9,361,085	1,753,433
<b>Sources Total</b>	<b>64,380,627</b>	<b>72,065,853</b>	<b>72,526,278</b>	<b>460,425</b>	<b>71,788,210</b>	<b>(738,068)</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	26,479,633	30,244,513	31,593,807	1,349,294	31,494,180	(99,627)
Fringe Benefits	12,585,666	13,112,487	13,745,876	633,389	14,847,283	1,101,407
Overhead	752,076	1,201,701	742,252	(459,449)	742,252	0
Professional & Contractual Services	2,430,546	8,787,270	8,142,486	(644,784)	8,192,486	50,000
Aid Assistance / Grants	2,460,165	3,047,111	3,678,314	631,203	3,678,314	0
Materials & Supplies	686,854	599,715	676,300	76,585	676,300	0
Equipment	3,194,499	600,000	180,000	(420,000)	290,000	110,000
Services of Other Departments	9,607,855	11,723,056	13,767,243	2,044,187	11,867,395	(1,899,848)
Transfers Out	70,351,926	7,279,763	5,501,579	(1,778,184)	5,501,579	0
Budgetary Reserves	0	1,750,000	0	(1,750,000)	0	0
Transfer Adjustments-Uses	(65,351,926)	(7,279,763)	(5,501,579)	1,778,184	(5,501,579)	0
<b>Uses - Operating Expenditures Total</b>	<b>63,197,294</b>	<b>71,065,853</b>	<b>72,526,278</b>	<b>1,460,425</b>	<b>71,788,210</b>	<b>(738,068)</b>
<b>USES - PROJECT EXPENDITURES</b>						
Capital Projects	1,183,333	1,000,000	0	(1,000,000)	0	0
<b>Uses - Project Expenditures Total</b>	<b>1,183,333</b>	<b>1,000,000</b>	<b>0</b>	<b>(1,000,000)</b>	<b>0</b>	<b>0</b>
<b>USES BY PROGRAM RECAP</b>						
Administration/Support Services	22,110,091	23,776,844	22,052,141	(1,724,703)	21,335,868	(716,273)
Housing Inspection/Code Enforcement Svcs	8,519,035	11,318,374	10,891,040	(427,334)	11,021,721	130,681
Inspection Services	20,078,729	22,089,561	23,522,163	1,432,602	23,094,790	(427,373)
Plan Review Services	13,672,772	14,881,074	16,060,934	1,179,860	16,335,831	274,897
<b>Uses by Program Recap Total</b>	<b>64,380,627</b>	<b>72,065,853</b>	<b>72,526,278</b>	<b>460,425</b>	<b>71,788,210</b>	<b>(738,068)</b>



# CHILD SUPPORT SERVICES

The Department of Child Support Services (CSS) works to empower parents to provide economic support for their children, thereby contributing to the well-being of families and children.

## SERVICES

The Department of Child Support Services provides services through the following divisions:

**CASE MANAGEMENT** manages child support caseload and works with families to ensure that children are financially, medically, and emotionally supported. The Department delivers direct services to clients through the provision of a variety of programs focused on the economic security of the family and the safety of the child.

**LEGAL SERVICES** provides initial and on-going support to parents in the areas of paternity establishment, locating parents, requests for child and medical support orders from the court, enforcement and modification of support orders, and the collection and distribution of child support.

**ADMINISTRATION** provides policy direction and acts as the conduit to all federal, state, and local government agencies. Administration ensures compliance with personnel management regulations and all related memoranda of understanding and labor contracts, and assures the fiscal integrity of the Department as it relates to reporting, record-keeping, and procurement.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	12,775,614	12,926,081	13,960,062	1,033,981	14,006,750	46,688
Total FTE	81	75	81	6	79	(2)



# LOOKING BACK

Over the course of FY 2015-16, Child Support Services maintained its base of services to support children and families in the following areas:

## DEBT MANAGEMENT — COMPROMISE OF ARREARS PROGRAM (COAP)

In response to the increasing number of court orders that are considered unenforceable or non-collectable, the State of California implemented the Compromise of Arrears Program (COAP) in 2004. COAP offers an arrears management solution to parents who would otherwise not be able to pay their case balance.

During the first ten years of the program, San Francisco's COAP received 113 applications resulting in the compromise of \$858,500 of unpaid child support debt in exchange for repayment settlements totaling \$132,500.

In FY 2015-16, San Francisco's COAP received 32 applications resulting in the compromise of \$370,534 of unpaid child support debt in exchange for repayment settlements totaling \$61,571.

## SERVING INCARCERATED PARENTS

Since 2007, CSS has worked with the Sheriff's Department to provide on-site child support services to incarcerated parents. Caseworkers and attorneys meet weekly with noncustodial parents who are incarcerated in the San Francisco County jail to discuss and respond to client concerns and modify clients' orders. Over the course of the jail outreach initiative, 3,593 unique child support cases

have been identified, associated with over \$21.6 million of debt owed.

## REDUCING DOMESTIC VIOLENCE

CSS developed a Family Violence Indicator (FVI) for case managers to flag cases of domestic violence where the enforcement of child support obligations may be dangerous. In response to an increase in the number of cases flagged with the FVI, CSS has trained caseworkers and attorneys to communicate effectively with victims and perpetrators of domestic violence, and to work with non-custodial parents to safely secure child support for the custodial parent. Proactive case management strategies have been implemented throughout the Department and staff continue to work with State partners to develop system enhancements to effectively manage cases impacted by domestic violence.

## COLLABORATING WITH CITY COLLEGE

Beginning in 2014, CSS, in collaboration with Family Court Services, Domestic Violence Advocates and other stakeholders, reengaged with City College of San Francisco to provide child support services to student parents. Onsite services include assistance with case management needs in the areas of case opening, debt management, order modification, and assistance with establishing parenting time plans. The project, implemented in March 2015 with the Southeast and Mission campuses, expects to strengthen family relationships, while expanding access to CSS for local residents and supporting student parents with meeting their educational goals.



# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>CHILD SUPPORT SERVICES PROGRAM</b>					
<b>Establish child support orders</b>					
• San Francisco orders established as a percentage of cases needing an order	91.1%	91.9%	90.8%	92.7%	90.7%
<b>Establish paternity for children born out of wedlock in the county</b>					
• Percentage of IV-D cases in San Francisco with paternity established for children in caseload born out of wedlock	98.3%	99.0%	98.4%	99.6%	98.4%
<b>Increase economic self-sufficiency of single parent families</b>					
• Amount of child support collected by SF DCSS annually, in millions	\$26.70	\$27.00	\$26.60	\$27.27	\$26.60
• San Francisco cases with collections on arrears during the fiscal year as a percentage of all cases in San Francisco	63.5%	64.4%	62.8%	65.4%	62.8%
• San Francisco current collections as a percentage of current support owed	82.4%	75.0%	74.2%	75.7%	74.3%



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$13.96 million for the Department of Child Support Services is \$1.03 million, or 8.0 percent, higher than the FY 2015-16 budget of \$12.93 million. This growth is due to increased staff at the Department to improve caseload to worker ratios and services as detailed below.

The FY 2017-18 proposed budget of \$14.01 million for the Department of Child Support Services is \$0.05 million, or 0.3 percent, higher than the proposed FY 2016-17 budget of \$13.96 million. This modest budget increase is driven by operational cost escalation.

## REENTRY SERVICES FOR PARENTS

Child Support Services (CSS) partners with the Adult Probation Department (APD) to provide onsite and referral support to probationers with child support obligations. Services include assistance with case management needs, debt management, order modification, and the gradual re-introduction of realistic child support orders that are mindful of the instability many parents experience as they transition from incarceration. This initiative reduces the negative impact that full child support enforcement

may have on the successful reintegration of post-release parents.

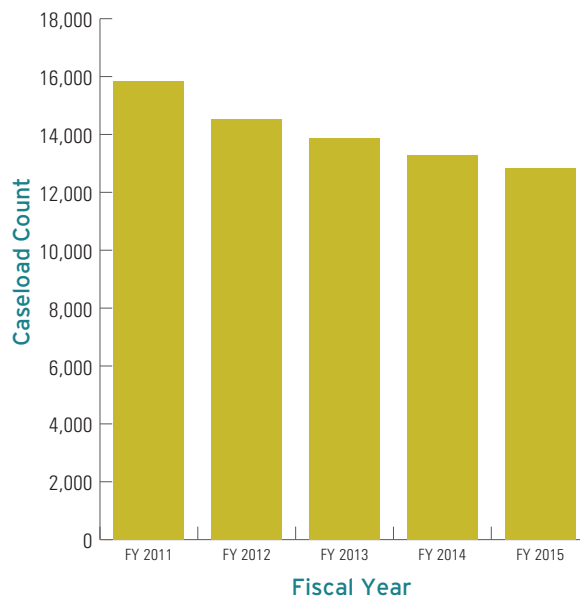
## ONLINE APPLICATION FOR CHILD SUPPORT IS HERE

In an effort to improve parent access to the child support program, the California Department of Child Support Services (CA DCSS) and CSS introduced VIOLA (Virtual Interactive Online Application) for child support. Now parents can complete and submit their child support application electronically anytime. It is an easy, secure, no-cost application process that parents can access anytime and anywhere. The service is available in English and Spanish.

## CHILD SUPPORT AND PARENTING TIME

Child well-being is improved by positive and consistent emotional and financial support from both parents. By offering family-centered services, CSS helps support relationships between parents and relationships between parents and their children, which are vitally important for both child well-being and stable child support payments.

**CSS CASELOAD COUNT**  
Caseload has dropped by 19 percent between 2011 and 2015.



Parenting Time (also known as visitation or access) refers to the amount of court-ordered time a child spends with each parent. Of the many considerations that influence the amount of a child support order, the amount of time each parent spends with the child is the most significant. Research shows that noncustodial fathers who are involved with their children are more likely to pay child support, and noncustodial fathers who pay child support are more likely to stay involved in their children's lives. Through collaboration with the DPH's DADS Project, Project 500, and HOPE SF, CSS will apply an enhanced case management strategy to assist parents with establishing voluntary parenting time plans and encourage noncustodial fathers' participation in fatherhood programming while working with them to resolve outstanding concerns related to their child support case. It is through this collaboration that CSS expects to promote fatherhood awareness and engagement, increase access to Family Court services and parenting time plans, and improve child support outcomes for participating families.

### **SUPPORT FOR PARENTS TO TRANSITION TO PERMANENT EMPLOYMENT**

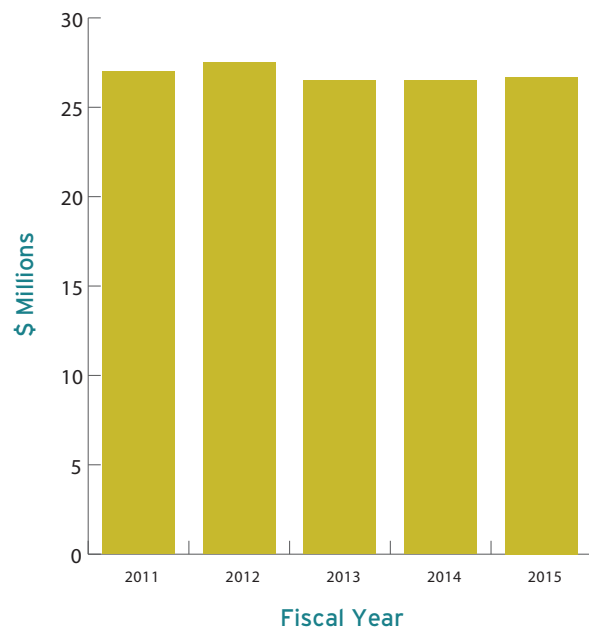
Please see the charts for an analysis of caseload and collections between 2011 and 2015. Although caseload has dropped by 19 percent between 2011

and 2015, collections have remained strong, only declining by 1 percent. This has been due in a large part to the collaboration with the San Francisco Office of Economic and Workforce Development's (OEWD) US Department of Labor grant—TransitionsSF.

In partnership with OEWD, the San Francisco Human Services Agency, and SF Goodwill, CSS won an Enhanced Job Training Demonstration grant from the Department of Labor for "Transitions SF." Transitions SF targets non-custodial parents ages 18-59, with minor children, who reside in San Francisco and who have been identified by CSS as either delinquent in child support payments or non-job ready. The Department recruited and referred approximately 1,000 NCPs through Family Court orders. Successful graduates of Transitions SF have moved from subsidized employment to permanent employment, increasing their child support payments versus recipients of standard job placement services who only pay during the subsidized employment period. Although the grant ended in June 2015, CSS has updated its service delivery model to incorporate specialized, intensive services to program participants to assist them in modifying child support orders, repaying arrears, and making child support obligations in align with their income and ability to pay.

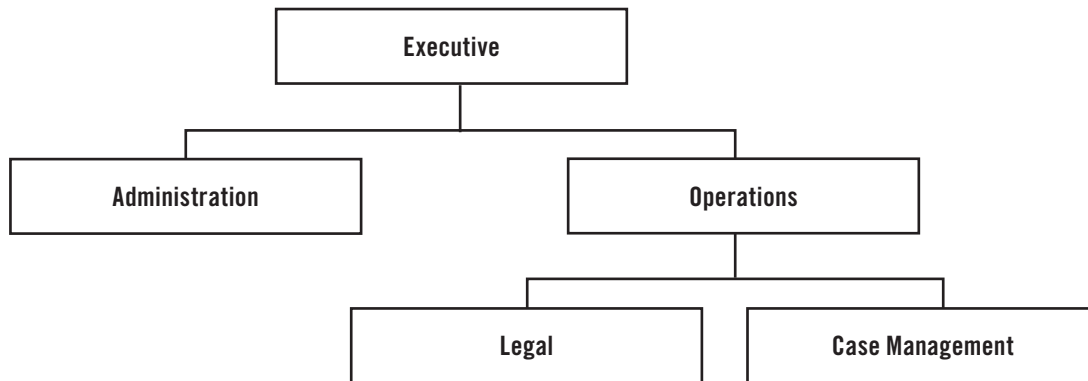
**CSS DISTRIBUTED COLLECTIONS**

Collections have remained strong, reducing by 1 percent between 2011 and 2015 despite reduction in cases.





# CHILD SUPPORT SERVICES ORGANIZATIONAL STRUCTURE



## TOTAL BUDGET – HISTORICAL COMPARISON

	2014–15	2015–16	2016–17		2017–18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015–16	Proposed Budget	Chg from 2016–17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	80.65	74.87	81.06	6.19	79.40	(1.66)
<b>Net Operating Positions</b>	<b>80.65</b>	<b>74.87</b>	<b>81.06</b>	<b>6.19</b>	<b>79.40</b>	<b>(1.66)</b>
<b>SOURCES</b>						
Use of Money or Property	5,629	0	0	0	0	0
Intergovernmental Revenue - Federal	8,189,294	8,500,640	8,896,891	396,251	8,920,050	23,159
Intergovernmental Revenue - State	4,218,727	4,379,117	4,344,276	(34,841)	4,344,276	0
Expenditure Recovery	387,244	46,324	718,895	672,571	742,424	23,529
Use of / (Deposit to) Fund Balance	(25,280)	0	0	0	0	0
<b>Sources Total</b>	<b>12,775,614</b>	<b>12,926,081</b>	<b>13,960,062</b>	<b>1,033,981</b>	<b>14,006,750</b>	<b>46,688</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	6,562,104	6,608,921	7,391,867	782,946	7,210,763	(181,104)
Fringe Benefits	3,962,561	3,557,430	3,781,555	224,125	3,993,171	211,616
Professional & Contractual Services	1,447,222	1,739,595	1,820,891	81,296	1,721,317	(99,574)
Materials & Supplies	37,640	106,688	155,444	48,756	297,688	142,244
Equipment	17,608	0	0	0	0	0
Services of Other Departments	748,479	913,447	810,305	(103,142)	783,811	(26,494)
<b>Uses - Operating Expenditures Total</b>	<b>12,775,614</b>	<b>12,926,081</b>	<b>13,960,062</b>	<b>1,033,981</b>	<b>14,006,750</b>	<b>46,688</b>
<b>USES BY PROGRAM RECAP</b>						
Child Support Services Program	12,775,614	12,926,081	13,960,062	1,033,981	14,006,750	46,688
<b>Uses by Program Recap Total</b>	<b>12,775,614</b>	<b>12,926,081</b>	<b>13,960,062</b>	<b>1,033,981</b>	<b>14,006,750</b>	<b>46,688</b>



# COUNTY EDUCATION

Funding for support staff at the San Francisco Unified School District's (SFUSD) County Education Office is legally required of San Francisco under the California Constitution.

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## SUMMARY

In Fiscal Year (FY) 2002-03, funding for programs and services at the County Education Office was diverted to the Department of Children, Youth & Their Families (DCYF), which administers funds in conjunction with SFUSD.

In March 2004, voters approved Proposition H, creating a Public Education Enrichment Fund (PEEF) and requiring that the City allocate General Fund revenue each year to support the Preschool for All program and programs at SFUSD. More information about the Preschool for All program, formerly housed at the Children and Families Commission (First 5) and now fully transitioned to the Office of Early Care and Education in the Human Services Agency, will be found in the Mayor's Proposed June Budget.

In November 2014, with the passage of Proposition C (Prop C) voters reauthorized PEEF for another 26 years. The total provisional PEEF allocation to SFUSD in FY 2016-17 is \$72.5 million, a 5 percent increase over the FY 2015-16 contribution, and another \$75.3 million in FY 2017-18.

Notable changes to PEEF under Prop C include the removal of the emergency "trigger" option which allowed the City to defer a portion of the allocation during years of financial hardship, the ability to count in-kind services as a component of the allocation, and the restructuring of the reserve funds. Prop C revised the structure of the Rainy Day reserve, dissolving the single reserve structure and creating two new, separate reserves—a City Reserve and School Reserve. Withdrawal from the School Reserve is now allowed by a majority vote of the School Board. Through the new structure of the School Reserve there is an additional \$42.1 million available to SFUSD.

# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>SOURCES</b>						
General Fund Support	116,000	0	116,000	116,000	116,000	0
<b>Sources Total</b>	<b>116,000</b>	<b>0</b>	<b>116,000</b>	<b>116,000</b>	<b>116,000</b>	<b>0</b>
<b>USES - OPERATING EXPENDITURES</b>						
Aid Assistance / Grants	116,000	116,000	116,000	0	116,000	0
<b>Uses - Operating Expenditures Total</b>	<b>116,000</b>	<b>116,000</b>	<b>116,000</b>	<b>0</b>	<b>116,000</b>	<b>0</b>
<b>USES BY PROGRAM RECAP</b>						
County Education Services	116,000	116,000	116,000	0	116,000	0
<b>Uses by Program Recap Total</b>	<b>116,000</b>	<b>116,000</b>	<b>116,000</b>	<b>0</b>	<b>116,000</b>	<b>0</b>



# ENVIRONMENT

The Department of the Environment (ENV) creates visionary policies and innovative programs that promote social equity, protect human health, and lead the way toward a sustainable future. The Department puts this mission into action by mobilizing communities and providing the resources needed to safeguard our homes, our city, and ultimately our planet.

## SERVICES

The Department of the Environment provides services through the following program areas:

**CLEAN TRANSPORTATION** promotes alternatives to driving for residents, businesses, and City agencies, encourages clean alternative fuel technology, and monitors the alternative fuel composition of the City fleet.

**CLIMATE** tracks greenhouse gas emissions for San Francisco’s municipal operations, and designs and coordinates policies to reduce the City’s carbon footprint in line with approved goals.

**ENERGY** provides energy efficiency audits at commercial establishments, offers retrofits and free energy-efficient appliances to commercial and residential clients, and facilitates both residential and commercial solar energy installations.

**GREEN BUILDING** furthers resource conservation in the construction, demolition, and maintenance of municipal building projects, and enhances the environmental performance of residential and commercial buildings in San Francisco.

**GREEN BUSINESS** helps San Francisco businesses adopt environmental practices that are sustainable as well as profitable, and recognizes partners in sustainable business practices for their efforts with the San Francisco Green Business seal.

**ENVIRONMENTAL JUSTICE** addresses air quality, energy infrastructure, and health concerns in communities that bear a disproportionate environmental burden, and helps to build healthier, more sustainable neighborhoods.

**OUTREACH** provides outreach to San Francisco residents and schools. The school outreach program provides curriculum to over 225 San Francisco public and private schools, and teaches K-12 students how to protect nature through topics such as zero waste, urban gardening, and water pollution prevention.

**TOXICS REDUCTION** promotes proper use and disposal of toxic products, and educates municipal, commercial, and residential clients on non-toxic alternatives.

**ZERO WASTE** promotes recycling, materials reuse, and waste reduction for municipal, commercial, and residential clients - bringing the City ever closer to the goal of zero waste by 2020.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	21,366,319	17,368,744	18,675,494	1,306,750	18,619,810	(55,684)
Total FTE	62	61	66	5	66	0



# LOOKING BACK

The Department of the Environment (SFEEnvironment) is meeting the challenge of climate change with leading policies, programs, and partnerships. Working with residents and businesses, San Francisco can achieve its climate goals of “0, 50, 100” - zero waste, 50 percent sustainable trips, and 100 percent renewable energy. Those numbers, “0, 50, 100,” are San Francisco’s formula for reaching the greenhouse gas emission reduction goals by 2025.

## **ZERO WASTE**

For Fiscal Year (FY) 2014-15, SFEEnvironment worked to make 1,500 commercial accounts compliant with composting service and 750 commercial accounts compliant with recycling service. The Department also worked with 500 commercial accounts to improve source separation, including 31 US Postal Service facilities with a total of 3,500 employees.

## **TOXICS REDUCTION & EQUITY**

SFEEnvironment’s Integrated Pest Management (IPM) initiatives have helped reduce pest infestations, pesticide use, and pest management costs at many of San Francisco’s public housing buildings. These IPM initiatives have led to better health and a better quality of life for the more than 10,000 residents living in public housing. Approximately 1,760 public housing units received IPM services and treatments from 2014 to 2016.

SFEEnvironment also conducted building inspections of 20 Rental Assistance Demonstration (RAD) properties and met with RAD developer teams to

provide recommendations for preventing pests through the building rehabilitation process. This effort will help prevent pests in over 3,500 public housing units serving over 8,000 residents.

## **SUSTAINABLE TRIPS**

The Department’s clean transportation team provides programs for residents, businesses, and commuters to reduce travel time, cost, and difficulty. The City’s goal is to decrease region-wide congestion and greenhouse gas emissions by providing education and outreach on mobility options to reduce single occupancy driving in personal vehicles. From 2014 to 2016, 84 percent of all San Francisco businesses submitted reports addressing their Commuter Benefits programs that support sustainable commuting by their employees and 38 percent of reporting companies implemented a new commuter benefits program. Currently, over 90,000 employees in San Francisco participate in their company’s commuter benefits program.

## **ENERGY EFFICIENCY**

For FY 2014-15 and FY 2015-16, SFEEnvironment, through its Energy Watch and Bay Area Renewable Energy Network (BayREN) energy efficiency programs, performed over 5,500 residential, multifamily, and commercial energy audits and completed over 2,600 energy saving projects resulting in an approximate reduction of 6,300 metric tons of greenhouse gas emissions (equivalent to removing over 1,000 cars from the street). Through these programs, SFEEnvironment has awarded over \$4.6 million in incentive rebates to customers.



