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# Budget Update

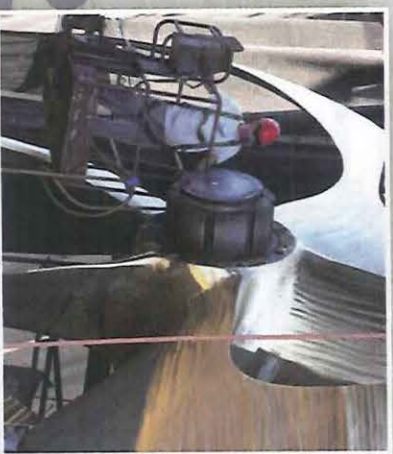
**Budget and Finance Committee,**

**San Francisco Board of Supervisors**

**June 10<sup>th</sup>, 2015**



# MISSION STATEMENT

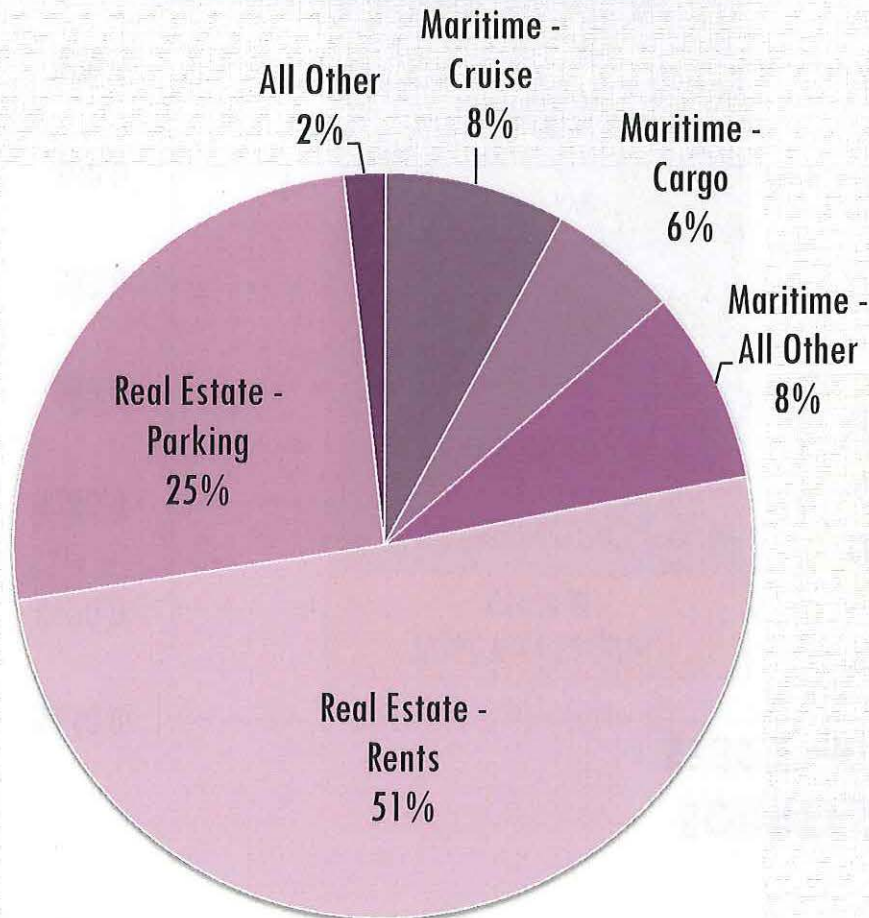




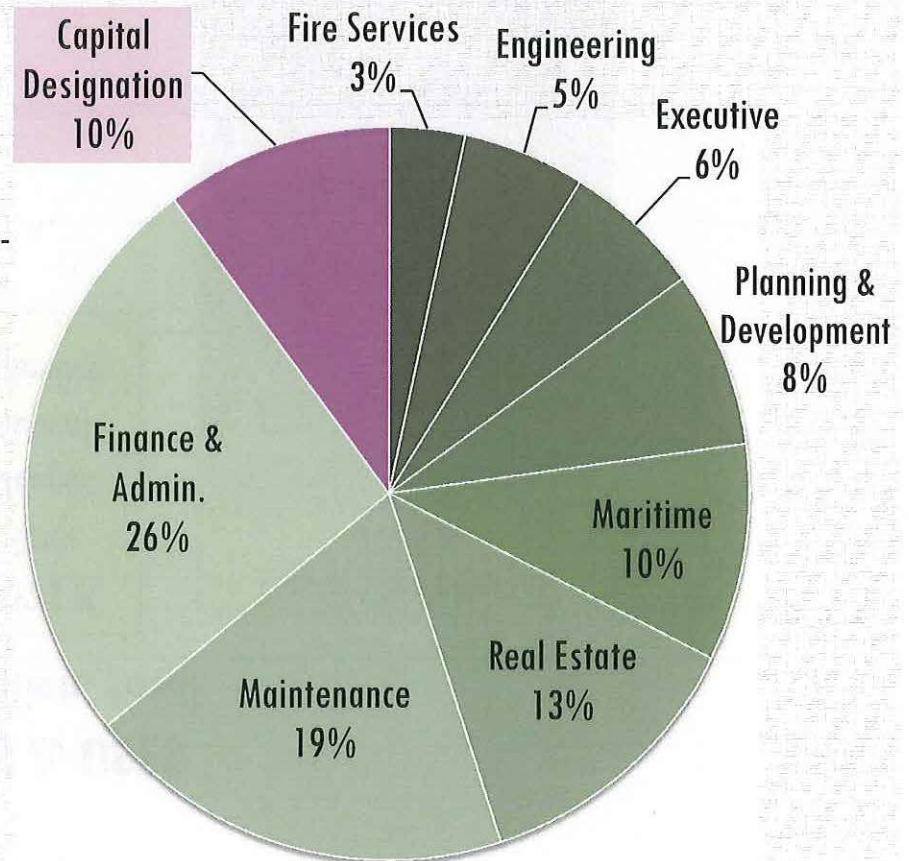


# FY 2015-16 OPERATING BUDGET

## REVENUES, \$100 MILLION



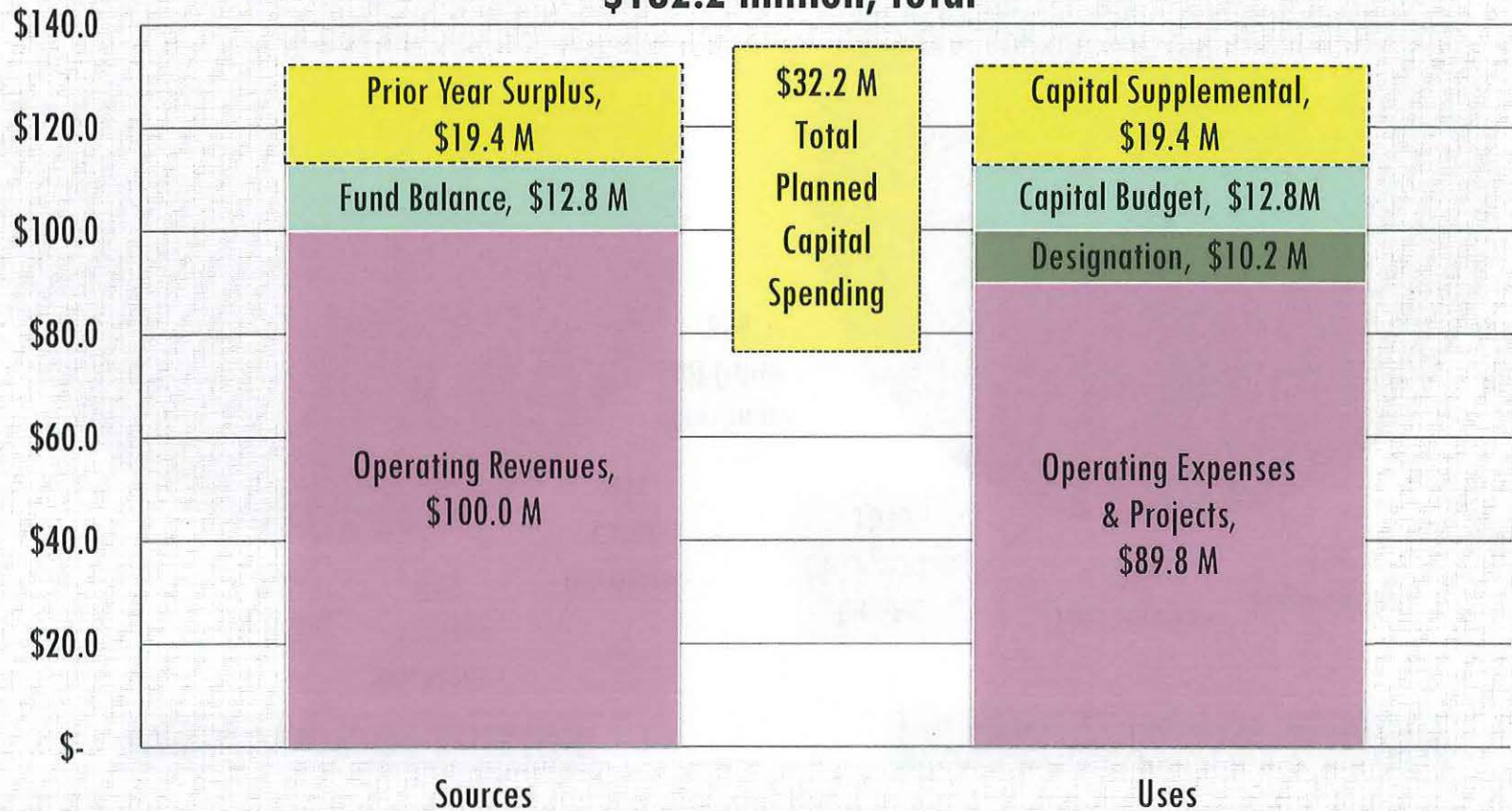
