

MEMORANDUM

May 6, 2024

To: Members of the Board of Supervisors
From: Carmen Chu, City Administrator & Capital Planning Committee Chair 
Copy: Angela Calvillo, Clerk of the Board
Capital Planning Committee
Regarding: (1) 2016 Public Health & Safety Bond Interest (2) FY25 & FY26 General Fund Department Capital Budget (3) 2024 Healthy, Safe, and Vibrant San Francisco General Obligation (G.O.) Bond

In accordance with Section 3.21 of the Administrative Code, on May 6, 2024, 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

Approval of the appropriation of interest funds from the 2016 Public Health & Safety Bond interest in an aggregate amount not to exceed \$14,040,442

CPC Recommendation:

The CPC recommends approval this appropriation.

Comments:

The CPC approves this item by a vote of 11-0. These items will be incorporated into the proposed FY25 budget.

Committee members or representatives in favor:

Carmen Chu, City Administrator; Public Works, Bruce Robertson; Aaron Peskin, Board President; Greg Wagner, Controller; Ann Duning, Mayor's Budget Director; Bree Mawhorter, SFMTA; Stephen Robinson, Public Utilities Commission; Rich Hillis, Director, Planning; Elaine Forbes, Executive Director, Port of San Francisco; Stacy Bradley, Recreation and Parks; Ivar Satero, Director, San Francisco International Airport.

2. Board File Number: TBD

Approval of the FY25 & FY26 General Fund Department budget (including Certificates of

Participation) in an aggregate amount not to exceed \$310 million

CPC Recommendation:

The CPC recommends approval of this capital budget as amended by the Mayor's Budget Office to reduce the Department of Technology's Fiber to Housing allocation to \$500,000 in FY25 and \$300,000 in FY26. If the Mayor's Budget Office determines that revenues cannot support this \$310 million budget, CPC also recommends an alternative scenario in an aggregate amount of \$280 million.

Comments:

The CPC approves this item by a vote of 10-0.

Committee members or representatives in favor:

Carmen Chu, City Administrator; Public Works, Bruce Robertson; Greg Wagner, Controller; Ann Duning, Mayor's Budget Director; Bree Mawhorter, SFMTA; Stephen Robinson, Public Utilities Commission; Rich Hillis, Director, Planning; Elaine Forbes, Executive Director, Port of San Francisco; Stacy Bradley, Recreation and Parks; Ivar Satero, Director, San Francisco International Airport.

Abstained:

Aaron Peskin, Board President

3. Board File Number: TBD

Approval of the 2024 Healthy, Safe, and Vibrant San Francisco General Obligation Bond not to exceed \$390 million

CPC Recommendation:

The CPC recommends approval of this G.O. Bond.

Comments:

The CPC approves this item by a vote of 10-0. This item will come back to CPC for further review and approval of additional projects proposed for funding through the bond as they are identified.

Committee members or representatives in favor:

Carmen Chu, City Administrator; Public Works, Bruce Robertson; Greg Wagner, Controller; Ann Duning, Mayor's Budget Director; Bree Mawhorter, SFMTA; Stephen Robinson, Public Utilities Commission; Rich Hillis, Director, Planning; Elaine Forbes, Executive Director, Port of San Francisco; Stacy Bradley, Recreation and Parks; Ivar Satero, Director, San Francisco International Airport.

Abstained:

Aaron Peskin, Board President

FY 2024-25 & FY 2025-26 Capital Budget



Office of Resilience and Capital Planning | May 6, 2024

CPC AGENDA

General Fund Dept Capital Budget

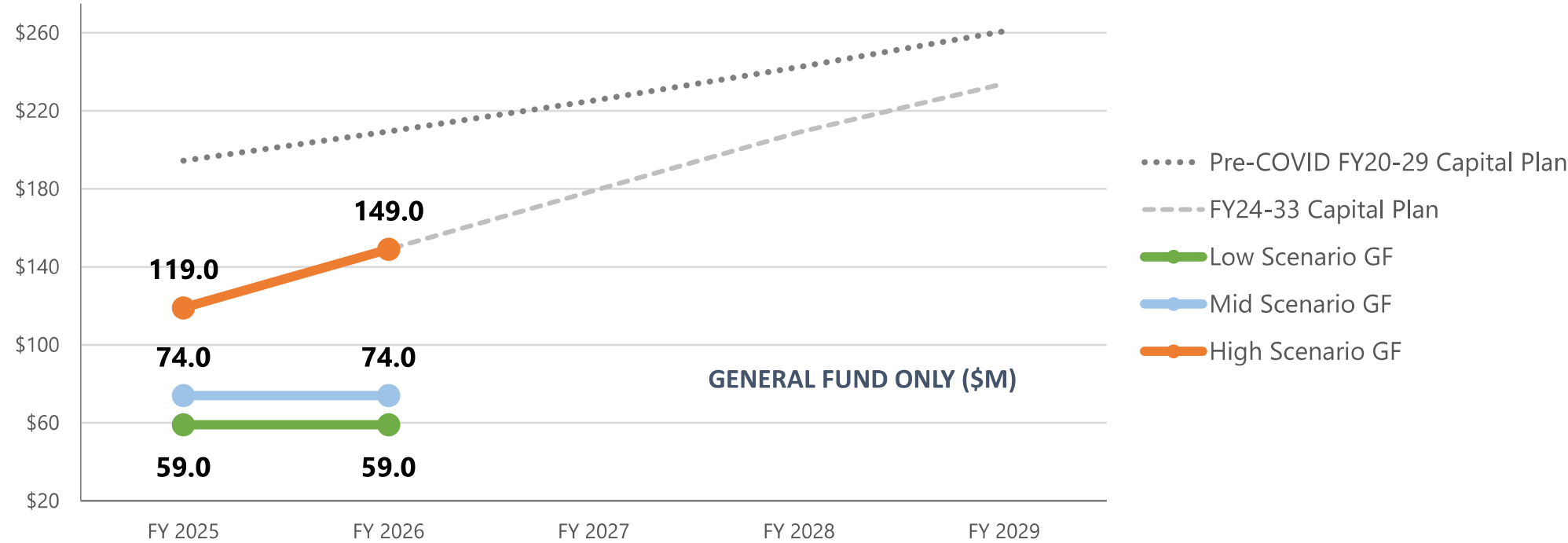
Action Item

- Approve the FY25 & FY26 Proposed General Fund Dept Capital Budget for recommendation to Board of Supervisors;
- Approve the recommended FY25 Certificates of Participation for Streets & Critical Repairs
 - Admin Code Section 3.21: CPC reviews the Capital Budget to ensure it aligns with recommendations in Capital Plan

CAPITAL BUDGET

Scenario Recap

	CAPITAL PLAN RECOMMENDATION					
	High Scenario (\$M)		Medium Scenario (\$M)		Low Scenario (\$M)	
	FY25	FY26	FY25	FY26	FY25	FY26
General Fund	119.0	149.0	74.0	74.0	59.0	59.0
Certificates of Participation	30.0	-	45.0	-	45.0	-
TOTAL	149.0	149.0	119.0	74.0	104.0	59.0



CAPITAL BUDGET

Changes to Mid Scenario since April 22

- Mayor’s Office presented a proposal for the November 2024 G.O. Bond on April 29
 - DPH allocations in the proposed bond are lower than previously anticipated
- To meet regulatory and cash flow needs for DPH, projects worth \$7.3M are being brought forward from FY26 to FY25

	ORIGINAL				NEW		
	Medium Scenario (\$M)				Medium Scenario (\$M)		
	FY25	FY26	Total		FY25	FY26	Total
General Fund	74.0	74.0	148.0		81.3	66.7	148.0

