

File No. 200487

Committee Item No. 1

Board Item No. 14

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date July 15, 2020

Board of Supervisors Meeting

Date July 21, 2020

### Cmte Board

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|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

### OTHER (Use back side if additional space is needed)

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|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>City Administrator's Transmittal Letter - June 3, 2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>PowerPoint Presentation - June 24, 2020</u>                |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>PowerPoint Presentation - July 8, 2020</u>                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Health and Recovery Bond Report</u>                        |
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Completed by: Linda Wong

Date July 10, 2020

Completed by: Linda Wong

Date July 17, 2020

1 [Amended Ten-Year Capital Expenditure Plan - FYs 2020-2029]

2

3 **Resolution amending the City's ten-year capital expenditure plan for FYs 2020-2029 to**  
4 **amend the proposed Government Obligation bond program.**

5

6 WHEREAS, This Board of Supervisors (the "Board") of the City and County of San  
7 Francisco (the "City") adopted Ordinance No. 216-05 (the "Capital Planning Ordinance")  
8 amending Administrative Code, Sections 3.20 and 3.21, to authorize the formation of a Capital  
9 Planning Committee (the "Committee") and the annual preparation and adoption of a ten-year  
10 capital expenditure plan for the City, including an assessment of the City's capital  
11 infrastructure needs, investments required to meet the needs identified through this  
12 assessment, and a plan of finance to fund these investments; and

13 WHEREAS, The Capital Planning Ordinance requires that the ten-year capital  
14 expenditure plan include all major planned investments to maintain, repair, and improve the  
15 condition of the City's capital assets, including, but not limited to, City streets, sidewalks,  
16 parks and rights-of-way; public transit infrastructure; airport and port; water, sewer, and power  
17 utilities; and all City-owned facilities; and

18 WHEREAS, The Capital Planning Ordinance further requires that the ten-year capital  
19 expenditure plan include a plan of finance for all recommended investments, including the  
20 proposed uses of general and enterprise funds to be spent to meet these requirements; and  
21 the use and timing of long-term debt to fund planned capital expenditures, including general  
22 obligation bond measures; and

23 WHEREAS, The Capital Planning Ordinance establishes March 1 of each odd-  
24 numbered year as the target date for the City Administrator's submission of the annual ten  
25 year capital plan to the Mayor of the City and the Board, and calls for the Mayor and the

1 Board to review, update, amend and adopt the ten year capital plan by May 1 of the same  
2 year; and

3 WHEREAS, At the February 25, 2019, meeting the Committee unanimously adopted  
4 the ten-year capital plan for FYs 2020-2029 and approved it for submission to the Mayor and  
5 the Board for its consideration (as so adopted, the “Capital Plan”); and,

6 WHEREAS, In Resolution No. 215-19 (the “Resolution”) the Board approved the  
7 Capital Plan on April 30, 2019; and

8 WHEREAS, The Capital Plan provided for a proposed Parks and Open Space General  
9 Obligation bond in an amount of \$255,000,000 for the November 2020 election (the “Parks  
10 and Open Space Bond”); and

11 WHEREAS, The Capital Plan provided for a proposed Transportation General  
12 Obligation bond in an amount of \$500,000,000 for the June 2022 election (the “Transportation  
13 Bond”); and

14 WHEREAS, The Capital Plan provided for a proposed Public Health General Obligation  
15 bond in an amount of \$220,000,000 for the November 2023 election (the “Public Health  
16 Bond”); and

17 WHEREAS, The Resolution called for Affordable Housing to be incorporated into the  
18 City’s regular capital planning processes as part of the next capital plan off-year update and to  
19 build a set of reliable sources, including but not limited to general obligation bonds, to support  
20 the City’s affordable housing needs; and

21 WHEREAS, An affordable housing narrative that will incorporate available information,  
22 including, but not limited to definitions of key terms on affordable housing consistent with the  
23 2019 Affordable Housing Bond, documentation of funding and feasibility principles for the  
24 City’s capital investments in affordable housing projects, the total housing production and  
25 preservation needs for very low, low, and moderate-income renters and homebuyer

1 households as informed by the City’s General Plan Housing Element and the Planning  
2 Department’s Housing Balance Report, and an all-sources view of the City’s commitment to  
3 growing and protecting affordable housing production and preservation is expected to be part  
4 of the FYs 2022-2031 Capital Plan update; and,

5 WHEREAS, In November 2019 Mayor Breed directed City Administrator Kelly to revisit  
6 and reprioritize the Capital Plan’s General Obligation Bond program to better address the  
7 intersecting homelessness and mental health and substance use disorder crises evident on  
8 the City’s streets; and,

9 WHEREAS, In March 2020 the greater Bay Area including the City, entered into a  
10 series of mandatory Shelter in Place public health orders to flatten the curve of COVID-19  
11 cases and hospitalizations; and,

12 WHEREAS, The COVID-19 public health crisis has brought with it a spike in an  
13 unemployment - including more than 70,000 local unemployment claims in the five weeks of  
14 March 14 through April 17 - and projected coming year budget shortfalls of approximately  
15 \$700 million that will negatively affect the City’s ability to fund basic state of good repair  
16 investments for essential right-of-way infrastructure such as streets, curb ramps, and street  
17 structures and plazas; and,

18 WHEREAS, Investments in construction and other infrastructure improvements is a  
19 powerful local instrument of jobs stimulus, bringing 5.93 San Francisco jobs for each million  
20 dollars of construction according to the most recent REMI Policy Insight model; and,

21 WHEREAS, At the May 11, 2020, meeting the Committee unanimously adopted an  
22 amended ten-year capital plan for FYs 2020-2029 to replace the Parks and Open Space Bond  
23 with a proposed Health and Recovery bond in an amount of \$438,500,000 for the November  
24 2020 election (the “Health and Recovery Bond”); and



1           WHEREAS, At the same meeting the Committee unanimously adopted an amended  
2 ten-year capital plan for FYs 2020-2029 to reduce the amount of the Transportation Bond to  
3 \$350,000,000 and the amount of the Public Health Bond to \$186,500,000 for their respective  
4 elections; and,

5           WHEREAS, At the same meeting the Committee unanimously adopted an amended  
6 ten-year capital plan for FYs 2020-2029 to include in the General Obligation Bond program an  
7 Affordable Housing general obligation bond measure for the November 2024 election in an  
8 amount to be determined in future capital plan updates as additional assessed value is  
9 identified and/or trade-offs are made within the Program’s constraint; and approved the  
10 amended capital plan for submission to the Mayor and the Board for its consideration (as so  
11 adopted, the “Amended Capital Plan”); and,

12           WHEREAS, The City Administrator’s transmittal letter, with a chart reflecting the  
13 amendments, is on file with the Clerk of the Board of Supervisors File No. 200487 which is  
14 hereby declared to be a part of this resolution as if set forth fully herein; now, therefore, be it

15           RESOLVED, That the above recitals are true and correct; and, be it

16           FURTHER RESOLVED, That the FYs 2022-2031 Capital Plan update will include a  
17 narrative dedicated to Affordable Housing production and preservation as a capital need; and

18           FURTHER RESOLVED, That the FYs 2022-2031 Capital Plan update will incorporate  
19 the City’s portfolio of housing needs by income, funding sources, and uses for affordable  
20 housing capital production and preservation as outlined in this Resolution; and be it

21           FURTHER RESOLVED, That this Board has reviewed the Amended Capital Plan; and  
22 be it

23           FURTHER RESOLVED, That this Board hereby reduces the amount of the Open  
24 Space Bond by \$49,000,000 to increase the amount of the Health and Recovery Bond to  
25 \$487,500,000 (the “Board Amendments”); and be it

1           FURTHER RESOLVED, That this Board hereby adopts the Amended Capital Plan as  
2 amended by the Board Amendments as the City’s ten-year capital expenditure plan for  
3 purposes of the Capital Planning Ordinance.

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<p><b>Items 2 &amp; 3</b>  <b>Files 20-0479 and 20-0487</b>  <i>(Continued from June 24, 2020)</i></p>	<p><b>Department:</b>                  Office of Public Finance</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <p><b>File 20-0479</b> is a resolution determining and declaring that the public interest and necessity demand the acquisition or improvement of real property, including (1) facilities to deliver services for persons experiencing mental health challenges, substance use disorder, and/or homelessness; (2) parks, open space and recreation facilities, including green and climate resilient infrastructure; and (3) streets, curb ramps, street structures and plazas. An ordinance (File 20-0478) is pending before the Board of Supervisors, providing for a proposition to be submitted to the voters in November 2020 to approve \$487,500,000 in General Obligation bonds to fund the acquisition and improvement of real property referenced in File 20-0479.</p> <p><b>File 20-0487</b> is a resolution amending the City’s ten-year capital expenditure plan for FY 2020-2029 to amend the General Obligation bond program to include the proposed bonds of \$487,500,000</p> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• The 2020 Health and Recovery General Obligation Bond report describes the projects to be acquired or constructed, using the proposed bond proceeds.</li> <li>• \$207 million would be allocated to (i) permanent supportive housing and shelter projects, and (ii) projects for mental health and substance use disorder services.</li> <li>• \$239 million would be allocated to two categories of open space and park projects: (i) neighborhood parks, and (ii) programmatic scopes. Neighborhood park projects were prioritized based on projects that had already undergone public review, design studies, and environmental review. Programmatic scope are broad categories for which specific projects have yet to be identified.</li> <li>• \$41.5 million would be allocated to address the capital needs in the public right of way and public space. Projects include (i) street resurfacing projects, which makes up the majority of proposed funding, (ii) curb ramps, and (iii) street structures and plazas.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• According to the Office of Public Finance, issuance of \$487.5 million in General Obligation bonds would result in estimated average annual debt service of \$39.4 million and total debt service over the life of the bonds of \$958.7 million. Estimated average annual property tax increase to a residential property owner, with an assessed valuation of \$600,000 and \$7,000 homeowner’s exemption, would be \$83.02.</li> <li>• According to the Office of Public Finance, the proposed \$487.5 million in General Obligation bonds falls within the Charter debt limit requirement and City policy to limit the impact of debt service on property tax rates.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• Approval of the proposed resolutions is a policy matter for the Board of Supervisors.</li> </ul>	

**MANDATE STATEMENT**

City Charter Section 9.106 states that the Board of Supervisors is authorized to provide for the issuance of general obligation bonds in accordance with the Constitution of the State of California. General obligation bonds may be issued and sold in accordance with state law or any local procedure adopted by ordinance. There shall be a limit on outstanding general obligation bond indebtedness of three percent of the assessed value of all taxable real and personal property, located within the City and County

**DETAILS OF PROPOSED LEGISLATION**

**File 20-0479:** The proposed resolution determines and declares that the public interest and necessity demand the acquisition or improvement of real property, including (1) facilities to deliver services for persons experiencing mental health challenges, substance use disorder, and/or homelessness; (2) parks, open space and recreation facilities, including green and climate resilient infrastructure; and (3) streets, curb ramps, street structures and plazas.

An ordinance (File 20-0478) is pending before the Board of Supervisors, providing for a proposition to be submitted to the voters in November 2020 to approve \$487,500,000 in General Obligation bonds to fund the acquisition and improvement of real property referenced in File 20-0479.

Under the proposed resolutions, the Board of Supervisors would find that:

1. The proposed bond-funded projects are necessary and in the public interest;
2. The proposed bond-funded projects with estimated costs of \$487.5 million cannot be funded from operating revenues;
3. The proposed General Obligation bonds were referred to the Planning Department, as required by the Charter and Administrative Code, conform to the Planning Code's priority policies, and are consistent with the General Plan; and
4. The approval time limits specified in Administration Code Section 2.34 are waived;<sup>1</sup> and
5. Prior eligible City expenditures are to be reimbursed by the bond proceeds, for which the procedures are defined on page 10 of the proposed resolution.

The proposed resolution also provides that the ordinance submitting the proposed General Obligation bonds to the voters (File 20-0478 pending before the Board) authorizes landlords to pass through 50 percent of the resulting property tax increase to residential tenants.

The proposed resolution further makes findings in compliance with the California Environmental Quality Act (CEQA), detailed on pages 7 through 9 of the proposed resolution;

In addition, a proposed resolution (File 20-0487) amends the City's ten-year capital expenditure plan for FY 2020-2029 to amend the General Obligation bond program to include the proposed bonds of \$487,500,000.

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<sup>1</sup> Administrative Code Section 2.34 requires the Board of Supervisors to approve submitting General Obligation bonds to the voters no less than 141 days before the election.

**Proposed Health and Recovery Bond**

The 2020 Health and Recovery General Obligation Bond report describes the projects to be acquired or constructed, using the proposed bond proceeds. Total proposed General Obligation bond allocations are shown in Table 1 below.

**Exhibit 1: Proposed Bond Allocation**

<b>Program Area</b>	<b>Amount</b>
Behavioral Health and Homelessness	\$207.0 million
Parks and Open Spaces	\$239.0 million
Right of Way Repair	\$41.5 million
<b>Total</b>	<b>\$487.5 million</b>

**Behavioral Health and Homelessness**

The proposed bond funds would fund behavioral health and homeless facilities. Proposed behavioral health facilities include:

- A new centralized Behavioral Health Access Center;
- Behavioral health respite facilities, including detox and sobering; and
- Improvements to existing health facilities.

Proposed facilities to serve the homeless population include:

- Construction and acquisition of permanent supportive housing; and
- Acquisition of emergency shelter and transitional housing.

**Parks and Open Spaces**

The proposed bond funds would be allocated to two categories of projects, neighborhood parks and programs. According to the 2020 Health and Recovery Bond Report, neighborhood park projects were prioritized based on projects that had already undergone public review, design studies, and environmental review. Programmatic scope are broad categories for which specific projects have yet to be identified. According to the 2020 Health and Recovery Bond Report, the Recreation and Park Commission will review and approve funding allocated to specific projects; environmental review under the California Environmental Quality Act (CEQA) will be completed after project identification and development.

**Exhibit 2: Proposed Bond Allocation to Parks and Open Spaces**

<b>Program Area</b>	<b>Amount</b>
<b>Neighborhood Parks</b>	
Buchanan Mall	\$2 million
Gene Friend Recreation Center	\$30 million
Herz Playground Recreation Center (HOPE SF)	\$10 million
India Basin	\$29 million
Japantown Peace Plaza	\$25 million
Contingency	\$5 million
<b>Subtotal Neighborhood Parks</b>	<b>\$101 million</b>
<b>Programmatic Scope</b>	
Citywide Parks	\$18 million
Recovery Parks <sup>a</sup>	\$86 million
Playgrounds	\$9 million
Community Opportunity Fund	\$6 million
Sustainability	\$14 million
Trails	\$1 million
Community Gardens	\$0.6 million
Contingency	\$1.4 million
<b>Subtotal Programmatic Scope</b>	<b>\$136 million</b>
Administration	\$2 million
<b>Total Neighborhood Parks and Programmatic Scope</b>	<b>\$239 million</b>

Source: Capital Planning Program

<sup>a</sup> Recovery Parks priorities are: Crocker Amazon (\$15 million), Jackson (\$10 million), Buena Vista (\$3 million), Richmond Senior Park (\$1 million), South Sunset (\$3 million), and Chinatown (\$54 million)

**Right of Way**

The proposed bond funds would be allocated to project to address the capital needs in the public right of way and public space. Street resurfacing projects would make up the majority of projects. The specific street resurfacing projects would be prioritized based on the pavement score, usage (such as transit corridors), project readiness, equitable geographic distribution, and public inquiries. The other two project areas are curb ramps, and street structures and plazas.

**Table4: Proposed Bond Allocation to Right of Way Repairs**

<b>Program Area</b>	<b>Amount</b>
Street resurfacing	\$31.5 million
Curb Ramps	\$5 million
Street Structures and Plazas	\$5 million
<b>Total</b>	<b>\$41.5 million</b>

**FISCAL IMPACT***Debt Service and Property Taxes*

According to the Office of Public Finance, issuance of \$487.5 million in General Obligation bonds would result in estimated average annual debt service of \$39.4 million and total debt service over the life of the bonds of \$958.7 million. Estimated average annual property tax increase to a residential property owner, with an assessed valuation of \$600,000 and \$7,000 homeowner's exemption, would be \$83.02.

*Debt Limit and Tax Rates*

Charter Section 9.106 sets the City's debt limit at 3 percent of assessed valuation. According to the Office of Public Finance, based on the City's FY 2019-20 net assessed valuation of \$281.8 billion, the City's General Obligation bond debt capacity is \$8.4 billion. As of July 2020, the City's outstanding General Obligation bond debt is \$2.15 billion and authorized and unissued General Obligation bond debt is \$2.18 billion. If all authorized debt were to be issued, including the proposed \$487.5 million in General Obligation bonds, total City General Obligation bond debt would be \$4.82 billion, less than the \$8.4 billion debt limit.

The City's policy is to limit the impact of General Obligation bond debt on property tax rates; the policy defined in the Capital Plan sets the property tax rate at no more than the FY 2005-06 rate. According to the Office of Public Finance, approval of the proposed General Obligation bonds is consistent with City policy.

**RECOMMENDATION**

Approval of the proposed resolutions is a policy matter for the Board of Supervisors.