## EXPENDITURES, \$100 MILLION





# FY 2015-16 Budget

## SOURCES & USES \$132.2 million, total

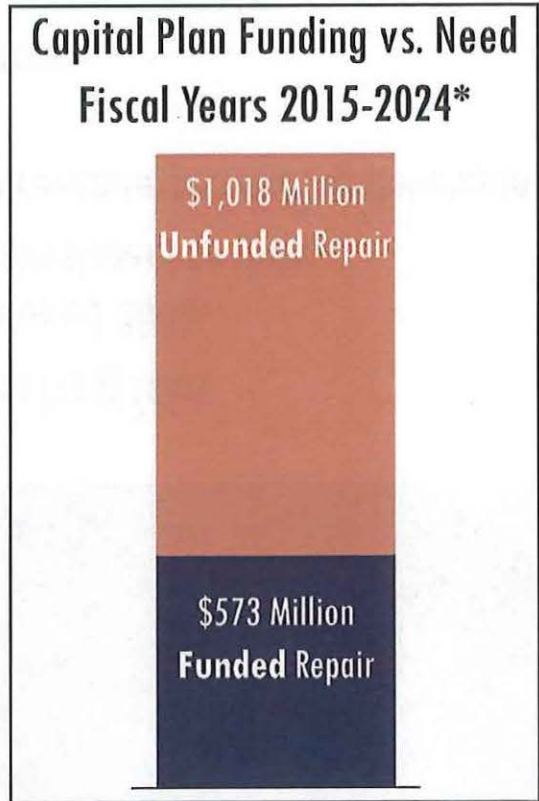
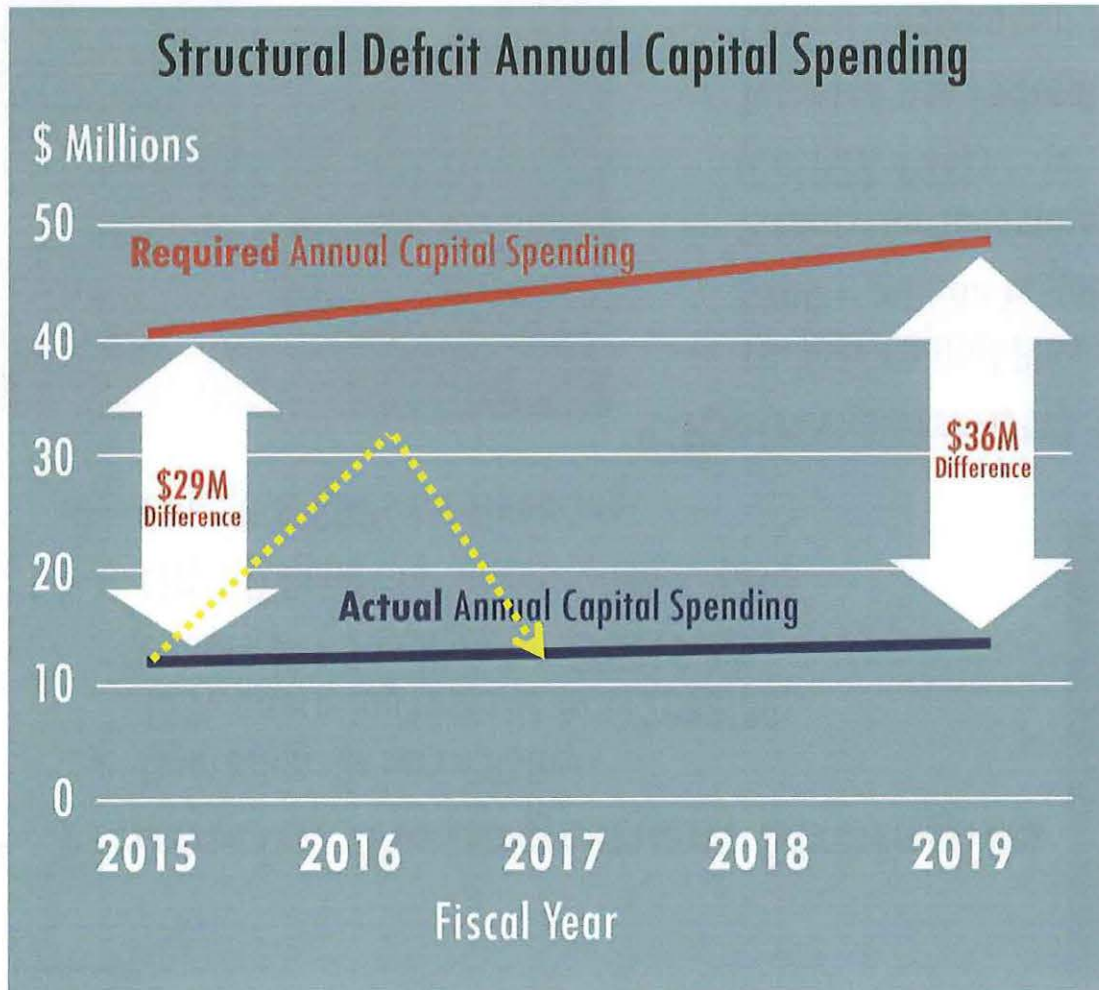