# PERFORMANCE MEASURES

	2014–15	2015–16	2015–16	2016–17	2017–18
	Actual	Target	Projected	Target	Target
<b>CLEAN AIR</b>					
<b>Increase the use of biofuels and/or other alternative fuels by the city fleet</b>					
<ul style="list-style-type: none"> <li>Percentage of CCSF fleet fuel usage that is biodiesel</li> </ul>	17%	20%	100%	100%	100%
<b>CLIMATE CHANGE/ENERGY</b>					
<b>Encourage the use of renewable energy and energy efficiency</b>					
<ul style="list-style-type: none"> <li>Greenhouse gas emissions percentage below 1990 levels</li> </ul>	23% below 1990 levels in 2012		25% below 1990 levels in 2017		
<ul style="list-style-type: none"> <li>Megawatt reduction: SF Energy Watch program activities</li> </ul>	1,299	1,600	1,710	1,600	1,710
<ul style="list-style-type: none"> <li>Metric Tons of CO2 greenhouse gas reduced through SF Energy Watch program activities</li> </ul>	2,744	3,446	3,172	3,446	3,172
<b>GREEN BUILDING</b>					
<b>Ensure energy efficiency and environmental-friendly designed buildings</b>					
<ul style="list-style-type: none"> <li>Quantity of LEED certified municipal green building stock in San Francisco (square footage).</li> </ul>	5,658,776	6,500,000	6,700,000	7,500,000	8,500,000
<b>ZERO WASTE</b>					
<b>Decrease landfill waste through recycling and other waste diversion</b>					
<ul style="list-style-type: none"> <li>Average workday tons of refuse to primary landfill</li> </ul>	1,466.1	1,475.0	1,500.0	1,475.0	1,450.0
<ul style="list-style-type: none"> <li>Percentage of residential and small business refuse diverted from landfill</li> </ul>	58.9%	59.0%	59.0%	60.0%	61.0%
<b>TOXICS</b>					
<b>Improve environmental quality and reduce toxics</b>					
<ul style="list-style-type: none"> <li>Number of Green Businesses certified through Green Business program</li> </ul>	204	226	200	233	237



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$18.7 million for the Department of Environment is \$1.3 million, or 7.5 percent, higher than the FY 2015-16 budget of \$17.4 million. A significant driver of this growth is the increase in the cigarette litter abatement fee, which is a pass through to the Department of Public Works.

The FY 2017-18 proposed budget of \$18.6 million for the Department of Environment is \$0.1 million, or 0.3 percent, lower than the proposed FY 2016-17 budget of \$18.7 million. This decrease is due to changes in grant funding.

On an annual basis, the Department of Environment's budget fluctuates depending on the timing and size of external grants appropriated outside of the City's budget process.

## ELECTRIC VEHICLES

In January 2015, Mayor Lee established the Electric Vehicle Working Group (EVWG), led by the Department of the Environment (SFEnvironment) and the City Administrator, and consisting of key City departments (SFMTA, Planning, Public Works, Department of Building Inspection, Office of Contract Administration, and SFPUC) to identify actions and policies that facilitate widespread Electric Vehicles (EV) adoption in San Francisco. The EVWG established a citywide goal that 15 percent of vehicles driven in San Francisco will be EVs by 2025.

As outlined in the City's Climate Action Strategy, greenhouse gas emissions from vehicles are responsible for approximately 41 percent of San

Francisco’s carbon footprint. The EVWG identified many important objectives to reduce the carbon emissions of vehicles including increasing EV access in underserved communities, doubling public charging stations by 2020, and establishing workplace-charging policies.

To achieve these goals, the Department has been selected to receive a Mayor’s Senior Fellow to help lead the next steps of the EVWG effort and work to implement strategic actions identified by the working group over the next fiscal year. Successful implementation will take leadership and support from multiple City departments, regional and state legislators, utilities, and private sector EV partners.

### SAFE DRUG DISPOSAL ORDINANCE IMPLEMENTATION

In 2015, Mayor Lee signed San Francisco’s Safe Drug Disposal Stewardship Ordinance, one of the nation’s most comprehensive safe disposal programs for unwanted and unused medicine that will allow residents to easily and conveniently dispose of unwanted medicine.

In FY 2016-17, SFEnvironment will continue to work towards full implementation of the ordinance. The Department expects the program to begin operation in 2017. Until the permanent program is active, SFEnvironment will continue

to fund and operate the existing police station and select pharmacy pilot collection program. To date, the pilot program has collected and safely disposed of over 67,500 pounds of unwanted and unused medicine.

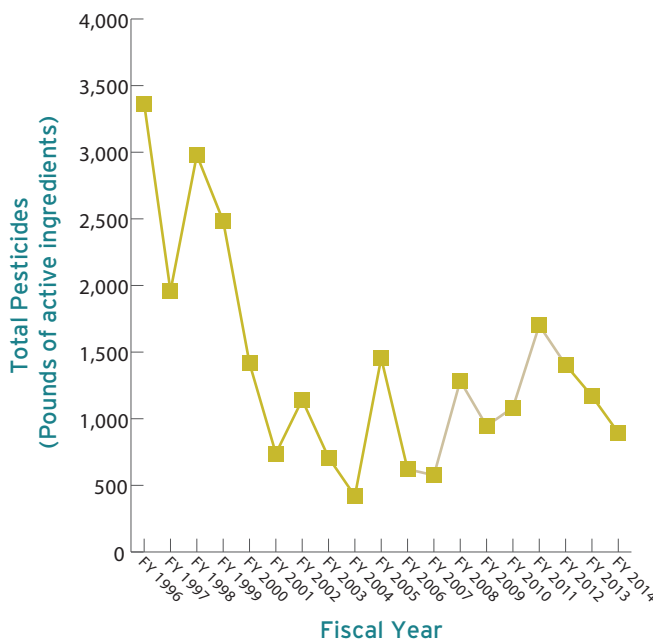
### FIVE-YEAR STRATEGIC PLAN

When Mayors from around the world met at the Vatican to discuss climate change in 2015, Pope Francis eloquently expressed, “we have to realize that a true ecological approach always becomes a social approach,” and that we must respond to both “the cry of the earth and cry of the poor.” While San Francisco continually ranks as one of the world’s greenest cities, there is still work to do to make sure that the benefits of environmentally friendly behaviors and services are felt by all who live and work here.

San Francisco has demonstrated to the world that setting tough environmental goals and policies does not come at the expense of a thriving economy. Over the next five years, SFEnvironment will forge new relationships and strengthen existing ones to ensure we are protecting the environment and our most vulnerable communities through the development of a new environmental five-year strategic plan. The strategic plan will focus on continuing to reduce greenhouse gas emissions, to achieve zero waste, and to support healthy communities.

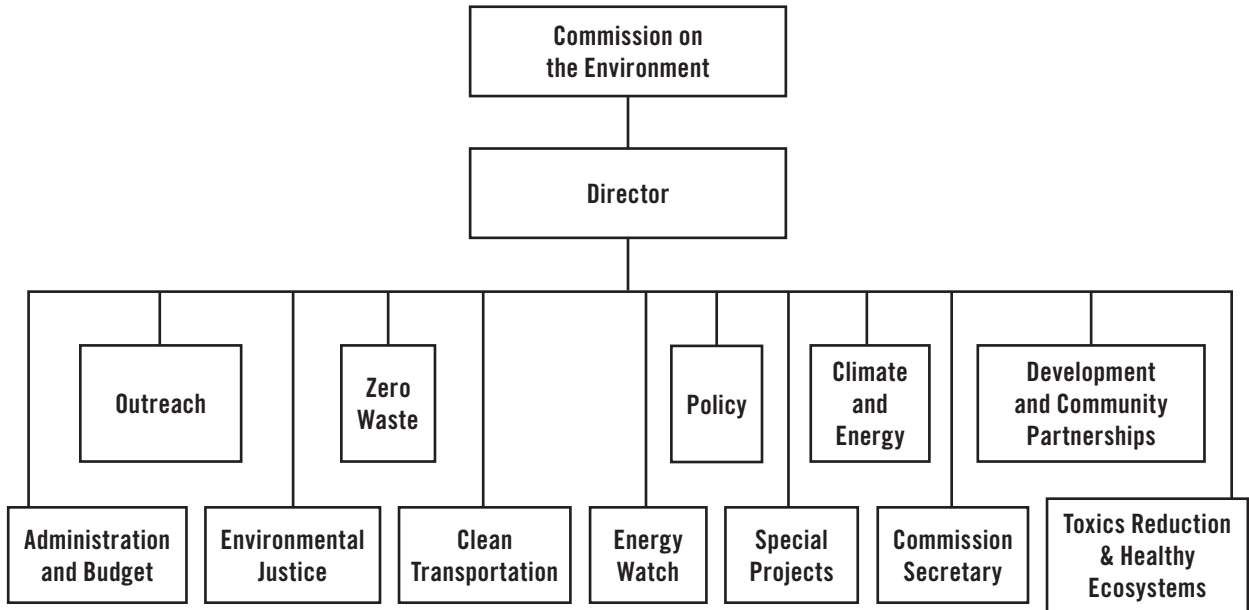
### CITY PESTICIDE REDUCTION

From 1996 to 2014, San Francisco achieved a 73 percent reduction in all pesticides used and a 94 percent reduction in insecticides used on City property. (Data excludes public health pest treatments, leased properties, and Hetch Hetchy)





# ENVIRONMENT ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	89.52	84.56	87.23	2.67	87.12	(0.11)
Non-operating Positions (cap/other)	(27.83)	(23.49)	(20.98)	2.51	(20.98)	0.00
<b>Net Operating Positions</b>	<b>61.69</b>	<b>61.07</b>	<b>66.25</b>	<b>5.18</b>	<b>66.14</b>	<b>(0.11)</b>
<b>SOURCES</b>						
Intergovernmental Revenue - Federal	373,977	0	0	0	0	0
Intergovernmental Revenue - State	5,234,993	773,195	225,030	(548,165)	225,405	375
Intergovernmental Revenue - Other	244,907	823,997	94,767	(729,230)	96,843	2,076
Charges for Services	11,459,244	11,945,681	13,664,538	1,718,857	13,684,245	19,707
Other Revenues	551,172	1,786,723	2,349,868	563,145	2,252,407	(97,461)
Transfers In	70,000	3,048,848	3,121,846	72,998	3,155,076	33,230
Expenditure Recovery	2,555,004	1,938,871	2,166,014	227,143	2,185,633	19,619
Transfer Adjustments-Sources	0	(2,968,571)	(2,946,569)	22,002	(2,979,799)	(33,230)
Use of / (Deposit to) Fund Balance	819,998	0	0	0	0	0
General Fund Support	57,024	20,000	0	(20,000)	0	0
<b>Sources Total</b>	<b>21,366,319</b>	<b>17,368,744</b>	<b>18,675,494</b>	<b>1,306,750</b>	<b>18,619,810</b>	<b>(55,684)</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	5,665,057	5,406,299	6,104,152	697,853	6,082,001	(22,151)
Fringe Benefits	3,131,544	2,905,424	3,004,271	98,847	3,246,622	242,351
Overhead	29,947	365,265	230,999	(134,266)	225,445	(5,554)
Professional & Contractual Services	5,102,904	4,401,002	4,110,399	(290,603)	3,962,539	(147,860)
Aid Assistance / Grants	883,380	320,000	300,000	(20,000)	300,000	0
Materials & Supplies	164,137	551,460	399,260	(152,200)	399,844	584
Equipment	7,953	0	0	0	0	0
Services of Other Departments	3,330,201	3,419,294	4,526,413	1,107,119	4,403,359	(123,054)
Transfers Out	3,051,196	2,968,571	2,946,569	(22,002)	2,979,799	33,230
Transfer Adjustments-Uses	0	(2,968,571)	(2,946,569)	22,002	(2,979,799)	(33,230)
<b>Uses - Operating Expenditures Total</b>	<b>21,366,319</b>	<b>17,368,744</b>	<b>18,675,494</b>	<b>1,306,750</b>	<b>18,619,810</b>	<b>(55,684)</b>
<b>USES BY PROGRAM RECAP</b>						
Bio-Diversity	58,500	63,166	96,118	32,952	96,118	0
Clean Air	778,506	1,500,128	921,556	(578,572)	928,684	7,128
Climate Change/Energy	5,956,929	950,322	796,295	(154,027)	809,604	13,309
Environment	6,495,365	6,600,373	8,225,099	1,624,726	8,197,799	(27,300)
Environment-Outreach	273,461	430,388	247,391	(182,997)	247,707	316
Environmental Justice / Youth Employment	490,316	255,374	327,055	71,681	331,630	4,575
Green Building	477,127	522,253	622,751	100,498	481,720	(141,031)
Recycling	5,198,572	5,432,876	5,316,968	(115,908)	5,379,077	62,109
Toxics	1,561,359	1,538,608	2,032,599	493,991	2,056,020	23,421
Urban Forestry	76,184	75,256	89,662	14,406	91,451	1,789
<b>Uses by Program Recap Total</b>	<b>21,366,319</b>	<b>17,368,744</b>	<b>18,675,494</b>	<b>1,306,750</b>	<b>18,619,810</b>	<b>(55,684)</b>

# LAW LIBRARY

The Law Library (LLB) provides the people of San Francisco free access to legal information and specialized reference assistance in the use of those materials so that they may preserve their rights and conduct their legal affairs.

## SERVICES

The Law Library provides services through the following program areas:

**MAINTAINS A COMPREHENSIVE LEGAL COLLECTION** in electronic and print formats, including federal, state, and local laws, ordinances, regulations, and cases; court and legal forms; legal treatises, periodicals, texts, and encyclopedias; practice manuals, legal finding aids, and reference tools; legal materials and guides to meet the needs of both the public and legal professionals; legal resources and databases; and comprehensive archives of precedential cases, laws, regulations, and other essential materials.

**ASSISTS PROFESSIONALS** in navigating the law and finding the information they need by providing legal research assistance; instruction in the use of complex legal databases; orientation in how to find and use legal resources; library-created reference guides; seminars and legal educational programs; one-on-one legal information services; and by continuously refining, enhancing, and developing new services to meet emerging technologies.

**ENSURES THE CURRENCY AND ACCURACY OF THE LEGAL COLLECTION** by continuing to update codes and regulations, new case law reports, and current practice materials in print and electronic formats; processing, cataloging, and updating incoming materials daily to ensure their availability in LLB's database system; deleting outdated materials; adding, maintaining, and regularly updating modules to the specialized library software systems; enhancing and adding databases as essential new legal products are developed; monitoring the range of legal information materials, both in print and in electronic formats, to determine what will best serve Law Library patrons; and periodically replacing public computers and legal reference software.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	1,353,577	1,611,832	1,727,119	115,287	1,816,837	89,718
Total FTE	3	3	3	-	3	-



# LOOKING BACK

In Fiscal Year (FY) 2014-15, the Law Library created new programs, legal resource tools, and services to increase access to justice. Legal research databases were upgraded and training in their use was provided to Law Library patrons. The print collection was refreshed without any extra cost by exchanging less useful titles with more in-demand materials.

The Law Library expanded its educational seminar programs, and sponsored programs with the courts and judges to speak on important court issues. Training programs for local attorneys and the courts regarding the new E-filing program were provided. The Law Library partnered with the Bar Association of San Francisco regarding

speaker programs and publications and applied for and secured continuing legal education (MCLE) provider status from the State Bar of California.

The Law Library and the San Francisco Public Library collaborated on cross-training with the Business, Science & Tech department. Online research tools were enhanced to provide legal information to patrons outside the Law Library. The Law Library’s social media presence and outreach efforts were boosted by the addition of Facebook and Twitter presences, a new legal blog in conjunction with the Bar Association of San Francisco, new features and legal links on the webpage, and regular distribution community-wide of the Online Newsletter.



# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>LAW LIBRARY (EEA)</b>					
<b>Ensure that the public has access to the most current legal information.</b>					
<ul style="list-style-type: none"> <li>Number of items checked in, processed or removed on the automated system and shelved or withdrawn</li> </ul>	6,932	1,500	3,900	1,500	1,500
<b>Provide comprehensive and readily accessible legal information resources and services</b>					
<ul style="list-style-type: none"> <li>Amount of webpage and catalog searches and in-library computer legal research usage</li> </ul>	36,639	15,000	145,000	145,000	145,000





# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$1.7 million for the Law Library is \$0.1 million, or 7.2 percent, higher than the FY 2015-16 budget of \$1.6 million. This modest budget increase is driven by operational cost escalation.

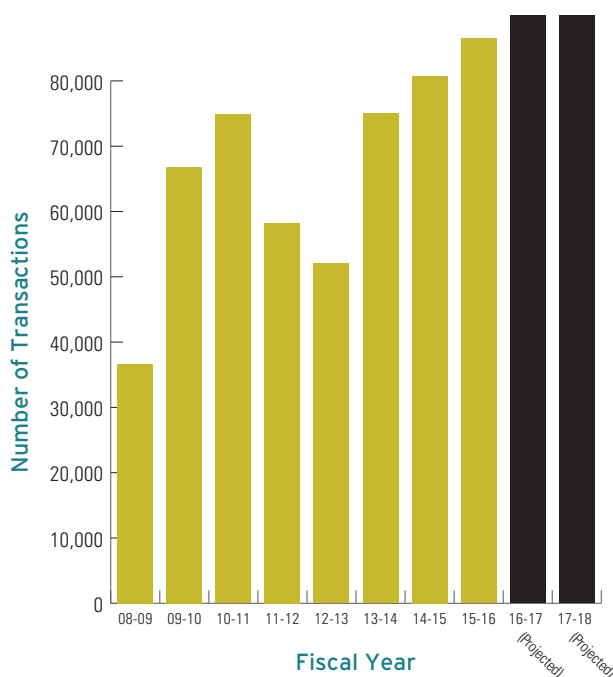
The FY 2017-18 proposed budget of \$1.8 million for the Law Library is \$0.1 million, or 5.2 percent, higher than the proposed FY 2016-17 budget of \$1.7 million. This budget increase is driven by operational cost escalation.

The proposed budget for FY 2016-17 and FY 2017-18 for the Law Library are essentially unchanged. The

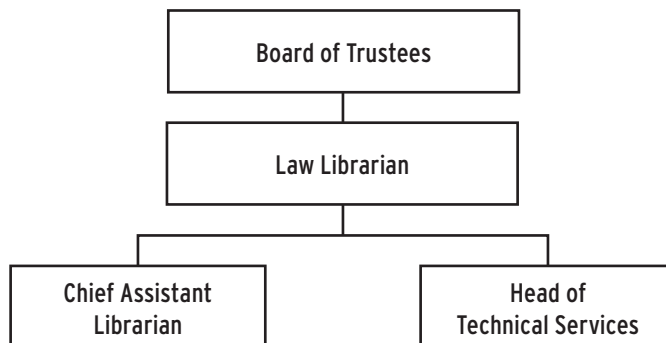
Law Library continues to provide the only free legal information resources and services for the people of San Francisco. Electronic legal databases and resources are continually enhanced and conversions from print to electronic formats are made whenever feasible. The Law Library shares resources with other California County Law Libraries, and partners with the Bar Association of San Francisco, the courts and other agencies to provide legal educational programs for the community. The Library's primary source of funding is civil filing fees, pursuant to state law, which are not part of the City's budget.

## USE OF MAJOR LEGAL DATABASES

Legal database research transactions provided in-library are projected to continue to grow over the next two fiscal years.



# LAW LIBRARY ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	3.00	3.00	3.00	0.00	3.00	0.00
<b>Net Operating Positions</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>0.00</b>	<b>3.00</b>	<b>0.00</b>
<b>SOURCES</b>						
General Fund Support	1,353,577	0	1,727,119	1,727,119	1,816,837	89,718
<b>Sources Total</b>	<b>1,353,577</b>	<b>0</b>	<b>1,727,119</b>	<b>1,727,119</b>	<b>1,816,837</b>	<b>89,718</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	282,451	430,229	445,277	15,048	443,570	(1,707)
Fringe Benefits	126,374	183,627	191,160	7,533	204,939	13,779
Professional & Contractual Services	15,627	17,275	17,275	0	17,275	0
Materials & Supplies	0	443	443	0	443	0
Services of Other Departments	929,125	980,258	1,072,964	92,706	1,150,610	77,646
<b>Uses - Operating Expenditures Total</b>	<b>1,353,577</b>	<b>1,611,832</b>	<b>1,727,119</b>	<b>115,287</b>	<b>1,816,837</b>	<b>89,718</b>
<b>USES BY PROGRAM RECAP</b>						
Law Library	1,353,577	1,611,832	1,727,119	115,287	1,816,837	89,718
<b>Uses by Program Recap Total</b>	<b>1,353,577</b>	<b>1,611,832</b>	<b>1,727,119</b>	<b>115,287</b>	<b>1,816,837</b>	<b>89,718</b>

# MUNICIPAL TRANSPORTATION AGENCY

The San Francisco Municipal Transportation Agency (MTA) plans, designs, builds, operates, regulates, and maintains one of the most diverse transportation networks in the world. The Agency oversees four main types of transportation: transit, walking, bicycling, and driving. That includes private vehicles, taxis, car sharing, on-and off-street parking, commercial vehicles, and paratransit service. The Agency also directly operates five transit modes: bus, trolleybus, light rail, historic streetcar, and cable car.

The MTA's vision is to provide excellent transportation choices for San Francisco. That includes creating a safer transportation experience for everyone and improving the environment and quality of life in the City. This vision includes four goals: 1) Create a safer transportation experience for everyone; 2) Make transit, walking, bicycling, taxi, ridesharing, and car sharing the preferred means of travel; 3) Improve the environment and quality of life in San Francisco; and 4) Create a workplace that delivers outstanding service.

## SERVICES

The MTA provides services through various program areas including:

**MUNI** operates the nation's eighth largest public transit system, with 702,000 average daily boardings on 75 transit lines in every neighborhood.

**BICYCLING AND WALKING** facilitates walking and bicycling through safe, citywide infrastructure, as well as public education and community-based projects and programs. The network includes 431 miles of bikeways, more than 4,000 sidewalk bicycle racks, 195 school crossing guards, 35 bike sharing stations with 350 bicycles, and 1,201 signalized intersections.

**PARKING** manages 441,950 publicly available parking spaces, 19 parking garages, 19 metered lots, and 26,750 on-street meters.

**TRANSPORTATION ENGINEERING** oversees traffic control devices such as signs, signals, and striping to improve the safety and operation of City streets for all modes of transportation. It operates, designs, and

*Services (continued on next page)*

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	964,323,554	1,021,454,182	1,166,929,407	145,475,225	1,188,092,671	21,163,264
Total FTE	4,685	4,931	5,160	229	5,176	16

maintains the City's traffic signal infrastructure and provides traffic routing support to public and private construction projects.

**SAFETY, TRAINING, SECURITY, INVESTIGATIONS, AND ENFORCEMENT** enhances the safety and security of Muni, enforces parking regulations, and manages traffic flow on City streets.

**ACCESSIBLE SERVICES** manages contracted paratransit service for customers with disabilities who cannot independently use regular Muni service and ensures that Muni services, and other MTA services and programs, are accessible to seniors and people with disabilities.

**TAXI SERVICES** regulates over 8,000 licensed taxi drivers in the City with the goal of improving services to residents and visitors to San Francisco by working with taxi drivers, taxi companies, and medallion holders.

**LONG-RANGE PLANNING** plans and designs capital and infrastructure improvement projects and provides long-range forecast analyses of the MTA's fleets, facilities, and right-of-way infrastructure in the City.



## LOOKING BACK

The MTA's work is integral to the vitality of San Francisco, especially as the City continues to grow. To prepare for and respond to this growth, the City has invested in its transportation network to improve travel choices, reduce congestion, maintain affordability, and preserve infrastructure.

Not only is the population growing, but people are also traveling in different ways—choosing Muni, walking, bicycling, taking taxis, or vehicle sharing instead of driving. More than half of all trips taken in San Francisco use a mode other than a private automobile. To respond to this trend, the MTA has prioritized investments to improve traffic safety on City streets and make Muni safer and more reliable.

For the one million people who move around San Francisco every day, that means quicker trips on some of Muni's busiest routes, wider sidewalks, safer crosswalks, bikeways, parking management that makes it easier to find a parking spot, an infrastructure investment program to build a transportation system for the future, and changes to how the MTA operates internally that lead to improved service and a better travel experience.

### FOCUS ON SAFETY

To achieve the City's Vision Zero goal of eliminating traffic fatalities, the MTA is designing streets and Muni routes to reduce the likelihood of injury. The Agency is also teaching people how to keep themselves and others safe as they travel. The San Francisco Police Department works closely with the MTA to actively protect people by enforcing the law and improving security throughout the Muni system.