# OFFICE OF THE CITY ADMINISTRATOR



London N. Breed, Mayor  
Naomi M. Kelly, City Administrator

June 3, 2020

The Honorable London N. Breed, Mayor  
City and County of San Francisco  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Honorable Members of the Board of Supervisors  
City and County of San Francisco  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

RE: Amendment to the City and County of San Francisco Capital Plan FY 2020 – FY 2029

Dear Mayor Breed and Members of the Board of Supervisors:

In compliance with the San Francisco Administrative Code Section 3.20, I am pleased to submit an amendment to the current City and County of San Francisco capital expenditure plan to revise the General Obligation Bond Program.

The amendment increases the amount of the planned November 2020 General Obligation Bond from \$255 million to \$438.5 million. The amendment also modifies the programming for the November 2020 bond from a Parks-only measure to a Health and Recovery measure: \$197 million for projects that address the twin crises of behavioral health and homelessness in San Francisco; \$200 million for Recreation and Parks facilities, parks, and open spaces; and \$41.5 million for state of good repair work to the public right-of-way.

To make this adjustment, the Capital Planning Committee recommended the following amendments to the General Obligation Bond Program found on pages 10 and 54-55 of the current Plan:

- Add \$183.5 million in proposed debt issuance to the planned November 2020 General Obligation Bond, for a total of \$438.5 million, and change the title of that measure from “Parks and Open Space” to “Health and Recovery.”
- Subtract \$150 million in proposed debt issuance from the planned June 2022 Transportation bond, reducing that measure from \$500 million to \$350 million.
- Subtract \$33.5 million in proposed debt issuance from the planned November 2023 Public Health General Obligation Bond, reducing that measure from \$220 million to \$186.5 million.

These proposed modifications allow for critical infrastructure projects in future bond programs to have adequate funding while directing resources to the highest priorities of the present.



Further, Capital Planning Committee adjusted the General Obligation Bond Program to identify a reliable set of resources for affordable housing, including but not limited to General Obligation bonds, per the Capital Plan's resolution of adoption, unanimously approved by the Board on April 30, 2019. Capital Planning Committee has proposed the addition of an Affordable Housing measure to the General Obligation Bond Program calendar for November 2024. The amount of this measure is to be determined as part of future full Capital Plan updates as new capacity is identified and/or trade-offs are made within the Program's constraint. This amendment begins the work of incorporating Affordable Housing into the City's regular capital planning process.

Approved with a vote of 10-0 by the Capital Planning Committee on May 11, 2020, with one abstention from Board President Norman Yee, these proposed changes comply with San Francisco's policy that property tax rates not rise above 2006 levels as a result of bonds controlled by the City and County of San Francisco.

The revised General Obligation Bond Program table on pages 10 and 54 of the Capital Plan is shown in the enclosed Capital Plan amendment.

Copies of the Capital Plan, along with materials related to the Capital Plan amendment here described can be found at [www.onesanfrancisco.org](http://www.onesanfrancisco.org), or by contacting the Capital Planning Program at [CPP@sfgov.org](mailto:CPP@sfgov.org).

Sincerely,

A handwritten signature in blue ink that reads "Naomi M. Kelly". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Naomi M. Kelly  
City Administrator

encl: Proposed FY2020-2029 Capital Plan Amendment

**Proposed FY2020-2029 Capital Plan Amendment**

*As presented at Capital Planning Committee on May 11, 2020, and approved by a vote of 10-0, with abstention from President Yee*

Off-Year Update to the General Obligation Bond Program

<b>Election Date</b>	<b>Program</b>	<b>\$M</b>	<b>Change</b>
Nov 2019	Affordable Housing	600	
Mar 2020	ESER	628.5	
<b>Nov 2020</b>	<b>Health and Recovery</b> (was Parks)	(was 255) <b>438.5</b>	<b>+ \$183.5M</b>
<b>Jun 2022</b>	<b>Transportation</b>	(was 500) <b>350</b>	<b>- \$150M</b>
<b>Nov 2023</b>	<b>Public Health</b>	(was 220) <b>186.5</b>	<b>- \$33.5M</b>
<b>Nov 2024</b>	<b>Affordable Housing</b>	<b>TBD</b>	
Nov 2026	Waterfront Safety	150	
Nov 2027	ESER	272	
Nov 2028	Parks and Open Space	200	
	<b>TOTAL</b>	<b>2,825</b>	



# Capital Planning Committee

Naomi M. Kelly, City Administrator, Chair

## MEMORANDUM

May 11, 2020

**To:** Members of the Board of Supervisors

**From:** Naomi Kelly, City Administrator and Capital Planning Committee Chair

**Copy:** Angela Calvillo, Clerk of the Board  
Capital Planning Committee

**Regarding:** (1) FY2020-2029 Capital Plan Off-Year Update (2) Proposed 2020 Health and Recovery General Obligation Bond

*nkelly*

BY *OK*

2020 MAY 11 PM 3:29

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

In accordance with Section 3.21 of the Administrative Code, on May 11, 2020, the Capital Planning Committee (CPC) approved the following action items to be considered by the Board of Supervisors. The CPC's recommendations are set forth below.

**1. Board File Number: TBD**      **FY2020-2029 Capital Plan Off-Year update.**

**Recommendation:** Recommend the Board of Supervisors approve the Capital Plan update.

**Comments:** The CPC recommends approval of this item by a vote of 11-0.

Committee members or representatives in favor:  
Naomi Kelly, City Administrator; Kelly Kirkpatrick, Mayor's Budget Director; Norman Yee, Board President; Anna Van Degna, Controller's Office; Alaric Degrafinried, Acting Director, Public Works; Kevin Kone, San Francisco International Airport; Phil Ginsburg, General Manager, Recreation and Parks Department; Jonathan Rewers, SFMTA; Thomas DiSanto, Planning; Katharine Petrucione, Port of San Francisco; and Kathy How, San Francisco Public Utilities Commission.

**2. Board File Number: TBD**      **Approval of the ordinance and related resolution of public interest and necessity authorizing the Proposed 2020 Health and Recovery General Obligation (G.O.) Bond in the amount of \$438,500,000.**

**Recommendation:** Recommend the Board of Supervisors approve the ordinance and related resolution.

**Comments:** The CPC recommends approval of this item by a vote of 10-0.

Committee members or representatives in favor:  
Naomi Kelly, City Administrator; Kelly Kirkpatrick,

Mayor's Budget Director; Anna Van Degna, Controller's Office; Alaric Degrafinried, Acting Director, Public Works; Kevin Kone, San Francisco International Airport; Phil Ginsburg, General Manager, Recreation and Parks Department; Jonathan Rewers, SFMTA; Thomas DiSanto, Planning; Katharine Petrucione, Port of San Francisco; and Kathy How, San Francisco Public Utilities Commission.

**From:** [Peacock, Rebecca \(MYR\)](#)  
**To:** [BOS Legislation, \(BOS\)](#)  
**Cc:** [Kittler, Sophia \(MYR\)](#); [Green, Heather \(ADM\)](#); [Kirkpatrick, Kelly \(MYR\)](#)  
**Subject:** Mayor -- [Resolution] -- [Amended Ten-Year Capital Expenditure Plan-FYs 2020-2029]  
**Date:** Tuesday, May 12, 2020 4:41:00 PM  
**Attachments:** [Capital Plan Amending Resolution.docx](#)

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Attached for introduction to the Board of Supervisors is a **Resolution amending the City's ten-year capital expenditure plan for FYs 2020-2029 to amend the proposed Government Obligation bond program.**

Please let me know if you have any questions.

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**Rebecca Peacock** ([they/she](#))  
(415) 554-6982 | [Rebecca.Peacock@sfgov.org](mailto:Rebecca.Peacock@sfgov.org)  
Office of Mayor London N. Breed  
City & County of San Francisco

\*\*\* I am working remotely. Please call me at 267-663-8648 with any questions \*\*\*\*





# 2020 Health and Recovery General Obligation Bond







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Building Our Future

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# 2020 HEALTH AND RECOVERY BOND OVERVIEW

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The City and County of San Francisco is proposing a \$487.5 million Health and Recovery Bond for the November 2020 ballot to fund investments in public facilities that serve people experiencing mental health challenges, substance use disorder, and/or homelessness; safe, accessible parks, recreation facilities and open spaces throughout the City, and essential public infrastructure, including streets, curb ramps and the pedestrian right of way.

The 2020 Health and Recovery bond consists of the following program components:

BOND COMPONENT	BUDGET
Invest in facilities that provide treatment, shelter, permanent supportive and transitional housing for people experiencing mental health challenges, substance use disorder and/or homelessness.	\$207 million
Build and improve safe and accessible parks, recreation facilities, and open spaces throughout the City with shovel-ready projects and programs.	\$239 million
Invest in shovel-ready public infrastructure projects including street resurfacing and the construction and maintenance of curb ramps, street structures and the pedestrian right-of-way.	\$41.5 million
<b>Total</b>	<b>\$487.5 million</b>

San Francisco’s current policy is to issue new general obligation bonds after previously issued bonds are retired and/or the tax base grows, as described in the 10-year Capital Plan. As this bond is in line with the most recently updated Capital Plan, property taxes levied for general obligation bonds including this bond, if approved by the voters and issued by the Mayor and Board, are expected to be maintained at or below the Fiscal Year 2006 rate.



Balboa Playground in the Mission Terrace neighborhood



Public Works crews installing an accessible curb ramp



# WHY NOW?

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## Addressing Our Highest Priorities

Too many people in San Francisco struggle with substance use disorder, mental health challenges and homelessness. The crisis on our streets is unacceptable and inhumane. The Department of Public Health (DPH) has identified 4,000 residents experiencing all three – homelessness, substance use disorder and mental health challenges – and helping these individuals is one of San Francisco’s most urgent responsibilities.

San Francisco needs a coordinated, citywide approach to serving this at-risk population. In many instances, those who are struggling with mental and behavioral health challenges do not understand what’s happening around them and need intensive support to get the medical attention and care they need in a high-quality, safe and healing environment. There is a need to open more shelter beds, protect residential board and care facilities and pursue innovative solutions for treatment. Doing so will expand care and services for those most acutely suffering. If we don’t act now, that number will continue to rise.

The urgency of San Francisco’s mental health and homelessness crises is well known, and City leadership is committed to using all available tools, including bonds, to make meaningful progress.



San Francisco has an average of 8,000 homeless residents on any given night.



# Building Recovery

With the COVID-19 public health emergency, San Francisco’s economic outlook changed dramatically. Almost overnight, San Francisco saw revenue drop and unemployment spike as we followed public health orders to shelter in place. The shelter in place orders protected San Franciscans and the City’s health care system from an unmanageable early surge in hospitalizations. Though necessary and lifesaving, that call also disrupted local business and workers, with nearly 167,000 people experiencing a direct financial hit, either completely or partially, in the immediate wake of the COVID-19 public health emergency. San Francisco’s unemployment filings spiked dramatically in March and April, with more than 70,000 cases in the five weeks following the first public health order. Recovery is expected to be gradual and phased, but people need work. Large capital projects serve as an engine for growth and create local jobs that will help jumpstart San Francisco’s economy – while also benefitting the over public good.

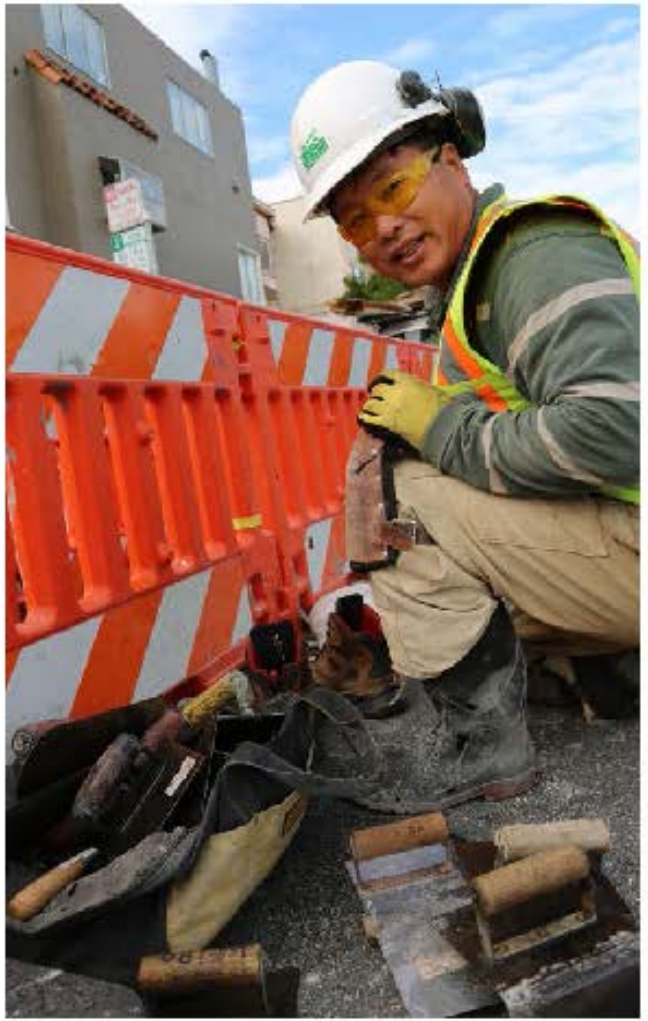
Since 2005, San Francisco has engaged in citywide capital planning, which keeps the City looking ahead, planning for future needs and advancing public infrastructure projects towards construction. From that ongoing work, San Francisco has shovel-ready parks projects and street infrastructure improvement programs that can get people working again. A recent condition assessment of the City’s parks revealed more than \$1 billion in capital needs, and the most recent Capital Plan shows a deferred need for streets and other right-of-way infrastructure of \$614 million. These are the areas of our public capital portfolio where we can spend the most money quickly and best help get San Francisco back to work.

This will not be the first time San Francisco issued General Obligations (G.O.) Bonds in the face of a major economic downturn. Looking back at the Great Recession that began in 2008, San Francisco voters approved four G.O. Bonds that helped San Francisco build and recover. Of the total voter-approved amounts, \$1.4 billion in bond proceeds were sold from Fiscal Year 2007-2008 to Fiscal Year 2012-2013, creating an estimated 9,500 jobs.

YEAR	G.O. BOND	AMOUNT
2008	Clean and Safe Neighborhood Parks Bond	\$185 million
2008	San Francisco General Hospital Trauma Center Rebuild	\$887 million
2010	Earthquake Safety and Emergency Response	\$412 million
2011	Road Paving and Street Safety	\$248 million
<b>Total</b>		<b>\$1.732 billion</b>

Construction is one of the most powerful jobs stimulus tools available to local governments. Investing in public facilities and infrastructure is an important and necessary step that San Francisco can take to put thousands of people to work and help accelerate our economic recovery.





# THE 2020 HEALTH AND RECOVERY GENERAL OBLIGATION BOND PROGRAM

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Health and Homelessness

Parks and Open Spaces

Right-of-Way Repair

# Health and Homelessness

## Background

To address the twin challenges of mental illness and homelessness, San Francisco proposes \$207 million of this General Obligation Bond to acquire, improve, construct, expand, rehabilitate and preserve permanent supportive housing, transitional housing, shelters and facilities that deliver services to people struggling with mental health and substance use disorders.



## Who is served?

San Francisco has gone to great lengths to understand the people in our city who struggle with homelessness, mental health challenges, and substance use disorders. The need for permanent facilities to deliver transformative, life-saving services in this arena has never been clearer.

According to the City's biennial Point-in-Time Count (last conducted in 2019), there are approximately 8,000 people experiencing homelessness in San Francisco on any given night. But over the course of an entire year, many more people experience homelessness. In Fiscal Year 2018-2019, the Departments of Public Health and of Homelessness and Supportive Housing served nearly 18,000 people experiencing homelessness; of those, 4,000 had a history of both mental health and substance use disorders.

In an analysis of 2018 data, nearly half of all patient visits to Psychiatric Emergency Services at Zuckerberg San Francisco General Hospital were related to methamphetamine use, reflecting the association between methamphetamine use and psychosis. Methamphetamine is increasingly being consumed in public spaces, and people under the influence can sometimes present troubling psychosis-related behavior or experience moments of mental health crisis.



**Making investments in permanent public facilities that deliver housing and/or treatment to people struggling with homelessness and mental health and substance use disorders will benefit:**

- Veterans
- Transitional-aged youth
- Low-income San Franciscans
- Workers in behavioral health facilities
- People experiencing and exiting homelessness
- Residents of existing permanent housing facilities and shelters
- New clients looking to access behavioral health services
- Existing residents accessing behavioral health services, including those who are homeless, formerly homeless, experiencing substance use disorders



## **Permanent Supportive Housing and Shelter**

The City administers locally and federally funded supportive housing to provide long-term affordable housing with on-site social services to people exiting chronic homelessness (Permanent Supportive Housing). San Francisco's Permanent Supportive Housing portfolio includes a variety of housing options, including renovated Single Room Occupancy hotels, newly constructed units and apartment buildings that operate under a master-lease between private property owners and the City. Permanent Supportive Housing is an important means of ensuring long-term health and stability for low-income San Franciscans and those exiting chronic homelessness. However, the City does not have a sufficient supply of Permanent Supportive Housing units to meet the demand.

Through the Department of Homelessness and Supportive Housing, San Francisco currently offers temporary shelter to approximately 3,400 people every night through shelters, Navigation Centers, stabilization beds and transitional housing. Since October 2018, the City has opened 566 additional beds and 499 are underway. Additional beds are needed to match the waitlist for individuals looking to access shelter.