**\*Surplus operating revenue is designated for capital spending the following fiscal year.**





# Deficit in Sources for Capital



\*Excludes: Seismic Upgrades, Seawall Improvements & Sea Level Rise Improvements



# SUPPORTING OUR ADAPTIVE WATERFRONT

- **Financial Management Strategies**

- Operating Reserve Policy:  
15% operating reserve in FY2008-09;  
equals \$11.5 million for FY2015-16
- City GO Bonds for parks: 2008 & 2012
- City CP & COPs for financing



- **Reinvestment Strategies**

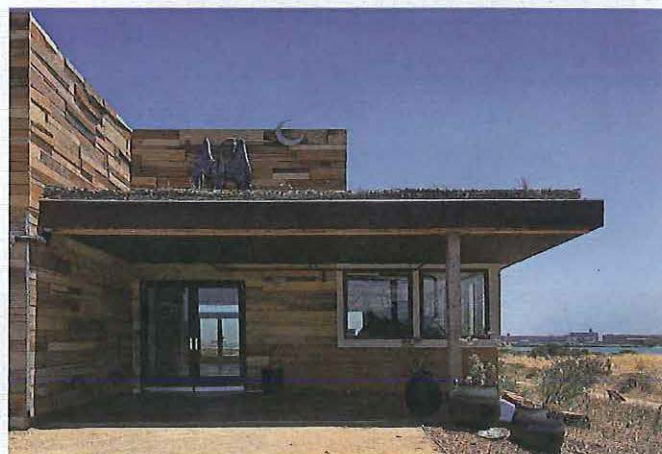
- 10-Year Capital Plan developed 2006;  
\$200+ million in public investment to date
- Priority for investment in revenue-generating development  
(i.e. P27, P31)
- Targeted use Federal sources
- Capital Designation Policy: adopted 2012
  - \* requires revenue set aside for annual capital investment
  - \* equals 20% from FY2013-14 to FY2017-18  
increases to 25% thereafter





## PORT PARTNERSHIP WITH THE CITY

- **Capital Plan Funding Sources**
  - GO Bond proceeds for parks and open space projects along the waterfront
    - \$33.5 million in 2008
    - \$34.5 million in 2012
    - \$73.4 million expected over the next 10 years
- **Debt Management Partnership**
  - Port use of the City's commercial paper program for interim capital financing
  - The City has also issued COPs to finance Port projects, providing a lower cost of funds with the City's credit
- **IFD Legislation with the potential of significant public investment in Port infrastructure**







## Connecting Residents & Visitors with the Waterfront

### ACCOMPLISHMENTS:

- **\$1.6 billion** public & private investment
- **63 New Acres** of waterfront open space
- **19 Historic Resources** rehabilitated
- **7 Derelict Piers and Wharves** removed
- **2 New Waterfront Neighborhoods** planned
- **44 New Acres** of planned open space
- **AT&T Ballpark** constructed







## SIGNIFICANT PROJECTS (Completed)

- **James R. Herman Cruise Terminal**
  - 62 cruise calls and 210,000 passengers since opening
  - SPUR Good Governance Award
  - Real Estate Deal of the Year
- **Cruise Terminal Plaza**
  - 1.5 acre, G.O. Bond-funded
  - Public space to observe cruise ships and Telegraph Hill

