

File No. 130228

Committee Item No. 3

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date 04/10/2013

Board of Supervisors Meeting

Date _____

Cmte Board

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Completed by: Victor Young Date April 5, 2013

Completed by: Victor Young Date _____

1 [Ten-Year Capital Expenditure Plan - FY2013-2014 through FY2022-2023]

2
3 **Resolution adopting the City's ten-year capital expenditure plan for FY2013-2014**
4 **through FY2022-2023 pursuant to Administrative Code Section 3.20.**
5

6 WHEREAS, This Board of Supervisors (the "Board") of the City and County of
7 San Francisco (the "City") adopted Ordinance No. 216-05 (the "Capital Planning Ordinance")
8 amending San Francisco Administrative Code sections 3.20 and 3.21 to authorize the
9 formation of a Capital Planning Committee (the "Committee") and the annual preparation and
10 adoption of a ten-year capital expenditure plan for the City, including an assessment of the
11 City's capital infrastructure needs, investments required to meet the needs identified through
12 this 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
17 power 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 as the target date for
24 the City Administrator's submission of the annual ten year capital plan to the Mayor of the City
25

1 and the Board, and called for the Mayor and the Board to review, update, amend and adopt
2 the ten year capital plan by May 1 of each year; and

3 WHEREAS, The Committee has held numerous public hearings and worked with City
4 staff to develop a ten-year capital expenditure plan meeting the requirements of the Capital
5 Planning Ordinance; and

6 WHEREAS, In developing the capital plan staff considered numerous policy questions
7 including, among other matters, how to (i) manage needed capital expenditure requirements
8 with limited annual discretionary funds ; (ii) manage the scheduling of future General
9 Obligation bonds to address citywide capital needs without increasing the property tax rate
10 beyond Fiscal Year 2006 levels; and (iii) deliver priority capital projects without increasing the
11 percentage of the General Fund spent on debt service; and

12 WHEREAS, At the February 25, 2013 meeting the Committee unanimously adopted
13 the ten-year capital plan for fiscal years 2014-2023 and approved it for submission to the
14 Mayor and the Board for its consideration (as so adopted, the "Capital Plan"); and,

15 WHEREAS, The Capital Plan and the City Administrator's transmittal letter are on file
16 with the Clerk of the Board of Supervisors in File No. 130228, which is hereby declared to be
17 a part of this resolution as if set forth fully herein; now, therefore, be it

18 RESOLVED, That the above recitals are true and correct; and, be it

19 FURTHER RESOLVED, That this Board has reviewed the Capital Plan; and, be it

20 FURTHER RESOLVED, That this Board hereby adopts the Capital Plan, with such
21 amendments and revisions as this Board has adopted, as the City's ten-year capital
22 expenditure plan for purposes of the Capital Planning Ordinance.
23
24
25



Capital Planning Committee

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BOARD OF SUPERVISORS
SAN FRANCISCO

Naomi M. Kelly, City Administrator, Chair

MEMORANDUM

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March 7, 2013

To: Supervisor David Chiu, Board President
From: Naomi Kelly, City Administrator and Capital Planning Committee Chair
Copy: Members of the Board of Supervisors
Angela Calvillo, Clerk of the Board
Capital Planning Committee
Regarding: Recommendation on the City & County of San Francisco 10-Year Capital Plan
FY 2014 – FY 2023

Naomi Kelly

In accordance with Sections 3.20 and 3.21 of the Administrative Code, on February 25, 2013, the Capital Planning Committee (CPC) reviewed the Draft 10-Year Capital Plan.

1. Board File Numbers 130228

Recommendation on the City & County of San Francisco 10-Year Capital Plan FY 2014 – FY 2023

Recommendations:

Recommend the Draft 10-Year Capital Plan be advanced to the Proposed 10-Year Capital Plan with the following amendments:

- (a) Incorporate the Transportation & Streets Infrastructure Package (TSIP) into the Plan without linking specific funding sources to specific projects.
- (b) Include analysis of historical Pay-as-you-go Program funding to the Executive Summary.
- (c) Revise the language regarding the staff recommendation that the City explore using up to 50% of the Art Enrichment Fund (AEF) from publicly funded capital projects be used for fund monument collection restoration and conservation. The new language recommends that the level of AEF be determined after an analysis of the collection's renewal and conservation need is complete.
- (d) Revise the total need estimate for the Pedestrian Safety Strategy implementation in the SFMTA section.

Recommend the Board of Supervisors (BOS) approve the Proposed 10-Year Capital Plan with the above amendments.

Comments:

The CPC recommends approval of these items by a vote of 11-0.

Committee members or representatives in favor include: Naomi Kelly, Office of the City Administrator; Judson True, Board President's Office; Kate Howard, Mayor's Budget Office; Ed Reiskin, SFMTA; Mohammed Nuru, Public Works; Jose Campos, Planning Department; Ivar Satero, San Francisco International Airport; Ben Rosenfield, Controller's Office; Harlan Kelly, SFPUC; Phil Ginsburg, Recreation and Parks Department; and Elaine Forbes, Port of San Francisco.



City and County of San Francisco

Proposed Capital Plan Fiscal Years 2014-2023

March 5, 2013

Copies of this document can be found at <http://onesanfrancisco.org> or through

The Capital Planning Program
City and County of San Francisco
30 Van Ness, Suite 4100
San Francisco, CA 94102
(415) 558-4003

Acknowledgements

Capital Planning Committee:

Naomi Kelly, City Administrator and Chair
Supervisor David Chiu, President, Board of Supervisors
Ben Rosenfield, Controller
Mohammed Nuru, Director, Department of Public Works
Kate Howard, Mayor's Budget Director
Ed Reiskin, Executive Director, Municipal Transportation Agency
Monique Moyer, Executive Director, Port of San Francisco
John Rahaim, Director, Planning Department
Harlan Kelly, General Manager, Public Utilities Commission
Phil Ginsburg, General Manager, Recreation and Parks Department
John Martin, Director, San Francisco International Airport

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Arts Commission	Rachelle Axel, Tom DeCaigny, Rebekah Krell
City Administrator & Real Estate	Kenneth Bukowski, Adam Nguyen, John Updike
City Attorney	Mark Blake, Kenneth Roux
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Fire Department	Ken Lombardi, Mark Corso, Tania Fokin
Library	Luis Herrera, Maureen Singleton, Roberto Lombardi
Mayor's Office	Kate Howard, Leo Chyi, Melissa Whitehouse, Jason Elliott, Kelly Pretzer
Mayor's Office of Disability	Carla Johnson, John Paul Scott
Municipal Transportation Agency	Sonali Bose, Darton Ito, Jonathan Rewers, Graham Satterwhite
Planning Department	Jose Campos, Kearstin Dischinger, Adam Varat
Police Department	John Goldberg, Steven Ford, Ivan Sequeira, Darrell Victor, Maureen Gannon
Port of San Francisco	Elain Forbes, Brad Benson, Daley Dunham
Public Health Department	Greg Wagner, Mark Primeau, Kathy Jung, Lisa Zayas-Chien
Public Utilities Commission	Todd Rydstrom, Carlos Jacobo, Frank McPartland, David Myerson
Public Works Department	Douglass Legg, Ananda Hirsch, Edgar Lopez, Jim Buker, Samuel Chui, Charles Higuera, Tony Leung, Ray Lui, John Thomas
Recreation and Parks Department	Dawn Kamalanathon, Toks Ajike, Taylor Emerson
Sheriff's Department	Ellen Brin, Kevin Lyons, Dan Santizo
Treasure Island	Michael Tymoff, Kate Austin
War Memorial	Elizabeth Murray, Kevin Kelly

External Agencies:

Caltrain	April Chan, Marian Lee
Mayor's Office of Housing	Daniel Adams, Erin Carson, Amy Tharpe
Office of Community Investment & Infrastructure	Tiffany Bohee, Mike Grisso, Lila Hussain, Thor Kaslofsky, Christine Maher, Sally Oerth Catherine Reilly, Tracie Reynolds
SF County Transportation Authority	Maria Lombardo, Tilly Chang, Rachel Hiatt, Anna LaForte, Ben Stupka
SF Housing Authority	Alicia Sisca
SF Unified School District	Myong Leigh, David Goldin

Prepared by:

Brian Strong, Director, Capital Planning Program
Kaitlyn Connors, Assistant Director, Capital Planning Program
Eliot Chang, Administrative Analyst, Capital Planning Program
Brian Benson, Senior Business Analyst, Capital Planning Program

San Francisco's Ten-Year Capital Plan Governance Structure

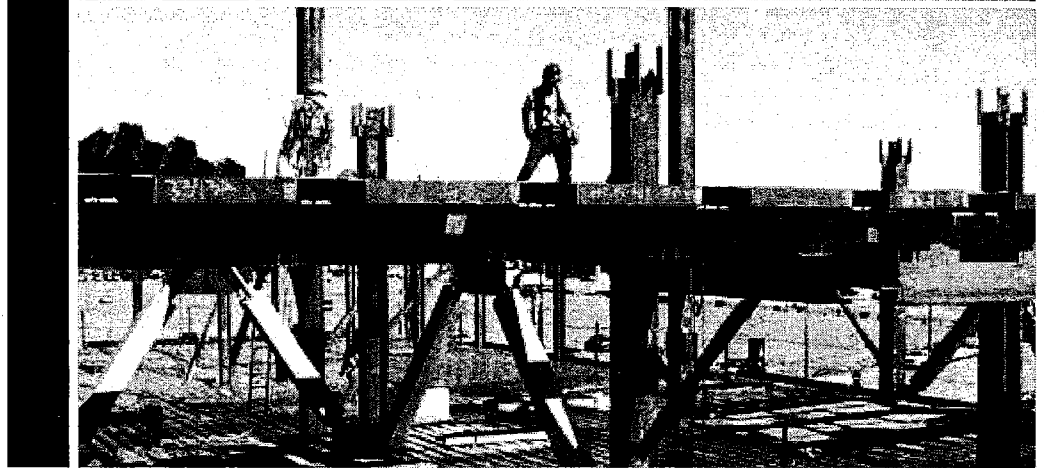
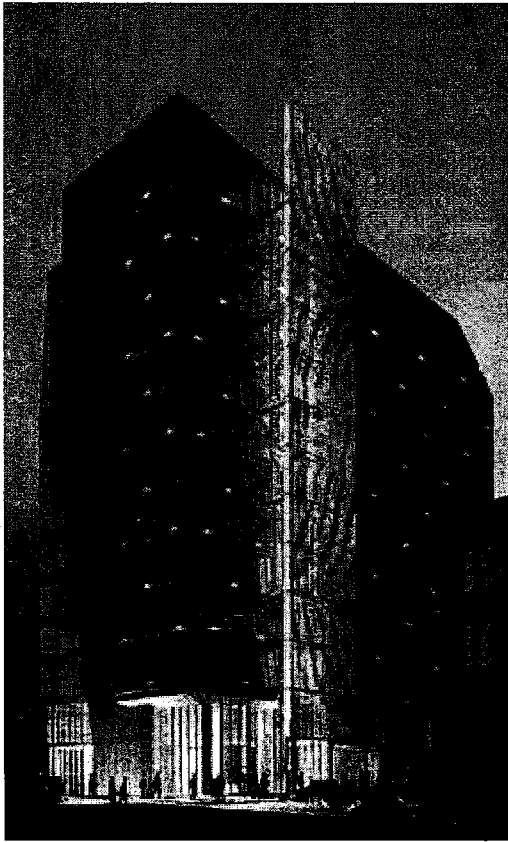
In August 2005, concerns from city leaders, citizens, Mayor Newsom and the Board of Supervisors culminated in Administrative Code Sections 3.20 and 3.21 requiring the City to annually develop and adopt a ten-year constrained capital expenditure plan for city-owned facilities and infrastructure. The code ensures the Plan's relevance by requiring that all capital expenditures be reviewed in light of the adopted capital expenditure plan.

The Capital Planning Committee (CPC) approves the Capital Plan and makes recommendations to the Board of Supervisors on all of the City's capital expenditures. It consists of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan.

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Executive Summary

Introduction

The Fiscal Year (FY) 2014-2023 City and County of San Francisco Capital Plan (the Plan) considerably adds to efforts over the past five years to restore healthy levels of investment in the City and County's (the City) aging infrastructure. This Plan recommends \$19.2 billion in direct City investments and \$5.9 billion in external agency investment, for a total of \$25.1 billion in capital improvements. These improvements represent a practical and fiscally constrained set of projects that address critical capital needs while creating roughly 223,000 local jobs over the next decade (see Appendix B for job estimation methodology).

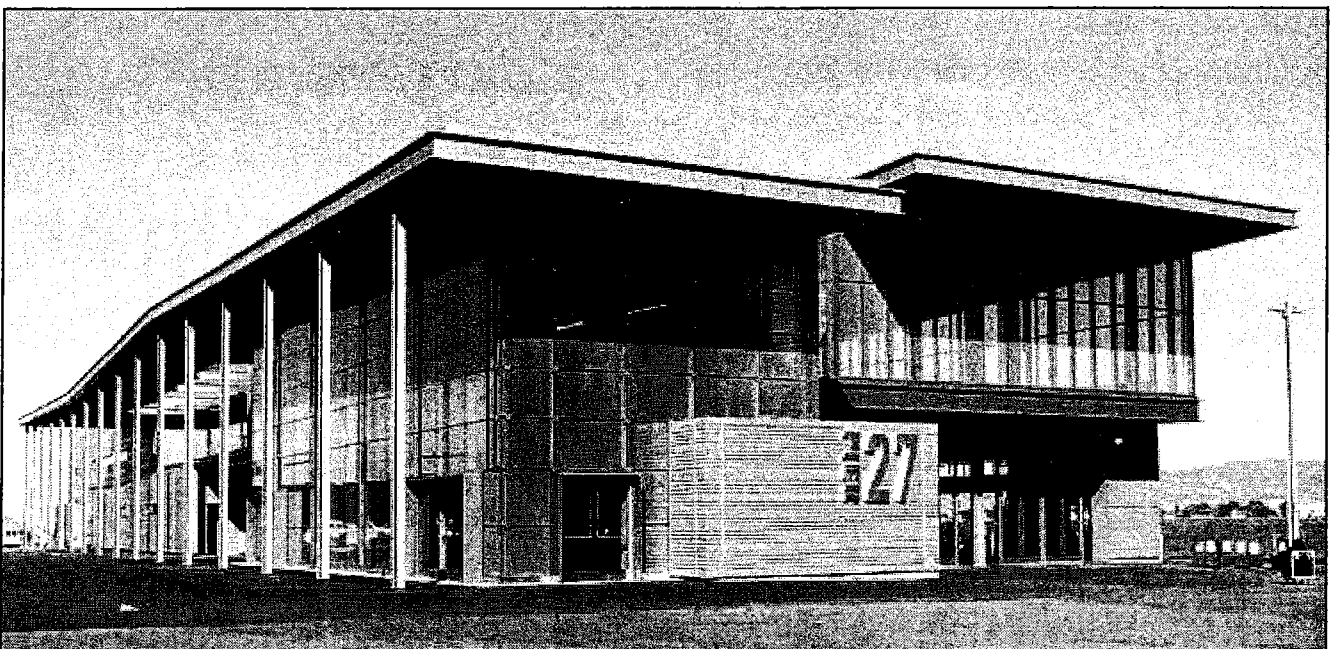
Since the first Plan was created in 2006, the City has made significant progress in addressing critical infrastructure needs. Voters have approved five General Obligation (G.O.) bonds totaling \$1.9 billion to seismically strengthen and modernize key facilities, parks, and street infrastructure since 2008. Additionally, the City renovated, opened, or broke ground on a wide range of improvements to critical roadways, libraries, hospitals, water delivery system and other utilities, airport grounds and structures, port infrastructure, and the transit system. The City also furthered its commitment to "greening" its infrastructure by continuing to use energy efficient materials and designing new buildings to be Leadership in Energy Efficiency and Design (LEED) Gold or Platinum certified.