Bond proceeds will be used to stabilize, acquire, construct, expand, and/or improve Permanent Supportive Housing units and shelters. The estimated budget for this bond component is \$147 million, and based on current estimates those funds would support capital costs approximately 250 Permanent Supportive Housing beds and 75 shelter beds.



# Mental Health and Substance Use Disorder Treatment Facilities

San Francisco's Department of Public Health (DPH) is the City's largest provider of behavioral health services, helping approximately 30,000 individuals annually. These services include prevention, early intervention and treatment for mental health and substance use disorders. The Department provides behavioral health services in several settings, including, but not limited to, Zuckerberg San Francisco General Hospital, the Behavioral Health Access Center, residential care facilities and community clinics, as well as through contracts with nonprofit service providers.

Individuals often receive behavioral health and substance use treatment services along a continuum of care. Some people experiencing severe issues may need access to psychiatric emergency or inpatient care, while others may require residential treatment or can be treated at community-based clinics.

In Fiscal Year 2018-2019, DPH operated or contracted more than 2,000 behavioral health beds across the continuum of care. As the behavioral health needs of the population shift, so does the demand for services, further complicating the provision of timely and appropriate treatment for each client. When there is not enough capacity at any one level of care or facility, it can lead to longer wait times for services, and some people are not able to move to less restrictive levels of care when they are ready. Various reports evaluating DPH's behavioral health system, including the Behavioral Health System Performance Audit (Budget and Legislative Analyst, 2018) and Homelessness and Behavioral Health report (Tipping Point, 2019), have called for improvements in patient wait times, investments in additional beds and data to quantify and qualify capacity needs.





Limited state and federal resources and the high cost of construction put a greater burden on local governments to contribute their own limited resources to provide additional facilities to serve those struggling with behavioral health and substance use disorders. Consequently, the City's supply of these resources has not kept up with the demand. A mismatch of bed capacity to demand has significant implications for both client health outcomes and a healthcare system's bottom line. A system with capacity that matches demand is one that provides optimal patient "flow." In an optimized system, patients flow freely between levels of care according to their clinical health needs, rather than system constraints.

In late 2019, the Department's Mental Health Reform team identified a data-driven solution for quantifying the City's behavioral health bed needs: bed simulation modeling. This method has been used internationally as a risk-free strategy for quantifying bed demand and identifying the impact of novel allocations of treatment beds on patient throughput. Through the financial support of community partners, DPH engaged an experienced simulation modeling vendor to produce a mathematical model that determines how many beds are needed at each level of care to maintain consistent patient flow for behavioral health clients. The model's results provide substantial information for both operational improvements and recommendations for investments. Bed capacity increases are recommended at various levels of care that rest in different locations of the care continuum.

The Department of Public Health's SF Health Network operates more than a dozen community-based primary care health centers that provide convenient access to health care services in neighborhoods across the City. Primary care staff at these facilities diagnose and treat patients with acute and chronic illnesses, work with them on ways to prevent disease and maintain good health; provide prenatal, mental health and substance abuse care; and offer counseling and health education.

This bond will provide a portion of the crucial funding necessary to repair, acquire, construct, stabilize and improve public facilities that deliver services, treatment and/or residential care for people requiring mental health and substance use services. This could include behavioral health investments such as locked acute and sub-acute treatment facilities, psychiatric skilled nursing facilities, residential treatment facilities, residential stepdown facilities, behavioral health respite facilities, detox and sobering facilities, a new centralized Behavioral Health Access Center, existing community health facilities that deliver behavioral health services to vulnerable populations, and facilities for long-term placements such as board and care and other residential care.

Bond funds to improve existing community health facilities that deliver services to vulnerable populations will help ensure these facilities can treat patients safely and properly.

# Priorities: Health and Homelessness

As the market is in a period of flux, San Francisco will seek to make investments in mental health and substance use disorder treatment facilities, permanent supportive housing, transitional housing and shelters that will have the greatest positive impact on our city and also be sustainably operable with projected available sources.

## Health and homelessness priorities under this bond component include:

- Stabilization, acquisition, construction, expansion, and improvement of permanent supportive housing units and shelters. This can include those which provide transitional housing for those experiencing homelessness and those which the City currently master leases.
- Acquisition and construction of a new Behavioral Health Access Center to provide low-barrier centralized access to the City's network and system of behavioral health services.
- Stabilization, acquisition, expansion and improvement of residential treatment and residential step-down beds and locked acute and sub-acute treatment facilities for those experiencing substance use disorders.
- Stabilization, acquisition, expansion and improvement of psychiatric skilled nursing facilities.
- Expansion, improvement and construction of behavioral health respite facilities, sobering centers and detox facilities.
- The repair or improvement of community health facilities that provide behavioral health services to low-income populations.
- Stabilization of long-term placements for those with behavioral health needs, such as board and care and other residential care facilities.

TOTAL HEALTH AND HOMELESSNESS *	AMOUNT
Permanent Supportive Housing, Transitional Housing and Shelter	\$147 million
Mental Health and Substance Use Disorder	\$60 million
<b>Total: Health and Homelessness</b>	<b>\$207 million</b>

\* This is an estimated amount of allocation, however, any uses referenced above are eligible for these funds.





Navigation Center in the Dogpatch



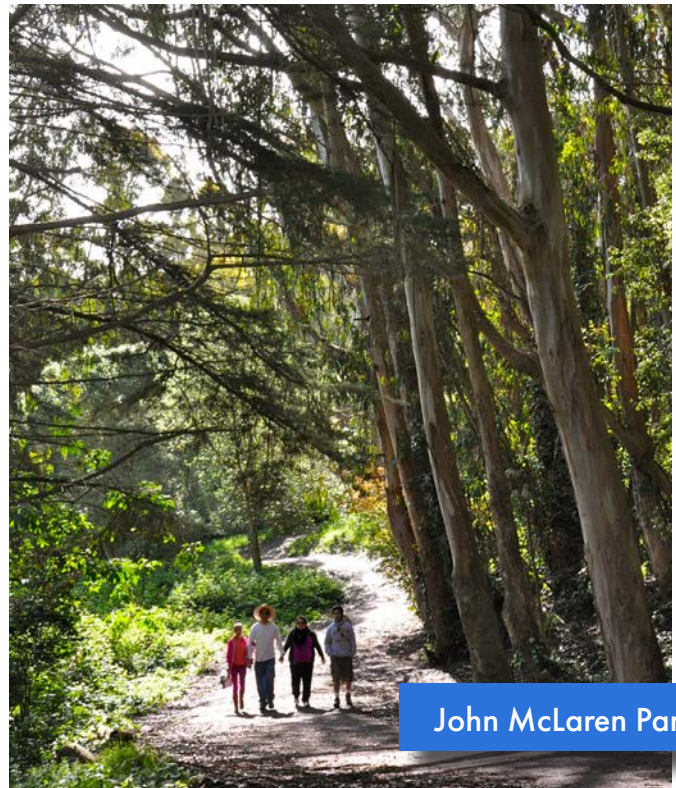


# Parks and Open Spaces

## Background

Parks are essential civic infrastructure that increase residents' quality of life and provide places to relax, enjoy nature, play, and exercise. Parks support good mental and physical health, and they can help park users deal with trauma. A growing body of work shows that time spent outdoors in natural environments can help lower stress, depression, anxiety, diabetes, risk of pre-term birth, high blood pressure, asthma, stroke, heart disease, and other health risks.

San Francisco proposes \$239 million of this General Obligation Bond to address capital needs in the City's parks. This proposal includes investments in neighborhood parks, rec centers, and waterfront parks; citywide parks like Golden Gate Park, Lake Merced, and McLaren Park; sustainability investments including shoreline protection; and community investments in priority recovery parks, playgrounds, the Community Opportunity Fund, community gardens, and trails.



John McLaren Park



Glen Canyon Park Playground



# Neighborhood Parks

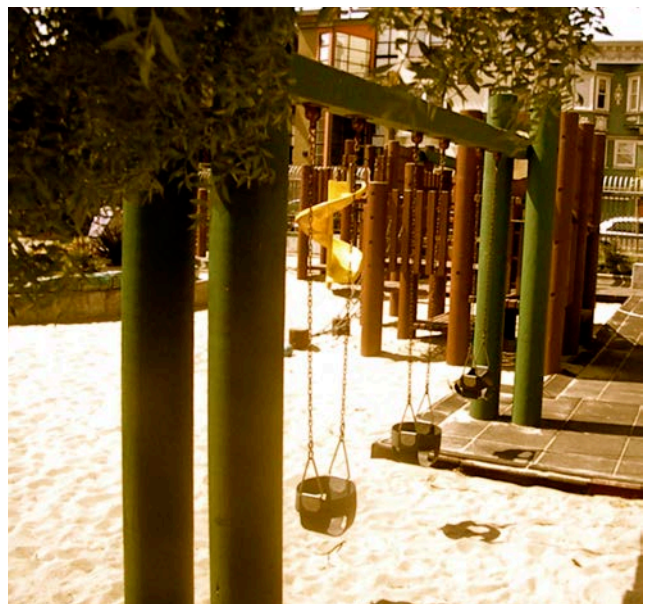
## Overview

Approximately \$101 million of this Bond measure will be dedicated to various neighborhood parks for projects that have already undergone public review, design studies, and environmental review. These projects have been developed in cooperation with various community groups and stakeholders, gone through a robust community outreach process, and undergone design analysis and environmental review. Selection criteria for Neighborhood Parks included prioritizing dense or high-growth areas; ensuring equitable distribution of funds by focusing on disadvantaged communities (Equity Zones) and areas with reduced access to open space; investing in dilapidated properties with poor or deficient Facility Conditions Index (FCI) scores; improving the seismic resiliency and safety of buildings and structures; prioritizing multi-facility/community hubs; leveraging additional funding sources like grants and philanthropy; and prioritizing projects that have progressed through planning, design and community outreach. Many of these projects have multiple funding sources to deliver the full project, including, but not limited to, philanthropy, development impact fees, grants, and partner organizations.

## Gene Friend Recreation Center

### 270 Sixth St. | South of Market

Constructed in 1989, Gene Friend Recreation Center sits on a large site in SoMa, with frontages on Folsom, 6th, and Harriet Streets. Gene Friend currently fills key programming needs for under-served populations. To serve the existing community and support future growth in the neighborhood, replacement of the facility is needed. The new building will be almost twice the size of the existing one, with two-story massing for a double basketball court gym and a second story of program space with triple the number of multipurpose rooms. The project includes improved lighting, security, and new outdoor amenities: basketball court, plaza space, playground, and landscaping. It may also include a small free-standing unconditioned space on the northwest corner of the site for trash enclosure and storage.



## India Basin

### 900 Innes Ave. | Bayview-Hunters Point

Located at the north of the Bayview neighborhood, India Basin Open Space has one of the city's few remaining wetlands and is the only natural area within the Recreation and Park Department system that borders the Bay. It features tidal salt marsh and upland habitat that provides food and shelter for a variety of shorebirds and foraging habitat for raptors, as well as Bay Trail connections, access for kayakers, and bird watching. The adjacent India Basin Shoreline Park offers a playground and picnic area. In 2014 the Recreation and Park Department purchased 900 Innes, located between these two parks, with the intent to connect the sites and create one grand waterfront park that would close a critical gap in the San Francisco Bay Trail and increase access to open space accessible to under-served southeastern neighborhoods.

Along with planned improvements to India Basin Open Space funded by the adjacent housing development, the project will create a 20-acre network of new and/or improved open space. The new park will feature pedestrian and bicycle shoreline access, passive open space, fishing areas, tidal marshes, plazas and event spaces, picnic areas, site furnishings, and historical and educational displays. In addition, the Department is developing an Equitable Development Plan with community leaders to strengthen existing community connections and to provide economic opportunity for existing Bayview- Hunters Point residents.

Proposed design for India Basin



## Buchanan Street Mall

### The Western Addition

Buchanan Street Mall is comprised of five consecutive blocks of green space, asphalt paths, and under-performing playgrounds from Eddy Street to Grove Street. Presently within the five blocks are several temporary gardens, tree planters, seating areas, string/decorative lighting, and interactive sculptural multimedia installations that explain the neighborhood's history.

Developed through a robust community process, the project is intended to reinvigorate a long-underfunded community by creating a safe, and dynamic place that serves as a primary gathering place for the neighborhood. The bond funding will focus on the block between Golden Gate Avenue and Turk Street. Key design elements on the initial block renovation, include playground and exercise equipment for all-age play, flexible spaces, landscaped area and intimate gathering areas with seating options. Remaining funding could support a memory walk with a variety of interpretive elements.

## Japantown Peace Plaza

1610 Geary Blvd. | Japantown

Located in the heart of Japantown, between the Japan Center Malls, Japantown Peace Plaza was originally built in 1968 and last renovated in 2000. The Plaza includes seating areas and landscaping around the famous Peace Pagoda that defines the neighborhood skyline. For many years, the plaza has been leaking water to a public garage situated below the mall and plaza.

The Japantown project will resolve the water intrusion and provide a reinvigorated space for the community. The renovation will include new planting, shade structures, paving, seating, lighting, and potential structural reinforcement of the Plaza and/or Peace Pagoda, if deemed necessary. The new community-driven, culturally-sensitive design will provide more functional access to the Plaza, both for everyday and special event use, while harnessing the symbolism that this site holds within the neighborhood, city, and region.



## Herz Playground Recreation Center

1700 Visitacion Ave. | Visitacion Valley

Herz Playground, situated on the southeast corner of John McLaren Park, serves the Visitacion Valley neighborhood. The Herz project includes the construction of a new rec center on park property. The new facility will be approximately 11,500 square feet and feature an indoor basketball court, bleachers, office space, a multi-purpose room, restrooms, and other spaces for storage and building systems equipment.

Outdoor improvements will include a plaza at the entrance, installation of adult fitness equipment, lighting, removal of hazardous trees, and pathway and circulation improvements to connect the park with the Sunnydale community and neighboring Community Center that will be developed as part of the HOPE SF Sunnydale redevelopment.



# Programmatic Scopes

For all of the following programmatic bond components, including Citywide Parks, Recovery Parks, Playgrounds, Sustainability, and Community Programs, the Recreation and Parks Commission will review and consider allocation of funds to specific projects. After identification and development of specific projects, environmental review required under CEQA will be completed as required before consideration of the specific projects.

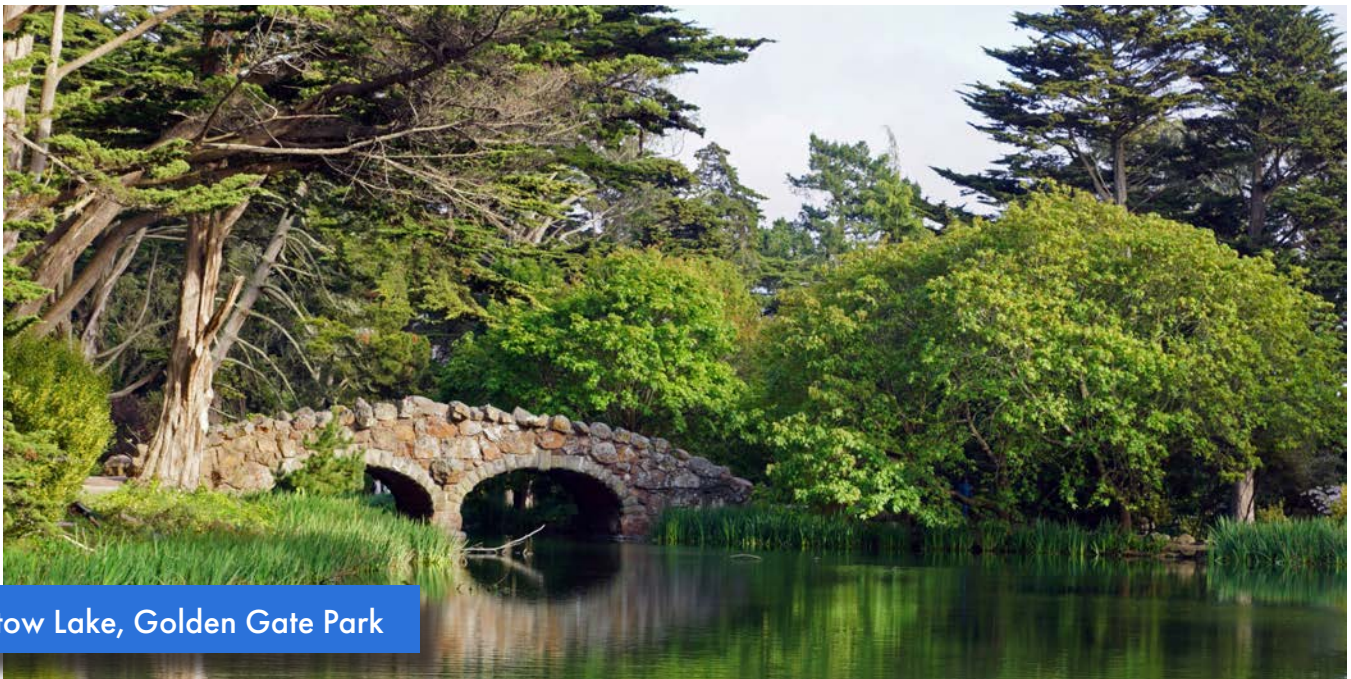
## Citywide Parks

### Golden Gate Park | John McLaren Park | Lake Merced

Together, San Francisco's citywide serving parks – Golden Gate Park, John McLaren Park, and Lake Merced Park – comprise almost 2,000 acres of open space, each with vast, ongoing capital needs. Golden Gate Park alone is estimated to need over \$500 million in capital investment to renovate and improve park features. The 2020 Bond will build upon projects delivered through past bonds and provide an additional \$18 million for improvements in these three parks, allocating \$10 million for improvements in Golden Gate Park, \$6 million for improvements in McLaren Park, and \$2 million for improvements in Lake Merced.

