

File No. 221266

Committee Item No. 10

Board Item No. 2

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date January 25, 2023

Board of Supervisors Meeting

Date February 7, 2023

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

- CON Presentation 1/25/2023
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Completed by: Brent Jalipa

Date January 19, 2023

Completed by: Brent Jalipa

Date January 26, 2023

1 [Appropriation - GO Bond Proceeds - Health & Recovery Series 2023A - RPD - \$30,000,000 -
2 Embarcadero Seawall Series 2023B - PRT - \$42,000,000 - Affordable Housing Series 2023C
3 - MOHCD - \$172,000,000 - FY2022-2023]

4 **Ordinance appropriating \$30,000,000 of proceeds from Series 2023A Health and**
5 **Recovery General Obligation (GO) Bonds to the Recreation and Park Department (RPD)**
6 **for improvements to parks, recreation facilities, and open spaces; \$42,000,000 of**
7 **proceeds from Series 2023B Embarcadero Seawall GO Bonds to the Port of San**
8 **Francisco (PRT) for planning, engagement, program management, pilot projects,**
9 **Embarcadero project pre-design and detailed design, and a flood study with the United**
10 **States Army Corps of Engineers; \$172,000,000 from Series 2023C Affordable Housing**
11 **to the Mayor’s Office of Housing and Community Development (MOHCD) for public,**
12 **low-income, preservation and middle income, and senior housing projects in Fiscal**
13 **Year (FY) 2022-2023; and placing these funds on Controller’s Reserve pending receipt**
14 **of bond proceeds.**

15
16 Note: **Unchanged Code text and uncodified text** are in plain Arial font.
17 **Additions to Codes** are in *single-underline italics Times New Roman font*.
18 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
19 **Board amendment additions** are in double-underlined Arial font.
20 **Board amendment deletions** are in ~~strikethrough Arial font~~.

21 Be it ordained by the People of the City and County of San Francisco:

22
23
24
25

1 Section 1. The sources of funding outlined below are herein appropriated to the Recreation
 2 and Parks Department for Fiscal Year 2022-2023.

3

4 **Health and Recovery Series 2023A – Recreation and Park Department**

5 **SOURCES Appropriation**

6	Fund /	Project & Activity /	Account	Description	Amount
7	Department ID	Authority			
8	15783 CPXCF 20	10037537 - 0004 RP	480111	GO Bonds – Series	\$30,000,000
9	HEALTH&RECOV	H&R Programs / 80347	Proceeds	2023A Proceeds	
10	S2023A / 262676 REC	RP Programs	from GO		
11	Capital Projects		Bonds		
12					
13	Total SOURCES Health & Recovery Series 2023A				\$30,000,000

14

15 Section 2. The uses of funding outlined below are herein appropriated to the Recreation and
 16 Parks Department for Fiscal Year 2022-2023.

17

18 **USES Appropriation**

19	Fund /	Project & Activity /	Account	Description	Amount
20	Department ID	Authority			
21	15783 CPXCF 20	10038283 - 0015 RP	567000	RP Buena Vista	\$2,500,000
22	HEALTH&RECOV	Buena Vista / 21719 RP	Bldgs, Struct&		
23	S2023A / 262676 REC	Recovery Parks	Imprv Proj -		
24	Capital Projects		Budget		

25

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	15783 CPXCF 20	10039669 - 0002 RP	567000	RP Crocker Amazon	\$3,500,000
4	HEALTH&RECOV	Crocker Amazon &	Bldgs, Struct&	& Richmond Senior	
5	S2023A / 262676 REC	Richmond Senior /	Imprv Proj -		
6	Capital Projects	21719 RP Recovery	Budget		
7		Parks			
8	15783 CPXCF 20	10039110 - 0016 RP	567000	RP South Sunset	\$2,400,000
9	HEALTH&RECOV	South Sunset Clubhouse	Bldgs, Struct&	Clubhouse	
10	S2023A / 262676 REC	/ 21719 RP Recovery	Imprv Proj -		
11	Capital Projects	Parks	Budget		
12	15783 CPXCF 20	10039670 - 0002 RP	567000	RP Citywide Parks	\$7,800,000
13	HEALTH&RECOV	Citywide Parks / 21718	Bldgs, Struct&		
14	S2023A / 262676 REC	RP Citywide Parks	Imprv Proj -		
15	Capital Projects		Budget		
16	15783 CPXCF 20	10037537 - 0004 RP	567000	RP H&R Programs	\$6,300,000
17	HEALTH&RECOV	H&R Programs / 21725	Bldgs, Struct&		
18	S2023A / 262676 REC	RP Programs	Imprv Proj -		
19	Capital Projects		Budget		
20	15783 CPXCF 20	10039671 - 0002 RP	567000	RP Sustainability	\$6,000,000
21	HEALTH&RECOV	Sustainability / 21723	Bldgs, Struct&		
22	S2023A / 262676 REC	RP Sustainability	Imprv Proj -		
23	Capital Projects		Budget		
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	15783 CPXCF 20	10013404 - 0002 RP	581130	0.2% Allocation	\$57,000
4	HEALTH&RECOV	GOBOC/Controller	GF- CON	for the	
5	S2023A / 262676 REC	Audits /	Internal	Controller's	
6	Capital Projects	RP Bond Administration	Audits	Audit Fund	
7		21726			
8	15783 CPXCF 20	10037538 - 0003 RP	573110	Cost of Issuance	\$124,870
9	HEALTH&RECOV	H&R Bond COI/U	Bond		
10	S2023A / 262676 REC	Discount / 21726 RP	Issuance		
11	Capital Projects	Bond Administration	Cost -		
12			Unamortized		
13	15783 CPXCF 20	10013404 - 0002 RP	581420	0.1% Allocation	\$28,855
14	HEALTH&RECOV	GOBOC/Controller	GF-Gen	for General	
15	S2023A / 262676 REC	Audits / 21726 RP Bond	GOBOC 0.1%	Obligation Bond	
16	Capital Projects	Administration	Recovery	Oversight	
17				Committee	
18				Audits	
19	15783 CPXCF 20	10037538 - 0003 RP	573110	Underwriter's	\$144,275
20	HEALTH&RECOV	H&R Bond COI/U	Bond	Discount	
21	S2023A / 262676 REC	Discount / 21726 RP	Issuance		
22	Capital Projects	Bond Administration	Cost -		
23			Unamortized		
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	15783 CPXCF 20	10039661 - 002 RP H&R	573110	Reserve for Market	\$1,145,000
4	HEALTH&RECOV	Bond COI/U Discount /	Bond	Uncertainty	
5	S2023A / 262676 REC	21726 RP Bond	Issuance		
6	Capital Projects	Administration	Cost -		
7			Unamortized		
8					
9	Total USES Health & Recovery Series 2023A				\$30,000,000

10

11 Section 3. The sources of funding outlined below are herein appropriated to the Port of San
 12 Francisco for Fiscal Year 2022-2023.

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14 **Embarcadero Seawall Series 2023B – Port of San Francisco**

15 **SOURCES Appropriation**

16	Fund /	Project & Activity /	Account	Description	Amount
17	Department ID	Authority			
18	24023 Embarcadero	10011124 - 0001 PO	480111	GO Bonds – Series	\$42,000,000
19	Seawall Earthquake	Seawall & Marginal	Proceeds	2023B Proceeds	
20	Safety S2023B /	Wharf Repair Project /	from GO		
21	232116 PRT Port	12672 PO Seawall &	Bonds		
22	Commission (Portwide)	Marginal Wharf Repair			
23					
24	Total SOURCES Embarcadero Seawall Series 2023B				\$42,000,000

25

1 Section 4. The uses of funding outlined below are herein appropriated to the Port of San
 2 Francisco for Fiscal Year 2022-2023.