Over the past two fiscal years, the MTA has made significant physical safety investments. The Agency completed 30 Vision Zero projects in 24 months, surpassing its goal of 24 in that timeframe. Improved

visibility was achieved at 200 crosswalks across the City, including 80 in the Tenderloin. On the City's signature boulevard, Market Street, the MTA added crosswalks, restricted traffic, and painted transit-only lanes to reduce injuries. Under Market Street, the original analog emergency communications system in the Muni Metro Subway was upgraded to a modern, digital system.

### IMPROVED TRAVEL OPTIONS

With more people choosing Muni, walking, vehicle sharing, and bicycling to get around, the MTA is making meaningful investments to give San Franciscans the excellent travel choices they deserve, and that a growing city needs.

Muni hired and trained 700 operators over the last two years, ending its operator shortage and delivering 99 percent of scheduled service. This performance was achieved as Muni rolled out a historic ten percent service increase, which resulted in more buses, trolleys, and trains on over 30 lines while adding two new lines (E Embarcadero, 55 16th Street). The delivery of 147 new buses, 35 paratransit vans, implementation of Transit Signal Priority at 400 intersections, a new Muni Map, and the MuniMobile app all supported smoother functioning of the transit system.

The addition of new or improved bicycle lanes on Howard, Oak, Fell, Folsom and 13th Streets, Holloway and San Jose Avenues, and Sloat and Bayshore Boulevards, as well as continuing support of Bay Area Bike Share, improved the commuting experience and safety for bicyclists. The installation of 227 new car sharing locations on- and off-street as well as upgrades to 29,000 parking meters that accept credit cards and pay-by-phone helped make parking easier for drivers today and in the future.

# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>Goal 1: Create a safer transportation experience for everyone</b>					
<b>Objective 1.1: Improve security for transportation system users</b>					
• SFPD-reported Muni-related crimes per 100,000 miles	8.16	3.05	5.83	2.75	2.75
<b>Objective 1.3: Improve the safety of the transportation system</b>					
• Muni collisions per 100,000 vehicle miles	6.42	4.07	6.58	3.67	3.67
<b>Goal 2: Make transit, walking, bicycling, taxi, ridesharing &amp; carsharing the preferred means of travel</b>					
<b>Objective 2.1: Improve customer service and communications</b>					
• Customer rating: Overall customer satisfaction with cleanliness of Muni vehicles; scale of 1 (low) to 5 (high)	2.74	3.30	2.86	3.30	3.80
• Customer rating: Overall customer satisfaction with transit services; ; scale of 1 (low) to 5 (high)	3.05	3.52	3.16	4.02	4.02
• Hazardous traffic signal reports: % responded to and repaired within two hours	97%	98%	97%	98%	98%
• Parking meter malfunction reports: % responded to and repaired within 48 hours	60%	86%	74%	86%	86%
<b>Objective 2.2: Improve transit performance</b>					
• Headway adherence	77.9%	85.9%	76.9%	89.3%	89.3%
• Percentage of on-time performance	57.0%	85.0%	60.8%	85.0%	85.0%
• Percentage of scheduled service hours delivered	97.7%	98.5%	99.6%	98.5%	98.5%
• Percentage of transit trips with bunching or gaps	22.1%	12.8%	23.1%	10.6%	10.6%
<b>Objective 2.3: Increase use of all non-private auto modes</b>					
• Non-private auto mode share	52%	50%	54%	50%	50%
<b>Goal 3: Improve the environment and quality of life in San Francisco</b>					
<b>Objective 3.4: Deliver services efficiently</b>					
• Average annual transit cost per revenue hour	\$227.91	\$220.38		\$223.35	\$223.35
• Cost per boarding	\$3.29	\$2.99		\$3.22	\$3.22
• Cost per revenue mile	\$33.48	\$29.07		\$32.81	\$32.81
• Farebox recovery ratio	30%	29%		32%	32%
<b>Goal 4: Create a workplace that delivers outstanding service</b>					
<b>Objective 4.3: Improve employee accountability</b>					
• Unscheduled absence rate: transit operators	7.7%	11.0%	7.4%	11.0%	11.0%



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$1.17 billion for the MTA is \$145.5 million, or 14.2 percent, higher than the FY 2015-16 budget of \$1.02 billion. The change is driven primarily by the annualization of a ten percent service increase.

The FY 2017-18 proposed budget of \$1.19 billion for the MTA is \$21.2 million, or 1.8 percent, higher than the proposed FY 2016-17 budget of \$1.17 billion. This modest increase is driven primarily by operational cost increases.

## OPERATING BUDGET

The focus of the MTA's FY 2016-17 and 2017-18 operating budget is to continue addressing affordability and equity while making strategic investments that create a safer, more reliable, and resilient transportation system.

To support affordability, the two-year operating budget includes the continuation of Free Muni for Low and Moderate Income Youth, Seniors, and People with Disabilities. The budget also accounts for a 50 percent fare discount for nonprofits that serve needy populations as well as a low-income discount for first-time towing fees.

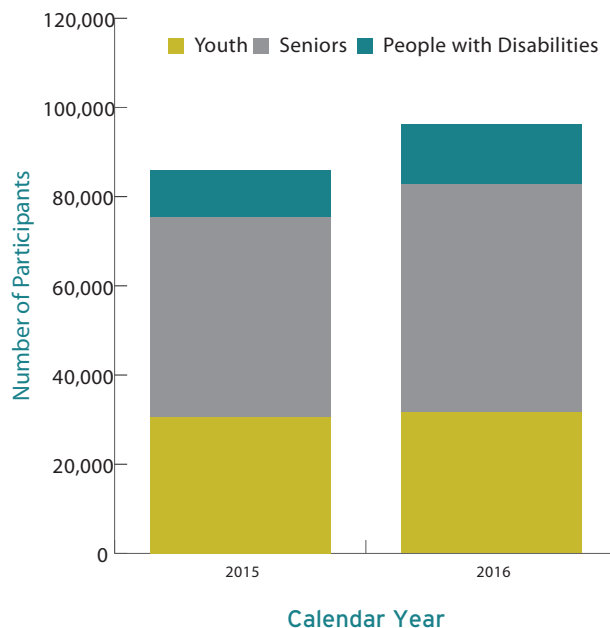
To address equity and ensure consistent service levels across the City, service recommendations identified in the Muni Equity Strategy are included in the operating budget. In collaboration with community advocates, the MTA identified seven

Service Equity Strategy neighborhoods based on demographic factors such as concentration of low-income households, concentration of people of color, household density, and vehicle ownership. To deepen understanding of the needs of our most vulnerable customers, the Agency identified and evaluated routes heavily used by seniors and people with disabilities based on feedback from community advocates.

The operating budget includes a number of proposals that impact MTA revenues. These include an increased year of discounted fare eligibility for youths, from 17 to 18; a \$0.25 fare increase above the indexed fare for riders paying cash; the setting of fares for seniors, youth, and people with disabilities who do not qualify for Free Muni programs at 50 percent of the adult fare; an increase to the cost of the "A" pass, which provides access to both Muni and BART, at \$5 above the indexed price; and a reduction in first-time tow fees and the low-income discount program for tows.

The proposed budget funds priority areas that require staffing, including transit street operations, the Transit Management Center, quality assurance unit, maintenance of right of way, storage tank compliance and support shops; Sustainable Streets enforcement, meter, and signal shops; Taxi and Accessible Services for taxi investigations; and other functions that include storekeepers, communications outreach staff, and human resource analysts.

**FREE MUNI**  
SFMTA is providing free Muni service to nearly 100,000 individuals in 2016.



## ELIMINATING TRAFFIC FATALITIES WITH VISION ZERO

Every year, hundreds of people are seriously injured or killed in traffic collisions in San Francisco. To reverse this trend, the City adopted the Vision Zero policy in 2014 with the goal of eliminating traffic fatalities by 2024. Over the next two fiscal years, more than 13 miles of San Francisco streets will see safety improvements, with major work getting underway on high-priority corridors such as 2nd Street, Polk Street, and Masonic Avenue. Nearly \$70 million will be invested in 30 safety-related projects. The MTA's work to achieve Vision Zero also includes enforcement of traffic laws, advocacy for public policy changes, and evaluation and monitoring of existing efforts. Learn more at [visionzerosf.com](http://visionzerosf.com).

## MOVING MUNI FORWARD

Muni Forward brings together multiple projects and planning efforts currently underway to create a faster, safer, and more comfortable experience for Muni customers. The initiative incorporates service changes that better reflect today's travel patterns as well as capital projects that improve reliability and reduce travel times. Learn more at [muniforward.com](http://muniforward.com).

## ENSURING AFFORDABILITY AND EQUITY

An affordable Muni is essential to the mobility and economic vitality of the City, especially for the 60 percent of Muni customers who live in households making less than the Bay Area's median income. In recent years, the MTA has authorized and implemented three Free Muni programs for patrons using Clipper cards. These programs for low- and moderate-income 5- to 18-year-olds, as well as seniors and people with disabilities, ensure that vulnerable populations have access to transit in the City. Learn more at [sfmta.com/freemuni](http://sfmta.com/freemuni).

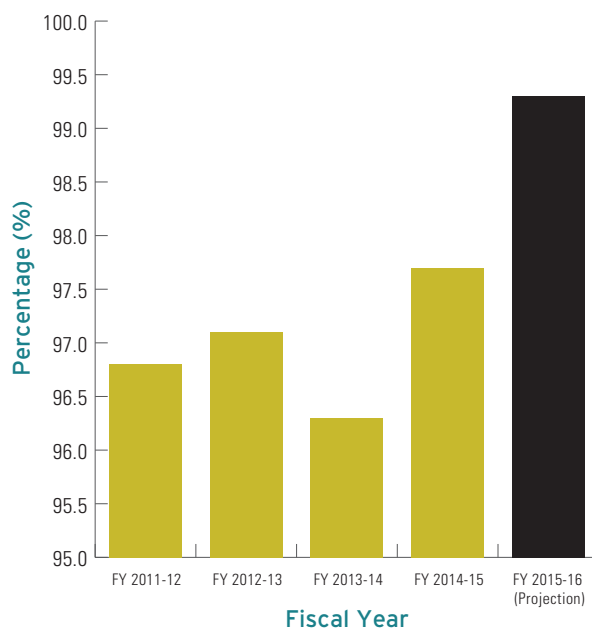
To ensure service is provided equitably no matter where people live and travel, the MTA adopted and funded a Muni Service Equity Policy to improve Muni service in the areas of San Francisco most in need. In partnership with social justice advocates and the disability community, this effort takes a neighborhood-based approach focused on areas with high concentrations of low-income households, minority residents, residents with disabilities, and households without access to personal automobiles.

## SHARING CARS, BIKES, AND RIDES

Vehicle sharing reduces emissions and parking demand and makes it easier to get around without owning a car. The MTA supports the Bay Area Bike

### PERCENTAGE OF SCHEDULED TRIPS DELIVERED

Investments in maintenance and staffing have enabled Muni to reduce missed runs over the past five years.



Share program, which will expand its current fleet of 350 bikes at 35 stations to 4,500 bikes in San Francisco by 2018. The MTA Board of Directors also formalized a year-long program to regulate privately operated commuter shuttles and bring about safer operations and less confusion on City streets.

### MANAGING PARKING

The MTA is in the process of proposing major revisions to the Residential Parking Permit program for the first time in nearly 40 years, bringing the program into the 21st century. The agency is upgrading technology in the City's 19 parking garages and expanding SFpark, an innovative demand-responsive pricing program, to better manage the City's parking inventory. Together, these efforts provide more convenient and efficient options for San Franciscans.

### CAPITAL IMPROVEMENT PROGRAM

The MTA's FY 2016-17 and 2017-18 Capital Improvement Program (CIP) includes \$1.9 billion for projects across 12 capital programs. These projects include infrastructure investments as well as various procurements and other one-time initiatives that improve the safety, reliability, and efficiency of the transportation system.

The capital budget addresses infrastructure needs related to transit reliability, street safety, state of good repair, facilities, communications and

information technology, taxi regulation, system safety and accessibility. Capital projects reflect the MTA Board of Directors' adopted policies and plans including Transit First, Vision Zero, the San Francisco Pedestrian Strategy, the MTA Bicycle Strategy, the City and County of San Francisco's Adopted Area Plans, the MTA FY 2013-18 Strategic Plan, and the San Francisco County Transportation Plan.

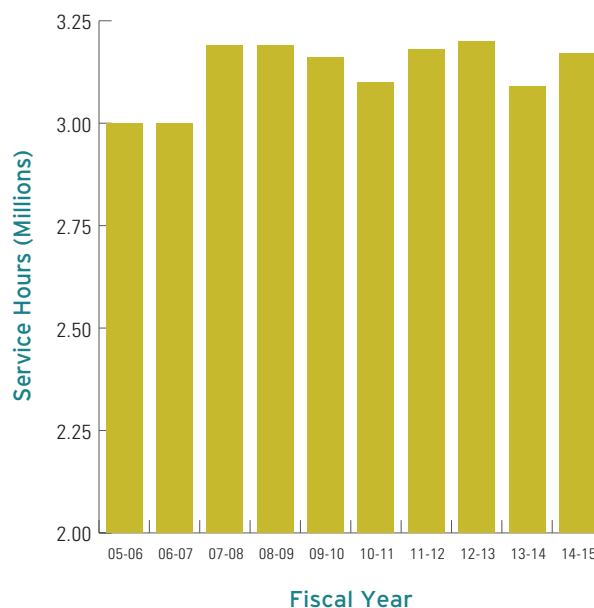
Use of the capital budget focuses on strategic investments in the agency's top priority of safety, and addresses overdue maintenance and repair of capital assets. From the Agency's fund balance, \$92 million is targeted for one-time expenditures including capital investments in transit signal priority, switch replacements, Cable Car turntable replacement and safety improvements, parking garage elevator modernization and life safety upgrades, traffic signal enhancements, parking and traffic technology, facility upgrades, and various equipment needs.

### CENTRAL SUBWAY: EXTENSION OF THE T THIRD LINE

The Central Subway is the largest single investment in San Francisco's transportation system in generations. Phase 1 of the 6.8-mile Muni Metro line began revenue service along the Third Street corridor in April 2007. The Central Subway, Phase 2, is an extension of this important connection that will extend the T Third 1.7 miles to create San Francisco's first north-south subway service, serving

#### TOTAL MUNI SERVICE HOURS

After a reduction in service during the Great Recession, Muni has rebounded, and is on pace to deliver even more service over the next two fiscal years.





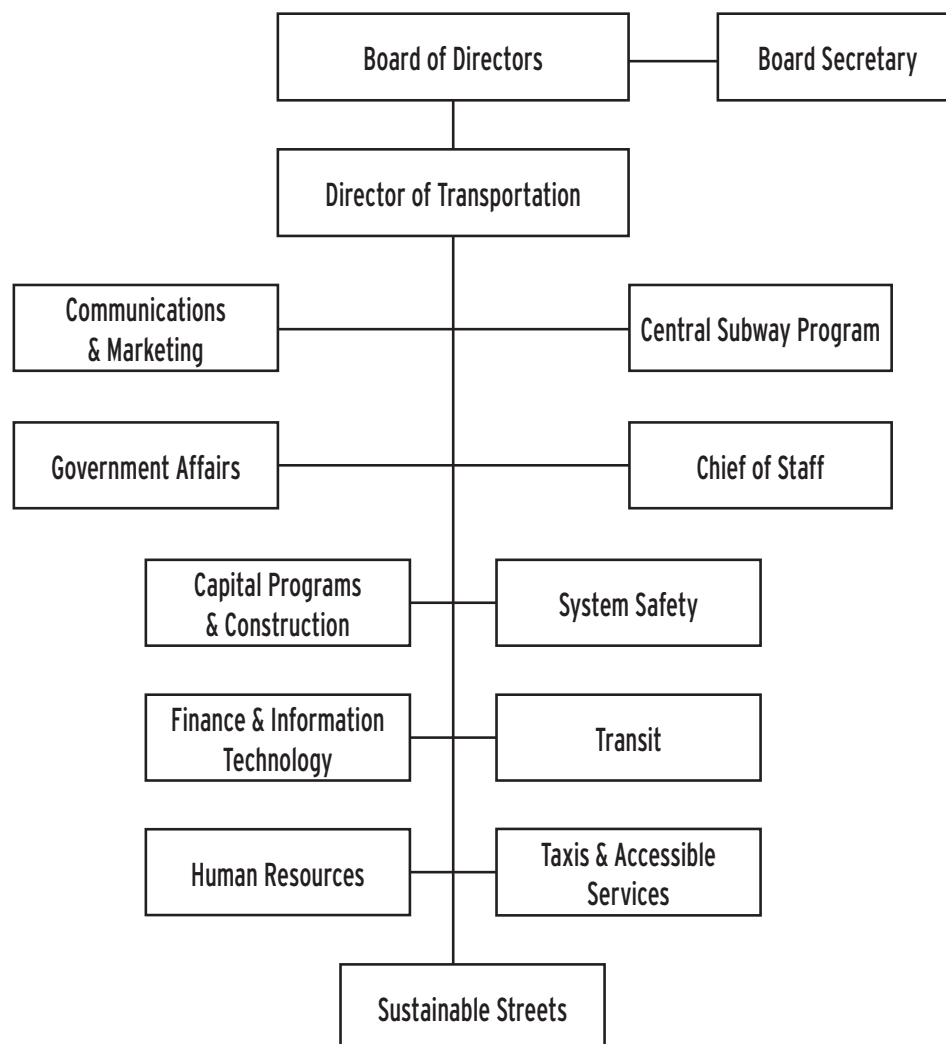
SoMa, downtown, Union Square, and Chinatown. The project includes three new subway stations and one new surface station that will improve access to Visitacion Valley, the Bayview, Dogpatch, and other communities in the eastern part of the City. Construction of the project is close to 60 percent complete, and work is underway on all four stations. When open for revenue service in early 2019, the T Third will be a significant improvement to San Francisco's transportation choices. Further outreach will engage the public on Phase III of the T Line extension to the northeastern part of the City. Learn more at [centralsubwaysf.com](http://centralsubwaysf.com).

## BUILDING VAN NESS BUS RAPID TRANSIT

The Van Ness Bus Rapid Transit (BRT) project will create rail-like bus service along Van Ness Avenue between Mission and Lombard streets. Van Ness Avenue will be the City's first BRT route, serving customers of Muni's 47 Van Ness and 49 Van Ness-Mission lines, as well as nine Golden Gate Transit routes. Transit travel times are expected to decrease by more than 30 percent, improving Muni service for 60,000 projected customers daily. Construction is set to break ground in Spring of 2016, and service is anticipated to begin in 2019. Learn more at [sfmta.com/vaness](http://sfmta.com/vaness).



# MUNICIPAL TRANSPORTATION AGENCY ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	5,056.43	5,308.28	5,659.47	351.19	5,689.60	30.13
Non-operating Positions (cap/other)	(371.27)	(377.50)	(499.49)	(121.99)	(514.00)	(14.51)
<b>Net Operating Positions</b>	<b>4,685.16</b>	<b>4,930.78</b>	<b>5,159.98</b>	<b>229.20</b>	<b>5,175.60</b>	<b>15.62</b>
<b>SOURCES</b>						
Licenses & Fines	115,498,362	113,150,000	115,351,682	2,201,682	117,222,639	1,870,957
Use of Money or Property	133,262,063	114,761,510	131,999,418	17,237,908	139,229,428	7,230,010
Intergovernmental Revenue - Federal	0	3,890,000	3,800,000	(90,000)	3,800,000	0
Intergovernmental Revenue - State	42,432,451	40,130,000	51,200,000	11,070,000	51,940,000	740,000
Intergovernmental Revenue - Other	100,431,994	87,960,000	89,800,000	1,840,000	91,404,600	1,604,600
Charges for Services	266,547,498	235,187,000	255,853,244	20,666,244	266,881,100	11,027,856
Other Revenues	3,773,626	16,719,000	30,627,760	13,908,760	17,349,952	(13,277,808)
Transfers In	282,708,183	274,762,183	386,321,413	111,559,230	405,502,141	19,180,728
Expenditure Recovery	102,072,433	118,791,761	151,873,048	33,081,287	162,435,919	10,562,871
Transfer Adjustments-Sources	(302,886,489)	(291,299,641)	(420,207,158)	(128,907,517)	(442,868,757)	(22,661,599)
Use of / (Deposit to) Fund Balance	(52,053,673)	35,402,369	84,010,000	48,607,631	77,895,649	(6,114,351)
General Fund Support	272,537,106	272,000,000	286,300,000	14,300,000	297,300,000	11,000,000
<b>Sources Total</b>	<b>964,323,554</b>	<b>1,021,454,182</b>	<b>1,166,929,407</b>	<b>145,475,225</b>	<b>1,188,092,671</b>	<b>21,163,264</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	413,342,093	418,439,741	456,200,059	37,760,318	461,933,461	5,733,402
Fringe Benefits	208,627,787	210,287,397	227,033,225	16,745,828	253,276,606	26,243,381
Overhead	101,286,960	115,790,463	149,932,268	34,141,805	160,493,139	10,560,871
Professional & Contractual Services	127,259,549	151,865,404	180,746,853	28,881,449	181,889,840	1,142,987
Materials & Supplies	71,672,596	82,400,130	78,243,660	(4,156,470)	80,281,982	2,038,322
Equipment	7,972,289	4,153,723	5,510,148	1,356,425	16,979,723	11,469,575
Debt Service	0	15,000,000	20,784,287	5,784,287	24,784,287	4,000,000
Services of Other Departments	58,488,744	62,053,393	66,986,892	4,933,499	68,610,297	1,623,405
Transfers Out	254,123,993	176,032,183	270,891,413	94,859,230	282,992,141	12,100,728
Budgetary Reserves	0	8,614,000	500,000	(8,114,000)	500,000	0
Transfer Adjustments-Uses	(302,886,489)	(291,299,641)	(420,207,158)	(128,907,517)	(442,868,757)	(22,661,599)
<b>Uses - Operating Expenditures Total</b>	<b>939,887,522</b>	<b>953,336,793</b>	<b>1,036,621,647</b>	<b>83,284,854</b>	<b>1,088,872,719</b>	<b>52,251,072</b>
<b>USES - PROJECT EXPENDITURES</b>						
Capital Renewal	34,508	0	0	0	0	0
Capital Projects	24,401,524	68,117,389	130,307,760	62,190,371	99,219,952	(31,087,808)
<b>Uses - Project Expenditures Total</b>	<b>24,436,032</b>	<b>68,117,389</b>	<b>130,307,760</b>	<b>62,190,371</b>	<b>99,219,952</b>	<b>(31,087,808)</b>
<b>USES BY PROGRAM RECAP</b>						
Accessible Services	18,723,686	22,286,102	27,472,367	5,186,265	26,967,496	(504,871)
Administration	75,806,411	86,232,847	115,795,394	29,562,547	97,320,217	(18,475,177)
Agency Wide Expenses	59,413,231	82,178,044	119,722,632	37,544,588	141,601,355	21,878,723
Capital Programs & Construction	5,494	15,046,621	14,400,000	(646,621)	13,580,000	(820,000)
Development And Planning	2,864,368	1,290,874	2,406,630	1,115,756	2,310,440	(96,190)
Mta Development Impact Fee	0	14,719,000	25,962,824	11,243,824	15,958,255	(10,004,569)
Parking & Traffic	100,773,455	92,739,259	124,154,527	31,415,268	122,344,587	(1,809,940)
Parking Garages & Lots	34,234,205	49,206,162	35,498,359	(13,707,803)	36,699,460	1,201,101
Pop Growth Gf Alloc Capital Projects	0	25,880,000	38,740,000	12,860,000	42,950,000	4,210,000
Rail & Bus Services	549,145,078	554,333,966	584,976,072	30,642,106	609,280,050	24,303,978
Revenue, Transfers & Reserves	45,912,859	0	0	0	0	0
Security, Safety, Training & Enforcement	73,296,010	72,164,311	72,009,587	(154,724)	73,211,303	1,201,716
Taxi Services	4,148,757	5,376,996	5,791,015	414,019	5,869,508	78,493
<b>Uses by Program Recap Total</b>	<b>964,323,554</b>	<b>1,021,454,182</b>	<b>1,166,929,407</b>	<b>145,475,225</b>	<b>1,188,092,671</b>	<b>21,163,264</b>

# PORT

The Port of San Francisco (PRT) manages the waterfront as a gateway to a world-class city and advances environmentally and financially sustainable maritime, recreational, and economic opportunities to serve the City, the Bay Area, and California.