Changes and Major Accomplishments

The FY 2014-2023 Capital Plan reflects changes in the City's financial policies adopted by the Board of Supervisors (BOS) in the summer of 2011. These policies shifted Capital Plan updates from every year to every other year and created a Five-Year Financial Plan and an Information and Communication Technology Plan. The BOS also codified the debt policy carried in previous capital plans to cap the amount of General Fund dollars that can go toward debt service at 3.25 percent of discretionary revenues.

The Plan also recognizes changes at the State level including the abolishment of Redevelopment Agencies and the realignment of the State's criminal justice system. A successor agency to the Redevelopment Agency has been formed and this Plan provides more detail on the wide range of projects they oversee than previous capital plans.

It is also important to note that the Plan proposes a number of achievements that have been key objectives since its inception in 2006 including: funding the street repaving program at a Pavement Condition Index of 70 and facility renewals at much higher levels than previous years; relocating nearly all of the functions in the Hall of Justice to seismically sound facilities; and continuing construction on hundreds of critical projects. Critical projects underway include the Water System and Sewer System Improvement Programs; the new Acute Care San Francisco General Hospital; the Veteran's War Memorial Building; Piers 27, 30-32, 70, and Seawall Lot 337; and the Central Subway, Transbay Terminal, and Presidio Parkway (formerly Doyle Drive).



*Ferry Terminal Phase 1 Opened in
February 2013*

Transportation and Streets Infrastructure Package (TSIP)

The most significant change in this year's Plan compared to prior years is the introduction of the Transportation and Streets Infrastructure Package (TSIP) - a comprehensive set of improvements that:

- **Provides safe & complete streets in neighborhoods across the City by:**
 - » Achieving and maintaining streets at a Pavement Condition Index (PCI) of 70;
 - » Providing record levels of investment in pedestrian and bike safety improvements; and
 - » Making critical street and right-of-way enhancements that accommodate new growth.
- **Improves transit reliability by:**
 - » Funding MUNI state-of-good repair & transit signalization projects at record levels; and
 - » Investing in transit effectiveness and transit first policies.

The Package addresses a number of issues the City has been wrestling with for several years including: fully funding street repaving; addressing long-term MUNI state of good repair needs; investing in safe and complete streets for autos, bikes, pedestrians, and transit vehicles; and planning for increased demand on streets and transit services due to growth. To achieve this, the TSIP recommends approximately \$790 million in additional revenues over the next decade through fixed General Fund annual allocations largely funded through a Vehicle License Fee (VLF) and a Streets & Transportation General Obligation (G.O.) bond. The VLF and G.O. bond measures require voter approval and both would appear on the November 2014 ballot.

Capital Plan Program Summary

The Plan is a coordinated city-wide approach to long-term infrastructure planning, covering the City's General Fund Departments, as well as Enterprise Departments and External Agencies. Unlike Enterprise Departments and External Agencies, General Fund Departments primarily rely on the General Fund to fund their infrastructure. The following tables provide an overview of the proposed Capital Plan program. The first table shows the breakdown of the Plan's proposed investments by service category and department type and the second table illustrates the proposed program in five year intervals across service category and department type.

Capital Plan Summary in Five-Year Intervals (Dollars in Millions)			
By Service Category	FY14-18	FY19-23	Plan Total
Public Safety	821	555	1,376
Health and Human Services	1,221	85	1,306
Infrastructure & Streets	4,533	4,145	8,678
Recreation, Culture, and Education	812	429	1,241
Economic & Neighborhood Development	2,131	2,020	4,151
Transportation	6,100	2,128	8,228
General Government	30	61	91
Total	15,649	9,423	25,072
By Department Type	FY14-18	FY19-23	Plan Total
General Fund Departments	2,988	1,752	4,740
Enterprise Departments	8,086	6,364	14,450
City & County Subtotal	11,074	8,116	19,191
External Agencies	4,575	1,307	5,882
Total	15,649	9,423	25,072

The table below outlines the General Fund Department investments as well as projects deferred from the Plan due to funding limitations. Note this list is not exhaustive; the Emerging Needs section at the end of most chapters identifies projects that require additional analysis.

General Fund Department Program Summary			
(Dollars in Millions)			
Renewal Investments		Funded	Deferred
Today's Backlogs			
Facilities			411
Streets			479
	Subtotal		890
Projected for Next Ten Years			
Facilities		597	146
Streets		867	
Other right-of-way assets		127	
	Subtotal	1,590	146
Subtotal, Renewals		1,590	1,036
Capital Enhancement Investments		Funded	Deferred
Earthquake & Safety Improvements			
SFFD Neighborhood Stations and Critical Facilities Improvements		208	
Auxiliary Water Supply System Improvements		236	
Police Stations Seismic Improvements & Renewals		109	
SFPD Forensic Services Division (FSD) and Traffic Company (TC) Facility Replacement		164	
Local Justice Agencies Relocation from HOJ		225	
JFIP: County Jails 3 & 4 Replacement		286	
Office of Chief Medical Examiner (OCME) Facility		58	
SFGH Rebuild		209	
SFGH Building 5 Renovation & Seismic Retrofit		190	
SFGH Building 80/90 Renovation & Seismic Retrofit		73	
DPH Administration Building Seismic Retrofit		150	
Animal Care and Control Facility Renovation & Seismic Retrofit		28	
Other Deferred Projects			476
	Subtotal	1,936	476
Disability Access Improvements			
Facilities		24	
Public Right-of-Way		90	
Curb Ramps (ADA Right-of-Way Transition Plan)		69	
	Subtotal	115	
Parks, Open Space & Greening Improvements			
Parks Systemwide Modernization Program		310	
Lincoln Park Golf Course Renovation			8
Sharp Park Golf Course Renovation			10
	Subtotal	310	18
Street Infrastructure Improvements			
Streetscape Improvement Program		96	285
Complete Street Corridor Development		68	
Pedestrian and Bike Safety Improvements (DPW Projects)		38	36
Hallidie Plaza Improvements			5
Utility Undergrounding			1,208
Bayview Transportation Improvements			41
	Subtotal	202	1,575
Other Improvements		516	841
Subtotal, Enhancements		2,877	1,336
PLAN TOTAL		4,467	2,372

General Fund Department – Pay-as-you-go Program

The Plan proposes to fund the majority of its pay-as-you-go, or ongoing, annual needs with General Fund dollars. These are typically smaller investments to maintain facilities and infrastructure in a state of good repair, fund critical infrastructure needs, or support project development and planning. Within the Pay-as-you-go Program, Routine Maintenance, ADA Transition Plans for Facilities and Public Right-of-Way (ROW), Street Resurfacing, and Critical Project Development are fully funded. The remaining funds are allocated to Facility Renewals

and Streets and Right-of-Way Renewals based on their proportionate need.

Pay-as-you-go Program Funding Policies

Key Pay-as-you-go Program policies within this Plan include:

- Continuing to increase the General Fund pay-as-you-go commitment ten percent per year to address renewal needs – a policy adopted in all of the previous Capital Plans;
- Committing General Fund dollars to fully fund the street resurfacing program at the level needed to achieve a “Good” Pavement Condition Index (PCI) of 70, per TSIP; and
- Committing a fixed amount of General Fund dollars each year to fund pedestrian, bike, and streetscape improvements.

Pay-as-you-go Program Highlights

The Plan proposes investing a record \$1.6 billion into the Pay-as-you-go Program over the next ten years. This is more than a 70 percent increase over the FY 2012-2021 Capital Plan. The main driver of this increase is the decision to fully fund the street resurfacing program to achieve and maintain a PCI score of 70 and to annually invest a fixed amount of funds in pedestrian, bike and streetscape improvements.

The City is continuing its commitment for safe and accessible facilities and paths of travel for individuals with disabilities. The Plan proposes investing \$90 million in ADA Public ROW investments (excluding those that are automatically covered through street repaving program) over the next decade. Additionally, the Plan continues to fully fund ADA Facility investments per the City’s ADA Facility Transition Plan. The majority of the remaining ADA Transition Plan facility projects will be completed within the first three years of the Plan. As a result, the need for ADA facility improvements significantly declines in the remaining seven years. Like the Public ROW investments, the ADA Facilities represent a small fraction of the accessibility improvements the Plan funds. Nearly all projects - from upgrading restrooms to constructing a hospital - include accessibility upgrades.



ADA Accessible Curb Ramp

Totaling \$71 million, Critical Project Development continues the City’s commitment to funding pre-development planning so that project costs and impacts are clearly understood before a decision is made to either fund or place a project before voters. Projects receiving these funds include: (1) the relocation of key services out of the seismically vulnerable Hall of Justice including County Jails #3 and #4, the Forensic Services Division, Traffic Company, and Medical Examiner; (2) the seismic retrofit of critical public health buildings including 101 Grove and Buildings 5 and 80/90 at the San Francisco General Hospital campus; and (3) the expansion of the Moscone Center.

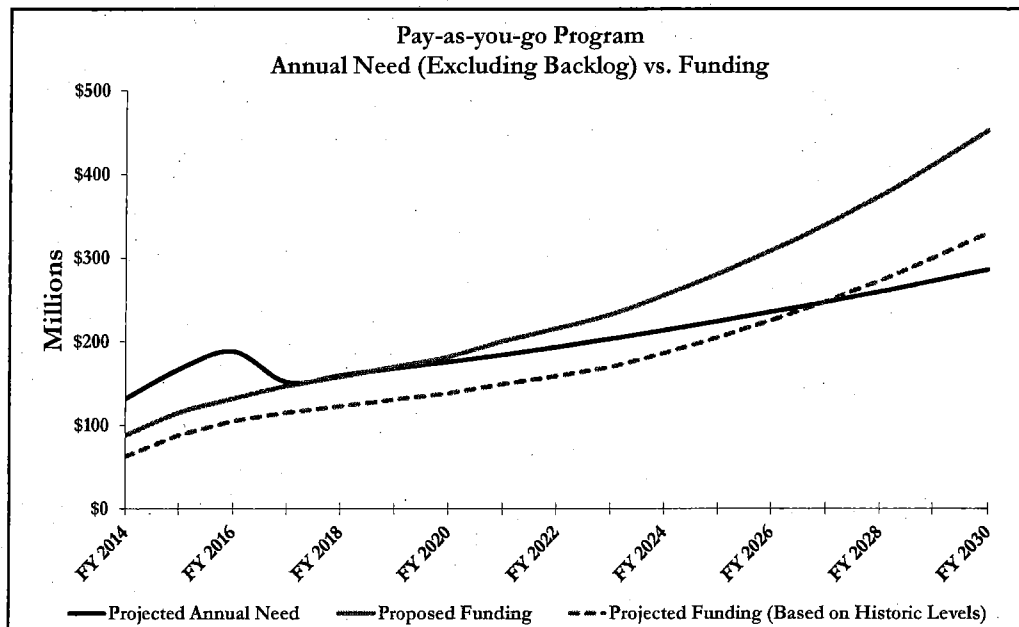
The below table provides a summary of proposed funding for the Pay-as-you-go Program.

General Fund Pay-as-you-go Program Funding			
(Dollars in Millions)			
	FY14-18	FY19-23	Plan Total
Routine Maintenance	65	83	149
ADA: Facilities	17	7	24
ADA: Public Right-of-Way	36	55	90
Street Resurfacing	203	331	534
TSIP	40	50	90
Critical Project Development	33	36	69
ROW Infrastructure Renewal	27	59	86
Facility Renewal	219	378	597
Total Projected Funding	640	1,000	1,640

For the first time since the Capital Plan's creation, the City begins to address its backlog within the Plan's ten-year time frame under the proposed funding recommendations. This shift is largely the result of fully funding the Street Repaving Program using General Fund revenues. Under current Plan assumptions, the City will begin to address its backlog starting in FY 2019.

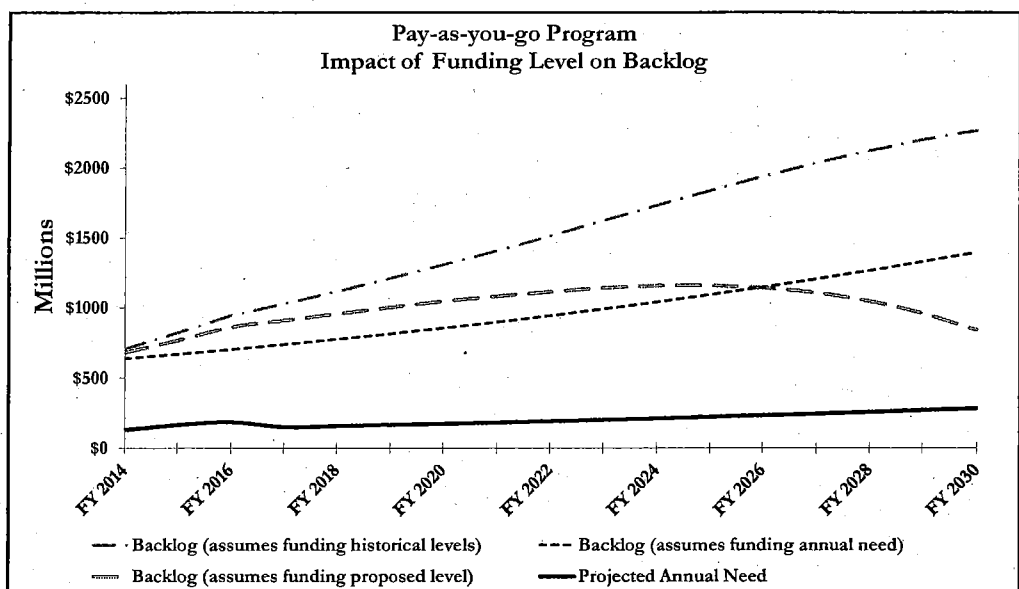
However, reaching this point is dependent on the City fully meeting the Plan's funding recommendations - a challenge the City has yet to meet. If the historical trend of underfunding capital in the annual budget continues, Pay-as-you-go Program needs will not be met within the Plan's timeframe. The following graph compares the annual Pay-as-you-go Program need, excluding backlog, with the Plan's proposed funding and projected funding based on historic funding levels.