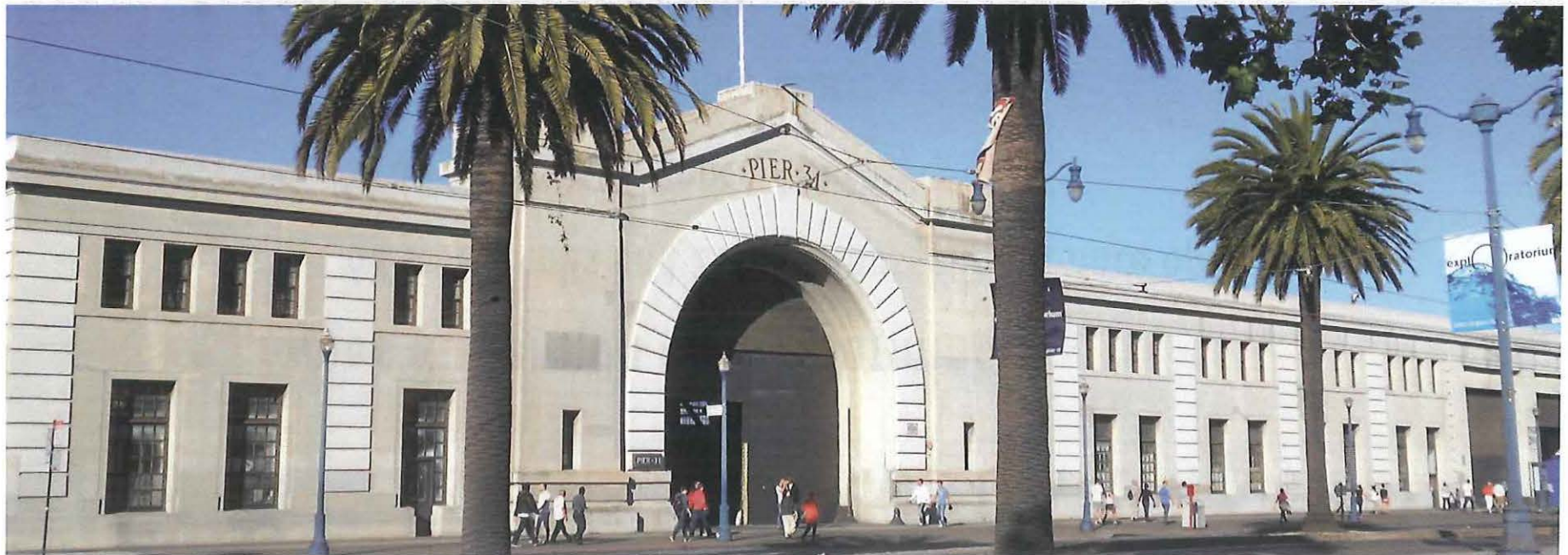






## SIGNIFICANT PROJECTS (Underway)

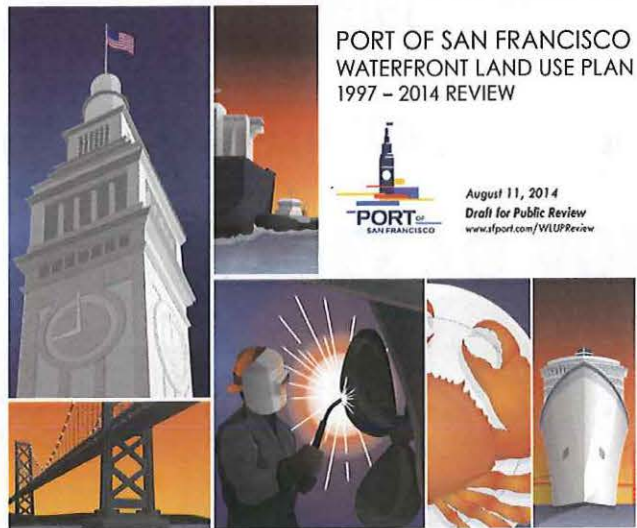
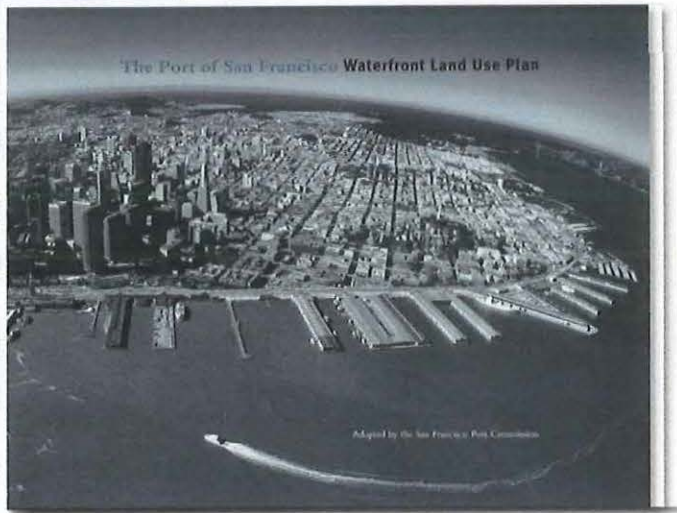
- **Pier 31 Roof and Building Repairs**
  - Historic building, built circa 1918
  - Located in the Northern Waterfront between Alcatraz Landing (Pier 33) and the new James R. Herman Cruise Terminal (Pier 27)
  - Will generate an estimated \$750,000 in new annual rents







