

REVISED LEGISLATIVE DIGEST

(7/16/2024, Amended in Board)

[Healthy, Safe, and Vibrant San Francisco General Obligation Bond Election]

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, November 5, 2024, for the purpose of submitting to San Francisco voters a proposition to incur bonded indebtedness of not-to-exceed \$390,000,000 to finance the acquisition or improvement of real property, including: facilities to deliver primary healthcare services, emergency medical services, skilled nursing services, and services for persons experiencing mental health challenges or persons with substance use disorders; acquire, improve, and seismically upgrade critical medical care and mental health facilities and emergency shelter facilities; and improvements for certain transportation, pedestrian, and street safety related capital improvements, streetscape enhancements and other public space improvements, and related costs necessary or convenient for the respective foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase, if any, to residential tenants under Administrative Code Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such Bonds; incorporating review of Bond expenditures under the provisions of the Administrative Code by the Citizens' General Obligation Bond Oversight Committee; setting certain procedures and requirements for the election; adopting findings under the California Environmental Quality Act; and finding that the proposed Bonds are in conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b).

Existing Law

This is new legislation.

Background Information

The proposed Ordinance calls for a general obligation bond election to be held on November 5, 2024. The general obligation bonds are authorized in an amount up to \$390,000,000 for the acquisition or improvement of real property.

If the measure passes, proceeds of the Bonds will be used as provided below:

- **Expanding and Improving Community Health Centers to Deliver Preventive Primary Care Services, Behavioral Health Services, Sexual Health Services, and other Ancillary Healthcare Services.** Up to \$99,100,000 of bond proceeds will be used for the construction, acquisition, development, improvement, expansion, and rehabilitation of community health centers, including up to \$71,100,000 to seismically retrofit and renovate the Chinatown

Public Health Center and up to \$28,000,000 to acquire and improve real property for the relocation of the City Clinic for facilities to deliver primary healthcare services, emergency medical services, skilled nursing services, and services for persons experiencing mental health challenges or persons with substance use disorders.

- **Critical Repairs and Renovations at Zuckerberg San Francisco General Hospital and Trauma Center and Laguna Honda Hospital.** Up to ~~\$56,000,000~~66,000,000 of bond proceeds will be used to make critical repairs and renovations to Zuckerberg San Francisco General Hospital and Trauma Center and Laguna Honda Hospital, including the repair of mechanical systems, fire control systems, and other deferred maintenance needs for hospital infrastructure required to meet new regulatory requirements to ensure the hospitals remain operational and in regulatory compliance.
- **Seismic Upgrades at Zuckerberg San Francisco General Hospital and Trauma Center to Ensure Safety.** Up to \$40,000,000 of bond proceeds will be used for the improvements at Building 3 at Zuckerberg San Francisco General Hospital and Trauma consisting of seismic retrofits to provide 65,000 square feet of safe and secure working space.
- **Street Safety Improvements.** Up to ~~\$68,900,000~~63,900,000 of bond proceeds will be used to pay the cost of certain street safety projects Citywide, including projects on the High Injury Network, and making investments to improve pedestrian, bicycle, and traffic safety by repairing, constructing, and improving transportation infrastructure and equipment, including traffic signal upgrades, constructing and redesigning streets and sidewalks, and certain multimodal streetscape projects.
- **New Sites.** Up to \$50,000,000 of bond proceeds will be used to pay the costs to acquire, construct, finance, or improve shelter or interim housing sites to reduce unsheltered homelessness, particularly for families.
- **Modern and Accessible Public Realm Improvement Projects.** Up to ~~\$46,000,000~~41,000,000 of bond proceeds will be used to improve and modernize public spaces in the downtown San Francisco areas, which could include areas near Powell and Market Streets, including accessibility improvements, and transit access and pedestrian experience enhancements; up to \$25,000,000 of bond proceeds will be used to improve accessibility, safety, and design at the Harvey Milk Plaza; and up to \$5,000,000 of bond proceeds will be used to rehabilitate and modernize park infrastructure and improve active recreational spaces.

The proposed ballot measure must be approved by two-thirds of all the voters voting on the measure to pass.

The measure contains several transparency and accountability measures, including among others, the requirement to conduct annual independent financial and performance audits, and the requirement that the Controller certify that alternative funding sources have been evaluated. In addition, the measure requires that Bond funds be used only for the projects and purposes authorized by the Ordinance, that no Bond funds be spent on City salaries and other operating expenses of the City, and that no more than 5% of Bond proceeds can be used to pay City administrative expenses incurred to execute the projects authorized by the measure.

If passed, the expenditure of Bond funds will be subject to oversight of the Citizen's General Obligation Bond Oversight Committee, or if required by law, a new oversight committee (which are required to receive bond and fiscal oversight training) In addition, the City will create and maintain a web page describing the bond program, progress, and activity updates, and post copies of the independent financial and performance audits in places easily accessible to the public

The City will also hold an annual public hearing and reviews on the Bond program and its implementation before the Capital Planning Committee and the Citizen's General Obligation Bond Oversight Committee.

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