The Projected Funding (Based on Historic Levels) assumes all Pay-as-you-go Program categories are fully funded except Facility Renewal, which is funded at 33% of the Plan's recommendation



Even if the City is able to meet the Plan's recommendations, the existing backlog is still projected to increase by 94 percent to an estimated \$1.2 billion by the end of the Plan. This increase results from a combination of backlog accumulated within the first six years of the Plan and cost escalation of today's existing backlog.

If the City were to continue on the Plan's funding trajectory it would start seeing a reduction in its backlog starting in 2025. The graph below shows the relationship between funding levels and backlog growth.



General Fund Department - Debt Program

Most of the capital investments outlined in the General Fund Summary Table on page four are funded with voter-approved G.O. bonds or General Fund secured debt such as lease revenue bonds and certificates of participation (COPs). Debt financing is an appropriate revenue source for these types of capital enhancements given these projects involve assets with long useful lives and high upfront costs which the City would not be able to cover through its annual Pay-as-you-go Program. The use of debt also spreads the financial burden of paying for facilities between current residents and future generations who will also receive benefits from the project.

GF Department Debt Program Policies

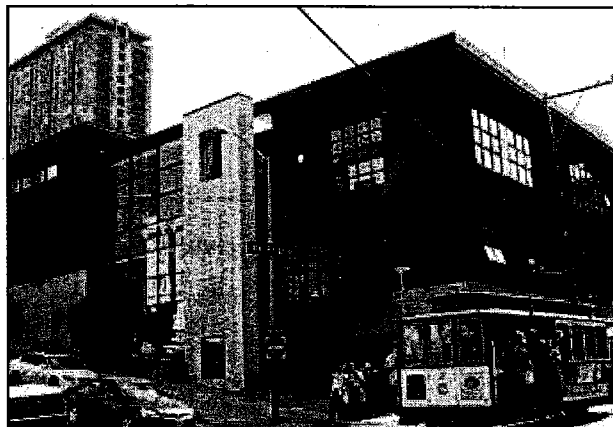
The City maintains internal financial policies that limit the amount of debt that it can issue. These policies are stricter than those imposed by the City Charter and State and include the following:

- When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels. Therefore new G.O. bonds are typically used as existing approved and issued debt is retired and/or the property tax base grows.
- The City will maintain the percentage of the General Fund spent on debt service at or below 3.25 percent of discretionary revenues. As a result, the City's ability to issue secured debt is limited. Financing instruments will only be used when existing General Fund debt is retired and/or the City's General Fund grows.

G.O. Debt Program Highlights

Since the creation of the first Plan, the City has successfully gained voter approval for five G.O. bonds that support a wide range of critical infrastructure improvements. Recently approved G.O. bond measures include the 2011 Road Resurfacing and Street Safety Bond and the 2012 Clean and Safe Neighborhood Parks Bond. For the first time in recent history, the Capital Plan is not proposing a G.O. bond measure within its first year. The next bond is a continuation of the Earthquake Safety and Emergency Response program which is scheduled for the June 2014 ballot.

A significant change to the G.O. Debt Program since the last Plan is the addition of the 2014 Street and Transit Infrastructure Improvement Bond, which was made possible by higher than expected Assessed Value (AV) increases. This increase allows more revenue to be generated under the same tax rate, creating additional debt capacity. In accordance with TSIP, the Plan recommends utilizing this capacity to fund projects that increase transit reliability and build safer, more complete streets. The bond is planned to accompany the Vehicle License Fee proposal on the November 2014 ballot.



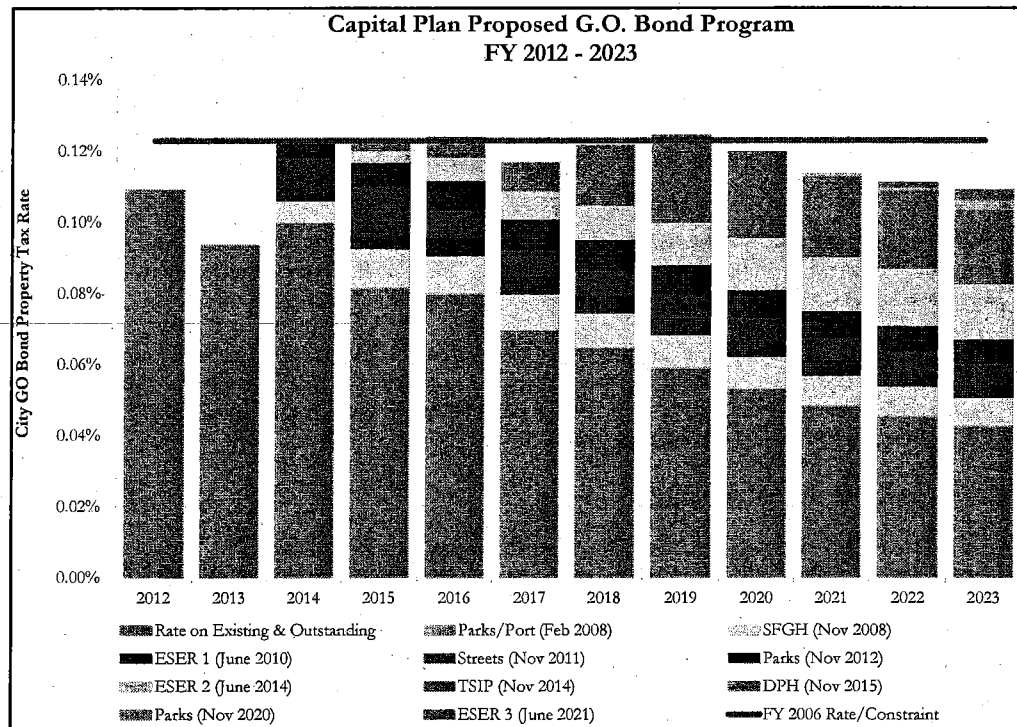
New Chinese Recreation Center

The following table shows the Plan's Proposed G.O. Bond Program for the next ten years. All costs listed in future bond programs are estimates and may need to be adjusted to account for new federal and state laws, programmatic changes, site acquisition, alternate delivery methods, changing rates of construction cost escalation, and/or newly emerged City needs.

G.O. Bond Debt Program (Dollars in Millions)		
	Proposed Debt Issuance	Amount
Jun 2014	Earthquake Safety & Emergency Response (Phase 2)	\$428
Nov 2014	Street and Transit Infrastructure Improvements	\$150
Nov 2015	Public Health Facilities Seismic Improvements	\$435
Nov 2020	Neighborhood Parks & Open Space Improvements	\$185
Jun 2021	Earthquake Safety & Emergency Response (Phase 3)	\$290
G.O. Bond Debt Total		\$1,488

Planning for future bonds is funded through Critical Project Development within the Pay-as-you-go Program. This investment in planning helps increase public confidence and the likelihood these projects will be delivered on time and on budget by improving cost estimation reliability and refining project delivery methods.

The following chart provides an overview of issued, expected, and proposed G.O. debt. Note that these numbers are preliminary and will be adjusted to remain within the City's G.O. debt cap once AV numbers are updated in March 2013.



General Fund Debt Program Highlights

Unlike G.O. debt, General Fund debt is typically repaid from the City's General Fund or revenue that would otherwise flow to the General Fund. The City utilizes General Fund Debt, such as lease revenue bonds and COPs to leverage General Fund receipts to finance capital projects and acquisitions - many of which provide direct revenue benefit or cost savings. Debt service payments for lease revenue bonds and COPs are typically paid from revenues of the related project, or fees, taxes or surcharges imposed by users of the project.

Below is an overview of the Plan's Proposed General Fund Debt Program.

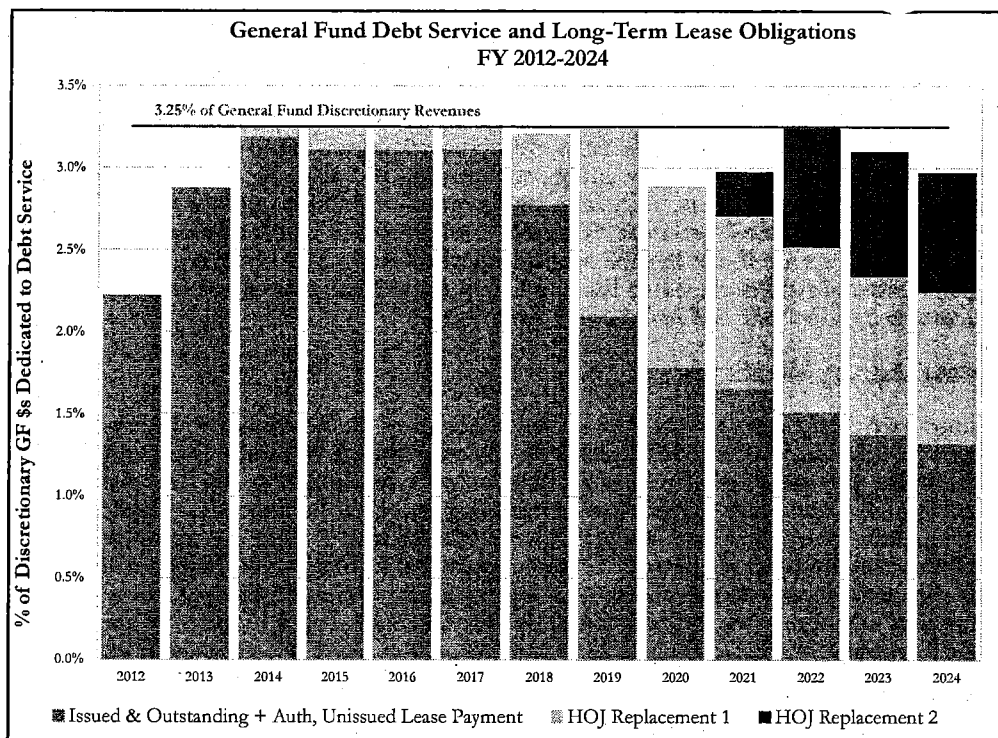
General Fund Debt Program (Dollars in Millions)		
	Proposed Debt Issuance	Amount
FY 2014	HOJ Replacement Program 1: Jail Replacement	\$290
FY 2021	HOJ Replacement Program 2: Court Related Agencies	\$225
GF Debt Total		\$515



War Memorial Veteran's Building

Like the G.O. Debt Program, these estimates may need to be adjusted in future plans to account for new federal and state law, programmatic changes, site acquisition, alternate delivery methods, changing rates of construction cost escalation and/or newly emerged City needs.

The following chart provides an overview of existing and proposed General Fund debt. The bottom portion of the columns represents debt service commitments for previously issued and authorized but unissued GF Debt, including the debt issued for the San Bruno jail, City office buildings in the Civic Center, and the Veteran's Building.



Enterprise & External Agencies - Program Summary

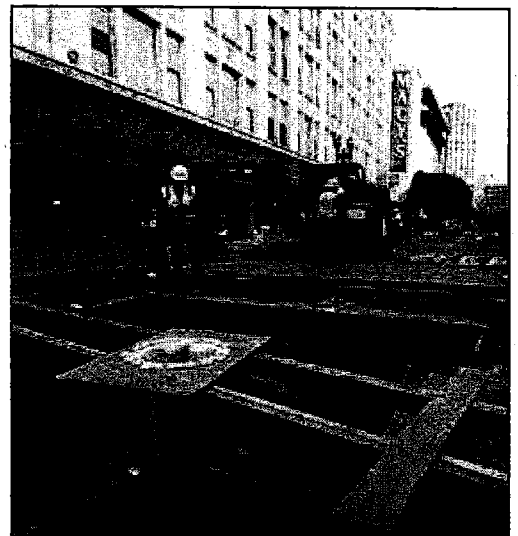
Unlike most of the General Fund Departments, many of the Enterprise Departments and External Agencies have dedicated systems and staff to develop capital plans. The following programs and estimated costs were compiled by Enterprise Department and External Agency staff with the guidance of their boards and commissions

Enterprise Department Highlights

Capital investments for Enterprise Departments during the next ten years are approximately \$14.1 billion. This 15 percent increase from the FY 2012-2021 Capital Plan is the result of several large projects and programs which are described below.

The Central Subway currently under construction is the highest priority transit project for San Francisco and the single largest capital project in the San Francisco Municipal Transportation Agency's Capital Plan. Encompassing a 1.7 mile extension of the existing Third Street light rail line to Chinatown, the project's ten year total is \$880 million. The Transit Optimization/Expansion program, which includes the Transit Effectiveness Project (TEP), as well as wide ranging operational and capital improvements such as the Bus Rapid Transit projects call for \$885 million over the next decade to make large scale improvement above the ground. Finally, the fleet replacement program to upgrade buses and light rail vehicles central to the transit system will receive nearly a billion dollars in investments over the next ten years.

The largest element of the Port's Plan is the rehabilitation and redevelopment of the heavily blighted historic Pier 70 area. The \$550 million project includes upgrades to salvageable buildings, demolition of unsalvageable ones, environmental remediation, improvements to street and utility infrastructure, and construction of open space park areas near the water's edge. This is expected to leverage private sector investments well beyond the City's \$550 million investment.



Central Subway Construction

The Sewer System Improvement Program (SSIP) continues to be one of the City's and San Francisco Public Utilities Commission's (SFPUC) largest capital programs. Historically, the SFPUC has been replacing approximately four miles of sewers each year at an annual cost of about \$12 million; however in FY 2013 the annual budget for SSIP was increased to \$40 million, enabling the SFPUC to replace 11 to 12 miles of sewer each year. This amount increases to \$81 million in FY 2022 resulting in approximately 15 miles of sewer replacement

work. The goal is to accelerate the current 200-year replacement rate until the sewers are replaced once every 100 years.

The San Francisco International Airport remains committed to improving many of its terminals and other critical support facilities to accommodate growth and enhance the customer experience. The Airport is currently in the programming and planning phase of several new terminal improvement projects, such as reconfiguration of security and concession areas in Terminal 3 and the redevelopment of Terminal 1. An on-airport hotel and an additional long-term parking garage are also in the planning stage. Additionally, the Airport is proceeding with the \$224 million federally mandated Runway Safety Area (RSA) project and is constructing a replacement 216-foot Air Traffic Control Tower.

External Agency Highlights

An important change since the last Plan is the dissolution of the San Francisco Redevelopment Agency (SFRA). In February 2012, the SFRA, along with all 400 redevelopment agencies in California, was dissolved. Pursuant to subsequent State legislation, the City has created the Office of Community Investment and Infrastructure as the Successor Agency to the San Francisco Redevelopment Agency ("Successor Agency"). The Successor Agency is authorized to continue to implement the Major Approved Development Projects and manage Yerba Buena Gardens and other Successor Agency assets as directed by the Commission on Community Investment and Infrastructure and the Oversight Board of the City and County of San Francisco.

The Plan proposes funding \$5.6 billion in capital investments for external agencies, including the Successor Agency as well as Treasure Island, the San Francisco Unified School District and the City College of San Francisco. This represents a 38 percent decrease over the last Plan. This is largely due to the completion of a significant amount of work within the Mission Bay and Hunters Point Shipyard project areas. Additionally, estimates for this Plan are more refined than they were in previous versions.