3

4 **USES Appropriation**

5	Fund /	Project & Activity /	Account	Description	Amount
6	Department ID	Authority			
7	24023 Embarcadero	10011124 - 0001 PO	567000	Seawall Earthquake	\$38,617,000
8	Seawall Earthquake	Seawall & Marginal	Bldgs, Struct&	Safety Projects	
9	Safety S2023B /	Wharf Repair Project /	Imprv Proj -		
10	232116 PRT Port	12672 PO Seawall &	Budget		
11	Commission	Marginal Wharf Repair			
12	(Portwide)				
13	24023 Embarcadero	10034754 - 0001 PO	581130	0.2% Allocation	\$77,234
14	Seawall Earthquake	Seawall Bond – Internal	GF- CON	for the	
15	Safety S2023B /	Audit / 12672 PO	Internal	Controller’s	
16	232116 PRT Port	Seawall & Marginal	Audits	Audit Fund	
17	Commission	Wharf Repair			
18	(Portwide)				
19	24023 Embarcadero	10034755 - 0001 PO	573110	Cost of Issuance	\$161,226
20	Seawall Earthquake	Seawall Bond – Cost of	Bond		
21	Safety S2023B /	Issuance / 12672 PO	Issuance		
22	232116 PRT Port	Seawall & Marginal	Cost -		
23	Commission	Wharf Repair	Unamortized		
24	(Portwide)				
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	24023 Embarcadero	10034761 - 0001 PO	581420	0.1% Allocation	\$39,090
4	Seawall Earthquake	Seawall Bond – GOBOC	GF-Gen	for General	
5	Safety S2023B /	Fee / 12672 PO Seawall	GOBOC 0.1%	Obligation Bond	
6	232116 PRT Port	& Marginal Wharf Repair	Recovery	Oversight	
7	Commission			Committee	
8	(Portwide)			Audits	
9	24023 Embarcadero	10034756 - 0001 PO	573110	Underwriter's	\$195,450
10	Seawall Earthquake	Seawall Bond –	Bond	Discount	
11	Safety S2023B /	Underwriters Discount /	Issuance		
12	232116 PRT Port	12672 PO Seawall &	Cost -		
13	Commission	Marginal Wharf Repair	Unamortized		
14	(Portwide)				
15	24023 Embarcadero	10034757 - 0001 PO	573110	Reserve for Market	\$2,910,000
16	Seawall Earthquake	Seawall Bond – Market	Bond	Uncertainty	
17	Safety S2023B /	Reserve / 12672 PO	Issuance		
18	232116 PRT Port	Seawall & Marginal	Cost -		
19	Commission	Wharf Repair	Unamortized		
20	(Portwide)				
21					
22	Total USES Embarcadero Seawall Series 2023B				\$42,000,000
23					

24 Section 5. The sources of funding outlined below are herein appropriated to the Mayor's Office
25 of Housing and Community Development for Fiscal Year 2022-2023.

1 **Affordable Housing Series 2023C – Mayor’s Office of Housing and Community**

2 **Development**

3

4 **SOURCES Appropriation**

5	Fund /	Project & Activity /	Account	Description	Amount
6	Department ID	Authority			
7	10571 – SR 19 AFFORD	10039628 - 0001 - 2019	480111	GO Bonds –	\$97,880,000
8	Housing S23C /	HOUS GOB PUB HOU 23C -	Proceeds from	Series 2023C	
9	232065 MYR Housing &	Proceeds Pool / 22351 – 2019	GO Bonds	Proceeds	
10	Community Dev	HOUS GOB PUB HOU 23C			
11	10571 – SR 19 AFFORD	10039629 - 0001 - 2019	480111	GO Bonds –	\$38,591,653
12	Housing S23C /	HOUS GOB LOW INC 23C -	Proceeds from	Series 2023C	
13	232065 MYR Housing &	Proceeds Pool /	GO Bonds	Proceeds	
14	Community Dev	22352 – 2019 HOUS GOB			
15		LOW INC 23C			
16	10571 – SR 19 AFFORD	10039630 - 0001 - 2019	480111	GO Bonds –	9,400,000
17	Housing S23C /	HOUS GOB PRES MID 23C -	Proceeds from	Series 2023C	
18	232065 MYR Housing &	Proceeds Pool / 22353 – 2019	GO Bonds	Proceeds	
19	Community Dev	HOUS GOB PRES MID 23C			
20	10571 – SR 19 AFFORD	10039631 - 0001 - 2019	480111	GO Bonds –	20,400,000
21	Housing S23C /	HOUS GOB SENIOR 23C -	Proceeds from	Series 2023C	
22	232065 MYR Housing &	Proceeds Pool / 22354 – 2019	GO Bonds	Proceeds	
23	Community Dev	HOUS GOB SENIOR 23C			

24

25

1	10571 – SR 19 AFFORD	10039632 - 0001 - 2019	480111	GO Bonds –	5,728,347
2	Housing S23C /	HOUS GOB COI 23C -	Proceeds from	Series 2023C	
3	232065 MYR Housing &	Proceeds Pool / 22355 – 2019	GO Bonds	Proceeds	
4	Community Dev	HOUS GOB COI 23C			
5					
6	Total SOURCES Affordable Housing Series 2023C				<u>\$172,000,000</u>

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8 Section 6. The uses of funding outlined below are herein appropriated to Mayor’s Office of

9 Housing and Community Development for Fiscal Year 2022-23.

10 **USES Appropriation**

	Fund /	Project & Activity /	Account	Description	Amount
	Department ID	Authority			
13	10571 – SR 19	10039628 - 0001 - 2019	539200 Loans	Project Fund –	\$97,880,000
14	AFFORD Housing	HOUS GOB PUB HOU 23C	Issued by City	Public Housing	
15	S23C /	- Proceeds Pool / 22351 –			
16	232065 MYR Housing	2019 HOUS GOB PUB HOU			
17	& Community Dev	23C			
18	10571 – SR 19	10039629 - 0001 - 2019	539200 Loans	Project Fund –	\$38,591,653
19	AFFORD Housing	HOUS GOB LOW INC 23C -	Issued by City	Low-Income	
20	S23C /	Proceeds Pool /		Housing	
21	232065 MYR Housing	22352 – 2019 HOUS GOB			
22	& Community Dev	LOW INC 23C			

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	10571 – SR 19	10039630 - 0001 - 2019	539200 Loans	Project Fund –	\$9,400,000
4	AFFORD Housing	HOUS GOB PRES MID 23C	Issued by City	Preservation/	
5	S23C /	- Proceeds Pool / 22353 –		Middle-income	
6	232065 MYR Housing	2019 HOUS GOB PRES			
7	& Community Dev	MID 23C			
8	10571 – SR 19	10039631 - 0001 - 2019	539200 Loans	Project Fund –	\$20,400,000
9	AFFORD Housing	HOUS GOB SENIOR 23C -	Issued by City	Senior Housing	
10	S23C /	Proceeds Pool / 22354 –			
11	232065 MYR Housing	2019 HOUS GOB SENIOR			
12	& Community Dev	23C			
13	10571 – SR 19	10039632 - 0001 - 2019	581130	CSA 0.2%	\$332,543
14	AFFORD Housing	HOUS GOB COI 23C -	GF - CON	Controller's Audit	
15	S23C /	Proceeds Pool / 22355 –	Internal	Fund	
16	232065 MYR Housing	2019 HOUS GOB COI 23C	Audits		
17	& Community Dev				
18	10571 – SR 19	10039632 - 0001 - 2019	581420	GO Bond	\$168,315
19	AFFORD Housing	HOUS GOB COI 23C -	GF - Gen	Oversight	
20	S23C /	Proceeds Pool / 22355 –	GOBOC 0.1%	Committee	
21	232065 MYR Housing	2019 HOUS GOB COI 23C	Recovery	(CGOBOC)	
22	& Community Dev				
23					
24					
25					

1	Fund /	Project & Activity /	Account	Description	Amount
2	Department ID	Authority			
3	10571 – SR 19	10039632 - 0001 - 2019	573110	Cost of Issuance	\$700,914
4	AFFORD Housing	HOUS GOB COI 23C -	Bond		
5	S23C /	Proceeds Pool / 22355 –	Issuance		
6	232065 MYR Housing	2019 HOUS GOB COI 23C	Cost -		
7	& Community Dev		Unamortized		
8	10571 – SR 19	10039632 - 0001 - 2019	573110	Underwriter's	\$841,575
9	AFFORD Housing	HOUS GOB COI 23C -	Bond	Discount	
10	S23C /	Proceeds Pool / 22355 –	Issuance		
11	232065 MYR Housing	2019 HOUS GOB COI 23C	Cost -		
12	& Community Dev		Unamortized		
13	10571 – SR 19	10039632 - 0001 - 2019	573110	Reserve for	\$3,685,000
14	AFFORD Housing	HOUS GOB COI 23C -	Bond	Market	
15	S23C /	Proceeds Pool / 22355 –	Issuance	Uncertainty	
16	232065 MYR Housing	2019 HOUS GOB COI 23C	Cost -		
17	& Community Dev		Unamortized		
18					
19	Total USES Affordable Housing Series 2023C				\$172,000,000

21 Section 7: The total uses of funding outlined above for Health & Recovery Series 2023A in
22 section 2 of \$30,000,000, for Embarcadero Seawall Series 2023B in section 4 of \$42,000,000
23 and for Affordable Housing Series 2023C in section 6 of \$172,000,000 are placed on
24 Controller's Reserve pending the receipt of actual proceeds from issuance of these General
25 Obligation Bonds.