**Project selection will be guided by, but not limited to, the following:**

- Community process and outreach
- Existing master plans and policy documents
- Deferred maintenance needs
- Scoping by parks staff
- Overall project readiness



Stow Lake, Golden Gate Park

## Recovery Parks

The purpose of the Recovery Parks program is to provide people an avenue for physical and mental health improvements through active recreation and resilient contemplative spaces. The City's parks' needs are well understood, and they represent a leading opportunity to get people back to work quickly. Priority parks for this funding category include Buena Vista Park, Crocker Amazon Playground, Jackson Playground, Portsmouth Square, Richmond Senior Park Improvements, and South Sunset Playground.

The bond identifies \$86 million for this program with the following allocations, based on a general sense of needs at the parks, and other sources and means that may be available to provide support for various parks: \$15 million towards Crocker Amazon Playground, \$3 million towards Buena Vista Park, \$10 million towards improvements at Jackson Playground, \$54 million towards improvements at Portsmouth Square, \$1 million towards Richmond Senior Park improvements and \$3 million towards improvements at South Sunset Playground.

These parks have been identified as having extensive capital needs that will require bond funding to address. The Recreation and Park Department is working to identify specific needs and opportunities for these priority parks and collaborating with partners and stakeholders to prioritize needs and develop projects. Bond funding could be used for project planning, and once a specific project has been developed and undergone public and City review, bond funding could be used for project implementation, if approved. For all these parks, the Recreation and Park Department will complete conceptual design, and the projects will undergo any required environmental review before the Recreation and Parks Commission may review and consider approval of any specific improvement projects.

Crocker Amazon Playground is located at the corner of Geneva Avenue and Moscow Street and borders John McLaren Park. It is approximately 46 acres and includes soccer fields, baseball and softball diamonds, tennis, basketball and, bocce ball courts, tennis, basketball and, bocce ball courts, children's play areas, a skatepark, a clubhouse, picnic areas, a community garden, and a dog play area. The Recreation and Park Department is exploring a potential public-private partnership with the San Francisco Giants to support equitable access through a variety of youth enrichment programs, such as baseball, softball, academic support, etc. Identified opportunities could include renovation of the baseball diamonds, ancillary structures, and other amenities including, but limited to, educational facilities, restroom improvements, security, pathways, parking improvements, site amenities, and potential development of multi-use natural grass areas.





Buena Vista Park is a 36-acre park and includes a children’s play area, dog play area, tennis courts, restroom facilities, park maintenance facilities, trails, pathways, and landscaped and natural areas. The park contains one of the City’s few remaining coast live oak groves on its northern side. Improvements could include, but are not limited to, the restoration and repair of existing park elements such as circulation and hardscape improvements; soil management and erosion controls; forestry and planting improvements; water conservation and irrigation improvements; and replacement or enhancement of site furnishings and lighting.

Jackson Playground is located between Arkansas and Carolina Streets and 17th and Mariposa Streets in Potrero Hill. The park is approximately 4.9 acres and occupies an entire city block. Jackson Playground includes picnic areas, tennis and basketball courts, two ball fields, a children’s play area and clubhouse. The Recreation and Park Department, in collaboration with the Friends of Jackson Park community group, is working on a design for the renovation of the park. The Department has a preferred plan at Jackson Playground that is currently undergoing environmental review. Improvements could include, but are not limited to, reorientation and renovation of some existing park amenities such as the sports fields, construction of a new playground, and the renovation and possible extension of the historic clubhouse.

Portsmouth Square is located in Chinatown bordered by Kearny Street, Washington Street, Walter U Lum Place, and Clay Street. It is approximately 1.5 acres large with diverse recreation facilities including a recently renovated restroom, a clubhouse, playgrounds and multiple terraces. Building on the improvements made in Chinatown through the 2008 and 2012 bonds at Willie “Woo Woo” Wong and Chinese/Betty Ann Ong Recreation Center, both completely renovated, the Department has identified a preferred plan at Portsmouth Square that is currently undergoing environmental review. The preferred plan is a result of an extensive community-engagement including 1-on-1 interviews, intercept surveys and five community meetings with record turnout. Improvements may include, but are not limited to: reconstruction or addition of amenities; pathway and accessibility improvements; landscaping and beautification; modifying, repurposing, or removing the pedestrian bridge over Kearny Street; expanded clubhouse footprint; and lighting improvements.





Richmond Senior Park Improvements would be delivered near the Golden Gate Park Senior Center to provide outdoor elements for senior or intergenerational engagement. These improvements could include, but are not limited to, outdoor, intergenerational exercise equipment to provide opportunities for both independent and guided activities, landscaping, communal gardening beds, pathways and benches.

South Sunset Playground, located on the corner of 40th Ave and Vicente Street, is a 4-acre park featuring ball fields, basketball and tennis courts, a playground, a paved multi-use play area and the clubhouse. The 2,600 square-foot single-story clubhouse includes a multi-purpose room, restrooms, a kitchen and an office. The building was originally constructed in 1957 and has not seen any major renovation in decades, unlike some other amenities at this park which have undergone improvement projects over the years. Improvements to the park could include the reconfiguration or renovation of interior spaces or building systems in the clubhouse, access improvements, landscaping and beautification.

## Playgrounds

San Francisco’s parks have 180 children’s play areas, serving a variety of children’s ages, neighborhoods, and needs. The \$9 million Playgrounds program will renovate, replace, and remediate dilapidated playgrounds throughout the city. Playground selection will be based on consideration of, but not limited to: equity zones, 2020 Census Data, 2040 population growth priorities, physical condition of sites, timing of most recent improvement project, code compliance, analysis of disabled access, and Controller’s Proposition C Park Evaluation Data.

Playgrounds that may be analyzed as potential renovation sites under this program include, but are not limited to, the following playgrounds: Miraloma, Pretica Park, Parque Niños Unidos, Head-Brotherhood, Cow Hollow, Peixotto and States Street. This list is not exhaustive, and other playgrounds not included may also be funded.



## Trails Program

The 2020 Bond will continue the successful Trails program from the 2008 and 2012 Parks Bond, which improved trails in Grandview Park, Twin Peaks, the Oak Woodlands Trail in Golden Gate Park, four priority areas in McLaren Park among others. This \$1 million program will improve access and opportunities to walk and hike in San Francisco.

## Community Gardens

Community gardens provide food, foster a connection to nature and support a sense of community. Since community gardens are relatively small and typically include only areas for gardening, pathways and seating, small investments may go a long way in improving a garden's usability and appeal. This \$600,000 program will deliver improvements that may include new or improved seating areas and site furnishings, planter boxes, and composting bins, as well as site beautification and landscaping and lighting improvements.



Corona Heights



Howard Langton

## Sustainability

The sustainability program will fund conservation, protection, restoration, and other improvements to spaces and amenities to build climate resilience. Projects included in the \$14 million sustainability program could include climate adaptation work along Ocean Beach; forest management; water conservation measures; energy generation and conservation measures; landscaping with native plants; acquisition, improvement, or expansion of urban agriculture sites; and development of new spaces to improve resiliency of our city and our parks.



Ocean Beach

## Community Opportunity Fund

The Community Opportunity Fund (COF) provides an opportunity for neighborhoods, community groups, and park partners to nominate capital projects for funding. The COF promotes community stewardship, enhances park identity and experience, and leverages resources from the community. Given the success of this program over the last decade, the 2020 Bond will allocate an additional \$6 million to continue the COF, which empowers community members to foster change in their neighborhood parks.

# Priorities: Parks and Open Spaces

NEIGHBORHOOD PARKS	AMOUNT
Buchanan Mall	\$2 million
Gene Friend Recreation Center	\$30 million
Herz Playground Recreation Center (HOPE SF)	\$10 million
India Basin	\$29 million
Japantown Peace Plaza	\$25 million
Contingency	\$5 million
<b>Total: Neighborhood Parks</b>	<b>\$101 million</b>

PROGRAMS	
Citywide Parks	\$18 million
Recovery Parks	\$86 million
Playgrounds	\$9 million
Trails	\$1 million
Community Gardens	\$600,000
Sustainability	\$14 million
Community Opportunity Fund	\$6 million
Contingency	\$1.4 million
<b>Total: Programs</b>	<b>\$136 million</b>

TOTAL PARKS BUDGET	
Neighborhood Parks	\$101 million
Programs	\$136 million
Administration	\$2 million
<b>Total: Neighborhood Parks and Programs</b>	<b>\$239 million</b>



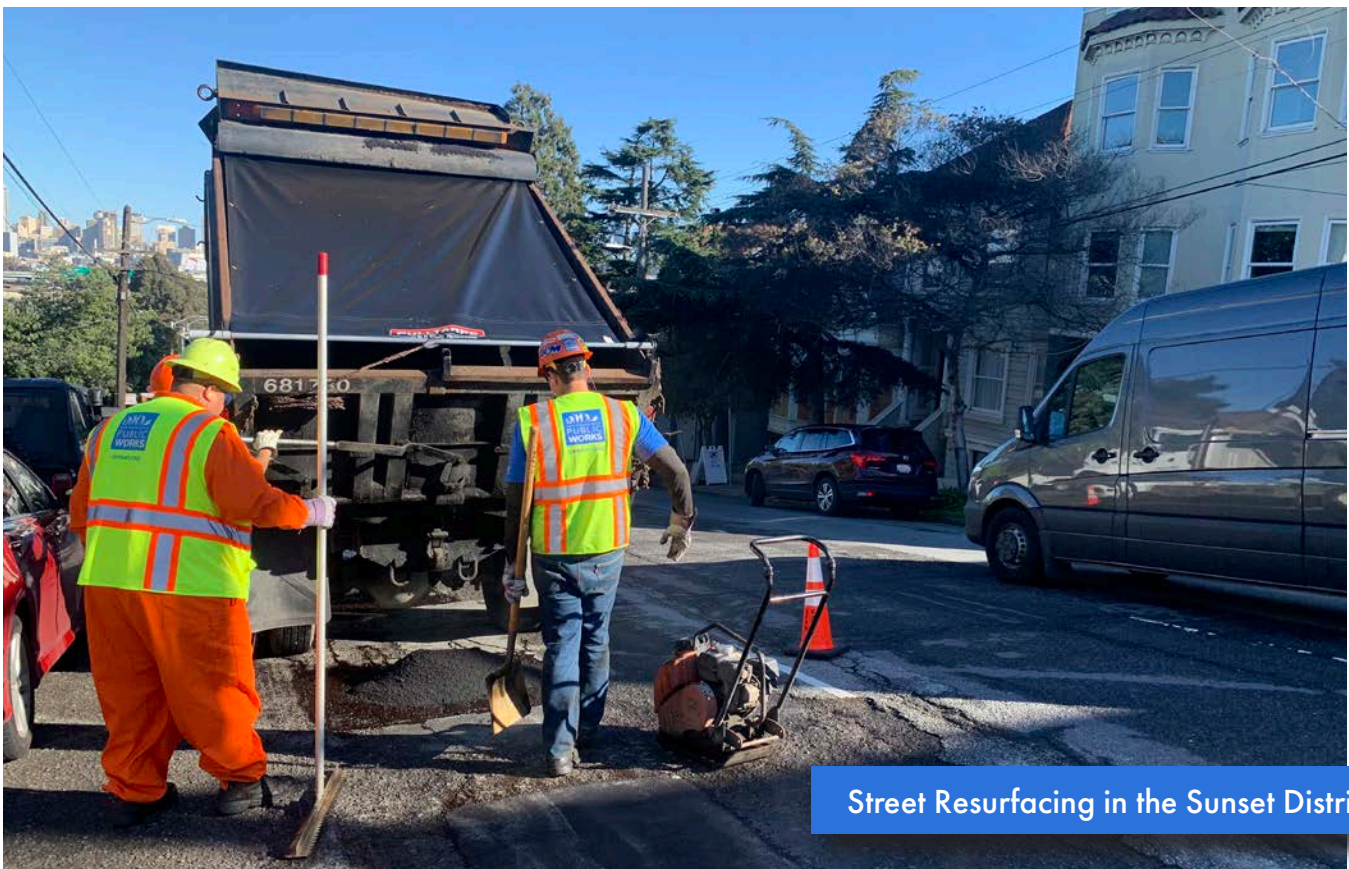
# Right-of-Way Repair

## Background

Streets enable cities to function: They provide a network for the dynamic social, economic and physical activities that make them an essential component to promote productivity and human interaction. Streets allow people to get to and from places by providing a means of mobility for motorists, cyclists and pedestrians from all paths of life. Neither public transportation nor the movement of goods or services would be possible without a system of well-maintained and accessible streets.

The City and County of San Francisco is responsible for the maintenance of approximately 940-plus miles of streets, in addition to many public staircases, bridges, and plazas found in each of its neighborhoods. To ensure the City's streets and public spaces are accessible, curb ramps are installed to help people with disabilities and who have trouble stepping on and off the sidewalk navigate in the public right of way.

San Francisco proposes \$41.5 million of this General Obligation Bond to address capital needs in the public right of way and public spaces. This includes \$31.5 million for investing in street resurfacing; \$5 million for the design, construction and maintenance of ADA-compliant accessible curb ramps; and \$5 million for the repair and maintenance of street structures.



Street Resurfacing in the Sunset District

# Street Resurfacing and Treatment

Providing smooth and pothole-free streets is essential to reducing the costs of damage caused by road defects and preventing accidents for bicyclists and drivers who must swerve to avoid dangerous conditions in the road. Pedestrians also are affected when they walk across the street and encounter hazards that may cause trips and falls. Under this bond proposal, \$31.5 million will go toward paving and resurfacing damaged and deteriorating roads – improving the condition and safety of the streets throughout San Francisco.

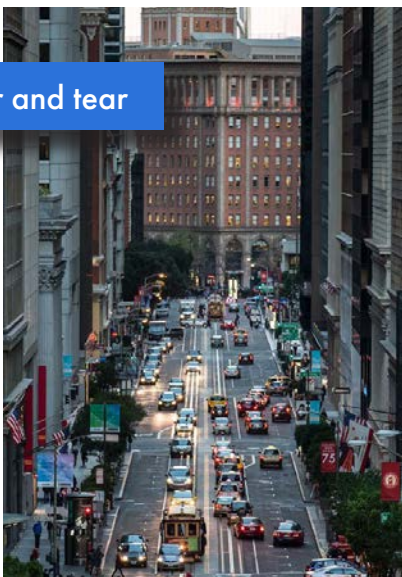
Under this bond, approximately 300 blocks will be repaired and resurfaced, as part of the City's existing Street Resurfacing Program which maintains city streets through various full roadway resurfacing treatments, including grinding and paving and surface sealing. Street surfaces must be routinely maintained, renewed and resurfaced to extend the service life of the pavement by applying the proper treatment type at different stages of the pavement life.

## Why do we need to resurface the City's streets?

There are three major factors that contribute to the deterioration of streets:

- 1. Heavy wear and tear:** San Francisco streets and roads have an average useful life of 5 to 20 years. However, a street's useful life is shortened when there is increased car, truck and bus traffic. Typically, the asphalt on a heavily used street wears out sooner than a street with less activity.
- 2. Excavation:** There are many utilities that lie beneath the roadway. Each time one of these utilities needs repair or replacement, the utility companies must excavate the street by cutting a trench through the pavement, which can make the spot vulnerable to deterioration or failure. Over time, these excavations greatly impact the lifespan of the street.
- 3. Deferred work:** Routine maintenance can prolong the longevity of City streets. However, needs have outpaced available funding for street resurfacing and reconstruction, resulting in more rapid deterioration of City streets. The more a street is deteriorated or worn, the greater chance that potholes will form.