Major external agency capital enhancements include open space and streets and right-of-way investments within the Mission Bay North and South Redevelopment Project Areas ("Mission Bay"), the Hunters Point Shipyard Redevelopment Project Area and Zone 1 of the Bayview Redevelopment Project Area ("Shipyard/Candlestick Point"), and the Transbay Redevelopment Project Area ("Transbay").

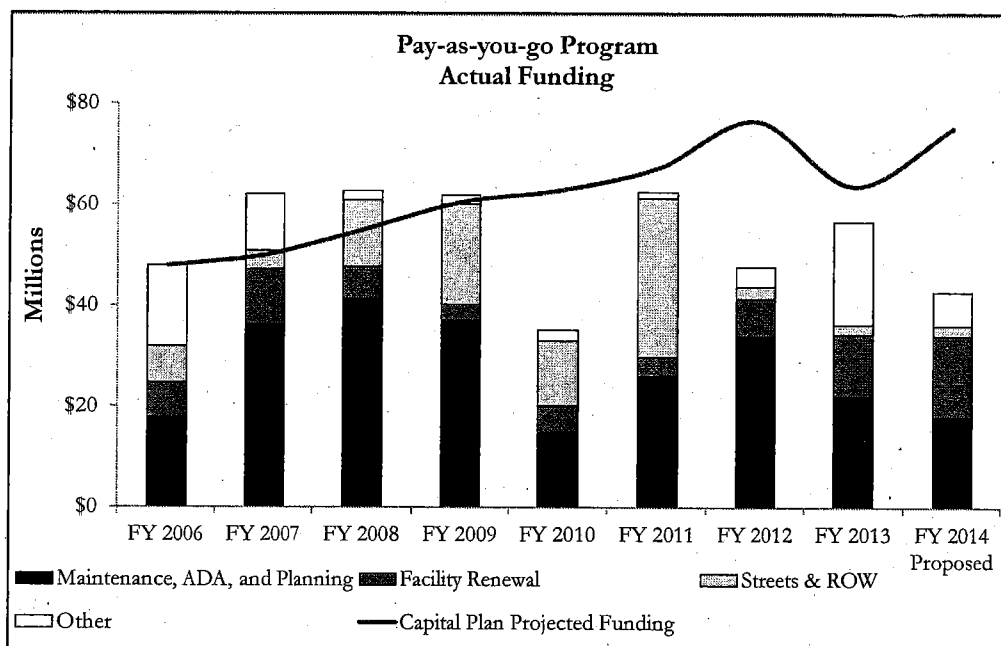
Looking Forward: Capital Challenges & Opportunities

The City's rebounding economy brings new opportunities as well as challenges for maintaining its physical infrastructure. General Fund revenues have grown and are projected to continue growing as the City recovers from multiple years of recession. Easing financial pressure on the General Fund has placed the City in a better position for building a healthy and well balanced infrastructure program.

In the FY 2013 & FY 2014 Capital Budget, the City matched its FY 2007 record high facility renewal investment in FY 2013 and exceeded the record in FY 2014. The City's stronger financial position also contributed to the decision to fund the street resurfacing program at a PCI of 70 using General Fund dollars. Additionally, increases in AV within the City boosted the City's G.O. bonding capacity and increased General Fund revenues.

Reducing Backlog

While the Plan's General Fund program addresses critical facility and infrastructure renewal needs over the coming decade, a significant funding gap still remains. Years of historic underinvestment in the City's capital program has yielded \$608 million in the current General Fund department backlog of routine repair and renewal needs. Under this Plan, the City will begin to address its backlog in FY 2019. However, aligning the Capital Budget with the Plan's recommendations will be a challenge requiring difficult choices by policy makers as capital funding competes with other City needs. The following chart illustrates the challenges the City has had with aligning its capital budget with the Plan's recommendations.



To address the capital funding gap, the City continues to investigate different capital approaches, including revising annual funding benchmarks, analyzing the local economic impact of capital spending, leveraging the value of City-owned assets as debt-financing vehicles, forming public-private partnerships, working to identify new revenue sources and preparing projects for voter consideration at the ballot. Two recent voter approved ballot measures for street infrastructure and parks have infused the City with needed funds to address some of the major infrastructure deficiencies. While this is a step in the right direction, more work will need to be done. If the City continues to under-invest in its capital program the backlog will not only grow, but repairs will become more expensive as construction costs increase and small preventative repairs become larger and more expensive replacements.

Addressing New Challenges

While San Francisco's infrastructure is improving, several challenges still remain. Until recently, the sluggish construction market created a favorable bidding environment for the City as contractors lowered their bids to secure work and remain competitive. However increasing private sector demands for construction services is creating a resurgence of local construction. Over the past two years many large-scale projects have begun to come online within San Francisco and the Bay Area. This swift increase in construction is pushing costs upwards as competition for work within the market eases. TBD Consultant's Bid Index, which measures the change in construction bids in San Francisco, shows bids rising by nine percent over the previous year. This change, while positive for the City as a whole, means the City must be mindful of increasing prices when planning public infrastructure projects.

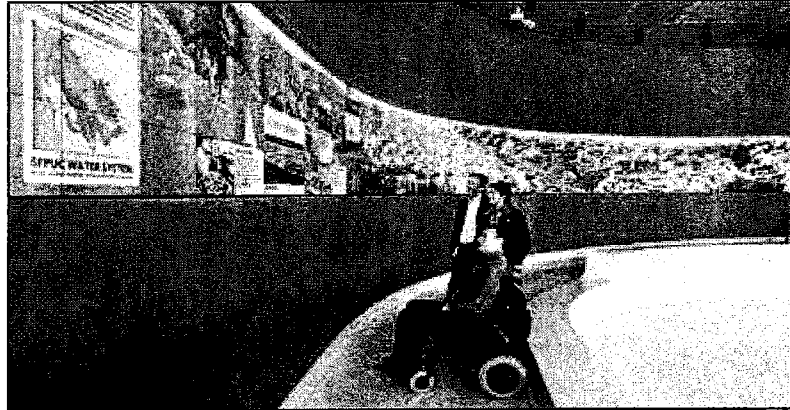


Carl & Cole Street Light Rail Stop

Another challenge associated with a recovering local economy relates to growth. The recent increase in local construction will ultimately yield an increased demand on public infrastructure. The City is going to have to make investments in transit, open space and streets and right-of-way to accommodate growth spurred by new residential and commercial projects. A key challenge for the City going forward will be balancing capital enhancements that accommodate growth with state-of-good repair renewals for current assets. The incorporation of TSIP in this Plan is a first step in strategically balancing these two types of capital need.

Another hurdle the City will face is increasing operating costs associated with new and upgraded assets. In recent years the City has opened or upgraded many of its facilities. Projects such as the Academy of Sciences, PUC headquarters, and Laguna Honda Hospital, as well as the upcoming SF General Acute Care hospital and Public Safety Building require higher upfront costs to furnish, wire, and maintain. Furthermore, as these facilities are occupied and age, the City will need to address the subsequent impacts they have on the capital and operating budgets. Additionally, the City will have to address increases in annual operating and renewal needs associated with any future infrastructure designed to accommodate growth.

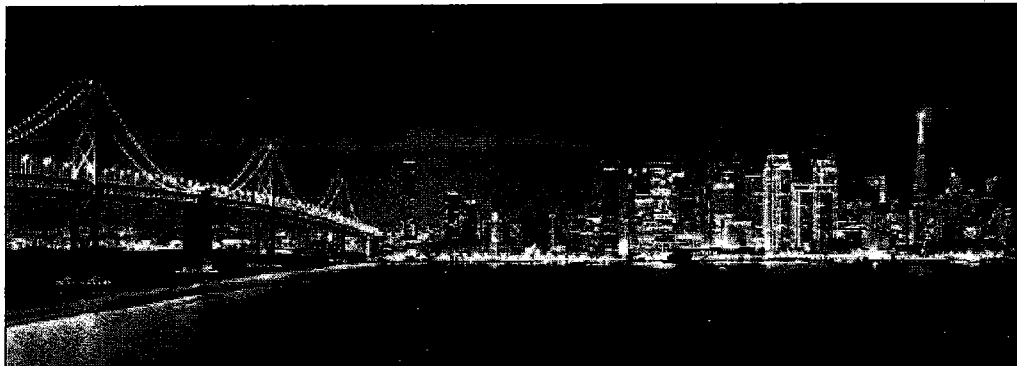
Finally, recent earthquakes around the world and storms such as Hurricane Sandy in New York City and New Jersey show how critical it is to invest in becoming more resilient to natural events. Predictions show that a large earthquake on the San Andreas or Hayward fault is likely to occur within the next few decades. Sea level rise and climate change resulting from global warming are also becoming more evident as shown by the level of flooding after the large rainstorms at the end of 2012. A new chapter on Resiliency and Capital Planning Initiatives describes some of the efforts San Francisco is taking to better withstand and recover from natural disasters.



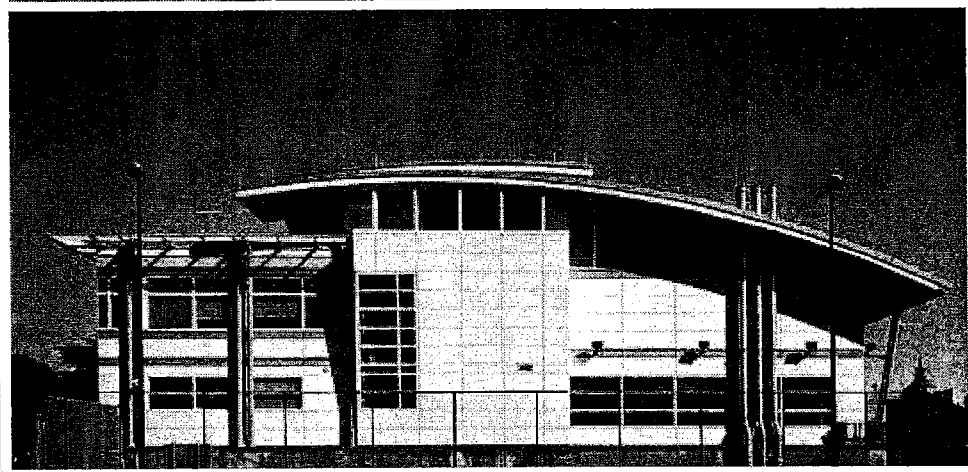
PUC Headquarters

Capital Outlook

Overall, the City's prospects for building a stronger, more resilient infrastructure program are looking brighter after years of economic stagnation. An improved local economy is providing the City with increased financial flexibility, placing it in a better position to make capital investments. However, the City's capital needs still far exceed available funding, and new growth coupled with increasing costs will continue to put pressure on the City's relatively lean capital budget. Aligning the City's capital budget with the Plan's recommendations will require more creativity and strategic thinking around potential revenue sources. Funding vehicles the City is currently exploring include the State's new Cap and Trade Program, selling Transferable Development Rights for publicly owned historic buildings, securing funds from State and Federal sources, and pursuing public-private partnerships.



Panoramic View from Treasure Island



II | Resiliency & Capital Planning Initiatives

Resiliency and Capital Planning Initiatives

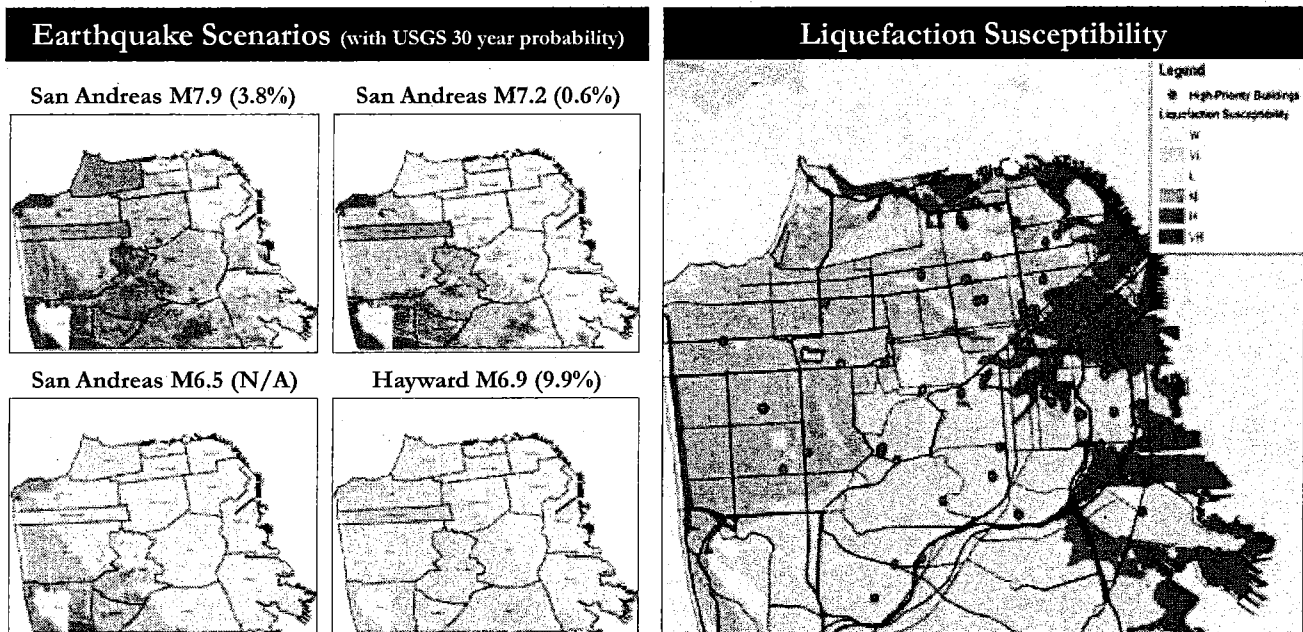
A fundamental responsibility of the City and the Capital Planning Committee is to develop and implement policies and programs to improve the time it takes to respond and recover from an earthquake or other disaster. These efforts as well as other initiatives the Capital Planning Program (CPP) is undertaking to identify revenue, enhance coordination, and improve the capital planning process are described in this new chapter.

Resiliency Efforts

A number of factors contribute to San Francisco's vulnerability to earthquakes. In addition to being situated between two major earthquake faults (San Andreas to the west and Hayward to the east), San Francisco has some of the most densely populated neighborhoods in the country and very old structures that along with the city's windy conditions contribute to the spread of fires started by earthquakes. In addition, San Francisco is surrounded by water on three sides, making it very susceptible to the impacts of sea level rise.

Experts predict that there is a 63 percent chance that the Bay Area experiences a major earthquake within the next 30 years. Additionally, a significant portion of the City's eastern coastal area is infill resulting in liquefaction risk that further increases the City's earthquake vulnerability. The below maps illustrate the City's susceptibility to ground shaking under four different earthquake events, as well as the City's overall liquefaction susceptibility. The Plan seeks to limit risks associated with these vulnerabilities by recommending capital investments that make City infrastructure stronger and more resilient.