Items 9-12 Files 22-1265, 22-1266, 22-1273 and 22-1274	Department: Office of Public Finance
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EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolutions and ordinance would authorize actions and documents associated with the issuance and sale of the Series 2023ABC Bond, which includes: (1) \$30 million of the 2020 Health and Recovery General Obligation Bonds; (2) \$42 million of the 2018 Embarcadero Seawall Earthquake Safety General Obligation Bonds; (3) \$172 million of the 2019 Affordable Housing General Obligation Bonds; and, (4) the appropriation of \$244 million in corresponding bond proceeds.

Key Points

- This is the second issuance of the 2020 Health and Recovery bonds and \$28.5 million in proceeds will go to the Recreation and Parks Department for use toward improvements to City parks and recreation facilities and supporting Rec and Park programs, such as the Community Opportunity Fund, Community Gardens, and Playgrounds.
- This is the second issuance of the 2018 Embarcadero Sewall bonds and \$38.6 million in proceeds will go to the Port of San Francisco to be used toward seawall and marginal wharf repair project costs, including but not limited to, labor, program management, a flood study, and the predesign and detailed design for selected projects.
- This is the second issuance of the 2019 Affordable Housing bonds and \$166.3 million in proceeds will go to the Mayor’s Office of Housing and Community Development to support replacement and production of new public housing, low-income, and senior housing units as well as fund the Down-payment Assistance Loan Program.

Fiscal Impact

- If approved, the total project average annual debt service would be \$18,600,000 and the total debt service over the 25-year life of the bonds is estimated at \$469,653,000.
- The proposed transaction complies with the City’s financial policies related to general obligation bond debt.

Recommendation

- Approve the proposed resolutions and ordinance.

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.

City Charter Section 9.105 states that amendments to the Annual Appropriation Ordinance are subject to Board of Supervisors approval by ordinance after the Controller certifies the availability of funds.

BACKGROUND

Health and Recovery General Obligation Bond

San Francisco voters approved \$487.5 million in Health and Recovery General Obligation Bonds in November 2020 (2020 Health and Recovery Proposition A) to fund investments in supportive housing facilities, shelters, and facilities that provide services to people experiencing mental health and substance use disorders, and/or homelessness; improve accessibility and quality of parks, open spaces, and recreational facilities in the City; and, improve the accessibility, safety and conditions of the City's streets. Proceeds from these bonds are intended to help stimulate the local economy and aid in recovery following the economic downturn as a result of the COVID-19 public health emergency.

The Board of Supervisors approved issuance of \$425 million in Health and Recovery Bonds in May 2021 (File 21-0388). Of the \$425 million approved in 2021, \$169.32 million was for Recreation and Parks projects, of which \$33.16 had been encumbered as of December 2022.¹ From the voter-approved \$487.5 million authorization, \$258.5 million of bonds have been issued to date, and \$229 million remains unissued.

Embarcadero Seawall Earthquake Safety General Obligation Bond

San Francisco voters approved the \$425 million Embarcadero Seawall Earthquake Safety General Obligation Bonds in 2018 to fund the construction, seismic strengthening, and repair of the Embarcadero Seawall and other infrastructure with the goal of protecting the waterfront, BART and Muni, buildings, historic piers, and other roads and infrastructure from the threats posed by earthquakes, floods, and rising sea levels.

The Board of Supervisors approved issuance of \$50 million in Embarcadero Seawall Earthquake Safety Bonds in July 2019 (File 19-0358). Of that \$50 million, \$45.8 million was for seawall

¹ According to a December 5, 2022 REC presentation to the Capital Planning Committee, the Department has been delayed in its capital project delivery due to higher than projected construction bids, coordination with PG&E, regulatory, design, and community outreach requirements, and City staffing capacity.

projects, of which \$40.5 million has been spent; the Port anticipates expending or encumbering the remaining funds by the end of FY 2022-23. From the voter-approved \$425 million authorization, \$49.7 million in bonds has been issued to date and \$375.3 remains unissued.

Affordable Housing General Obligation Bond

San Francisco voters approved \$600 million in Affordable Housing Bonds in 2019 (Proposition A) to finance the construction, development, acquisition, improvement, rehabilitation, preservation, and repair of affordable housing improvements.

The Board of Supervisors approved issuance of \$260 million in Affordable Housing Bonds in October 2020 (File 20-1091), including \$252.62 million for affordable housing projects, of which \$158.3 million has been spent or encumbered as of December 2022. Remaining spending on the first issuance is expected to be complete by July 2024. From the voter-approved \$600 million authorization, approximately \$254.9 million has been issued to date, and approximately \$345.4 million remains unissued.

DETAILS OF PROPOSED LEGISLATION

Resolutions Approving Issuance and Sale of General Obligation Bonds

File 22-1265: The proposed resolution would authorize the second sale of the 2020 Health and Recovery Bond with a not-to-exceed amount of \$30,000,000, Series 2023A. If the Board of Supervisors approves the sale of \$30,000,000, the sale of the balance of \$32,500,000 in remaining bond authority would be subject to future Board of Supervisors approval.

File 22-1273: The proposed resolution would authorize the second sale of the 2018 Embarcadero Seawall Bond with a not-to-exceed amount of \$42,000,000, Series 2023B. If the Board of Supervisors approves the sale of \$42,000,000, the sale of the balance of \$333,000,000 in remaining bond authority would be subject to future Board of Supervisors approval.

File 22-1274: The proposed resolution would authorize the second sale of the 2019 Affordable Housing Bond with a not-to-exceed amount of \$172,000,000, Series 2023C. If the Board of Supervisors approves the sale of \$172,000,000, the sale of the balance of \$168,000,000 in remaining bond authority would be subject to future Board of Supervisors approval.

Each resolution also:

- Prescribes the form and terms of the bonds;
- Provides for the appointment of depositories and other agents for the bonds;
- Provides for the establishment of accounts related to the bonds;
- Provides for the manner of sale of the bonds by competitive or negotiated sale;
- Approves the forms of Official Notice of Sale and Intention to Sell Bonds;
- Directs the publication of the Notice of Intention to Sell Bonds;
- Approves the form of the Bond Purchase Contract;

- Approves the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of the bonds;
- Approves the form of the Continuing Disclosure Certificate;
- Authorizes and approves modifications to documents;
- Ratifies certain actions previously taken; and
- Grants authority to City officials to take necessary actions for the authorization, issuance, sale, and delivery of the bonds.

Ordinance Approving Bond Appropriations

File 22-1266: The proposed ordinance appropriates the following bond proceeds and places these funds on Controller's Reserve pending receipt of bond funds.

- \$30 million of proceeds from the Series 2023A Health and Recovery General Obligation Bond to the Recreation and Parks Department for improvements to parks, recreation spaces, and open spaces, including funding for sustainability and community programs.
- \$42 million of proceeds from the Series 2023B Embarcadero Seawall Bond to the Port of San Francisco for planning, engagement, program management, pilot projects, Embarcadero project pre-design and detailed designed, and a flood study performed by the U.S. Army Corps of Engineers.
- \$172 million of proceeds from the Series 2023C Affordable Housing Bond proceeds for the Mayor's Office of Housing and Community Development for funding public, low-income, preservation and middle income, and senior housing projects.

Taxable and Tax-Exempt Bonds

The Series Bonds 2023ABC will be structured as either tax-exempt and/or taxable depending on eligibility of project expenditures for tax exemption and/or market conditions.

Competitive or Negotiated Sale

The Office of Public Finance intends to pursue a competitive sale of the 2023ABC Bonds. However, a negotiated sale may be pursued if the bond structure or market conditions make a negotiated sale preferable.

