



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, or by contacting the Capital Planning Program at CPP@sfgov.org.

Sincerely,

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

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