Since the 1989 Loma Prieta Earthquake, San Francisco has aggressively pursued nearly 200 seismic retrofit projects to its facilities and infrastructure. The projects range from million dollar structure repairs at a recreation center to the billion dollar improvements to the system that delivers City water from the Hetch Hetchy reservoir across seven earthquake faults. A map of these projects can be found online at: <http://onesanfrancisco.org/shake-shake-shake/>



In the past few years, the City is working to better understand how its infrastructure will respond to specific sized earthquakes and what efforts can be made to improve vulnerable assets before a major event occurs. This includes funding seismic enhancement projects discussed throughout this Plan, as well as working with private sector building owners, utilities, San Francisco Planning and Urban Research (SPUR), and others. A description of these initiatives is listed below.

- **Seismic Hazard Ratings (SHR).** In 1992 San Francisco developed SHRs for over 200 of its public buildings that were used to assess risk and prioritize seismic-strengthening capital improvements. Rated on a scale from one (best) to four (worst), the City has addressed all the SHR fours and many of the SHR threes. Since the initial development of the SHR ratings, building codes have improved and structural knowledge has been gained from earthquakes around the world. Updating the ratings is important for the future prioritization of seismic projects. The CPP has funded an update to the SHR ratings for twelve critical facilities and as many as 15 more will be coming in the next year from other planning efforts.
- **Building Occupancy Resumption Program (BORP) of City-Owned Buildings.** After a major earthquake it can

take days or weeks for building inspectors to inspect each building for structural damage and determine whether it is safe for occupancy. To prioritize critical facilities and reduce inspection times, building owners may apply to the Department of Building Inspection's (DBI) BORP. The City is preparing documentation for 16 high priority buildings. The inspection program is the first of its kind in California for publicly-owned buildings and will enable San Francisco to restore its services with minimal delay.

- **Earthquake Loss Estimation Study (HAZUS).** In 2012 the CPP completed its first two earthquake loss estimation studies. In total, the CPP evaluated 169 high-priority city buildings using a standardized methodology developed by FEMA called Hazards-United States (HAZUS). HAZUS uses geographic information systems (GIS) data to estimate physical and economic impacts for specific earthquake scenarios. San Francisco is the first known municipality to apply the HAZUS methodology at the individual building level. The results of the two studies are being used to help inform capital and emergency response planning decisions. A summary of the results of the first 82 buildings is shown below.

HAZUS Results (170 Buildings) (Dollars in Millions)				
	Hayward M6.9	San Andreas M6.5	San Andreas M7.2	San Andreas M7.9
Structural Damage	91.8	91.2	213.7	280.9
Non-Structural Damage	353.0	348.6	874.3	1,182.6
<i>Subtotal Building Damage</i>	<i>444.8</i>	<i>439.8</i>	<i>1,088.0</i>	<i>1,463.5</i>
Content Damage	65.7	65.2	190.0	253.2
Operational Losses; Rent, Relocation & Lost Income	102.7	102.3	235.0	290.0
Total Economic Impact	613.2	607.4	1,513.0	2,006.8

- **Energy Assurance Planning (EAP).** Energy assurance focuses on minimizing energy interruptions during emergencies. The California Energy Commission is sponsoring the California Local Energy Assurance Planning (CaLEAP) project to assist local governments in preparing energy assurance plans. San Francisco is one of the leading local governments in the Bay Area to participate in CaLEAP, and is in the development phase of its first EAP. The draft of the plan, expected in summer 2013, will include a list of high priority capital projects to address gaps in meeting the City's energy assurance goals.
- **Infrastructure Branch Working Group.** The Infrastructure Branch Working Group is an interdepartmental group focused on the recovery of the City's publically-owned infrastructure after a major earthquake. In December 2012 the group completed the Post-Disaster Safety Assessment Guide, an appendix to the San Francisco Emergency Response Plan. The document provides a framework for the organization and coordination of post-disaster safety assessments in an effective and efficient manner.
- **Lifelines Council.** The Lifelines Council connects more than 25 local and regional lifeline agencies that operate in San Francisco, including power, natural gas, water, telecommunications, transportation, debris management and emergency response. The Council works to develop and improve collaboration among these agencies, both within the City and across the region, by establishing a means by which agencies regularly share information about recovery plans, projects, and priorities, and establish coordination processes for lifeline restoration and recovery following a major disaster. In early 2013, the Council will complete a lifeline interdependency study that provides a strong understanding of all lifeline system interdependencies, as well as the consequences of an earthquake on existing conditions, which will help expedite response and restoration planning among lifelines operator agencies.
- **Earthquake Safety Implementation Program (ESIP).** ESIP is a thirty-year plan to implement the recommendations of the Community Action Plan for Seismic Safety (CAPSS) project, which was released in December 2010. The CAPSS report recommends fifty key tasks that will enhance the resiliency of San Francisco's private building stock. The ESIP program is overseen by the City Administrator and the Director of Earthquake Safety.

Capital Planning Initiatives

In addition to resiliency efforts, the City is working on a number of interdepartmental initiatives to address critical capital needs, identify potential revenue sources, and explore ways in which the City's capital planning and budgeting processes can be improved. These are summarized below.

- **Caltrain Study.** In 2012 the CPP was tasked by the Mayor's Office to manage an interdepartmental effort to analyze San Francisco's fiscal needs related to CalTrain. San Francisco is one of three entities overseeing CalTrain and contributing financially to support its operations and capital needs, including the electrification of CalTrain to support High Speed Rail. In collaboration with the San Francisco Municipal Transportation Agency (SFMTA) as well as the Mayor's Office of Transportation, the CPP is leading a study with BAE Urban Economics Consulting aimed at creating a viable plan for meeting San Francisco's commitments to CalTrain and the High-Speed Rail Authority. The study is scheduled to be completed in spring 2013.
- **Infrastructure Service Level Analysis.** The CPP is working with the Planning Department on a comprehensive study to analyze the City's current infrastructure service levels for six public infrastructure categories including: open space; recreation and childcare facilities; transit; streets and right of way; and fire protection services. The final report will also include a proposed set of standards for each category that will help inform policy decisions related to prioritizing capital projects and funding. The study is scheduled to be completed in summer 2013.
- **Transferable Development Rights (TDRs) Study.** The Planning Department is leading a study to analyze the San Francisco market for acquiring and selling TDRs. Since the mid-1980's, the Planning Department has administered a TDR program that enables certain historic properties to sell their unused development rights to certain non-historic properties. The key goals of the TDR program are to maintain Downtown's development potential while protecting historic buildings incentivize maintenance and upkeep of historic buildings, and direct Downtown development to appropriate areas. The results of this analysis will inform policy decisions related to the City's use of TDRs to fund capital investments. The study is scheduled to be completed in 2013.
- **Facility Renewal Rate Analysis.** In response to continued underinvestment in facility and streets and right-of-way renewals, The Capital Planning Committee (CPC) asked staff to explore different models that could potentially replace the current practice of allocating renewal funds based solely on need. Since then, the CPP has formed an interdepartmental working group that continues to explore best practices on funding renewals. In 2012, staff presented some of its initial recommendations to the CPC. Staff is currently working with the Controller's Office and the Mayor's Budget Office to assess the feasibility of these options.
- **Public Outreach.** Critical to the success of the capital plan as well as specific improvement projects is making sure that San Franciscans are aware of planning and construction efforts that are underway. The City adopted the ONESF: Building Our Future logo to identify the wide range of projects that fall under the 10-Year Capital Plan. The CPP's website at www.onesanfrancisco.org, standardized construction signage, and quarterly newsletters are part of this effort. In the next two years, the CPP will also want to conduct public opinion research to check-in with residents on capital planning priorities and future bond measures.
- **Quarterly Reporting.** In 2012 the CPP began its quarterly reporting program which is designed to increase transparency around capital spending. Each quarter department finance officers complete a short survey about their capital budget spending. CPP staff use this data to analyze capital spending trends and monitor capital projects' progress.

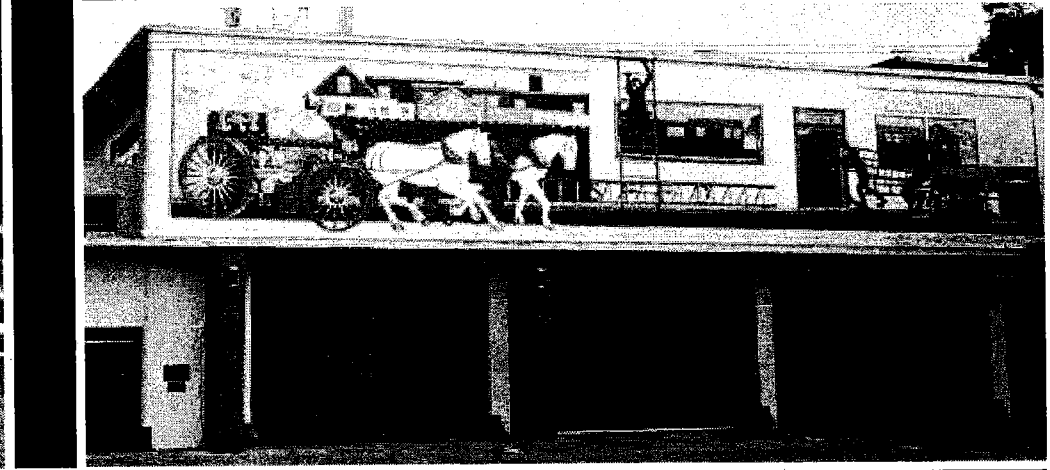
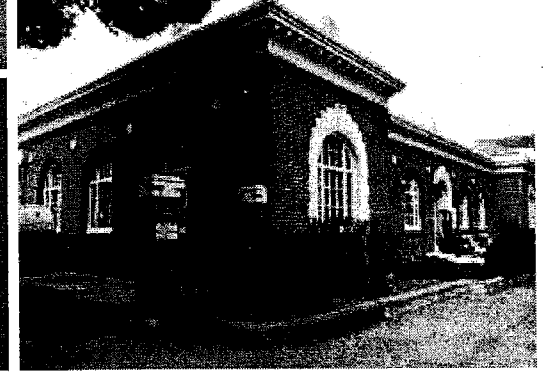
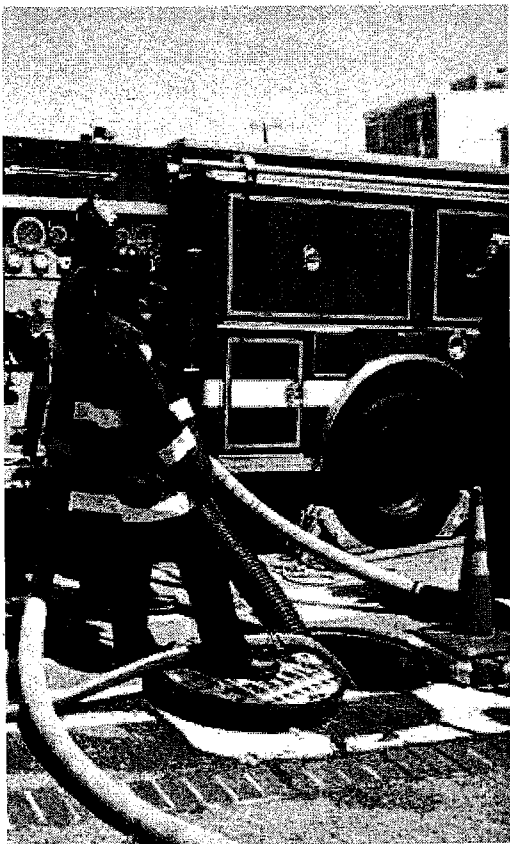
Infrastructure Planning Collaborations

The City is working on a number of interdepartmental initiatives to improve project coordination and efficiency. Three of these initiatives are discussed below.

- **Advanced Capital Planning for Streets Working Group.** The Streets Capital Group (SCG) jointly chaired by the CPP and the Planning Department was created to ensure strong departmental coordination across infrastructure projects in the street and public right-of-

way. This includes tracking short and long term projects, and making recommendations to department heads and the CPC regarding funding priorities. The working group meets quarterly and includes representatives from SFMTA, SFPUC, DPW, Office of Economic and Workforce Development, the San Francisco County Transportation Authority (SFCTA), and others. To date, the SCG has built a coordinated planning database of street improvement projects, which has been used to identify and prioritize potential projects for multiple funding sources, including the Safe Streets and Roadway Re-Paving Bond and the SFPUC's Urban Watershed Planning Process.

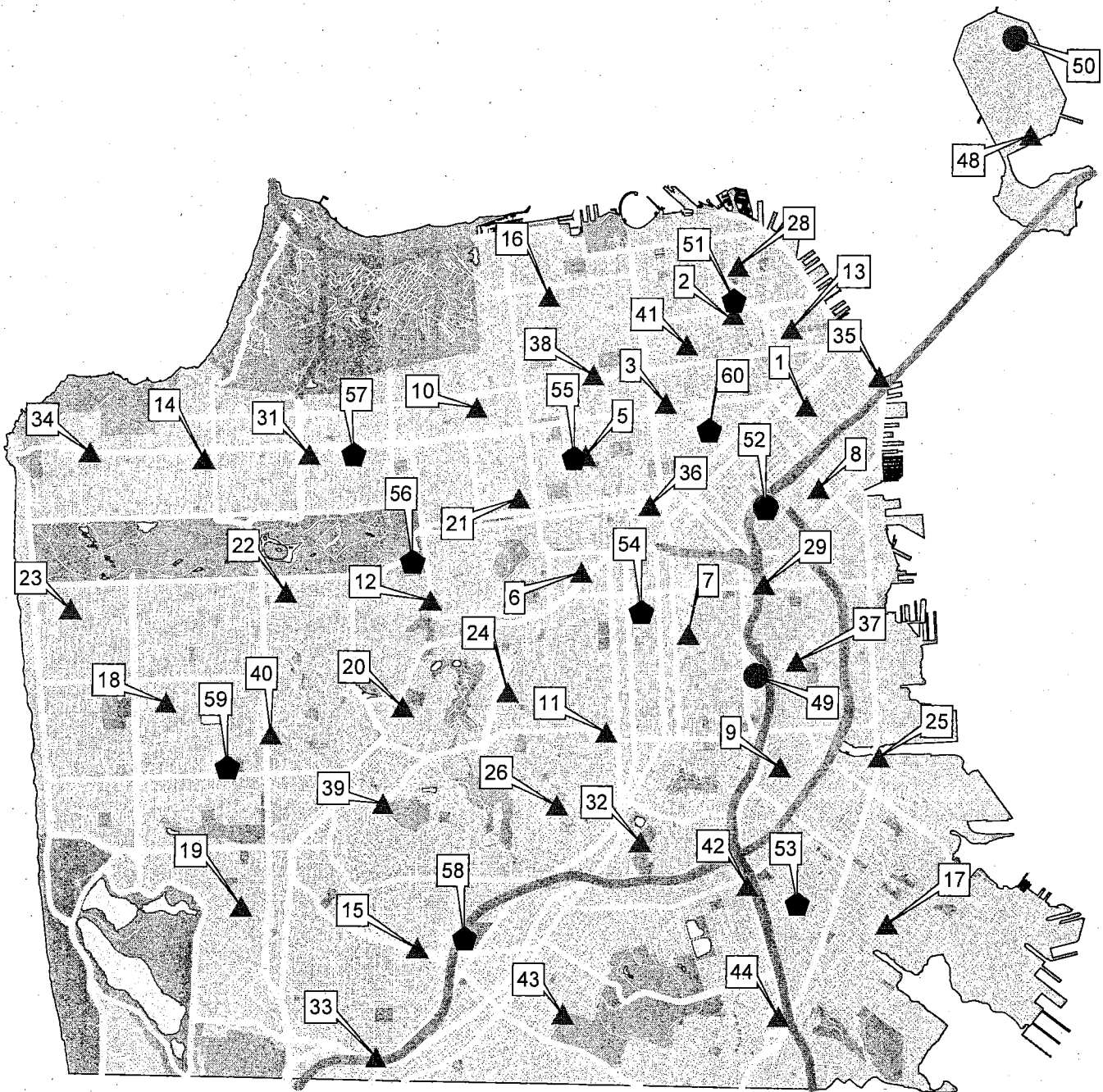
- **American Disability Act (ADA) Transition Plan.** To comply with the Americans with Disabilities Act (ADA) and disability requirements under ADA Title II for state and local governments, the City maintains an ADA Transition Plan for buildings and facilities. First developed in 2000 and updated in 2004, the plan is a dynamic process to assess and mitigate structural barriers in City-owned and leased facilities. In addition, the City has and maintains an ADA Transition Plan for Curb Ramps and Sidewalks. Both plans set forth steps necessary to enact structural changes through barrier removal projects, new construction or alterations, and a schedule for those changes. The CPP works closely with the Mayor's Office on Disability (MOD) and City departments to ensure that the ADA Transition Plan recommendations, along with other ADA improvements, are incorporated into the City's Capital Plan and Capital Budget.
- **Interagency Planning Implementation Committee (IPIC).** The Interagency Planning Implementation Committee (IPIC) prioritizes and makes recommendations on infrastructure projects identified in Area Plans adopted by the City. More information on these Area Plans and IPIC can be found in the Planning section of the Economic Development Chapter of this Plan.