- Two-year total investment for DPH is unchanged

CAPITAL BUDGET

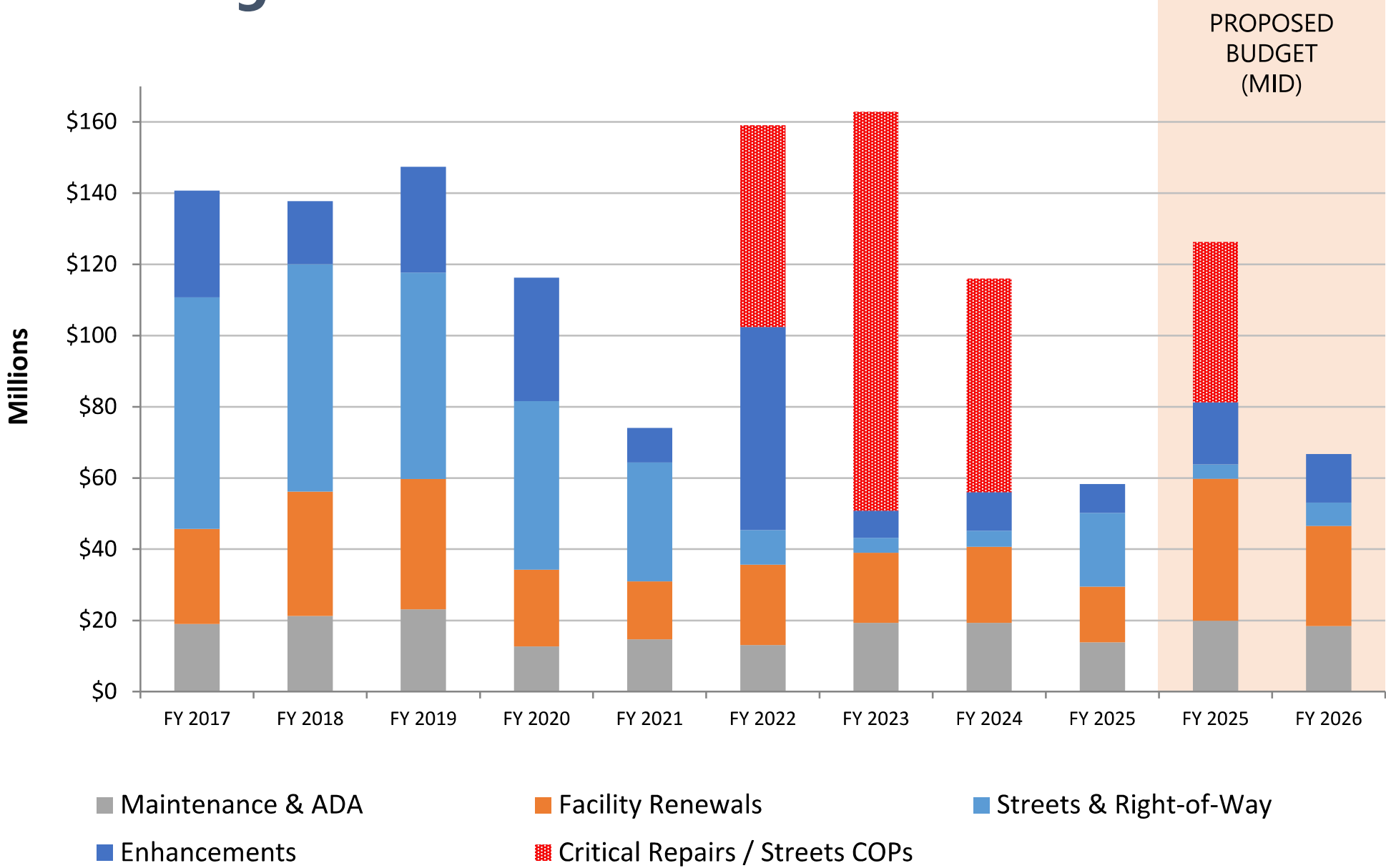
Recommendation

- Capital Planning Committee (CPC) recommends **Mid Scenario** to Board of Supervisors
- If Mayor’s Office determines that revenue is not available to fund the Mid Scenario, CPC recommends the Low Scenario