## SERVICES

The Port provides services through the following divisions:

**ENGINEERING** provides project and construction management, engineering design, facility inspection, contracting, code compliance review, and permit services for all Port facilities.

**MARITIME** manages and markets cruise and cargo shipping, ship repair, commercial and sport fishing, ferry and excursion operations, visiting military and ceremonial vessels, and other harbor services.

**MAINTENANCE** repairs piles, piers, roofs, plumbing and electrical systems, and cleans streets along the Port's 7.5 miles of waterfront property.

**PLANNING AND DEVELOPMENT** shepherds development, ensures that use of Port lands is consistent with the goals and policies of the Waterfront Land Use Plan, maintains and amends Plan policies, and leads community planning projects for specified waterfront areas.

**REAL ESTATE** oversees leasing activities related to the Port's commercial and industrial property.

**OPERATIONS** manages the Port's leases, safety and security, special events, and other business services.

**ADMINISTRATION** directs Port resources to meet strategic goals, guides capital planning, and manages the Port's support services including Human Resources, Accounting, Finance and Procurement, and Information Systems.

**EXECUTIVE** leads the implementation of the Port's strategic goals and objectives, develops policy with the Port Commission, and provides for cross divisional collaboration and communication.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	80,863,633	109,731,648	135,481,924	25,750,276	124,126,413	(11,355,511)
Total FTE	241	241	243	2	245	2



# LOOKING BACK

## **CRAB INDUSTRY RELIEF PLAN**

In February 2016 the Port Commission initiated a Crab Industry Relief Plan for the local crab and fish industry affected by the presence of domoic acid in Dungeness crab along the Pacific Coast. The three-month program supported small local and largely family-owned businesses by waiving fees and rents for berthing, storage, and leasing for commercial crab boat owners and receivers. The Office of Economic and Workforce Development (OEWD) also provided customized business assistance to the Port's commercial crab fishermen and receivers. State wildlife officials re-opened the commercial crab season in San Francisco on March 26th, after determining that domoic acid levels no longer posed a health risk and ending the unprecedented delay to the season.

The Port's Pier 45 is one of the West Coast's major commercial fishing centers. In 2014, 19.2 million pounds of fish with a gross value of \$26.2 million were landed at the Port of San Francisco. The fishing industry generates over \$2 million in revenue for the Port with 129 long term berth holders at the Wharf and numerous receivers and processors.

## **SEAWALL**

The Port is part of a City team that is participating in the Living Cities City Accelerator program, which

will explore potential financing mechanisms to fortify the City's Seawall. San Francisco, along with Pittsburgh, St. Paul, and Washington, D.C., was selected to join an effort to help speed the adoption of leading local government innovations. San Francisco is looking to draw upon insights gained from participation in the City Accelerator to explore innovative financing options to stabilize the Seawall for the future.

## **WATERFRONT LAND USE PLAN**

The Port is underway with a public process to update the 2004 Waterfront Land Use Plan (Waterfront Plan). The Waterfront Plan was created to guide the transformation of Port lands to reunite the City with the Waterfront. As they undertook a comprehensive review of the significant changes implemented under the Waterfront Plan, Port staff identified new challenges not addressed in the Plan, including financial constraints and sea level rise. There is work ahead to address changing conditions while continuing to preserve and enhance the waterfront for the next generation.

The public process for the Waterfront Plan Update was initiated in October 2015 and is expected to take 18-24 months. The Port is striving to support the exchange of diverse views and knowledge to produce informed amendments to the Waterfront Plan.



# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>MARITIME OPERATIONS &amp; MARKETING</b>					
<b>Economic Impact - Increase cruise volume</b>					
• Total number of cruise ship calls	76	78	79	80	80
• Total number of cruise ship passengers	273,742	296,300	292,000	285,000	285,000
<b>Economic Impact - Increase the volume of cargo shipping</b>					
• Total cargo tonnage - Bulk	1,483,514	1,600,000	1,600,000	1,700,000	1,750,000
<b>Economic Impact - Track ferry passenger volume</b>					
• Total number of ferry passengers transiting through Port managed facilities.	2,409,803	2,530,293	2,750,000	2,887,500	3,031,875
<b>REAL ESTATE &amp; MANAGEMENT</b>					
<b>Economic Impact - Achieve maximum revenue from leasing activities</b>					
• Overall Port Vacancy Rate	7.5%	6.5%	5.0%	6.0%	4.0%



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$135.5 million for the Port is \$25.8 million, or 23.5 percent, higher than the FY 2015-16 budget of \$109.7 million. The increase is driven mostly by capital spending, an increase to the Port's capital budget reserve, and salary and fringe benefit growth.

The FY 2017-18 proposed budget of \$124.1 million for the Port is \$11.4 million, or 8.4 percent, lower than the proposed FY 2016-17 budget of \$135.5 million. This decrease is due to the use of one-time capital funding in FY 2016-17.

## BUDGET OVERVIEW

The proposed budget assumes that growth in the Port's revenues will continue to outpace expenditures. This projection is partly due to a consistent upward trajectory in rents from Port tenants, parking revenues, and cruise passenger volume, as well as ongoing efforts to control operating expenditure growth. These net savings in the operating budget allows for historically strong capital spending that addresses many critical needs and supports strategic investments.

## NEW OPERATIONS DIVISION

The Port is a vibrant and active place that welcomed

over 24 million visitors in 2015. As more people come to the Waterfront, there is more demand on the Port in the areas of (1) safety, security, emergency preparedness, management, and responses, (2) business and customer services, (3) on-street and off-street traffic control and parking programs, (4) road & traffic safety, and (5) special events licensing and management. These areas are currently under-resourced and dispersed throughout the organization. The FY 2016-17 budget includes the addition of a new Operations Division, which will provide the management and staffing resources necessary to operate efficiently and respond to the tremendous growth in visitor and event volume at the Waterfront. The Operations Division will also provide support for special events and Homeland Security initiatives.

## CAPITAL IMPROVEMENTS

The Port's proposed capital budget includes \$34.6 million for FY 2016-17 and \$20.6 million for FY 2017-18, totaling \$55.2 million for the Port's biennial budget. The proposed projects support the Port's key strategic priorities, generate and protect revenue, and address repair and replacement needs identified in the 10-Year Capital Plan. Several projects reflect targeted reinvestment in Port assets

to maintain and improve current and projected financial performance, with an estimated \$6.4 million in annual revenue at project stabilization and \$44.3 million in net revenue over 10 years.

The Port is making substantial progress towards addressing its \$1.1 billion in long term capital needs. These efforts will help the Port fund annual investments in repair and replacement of infrastructure over the next 10 years.

### **SEAWALL RESILIENCY PROJECT**

The Port is working with the City to fund \$10.6 million to plan the Port's Seawall Resiliency Project over the next two budget years. The Seawall protects the densely developed downtown area and several major transit and utility assets. Construction of the Seawall began in 1878, prior to the development of modern engineering techniques that account for seismic and liquefaction risks. Additionally, the current structure does not protect the City from rising sea levels. There is an estimated need of \$5 billion for long-term efforts to establish a stable and adaptable foundation, including an estimated \$500 million to

make the Seawall more resilient in the event of a severe earthquake.

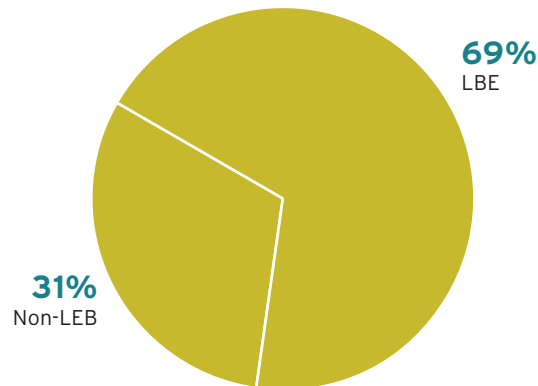
### **SOUTHERN WATERFRONT DEVELOPMENT PROJECTS**

The Port is underway with three public-private partnership development projects, including Seawall Lot 337 and Pier 48 at Mission Rock as well as two separate projects at Pier 70: the historic core and the waterfront. Together, these projects will redefine the Port's southern waterfront. Currently limited to parking uses or a mix of vacant land and deteriorating buildings, these sites will be transformed into thriving mixed-use developments that reconnect City residents to the Bay.

Highlights of these development projects include the creation of 2,000-4,000 residential units, of which at least 33 percent will be affordable to low- and middle-income households; an estimated 17 acres of parks, open spaces, and recreational opportunities; renovation of Pier 48 and Pier 70 structures to historic standards; and preservation of the artist community currently located on Pier 70.

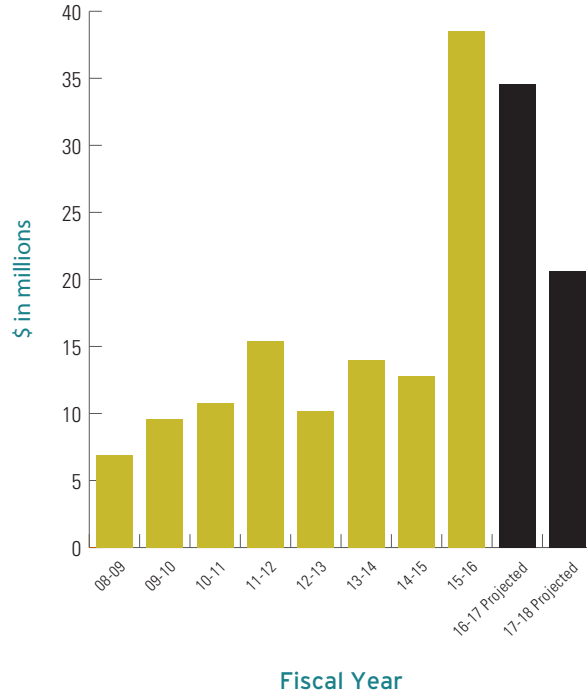
### **CONTRACT AWARDS TO LOCAL BUSINESSES**

The Port Commission places a high priority in supporting small local businesses. Through concerted outreach efforts, in FY 2014-15 the Port successfully awarded the majority of its new contracts to Local Business Enterprises (LBE).

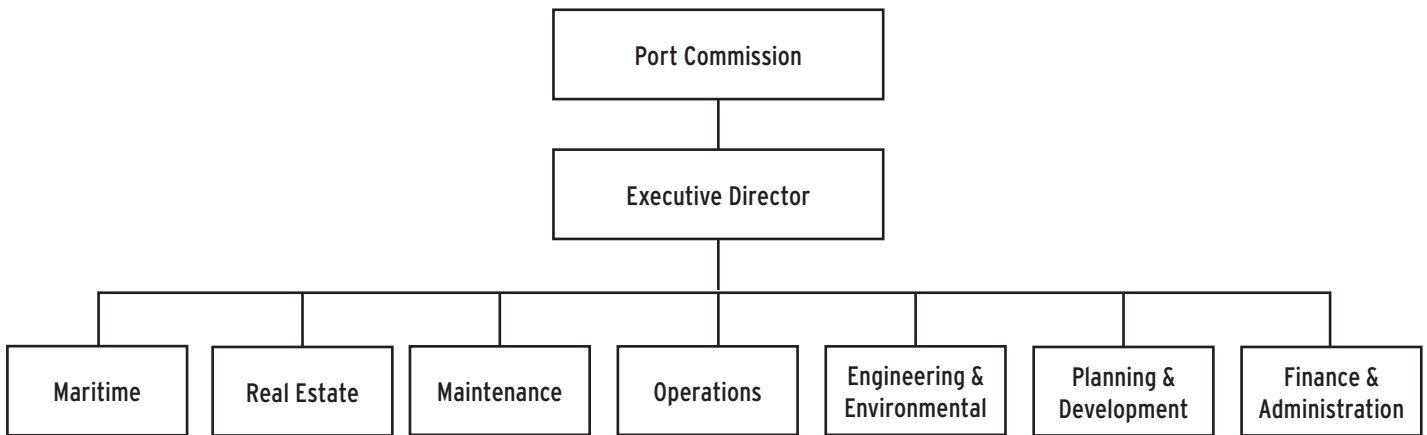


### CAPITAL FUNDING

The Port has been able to significantly increase its capital funding through one-time funding sources and efforts to divert growing net revenues into infrastructure investments. The Port needs to invest an estimated \$45 million annually to prevent further growth in its backlog in infrastructure maintenance needs.



## PORT ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014–15	2015–16	2016–17		2017–18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015–16	Proposed Budget	Chg from 2016–17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	266.84	268.79	289.99	21.20	296.27	6.28
Non-operating Positions (cap/other)	(25.50)	(27.50)	(46.66)	(19.16)	(51.50)	(4.84)
<b>Net Operating Positions</b>	<b>241.34</b>	<b>241.29</b>	<b>243.33</b>	<b>2.04</b>	<b>244.77</b>	<b>1.44</b>
<b>SOURCES</b>						
Licenses & Fines	3,495,068	3,073,000	3,705,000	632,000	3,797,000	92,000
Use of Money or Property	92,447,429	72,049,753	79,792,977	7,743,224	81,897,525	2,104,548
Intergovernmental Revenue - Other	727,764	1,902,680	0	(1,902,680)	0	0
Charges for Services	10,768,440	17,847,564	18,703,000	855,436	19,141,000	438,000
Other Revenues	3,778,335	5,283,545	3,428,000	(1,855,545)	3,457,000	29,000
Transfers In	16,742,789	16,908,430	38,995,126	22,086,696	25,405,572	(13,589,554)
Expenditure Recovery	1,108,368	170,000	148,000	(22,000)	148,000	0
Transfer Adjustments-Sources	(16,742,789)	(20,251,544)	(42,406,880)	(22,155,336)	(28,921,840)	13,485,040
Use of / (Deposit to) Fund Balance	(31,461,771)	12,748,220	33,116,701	20,368,481	19,202,156	(13,914,545)
<b>Sources Total</b>	<b>80,863,633</b>	<b>109,731,648</b>	<b>135,481,924</b>	<b>25,750,276</b>	<b>124,126,413</b>	<b>(11,355,511)</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	22,664,445	25,534,676	26,906,052	1,371,376	27,093,140	187,088
Fringe Benefits	11,037,885	11,830,662	12,396,284	565,622	13,406,844	1,010,560
Overhead	795,827	570,920	747,334	176,414	747,334	0
Professional & Contractual Services	10,366,453	13,273,403	13,489,263	215,860	13,257,714	(231,549)
Aid Assistance / Grants	20,000	0	0	0	0	0
Materials & Supplies	1,531,397	1,602,595	1,580,984	(21,611)	1,581,784	800
Equipment	289,772	677,414	1,498,700	821,286	631,600	(867,100)
Debt Service	7,146,957	9,295,159	7,775,726	(1,519,433)	7,718,362	(57,364)
Services of Other Departments	14,251,328	15,432,491	17,081,117	1,648,626	17,476,020	394,903
Transfers Out	17,784,502	17,990,143	40,076,839	22,086,696	26,487,285	(13,589,554)
Budgetary Reserves	0	10,447,217	11,987,625	1,540,408	13,784,330	1,796,705
Transfer Adjustments-Uses	(16,742,789)	(16,908,430)	(38,995,126)	(22,086,696)	(25,405,572)	13,589,554
<b>Uses - Operating Expenditures Total</b>	<b>69,145,777</b>	<b>89,746,250</b>	<b>94,544,798</b>	<b>4,798,548</b>	<b>96,778,841</b>	<b>2,234,043</b>
<b>USES - PROJECT EXPENDITURES</b>						
Facilities Maintenance	470,376	2,946,857	0	(2,946,857)	0	0
Capital Projects	11,247,480	17,038,541	40,937,126	23,898,585	27,347,572	(13,589,554)
<b>Uses - Project Expenditures Total</b>	<b>11,717,856</b>	<b>19,985,398</b>	<b>40,937,126</b>	<b>20,951,728</b>	<b>27,347,572</b>	<b>(13,589,554)</b>
<b>USES BY PROGRAM RECAP</b>						
Administration	27,071,362	30,332,701	39,024,282	8,691,581	39,724,447	700,165
Engineering & Environmental	4,769,267	4,820,206	5,527,402	707,196	5,557,501	30,099
Maintenance	28,989,352	49,623,981	70,694,467	21,070,486	58,546,335	(12,148,132)
Maritime Operations & Marketing	5,385,811	9,582,092	9,497,096	(84,996)	9,978,022	480,926
Planning & Development	2,942,430	3,544,681	4,268,571	723,890	3,720,816	(547,755)
Real Estate & Management	11,705,411	11,827,987	6,470,106	(5,357,881)	6,599,292	129,186
<b>Uses by Program Recap Total</b>	<b>80,863,633</b>	<b>109,731,648</b>	<b>135,481,924</b>	<b>25,750,276</b>	<b>124,126,413</b>	<b>(11,355,511)</b>



# PUBLIC LIBRARY

The Public Library (LIB or “the Library”) is dedicated to free and equal access to information, knowledge, independent learning, and reading for our community. The Library consists of the Main Library at Civic Center, 27 branch libraries geographically distributed throughout San Francisco, 4 Bookmobiles that travel around the City, and its digital library presence via sfpl.org. In addition to the Library’s collection of 3.6 million items in various formats and more than 50 languages, the Library offers high speed Internet through free wireless access and public access computers as well as educational, cultural, and literary programming.

## SERVICES

The Public Library provides services through the following strategic areas:

**LITERACY AND LEARNING** initiatives provide robust collections, resources, services, and programs that support reading and address the changing literacy and learning needs of the 21st century.

**DIGITAL STRATEGIES** ensure equitable access to public technology and resources.

**PARTNERSHIPS FOR EXCELLENCE** with City Agencies and Community-Based Organizations leverage the Library’s resources to strengthen the services and programs offered and to help reach a larger audience.

**YOUTH ENGAGEMENT** enriches the City’s youth with early literacy programs, Summer learning activities, homework help, outreach to schools, and expanded teen services with emphasis on technology access and media literacy.

**PREMIER URBAN LIBRARY** promotes the Library as a preferred destination for excellent services, where all San Franciscans feel welcome.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	112,228,224	117,128,318	123,830,085	6,701,767	128,833,697	5,003,612
Total FTE	661	662	683	21	696	13



# LOOKING BACK

In Fiscal Year (FY) 2014-15 the Library welcomed over 6.7 million visitors at the Main Library and in the branches and registered nearly 56,600 new patrons, an increase of 9.6 percent over FY 2013-14. The San Francisco Public Library is the first 10 gigabit library in the United States and has a Techmobile that provides mobile access to a 3D printer, Internet access, seven work stations, and an instructor station. These investments in technology strive to meet the public's growing need for technology and to help bridge the digital divide. On April 18, 2016 the Main Library celebrated its 20th anniversary with programming throughout Spring 2016.

## **MOVING BEYOND THE BRANCH LIBRARY IMPROVEMENT PROJECT**

In May 2014 the Library opened the new North Beach Branch Library, completing the largest capital improvement project in the history of the Library and providing safe, accessible and state-of-the-art facilities throughout the neighborhoods. A 2015 study found that the Branch Library Improvement Program (BLIP) capital investment and associated operating costs contributed more than \$330 million in indirect and induced economic benefits to San Francisco. This represents \$5 to \$9 in benefits for each \$1 invested in BLIP.

Since the completion of the new North Beach branch, the Library has focused its efforts on asset management to maintain the Library facilities, and has begun planning for future branch capital investments. The Library is engaging in system-wide

space planning to meet the evolving and growing needs of the community.

## **YOUTH ENGAGEMENT**

In FY 2014-15, the Library unveiled The Bridge, the Library's new Literacy and Learning Center, and The Mix, the new teen digital media and learning lab. The Mix is an innovative, youth-designed, 21st century teen learning space for youth ages 13-18. In addition to discovering the Library's traditional books and materials, youth can explore, create, and develop digital media and computer skills. It is outfitted with state-of-the-art digital media, video/sound recording, and creative maker equipment, allowing teens to develop technology and literacy skills, and engage in team projects that promote critical thinking, inventiveness, and team building. The Library continues to focus on youth engagement system-wide with The Mix on the Move.

## **ADULT PROGRAMS AND CONTINUING EDUCATION**

FY 2015-16 the Library launched Career Online High School (COHS) for adults 19 and older to earn an accredited high school diploma as well as a career certificate in one of eight high-demand career fields. COHS students are paired with a coach and work at their own pace. Adult learners can access the program 24 hours a day, seven days a week. Students also are able to check out laptops and mobile Wi-Fi devices to complete their work at home.



# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>MAIN PROGRAM</b>					
<b>Provide hours of operation at the Main Library that respond to user demand</b>					
• Number of persons entering the Main Library	1,798,907	1,700,000	1,700,000	1,700,000	1,700,000
<b>BRANCH PROGRAM</b>					
<b>Provide hours of operation at the branch libraries that respond to user demand</b>					
• Number of persons entering branch libraries including Bookmobiles, Log Cabin Ranch and Juvenile Justice Center	4,927,641	4,900,000	4,600,000	5,000,000	5,200,000
<b>COLLECTIONS &amp; TECHNICAL SERVICES (CTS)</b>					
<b>Ensure access to materials and services for patrons who speak/read a language other than English</b>					
• Number of physical items in languages other than English added to the library's collection	57,464	55,000	60,000	58,000	58,000
<b>Meet citizens' needs in quantity and availability of library collections</b>					
• Circulation of eBooks and eMedia	1,273,429	1,500,000	1,800,000	2,000,000	2,300,000
• Circulation of physical books and materials	9,411,331	9,000,000	8,800,000	8,200,000	7,800,000
<b>COMMUNICATIONS PROGRAMS &amp; PARTNERSHIPS (CPP)</b>					
<b>Provide for and inform the public on high quality educational and cultural programs and services offered by the library</b>					
• Number of people attending adult programs	63,708	50,000	55,000	55,000	55,000
<b>INFORMATION TECHNOLOGY</b>					
<b>Meet patron needs for access to technology</b>					
• Average number of wi-fi users per day at branch libraries	2,982	2,500	4,000	4,000	4,500
• Average number of wi-fi users per day at the Main Library	1,103	1,200	1,200	1,300	1,500
• Number of hours used by patrons at public computer terminals, including both reserved and walk-in use	666,191	675,000	675,000	675,000	675,000
• Number of public computers available for use	1,083	1,000	1,123	1,123	1,123
• Number of website and catalog page views by mobile devices	9,772,684	9,500,000	11,000,000	11,000,000	11,000,000
<b>FACILITIES</b>					
<b>Ensure that all library facilities are clean and well maintained</b>					
• How patrons rate the cleanliness and maintenance of library facilities on a scale of 1 to 10	8.3	8.0	8.0	8.0	8.0
<b>Ensure that all library facilities are safe, accessible and sustainable public spaces</b>					
• How patrons rate their sense of safety and personal security in the library on a scale of 1 to 10	8.7	8.4	8.7	8.7	8.7
<b>CHILDREN &amp; YOUTH SERVICES (CYS)</b>					
<b>Provide high quality programs for children and youth</b>					
• Number of children and youth attending programs	286,411	248,500	248,500	249,000	255,000
• Number of programs provided	7,895	6,450	7,000	7,000	7,200
<b>Support early literacy through "Every Child Ready to Read" (ECRR) program</b>					
• Number of caregiver/parent participants in ECRR trainings and workshops	740	605	105	650	650
<b>SYSTEMWIDE</b>					
<b>Meet citizens' needs in quantity and availability of library collections</b>					
• Collection Expenditures per Number of Borrowers	\$28.24	\$27.94	\$29.58	\$31.12	\$32.85
• Expenditures per Number of Visits	\$15.07	\$13.93	\$18.87	\$18.95	\$19.75



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$123.8 million for the Public Library is \$6.7 million, or 5.7 percent, higher than the FY 2015-16 budget of \$117.1 million. This growth is primarily due to an expansion of weekly hours of operation at 14 branch libraries, increased investment in collections and digital strategy, and escalation in personnel costs.