Proposed Uses of Bond Funds

Exhibit 1 below summarizes the proposed uses of the Series 2023ABC Bond proceeds.

Exhibit 1: Series 2023ABC Bond Appropriation Proposed Uses

	Series 2023A Health & Recovery	Series 2023B Embarcadero Seawall	Series 2023C Affordable Housing
Sources			
Par Amount	28,855,000	39,090,000	168,315,000
Reserve for Market Uncertainty	1,145,000	2,910,000	3,685,000
Total Sources (Bond Proceeds)	30,000,000	42,000,000	172,000,000
Uses			
Health & Recovery Bond Uses			
Buena Vista Park	2,500,000		
Crocker Amazon Playground & Richmond Senior Center	3,500,000		
South Sunset Playground Clubhouse	2,400,000		
Citywide Parks: Renovations and improvements to Golden Gate, McLaren, and Lake Merced Parks	7,800,000		
Parks Health & Recovery Programs	6,300,000		
Sustainability Programs	6,000,000		
Health & Recovery Uses Subtotal	28,500,000		
Embarcadero Seawall Uses			
Seawall & Marginal Wharf Repair Project		38,617,000	
Embarcadero Seawall Uses Subtotal		38,617,000	
Affordable Housing Uses			
Public Housing: HOPE SF Sunnysdale and Potrero; Hunters View Phase III			97,880,000
Low-Income Housing: 730 Stanyan, Maceo May, and Balboa Reservoir			38,591,653
Preservation/Middle-Income Housing: Down payment assistance			9,400,000
Senior Housing: 4200 Geary			20,400,000
Affordable Housing Uses Subtotal			\$166,271,653
Subtotal Bond Projects	\$28,500,000	\$38,617,000	\$166,271,653
City Services Auditor	57,000	77,234	332,543
General Obligation Bond Oversight Committee	28,855	39,090	168,315
Costs of Issuance ^a	124,870	161,226	700,914
Underwriters Discount ^b	144,275	195,450	841,575
Reserve for Market Uncertainty	1,145,000	2,910,000	3,685,000
Subtotal Oversight & Financing	\$1,500,000	\$3,383,000	\$5,728,347
Total Uses	\$30,000,000	\$42,000,000	\$172,000,000

Source: Appropriation Ordinance (File 22-1266) under Board of Supervisors consideration

^a Costs of issuance include bond counsel, auditor, regulator, and other costs.

^b Underwriters discount is the difference in the price paid to the issuer and the prices at which the bonds are initially offered to investors.

Health and Recovery Bond Projects

Through the Series 2023A bond issuance, the Recreation and Parks Department will receive \$28.5 million for improvements to City parks and recreation facilities. This includes \$2.5 million for improvements to Buena Vista Park's paved pathways; \$3.5 million for renovations to the Crocker Amazon baseball diamonds, ancillary structures, and park amenities, and to Richmond Senior Center to provide outdoor exercise equipment, landscaping, pathways, and benches; \$2.4 million to the South Sunset Clubhouse for reconfiguration and renovation of interior spaces and building systems; \$7.8 million for capital improvements to Golden Gate, McLaren, and Lake Merced Parks, including restoration of natural features (lakes, meadows, and landscapes), improvements to recreational assets (playgrounds, playfields, courts, and picnic areas), and, improved connectivity and access (roads, pedestrian safety, paths, and trails renovations and improvements); \$6.3 million for Health and Recovery Programs, which funds the Community Opportunity Fund (\$3.5 million), Playgrounds Program (\$2.5 million), and Community Garden Program (\$300,000); and, \$6.0 million from the sustainability program that has been allocated to Gene Friend Rec Center, which will help make improvements to support climate resilience with investments in water conservation, energy generation and conservation measures, and landscaping with native plants.

Embarcadero Seawall Bond Projects

Through the Series 2023B bond issuance, the Port of San Francisco will receive \$38,617,000 for the seawall and marginal wharf repair project. According to Port staff, these costs will be used for Port labor (\$8.9 million); program management (\$7.1 million), which includes task development, early project predesign support and detailed design cost support; planning around adaptation strategies, U.S. Army Corps of Engineers engineering support and other planning efforts such as pier adaptation (\$4.7 million); engagement of community and stakeholders around selected projects (\$0.8 million); the U.S. Army Corps of Engineers flood study management (\$3.5 million); pilot projects, which funds monitoring of the Living Seawall that is working toward ecological enhancement of concrete seawalls (\$0.4 million); and, Embarcadero Early Projects predesign for nine selected projects (\$3.3 million) and detailed design (\$9.9 million) for three projects that are selected from nine in predesign. To date, six of the nine Early Embarcadero Projects have been selected for predesign: (1) Wharf J9 Replacement and Resilient Shoreline Project; (2) Pier 15 Bulkhead Wall and Wharf Earthquake Safety Retrofit; (3) Pier 9 Bulkhead Wall and Wharf Earth Safety Retrofit; (4) Ferry Building Seawall and Substructure Earthquake Reliability; (5) Pier 5 to Pier 22-1/2 Near-term Coastal Flood Risk Reduction Project; and (6) Pier 24 to Pier 28-1/2 Bulkhead Wall and Wharf Earthquake Safety. The three remaining projects that will advance to predesign will be determined later this year according to Port staff.

Affordable Housing Bond Projects

Through the Series 2023C bond issuance, the Mayor's Office of Housing and Community Development will receive \$166,271,653. Of this funding, \$97,880,000 will go toward support of 288 units of public housing replacement units and new affordable units at Sunnydale, Potrero, and Hunters View; \$38,591,653 for low-income housing development, which includes 160 units at 730 Stanyan, 105 units for veterans at Maceo May; and 124 units at Balboa Reservoir; \$9.4 million for the Downpayment Assistance Loan Program, which supports moderate income

borrowers at 120-200 percent AMI; and, \$20.4 million for Senior Housing, which will support 98 units for seniors at 4200 Geary.

Bond Accountability Report Waived

Each of the proposed bond resolutions for the Series 2023ABC Bonds waives the deadline for submission of the Bond Accountability reports under Admin Code Section 2.71(a) and 2.71(b). These sections of the Admin Code require that the governmental entity that is requesting the appropriation of bond proceeds by the Board or the entity to which such bond proceeds were appropriated submit a Bond Accountability Report 60 days prior to the approval of the appropriation and/or sale, which include details on the spending of previously approved bond sales and details on the projects proposed to be funded with new bond sales. The Recreation and Parks Department and Port have not completed their bond accountability reports as of this writing.

The Mayor’s Office of Housing and Community submitted a bond accountability report pertaining to its bond sales on January 13, 2022.

FISCAL IMPACT

Annual Debt Service

The Office of Public Finance reports that the combined par value of the Series 2023ABC bonds is approximately \$236,260,000. The proposed resolutions authorize the Director of Public Finance to determine the sale date, interest rates, principal amount, and maturity dates of the bonds, subject to the following conditions: (1) the true interest cost shall not exceed 12 percent; and (2) the Series 2023ABC bonds shall have a final maturity date no later than 30 years (Series 2023A and 2023B) or 40 years (Series 2023C) after the date of issuance.

Based on an estimated market interest rate of 6.56 percent for the Series 2023ABC general obligation bonds, the Office of Public Finance estimates that this would result in an average annual debt service cost of approximately \$18,600,000. Over the anticipated 25-year life of the bonds, the total debt service is estimated at \$469,653,000. Of the total debt service, approximately \$233,393,000 is in interest payments (\$234,574,000 if underwriting costs are included) and the remainder is the par value of the 2023ABC Bonds (\$236,260,000). The estimated interest rate for these bonds (6.56 percent) is higher than the general obligation bonds sold in 2021, which had an interest rate of 3.75 percent.

Debt Limit

Section 9.106 of the City Charter limits the amount of GO bonds the City can have outstanding at any given time to three percent of the total assessed value of property in San Francisco. The City calculates its debt limit based on total assessed valuation net of non-reimbursable and homeowner exemptions. On this basis, the City’s general obligation debt limit for FY 2022-23 is approximately \$9.86 billion, based on a net assessed valuation of approximately \$328.5 billion.