III | Public Safety

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Public Safety Facilities



Legend

- ▲ Fire Department
- ◆ Police
- Sheriff

Public Safety Facilities

The City is responsible for the operation and maintenance of 42 fire stations, ten police district stations, six adult jails, 23 courtrooms in four locations, a juvenile detention facility and administrative offices, and a juvenile ranch facility.

Number	Name
1-48	Fire Stations (Numbered to 48 for historical reasons)
49	SF General Hospital Jail Ward
50	Treasure Island Jail
51	Central Police Station
52	Hall of Justice: <ul style="list-style-type: none">• Southern Police Station and Police HQ• Medical Examiner• County Jails #3 and #4• Other Local Justice Agencies
53	Bayview Police Station
54	Mission Police Station
55	Northern Police Station
56	Park Police Station
57	Richmond Police Station
58	Ingleside Police Station
59	Taraval Police Station
60	Tenderloin Police Station

Highlights and Accomplishments

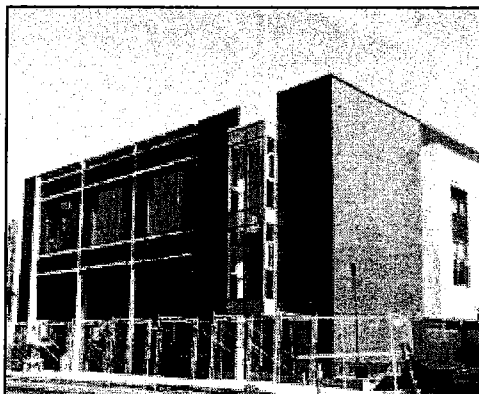
Considering the vital services public safety personnel provide and the fact that the majority of their facilities are over half a century old, it is not surprising that the Plan makes considerable investments in this area. It recommends \$1.38 billion to seismically improve, renovate, and replace critical public safety infrastructure. The sources of these funds are a mix of G.O. bonds, COPs, and General Fund.

The ESER 1 bond for \$412 million passed in June 2010. ESER 2 is for \$428 in November 2014 and ESER 3 is for \$290 million in November 2021

The majority of the public safety investments focus on replacing the seismically deficient Hall of Justice (HOJ) and upgrading firefighting infrastructure. A big step toward addressing the HOJ and improving fire facilities came through passage of the first Earthquake Safety and Emergency Response (ESER) G.O. Bond in June 2010. Additional ESER bonds to continue this work are scheduled for the June 2014 and November 2021 ballots. In addition, the City made significant progress toward better defining the project to replace Jails #3 and #4 that sit atop the HOJ. The Capital Plan also now shows the replacement of District Attorney and Adult Probation Offices as being funded through the COP program in FY 2020.

Additional accomplishments since the FY 2012-2021 Capital Plan include the following:

- Relocated and replaced the structurally deficient and obsolete Fire Station #1 at 3rd and Howard Streets with a state-of-the-art facility at 935 Folsom Street. In exchange for funding the new station, the San Francisco Museum of Modern Art received the old fire station and part of Hunt Alley for expansion.
- Broke ground for the new Public Safety Building at 3rd and Mission Rock. Slated for completion in Fall 2014, this building will house the Police Command Center, and Southern District Station from the HOJ and a new fire station (Station #4). The project will also rehabilitate historic Fire Station 30 to contain community meeting rooms and space for the Fire Department's Arson Task Force.
- Purchased land and completed the majority of the conceptual design drawings to relocate the Office of the Chief Medical Examiner (OCME) from the HOJ to 1 Newhall Street. Construction of the new facility is scheduled to begin in 2015.
- Identified a site and completed test fit and estimates to relocate the SFPD Forensic Services Division and Traffic Company from the HOJ and Building 606 at Hunters Point Shipyard, to 1995 Evans Avenue.
- Approved project scope and budgets to upgrade 16 of the 42 operating Fire Stations as well as development plans for the Fire Boat (Station 35 at Pier 22½)
- Conceptual designs are underway for the replacement of Stations 5 and 16 and comprehensive overhaul of Stations #35 and #36.
- Completed the draft AWSS Hydraulic Study by consultant AECOM/AGS JV. This comprehensive study analyzes the current system and recommends repairs and improvements to increase the seismic safety and water delivery for firefighting from cisterns, pipelines, and tunnels.
- In the process of completing design work on 16 new cisterns, Pump Stations #1 and #2, Ashbury and Jones Street tanks, and Twin Peaks Reservoir related to the City's Auxiliary Water Supply System (AWSS).



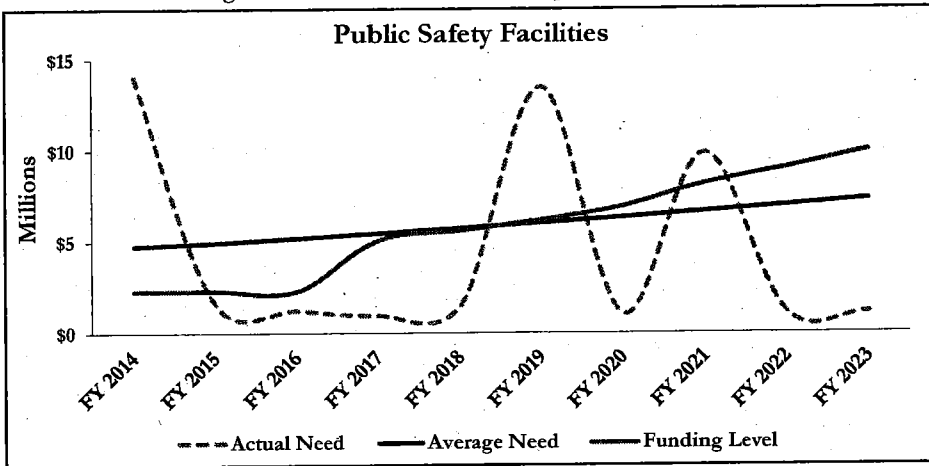
Newly Constructed Fire Station 1



Steel Frame for new Public Safety Building

1. Renewal Program

Capital Planning's Facility Renewal Resource Model (FRRM) projects \$154 million in renewal needs for Public Safety facilities over the next ten years. Given funding constraints, the Plan allocates \$49 million in General Fund dollars to meet the needs. Some funding from the two ESER G.O. bonds will go toward renewals at fire and police facilities.



2. Enhancement Program (FY 2014 – FY 2018)

The projects in the first five years of the Plan are funded through a mixture of G.O. Bonds and COPs.

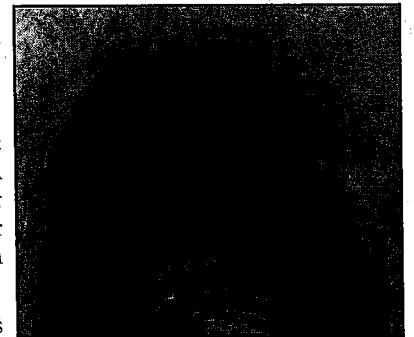
Earthquake Safety and Emergency Response Bond Program. The ESER program focuses on making seismic improvements to critical first responder facilities and infrastructure. It includes ESER #1 passed in 2010, ESER #2 slated for the ballot in 2014, and ESER #3 in 2021.

- **Earthquake Safety and Emergency Response G.O. Bond #1 (June 2010).** The ESER 1 program is designed to save lives, protect property and assure prompt economic recovery after a major earthquake or disaster. This \$412.3 million bond will address core components of AWSS, improve neighborhood fire stations, and provide a seismically safe police command center. To date, \$309 million in ESER bonds have been sold with the remaining \$103 million, primarily for Neighborhood Fire Stations and AWSS, to be sold in FY 2014 through FY 2016.
- **Earthquake Safety and Emergency Response G.O. Bond #2.** The second ESER bond designates \$428 million to continue the AWSS and Neighborhood Fire Station work in ESER1 and relocate or repair critical facilities. These include relocating the Medical Examiner and the Police Department's Traffic Company and Forensic Services Divisions to 1 Newhall and 1995 Evan Street, and seismically improving the Animal Shelter at 1200 15th Street.
 - » AWSS would receive \$70 million to retrofit and improve core facilities (pump stations, storage tanks, and reservoirs), cisterns, pipes, and tunnels that constitute the AWSS network. The AECOM/AGS JV hydraulic study scheduled for completion in early 2013 will guide this work. The study is projecting system wide improvement in the several hundreds of million dollars depending on the level of water reliability the City chooses to adopt. The AWSS project is also discussed in the SFPUC section of the Infrastructure and Streets Chapter within this Plan.
 - » Neighborhood Fire Stations would receive \$70 million to continue the seismic improvements, focused scope and comprehensive improvement projects from ESER1. It may also include the relocation of the Ambulance Deployment Center from 1415 Evans Street to a new location. Moving this site would enable the Center to remain operational after a large earthquake and potentially provide a new location for the SFPD Bureau of Equipment at a future date.
 - » District Police Stations would receive \$30 million to make seismic improvements at a number of locations. A facilities master plan is being drafted to examine the condition of existing facilities and their ability to support SFPD functions, and to ensure the facilities are sufficiently functional after a large earthquake. This planning work will define the possible scope and provide a corresponding estimate of cost.

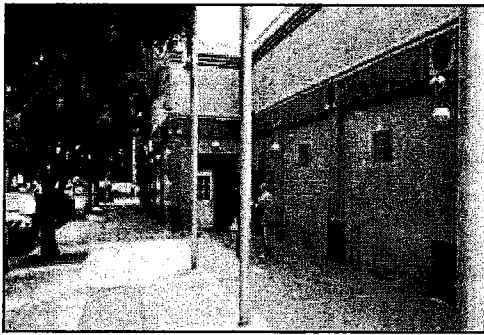


Station 38 Roof Replacements

Monthly reports and additional on the Earthquake Safety and Emergency Response Bond Program can be found at searthquakesafety.org.



AWSS Pipe Showing Rust



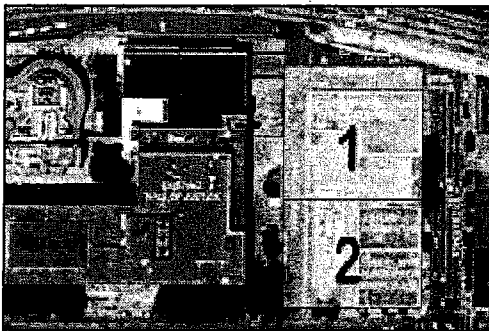
Northern Police Station

» SFPD Forensic Services Division and Traffic Company will receive \$165 million to construct a new facility at 1995 Evans Street. The FSD is currently located at two facilities; the Administration, Crime Scene Investigations and Identification units at the HOJ and the Forensic Sciences Laboratory at Building 606 in the Hunters Point Shipyard. The SFPD Traffic Company is also at the HOJ. The Test Fit and Rough Order of Magnitude Cost Estimate was completed November 2012 and further planning is targeted to start in early 2013.

» The Office of the Medical Examiner will receive \$65 million to relocate from the HOJ to a seismically safe facility at 1 Newhall Avenue. Storage for deceased after a large disaster as well as an improved autopsy suite and toxicology laboratory will be provided. Detailed planning will continue in FY 2014 with the expectation that construction will begin in 2015.

» The Animal Shelter will receive \$28 million to seismically improve or relocate the Animal Shelter due to the condition of the current facility. Constructed in 1931, the shelter is likely to be inoperable after a large earthquake and considered one of the City's most vulnerable structures. A needs and facility program assessment is expected to be completed in 2013. Confirmation of the Animal Shelter program, a test fit, and additional pre-development planning will take place shortly afterward and a more refined number is expected in early 2014.

- **County Jails #3 and #4 Replacement.** A high priority of the 10-Year Capital Plan since its inception is the relocation of the 800 prisoners in Jails #3 and #4 on the top two floors of the HOJ. In response to historically low inmate populations in San Francisco and uncertainty around the impact of State realignment of the correctional system, the Plan recommends a two phased approach to replacing the jails. The first phase is a \$290 million facility on adjacent property east of the current HOJ and criminal courts. Efforts are underway to confirm the optimum number of beds and rehabilitation program spaces at the Replacement Jail Phase 1 develop conceptual design documents, and obtain environmental clearances. Funding for the jail is through the issuance of COPs beginning in FY 2016. Partial funding of the jail may be provided through Senate Bill 1022 which authorized \$500 million in State-issued revenue bonds for incarceration and rehabilitation facilities. Large counties such as San Francisco are eligible for a maximum award of \$80 million.



Location of Jail Replacement Phases

The second phase of the Replacement Jail would add an additional facility on the same property if future forecasts indicate the prison population is likely to increase beyond current forecasts.

- **Juvenile Probation and Courts Administration Building ADA Improvements.** The Juvenile Probation Department will receive \$3.4 million for the construction of a new accessible ramp as well as smaller barrier removal projects.