# WATERFRONT LAND USE PLAN



- Review of 1997 to 2014 Waterfront Land Use Plan (WLUP)
  - Completed in August 2014
  - Recognized Port accomplishments
  - Identified areas for improvement
- The Port is now preparing to update the plan through robust public participation

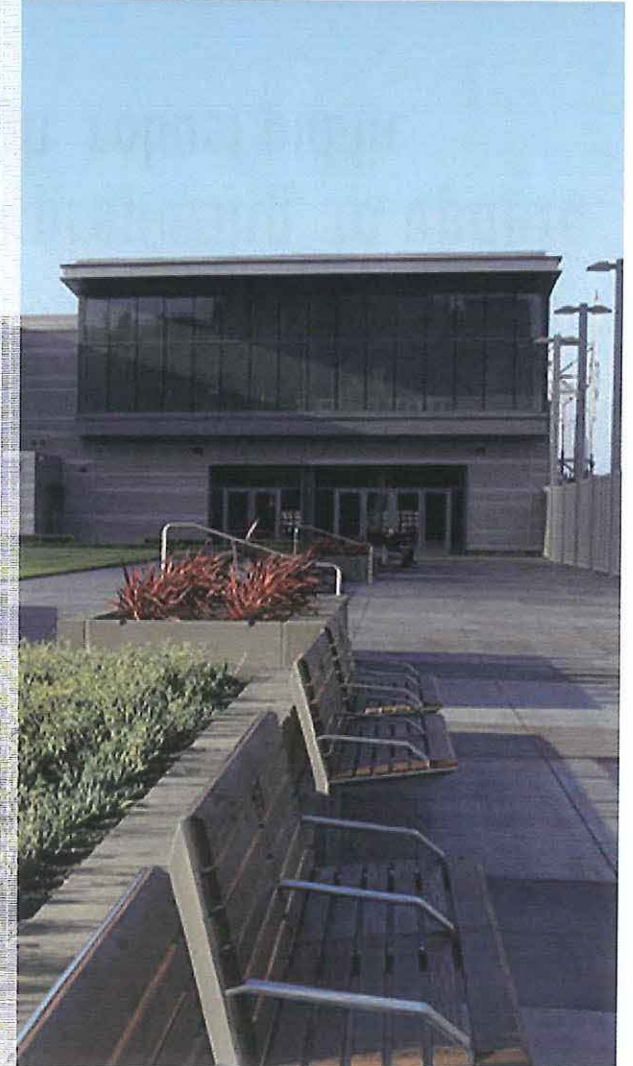




# WATERFRONT LAND USE PLAN

## CHALLENGES TO ADDRESS:

- Transportation
- Environmental Protection
- Historic Preservation
- Open Space
- Affordable Housing
- Facility Conditions
- Regulatory Framework
- Remaining Opportunity Sites
- Seismic Risk
- Sea Level Rise
- Port Capital Plan/Funding

