

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

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

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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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