According to the Controller’s Office of Public Finance, as of October 1, 2022, the City had outstanding debt of approximately \$2.63 billion in aggregate principal amount of general

obligation bonds, which equals approximately 0.80 percent of the net assessed valuation for FY 2022-23. If the Board of Supervisors approves the issuance of the Series 2023ABC Bonds, the debt ratio would increase by approximately 0.07 percent to 0.87 percent, which is under the three percent debt limit. If all of the City’s voter-authorized and unissued general obligation bonds were issued, the total debt burden would be 1.25 percent of the net assessed value of property in the City.

Property Tax Rates

Repayment of general obligation bonds is recovered through an increase in the annual Property Tax rate. According to the Controller’s Office of Public Finance, if the Board of Supervisors approves the issuance of the 2023ABC Bonds, the total increase in the Property Tax rate is estimated to average \$0.00567 per \$100 of assessed value over the anticipated 25-year term of the bonds. The owner of a residence with an assessed value of \$600,000, assuming a homeowner’s exemption of \$7,000, would pay average additional property taxes to the City of approximately \$33.62 per year if the anticipated amount of \$236,260,000 of bonds are sold.

Capital Plan

The Capital Planning Committee approved a financial constraint regarding the City’s planned use of general obligation bonds such that debt service on approved and issued general obligation bonds would not increase property owners’ long-term property tax rates above FY 2005-06 levels, or \$0.1201 per \$100 of assessed value. The FY 2022-23 property tax rate, including debt service on the proposed bonds, is \$0.1076 per \$100 of assessed value, which is below that constraint. The Board of Supervisors approved the FY 2022-23 property tax rate in September 2022 (File 22-0959).

RECOMMENDATION

Approve the proposed resolutions (Files 22-1265, 22-1273, and 22-1274) and the proposed ordinance (File 22-1266).

2023ABC General Obligation Bond Sale Resolutions and Appropriation Ordinance

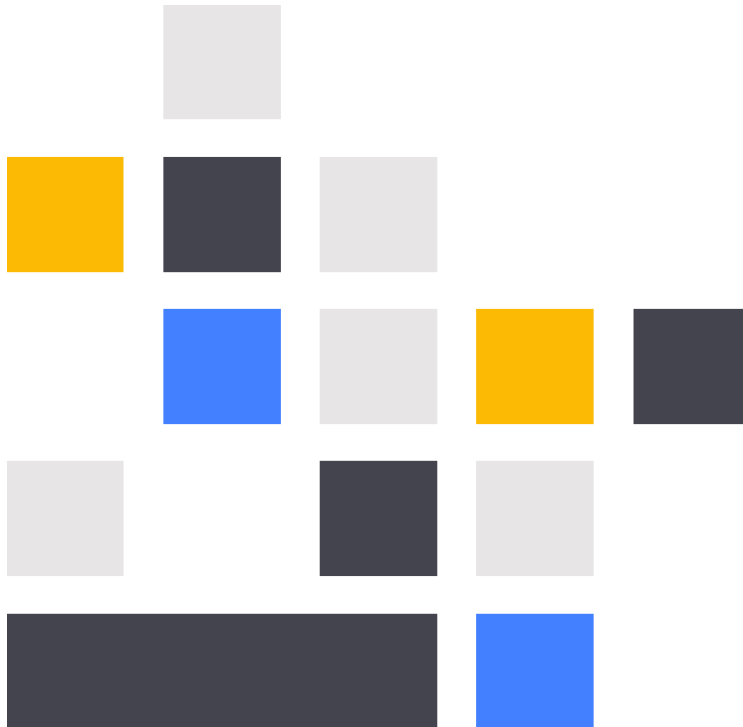
Health & Recovery 2023A – RPD - \$30,000,000;

Embarcadero Seawall 2023B – PRT - \$42,000,000;

Affordable Housing 2023C – MOHCD - \$172,000,000



Mayor's Office of
Housing and Community
Development



Budget & Finance Committee

January 25, 2023



2020 Health and Recovery General Obligation Bond Second Issuance

January 25, 2022



Total Bond Program is \$487.5 million

- ❑ **\$207m** for facilities that provide treatment and supportive housing for the homeless/mentally ill (Homelessness and Supportive Housing/Public Health)
- ❑ **\$239m** for parks and recreation facilities (Recreation and Parks)
- ❑ **\$41.5m** for curb ramps, street resurfacing, street structures and pedestrian right of way (Public Works)

First Bond Issuance was \$425 million.

- ❑ HSH (\$147 million), DPH (\$60 million) and DPW (\$41.5 million) requested their full voter-approved program budget in the first issuance.
- ❑ Rec Park requested \$176.5 million or 74% of its bond authority.
 - ❑ \$169.32 million allocated towards named bond parks and programs.
 - ❑ \$7.18 million budgeted for bond issuance costs within Rec Park authority to be split amongst all departments.



2020 Health and Recovery Bond - Parks & Open Spaces				
(in Millions)				
	Bond Authorization	First Issuance	Second Issuance	Third Issuance
Neighborhood Parks	101	101	0	0
Buchanan Mall	2	2		
Gene Friend Rec Center	30	30		
Herz Playground	10	10		
India Basin	29	29		
Japantown Peace Plaza	25	25		
Neighborhood Parks Contingency	5	5		
Recovery Parks	86	55.6	8.4	22
Buena Vista Park	3	0.5	2.5	
Jackson Playground	10			10
Portsmouth Square	54	54		
South Sunset Recreation Center	3	0.6	2.4	
Crocker Amazon/Richmond Senior Park	16	0.5	3.5	12
Citywide Parks	18	6.2	7.8	4
Golden Gate Park, John McLaren, and Lake Merced				
Community Gardens	0.6	0.3	0.3	
Community Opportunity Fund	6	0.1	3.5	2.4
Playgrounds	9	3.5	2.5	3
Sustainability	14	0.2	6	7.8
Trails - Twin Peaks	1	1		
Contingency	1.4	1.4		
Administration - Audit & Issuance*	2	1	1.5	
Total	239	170.3	30	38.7*

*3rd Issuance amount is dependent on 2nd Issuance administrative costs. While administrative costs are projected not to exceed \$750K, reductions and reallocations can be made as-needed to the 3rd issuance.



Project Highlights: Gene Friend Rec Center

- **\$59M Project Budget, \$41.1M Bond Allocation**
 - Full demolition of the existing facilities for curb-to-curb renovation
 - New gym building with two indoor courts and outdoor terrace, new outdoor courts, new playground and amenities
 - Increased Bond Allocation with appropriate program funding (playgrounds, sustainability, contingency) to provide bridge financing until Developer Impact Fees are received by the City.
- **Construction expected to begin mid-2023**
 - Design team awarded contract by Rec Park Commission in Dec 2021
 - CM/GC contract awarded by Rec Park Commission in Aug 2022

Rendering: Recreation Center Interior



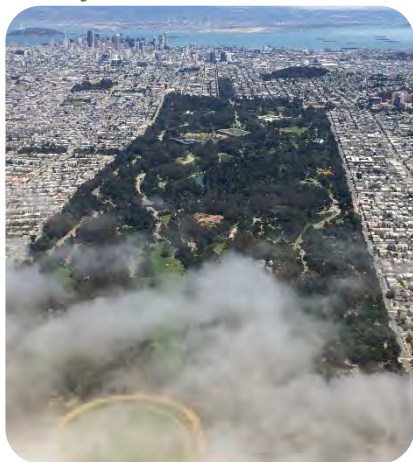
Project Highlights: Recovery Parks

- **Buena Vista - \$3M Bond Budget**
 - Extensive improvements to the paved path network throughout the park's interior, construction expected to begin in 2024
- **South Sunset Clubhouse - \$3M Bond Budget**
 - Renovation of existing building to better serve community needs; construction expected to begin in late 2024
 - Leverage \$2.3m State funding
- **Crocker Amazon Baseball Field Renovation - \$15M Bond Budget**
 - Renovate baseball fields and improve related facilities (i.e., parking lot and restrooms) along with adjacent park amenities
 - Project in planning phases with community engagement, environmental review and design continuing in 2023
- **Richmond Senior Park @ GGP Senior Center - \$1M Bond Budget**
 - Add outdoor amenities, such as exercise equipment, landscaping, and benches



Project Highlights: Citywide Parks & Programs

Citywide Parks



Golden Gate Park



McLaren Park



Lake Merced

Citywide Programs



COF Project at Bayview Playground



JFK Promenade



Community Garden at In Chan Kajaal



Thank you & Questions



Inspire, Connect, Play!