The FY 2017-18 proposed budget of \$128.8 million for the Public Library is \$5.0 million, or 4.0 percent, higher than the proposed FY 2016-17 budget of \$123.8 million. This growth is primarily due to increased investment in capital assets.

## EXPANDED HOURS OF OPERATION

The Library will expand weekly hours of operation at fourteen neighborhood branch libraries during FY 2016-17, for a total increase of 70 additional weekly hours of operation, a 5 percent increase in hours system-wide. The expanded hours increases the level of service for all branch libraries to a minimum of 50 hours a week. Six of the fourteen library locations will see an additional day of service, allowing them to be open seven days a week.

The expanded hours of operation at fourteen neighborhood branch libraries will provide additional library services and programs for approximately 300,000 residents, including 49,000 residents aged 0-19. Enhanced access to library services will advance the Library's strategic

priorities, support academic achievement for school age children, promote digital inclusion objectives, and enrich the lives of seniors.

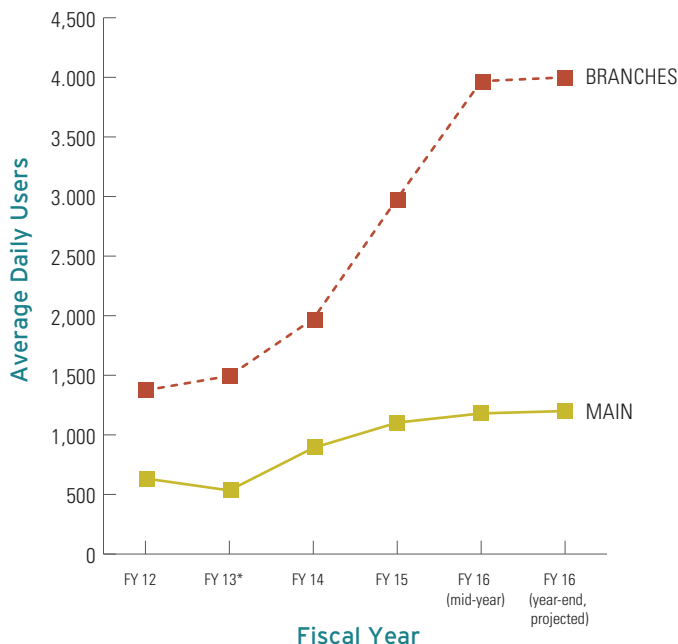
## LIBRARY STAFFING AND PARTNERSHIP INVESTMENTS

The Library's proposed budget continues its commitment to providing welcoming facilities and meeting our community's service needs by making staffing investments in youth services librarians, access service librarians, IT and web services, custodial services, security services, administrative capacity, and stationary engineering services for the Library's 29 facilities. Community partnerships at The Mix, The Bridge, and throughout the library system also allow the Library to leverage its resources and reach a larger audience.

Working with other City agencies enables the Library to offer special services and enhanced production. Some of the City agencies the Library collaborates with include Public Works, Public Health, the Department of the Environment, Recreation and Parks, the Police Department, Department of Children, Youth, and Their Families, the Arts Commission, and the San Francisco Unified School District. The Library is particularly proud of its partnership with Public Health for social work services, which has served as a model for other library systems throughout the United States.

### DAILY WIFI USERS

Wifi users at SFPL branch libraries grew dramatically from FY 2011-12 to FY 2015-16.



\*Drop in average daily users at the Main attributed to the addition of the Splash Screen on homepage

## STRONG LIBRARY COLLECTIONS

Each fiscal year, the Library enhances its collections budget, allocating approximately 11 percent of its operating budget. Print books remain the primary material format, but the Library is expanding its investments in eResources, including eBooks, eMusic, eVideo, databases, and eLearning, by 12 percent per year in FY 2016-17 and FY 2017-18. Other collections investments include implementing a digital asset management system to manage and integrate the Library's growing digital collection into a single system to improve public access to special collections.

## INVESTING IN THE FUTURE

The Library will begin the planning process to renovate the Chinatown, Mission, and Oceanview branch libraries in this budget cycle. Like BLIP, these capital projects will engage the public in the design process for each renovation.

The Library will also continue its space planning efforts to address the growing and evolving space needs for the Library, including identifying collections storage needs. Other investment opportunities include user-experience analysis, facilities asset management activities, and the coordination of city records management.

## DIGITAL INCLUSION

In addition to its strong collection in multiple formats and languages, the Library provides free educational and recreational programming to residents of all ages. Every month, the Library hosts more than

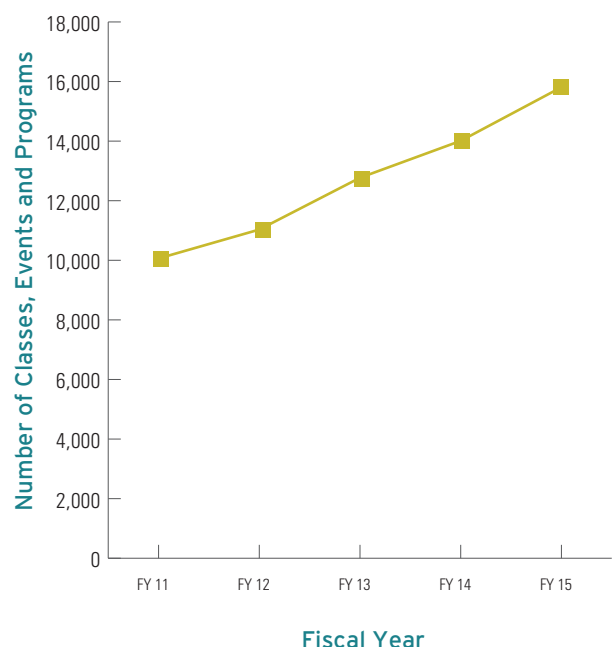
500 story-times and events for children and their caregivers, specialized programming and events for teens, and more than 300 literary, workforce development, and recreational classes and programs for adults. Beginning in FY 2016-17, the Library will have dedicated workforce development training for The Bridge at Main to assist patrons with career development needs. The Library also offers the Discover & Go pass, enabling families to visit local museums and cultural institutions for free or at discounted rates.

The Library's digital strategy priority is to ensure public access to technology and the Internet. Over the next two fiscal years the Library will invest in IT infrastructure, such as expanding City Fiber to ten more branches for a total of 25 sites system-wide, updating the Library's public web site, and enhancing its mobile wireless lending program. The Library provides the public with more than 800 computers with daily access of up to two hours to allow patrons time to complete tasks such as working on resumes or job searching.

The San Francisco Public Library will expand the scope and impact of adult digital literacy programming in the upcoming two years. To address barriers to digital inclusion, the Library is a participant in the nationwide Digital Inclusion Program to recruit emerging leaders from San Francisco's digitally divided communities. The Library will work towards increasing digital literacy and broadband adoption, leveraging training on best practices of digital inclusion work and community mobilization.

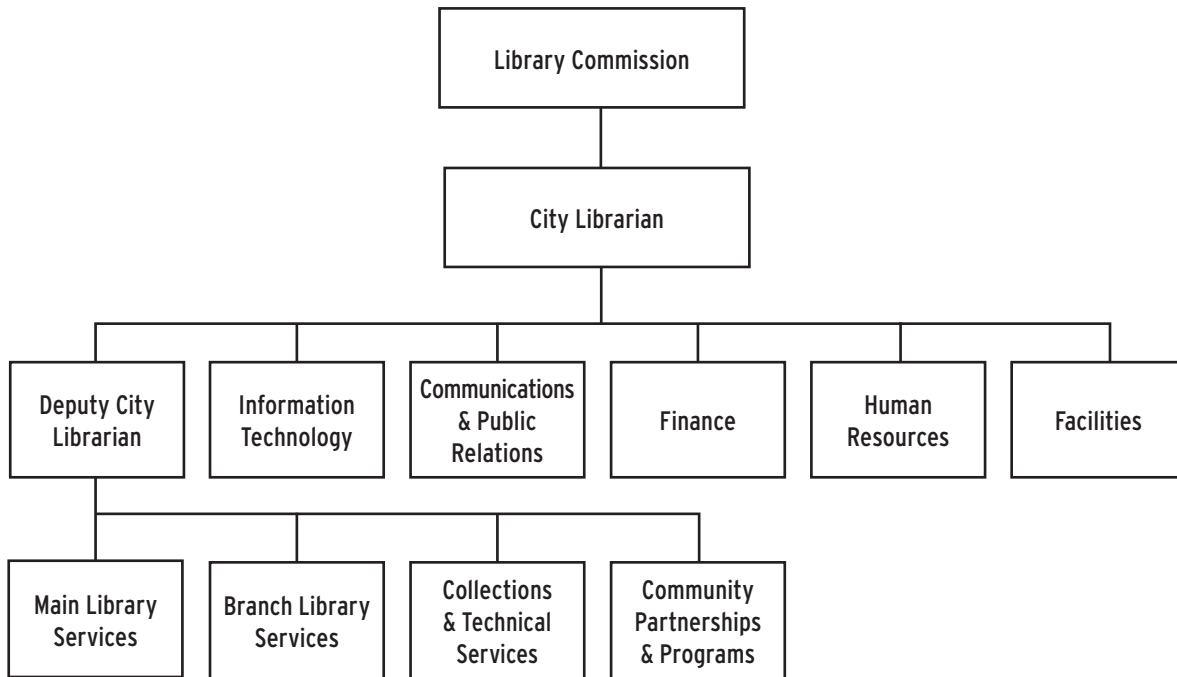
### LIBRARY CLASSES, EVENTS, AND PROGRAMS

The number of library classes, events, and programs hosted by the San Francisco Public Library grew steadily between FY 2010-11 to FY 2014-15.





# PUBLIC LIBRARY ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	660.70	662.28	683.12	20.84	696.02	12.90
<b>Net Operating Positions</b>	<b>660.70</b>	<b>662.28</b>	<b>683.12</b>	<b>20.84</b>	<b>696.02</b>	<b>12.90</b>
<b>SOURCES</b>						
Local Taxes	44,487,695	46,092,000	50,769,000	4,677,000	53,003,000	2,234,000
Use of Money or Property	497,604	2,377,088	363,515	(2,013,573)	363,515	0
Intergovernmental Revenue - Federal	10,352	0	0	0	0	0
Intergovernmental Revenue - State	254,655	220,000	220,000	0	220,000	0
Charges for Services	716,289	750,800	730,800	(20,000)	730,800	0
Other Revenues	889,912	27,000	20,000	(7,000)	20,000	0
Transfers In	2,504,281	925,000	3,810,000	2,885,000	5,629,700	1,819,700
Expenditure Recovery	28,838	61,430	64,032	2,602	66,132	2,100
Transfer Adjustments-Sources	(2,934,281)	(925,000)	(3,810,000)	(2,885,000)	(5,629,700)	(1,819,700)
Use of / (Deposit to) Fund Balance	(1,947,121)	0	472,738	472,738	510,250	37,512
General Fund Support	67,720,000	67,600,000	71,190,000	3,590,000	73,920,000	2,730,000
<b>Sources Total</b>	<b>112,228,224</b>	<b>117,128,318</b>	<b>123,830,085</b>	<b>6,701,767</b>	<b>128,833,697</b>	<b>5,003,612</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	45,816,896	50,048,950	53,895,506	3,846,556	54,956,118	1,060,612
Fringe Benefits	26,364,174	26,132,111	28,009,182	1,877,071	30,735,000	2,725,818
Overhead	238	461	461	0	461	0
Professional & Contractual Services	6,103,024	8,689,804	9,595,758	905,954	8,852,949	(742,809)
Materials & Supplies	14,265,783	14,885,257	17,021,988	2,136,731	17,747,623	725,635
Equipment	424,950	424,041	1,241,586	817,545	830,000	(411,586)
Services of Other Departments	7,700,061	8,456,303	10,255,604	1,799,301	10,081,846	(173,758)
Transfers Out	9,554,281	925,000	3,810,000	2,885,000	5,629,700	1,819,700
Budgetary Reserves	0	7,566,391	0	(7,566,391)	0	0
Transfer Adjustments-Uses	(2,934,281)	(925,000)	(3,810,000)	(2,885,000)	(5,629,700)	(1,819,700)
<b>Uses - Operating Expenditures Total</b>	<b>107,295,126</b>	<b>116,203,318</b>	<b>120,020,085</b>	<b>3,816,767</b>	<b>123,203,997</b>	<b>3,183,912</b>
<b>USES - PROJECT EXPENDITURES</b>						
Capital Renewal	0	0	2,710,000	2,710,000	680,000	(2,030,000)
Capital Projects	4,933,098	925,000	1,100,000	175,000	4,949,700	3,849,700
<b>Uses - Project Expenditures Total</b>	<b>4,933,098</b>	<b>925,000</b>	<b>3,810,000</b>	<b>2,885,000</b>	<b>5,629,700</b>	<b>1,819,700</b>
<b>USES BY PROGRAM RECAP</b>						
Adult Services	816,680	400,000	400,000	0	400,000	0
Branch Program	25,895,571	21,665,511	23,382,915	1,717,404	24,549,001	1,166,086
Children's Baseline	10,465,573	11,264,946	12,451,636	1,186,690	12,978,229	526,593
Children's Services	30,342	0	0	0	0	0
Collection Technical Services	15,877,733	17,047,077	18,222,563	1,175,486	18,988,238	765,675
Community Partnerships And Programming	1,064,283	1,805,725	2,158,053	352,328	2,196,855	38,802
Facilities	13,364,964	16,488,081	21,164,488	4,676,407	23,058,572	1,894,084
Information Technology	7,037,202	8,285,783	11,566,215	3,280,432	11,376,494	(189,721)
Library Administration	20,090,145	21,504,163	14,928,347	(6,575,816)	15,048,872	120,525
Main Program	17,585,731	18,321,819	19,210,655	888,836	19,892,223	681,568
Transitional-Aged Youth Baseline	0	345,213	345,213	0	345,213	0
<b>Uses by Program Recap Total</b>	<b>112,228,224</b>	<b>117,128,318</b>	<b>123,830,085</b>	<b>6,701,767</b>	<b>128,833,697</b>	<b>5,003,612</b>





# PUBLIC UTILITIES COMMISSION

The Public Utilities Commission (PUC) provides customers with high quality, efficient, and reliable water, power, and wastewater services in a manner that values environmental and community interests and sustains the resources entrusted in their care.

## SERVICES

The San Francisco Public Utilities Commission provides services through the following enterprises and bureaus:

**WATER ENTERPRISE** is responsible for collecting, treating, and distributing 196 million gallons of water per day to 2.6 million people in the Bay Area. Two unique features of the system stand out: the drinking water provided is among the purest in the world and the system for delivering that water is almost entirely gravity-fed, requiring little to no fossil fuel consumption. Since 2010, the enterprise has also managed the City’s Auxiliary Water Supply System for fire fighting and disaster response.

**WASTEWATER ENTERPRISE** collects, transmits, treats, and discharges sanitary and stormwater flows generated within the City for the protection of public health and environmental safety. San Francisco is one of only two cities in California with a combined sewer system. The system offers significant environmental benefits because it captures and treats both stormwater and urban street runoff, in addition to sewage from homes and businesses. This protects public health, the San Francisco Bay, and the Pacific Ocean.

**HETCH HETCHY WATER AND POWER** is comprised of the Power Enterprise and the upcountry operations of the Water Enterprise. This includes the collection and conveyance of approximately 85 percent of the City’s water supply and the generation and transmission of electricity from that source. The Hetch Hetchy Power System is the clean energy backbone for the City and County of San Francisco, powering municipal facilities and the City’s retail electricity customers. The City’s diverse energy portfolio of hydroelectric, solar, and biogas generation has a zero greenhouse gas-emission (GHG) profile.

*Services (continued)*

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	824,788,951	973,661,875	993,473,154	19,811,279	1,057,400,995	63,927,841
Total FTE	1,618	1,634	1,654	20	1,657	3

**CleanPowerSF** is the City’s Community Choice Aggregation (CCA) Program, which will enhance local control, create competition, and provide San Franciscans with a 100 percent renewable energy alternative. CleanPowerSF will provide San Franciscans the choice to decide what kind of energy they want for their homes and businesses. CleanPowerSF will substantially reduce the City’s greenhouse gas emissions, provide energy efficiency services for participating customers, and build out San Francisco’s local renewable resources to create jobs, stabilize energy prices over the long-run, and build a more sustainable future.

**PUC BUREAUS** provide infrastructure planning as well as managerial and administrative support to the PUC.

## **LOOKING BACK**

The San Francisco Public Utilities Commission (PUC) continues to provide reliable and environmentally sensitive services, investments in critical infrastructure, and local jobs.

### **HIGH-QUALITY SERVICE DELIVERY**

In 2015, California experienced its fourth consecutive year of dry weather. In response to the continued need to reduce water use, the PUC implemented a successful drought campaign. The campaign included edgy advertising to engage the public as well as targeted outreach to educate retail and wholesale customers throughout the year. Per capita water use within the City is among the lowest in the State.

The PUC continues the delivery of high-quality water every day to 2.6 million people, the treatment of sanitary waste and storm water runoff at 80 million gallons per day (MGD) and 575 MGD, respectively, and the delivery of 100 percent GHG-free, clean, renewable energy for San Francisco’s municipal uses.

### **STRATEGIC INFRASTRUCTURE INVESTMENTS**

Utilities are capital-intensive businesses. Meeting high-quality service levels requires both the periodic replacement of existing capital assets as well as the addition of new capital assets. The PUC continues to make investments in the water, sewer, and power systems necessary to continue to effectively deliver service to current and future generations. In 2015 the PUC achieved major milestones in its efforts to replace water and sewer pipelines throughout the City, replacing 11.4 miles of water mains and 14.9 miles of sewer mains. Additionally, 203 miles of sewer mains were cleaned and 157 miles were inspected.

The \$4.8 billion Water System Improvement Program (WSIP) moved toward completion. Major reliability projects were delivered and placed into service, including the Bay Tunnel, New Irvington Tunnel, and seismic upgrade of Bay Division Pipelines 3 and 4. In addition, new supply projects are driving diversification of the water supply

**SEWER & WATER MAINS REPLACED**  
Since FY 2012-13 the PUC has made significant progress toward replacing more miles of sewer and water mains. In FY 2015-16 the Department has replaced 15 miles of sewer mains and 15 miles of water mains.



portfolio. These projects include the Regional Groundwater Storage and Recovery projects currently under construction and the recently-approved West Side Recycled Water project.

Phase 1 of the \$6.9 billion Sewer System Improvement Program (SSIP) progressed in planning and design in 2015. Major wastewater capital projects were completed, including Mariposa and Sunnysdale pump stations and the Southeast Plant Digester roof replacement.

Progress also continued on the \$1.2 billion Hetch Hetchy System Improvement Project (HSIP). HSIP projects include construction of an electric distribution system for the Hunter's Point shipyard, establishment of the new continuous Streetlight Pole Assessment and Rehabilitation Program with 700 poles assessed and 135 deteriorated poles replaced thus far, and completion the City Hall LEED certification and exterior LED lighting.

## LOCAL JOBS

The PUC's infrastructure investments provide local jobs and training opportunities, enabling the Department to maintain a sustainable workforce and create the next generation of utility workers and environmental stewards. A strong workforce is what keeps the PUC's operations reliable every hour of every day. The Department's investments support the local and regional economy by providing jobs that lead to stable and fulfilling careers with family-sustaining wages and benefits. According to the City's Office of Economic and Workforce Development (OEWD), the PUC has achieved 40 percent local hiring cumulatively across all capital projects, exceeding the 20-30 percent requirement. The PUC has also achieved 70 percent local apprentice hiring, exceeding the 50 percent requirement.



# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>Customer and Community</b>					
<b>Invest in Customers/Community</b>					
• Average residential water, wastewater, and power bill as a percent of median income in San Francisco	1.29%	2.50%	2.50%	2.50%	2.50%
• CY3.1b Percent apprentice labor hours worked by WSIP PLA Service Territory Residents Apprentices as a percent of all Apprentice hours worked.	50.00%	50.00%	50.00%	50.00%	50.00%
• Percentage of retail customers that rate SFPUC services as "good" or "excellent"	84%	90%	90%	90%	90%
<b>Environment</b>					
<b>Steward the Environment</b>					
• EN 12.2b Total electricity reduction achieved by customers (in MWh)	1,632.00	4,353.00		2,980.00	3,020.00
• EN 12.2c Total gas reduction achieved by customers (in therms)	27,115.00	75,000.00		75,000.00	
• EN12.1b Average monthly electricity used per SFPUC street light (in kWh)	45.97	35.00	35.00	35.00	
• EN17.1c Direct energy consumption broken down by source = Energy Intensity (EI metric): MWh energy used per million gallons wastewater treated	2.10	2.10	2.10	2.10	2.10
• EN6.1b Total amount of water sold to San Francisco residential customers in gallons per capita per day (gpcd)	43.58	50.00	50.00	50.00	50.00
• EN8.2 Percent of total water supplied by alternative sources to retail customers	3.50%	3.40%	3.40%	3.70%	4.40%
• EN9.4 Percent sewage sludge (the residual, semi-solid material left from the sewage treatment process) going to beneficial reuse	100.00%	100.00%	100.00%	100.00%	100.00%



# PERFORMANCE MEASURES (CONTINUED)

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>Governance</b>					
<b>Improve Governance</b>					
• GM1.2b Drinking water quality compliance rate (percent days in full compliance with drinking water standards)	99.72%	100.00%	100.00%	100.00%	100.00%
• IA5.1a Preventive maintenance ratio for Water (percent)	91.93%	95.00%	90.00%	90.00%	90.00%
• IA5.3a Distribution system renewal and replacement rate for water mains (percent)	0.95%	1.00%	1.00%	1.25%	1.25%
• IA5.3b System renewal and replacement rate for Wastewater (miles)	14.89	15.00	15.00	15.00	15.00
• SFPUC Cost per gallon of wastewater	0.01300	0.01210	0.01200	0.01300	0.01660
• SFPUC Cost per gallon of water	0.01040	0.01040	0.01000	0.01100	0.01220
• SFPUC Cost per Kilowatt hour of electricity	0.11450	0.11710	0.11710	0.12060	



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$993.5 million for the PUC is \$19.8 million, or 2.0 percent, higher than the FY 2015-16 budget of \$973.7 million. The increase includes funds to support the new CleanPowerSF program, offset by reductions in debt service and capital project funding.

The FY 2017-18 proposed budget of \$1.06 billion for the PUC is \$63.9 million, or 6.4 percent, higher than the proposed FY 2016-17 budget of \$993.5 million. A significant portion of the increase is due to debt service associated with new Sewer Systems Improvement Project (SSIP) debt issuance. Other changes include increases to salaries, fringe benefits, and capital investments.

## RESPONDING TO DROUGHT & A GROWING CITY

The PUC's FY 2016-17 and FY 2017-18 budget responds to significant drought-related revenue reductions for all three enterprises (water, power, and wastewater) while also meeting the demands of historically high needs for re-development services and new service connections within the City. The Department's budget responds to these needs with added staff and investments to support new commercial and residential developments within the City and expansion of the retail power distribution network to serve new electric retail customers.

## CleanPowerSF

The PUC is supporting the launch of an entirely new line of business with CleanPowerSF—San Francisco's community choice aggregation program, which will provide San Franciscans a cleaner energy alternative. The most significant change in the budget is the addition of \$30 million to fund the first year of operations for CleanPowerSF.