3. Enhancement Program (FY2019 – FY2023)

Forty percent or \$550 million of recommended capital improvements to public safety facilities is in the second half of the Plan. These include the following projects:

- **Earthquake Safety and Emergency Response G.O. Bond #3.** The third ESER bond program designates a \$290 million G.O. bond for the November 2021 ballot to continue improvements identified in ESER #1 and #2. It includes \$100 million for Neighborhood Fire Stations and key facilities, \$110 million for AWSS, and \$80 million for District Police Stations.
- **Local Justice Agency Relocation from HOJ (District Attorney and Adult Probation Offices).** The Plan proposes \$235 million in COPs issued in FY 2021 to relocate the District Attorney and Adult Probation staff from the HOJ to a nearby location. A potential site would be next to the new jail if a second jail facility is not needed.

4. Deferred Projects

Even with these record investments, public safety needs are substantially higher than available funds and the Plan defers several critical projects. These include the following:

- **Fire Department Training Facility Relocation and Expansion.** No funding is proposed for this project due to economic constraints and uncertain timing of the development of Treasure Island. The department is interested in replacing the current training facilities at 19th and Folsom and on Treasure Island with a new, combined facility that includes training classrooms, apparatus storage, a vehicular training field, drill tower, live fire simulators, and

a fireboat dock. The cost is estimated at \$165 million.

- **New Hunters Point Fire Station.** No funding is proposed for this project due to economic constraints and uncertain timing of the development of the Hunters Point Shipyard.
- **Youth Guidance Center Administrative Building Replacement.** Built in 1950, this facility houses administration functions for Juvenile Probation. In addition to a seismic retrofit, it needs accessibility improvements, repairs to the deteriorating wood-frame exterior, and other critical repairs.
- **Log Cabin Ranch Improvements.** A proposal to build several cottages to replace the existing dorm facility is also deferred from the Plan. These improvements are estimated at \$91 million.
- **San Francisco Police Department Investigations Unit Relocation from HOJ.** This project is to relocate more than 200 investigators stationed at the HOJ at an estimated cost of \$133 million.
- **HOJ West Wing Demolition and East Wing Enclosure.** This project entails tearing down the west wing and enclosing the east wing so the Courts can continue to function. It is estimated to cost \$38 million.
- **Police Training Academy Expansion and Renovation.** Other police departments in the region send their recruits to train at San Francisco's Academy. However, the Academy does not have enough space to accommodate required training programs and may cause San Francisco to lose its regional certification. Expanding this space is estimated to cost almost \$21 million.
- **Golden Gate Park Stables.** A project to renovate the stables for \$1 million is also deferred.

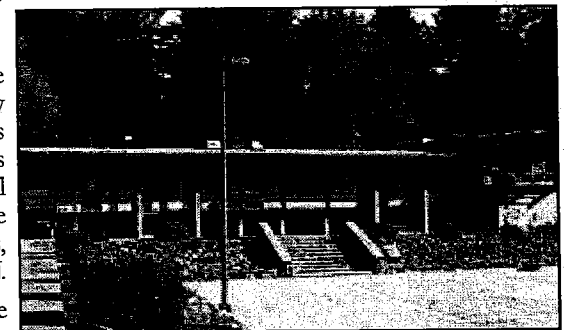
5. Emerging Needs

The level of investment required to meet the following capital needs are not funded, but will be reviewed in subsequent years as additional planning helps resolve uncertainty around project-specific issues.

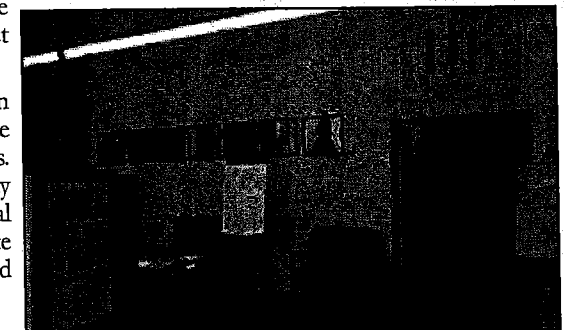
- **Relocation of the Criminal Courts at HOJ.** The courts have the same overcrowding and seismic concerns at this building as the City. The City and the Superior Court have worked closely together since the HOJ was built to securely transport inmates from the City's jail to courtrooms. It is in the City's interest to enable the Superior Court to rebuild their Criminal Courts immediately adjacent to the existing and planned HOJ jails. The City is exploring dedicating a parcel of the existing site to the courts, which will be possible upon the demolition of the west wing of the HOJ.
- **Consolidation of Family Court Services.** The California Administrative Office of the Courts(AOC) is seeking to consolidate Family Court Services and replace other State owned buildings at the Youth Guidance Center campus. The AOC does not expect to funding to do this project in the next ten years.
- **Log Cabin and Hidden Valley Ranch Master Plan.** Juvenile Probation will be developing a master plan for both campuses to address future growth, treatment options, facility requirements, and funding opportunities. In addition to the Log Cabin Ranch program, a need for a secure facility is emerging as the State seeks to withdraw from providing correctional facilities for serious youthful offenders through its realignment plan. State funds may be available to assist in renovating and reopening the shuttered Hidden Valley Ranch to serve as a regional facility.
- **Sheriff's Department Alternative Programs.** The Sheriff is exploring the expansion of the Women's Reentry Center to accommodate more prison alternative programming and office space.
- **Relocation of the Central District Police Station.** Built in 1972 and located under a public parking facility on Vallejo Avenue, this station is the only one not upgraded in the 1987 police facility bond program.
- **Yerba Buena Island Fire Station.** Planned development on Treasure Island may require the construction of a new fire house at Yerba Buena Island.



San Francisco Police Training Academy



Log Cabin Ranch Admin Building



Sheriff Department Women's Center

Public Safety

Program / Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Plan Total	Backlog
State of good repair renewal - Need	12,224	12,835	13,477	14,150	14,858	86,204	153,747	81,218	
SPENDING PLAN									
State of good repair renewal - Proposed Uses	2,301	2,315	2,294	5,076	5,609	40,324	57,918	5,373	
ADA Improvements									
Enhancements	50,115	472,319	281,133			515,000	1,316,567	1,271,012	
TOTAL	52,416	474,634	283,427	5,076	5,609	555,324	1,376,486	1,276,385	
REVENUES									
General Fund	2,701	5,315	2,294	5,076	5,609	40,324	61,318		
Capital Planning Fund	11,480	(14,684)	(8,868)				(12,072)		
Earthquake Safety & Emergency Response Bond #1	38,235	56,003					94,238		
Earthquake Safety & Emergency Response Bond #2		428,000					428,000		
Earthquake Safety & Emergency Response Bond #3						290,000	290,000		
Certificates of Participation			290,000			225,000	515,000		
State									
TOTAL	52,416	474,634	283,427	5,076	5,609	555,324	1,376,486		
Total San Francisco Jobs/Year	468	4,234	2,528	45	50	4,953	12,278		

Departmental Breakdown							
State of good repair renewal - Need	7,521	7,897	8,292	8,707	9,142	53,040	24,405
<u>SPENDING PLAN</u>							<u>DEFERRED</u>
State of good repair renewal - Proposed Uses	4,183	4,415	4,712	4,911	5,107	26,337	2,013
SFFD Neighborhood Stations and Critical Facilities Improvements	38,235	70,000				100,000	208,235
Auxiliary Water Supply System Improvements		126,003				210,000	236,003
New Hunters Point Fire Station							41,162
SFFD Training Facility Relocation and Expansion							164,846
TOTAL	38,648	196,419	412	911	1,007	214,437	207,822
<u>REVENUES</u>							
General Funds	410	115	412	911	1,007	214,437	2,895
Earthquake Safety & Emergency Response Bond #1	38,235	56,003					94,239
Earthquake Safety & Emergency Response Bond #2		120,000					140,000
Earthquake Safety & Emergency Response Bond #3						210,000	210,000
TOTAL	38,648	196,419	412	911	1,007	214,437	451,834
Total San Francisco Jobs/Year	345	1,752	4	8	9	1,913	4,030

<u>SPENDING PLAN</u>				<u>DEFERRED</u>			
State of good repair/renovate/Proposed Uses	413	415	412	911	1,007	4,437	7,595
SFFD Neighborhood Stations and Critical Facilities Improvements	38,235	70,000				100,000	208,235
Auxiliary Water Supply System Improvements		126,000				110,000	236,000
New Hunters Point Fire Station							41,162
SFFD Training Facility Relocation and Expansion							164,846
TOTAL	38,648	196,419	412	911	1,007	214,437	207,822
<u>REVENUES</u>							
General Fund	413	415	412	911	1,007	4,437	7,595
Earthquake Safety & Emergency Response Bond #1	38,235	56,003					94,239
Earthquake Safety & Emergency Response Bond #2		140,000					140,000
Earthquake Safety & Emergency Response Bond #3						210,000	210,000
TOTAL	38,648	196,419	412	911	1,007	214,437	451,834
<i>Total San Francisco Jobs/Year</i>	345	1,752	4	8	9	1,913	4,030

SPENDING PLAN					DEBIT	CREDIT
State of good repair/renovate/Proposed Uses	413	415	412	911	1,007	2,013
SFFD Neighborhood Stations and Critical Facilities Improvements	38,235	70,000				
Auxiliary Water Supply System Improvements		126,000				
New Hunters Point Fire Station						41,162
SFFD Training Facility Relocation and Expansion						164,848
TOTAL	38,648	196,419	412	911	1,007	207,822
REVENUES						
General Funds	410	415	412	911	1,007	7,595
Earthquake Safety & Emergency Response Bond #1	38,235	56,003				94,239
Earthquake Safety & Emergency Response Bond #2		140,000				140,000
Earthquake Safety & Emergency Response Bond #3						210,000
TOTAL	38,648	196,419	412	911	1,007	451,834
<i>Total San Francisco Jobs/Year</i>	345	1,752	4	8	9	4,030

State of good repair/renewal/Proposed Disas	413	415	412	910	1,007	2,017
SFFD Neighborhood Stations and Critical Facilities Improvements	38,235	70,000			100,000	208,235
Auxiliary Water Supply System Improvements		126,000			110,000	236,000
New Hunters Point Fire Station						41,162
SFFD Training Facility Relocation and Expansion						164,846
TOTAL	38,648	196,419	412	911	1,007	207,822
REVENUES						
General Fund	210	415	412	911	1,007	2,055
Earthquake Safety & Emergency Response Bond #1	38,235	56,003				94,239
Earthquake Safety & Emergency Response Bond #2		140,000				140,000
Earthquake Safety & Emergency Response Bond #3					210,000	210,000
TOTAL	38,648	196,419	412	911	1,007	451,834
Total San Francisco Jobs/Year	345	1,752	4	8	9	4,030

New Hunters Point Fire Station									
									41,162
SEED Training Facility Relocation and Expansion									
									164,846
TOTAL	38,648	196,419	412	911	1,007	214,437	451,834	207,822	
REVENUES									
General Funds									
Earthquake Safety & Emergency Response Bond #1	38,235	56,003							94,239
Earthquake Safety & Emergency Response Bond #2									160,000
Earthquake Safety & Emergency Response Bond #3						210,000	210,000		
TOTAL	38,648	196,419	412	911	1,007	214,437	451,834		
Total San Francisco Jobs/Year	345	1,752	4	8	9	1,913	4,030		

SFPD Training Facility Relocation and Expansion							
	38,648	196,419	412	911	1,007	214,437	
TOTAL							207,822
REVENUES							
General Fund	410	415	412	911	1,007	214,437	207,822
Earthquake Safety & Emergency Response Bond #1	38,235	56,003					94,239
Earthquake Safety & Emergency Response Bond #2		120,000					120,000
Earthquake Safety & Emergency Response Bond #3						210,000	210,000
TOTAL	38,648	196,419	412	911	1,007	214,437	451,834
<i>Total San Francisco Jobs/Year</i>	345	1,752	4	8	9	1,913	4,030

	38,648	196,419	412	911	1,007	214,437	451,834	207,822
TOTAL								
REVENUES								
General Fund	38,648	196,419	412	911	1,007	214,437	451,834	207,822
Earthquake Safety & Emergency Response Bond #1	38,235	56,003					94,239	
Earthquake Safety & Emergency Response Bond #2		120,000					120,000	
Earthquake Safety & Emergency Response Bond #3						210,000	210,000	
TOTAL	38,648	196,419	412	911	1,007	214,437	451,834	207,822
<i>Total San Francisco Jobs/Year</i>	345	1,752	4	8	9	1,913	4,030	

REVENUES									
General Fund	408,335	415,356	412,135	911,500	1,007,437	1,007,437	2,795,534		
Earthquake Safety & Emergency Response Bond #1	38,235	56,003					94,239		
Earthquake Safety & Emergency Response Bond #2				120,000				120,000	
Earthquake Safety & Emergency Response Bond #3					210,000			210,000	
TOTAL	38,548	196,419	412	911	1,007	210,437	451,834		
Total San Francisco Jobs/Year	345	1,752	4	8	9	1,913	4,030		

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2
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Earthquake Safety & Emergency Response Bond #1	38,235	56,003			94,239	
Earthquake Safety & Emergency Response Bond #2					10,000	
Earthquake Safety & Emergency Response Bond #3				210,000	210,000	
TOTAL	38,235	196,419	412	911	451,834	
Total San Francisco Jobs/Year	345	1,752	4	8	9	4,030

Earthquake Safety/ Emergency Response Bond #	3	4	8	9	210,000	210,000	210,000
Earthquake Safety/ Emergency Response Bond #3	38,548	196,419	412	911	210,437	210,437	451,834
TOTAL	345	1,752	4	8	9	1,913	4,030
Total San Francisco Jobs/Year							

	2016	2017	2018	2019	2020	2021	2022	Total
Earthquake Safety & Emergency Response Bond #3								
TOTAL	38,548	196,419	412	911	1,007	210,437	451,634	210,000
Total San Francisco Jobs/Year	345	1,752	4	8	9	1,913	4,030	

Earthquake Safety & Emergency Response Bond # 5	38,648	136,419	412	911	1,007	214,437	451,834
TOTAL							
<i>Total San Francisco Jobs/Year</i>	345	1,752	4	8	9	1,913	4,030

	4	8	9	1,913	4,030
Total San Francisco Jobs/Year	345	1,752			

Total San Francisco Jobs/Year

General Services Agency

Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
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SPENDING PLAN								DEFERRED
Office of Chief Medical Examiner (OCME) Facility	5,000	53,400						58,400
Local Justice Agencies Relocation from HQ						225,000		225,000
Animal Care and Control Facility Renovation & Seismic Retrofit	1,500	26,500						28,000
HQ West Wing Demolition and East Wing Enclosure								38,095
TOTAL	6,500	79,900				225,000	311,400	38,095
REVENUES								
Capital Planning Fund	6,500	(13,100)						(6,600)
Certificates of Participation						225,000		225,000
Earthquake Safety & Emergency Response Bond #2		93,000						93,000
TOTAL	6,500	79,900				225,000	311,400	
Total San Francisco Jobs/Year	58	713				2,007	2,778	

JUVENILE PROBATION								Backlog
Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
State of good repair renewal - Need	751	789	828	870	913	5,298	9,449	50,203