An aerial photograph of San Francisco, California, showing the city skyline with various skyscrapers and the prominent blue clock tower of the Ferry Building. The foreground features the waterfront area with the Ferry Building's roof and the water. A dark blue semi-transparent rectangular box is overlaid on the left side of the image, containing white text.

Waterfront Resilience Program Update & Second Seawall Bond Request

January 25, 2023



AGENDA



- Embarcadero Early Projects Overview
- Pilot Project – Living Seawall
- Seawall Bond & Program Funding

EMBARCADERO EARLY PROJECTS LIST



PROJECT LIST:

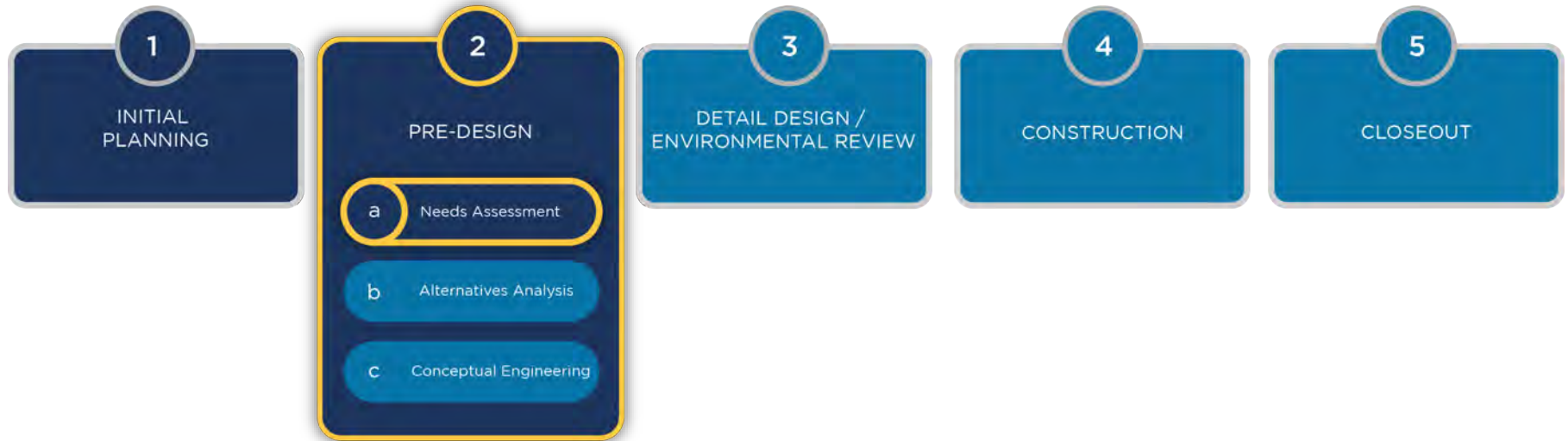
- 1 Joint Operations Security Center and Fuel Dock Reliability Project
- 2 Wharf J9 Replacement and Resilient Shoreline Project
- 3 Taylor Street Seawall Earthquake Stabilization Project
- 4 Pier 45 Apron Earthquake Safety Retrofit and Flood Risk Reduction
- 5 Pier 43-1/2 Seawall and Wharf Earthquake Safety Project
- 6 Pier 41 Seawall Earthquake Stabilization and Wharf Retrofit
- 7 Pier 39 Seawall Earthquake Stabilization & Wharf Retrofit/Replacement
- 8 Pier 33 to 35 Seawall and Wharf Earthquake Reliability Project
- 9 Pier 31-1/2 Bulkhead Wall and Wharf Earthquake Safety Retrofit
- 10 Pier 27 Seawall and Wharf Earthquake Reliability Project
- 11 Pier 15 Bulkhead Wall and Wharf Earthquake Safety Retrofit
- 12 Pier 9 Bulkhead Wall and Wharf Earthquake Safety Retrofit
- 13 Pier 9 Historic Shed Building Earthquake Safety Retrofit Project
- 14 Pier 1 Bulkhead Wall and Wharf Earthquake Reliability Project
- 15 Ferry Building Seawall & Substructure Earthquake Reliability
- 16 Agriculture Building Bulkhead Wall and Wharf Earthquake Safety
- 17 Pier 5 to Pier 22-1/2 Near-Term Coastal Flood Risk Reduction Project
- 18 Pier 24 to Pier 28-1/2 Bulkhead Wall and Wharf Earthquake Safety
- 19 EFWS, Intake Tunnel #1 Earthquake Reliability Project
- 20 Giants Seals Plaza Seawall Earthquake Stabilization Project
- 21 Pier Fire Suppression & Waterside Evacuation Improvements
- 22 EFWS, Fireboat Manifold Earthquake Reliability Projects
- 23 Pier Utility Connection Earthquake Retrofits at Seawall

23 Embarcadero Early Projects Identified & Evaluated

- 11 advancing to pre-design using Proposition A funding
 - 5 advancing to pre-design thru a geographic strategy for the stretch between Piers 19 and 41
 - 7 advancing through coordination with long-term Port tenants, capital programs, and City agency coordination
- ➔ 6 of 12 Needs Assessment Reports Completed

Overview

WATERFRONT RESILIENCE PROGRAM PROJECT DEVELOPMENT PROCESS



WHARF J9 REPLACEMENT & RESILIENT SHORELINE PROJECT

Project Vision: Objectives, Constraints, and Other Considerations



- Replace Wharf J9 and seawall with a resilient structure to protect the shoreline in earthquakes and help defend Fisherman's Wharf from sea level rise
- Increase disaster response capability by providing earthquake accessible berths including fireboat EFWS Hydrant
- Revitalize an underinvested area, connect residents and visitors to working fishing industry, and create a continuous waterfront experience

PIER 15 BULKHEAD WALL & WHARF EARTHQUAKE SAFETY RETROFIT PROJECT

Project Vision: Objectives, Constraints, and Other Considerations



- Improve earthquake safety by retrofitting bulkhead wall and substructure to reduce damage and risk of collapse
- Provide reliable access across Seawall for use of berths for earthquake disaster response
- Due to difficulty in fixing Bay Muds, include major Seawall improvements as part of later SLR adaptation.
- Keep Exploratorium open during construction

PIER 9 BULKHEAD WALL & WHARF EARTHQUAKE SAFETY RETROFIT PROJECT

Project Vision: Objectives, Constraints, and Other Considerations



- Improve earthquake safety by retrofitting bulkhead wall and substructure to reduce damage and risk of collapse
- Provide reliable access across Seawall for use of berths for earthquake disaster response
- Due to difficulty in fixing Bay Muds, include major Seawall improvements as part of later SLR adaptation.
- Consider substructure deterioration in alternatives
- Advance shed retrofits as a separate project.

FERRY BUILDING SEAWALL & SUBSTRUCTURE EARTHQUAKE RELIABILITY PROJECT

Project Vision: Objectives, Constraints, and Other Considerations



- Improve earthquake safety by strengthening the Seawall and substructure of the iconic Ferry Building
- Provide reliable earthquake disaster response for Ferry berths and staging areas by strengthening the Seawall and surrounding substructures
- Improve waterside public realm, reliability of utility services, and Near-term flood defenses
- Minimize construction impacts
- Develop a long-term adaptation plan and consider these investments as steps on the path

PIER 5 to 22½ NEAR-TERM COASTAL FLOOD RISK REDUCTION PROJECT

Project Vision: Objectives, Constraints, and Other Considerations



- Reduce near-term flood risk to multi-modal Embarcadero transit corridor, BART and Muni, and historic resources, while longer-term solutions are developed for earthquake stability and sea level rise
- Balance near-term flood risk reduction with larger adaptation moves.
- Maintain a high-quality public realm, fix flood damage & explore habitat enhancements
- Partner with SFPUC to include storm water management improvements.
- Consider deteriorated bulkhead and substructures

PIER 24½ to 28½ BULKHEAD WALL & WHARF EARTHQUAKE SAFETY RETROFIT PROJECT

Project Vision: Objectives, Constraints, and Other Considerations



- Improve safety in bulkhead zone and Promenade by reducing collapse risk
- Consider age, condition and rehabilitation needs.
- Include simple retrofits to full replacement alternatives
- Full replacement alternatives to be adaptable for SLR.
- Consider utility needs and adjacent Pier 30/32 and Pier 38/40 development projects