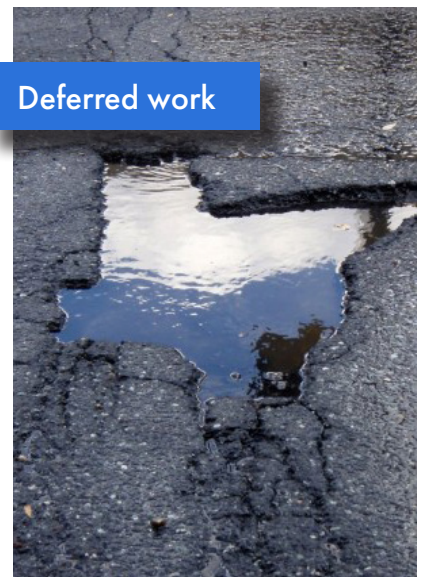
Wear and tear



Excavation



Deferred work





# Pavement Condition Index

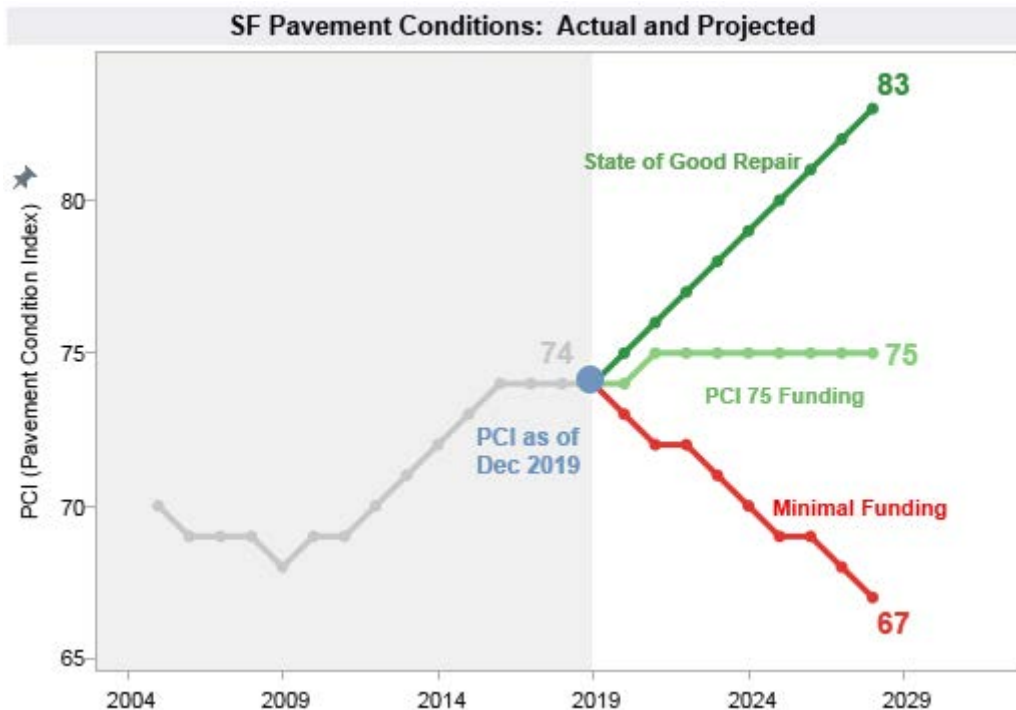
The City uses a Pavement Management and Mapping System to track the condition of the streets. The system tracks the impact of wear, erosion and age of a street by establishing a rating for each segment. This helps determine which streets are nearing and/or beyond the end of their useful lives. For the street segments that are in relatively good condition, pavement preservation treatments are performed to preserve the street and minimize further deterioration. For street segments that are nearing or beyond their useful life, the top layer of asphalt is grinded off and repaved with a new layer of asphalt. For asphalt streets with a deteriorated concrete base, both the concrete layer and the top layer of asphalt are reconstructed.

The Pavement Management and Mapping System rates the condition of streets based on several criteria, including ride quality, cracking and raveling of the roadway. These ratings result in a Pavement Condition Index (PCI) score for each street segment on a scale 0 to 100. A score of 0 reflects the worst condition and 100 reflects a newly paved street. The City uses the PCI scores to determine the appropriate treatment for each street segment.

## The following PCI ranges are used to identify the types of treatment needed:

- 0 – 50: Reconstruction (grind and pave with base repairs)
- 50 – 60: Resurfacing (grind and pave)
- 60 – 80: Preservation (surface sealing)
- 80 – 100: No improvement needed

San Francisco’s current PCI is 74 and has a goal to reach and maintain a score of 75. If we do not invest in improving the PCI score, costs to fix streets will skyrocket, street degradation will continue and the backlog of streets needing reconstruction will grow exponentially. Delaying these investments now will significantly increase the costs to make these improvements in the future.



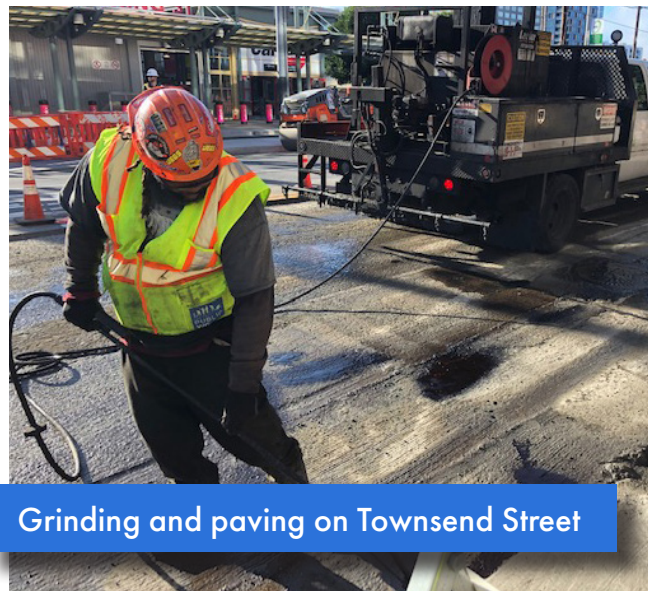
The most cost-effective pavement management strategy is to preserve streets in good condition instead of letting them deteriorate. The lower the PCI score, the more expensive it is to fix the street. While new pavements generally remain in good-to-excellent condition for several years with little or no upkeep, the rate of deterioration increases rapidly after 5 to 20 years. By reducing the frequency of asset replacement, research shows that preservation treatments can increase the lifecycle and reduce the cost by 50 percent.

## Which streets will be resurfaced?

The City determines the type of street treatment based on the PCI score. Once a street has been identified for resurfacing, it is coordinated with public and private utility work (“cleared”) for resurfacing. Improvements will be distributed among various neighborhoods and commercial districts throughout the City to promote geographic equity. Where feasible, repairs will be implemented along contiguous blocks to ensure cost efficiency.

**The street repaving program will consider and prioritize projects using the following criteria:**

- Pavement Score (PCI)
- Multi-modal Usage, such as transit corridors
- Project Readiness
- Equitable Geographic Distribution
- Public Inquiries



**Roadway resurfacing work under this bond may include, but will not be limited to:**

- Grinding and paving of asphalt streets and repair of concrete roadway base
- Repair of parking areas, curb edges and gutters
- Traffic striping replacement, utility adjustments and curb ramps
- Pavement preservation including surface sealing and crack sealing

# Curb Ramps

Curb ramps provide pedestrian access between the sidewalk and roadway for people with visual impairments who use a cane and others with disabilities using wheelchairs. Curb ramps also help people who use strollers and walkers, and pedestrians who have trouble stepping up and down high curbs. Without curb ramps in place, people who face mobility challenges often are forced to travel in the street with traffic to navigate around the City.

A fundamental provision of Title II of the Federal Americans with Disabilities Act (ADA) requires municipal governments to provide curb ramps to make the public right of way accessible. Regardless of the legal obligation, San Francisco officials have made it a priority to protect the safety of people with disabilities and to create a pedestrian environment that is welcoming to everyone. As such, San Francisco has been building curb ramps for many years and has implemented a Curb Ramp Assessment and Maintenance Program for curb ramps, which ensures that funding and resources first go to areas where curb ramps are needed the most.



Accessible curb ramp in the Diamond Heights neighborhood

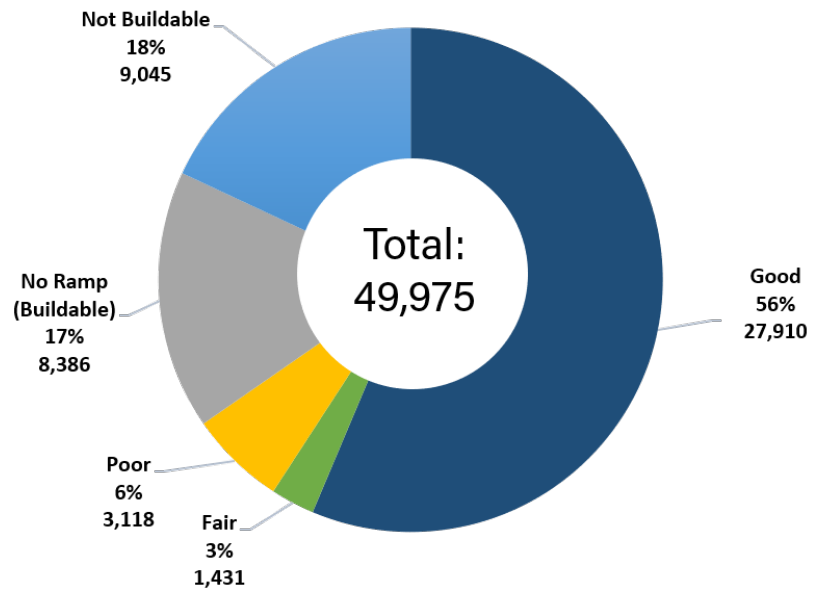
## Citywide Curb Ramp Needs

The City's goal is to have a curb ramp installed at every intersection and mid-block location where pedestrian crossings exist. However, many of the City's corners still lack curb ramps. Some of the existing ramps are too old, too steep, or too narrow and others are in disrepair. There are 27,910 curb ramps in good condition. However, there are another 1,431 curb ramps rated to be in fair condition, 3,118 curb ramps rated to be in poor condition and 8,386 buildable locations where a curb ramp does not currently exist. This inventory indicates that there is the need to build and upgrade a total of 12,935 curb ramps throughout the City to ensure that a comprehensive navigable path of travel is accessible to everyone who needs it. This bond will provide \$5 million for curb ramps to help address this critical need.



To determine City’s need to construct new curb ramps, existing curb ramp locations and locations where a curb ramp does not exist, are placed into five categories:

- **Good:** Good curb ramps are fairly new and usable by most, if not all, people with disabilities.
- **Fair:** Fair curb ramps are older. Many, but not all, people with disabilities can use a fair curb ramp.
- **Poor:** Poor curb ramps are old and in poor condition.
- **No Ramp (buildable):** Buildable curb ramps are locations where a ramp does not exist.
- **Not Buildable:** Refers to locations that are too steep or where there is no safe crossing.



Citywide curb ramp needs as of May 2020

## Curb Ramp Prioritization

The City prioritizes new curb ramp locations according to guidelines established by the Americans with Disabilities Act. To ensure an equitable distribution of construction throughout the public right of way in the City, Public Works and the Mayor’s Office on Disability – in collaboration with residents with disabilities – identifies locations in neighborhoods with large populations of people with disabilities and areas with few usable curb ramps.

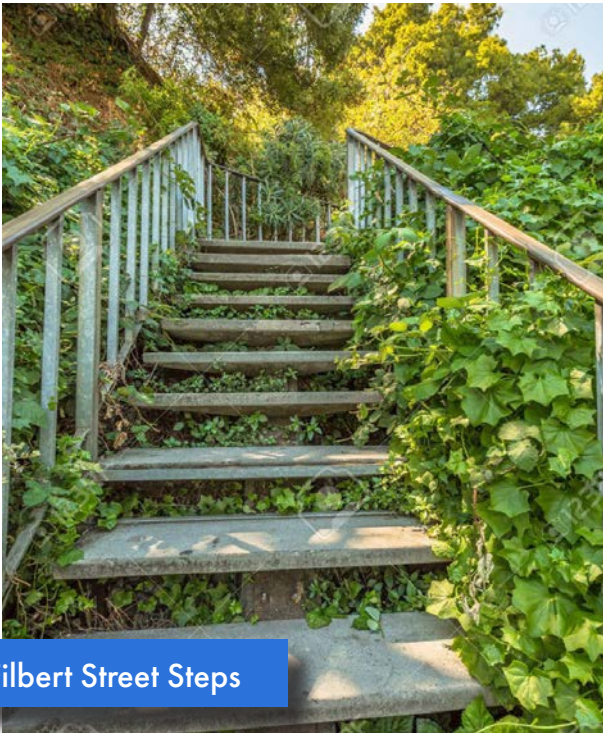
**Curb ramp projects will be prioritized using the following criteria:**

- **Curb Ramp Condition Score:** Every curb ramp in the dedicated public right of way in the City has a condition score in the Curb Ramp Condition Score database based on the most recent survey or inspection, with 1 being the worst and 100 being the best.
- **Geographic equity:** Geographic equity is reviewed to consider the various needs of San Francisco neighborhoods.
- **Input from disability stakeholders:** The highest initial priority is given to a request received from a person with a disability, where each corner of the intersection in question does not have at least one curb ramp with a condition score of 70 or higher.
- **Location review by the Mayor’s Office on Disability and Public Works:** The priority locations are primarily where curb ramps can help people safely get to transit stops, civic buildings, schools, senior centers, commercial corridors and work areas.

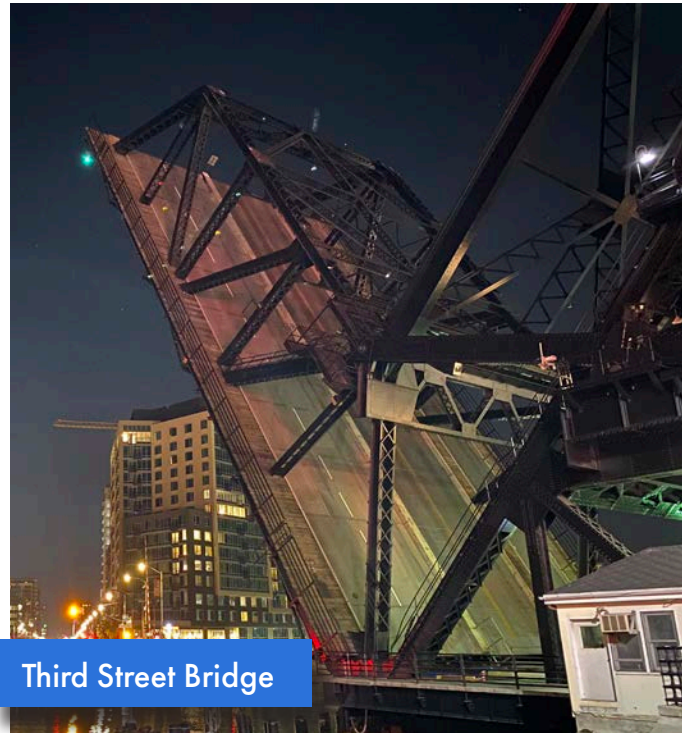


# Street Structures and Plazas

The City has approximately 390 street structures, including stairways, retaining walls, guardrails, pedestrian overpasses and underpasses, tunnels, bridges and viaducts that are used by the public every day. This network of public-serving structures is critical to providing pedestrian access to the City's larger street and road system. To assure safe use of these structures, timely repairs are required to prevent further deterioration and any threat to public safety. Although the City has performed seismic retrofits of bridges, pedestrian overpasses and viaducts in recent years, many other street structures still need replacement and significant repairs. Consequently, failure to correct these deficiencies increases the risk to public safety and exposure to liability.



Filbert Street Steps



Third Street Bridge

**Funding from the bond may be used to repair, replace, or maintain the following:**

- Cracked and/or spalled concrete
- Tilted retaining walls
- Settled stairways and uneven steps or landings
- Deteriorated and/or damaged metal and concrete rails
- Deteriorated and/or damaged fences and guardrails
- Mechanical and electrical equipment on bridges and tunnels
- Structure lighting improvements
- Other structural and life-safety deficiencies on City-maintained bridges, tunnels and other structures

## Street Structure Criteria

The City has developed a methodology with a set of criteria that includes structural, geotechnical, code conformance and accessibility to prioritize structural repairs. The Street Structure Inspection and Repair Program will utilize this rating system and results from routine inspections to select which street structures will receive funding from this bond.

### Scores will be based on the following criteria:

- **Structural:** Is the level of deterioration critical so that it requires immediate repair? Does the structure pose any imminent life and safety hazard?
- **Geotechnical:** Is the structure stable? Are there signs of distress, movement, settlement or undermining of the foundation?
- **Code Conformance:** Does the structure have missing or damaged handrails or fencing, inoperable lights, and/or exposed electrical panels/fixtures? Does the structure present a tripping hazard, have a slippery surface, or have corrosion or exposed steel that could present a danger to pedestrians?
- **Accessibility:** Does the structure meet accessibility requirements under the Americans with Disabilities Act? Are there handrails on each side of the stairway?

## Priorities: Right-of-Way Repair

RIGHT-OF-WAY REPAIR *	AMOUNT
Street Resurfacing	\$31.5 million
Curb Ramps	\$5 million
Street Structures and Plazas	\$5 million
<b>Total: Right-of-Way Repair</b>	<b>\$41.5 million</b>

\* This is an estimated amount of allocation, however, any uses referenced above are eligible for these funds.

# ACCOUNTABILITY

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The 2020 Health and Recovery Bond will include strict standards of accountability, fiscal responsibility and transparency. In addition to California state bond accountability requirements, the City will create a comprehensive public oversight and accountability process for the duration of the bond program.

## **Policy Compliance:**

The proposed bond funding levels comply with the City's policy to keep property taxes constrained at or below their 2006 level.

## **Bond Accountability Reports:**

Per the San Francisco Administrative Code (Section 2.70 to 2.74), 60 days prior to the issuance of any portion of the bond authority, departments will submit a 2020 Health and Recovery Bond accountability report to the Clerk of the Board of Supervisors, the Controller, the Treasurer, the Director of Public Finance and the Budget Analyst describing the current status and description of each project.

## **Transparency:**

The City will hold periodic public hearings and reviews of the bond program and its implementation before the Capital Planning Committee, Recreation and Parks Commission and the General Citizens' Obligation Bond Oversight Committee. Individual projects will be defined through application of public safety principles and objective evaluation criteria described in the bond report.