## KEY CAPITAL INVESTMENTS

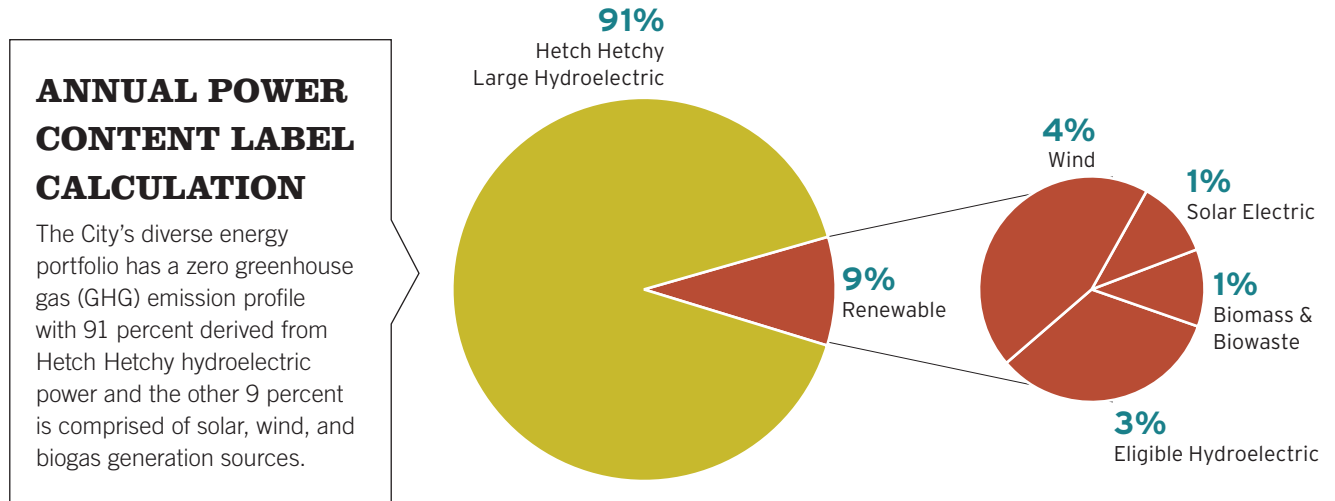
In addition to a new line of business, the PUC is engaged in large capital investment programs. The Department is focused on concluding the historic WSIP capital program, which involves a significant re-deployment of staff as well as changes in operations as major new assets are placed in service. Commencing Phase 1 of the wastewater SSIP involves adapting lessons learned in the WSIP and addressing the unique challenges of executing a program focused on replacing and improving the most critical treatment plant in the sewer system.

Another significant capital-related investment addressed in the budget is the ramping up of the replacement of water and sewer mains—a challenging endeavor in a highly urbanized environment. The addition of staff over the next two years will help the PUC meet its goal of increasing the replacement rate of water and sewer mains to 15 miles per year.

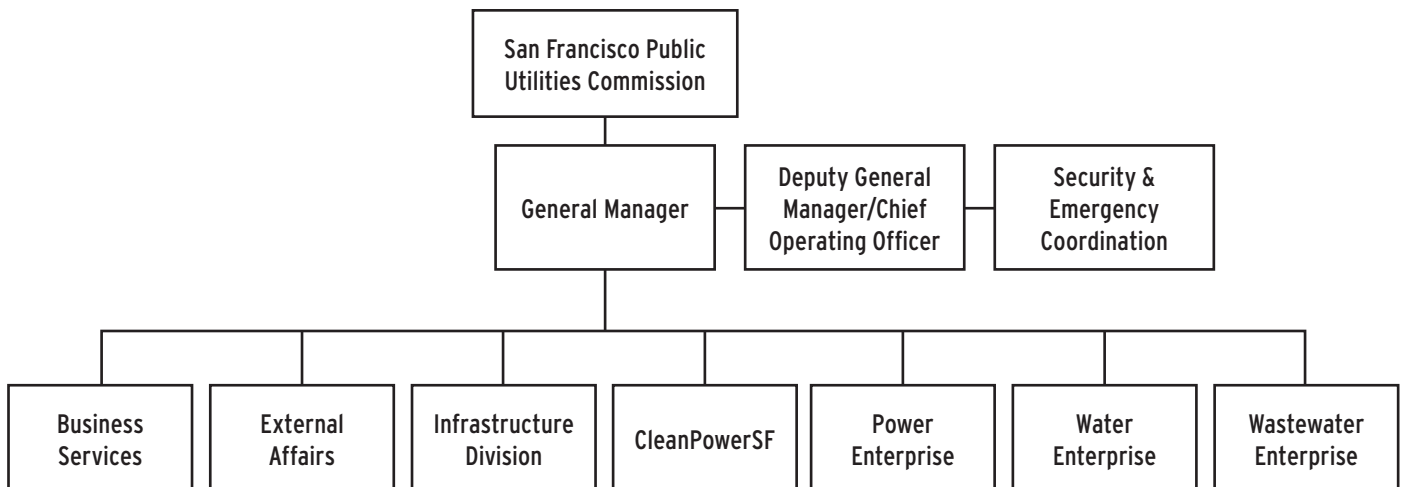
## A SUSTAINABLE WORKFORCE

Like many public utilities, the PUC is addressing these challenges against the backdrop of a dramatic change in the workforce. More than half of PUC employees are eligible to retire within the next

five years. Ensuring the retention of institutional knowledge and hiring, training, and retaining a talented team is vital to maintaining the health and safety of our communities, and thus, is a high priority for the Department.



## PUBLIC UTILITIES COMMISSION ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	2,246.07	2,275.11	2,300.78	25.67	2,318.46	17.68
Non-operating Positions (cap/other)	(627.82)	(641.58)	(646.74)	(5.16)	(661.05)	(14.31)
<b>Net Operating Positions</b>	<b>1,618.25</b>	<b>1,633.53</b>	<b>1,654.04</b>	<b>20.51</b>	<b>1,657.41</b>	<b>3.37</b>

<b>SOURCES</b>						
Licenses & Fines	11,137,064	0	0	0	0	0
Use of Money or Property	17,563,111	16,312,753	18,440,769	2,128,016	18,980,546	539,777
Intergovernmental Revenue - Other	108,077	0	0	0	0	0
Charges for Services	740,239,852	768,246,793	786,970,319	18,723,526	853,331,265	66,360,946
Other Revenues	38,993,687	42,222,811	41,529,387	(693,424)	41,616,086	86,699
Transfers In	269,488,127	179,739,096	166,156,672	(13,582,424)	182,987,388	16,830,716
Expenditure Recovery	127,192,508	284,690,412	290,753,459	6,063,047	303,898,892	13,145,433
Transfer Adjustments-Sources	(376,704,587)	(341,543,945)	(333,596,981)	7,946,964	(355,586,734)	(21,989,753)
Use of / (Deposit to) Fund Balance	(3,228,888)	23,993,955	23,219,529	(774,426)	12,173,552	(11,045,977)
<b>Sources Total</b>	<b>824,788,951</b>	<b>973,661,875</b>	<b>993,473,154</b>	<b>19,811,279</b>	<b>1,057,400,995</b>	<b>63,927,841</b>

<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	179,292,592	219,954,102	228,749,959	8,795,857	228,707,549	(42,410)
Fringe Benefits	85,018,820	89,870,559	93,879,888	4,009,329	101,804,722	7,924,834
Overhead	830,844	2,277	2,478,808	2,476,531	2,652,798	173,990
Professional & Contractual Services	96,780,478	120,696,162	138,739,328	18,043,166	145,343,247	6,603,919
Aid Assistance / Grants	2,496,120	2,854,178	2,786,694	(67,484)	2,806,694	20,000
Materials & Supplies	27,650,187	29,771,222	28,478,763	(1,292,459)	29,105,782	627,019
Equipment	5,081,481	6,250,480	7,150,636	900,156	6,438,319	(712,317)
Debt Service	576,398	338,272,377	319,321,189	(18,951,188)	350,301,648	30,980,459
Services of Other Departments	168,548,610	173,190,483	178,996,473	5,805,990	181,876,597	2,880,124
Transfers Out	513,819,235	179,444,233	166,151,809	(13,292,424)	182,887,388	16,735,579
Budgetary Reserves	0	105,687,747	127,444,980	21,757,233	137,560,389	10,115,409
Transfer Adjustments-Uses	(376,704,587)	(341,543,945)	(333,596,981)	7,946,964	(355,586,734)	(21,989,753)
<b>Uses - Operating Expenditures Total</b>	<b>703,390,178</b>	<b>924,449,875</b>	<b>960,581,546</b>	<b>36,131,671</b>	<b>1,013,898,399</b>	<b>53,316,853</b>

<b>USES - PROJECT EXPENDITURES</b>						
Facilities Maintenance	3,923,358	37,789,000	35,866,000	(1,923,000)	36,531,000	665,000
Capital Renewal	0	8,663,000	3,922,500	(4,740,500)	4,971,596	1,049,096
Capital Projects	117,475,415	2,760,000	(6,896,892)	(9,656,892)	2,000,000	8,896,892
<b>Uses - Project Expenditures Total</b>	<b>121,398,773</b>	<b>49,212,000</b>	<b>32,891,608</b>	<b>(16,320,392)</b>	<b>43,502,596</b>	<b>10,610,988</b>

<b>USES BY PROGRAM RECAP</b>						
Administration	379,872,696	145,481,322	149,626,387	4,145,065	158,623,664	8,997,277
Clean Powersf	0	0	29,548,216	29,548,216	34,077,485	4,529,269
Customer Services	13,444,746	14,123,568	14,441,325	317,757	14,690,081	248,756
Debt Service	472,397	325,432,906	305,675,129	(19,757,777)	335,418,573	29,743,444
Engineering	(261,596)	0	0	0	(1)	(1)
Facilities Mgmt & Operations	154,327	0	0	0	0	0
Finance	10,811,689	12,752,357	14,343,786	1,591,429	13,527,439	(816,347)
General Management	(67,507,781)	(68,575,760)	(71,055,152)	(2,479,392)	(70,995,354)	59,798
Hetch Hetchy Capital Projects	24,513,044	19,463,662	38,810,000	19,346,338	35,000,000	(3,810,000)
Hetch Hetchy Power	6,979,856	0	0	0	0	0
Hetch Hetchy Project Operations	26,091	0	0	0	0	0
Hetchy Water Operations	19,180,988	66,381,677	64,056,176	(2,325,501)	65,589,604	1,533,428
Human Resources	10,352,172	11,243,140	11,865,949	622,809	12,044,890	178,941
Management Information	25,667,581	24,198,981	24,240,501	41,520	24,482,534	242,033
Operating Reserve	0	6,126,439	23,651,590	17,525,151	17,870,362	(5,781,228)
Power Infrastructure Development	31,369,854	74,448,099	70,624,193	(3,823,906)	74,979,614	4,355,421
Power Purchasing/ Scheduling	8,289,873	10,513,036	9,354,318	(1,158,718)	9,396,140	41,822
Power Utility Field Services	1,418,575	0	0	0	0	0

# TOTAL BUDGET – HISTORICAL COMPARISON

(CONTINUED)

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
Power Utility Services	61,688	0	0	0	0	0
Strategic Planning/Compliance	9,468,982	14,233,925	15,282,132	1,048,207	15,476,109	193,977
Supply & Treatment	54,173	0	0	0	0	0
Wastewater Capital Projects	45,414,109	41,000,000	36,775,608	(4,224,392)	45,000,000	8,224,392
Wastewater Collection	28,964,991	32,205,945	31,747,680	(458,265)	32,260,157	512,477
Wastewater Disposal	3,158,271	0	0	0	0	0
Wastewater Operations	12,785,652	4,375,117	3,455,943	(919,174)	3,538,281	82,338
Wastewater Treatment	69,085,898	76,473,154	77,764,704	1,291,550	79,227,820	1,463,116
Water Capital Projects	56,248,742	43,592,000	21,126,000	(22,466,000)	32,954,596	11,828,596
Water Pumping	2,062,023	0	0	0	0	0
Water Quality	7,993	0	0	0	0	0
Water Source Of Supply	16,214,715	20,484,310	20,123,406	(360,904)	20,490,355	366,949
Water Supply & Power Operations	(779,257)	0	0	0	0	0
Water Transmission/ Distribution	77,810,300	53,977,758	57,045,601	3,067,843	58,135,384	1,089,783
Water Treatment	39,446,159	45,730,239	44,969,662	(760,577)	45,613,262	643,600
<b>Uses by Program Recap Total</b>	<b>824,788,951</b>	<b>973,661,875</b>	<b>993,473,154</b>	<b>19,811,279</b>	<b>1,057,400,995</b>	<b>63,927,841</b>





# RENT ARBITRATION BOARD

The San Francisco Rent Arbitration Board's (RNT) mission is to protect tenants from excessive rent increases and unjust evictions while assuring landlords of fair and adequate rents; to provide fair and even-handed treatment for both tenants and landlords through efficient and consistent administration of the rent law; to promote the preservation of sound, affordable housing; and to enhance the ethnic and cultural diversity that is unique to San Francisco.

## SERVICES

The Rent Arbitration Board provides services through the following program areas:

**PUBLIC INFORMATION AND COUNSELING** unit provides information to the public regarding the Rent Ordinance and rules and regulations, as well as other municipal, state and federal ordinances in the area of landlord/tenant law.

**HEARINGS AND APPEALS** unit consists of eleven Administrative Law Judges (ALJs) who are supervised by two Senior Administrative Law Judges. The ALJs conduct arbitrations and mediations to resolve disputes between landlords and tenants and issue decisions in accordance with applicable laws.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	6,078,532	6,942,409	7,538,989	596,580	8,015,353	476,364
Total FTE	31	31	34	3	36	2



# LOOKING BACK

The Rent Board's central functions are to regulate tenants' rents during a tenancy and prevent evictions without good cause in order to promote affordable housing. Over Fiscal Year (FY) 2014-15, the Department answered over 32,000 counseling calls, served over 11,000 counter visitors, received 5,297 filings (including 2,194 petitions), and investigated 559 wrongful eviction reports.

The Department's workload numbers continue to increase. Overall filings increased 16 percent in FY 2014-15. This increase is in addition to a 10 percent increase in overall filings in FY 2013-14, a 17 percent increase in FY 2012-13 and a 16 percent increase in FY 2011-12. Overall, the Rent Board is processing twice

as many filings today as in FY 2011-12. The increased workload stems in part from an expanded scope of work for the Department, which includes tenant buyout agreements, and the Mandatory Soft Story Retrofit Ordinance.

Apart from legislative and workload changes, the Department has and will continue to focus on key services to the public, including its web site and other information systems, so it can further improve its responsiveness to the community. The Department has allocated resources over the past year to provide more multilingual services, as well as to ensure more rapid dissemination of information in a constantly evolving legislative environment.

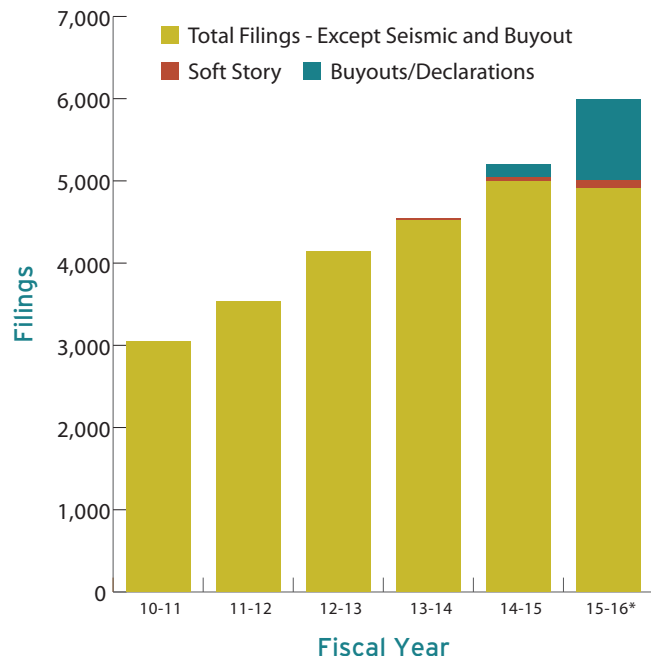


# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>RENT BOARD</b>					
<b>Provide a timely resolution for all allegations of wrongful eviction filings</b>					
• Average number of days needed to process allegations of wrongful evictions	1.8	2.0	2.0	2.0	2.0
<b>Provide a timely resolution of all petitions</b>					
• Average number of days for Administrative Law Judges to submit decisions for review	20.0	25.0	25.0	25.0	25.0
<b>Provide translations of documents and make available through multiple sources</b>					
• Number of discrete documents in languages other than English	425	440	440	500	500
• Number of locations where translated documents are available	844	884	884	950	950

## FILINGS BY FISCAL YEAR

Since FY 2010-11 filings have doubled, with recent growth due to the filing of Buyout Agreements and Declarations Regarding Buyout Disclosures since FY 2014-15.



\*Annualized, based on data for first eight months of FY 2015-16



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$7.5 million for the Rent Board is \$0.6 million, or 8.6 percent, higher than the FY 2015-16 budget of \$6.9 million. This growth is primarily due to increased staffing to meet service demand as well as legislative changes.

The FY 2017-18 proposed budget of \$8.0 million for the Rent Board is \$0.5 million, or 6.3 percent, higher than the proposed FY 2016-17 budget of \$7.5 million. This increase is primarily due to the annualization of positions included in the proposed FY 2016-17 budget, as well as the addition of one additional position.

## DATA SHARING AND WORKING SMARTER

The Rent Board is increasing cross-departmental collaboration by pursuing a strategy of sharing data in a more streamlined and standardized way. By working with other City departments with which the Rent Board has mutual data dependencies, the Department is aiming to reduce its workload,

increase its effectiveness, and make its data more widely available to the general public.

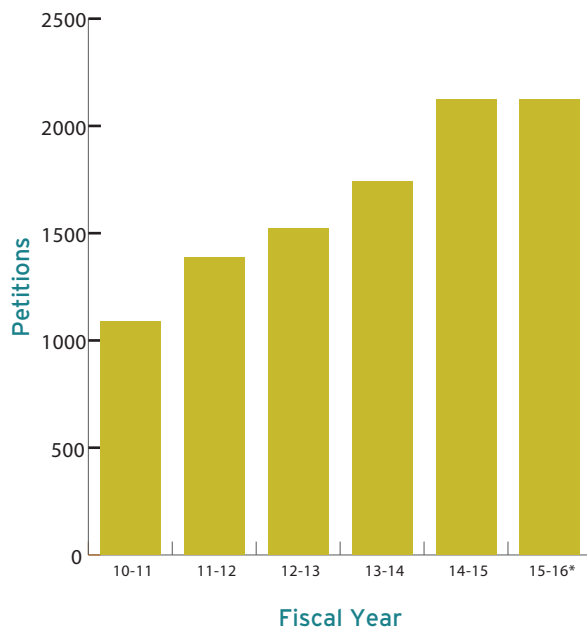
As part of this effort, the proposed budget includes resources for updated technology and web site customization.

## LEGISLATIVE CHANGES

A significant number of legislative changes will result in a significant increase to the Department's workload over the coming years. These changes include mandatory seismic ("soft story") upgrades to over 5,000 buildings containing approximately 50,000 units, for which a portion of the cost can be passed through to tenants by filing a petition with the Department, as well as increases in related hardship applications filed by tenants who cannot afford the capital improvement passthroughs. New requirements for filing buyout agreements with the Department are also contributing to the workload increase. The soft story seismic retrofit capital improvement petitions, as well as related hardship applications, will result in projected increases of about 400 petitions per year by FY 2018-19.

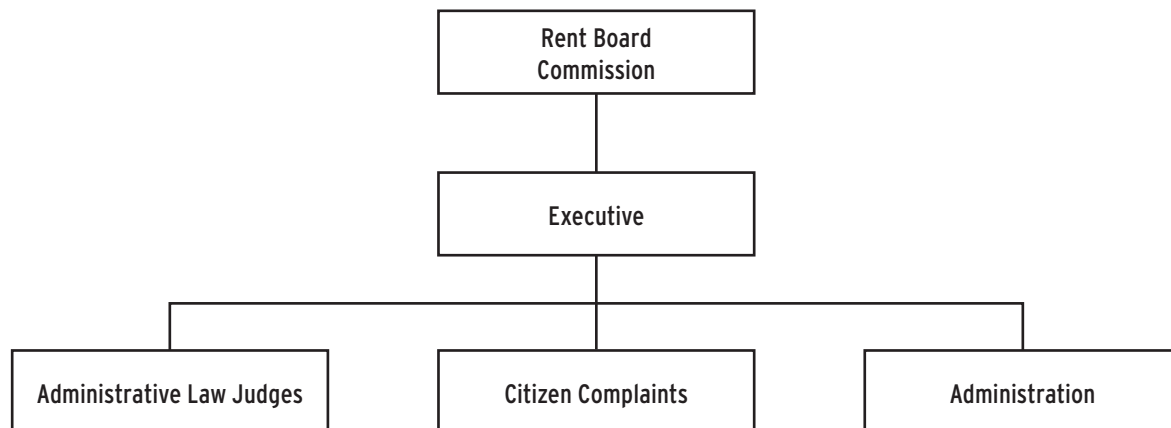
### TOTAL PETITIONS BY YEAR

Since FY 2010-11 petitions to the Rent Board have doubled. Petitions are filed when a resolution is needed by a Rent Board Administrative Law Judge (ALJ).





# RENT ARBITRATION BOARD ORGANIZATIONAL STRUCTURE



## TOTAL BUDGET – HISTORICAL COMPARISON

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015-16	Proposed Budget	Chg from 2016-17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	30.52	31.29	33.96	2.67	36.46	2.50
<b>Net Operating Positions</b>	<b>30.52</b>	<b>31.29</b>	<b>33.96</b>	<b>2.67</b>	<b>36.46</b>	<b>2.50</b>
<b>SOURCES</b>						
Charges for Services	6,289,676	6,142,409	6,788,989	646,580	8,015,353	1,226,364
Expenditure Recovery	18,124	0	0	0	0	0
Use of / (Deposit to) Fund Balance	(229,268)	800,000	750,000	(50,000)	0	(750,000)
<b>Sources Total</b>	<b>6,078,532</b>	<b>6,942,409</b>	<b>7,538,989</b>	<b>596,580</b>	<b>8,015,353</b>	<b>476,364</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	3,531,295	3,950,370	4,400,541	450,171	4,693,390	292,849
Fringe Benefits	1,582,738	1,610,515	1,777,080	166,565	2,045,009	267,929
Overhead	0	75,823	42,183	(33,640)	42,183	0
Professional & Contractual Services	96,590	277,658	208,558	(69,100)	188,558	(20,000)
Aid Assistance / Grants	68,268	120,000	120,000	0	120,000	0
Materials & Supplies	37,037	37,499	102,499	65,000	37,499	(65,000)
Services of Other Departments	762,604	870,544	888,128	17,584	888,714	586
<b>Uses - Operating Expenditures Total</b>	<b>6,078,532</b>	<b>6,942,409</b>	<b>7,538,989</b>	<b>596,580</b>	<b>8,015,353</b>	<b>476,364</b>
<b>USES BY PROGRAM RECAP</b>						
Rent Board	6,078,532	6,942,409	7,538,989	596,580	8,015,353	476,364
<b>Uses by Program Recap Total</b>	<b>6,078,532</b>	<b>6,942,409</b>	<b>7,538,989</b>	<b>596,580</b>	<b>8,015,353</b>	<b>476,364</b>

# RETIREMENT SYSTEM

The Retirement System (RET) works to secure, protect, and prudently invest the City’s pension trust accounts, administer mandated benefit programs, and provide promised benefits.

## SERVICES

The Retirement System provides services through the following divisions:

**ADMINISTRATION** directs the overall administration of the Retirement System, including implementation of Retirement Board policies and directives; implementation of legislative changes to the Retirement System; legal and procedural compliance of all activities of the Retirement System; administration of member retirement counseling and pension payment processing; administration of the disability application and hearing officer process; and management of the Retirement System’s information technology, budget, and financial systems.