	Medium Scenario (\$M)		Low Scenario (\$M)	
	FY25	FY26	FY25	FY26
General Fund	81.3	66.7	59.0	59.0
Certificates of Participation	45.0	-	45.0	-
TOTAL	126.3	66.7	104.0	59.0

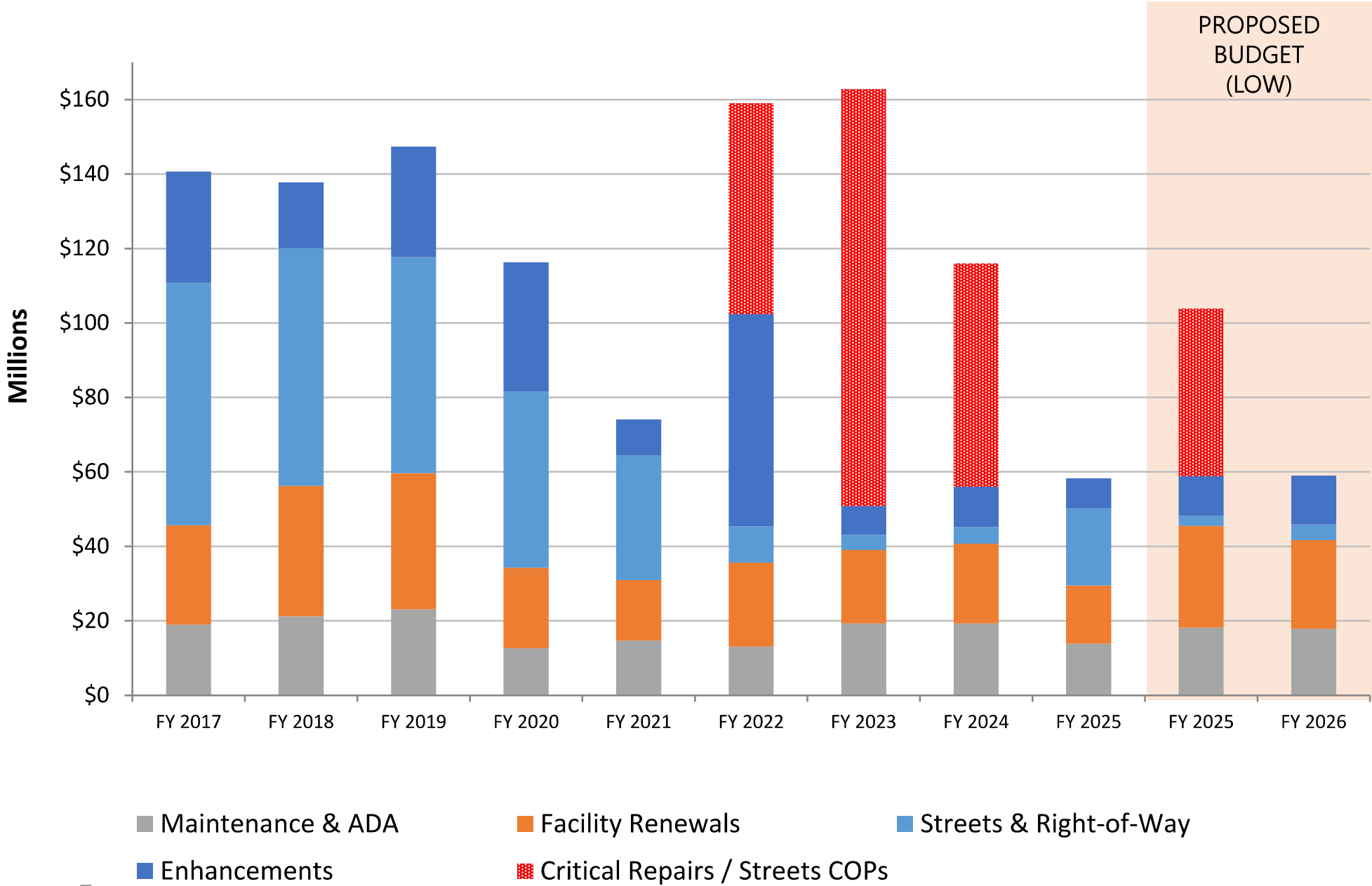
CAPITAL BUDGET

Past Budgets vs. Mid Scenario



CAPITAL BUDGET

Past Budgets vs. Low Scenario



CAPITAL BUDGET

General Fund Allocations (Mid Scenario)