LIVING SEAWALL



Photo: Lonny Meyer

- Objective: ecological enhancement of seawalls
- Study ecological growth on concrete using textured surfaces and concrete admixture composition
- All frames and tiles are constructed and installed
- Two years of monitoring by the Smithsonian to begin early this year

PROGRAM GO BOND EXPENDITURES

Components	Original Budget	General Obligation Bond				
		First Issuance Budget	Appropriations	Expenditures	Encumbrances	Balance
Seawall Program Labor	18,800,000	5,907,000	7,500,000	6,000,000		1,500,000
United States Army Corps of Engineers (Flood Study)	8,900,000	8,875,000	4,000,000	3,630,000		370,000
Planning / Engineering / Preliminary Design (35%)	37,500,000	23,985,000	33,250,000	25,115,000	4,600,000	3,535,000
Risk Assessment	-		3,400,000	3,400,000		
Final Design (65%)	46,600,000					
Other City Depts / Gov Agencies	1,900,000	983,000	400,000	270,000		130,000
Design Support during Construction	8,400,000					
Pilot Projects	40,000,000	6,050,000	250,000	170,000		80,000
Seawall Program Projects	262,900,000					
Oversight, Accountability & Cost of Issuance	-	4,200,000	875,000	875,000		
TOTAL	425,000,000	50,000,000	49,675,000	39,460,000	4,600,000	5,615,000

Expenditures through 9/2022

SECOND BOND REQUEST AND TOTAL BOND FUNDING

Components	Original Budget	General Obligation Bond		
		First Issuance	Second Issuance	TOTAL
Seawall Program Labor	18,800,000	7,500,000	8,900,000	16,400,000
United States Army Corps of Engineers (Flood Study)	8,900,000	4,000,000	3,523,000	7,523,000
Planning / Engineering / Preliminary Design (35%)	37,500,000	33,250,000	22,577,000	55,827,000
Risk Assessment	-	3,400,000		3,400,000
Final Design (65%)	46,600,000		3,278,000	3,278,000
Other City Depts / Gov Agencies	1,900,000	400,000		400,000
Design Support during Construction	8,400,000			
Pilot Projects	40,000,000	250,000	340,000	590,000
Seawall Program Projects	262,900,000			
Oversight, Accountability & Cost of Issuance	-	875,000	3,382,000	4,257,000
TOTAL	425,000,000	49,675,000	42,000,000	91,675,000

Thank You

Carlos Colon | carlos.colon@sfport.com



Request for Approval
2nd Issuance
2019 Affordable Housing GO Bonds
Budget & Finance Committee
January 25, 2023



Mayor's Office of Housing and Community Development
City and County of San Francisco

2019 Affordable
Housing Bond
Action before
Committee

Action item recommending to approve:

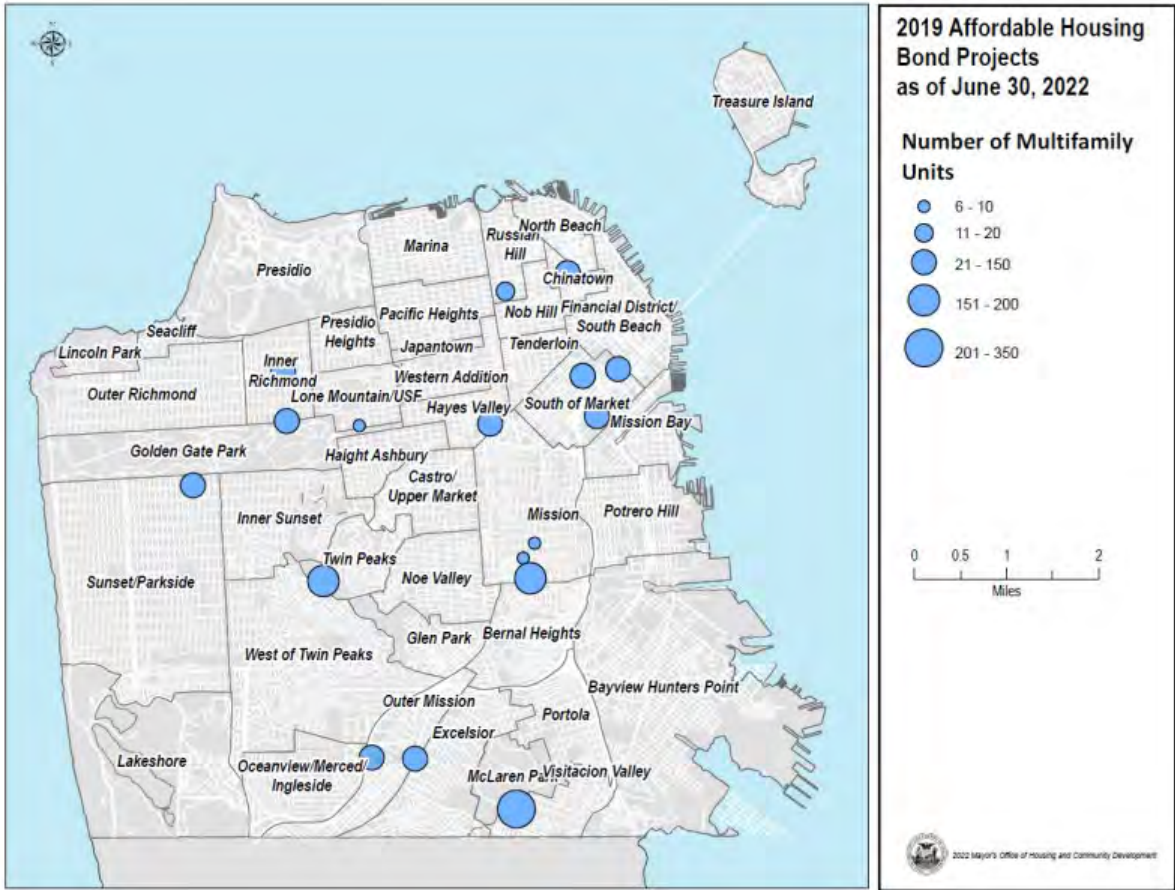
- Resolution authorizing the sale of Taxable General Obligation Bonds (Affordable Housing 2019) Series 2023C, not to exceed \$172.0M

2019 Affordable Housing Bond Spending Update

- \$600M bond passed in November 2019
- First Issuance: **\$254.6M**
 - Issued March 2021
 - 38% spent and 21% encumbered as of June 2022
 - Anticipated to be fully spent by June 2024

	Issuance 1	Issuance 2	Other Issuances	TOTAL
Public Housing	\$ 50.6	\$ 97.9	\$ 1.5	\$ 150.0
Low-Income Housing	\$ 143.7	\$ 38.6	\$ 37.7	\$ 220.0
Preservation and Middle-Income Housing	\$ 37.1	\$ 9.4	\$ 13.5	\$ 60.0
Senior Housing	\$ 21.2	\$ 20.4	\$ 108.4	\$ 150.0
Educator Housing	\$ -	\$ -	\$ 20.0	\$ 20.0
TOTAL	\$ 252.6	\$ 166.3	\$ 181.1	\$ 600.0

2019 Affordable Housing Bond Project Locations



2019 Affordable Housing Bond Unit Production Summary

As of June 2022



	Affordable Units in Predevelopment	Affordable Units in Construction	Affordable Units Completed	Projected Total Affordable Units
Public Housing - HOPE SF - Sunnydale Ph 3 Infra Predev, Blk 7 & 9 Vertical	169	0	0	169
Public Housing - HOPE SF - Potrero Block B Gap	0	282	0	282
Public Housing - SFHA Potrero & Sunnydale Accelerated Conversion HQS	125	0	0	125
Public Housing - HOPE SF - Sunnydale Blk 3A Vertical Gap	84	0	0	84
Public Housing - HOPE SF - Sunnydale Blk 3B Vertical Gap	90	0	0	90
Public Housing - Scattered Sites	0	69	0	69
Low Income - 921 Howard Gap	0	102	0	102
Low Income - Balboa Park Upper Yard Gap	0	130	0	130
Low Income - 4840 Mission Gap	0	137	0	137
Low Income - Treasure Island C3.1 Mercy + CC Gap	0	138	0	138
Low Income - Perm Supportive for Single Adults	220	0	0	220
Low Income - Perm Supportive for People With Chronic Mental Illness	0	8	0	8
Low Income - 78 Haight - Parcels (R, S & U) Gap	0	63	0	63
Low Income - 1515 South Van Ness Gap-Part 1	168	0	0	168
Low Income - Geographic Equity Family Acquisition - 2550 Irving	90	0	0	90
Middle Income - Preservation: Small Sites NOFA	94	0	0	94
Middle Income - 921 Howard Gap	0	101	0	101
Senior Housing - Laguna Honda Hospital Senior Housing Predev	200	0	0	200
Senior Housing - Geographic Equity Senior Acquisition - 4200 Geary	98	0	0	98
Senior Housing - 772 Pacific Predev	70	0	0	70
TOTAL	1,408	1,030	0	2,438
Percent of Phase	58%	42%	0%	100%