## **Annual Public Review:**

Funds are subject to the approval processes and rules described in the San Francisco Charter and Administrative Code. The bond will be subject to annual public reviews.

## **Public Appropriations of Capital Project Funds:**

Public appropriation of bond funds shall be in accordance with the San Francisco Charter and Administrative Code, including review by the Capital Planning Committee, to assure the projects are consistent with the City's 10-Year Capital Plan; review and recommendation by the Budget and Finance Committee of the Board of Supervisors; review and approval by the full Board of Supervisors and the Mayor.

## **CGOBOC Audits:**

The City's Citizens' General Obligation Bond Oversight Committee (CGOBOC) is responsible for auditing the implementation of the bond per the Administrative Code (Section 5.30 to 5.36). This independent, nine-member committee is appointed by the Mayor, the Board of Supervisors, the Controller and the Civil Grand Jury. One-tenth of one percent (0.1%) of the bond funds will pay for the committee's audit and oversight functions. Should CGOBOC determine that any funds were not spent in accordance with the expressed will of the voters, they are empowered to deny subsequent issuances of bond funds.



# 10-YEAR CAPITAL PLAN

Adopted through legislation by the Mayor and Board of Supervisors in 2005, the Capital Planning Committee was created to guide and prioritize capital needs citywide. The Capital Plan is developed by the committee and adopted annually by the Board of Supervisors prior to adoption of the City budget.

The City invests significant General Fund dollars into the repair and rehabilitation of our capital assets every year. However, the City cannot rely on these funds alone to address critical infrastructure needs. Where annual funds are not adequate to pay the costs of major capital improvements, the Plan recommends using one of two sources of long-term debt financing:

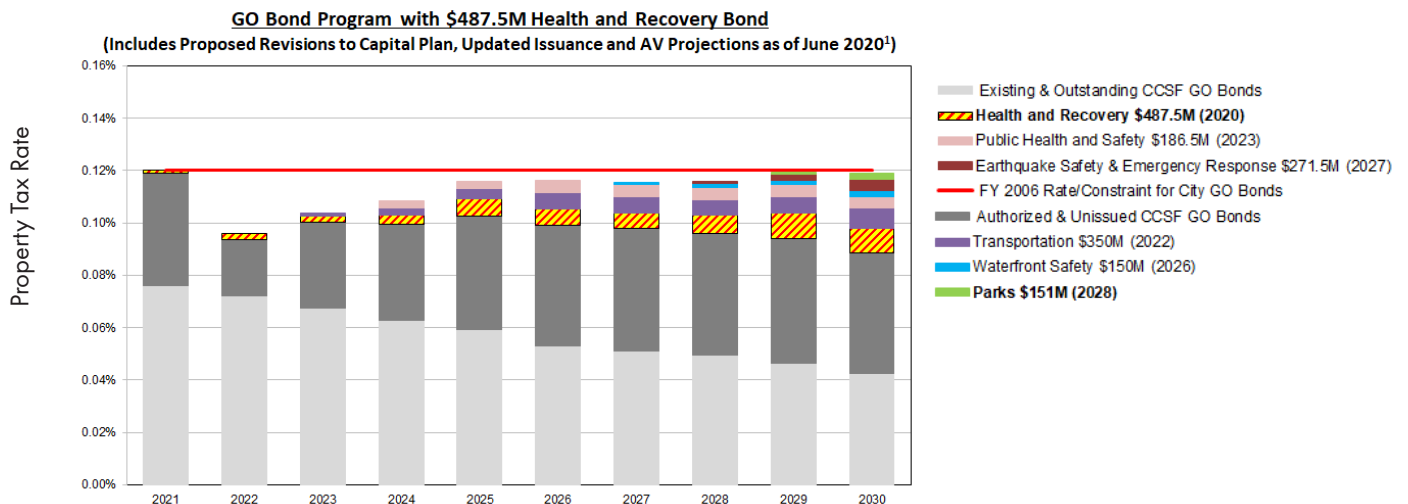
- **General Obligation Bonds** backed by property taxes upon approval by voters.
- **General Fund debt programs** backed by the City’s General Fund upon approval by the Board of Supervisors and the Mayor.

General Obligation Bonds and General Fund debt programs are appropriate means of funding capital improvements, as they spread the costs over their long, useful lives and across the generations of San Franciscans that reap their benefits.

Since its inception, the Capital Plan has laid out a G.O. Bond Program that aligns funding with the most critical infrastructure needs in the City’s portfolio. Previous bonds for public health, parks, and streets all have contributed to state of good repair and seismic strengthening needs for community-facing buildings and infrastructure, allowing San Francisco to address today’s most urgent priorities.

The Capital Plan General Obligation Bond Program chart below illustrates the relationship between the G.O. Bond Program and the local tax rate, including existing and outstanding issuance and voter-approved bonds. This demonstrates the City’s policy constraint that General Obligation bonds will not increase the property tax rate above 2006 levels.

For more information on the City’s Capital Plan, please visit [onesanfrancisco.org](https://onesanfrancisco.org)



<sup>1</sup> Based on FY20 Certified AV, with projected Future Year growth rates of -0.01%, 0.09%, 5.63%, 5.93% in FY21-24, respectively, and 3.5% from FY25 on. Revised 6-26-2020



**ONESF**  
Building Our Future



# ONESF

Building Our Future

[onesanfrancisco.org](https://onesanfrancisco.org)

There's only one San Francisco. Let's take care of it.



## FY2020-29 Capital Plan Off-Year Update November 2020 Health and Recovery G.O. Bond

July 8, 2020



# Off-Year Update Context: Highest Priorities & Building Recovery

2

In November of 2019 Mayor Breed asked City Administrator Kelly to re-prioritize the G.O. Bond Program to reflect and address the urgency of San Francisco's mental health crisis.

More recently, with the rise of the COVID-19 and associated leap in unemployment, an urgent need to invest in shovel-ready projects and programs has arisen.

- *Bonds must be used for capitalizable assets, cannot be used for leased facilities, services, or temporary investments.*
- *Every \$1 million in construction spending creates an estimated 5.93 jobs.*
- *Bonds enable construction, are an important local counter-recessionary tool.*
- *Deferred right-of-way and facilities maintenance would otherwise go unfunded in recession and budget cuts climate.*

# Off-Year Update Context: Affordable Housing in the Capital Plan

3

In April of 2019, the Board of Supervisors added two Whereas clauses to the resolution approving the City’s Capital Plan:

- **Add Affordable Housing as part of the City’s capital planning process** beginning in the next off-year Capital Plan update; and
- **Build a reliable set of funding sources** for affordable housing, including but not limited to another Affordable Housing General Obligation Bond in the G.O. Bond program.

Joint effort between MOHCD, Capital Planning, Planning, Controller, TIDA, and OCII.

# GO Bond Program Proposed Off-Year Update

## as approved by CPC 5/11/20

4

Election Date	Program	\$M	Change
Nov 2019	Affordable Housing	600	
Mar 2020	ESER	628.5	
<b>Nov 2020</b>	<b>Health and Recovery</b> (was Parks)	(was 255) <b>438.5</b>	<b>+ \$183.5M</b>
<b>Jun 2022</b>	<b>Transportation</b>	(was 500) <b>350</b>	<b>- \$150M</b>
<b>Nov 2023</b>	<b>Public Health</b>	(was 220) <b>186.5</b>	<b>- \$33.5M</b>
<b>Nov 2024</b>	<b>Affordable Housing</b>	<b>TBD</b>	
Nov 2026	Waterfront Safety	150	
Nov 2027	ESER	271.5	
Nov 2028	Parks and Open Space	200	
	<b>TOTAL</b>	<b>2,825</b>	



# GO Bond Program Proposed Off-Year Update

*Revised*

5

Election Date	Program	\$M	Change
Nov 2019	Affordable Housing	600	
Mar 2020	ESER	628.5	
<b>Nov 2020</b>	<b>Health and Recovery</b>	(was 255) <b>487.5</b>	<b>+ \$49M more</b>
Jun 2022	Transportation	(was 500) 350	
Nov 2023	Public Health	(was 220) 186.5	
Nov 2024	Affordable Housing	TBD	
Nov 2026	Waterfront Safety	150	
Nov 2027	ESER	271.5	
<b>Nov 2028</b>	<b>Parks and Open Space</b>	(was 200) <b>151</b>	<b>- \$49M</b>
	<b>TOTAL</b>	<b>2,825</b>	

# Amending Language for Incorporating Affordable Housing into the full Plan

6

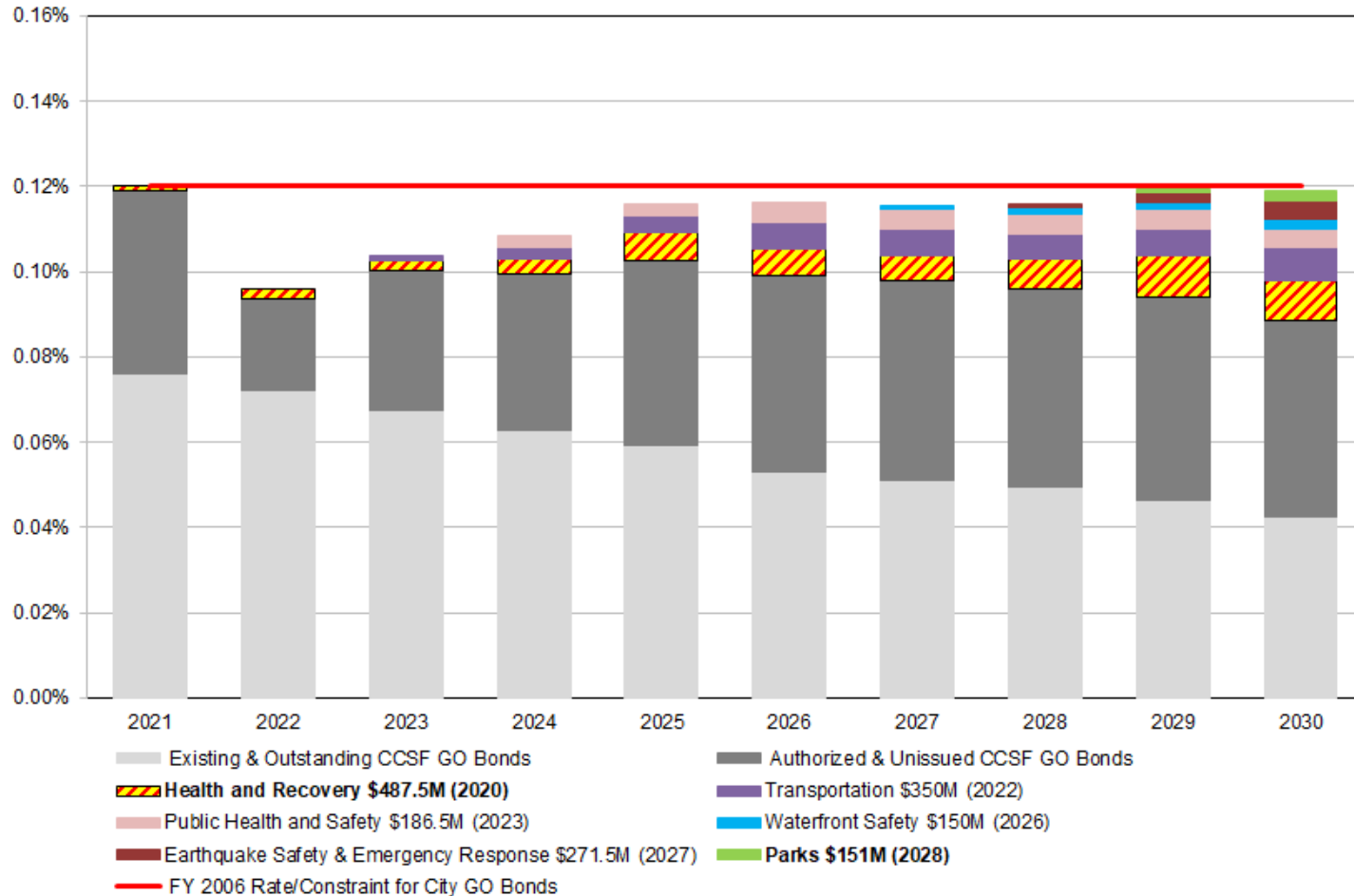
WHEREAS, An **affordable housing narrative** that will incorporate available information, including, but not limited to definitions of **key terms** on affordable housing consistent with the 2019 Affordable Housing Bond, **documentation of funding and feasibility principles** for the City’s capital investments in affordable housing projects, the total **housing production and preservation needs for very low, low, and moderate-income renters and homebuyer households** as informed by the City’s General Plan Housing Element and the Planning Department’s Housing Balance Report, and an **all-sources view** of the City’s commitment to growing and protecting affordable housing production and preservation **is expected to be part of the FYs 2022-2031 Capital Plan update**

# Revised GO Bond Curve

7

## GO Bond Program with \$487.5M Health and Recovery Bond

(Includes Proposed Revisions to Capital Plan, Updated Issuance and AV Projections as of June 2020<sup>1</sup>)



1) Based on FY20 Certified AV, with projected Future Year growth rates of -0.01%, 0.09%, 5.63%, 5.93% in FY21-24, respectively, and 3.5% from FY25 on.



# Thank You



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There's only one San Francisco. Let's take care of it.



## **FY2020-29 Capital Plan Off-Year Update November 2020 Health and Recovery G.O. Bond**

June 24, 2020

# Proposed (Revised) November 2020 Bond

2

Program Area	\$M
Mental Health and Homelessness	207
Parks	239
Streets and Right-of-Way	41.5
<b>TOTAL</b>	<b>487.5</b>

# Background: Capital Plan Funding Principles and Resilience Challenges

3

## Capital Funding Principles



## Resilience Challenges



### EARTHQUAKES

There is a 76% chance the Bay Area will experience a 7.0 magnitude earthquake in the next 30 years. Even the relatively moderate and distant 1989 Loma Prieta Earthquake (6.9) caused substantial damage to our city. It is imperative to the survival of San Francisco that we continue working to prepare and recover from the "big one."



### INFRASTRUCTURE

Infrastructure is central to our daily lives—from the roads and pipes we use every day, to the larger systems, like food and social networks and housing that we rely on as lifelines. Sometimes these systems continue to operate past their intended life span and sometimes they are inadequate all together to meet the needs of a growing and vibrant city.



### CLIMATE CHANGE

The impacts of global climate change are already being felt in the form of drought and increasingly severe storm events. We must secure our city's future through mitigation, while recognizing the likely impacts of climate change by beginning to adapt today rather than when it is too late.



### SOCIAL INEQUITY

San Francisco embraces equality and equity in all policies but this work is never done. Social equity and inclusiveness needs to be at the core of what makes a city thrive.



### SEA LEVEL RISE

We expect a total in 66" of sea level rise to impact our shores by 2100. As we plan for the growth of our city, we need to adapt to this challenge that threatens not only our waterfront but also our way of life in San Francisco and regionally.



### UNAFFORDABILITY

Forty-five percent of renters in San Francisco pay more than 30% of their household income in rent. Median home prices are continuing to rise, making it a challenge for first time home buyers. San Francisco is becoming out of reach for many of the people who made the city what it is today.