**RETIREMENT SERVICES** provides retirement counseling for more than 37,000 active and inactive members and more than 27,000 retired members; maintains historical employment data and retirement accounts for both active and retired members; calculates and processes all benefits payable as a result of a member’s retirement, death, or termination of employment; disburses monthly retirement allowances to retirees and beneficiaries; and maintains Retirement System financial records and reporting in compliance with all applicable legal and regulatory requirements.

**INVESTMENT** manages and invests the \$20 billion San Francisco Employee Retirement System (SFERS) Trust in accordance with the investment policy of the Retirement Board; monitors the performance of external investment managers; and maintains information and analysis of capital markets and institutional investment opportunities.

**DEFERRED COMPENSATION** oversees and administers the City’s \$2.8 billion Deferred Compensation Plan (SFDCP). The City’s Deferred Compensation Plan and Trust are established separately from, and are independent of, the Retirement System’s defined benefit pension plan.

## BUDGET DATA SUMMARY

	2014-15	2015-16	2016-17		2017-18	
	Actual Budget	Original Budget	Proposed Budget	Change from 2015-16	Proposed Budget	Change from 2016-17
Total Expenditures	21,796,647	26,669,227	29,015,814	2,346,587	29,753,246	737,432
Total FTE	103	105	110	5	112	2



# LOOKING BACK

The Retirement System advanced two significant initiatives in Fiscal Year (FY) 2014-15 and FY 2015-16 to improve member service and to grow and protect the SFERS Trust assets. SFERS introduced a new web site that features a secure member portal that provides active and retired members 24/7 access to personal retirement information. Active members now have access to their member account balances, service credit, and Annual Member Statements, as well as a benefit modeling calculator. Retired members now have access to monthly benefit advice notices and annual tax statements.

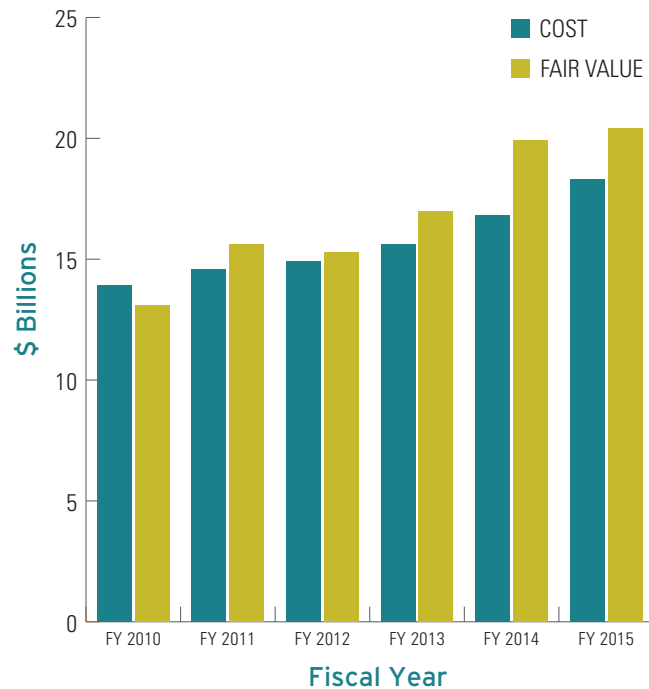
The Retirement Board also approved a new investment model. The Retirement System is transitioning from a consultant-driven model to an in-house, staff-driven model with the aim to stabilize and diversify the City's investment portfolio to guard

against future downturns and to bring expertise in-house. SFERS' investment staff increased from 14 in FY 2013-14 to 22 by the end of FY 2015-16. The increase in investment staff is intended to achieve higher returns on investment, increase the City's ability to invest in alternative strategies that are not currently implemented, and allow the Retirement System to reduce the fees currently paid by retirees and SFERS participants.

City employees and retirees continue to take advantage of the Retirement System's co-location with the Health Service System and the San Francisco Deferred Compensation Plan (SFDCP). Since moving in 2014, SFERS' Member Services Division continues to see a marked increase in visitors requesting retirement counseling and other visitors to the SFDCP.

## PLAN NET POSITION

The fair market values of the Retirement System plan assets have exceeded costs in every year since FY 2010-11. In FY 2014-15, the cost of assets was \$18.3 billion and the fair market value was \$20.4 billion.





# PERFORMANCE MEASURES

	2014-15	2015-16	2015-16	2016-17	2017-18
	Actual	Target	Projected	Target	Target
<b>EMPLOYEE DEFERRED COMP PLAN</b>					
<b>Provide effective administration of the Deferred Compensation Plan</b>					
<ul style="list-style-type: none"> <li>Percentage of eligible City employees who participate in the Deferred Compensation Plan</li> </ul>	51%	50%	50%	50%	50%
<b>RETIREMENT SERVICES</b>					
<b>Provide accurate account and retirement benefit information to members in a timely manner</b>					
<ul style="list-style-type: none"> <li>Average number of individualized communications per active Retirement Plan member</li> </ul>	2.48	3.20	3.20	3.20	3.20
<b>INVESTMENT</b>					
<b>Maximize investment returns at an acceptable risk level for Plan participants</b>					
<ul style="list-style-type: none"> <li>Return on investment ranking of 50th percentile or better among public pension plans with assets in excess of \$1 billion, using 5-year average return (1 equals yes)</li> </ul>	1	1	1	1	1



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2016-17 proposed budget of \$29.02 million for the Retirement System is \$2.35 million, or 8.8 percent, higher than the FY 2015-16 budget of \$26.67 million. This increase is due to increased personnel costs at the Department.

The FY 2017-18 proposed budget of \$29.75 million for the Retirement System is \$0.74 million, or 2.5 percent, higher than the proposed FY 2016-17 budget of \$29.02 million. This increase in cost is driven by annualization of new positions at the Department.

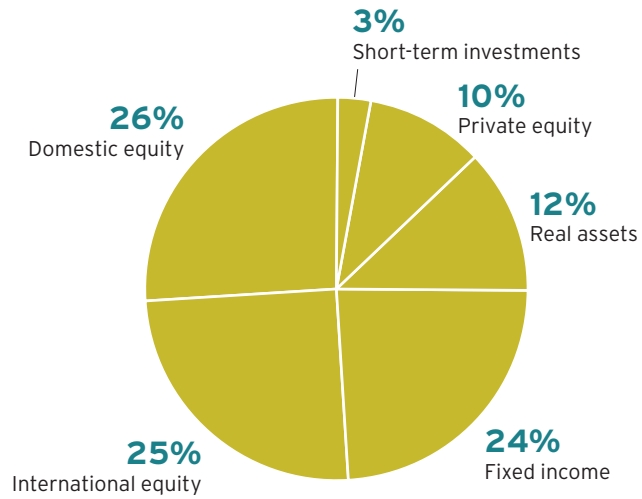
The Retirement System's initiatives to improve service and to grow and protect the SFERS Trust assets are ongoing and reflected in its budget. The member service improvement initiatives included in this budget include enhancement of the SFERS web site to include active member 24/7 self-service modules for purchase of prior service and refund processing, as well as retired member 24/7 self-service modules for tax withholding

changes and address changes, all through a secure member portal architecture. A portion of SFERS' customer population strongly prefers face-to-face contact when seeking retirement services. Web site improvements will reduce the number of unnecessary customer visits, while enhancing the overall customer experience.

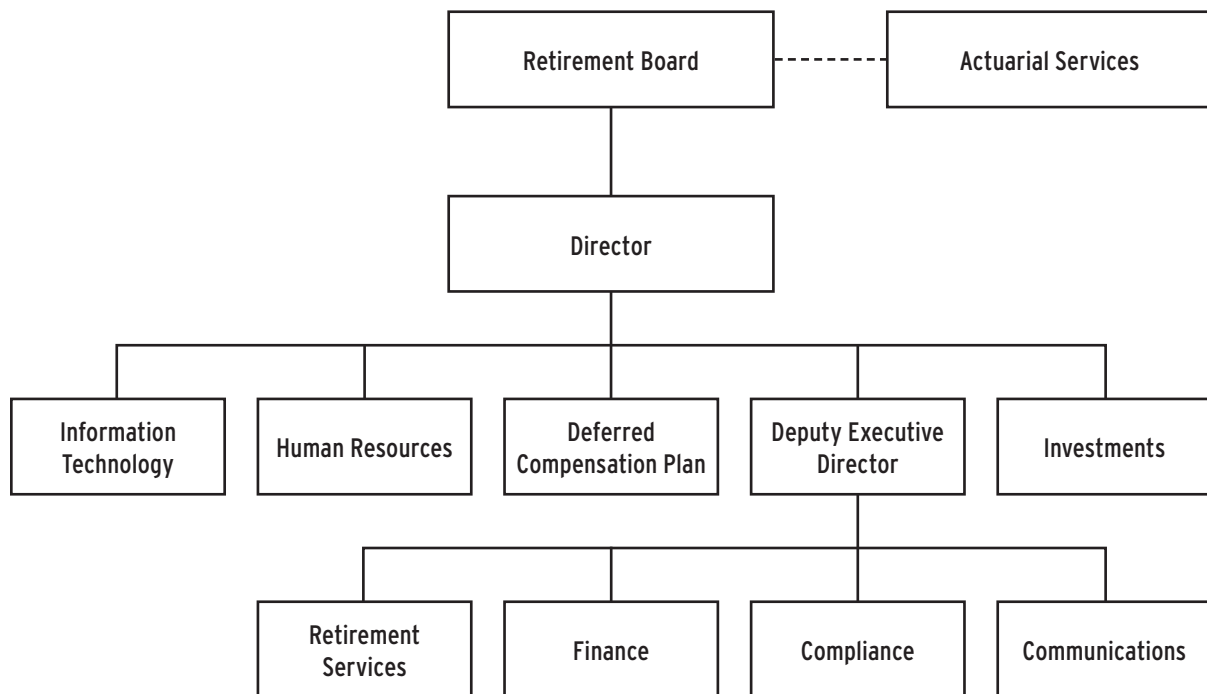
The increase in FTE's in the Investment Division has resulted in bringing more investment expertise in-house, rather than using consultants. The Retirement System believes this will enable it to diversify assets, increase earnings, and better prepare the SFERS Trust assets for future changes in the economic cycle. In turn, the City's costs for employer contributions can be reduced and directed to other high priority uses. This increase in investment staff has resulted in a reduction in investment consultant fees in the FY 2016-17 Department budget as the investment consultants' role in the Department's investment process continues to evolve.

**PENSION FUND  
ASSET ALLOCATION**

The assets of the Retirement System are primarily in domestic equity, international equity, and fixed income categories.



**RETIREMENT SYSTEM  
ORGANIZATIONAL STRUCTURE**





# TOTAL BUDGET – HISTORICAL COMPARISON

	2014–15	2015–16	2016–17		2017–18	
	Actual Budget	Original Budget	Proposed Budget	Chg from 2015–16	Proposed Budget	Chg from 2016–17
<b>AUTHORIZED POSITIONS</b>						
Total Authorized	103.14	105.43	110.05	4.62	111.76	1.71
<b>Net Operating Positions</b>	<b>103.14</b>	<b>105.43</b>	<b>110.05</b>	<b>4.62</b>	<b>111.76</b>	<b>1.71</b>
<b>SOURCES</b>						
Use of Money or Property	346,103	251,000	251,000	0	251,000	0
Charges for Services	0	1,131,471	1,168,756	37,285	1,106,691	(62,065)
Other Revenues	20,661,258	25,246,241	27,596,058	2,349,817	28,395,555	799,497
Expenditure Recovery	7,898	40,515	0	(40,515)	0	0
General Fund Support	781,388	0	0	0	0	0
<b>Sources Total</b>	<b>21,796,647</b>	<b>26,669,227</b>	<b>29,015,814</b>	<b>2,346,587</b>	<b>29,753,246</b>	<b>737,432</b>
<b>USES - OPERATING EXPENDITURES</b>						
Salaries & Wages	8,814,343	12,048,352	14,485,522	2,437,170	14,795,238	309,716
Fringe Benefits	4,245,672	4,788,690	5,314,217	525,527	5,829,484	515,267
Overhead	161,728	177,901	0	(177,901)	0	0
Professional & Contractual Services	356,533	4,565,549	3,496,153	(1,069,396)	3,368,068	(128,085)
Materials & Supplies	237,275	220,000	305,000	85,000	305,000	0
Equipment	743,905	101,735	182,348	80,613	76,202	(106,146)
Services of Other Departments	7,237,191	4,767,000	5,232,574	465,574	5,379,254	146,680
<b>Uses - Operating Expenditures Total</b>	<b>21,796,647</b>	<b>26,669,227</b>	<b>29,015,814</b>	<b>2,346,587</b>	<b>29,753,246</b>	<b>737,432</b>
<b>USES BY PROGRAM RECAP</b>						
Administration	1,464,666	1,989,425	2,281,436	292,011	2,341,787	60,351
Employee Deferred Comp Plan	781,388	1,132,471	1,169,756	37,285	1,107,691	(62,065)
Investment	2,372,410	5,188,024	7,380,390	2,192,366	7,774,919	394,529
Retirement Services	17,178,183	18,359,307	18,184,232	(175,075)	18,528,849	344,617
<b>Uses by Program Recap Total</b>	<b>21,796,647</b>	<b>26,669,227</b>	<b>29,015,814</b>	<b>2,346,587</b>	<b>29,753,246</b>	<b>737,432</b>



# CAPITAL & IT PROJECTS

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# CAPITAL PROJECTS

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## SUMMARY OF MAY 1 CAPITAL PROJECTS

An essential part of the City's budget is the Capital Budget- the funds allocated to construct, restore, and improve the capital facilities and infrastructure that City operations depend on. These include the City's fire stations, hospitals, libraries, parks, police stations, roads, and public transit systems—the physical assets that shape urban life. Every other year, the Capital Planning Program, under the direction of the City Administrator, updates the City's Ten-Year Capital Plan, which outlines a long-term strategy for investment in these assets. The Capital Plan for Fiscal Years (FY) 2015-16 through 2024-25 was adopted by the Board of Supervisors in April 2015 and provides information to help guide the Mayor's budget submission. The next Capital Plan, for FY 2017-18 through 2025-26, will be adopted in Spring of 2017.

The Mayor's May 1 Proposed Budget includes \$211.9 million in capital projects for FY 2016-17 and \$188.8 million for FY 2016-17 across eight departments. Major projects included in this submission are the continued expansion and renovation of terminals at the San Francisco International Airport; planning ways to strengthen the Port's Great Seawall; structural improvements to several piers along the Port's waterfront; and streetscape improvements across the City. A list of proposed projects is presented on the following pages, and a complete capital project submission covering all city departments will be included in the Mayor's proposed June budget.

In addition to the capital projects included in the May 1 Proposed Budget, there are many projects over the next two years that are funded outside of the budget process, through supplemental appropriations and the Municipal Transportation Agency's (MTA) capital budget. The MTA's capital budget goes through a separate process and is approved by the San Francisco MTA's Board of Directors.

The capital projects included in the Mayor's May 1 Proposed Budget, the MTA capital budget, and supplemental appropriations for the Airport and the Public Utilities Commission (PUC) will help the City realize the goals set forth in the City's Ten-Year Capital Plan. This investment of \$4.9 billion over the next two years will support 41,000 jobs over the life of these projects, and represents a nearly 20 percent increase in funding over the FY 2014-15 and 2015-16 adopted budget. These projects are funded by various revenue sources, including fee and concession revenue, bond proceeds, and state and federal grants.

Additional details on the MTA capital budget and the Airport and PUC supplemental appropriations are included below:

The Municipal Transportation Agency (MTA) plans to invest \$1.9 billion over the next two fiscal years on 17 capital projects. The capital plan includes funding for projects within 12 capital programs, addressing infrastructure needs related to transit reliability, street safety, state of good repair, facilities, communications and information technology, taxi regulation, system safety and accessibility. Capital projects reflect the SFMTA Board of Directors' adopted policies and plans including Transit First, Vision Zero, the San Francisco Pedestrian Strategy, the SFMTA Bicycle Strategy, the City and County of San Francisco Adopted Area Plans, the SFMTA FY 2013-2018 Strategic Plan, and the San Francisco County Transportation Plan.

The Airport plans to invest \$1.2 billion on capital improvements over the next two fiscal years as it continues to implement its five-year, \$4.4 billion capital program. This program includes goals to design and construct new facilities to meet anticipated passenger demand, improve existing facilities to bring amenities similar to those of Terminal 2 to other terminals, renovate buildings, improve aging and seismically vulnerable buildings and infrastructure, preserve assets, augment safety and security, develop systems functionality, and perform needed maintenance. Projects include the Terminal 1 Redevelopment Program, Terminal 3 West and Boarding Area F improvements, a second long-term parking garage, a new on-airport hotel, realignment of South

McDonnell Road to increase Remain Over Night (RON) aircraft parking, and extension of the AirTrain.

PUC capital investments total \$1.7 billion over the next two fiscal years, including \$356.0 million in funding for water projects, \$1.2 billion for wastewater projects, and \$169.5 million for power system improvements. Water projects include improvements to the local and regional water system such as pipeline replacement and repairs, structural and seismic upgrades, and facility improvements. Wastewater projects include treatment facilities, sewers, and collection system improvements as well as storm water and flood control projects. Power system projects include streetlight improvements, full funding of the CleanPowerSF program, and power reliability and replacement projects.

For more information on the City's Capital Planning Program visit [www.onesanfrancisco.org](http://www.onesanfrancisco.org).

# CAPITAL PROJECTS

Project Title	Subfund Title	Proposed 2016-17	Proposed 2017-18
<b>Department : AIR AIRPORT COMMISSION</b>			
CAC046N1B11	ARCHITECTURE	1996 NOISE MITIGATION BONDS ISSUE 11	(23,460)
CAC046N1B14	CONSTRUCTION SERVICES	1996 NOISE MITIGATION BONDS ISSUE 11	(1,000)
CAC046N1B41	C KELL-SMITH & ASSOCIATES INC	1996 NOISE MITIGATION BONDS ISSUE 11	(17,479)
CAC046UN4601	ENVIRONMENTAL IMPROVEMENTS-UNALLOC	1996 NOISE MITIGATION BONDS ISSUE 11	(25,599)
CAC047UN4701	AIRFIELD IMPROVEMENTS-UNALLOC	SFIA-CAPITAL PROJECTS-FEDERAL FUND	15,500,000
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	1992 SFIA ISSUE 15 NON-AMT BONDS	63
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	1992 SFIA ISSUE 18B NON-AMT BONDS	4
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	1992 SFIA ISSUE 23B-NON AMT BONDS	73
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	1992 SFIA ISSUE 26B-NON-AMT BONDS	621
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	1992 SFIA-ISSUE 9B-NON-AMT BOND	140
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	1998 COMMERCIAL PAPER - SERIES 3 NON AMT	828
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	1998 SFIA ISSUE 20 NON-AMT BONDS	144
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2000 SFIA ISSUE 24B NON AMT BONDS	192
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2001 SFIA ISSUE 27B NON AMT BONDS	20
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2003 SFIA ISSUE 29B NON AMT BONDS	348
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2005 SFIA ISSUE 32 AUCTION RATE BONDS	2
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2008 COMMERCIAL PAPER SERIES 1-NON-AMT	1
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2008 CP SERIES B-NON-AMT JUL-DEC	18
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2009 CP SERIES B-NON-AMT JAN-JUN	3
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2013 SFIA-SERIES 2013B NON-AMT BONDS	142,326
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2014 CP SERIES B - NON-AMT JAN-JUNE	309,799
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2014 SFIA-SERIES 2014B NON-AMT BONDS	333,376
CAC05003	AIRPORT SUPPORT PROJECT FUNDS	2015 CP SERIES B NON-AMT JULY-DEC	12,450
CAC050UN5001	AIRPORT SUPPORT-UNALLOC	1996 NOISE MITIGATION BONDS ISSUE 11	67,538
CAC050UN5001	AIRPORT SUPPORT-UNALLOC	2013 CP SERIES B NON-AMT JAN-JUN	346,425
CAC050UN5001	AIRPORT SUPPORT-UNALLOC	2014 CAPITAL PLAN	60,000,000
CAC050UN5001	AIRPORT SUPPORT-UNALLOC	SFIA-CAPITAL PROJECTS-FEDERAL FUND	2,000,000
CAC050UN5001	AIRPORT SUPPORT-UNALLOC	SFIA-CAPITAL PROJECTS-OPERATING FUND	1,500,000
CAC054UN5401	ROADWAY IMPROVEMENTS-UNALLOC	2014 CAPITAL PLAN	(60,000,000)
CAC0559C5501	PARKING IMPROVEMENTS	2013 CP SERIES B NON-AMT JAN-JUN	(346,425)
CAC05703	TERMINAL PROJECT FUNDS	1977 SFIA-REVENUE BOND FUND	8
CAC05703	TERMINAL PROJECT FUNDS	1981 SFIA-REVENUE BOND FUND	28
CAC05703	TERMINAL PROJECT FUNDS	1983 SFIA-SERIES "D" REV BOND FUND	1
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA ISSUE 16A AMT BONDS	140
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA ISSUE 18A AMT BONDS	115
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA ISSUE 23A-AMT BONDS	3,293
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA ISSUE 25 AMT BONDS	1,609
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA ISSUE 26A-AMT BONDS	2,204
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA-ISSUE 10A-AMT BONDS	727,744
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA-ISSUE 12A-AMT BONDS	82,005
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA-ISSUE 12B-AMT BONDS	27
CAC05703	TERMINAL PROJECT FUNDS	1992 SFIA-ISSUE 6-MASTER PLAN BOND FD	451
CAC05703	TERMINAL PROJECT FUNDS	1993 SFIA-ISSUE 2-REFUNDING BONDS FD	180
CAC05703	TERMINAL PROJECT FUNDS	1993 SFIA-ISSUE 3-REFUNDING BONDS FD	5
CAC05703	TERMINAL PROJECT FUNDS	1993 SFIA-ISSUE 4-REFUNDING BONDS FD	2
CAC05703	TERMINAL PROJECT FUNDS	1996 ISSUE 13T INFRASTRUCTURE BONDS	804
CAC05703	TERMINAL PROJECT FUNDS	1996 NOISE MITIGATION BONDS ISSUE 11	1,904
CAC05703	TERMINAL PROJECT FUNDS	1997 COMMERCIAL PAPER FUND (AMT)	1,099
CAC05703	TERMINAL PROJECT FUNDS	2001 SFIA ISSUE 27A AMT BONDS	43
CAC05703	TERMINAL PROJECT FUNDS	2002 SFIA ISSUE 28A AMT BONDS	1,060
CAC05703	TERMINAL PROJECT FUNDS	2004 SFIA ISSUE 31A AMT BONDS	18,018
CAC05703	TERMINAL PROJECT FUNDS	2005 SFIA ISSUE 31F REVENUE BONDS	329
CAC05703	TERMINAL PROJECT FUNDS	2008 COMMERCIAL PAPER SERIES 1-AMT	1
CAC05703	TERMINAL PROJECT FUNDS	2008 COMMERCIAL PAPER SERIES 2-AMT	404
CAC05703	TERMINAL PROJECT FUNDS	2008 CP SERIES A-AMT JUL-DEC	71
CAC05703	TERMINAL PROJECT FUNDS	2008A NOTES SERIES AMT - JUL-DEC	1
CAC05703	TERMINAL PROJECT FUNDS	2009 COMMERCIAL PAPER TAXABLE JUL-DEC	2,998
CAC05703	TERMINAL PROJECT FUNDS	2009 CP SERIES A-AMT JUL-DEC	438
CAC05703	TERMINAL PROJECT FUNDS	2012 CP SERIES C TAXABLE APRIL-DEC	3,313
CAC05703	TERMINAL PROJECT FUNDS	2013 CP SERIES A - AMT JULY-DEC	34,626
CAC05703	TERMINAL PROJECT FUNDS	2013 CP SERIES C TAXABLE JAN-JUN	4