2019 Affordable Housing Bond 2nd Issuance

Public Housing – 288 Units



\$96.83M – Public Housing

- Vertical and Infrastructure development at Sunnydale, Potrero, and Hunters View
- Total of 288 units plus infrastructure development supporting two additional affordable developments at Potrero
- Public housing replacement units and affordable (tax credit) units



2019 Affordable Housing Bond 2nd Issuance

Low-Income Housing – 393 Units

\$38.6M – Low-Income Housing

- 730 Stanyan
 - 160 units including studios, 1 bedroom, 2 bedroom and 3 bedroom units
 - 40 units for households experiencing homelessness (20 TAY, 20 family)
 - Incomes range from 0-80% Area Median Income



2019 Affordable Housing Bond 2nd Issuance

Low-Income Housing – 393 Units



\$38.6M – Low-Income Housing

- Maceo May Additional Gap
 - 105 units for veterans including studios, 1 bedroom and 2 bedroom units
 - 33 units to be occupied by formerly homeless vets currently living on Treasure Island
- Balboa Reservoir Building E
 - First of four affordable housing developments at the Reservoir
 - 124 units including studios, 1 bedroom, 2 bedroom and 3 bedroom units
 - Incomes range from 40%-105% Area Median Income

2019 Affordable Housing Bond 2nd Issuance

Senior Housing – 98 Units

\$20.4M – Senior Housing

- 4200 Geary Boulevard at 6th Avenue
- Site acquired through MOHCD's 2019 Geographic Equity NOFA
- 98 units for seniors – 41 studios, 57 one-bedrooms
 - 20 units for seniors experiencing homelessness
 - 12 units for veteran seniors experiencing homelessness
 - 30 units for extremely low income seniors supported by the City's Senior Operating Subsidy Program

2019 Affordable Housing Bond 2nd Issuance

Senior Housing – 98 Units



2019 Affordable Housing Bond 2nd Issuance

Middle Income Housing – 21 Units

\$9.4M – Downpayment Assistance Loan Program

- Will build on existing successful downpayment assistance loan program for first-time homebuyers.
- Average downpayment assistance amount is approximately \$425k per household, with \$500,000 maximum
- Supports moderate income borrowers, 120%-200% AMI
- Deferred loan due upon sale, transfer of the property, or non-compliance with the contractual program requirements

Sources and Uses for Proposed GO Bond Series 2023ABC

	<u>Health & Recovery (2023A)</u>	<u>Embarcadero Seawall (2023B)</u>	<u>Affordable Housing (2023C)</u>	<u>Total</u>
Estimated Sources:				
<u>Not-to-Exceed Par Amount</u>	\$30,000,000	\$42,000,000	\$172,000,000	\$244,000,000
Estimated Par	\$28,855,000	\$39,090,000	\$168,315,000	\$236,260,000
Reserve for Market Uncertainty	\$1,145,000	\$2,910,000	\$3,685,000	\$7,740,000
Total Estimated Sources:	\$30,000,000	\$42,000,000	\$172,000,000	\$244,000,000
Estimated Uses:				
<u>Project Fund Deposits:</u>				
Project Fund	\$28,500,000	\$38,617,000	\$166,271,653	\$233,388,653
CSA Audit Fee	\$57,000	\$77,234	\$332,543	\$466,777
Total Project Fund Deposits:	\$28,557,000	\$38,694,234	\$166,604,196	\$233,855,430
<u>Delivery Date Expenses:</u>				
Cost of Issuance	\$124,870	\$161,226	\$700,914	\$985,000
Underwriter's Discount	\$144,275	\$195,450	\$841,575	\$1,181,300
CGOBOC Fee	\$28,855	\$39,090	\$168,315	\$236,260
Total Delivery Expense:	\$298,000	\$395,766	\$1,710,804	\$2,402,560
Reserve for Market Uncertainty	\$1,145,000	\$2,910,000	\$3,685,000	\$7,740,000
Total Estimated Uses:	\$30,000,000	\$42,000,000	\$172,000,000	\$244,000,000



Fiscal Impact of Proposed GO Bond Series 2023ABC

- Estimated Financing Costs*

Projected par: \$236,260,000

Estimated interest rate: 6.50%

Estimated total interest cost: \$233,392,775

Estimated Annual Property Tax Impact: \$5.67 per \$100,000 (\$33.62 for \$600K home)

Estimated final maturity: 6/15/2048

- Debt Capacity

Certified Net Assessed Valuation for FY22-23 (Net AV): \$328,530,494,367

3% GO Debt Capacity: \$9,855,914,831

GO Debt Outstanding as of 12/31/22: \$2,625,532,882 (0.80% of Net AV)

GO Debt Outstanding including proposed 2023ABC Bonds: \$2,861,792,882 (0.87% of Net AV)

- Capital Planning Constraint

Issuance of 2023ABC bonds is consistent with FY2006 property tax rate cap policy

** Interest rate and cost estimates provided by Fieldman, Rolapp & Associates, Inc., an MSRB-registered municipal advisory firm*



Anticipated Financing Timeline

MILESTONES

DATES*

- Capital Planning Committee December 5 & 12, 2022
- Introduction of Legislation to Board of Supervisors December 13, 2022
- Budget and Finance Committee January 25, 2023
- Board of Supervisors Considers Resolution & Ordinance (1st Hearing) January 31, 2023
- Board of Supervisors Considers Ordinance (2nd Hearing) February 7, 2023
- Sale and Closing of Bonds April 2023

*Please note that dates are estimated unless otherwise noted.



From: [Conine-Nakano, Susanna \(MYR\)](#)
To: [BOS Legislation, \(BOS\)](#); [GIVNER, JON \(CAT\)](#); [Rosenfield, Ben \(CON\)](#)
Cc: [Paulino, Tom \(MYR\)](#); [Trivedi, Vishal \(CON\)](#); [Barnes, Bill \(BOS\)](#); [Van Degna, Anna \(CON\)](#)
Subject: Mayor -- Ordinance -- GO Bond Proceeds
Date: Tuesday, December 13, 2022 4:33:13 PM
Attachments: [GO Bonds Series 2023ABC Supplemental Appropriation Ordinance 12.2.22.docx](#)
[GO Bonds Series 2023ABC Supplemental Appropriation Ordinance 12.2.22.pdf](#)

Hello Clerks,

Attached for introduction to the Board of Supervisors is an Ordinance appropriating \$30,000,000 of proceeds from Series 2023A Health and Recovery General Obligation Bonds to the Recreation and Park Department (RPD) for improvements to parks, recreation facilities, and open spaces; \$42,000,000 of proceeds from Series 2023B Embarcadero Seawall (GO) Bonds to the Port of San Francisco for planning, engagement, program management, pilot projects, Embarcadero project pre-design and detailed design, and a flood study with the United States Army Corps of Engineers; \$172,000,000 from Series 2023C Affordable Housing to the Mayor's Office of Housing and Community Development (MOHCD) for public, low-income, preservation and middle income, and senior housing projects; and placing these funds on Controller's Reserve pending receipt of bond proceeds.

[@GIVNER, JON \(CAT\)](#) and [@Rosenfield, Ben \(CON\)](#), can you please reply-all to confirm your approval? Thanks!

Please note that Supervisor Safai is a co-sponsor of this legislation.

Best,

Susanna

Susanna Conine-Nakano
Office of Mayor London N. Breed
City & County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 200
San Francisco, CA 94102
415-554-6147