# G.O. Bond Measures since 2000 by Service Area

4

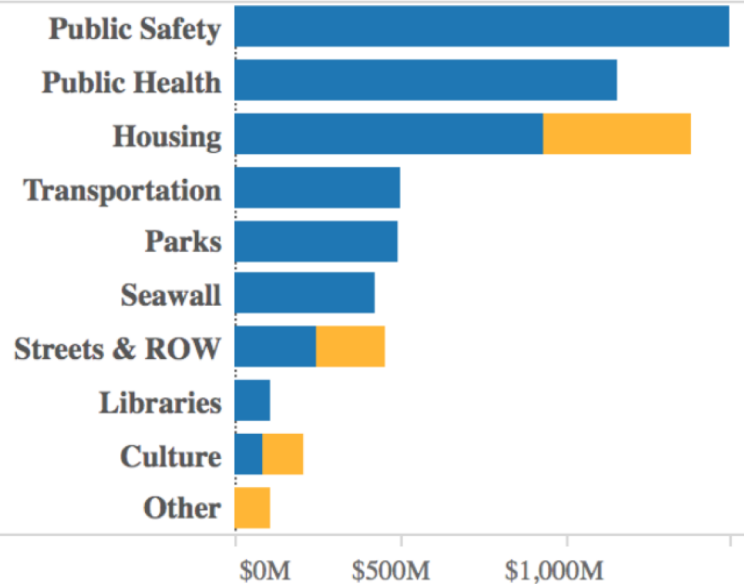
Total Value Approved:

**\$5,444M**

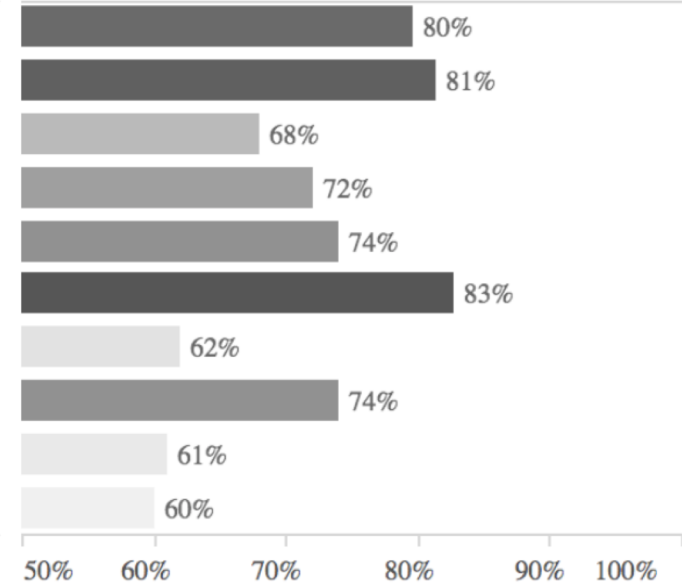
Total Value Rejected:

**\$887M**

Total Value of Bonds by Category



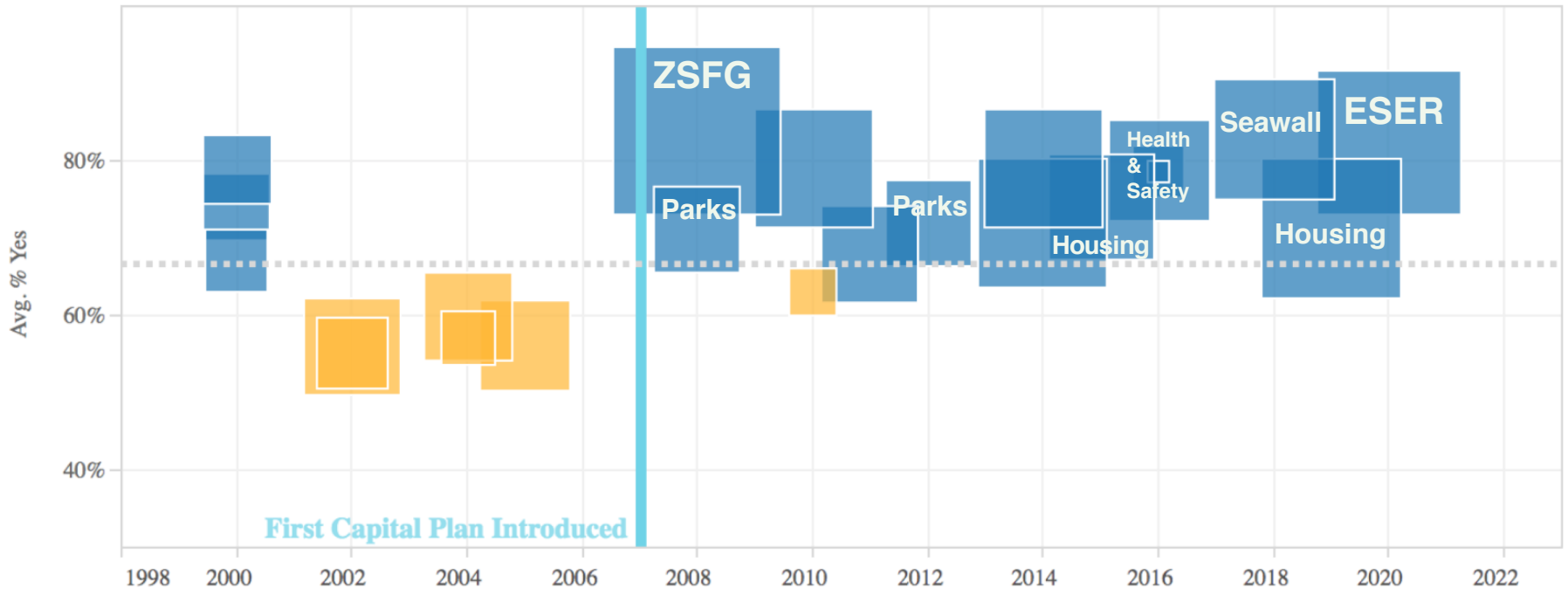
Average Voter Approval



# Voter Approval of G.O. Bond Measures since 2000

5

Voter Approval and Bond Value by Year



# Off-Year Update Context: Highest Priorities & Building Recovery

6

In November of 2019 Mayor Breed asked City Administrator Kelly to re-prioritize the G.O. Bond Program to reflect and address the urgency of San Francisco's mental health crisis.

More recently, with the rise of the COVID-19 and associated leap in unemployment, an urgent need to invest in shovel-ready projects and programs has arisen.

- *Bonds must be used for capitalizable assets, cannot be used for leased facilities, services, or temporary investments.*
- *Every \$1 million in construction spending creates an estimated 5.93 jobs.*
- *Bonds enable construction, are an important local counter-recessionary tool.*
- *Deferred right-of-way and facilities maintenance would otherwise go unfunded in recession and budget cuts climate.*

# Planned GO Bonds from FY2020-29 Capital Plan

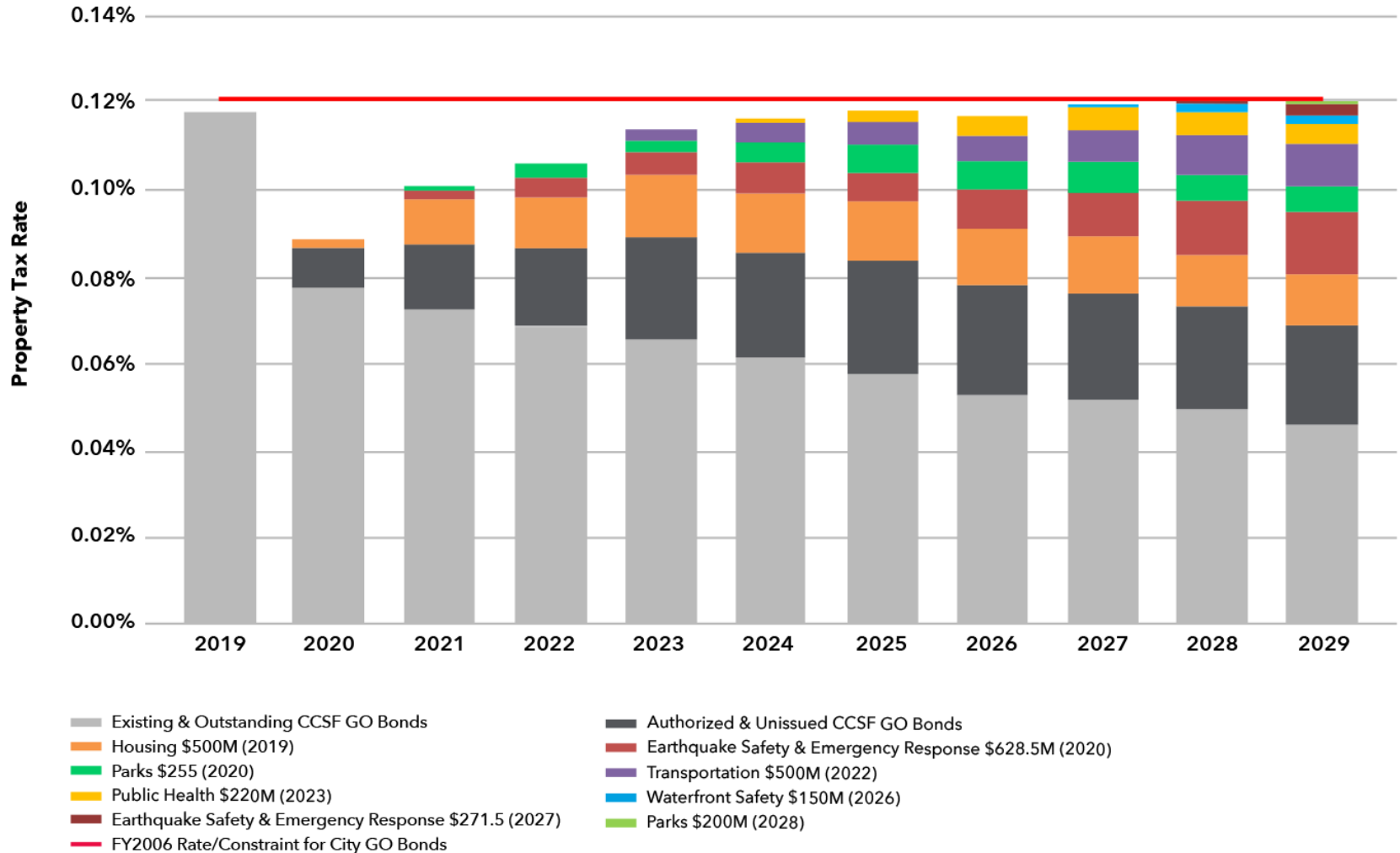
7

Election Date	Program	\$M	Notes
Nov 2019	Affordable Housing	500*	Revised up to \$600M
Mar 2020	Earthquake Safety & Emergency Response	628.5	
Nov 2020	Parks and Open Space	255	
Jun 2022	Transportation	500	
Nov 2023	Public Health	220	
Nov 2026	Waterfront Safety	150	
Nov 2027	Earthquake Safety & Emergency Response	271.5	
Nov 2028	Parks and Open Space	200	
	<b>TOTAL</b>	<b>2,725</b>	



# GO Bond Program as published in the Capital Plan

8



# November 2020 Bond as approved by Capital Planning Committee 5/11/20

9

Program Area	\$M
Mental Health and Homelessness	197
Parks	200
Streets and Right-of-Way	41.5
<b>TOTAL</b>	<b>438.5</b>

# Proposed (Revised) November 2020 Bond

10

Program Area	\$M
Mental Health and Homelessness	207
Parks	239
Streets and Right-of-Way	41.5
<b>TOTAL</b>	<b>487.5</b>

# Behavioral Health and Homelessness Priority Target Population

11



Estimated populations of 18,000 and 4,000 based on FY1819 CCMS data.



# Behavioral Health Capital Priorities

12

Recent needs analysis shows priority needs in the system for:

- Locked acute and sub-acute treatment facilities, residential treatment, and/or residential stepdown beds
- Long-term placement facilities, such as board and care and other residential care
- Psychiatric skilled nursing facilities

Other investments that would improve San Francisco's ability to serve those experiencing homelessness, mental health challenges, and substance use disorder:

- Behavioral health respite facilities, including detox and sobering
- A new centralized Behavioral Health Access Center
- Improvements to existing health facilities

# Homelessness Capital Priorities

13

Investments build upon DPH and HSH's work to better coordinate and serve high-needs, vulnerable adults experiencing or at risk of chronic homelessness.

Funds will be used to stabilize, acquire, construct, expand and/or improve Permanent Supportive Housing and Emergency Shelters, including:

- Expansion of Permanent Supportive Housing: long-term affordable housing with on-site services for highly vulnerable people exiting chronic homelessness
- Acquisition of leased permanent supportive housing, investing in long-term affordability
- Acquisition of emergency shelter/transitional housing

# Proposed (Revised) November 2020 Bond: Health and Homelessness

14

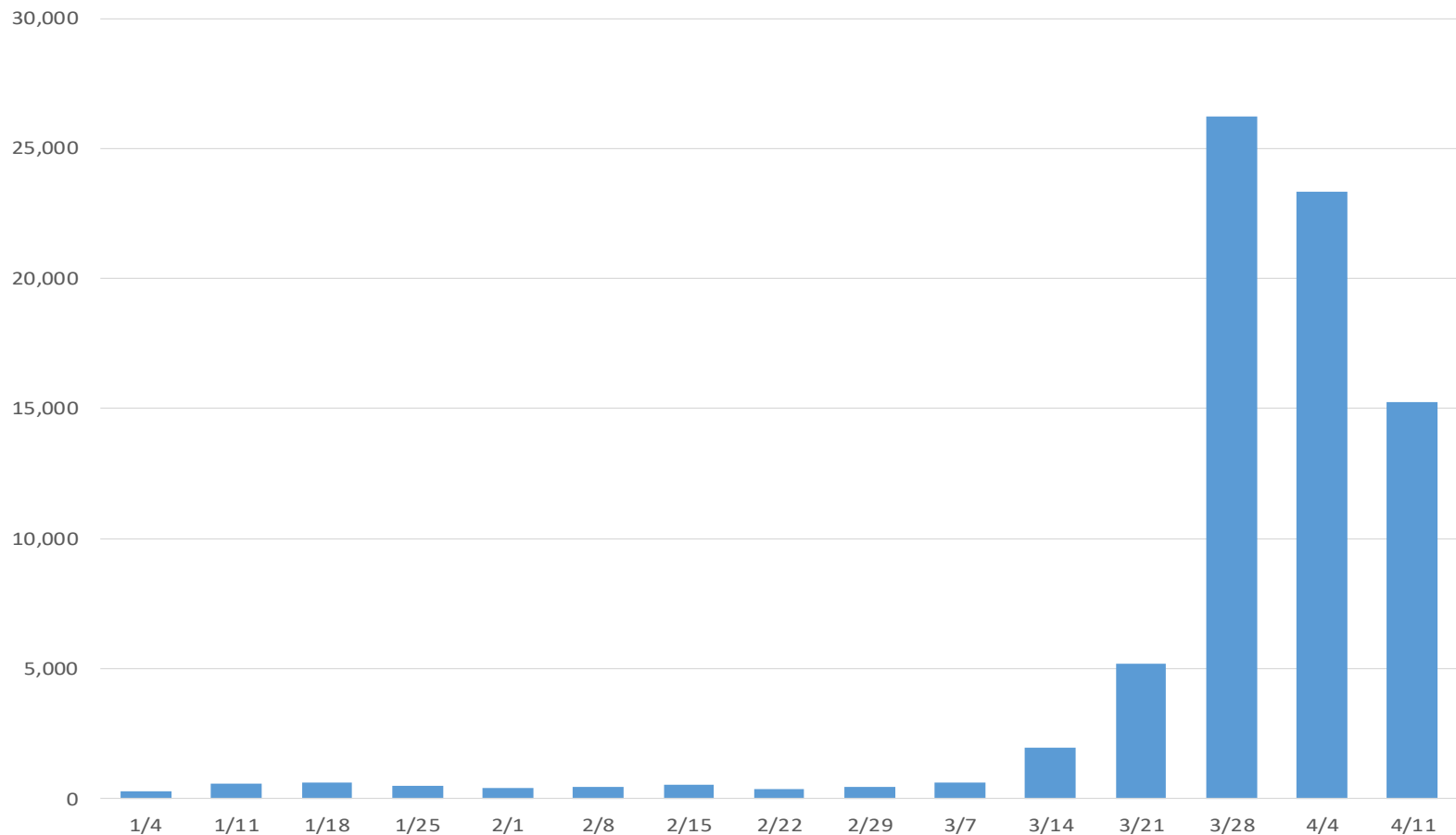
Investment Priorities	\$207M
Permanent supportive housing units, transitional housing, and shelters	
Locked acute and sub-acute treatment facilities, residential treatment facilities, and/or residential stepdown facilities	
Facilities for long-term placements, such as board and care and other residential care	
Psychiatric skilled nursing facilities	
Behavioral health respite facilities	
Detox and sobering facilities	
A new centralized Behavioral Health Access Center	
Existing health facilities	

# Recovery/Unemployment Need

15

## More than 70,000 SF Unemployment Claims Since Mid-March

Weekly Initial Claims for Unemployment in San Francisco Since January 2020

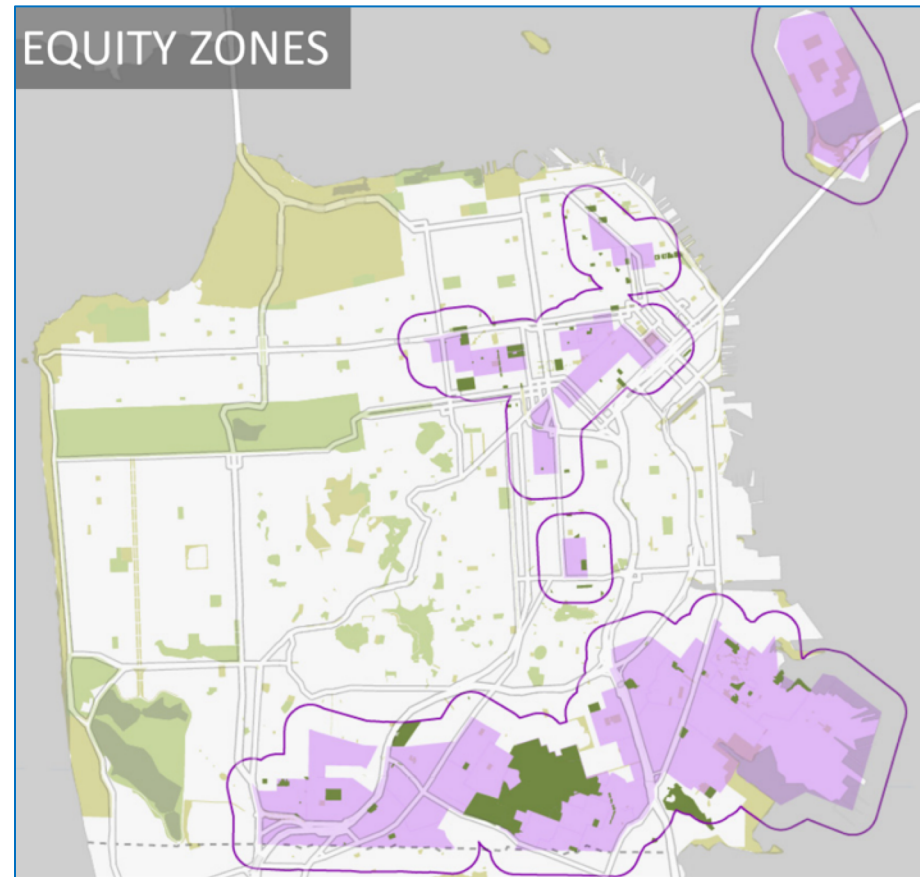




# Recovery/Parks Capital Portfolio

16

**4,113** acres of recreational and open space  
**3,400** acres within San Francisco  
**671** marina slips  
**222** neighborhood parks  
**181** playgrounds and play areas  
**151** tennis courts  
**72** basketball courts  
**82** recreation centers and clubhouses  
**59** soccer/playfields  
**37** community gardens  
**31** natural areas  
**29** off-leash dog areas  
**9** swimming pools  
**6** golf courses  
**2** stadiums