# CAPITAL PROJECTS

Project Title		Subfund Title	Proposed 2016-17	Proposed 2017-18
CAC05703	TERMINAL PROJECT FUNDS	2013 SFIA-SERIES 2013A AMT BONDS	460,004	
CAC05703	TERMINAL PROJECT FUNDS	2013 SFIA-SERIES 2013C TAXABLE BONDS	26,040	
CAC05703	TERMINAL PROJECT FUNDS	2014 CP SERIES A - AMT JAN-JUNE	514,130	
CAC05703	TERMINAL PROJECT FUNDS	2014 SFIA-SERIES 2014A AMT BONDS	2,355,277	
CAC05703	TERMINAL PROJECT FUNDS	2015 CP SERIES A - AMT GRANTS JULY-DEC	4,733	
CAC05703	TERMINAL PROJECT FUNDS	2015 CP SERIES A - AMT JAN-JUNE	74,061	
CAC05703	TERMINAL PROJECT FUNDS	2015 CP SERIES A - AMT JULY-DEC	265,924	
CAC05703	TERMINAL PROJECT FUNDS	TAXABLE COMMERCIAL PAPER	119	
CAC057UN5701	TERMINAL RENOVATIONS-UNALLOC	SFIA-CAPITAL PROJECTS-FEDERAL FUND	2,500,000	2,500,000
CAC057UN5701	TERMINAL RENOVATIONS-UNALLOC	SFIA-CAPITAL PROJECTS-OPERATING FUND	2,500,000	2,500,000
CAC060UN6001	UTILITY IMPROVEMENTS-UNALLOC	SFIA-CAPITAL PROJECTS-OPERATING FUND	653,588	900,000
FAC20099	AIRFIELD FAC MAINT	SFIA-CONTINUING PROJ-OPERATING FD	(95,182)	
FAC30099	TERMINAL FAC MAINT	SFIA-CONTINUING PROJ-OPERATING FD	(2,901,933)	
FAC40099	GROUNDSDIDE FAC MAINT	SFIA-CONTINUING PROJ-OPERATING FD	(130,816)	
FAC45099	UTILITIES FAC MAINT	SFIA-CONTINUING PROJ-OPERATING FD	(1,926,447)	
FAC50099	SUPPORT FAC MAINT	SFIA-CONTINUING PROJ-OPERATING FD	(473,813)	
FAC55099	WEST OF BAYSHORE FACILITY MAINTENANCE	SFIA-CONTINUING PROJ-OPERATING FD	(6,880)	
FAC80099	FACILITY MAINTENANCE	SFIA-CONTINUING PROJ-OPERATING FD	20,119,071	15,000,000
<b>Department</b>	<b>:AIR</b>	<b>Subtotal</b>	<b>44,621,209</b>	<b>40,400,000</b>
<b>Department : LIB PUBLIC LIBRARY</b>				
CLBCPCBR16BU	NON-BLIP BRANCH REMODEL PROJECT	LIBRARY FUND - CONTINUING PROJECTS	1,200,000	4,949,700
CLBCPCBR17FR	MISSION BRANCH FURNACE REPLACEMENT PROJ	LIBRARY FUND - CONTINUING PROJECTS	260,000	
CLBCPCMA15SE	MAIN LIBRARY SEISMIC JOINT PROJECT	LIBRARY FUND - CONTINUING PROJECTS	100,000	
CLBCPCMA17AH	AIR HANDLING SYSTEM REPLACEMENT PROJECT	LIBRARY FUND - CONTINUING PROJECTS	950,000	
CLBCPCMA17EL	MAIN LIBRARY ELEVATOR REPAIR/REPLACEMENT	LIBRARY FUND - CONTINUING PROJECTS	50,000	500,000
CLBCPCMA17LE	MAIN LIBRARY LEED PROJECT	LIBRARY FUND - CONTINUING PROJECTS	50,000	
CLBCPCMA17RF	MAIN LIBRARY ROOF REPLACEMENT PROJECT	LIBRARY FUND - CONTINUING PROJECTS	1,400,000	180,000
CLBCPCMA17SO	MAIN MATERIAL HANDLING AUTOMATION PROJ	LIBRARY FUND - CONTINUING PROJECTS	100,000	
<b>Department</b>	<b>:LIB</b>	<b>Subtotal</b>	<b>4,110,000</b>	<b>5,629,700</b>
<b>Department : MTA MUNICIPAL TRANSPORTATION AGENCY</b>				
CPK920A02017	POP GROWTH GF ALLOC 5N MASTER PRJT-2017	PTC-CAPITAL PROJECTS-LOCAL FUND	9,270,000	
CPK920A02018	POP GROWTH GF ALLOC 5N MASTER PRJT-2018	PTC-CAPITAL PROJECTS-LOCAL FUND		10,740,000
CPKH32M189OT	GF POP BASED-FOLLOW THE PAVING	PTC-CAPITAL PROJECTS-LOCAL FUND	415,000	
CPKI01A00000	IPIC-EASTERN NEIGHBORHOOD	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	12,792,000	1,258,000
CPKI02A00000	IPIC-MARKET OCTAVIA	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	2,857,100	1,500,000
CPKI10A00000	TSF-COMplete STREETS (BIKE& PED) IMPRVMT	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	222,140	66,271
CPT71388	PROCUREMENT OF 30;40 & 60 FT HYBRID BUSES	MUNI-CAPITAL PROJECTS-LOCAL FUND	1,245,000	
CPT7161322	MTA-WIDE FACILITIES MAINT PROJECT	MUNI-CONTINUING PROJ-OPERATING FD	29,100,000	30,200,000
CPT735999X	WARRIORS ARENA IMPROVEMENTS-GENERAL	MUNI-CAPITAL PROJECTS-LOCAL FUND	3,400,000	2,580,000
CPT920A02017	POP GROWTH GF ALLOC 5M MASTER PRJT-2017	MUNI-CAPITAL PROJECTS-LOCAL FUND	27,810,000	
CPT920A02018	POP GROWTH GF ALLOC 5M MASTER PRJT-2018	MUNI-CAPITAL PROJECTS-LOCAL FUND		32,210,000
CPTI01A00000	IPIC-EASTERN NEIGHBORHOOD	MTA'S DEVELOPMENT IMPACT FEE PROJECTS		7,569,000
CPTI02A00000	IPIC-MARKET OCTAVIA TRANSIT-(MUNI)	MTA'S DEVELOPMENT IMPACT FEE PROJECTS		4,765,910
CPTI04A00000	IPIC-BALBOA PARK (MUNI)	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	36,000	48,000
CPTI06A00000	IPIC-TRANSIT CENTER DISTRICT	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	4,000,000	
CPTI08A1	TSF-TRANSIT CAPITAL MAINT(REPLACES TIDF)	MUNI-TRANSIT IMPACT DEV FUND	4,516,843	1,347,516
CPTI08A2	TSF-PROGRAM ADMINISTRATION	MUNI-TRANSIT IMPACT DEV FUND	148,093	44,181
CPTI09A11111	TSF-TRANSIT SVC & RELIABILITY-REGIONAL	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	148,093	44,181
CPTI10A00000	TSF-TRANSIT SRVC EXP & REALIBILITY IMPRV	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	2,369,491	706,893
CPTI11A00000	TSF-SHLAGE LOCK	MTA'S DEVELOPMENT IMPACT FEE PROJECTS	3,538,000	
GPX014M1810T	68K358 D2 VISION ZERO PROJECT TO SFMTA	PTC-CONTINUING PROJ-OPERATING FD	140,000	140,000
GPX01701	SSD FACILITIES AND OTHER UPGRADES	PTC-CONTINUING PROJ-OPERATING FD	10,300,000	1,000,000
GPT22413	SFMTA FARE BOX PROJECT	MUNI-CONTINUING PROJ-OPERATING FD	17,000,000	
GPX00101	GARAGE IMPROVEMENT	OFF STREET PARKING CONTINUING PROJ FD	1,000,000	5,000,000
<b>Department</b>	<b>:MTA</b>	<b>Subtotal</b>	<b>130,307,760</b>	<b>99,219,952</b>



# CAPITAL PROJECTS

Project Title		Subfund Title	Proposed 2016-17	Proposed 2017-18
<b>Department : PUC PUBLIC UTILITIES COMMISSION</b>				
CUH88701	SF ELECTRICAL RELIABILITY/TRANSBAY PRJCT	TRANSBAY CABLE	2,000,000	2,000,000
CUH97600	POWER INFRASTRUCTURE - BUDGET	HETCHY CONTINUING PROJ-OPERATING FD	(1,460,000)	
CUW25701	WATERSHED PROTECTION	SFWD-CONTINUING PROJ-OPERATING FD	500,000	500,000
CUW2600001	LOCAL REPAIR & REPLACEMENT PROGRAM	SFWD-CONTINUING PROJ-OPERATING FD	(243,945)	
CUW26500	LANDSCAPE CONSERVATION BUDGET	SFWD-CONTINUING PROJ-OPERATING FD	(500,000)	
CUW26501	LANDSCAPE CONSERVATION PROGRAM	SFWD-CONTINUING PROJ-OPERATING FD	1,500,000	1,500,000
CUW27101	LONG TERM MONITORING & PERMIT PROGRAM	SFWD-CONTINUING PROJ-OPERATING FD	6,997,500	3,124,596
CUW27600	COMMUNICATION & MONITORING PROGRAM	SFWD-CAPITAL PROJECTS-LOCAL FUND	(525,000)	
CUW27600	COMMUNICATION & MONITORING PROGRAM	WHOLESale CUSTOMER CAPITAL FUND (WATER)	(975,000)	
CUW28000	LOCAL WATER CONVEYANCE/DISTRIBUTION	CWP-CAPITAL PROJECTS-REPAIR & REPLACE	(1,298,620)	
CUW28101	PACIFIC ROD & GUN CLUB REMEDIATION	SFWD-CONTINUING PROJ-OPERATING FD	(1,000,000)	
CUW28200	SYSTEMS MONITORING & CONTROL/BUDGET	SFWD-CONTINUING PROJ-OPERATING FD	(800,000)	
CUW28300	LOCAL RESERVOIR - BUDGET	SFWD-CONTINUING PROJ-OPERATING FD	(450,000)	
CWWFAC01	OCEAN BEACH PROJECT	CWP-CAPITAL PROJECTS-REPAIR & REPLACE	(5,000,000)	
CWWRNR00	WWE REPAIR AND REPLACEMENT PROGRAM	CWP-CAPITAL PROJECTS-REPAIR & REPLACE	(1,224,392)	
FUH10001	HETCHY WATER - FACILITIES MAINTENENCE	HETCHY OPERATING-ANNUAL PROJECTS	2,541,000	2,541,000
FUW10101	AWSS MAINTENANCE - CDD	SFWD-OPERATING-ANNUAL PROJECTS	1,250,000	1,500,000
FUW10201	WATER ENTERPRISE-WATERSHED PROTECTION	SFWD-OPERATING-ANNUAL PROJECTS	710,000	710,000
PUH50401	WECC/NERC COMPLIANCE	HETCHY OPERATING-ANNUAL PROJECTS	3,700,000	3,700,000
PUH50601	WECC/NERC TRANSMISSION LINE CLEARANCE	HETCHY OPERATING-ANNUAL PROJECTS	200,000	200,000
PUW50200	WATER RESOURCES PLANNING/BUDGET	SFWD-CONTINUING PROJ-OPERATING FD	(422,935)	
PUW51100	TREASURE ISLAND - MAINTENANCE	HETCHY OPERATING-ANNUAL PROJECTS	3,147,000	3,304,000
PUW51100	TREASURE ISLAND - MAINTENANCE	SFWD-OPERATING-ANNUAL PROJECTS	1,200,000	1,236,000
PUW51101	TREASURE ISLAND - WASTEWATER	CWP-OPERATING-ANNUAL PROJECTS	1,273,000	1,331,000
PUW51401	525 GOLDEN GATE - O & M	CWP-OPERATING-ANNUAL PROJECTS	1,115,000	1,149,000
PUW51401	525 GOLDEN GATE - O & M	HETCHY OPERATING-ANNUAL PROJECTS	672,000	692,000
PUW51401	525 GOLDEN GATE - O & M	SFWD-OPERATING-ANNUAL PROJECTS	3,611,000	3,719,000
PUW51501	525 GOLDEN GATE - LEASE PAYMENT	CWP-OPERATING-ANNUAL PROJECTS	2,424,000	2,424,000
PUW51501	525 GOLDEN GATE - LEASE PAYMENT	HETCHY OPERATING-ANNUAL PROJECTS	1,248,000	1,248,000
PUW51501	525 GOLDEN GATE - LEASE PAYMENT	SFWD-OPERATING-ANNUAL PROJECTS	9,167,000	9,169,000
PUW51701	RETROFIT GRANT PROGRAM	SFWD-CONTINUING PROJ-OPERATING FD	715,000	637,000
PWW10001	LOW IMPACT DEVELOPMENT	CWP-OPERATING-ANNUAL PROJECTS	681,000	681,000
PYEAES06	YOUTH EMPLOYMENT & ENVIRON BUDGET	CWP-OPERATING-ANNUAL PROJECTS	697,000	697,000
PYEAES06	YOUTH EMPLOYMENT & ENVIRON BUDGET	HETCHY OPERATING-ANNUAL PROJECTS	150,000	150,000
PYEAES06	YOUTH EMPLOYMENT & ENVIRON BUDGET	SFWD-OPERATING-ANNUAL PROJECTS	1,290,000	1,290,000
<b>Department :PUC Subtotal</b>			<b>32,888,608</b>	<b>43,502,596</b>
<b>Capital Project Total</b>			<b>211,927,577</b>	<b>188,752,248</b>



# IT PROJECTS

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## SUMMARY OF MAY 1 IT PROJECTS

Investment in information and communications technology (IT or ICT) enables the City and County to enhance City services, facilitate resident and visitor engagement with City agencies, and utilize data to better inform leaders and policymakers. The City plans, funds, and coordinates IT projects through the Committee on Information Technology (COIT). Every other year, COIT updates the Five-Year Information & Communications Technology (ICT) plan, which identifies the City's goals and priorities and outlines potential financial strategies. The ICT Plan for Fiscal Years (FY) 2015-16 through 2019-20 was proposed by the Mayor and adopted by the Board in Spring 2015. The next 5 year ICT plan will be proposed in Spring 2017.

The Mayor's May 1 Proposed Budget includes \$23.6 million in FY 2016-17 and \$15.2 million in FY 2017-18 for IT projects at the Airport, Library, Port, and Public Utilities Commission. The Mayor's May 1 Proposed Budget includes a variety of large, multi-year IT projects that focus on investments in information technology infrastructure, as well as software applications that will improve customer experience and facilitate internal workflow. These projects include improvements to communications, development of mobile applications and hardware upgrades for the SF International Airport, a digital asset management system for the Library, enhancements to the GIS mapping system at the Port, and improved workflow management technology and information security improvements for the Public Utilities Commission.

A more detailed IT project submission covering all City departments will be included in the Mayor's Proposed June Budget. For more information on the Committee on Information Technology visit [www.sfcoit.org](http://www.sfcoit.org)



# ADDITIONAL BUDGETARY RESOURCES

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The Mayor's Proposed Fiscal Year (FY) 2016-17 and 2017-18 Proposed Budget for the City and County of San Francisco (the City), published for Enterprise and selected other departments on May 1, and for all other departments on June 1, is one of a handful of financial documents that can be a resource to the public seeking budgetary information. Other sources of financial information include:

## **CONSOLIDATED BUDGET AND APPROPRIATION ORDINANCE, FY 2016-17 AND FY 2017-18**

The Consolidated Budget and Appropriation Ordinance (AAO) contains the sources of funds and their uses, detailed by department. This document provides the legal authority for the City to spend funds during the fiscal year. The AAO is released annually with the Board's passage and the Mayor's signing of the final budget – usually in mid-August. An interim AAO is passed by a continuing resolution of the Board and provides the City's interim operating budget until the final budget is passed.

## **SALARY ORDINANCE, FY 2016-17 AND FY 2017-18**

The Salary Ordinance (ASO) is the legal document that authorizes the number of positions and job classifications in departments for the budgeted fiscal years. The ASO is passed at the same time as the AAO.

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

The City's Comprehensive Annual Financial Report (CAFR) summarizes the performance of all revenue sources and accounts for total expenditures in any given fiscal year. The CAFR for the fiscal year ending June 30, 2015 is currently available. The FY 2015-16 CAFR will be made available by the Controller after the fiscal year has closed and the City's financial reports have been reviewed and certified.

## **FIVE-YEAR FINANCIAL PLAN AND JOINT REPORT**

The City's Five-Year Financial Plan forecasts expenditures and revenues during the five-year period, proposes actions to balance revenues and expenditures during each year of the plan, and discusses strategic goals and corresponding resources for City departments. The Plan is published each odd calendar year by the Controller's Office, the Mayor's Office of Public Policy and Finance, and the Board of Supervisors' Budget and Legislative Analyst. In even calendar years, the plan is updated in the Joint Report.

# OBTAINING BUDGET DOCUMENTS AND RESOURCES

Copies of these documents are distributed to all City libraries. They may also be viewed online at the City's web site ([www.sfgov.org](http://www.sfgov.org)) and at the following City Hall locations:

## **MAYOR'S OFFICE OF PUBLIC POLICY & FINANCE**

1 Dr. Carlton B. Goodlett Place, Room 288

Phone: (415) 554-6114

<http://www.sfmayor.org/budget>

## **CONTROLLER'S OFFICE**

1 Dr. Carlton B. Goodlett Place, Room 316

Phone: (415) 554-7500

<http://www.sfcontroller.org/>

## **CLERK OF THE BOARD OF SUPERVISORS**

1 Dr. Carlton B. Goodlett Place, Room 244

Phone: (415) 554-5184

<http://www.sfbos.org/>

# COMMONLY USED TERMS

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**ACCRUAL BASIS ACCOUNTING** – An accounting methodology that recognizes revenues or expenditures when services are provided.

**BUDGET AND APPROPRIATION ORDINANCE** – The piece of legislation that enacts the annual two-year budget. Formerly the Annual Appropriation Ordinance (AAO).

**ANNUALIZATION** – Adjusting a partial year revenue or expense to reflect a full year’s worth of income or spending.

**APPROPRIATION** – Legislative designation of money to a department, program, or project for a particular use, including operations, personnel, or equipment.

**ATTRITION SAVINGS** – Salary savings that result when positions at a department are vacant.

**BALANCED BUDGET** – A budget in which revenues equal expenditures, with no deficit.

**BALANCING** – Process of making revenues match expenditures within each departmental budget and within the City budget as a whole.

**BASELINE** – (1) The annualized budget for the current fiscal year, which serves as the starting point for preparing the next fiscal year’s budget. (2) A required minimum of spending for a specific purpose.

**BOND** – A debt investment in which an investor loans money to an entity that borrows the funds for a defined period of time at a fixed interest rate. Bonds are used by companies and governments to finance a variety of projects and activities.

**BUDGET CYCLE** – The period of time in which the City’s financial plan for the upcoming fiscal year is developed; submitted to, reviewed, and enacted by the Board of Supervisors and signed by the Mayor; and implemented by City departments.

**CAPITAL BUDGET** – Funds to acquire land, plan and construct new buildings, expand or modify existing buildings, and/or purchase equipment related to such construction.

**CAPITAL EXPENDITURE** – Expenditures creating future benefits, used to acquire or upgrade physical assets such as equipment or property.

**CARRYFORWARD** – Funds remaining unspent at year-end that a department requests permission to spend during the following fiscal year. Some funds carry forward automatically at year-end.

**CASH BASIS ACCOUNTING** – An accounting methodology that recognizes revenues and expenditures when payments are actually made.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)** – The City’s Annual Financial Report, which summarizes the performance of all revenue sources and accounts for total expenditures in the prior fiscal year.

**COST-OF-LIVING ADJUSTMENT (COLA)** – A regularly scheduled adjustment to salaries, aid payments or other types of expenditures to reflect the cost of inflation.

**COUNTY-WIDE COST ALLOCATION PLAN (COWCAP)** – The County-Wide Cost Allocation Plan is developed annually by the Controller’s Office and calculates the overhead rate charged to each department for its share of citywide overhead costs, such as payroll, accounting, and operations.

**DEFICIT** – An excess of expenditures over revenues.

**ENTERPRISE DEPARTMENT** – A department that does not require a General Fund subsidy because it generates its own revenues by charging a fee for service.

**FIDUCIARY FUND** – Used to account for assets held in trust by the government for the benefit of individuals or other entities. Government employee pension funds are an example of a fiduciary fund. Fiduciary funds are one of the three broad types of government funds, the other two being governmental and proprietary funds.

**FISCAL YEAR** – The twelve-month budget cycle. San Francisco’s fiscal year runs from July 1st to June 30th.

**FRINGE** – The dollar value of employee benefits such as health and dental, which varies from position to position.

**FULL-TIME EQUIVALENT (FTE)** – One or more employees who cumulatively work 40 hours/week.

**FUND** – Government budgets are made up of funds that organize and account for specific resources. Each fund is considered a separate accounting entity.

**FUND BALANCE** – The amount of funding that remains in a given fund at the end of the fiscal year.

**GENERAL FUND** – The largest of the City’s funds, the General Fund is a source for discretionary spending and funds many of the basic municipal services such as public safety, health and human services and public works. Primary revenue sources include local taxes such as property, sales, payroll and other taxes.

**GENERAL FUND DEPARTMENT** – A department that receives an annual appropriation from the City’s General Fund.

**GOVERNMENTAL FUND** – The City’s basic operating fund, includes the General Fund and Capital projects. One of the three broad types of government funds, the other two being the fiduciary fund and the proprietary fund.

**INTERIM BUDGET** – The citywide budget that is in effect for the first two months of the fiscal year, during the lag period between July 1—the date on which the Board of Supervisors must technically submit its budget—until mid-August when the new budget is signed into effect by the Mayor. The Mayor’s proposed budget serves as the interim budget.

**MAJOR & PROPRIETARY FUND** – Used to account for a government’s ongoing activities and operations, the proprietary fund includes enterprise funds (which account for activities in which a fee is charged to external user) and internal service funds (used for services provided to other funds or departments). One of the three broad types of government funds, the other two being the fiduciary fund and the governmental fund.

**MAYOR’S PROPOSED BUDGET** – The citywide budget submitted to the Board of Supervisors by the Mayor’s Office, on May 1 for selected Enterprise and other departments and June 1 for all remaining departments, that makes recommendations and estimates for the City’s financial operations for the ensuing fiscal year.

**MEMORANDUM OF UNDERSTANDING (MOU)** – A binding agreement between two parties.

**ORDINANCE** – A proposed or enacted law. Typically prepared by the City Attorney.

**RAINY DAY CITY AND SCHOOL RESERVES** – Funds that are legally set-aside by the City Charter, Section 9.113.5, with the intent of protecting the City from being negatively impacted by the economy’s boom-bust cycle. Generally, the Rainy Day Reserve requires that money be saved when revenue growth exceeds a certain level (in good economic times) in order to create a cushion during economic downturns. Pursuant to Proposition C, approved by San Francisco voters in November of 2014, the original Rainy Day Reserve was split into two separate reserves- the City Reserve for use by the City and the School Reserve for use by the San Francisco Unified School District.

**RESOLUTION** – A type of legislation. Typically prepared by the sponsoring department or a member of the Board of Supervisors and generally directed internally.

**REVISED BUDGET** – the Department’s budget at the end of the fiscal year. Over the course of the fiscal year, the Department’s original budget may be amended to reflect supplemental appropriations, and receipt of unbudgeted grants.

**SALARY ORDINANCE** – The piece of legislation that grants departments the authority to fill a specified number of positions during the fiscal year. Note that this is not the same as having the funding to fill that number of positions. Formerly the Annual Salary Ordinance (ASO). This piece of legislation is passed at the same time as the Budget and Appropriation Ordinance.

**SPECIAL FUND** – Any fund other than the General Fund. Revenue in special funds is non-discretionary.

**SURPLUS** – An excess of revenue over expenditures.

**TECHNICAL ADJUSTMENT** – Changes made by the Mayor’s Office to the Mayor’s proposed budget after it has been submitted to the Board of Supervisors.

**TWO-YEAR BUDGETING** – The citywide process (beginning Fiscal Year 2012-13) of budgeting each year for the next two fiscal years.