Set-asides & Policies	FY25	FY26
REC Set-Aside (<i>Prop B, 2016</i>)	15.0	15.0
Street Trees Set-Aside (<i>supports Prop E, 2016</i>)	6.4	6.8
Routine maintenance allocations for all depts.	11.5	12.3
SUB-TOTAL	32.9	34.1

Remaining Expenditure Categories	FY25	FY26
ADA (<i>Curb Ramps, City Hall Wheelchair Lift, Opera House Elevator etc.</i>)	6.8	4.4
Critical Enhancements (<i>legal mandates, security improvements etc.</i>)	10.8	6.7
Facility Renewals (<i>life-safety, HVAC, roof leaks, boilers etc.</i>)	26.8	15.0
ROW Renewals (<i>potholes, plazas, medians, bridges etc.</i>)	4.0	6.6
SUB-TOTAL	48.4	32.7
TOTAL	81.3	66.7

CAPITAL BUDGET

Projects reduced / eliminated in Low Scenario

DPH Projects		Mid Scenario (\$M)		Low Scenario (\$M)	
Campus	Project	FY25	FY26	FY25	FY26
ZSFG	Clinical Lab Replacement	5.4	-	-	-
ZSFG	NPC4 Compliance	0.5	-	0.3	-
LHH	X-Ray Replacement	1.0	-	-	-
LHH	Kitchen Coil Replacement	0.6	-	-	-
LHH	Roof Replacements	0.2	-	-	-

- These projects are prioritized for funding in the mid scenario based on regulatory need and cash flow requirements

CAPITAL BUDGET

Projects reduced / eliminated in Low Scenario (\$20M reduction)

Other departments

← HIGHEST PRIORITY

Dept	Project
ADM	1099 Sunnydale Electrification
ADM	Satellite Building Safety Repairs
DPW	Great Highway Sand Clearing
DPW	Pothole Repair
JUV	Admin Building Windows
POL	Security Enhancement & Cameras
SHF	County Jail 3 Heaters & Boilers

Dept	Project
AAM	HVAC & Roof
ART	Civic Art Collection
DPW	Plazas, Street Structures, Bridges, Medians
FAM	Fire and Building Systems
FIR	HVAC, Paint, Roofs
POL	Fire Panels, Paint
SHF	County Jail 3 Roof & Exteriors

Dept	Project
AAM	Floor Resurfacing
ART	Doors at Cultural Centers
DPW	Street Tree Planting
DPW	Emergency Capital Repairs
DPW	Community Beautification Projects
DT	Fiber Programs
POL	Stable Repairs

- If available funding is in between the mid and low scenarios, we recommend reducing / eliminating lower priority projects first

CAPITAL BUDGET

Recommended FY25 Certificates of Participation

\$ in millions

Dept	Project	Mid Scenario	Low Scenario
PW	Street Resurfacing	23.9	17.9
PW	Sunset Blvd. Recycled Water	2.9	2.9
PW	Bridge Inspection and Repair (4 th Street Bridge)	2.5	2.5
ADM	Underground Fuel Tank Replacement (Legal mandate)	11.1	11.1
ADM	25 Van Ness Heat Pump and Cooling Tower	2.3	2.3
ADM	50 Raymond Repairs	1.3	1.3
DPH	Laguna Honda Emergency Power	GF-funded	4.5
SHF	San Bruno County Water Line Replacement	1.0	1.0
WAR	Opera House Elevator Modernization	GF-funded	1.5
TOTAL		45.0	45.0