# Recovery/Parks Capital Needs

17

- Growing population
- Growing density
- Growing environmental challenges
- Growing disparities
- Growing need for open space, especially in times of crisis





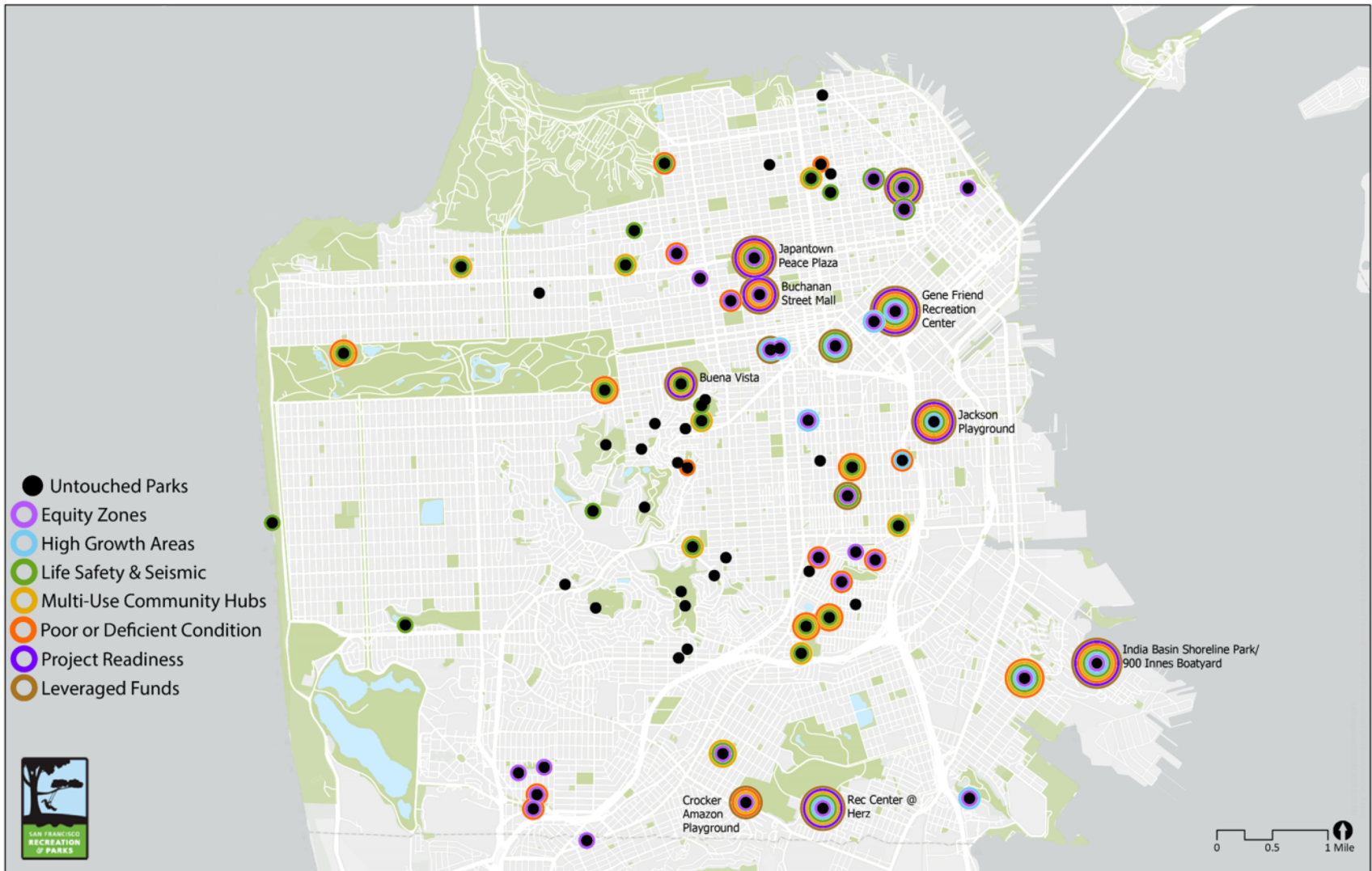
# Recovery/Parks Capital Priorities

18



# Recovery/Parks Capital Needs Analysis

19





# Proposed (Revised) November 2020 Bond: Parks

20

Investment Priorities			\$239M
NAMED PROJECTS	101	PROGRAMS	136
Buchanan Street Mall	2	Citywide Parks	18
<b>Gene Friend Rec Center</b>	<b>30</b>	<b>Recovery Parks</b> (Priorities include Crocker Amazon, Buena Vista, Jackson, Richmond Senior Park, South Sunset & Chinatown)	<b>86</b>
Herz Playground/Sunnydale HOPE SF	10	<b>Sustainability</b>	<b>14</b>
India Basin	29	<b>Playgrounds</b>	<b>9</b>
Japantown Peace Plaza	25	Community Opportunity Fund	6
Contingency – Projects	5	<b>Trails</b>	<b>1</b>
		Community Gardens	0.6
		Contingency - Programs	1.4
<b>ADMINISTRATION</b>	<b>2</b>	<b>Mini-Parks</b>	<b>0</b>

# Recovery/Streets and Right-of-Way Need

21

## San Francisco is responsible for:

- 1,200+ miles of streets
- Approximately 50,000 curb ramp locations
- 371 street structures and 9 plazas

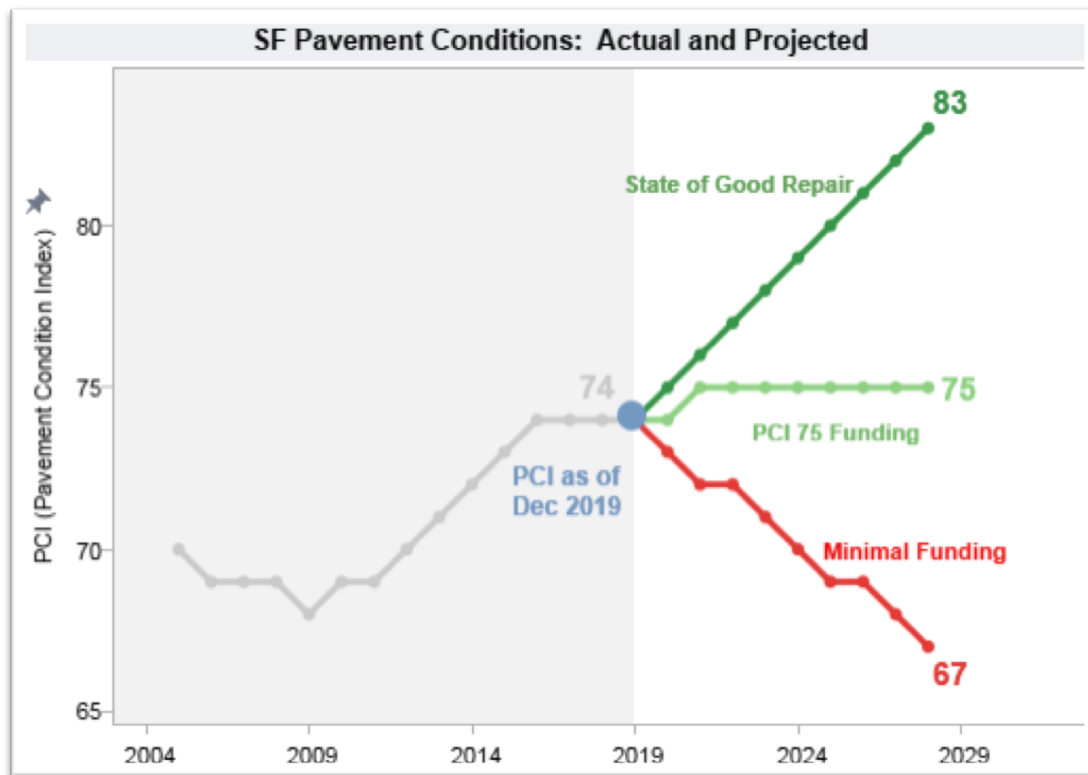


Primary funding source for streets and right-of-way in recent years has been the Pay-Go Program (General Fund and SB1 State gas tax funds).

*Delaying investments significantly increases costs of improvements.*

# Recovery/Pavement Condition Index (PCI)

22



## PCI Score Legend

- **0 – 49:** Repair/Reconstruction (grind and pave with base repairs)
- **50 – 59:** Resurfacing (grind and pave)
- **60 – 79:** Preservation (surface seal treatments to extend street life)
- **80 – 100:** No improvement needed

- **San Francisco's current Pavement Index Condition (PCI) is 74**
- **Goal is to have a PCI of 75 by 2025**

# Recovery/Right-of-Way Priorities

23

## Street Repaving:

- Pavement Score (PCI)
- Multi-modal Usage
- Project Readiness
- Equitable Geographic Distribution
- Public Inquiries



## Curb Ramps:

- Curb Ramp Condition score
- Public inquiries
- Equitable geographic distribution
- Input from disability stakeholders
- Location review by MOD and PW

## Street Structures and Plazas:

- Life safety
- Trip and slip hazard
- Code violations
- Slope instability potential
- Level of deterioration
- Usage frequency
- Consideration of alternative ingress/egress routes



# Proposed November 2020 Bond Program: Streets and Right-of-Way

24

Investment Priorities	\$41.5M
Streets	31.5
Curb Ramps	5
Street Structures	5
<b>TOTAL</b>	<b>41.5</b>

# Summary of Changes to the Bond Report (1/2)

25

## Health and Homelessness:

- Adjust all numbers to match revised program here presented and in the Ordinance
- Correct omission of locked sub-acute treatment facilities and add locked acute treatment facilities, psychiatric skilled nursing facilities, sobering facilities, and transitional housing as eligible uses
- Remove “rebuild” and Chinatown Health Clinic as an eligible use from the Community Health Facilities section and prioritize small-scale repair needs at existing facilities that deliver behavioral health services to vulnerable populations
- Change table and add language to reflect estimated allocation to Permanent Supportive Housing, Transitional Housing, and Shelter Facilities at \$147M and Mental Health and Substance Use Disorder at \$60M, allowing flexibility to prioritize eligible projects as they arise

*These changes will be prepared by staff and submitted to the file prior to Committee vote.*

# Summary of Changes to the Bond Report (2/2)

26

## Parks:

- Adjust all numbers to match revised program here presented and in the Ordinance
- Update language about eligible uses of Gene Friend surplus to reflect prioritization of Jackson Playground within Recovery Parks
- Add estimated amounts and narrative about additional priorities in Recovery Parks:
  - \$1M Richmond Senior Park
  - \$3M South Sunset
  - \$10M Jackson Playground
  - \$54M Chinatown Parks
- Add urban agriculture as an eligible use in the Sustainability program

*These changes will be prepared by staff and submitted to the file prior to Committee vote.*

# GO Bond Program Proposed Off-Year Update

## as approved by CPC 5/11/20

27

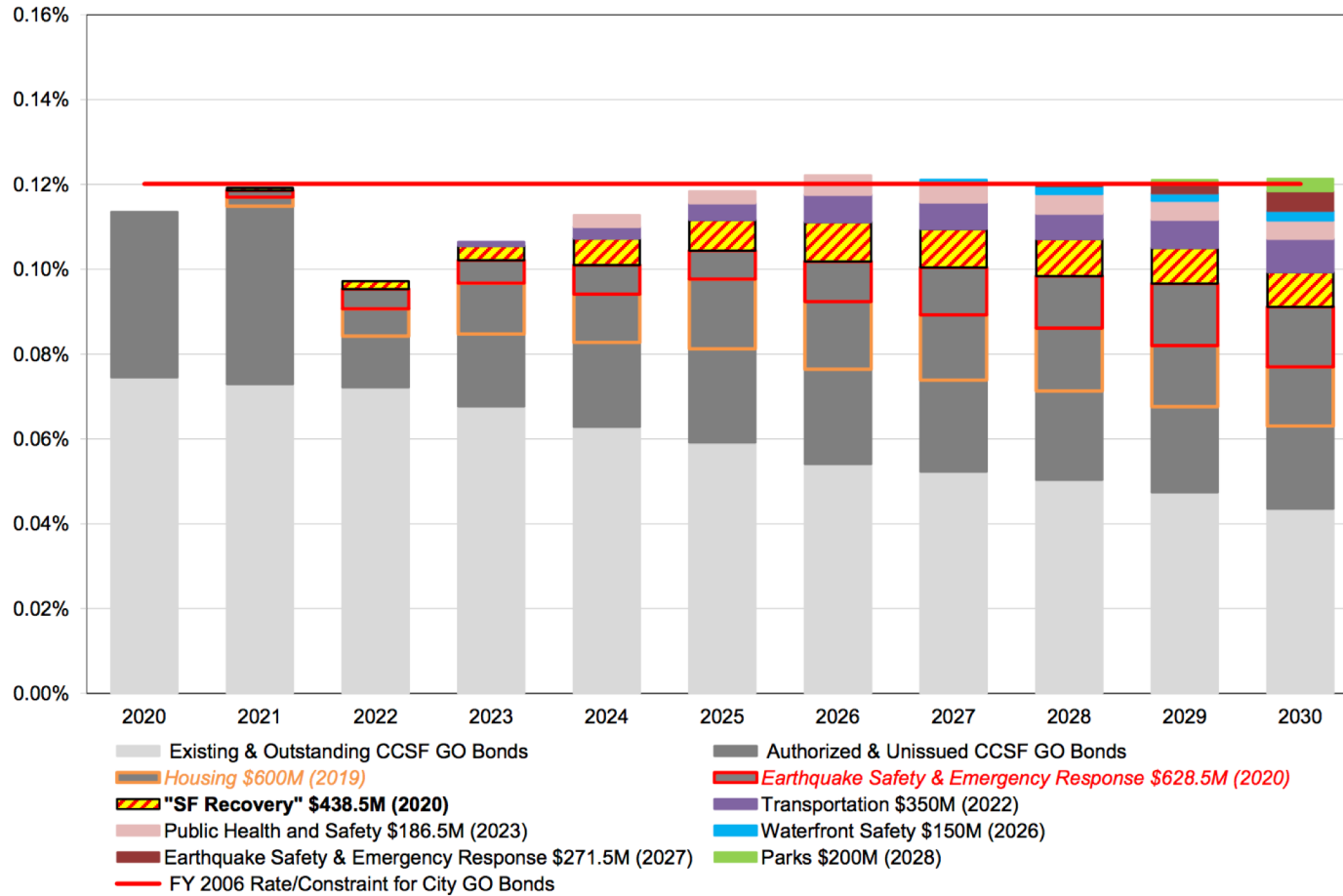
Election Date	Program	\$M	Change
Nov 2019	Affordable Housing	600	
Mar 2020	ESER	628.5	
<b>Nov 2020</b>	<b>Health and Recovery</b> (was Parks)	(was 255) <b>438.5</b>	<b>+ \$183.5M</b>
<b>Jun 2022</b>	<b>Transportation</b>	(was 500) <b>350</b>	<b>- \$150M</b>
<b>Nov 2023</b>	<b>Public Health</b>	(was 220) <b>186.5</b>	<b>- \$33.5M</b>
<b>Nov 2024</b>	<b>Affordable Housing</b>	<b>TBD</b>	
Nov 2026	Waterfront Safety	150	
Nov 2027	ESER	271.5	
Nov 2028	Parks and Open Space	200	
	<b>TOTAL</b>	<b>2,825</b>	



# Proposed GO Bond Curve *as approved by CPC*

28

**Proposed Capital Plan Update GO Bond Program**  
(Recovery Bond, FY21 debt service, April 2020 Updated AV Projections<sup>1</sup>)



1) Projected AV Roll growth rates of 2.31%, 0.07%, 5.65%, 5.95% in FY21-24, respectively, and 3.5% from FY25 on.

# GO Bond Program Proposed Off-Year Update

*Revised*

29

Election Date	Program	\$M	Change
Nov 2019	Affordable Housing	600	
Mar 2020	ESER	628.5	
<b>Nov 2020</b>	<b>Health and Recovery</b>	(was 255) <b>487.5</b>	<b>+ \$49M more</b>
Jun 2022	Transportation	(was 500) 350	
Nov 2023	Public Health	(was 220) 186.5	
Nov 2024	Affordable Housing	TBD	
Nov 2026	Waterfront Safety	150	
Nov 2027	ESER	271.5	
<b>Nov 2028</b>	<b>Parks and Open Space</b>	(was 200) <b>151</b>	<b>- \$49M</b>
	<b>TOTAL</b>	<b>2,825</b>	

# Next Steps/Calendar

30

July 8 – Election deadline for Budget and Finance Committee

July 14 – Election deadline for the Board / 1<sup>st</sup> reading

July 21 – Election deadline for the Board / 2<sup>nd</sup> reading and submission to Elections