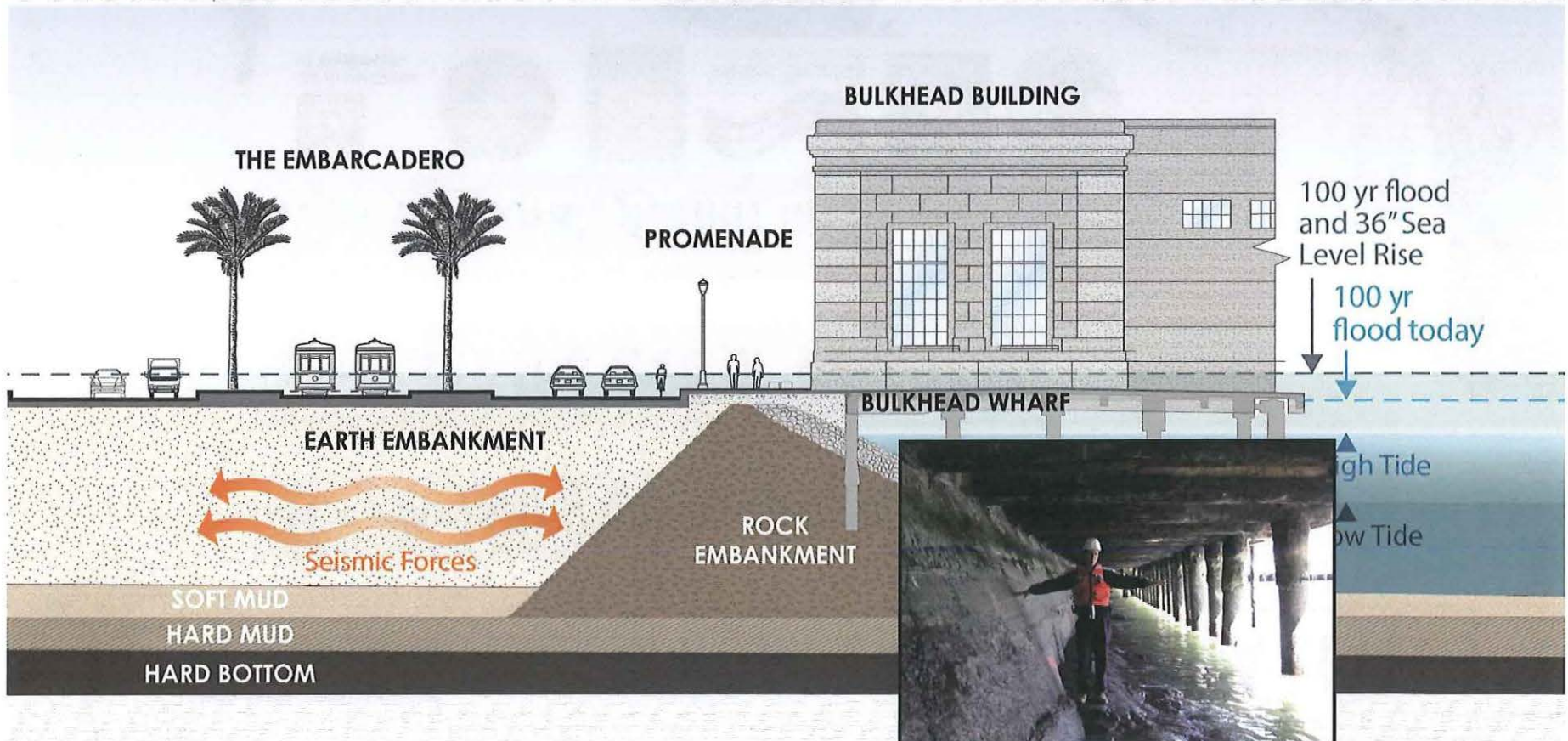






# WATERFRONT LAND USE - SEISMIC

- The Great Seawall (1878 – 1915)
- Growing awareness about seismic vulnerability, flood risk, and need for response options







# WATERFRONT LAND USE - SEA LEVEL

36" + 100 year flood (+/- 2100)

Where is the line of defense?

Who will fund, permit and build it?



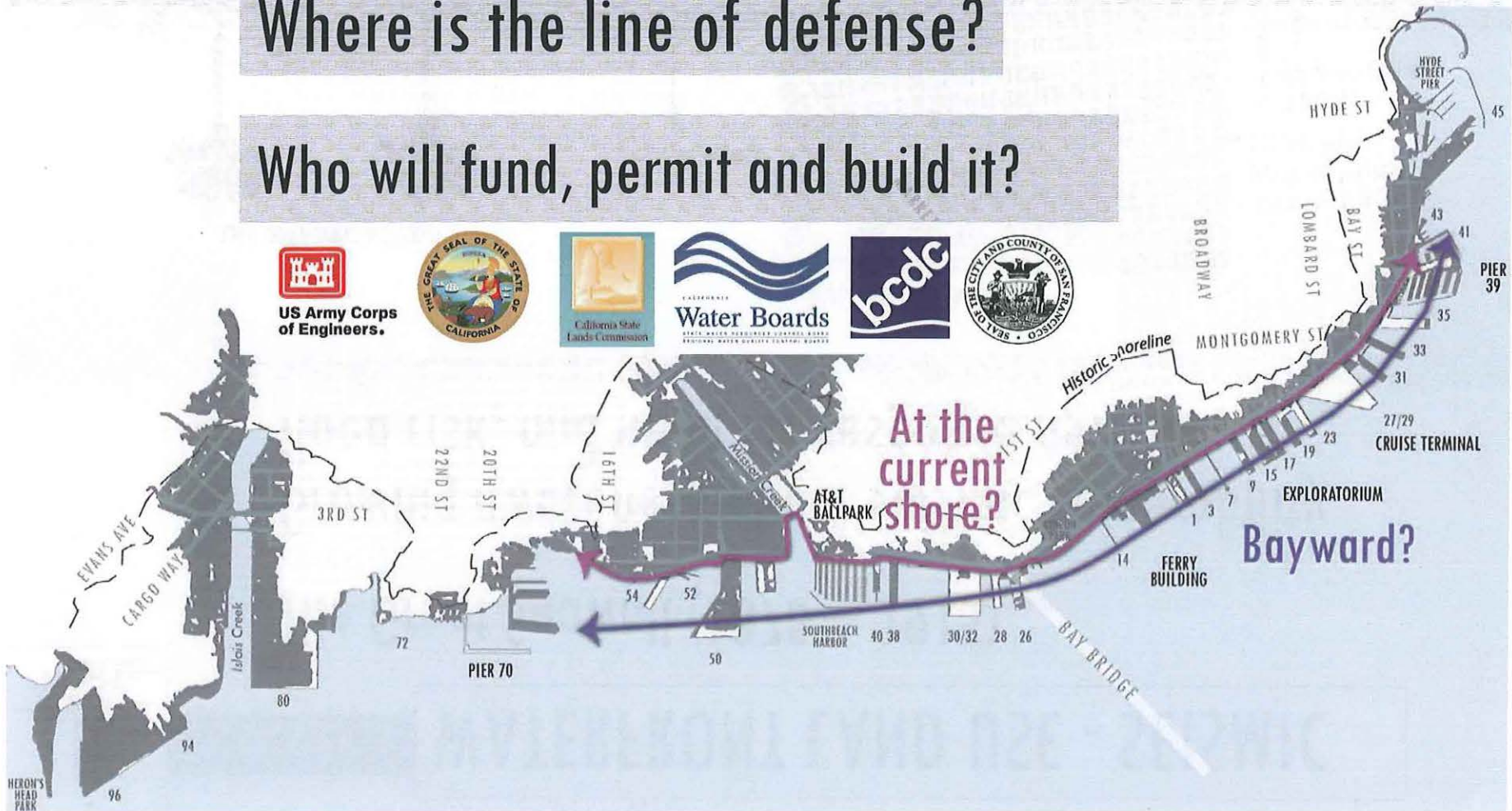
US Army Corps of Engineers.



California State Lands Commission

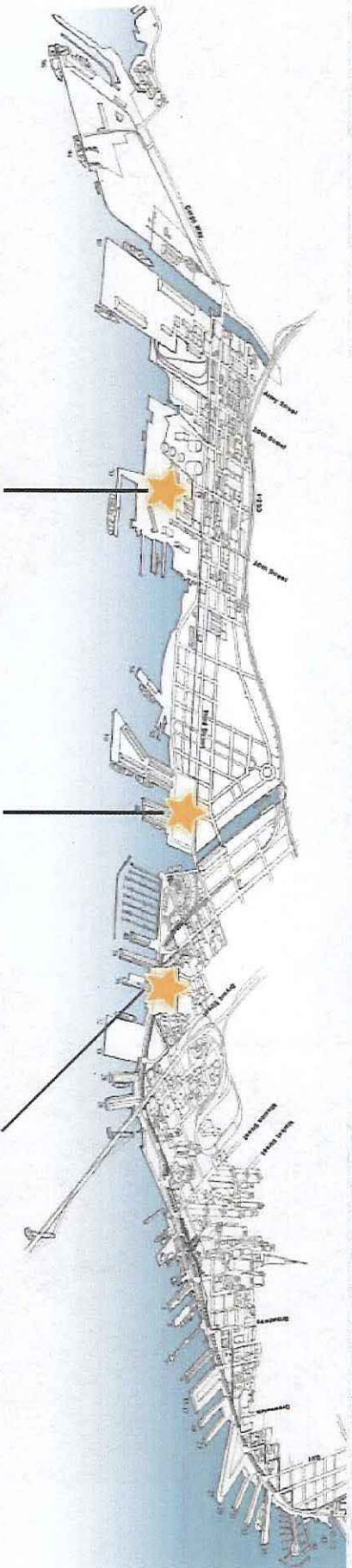


Water Boards





# UPCOMING PROJECTS



**PIER 70**



**MISSION ROCK**



**PIER 38**





Thank you