SPENDING PLAN								DEFERRED
State of good repair renewal - Proposed Uses	126	126	125	277	306	12,051	13,011	(2,796)
ADA Transition Plan Improvements - Juvenile Probation	400	3,000					3,400	
JJC Athletic Field and Recreation Yard Improvements								1,361
Log Cabin Ranch Improvements and Master Plan Implementation								100,332
Hidden Valley Ranch Reactivation	526	3,126	125	277	306	12,051	16,411	90,554
TOTAL	1,052	6,332	250	554	612	24,102	32,822	99,389
REVENUES								
General Fund	526	3,126	125	277	306	12,051	16,411	
TOTAL	526	3,126	125	277	306	12,051	16,411	
Total San Francisco Jobs/Year	5	28	1	2	3	107	146	

Sheriff's Department

Program/Project

State of good repair renewal - Need

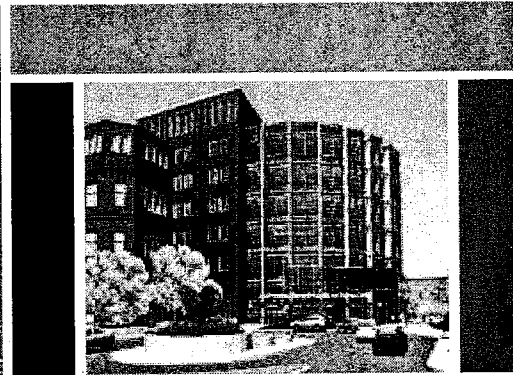
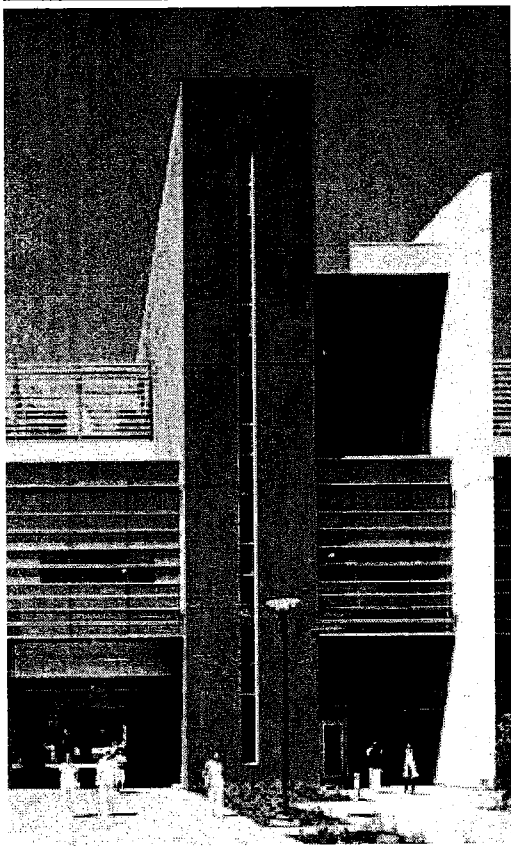
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Plan Total	Backlog
	3,154	3,312	3,477	3,651	3,834	22,242	39,669	408	

SPENDING PLAN

									DEFERRED
State of good repair renewal - Proposed Uses	1,702	1,712	1,698	3,755	4,150	23,000	36,017	5,941	
IFB County Jails 3 & 4 Replacement	2,500	2,550	281,133				286,183		
TOTAL	4,202	4,262	282,830	3,755	4,150	23,000	322,200	5,941	

REVENUES

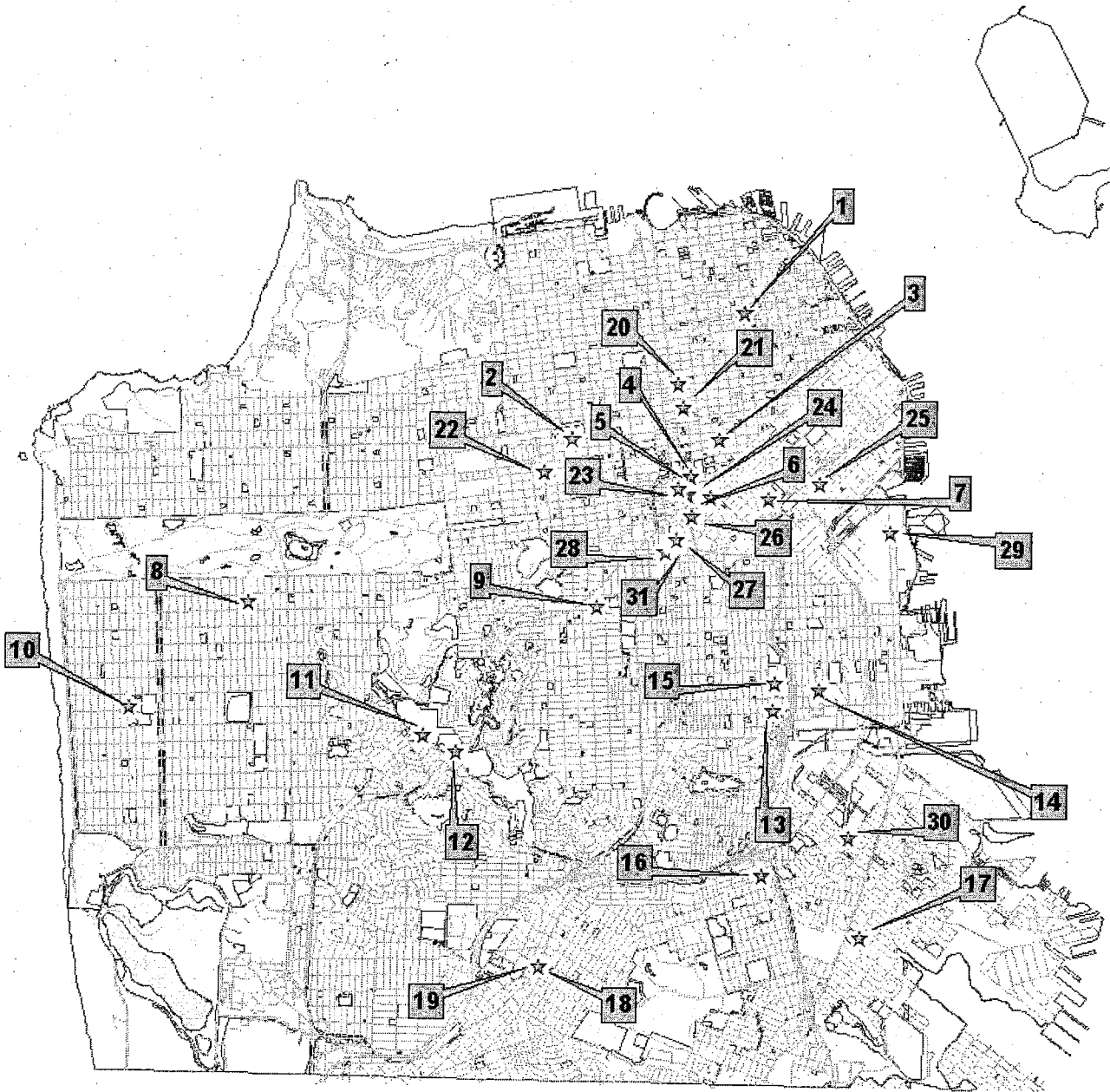
General Fund	1,702	1,712	1,698	3,755	4,150	23,000	36,017	
Capital Planning Fund	2,500	2,550	(3,868)				(3,818)	
Certificates of Participation			290,000				290,000	
TOTAL	4,202	4,262	282,830	3,755	4,150	23,000	322,200	
Total San Francisco Jobs/Year	37	38	2,523	33	37	205	2,874	



IV | Health and Human Services

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Health and Human Services Facilities



Health and Human Services Facilities

The table below shows the facilities operated and maintained by the Department of Public Health (DPH) and the Human Services Agency (HSA), which provide direct public health and safety net services to city residents. Leased facilities where the City is responsible for building maintenance are also included in this chapter.

Map ID	Facility	Map ID	Facility
1	Health Center Four	16	Health Center Three
2	Maxine Hall Health Center	17	Southeast Ambulatory Health Center
3	North of Market Senior Service Center	18	Alemanly Emergency Hospital and Treatment Ctr
4	DPH Administration Building (DOC)	19	HSA Children's and Family Health Center
5	Tom Waddell Health Center	20	HSA CalWorks Offices
6	1360 Mission Street	21	HSA Polk Street Homeless Center
7	San Francisco City Clinic	22	HSA 850 Broderick Street
8	Health Center Five	23	HSA Family & Children's Services Court Office
9	Health Center One	24	ETS-50 Van Ness Ave.
10	Sunset Mental Health	25	HSA 5th Street Homeless Center
11	Laguna Honda Hospital Campus	26	HSA PAES Success Center
12	598 Portola Drive	27	HSA 170 Otis Street
13	Community Health Network Headquarters	28	HSA FCS Foster Care
14	Caleb Clark Potrero Hill Health Center	29	HSA Mother Theresa Dining Hall
15	San Francisco General Hospital Campus	30	HSA-CalWORKs – 1800 Oakdale

Health and Human Services

The Department of Public Health (DPH) and the Human Services Agency (HSA) operate a broad range of facilities that provide direct public health and social services to city residents. DPH manages two major medical campuses – San Francisco General Hospital (SFGH) and Laguna Honda Hospital (LHH) – which together house 29 facilities. Additionally, DPH operates ten city-owned primary care health clinics. HSA manages eight facilities: three homeless shelters, three children's resource centers, and two administrative buildings. Both departments also provide programs at a number of leased properties where the City is responsible for maintenance and repairs.

Highlights and Accomplishments



SFGH Rebuild Progress in December 2012

The Plan invests \$758 million in DPH and HSA facilities over the next ten years. Many of the facilities occupied by DPH and HSA are aging and in need of significant upgrades. Furthermore, an ever-changing regulatory and policy landscape demands continual review of the functions and uses of each facility. One significant change in the health and human services sector is the Patient Protection and Affordable Care Act, signed into law in March 2010 and largely upheld by the Supreme Court in June 2012. The law is intended to decrease the number of uninsured Americans and ensure universal access to healthcare and related services. The impact on DPH and HSA is unknown, as they are one of many service providers along with the private sector. DPH and HSA are preparing plans to meet the needs of increased service demands, but this Plan recognizes that the extent of the capital need is still emerging.

Ensuring that health and human services are available after a major earthquake continues to be a top priority. Following the recent opening of Laguna Honda Hospital in 2010, the City is fulfilling its promise to complete construction of the new Acute Care Hospital at the SFGH campus. The new building will replace the acute care functions currently located in SFGH Building 5. The \$887.4 million project funded by a 2008 G.O. bond is on-time and on-budget, and is scheduled to open in 2015. Significant progress has been made over the past two years including steel frame erection, the installation of base isolators, and the installation of brick masonry panels around the building envelope. The final bond sale is anticipated to occur in summer 2013 in the amount of \$208.5 million.

Additional accomplishments since the FY 2012-2021 Capital Plan include the following:

- DPH updated the 2009 SFGH Campus Master Plan in late 2012 to provide a roadmap for space planning decisions and a framework for determining funding needs for future major capital projects once the new Acute Care Hospital is complete. The updated plan includes five phases that are projected to be complete by 2022.
- Generators have been installed as part of the \$24 million SFGH Emergency Generator Replacement project and the required boiler work is expected to be completed in summer 2013. Replacing the 24-hour steam generators with on-demand diesel saves millions of dollars in operating costs per year.
- Completed design work for major elevator repairs and accessibility upgrades at SFGH Buildings 5 and 80/90. Construction on these projects will commence in 2013.
- Finished capital improvements at Silver Avenue and Sunset Mental Health Centers. Silver Avenue improvements include integrating behavioral health services with counseling rooms and ADA upgrades. Sunset Mental received additional counseling rooms, ADA upgrades, and major roof improvements.



SOAR Grand Opening

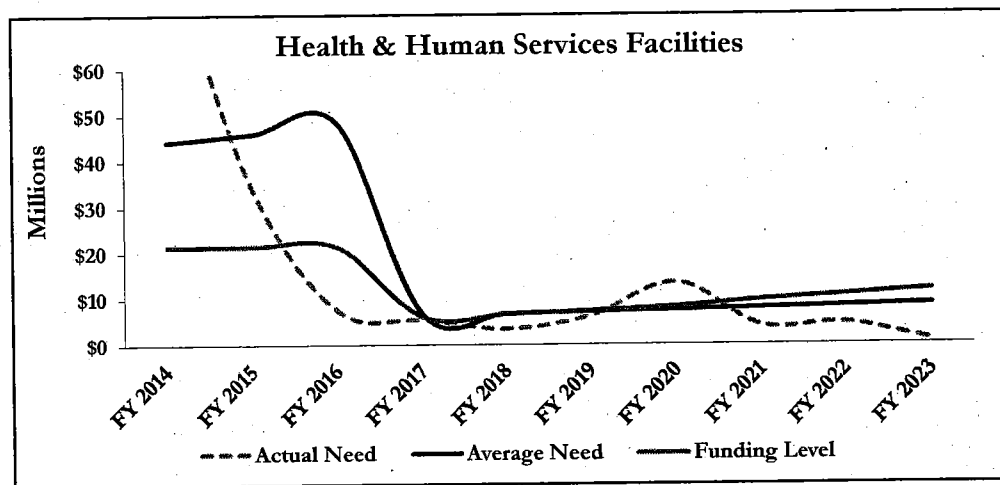
- Completed the expansion and renovation of the San Francisco Office of AIDS (SOAR) at 25 Van Ness. The project is progressing a year ahead of the original schedule and celebrated the completion of the 1st and 3rd floor renovations at a ribbon cutting event with NIH officials and the Mayor in September 2012. The renovation of the 5th and 6th floors will finish in January 2013.

- Developed a Primary Care Clinic for Supportive Housing at 220 Golden Gate. The Tenderloin Neighborhood Development Corporation purchased the site in 2007 to provide affordable housing for the homeless and access to supportive services, including a health clinic on the first floor.

- Formed a taskforce with the University of California (UC) to make short-term seismic mitigation measures to several buildings on the SFGH campus; develop plans for a new UC research facility on the B/C parking lot adjacent to the existing main hospital; and coordinate DPH improvements to the buildings that house both DPH and UC staff.
- Completed rehabilitation of the Polk Street Homeless Shelter, 5th Street Homeless Shelter, and the Golden Gate Family Residence Center, all of which HSA took stewardship of in the 1990's. Projects include kitchen repair, laundry replacement, new flooring, and energy efficiency upgrades.
- HSA moved its Departmental Operations Center (DOC) from 170 Otis to 1650 Mission Street where a new generator and other building improvements have been implemented.

1. Renewal Program

The Plan projects \$259 million in renewal needs over the next ten years to keep existing public health and human services facilities in a state of good repair. DPH facilities make up 76 percent of this need. A portion of renewal needs at the SFGH campus will be funded through the proposed November 2015 Public Health Facilities G.O. bond, leaving \$165 million to be covered by pay-as-you-go funding. The General Fund proposes \$123 million in renewal investment, thereby adding \$42 million to the existing \$77 million backlog.



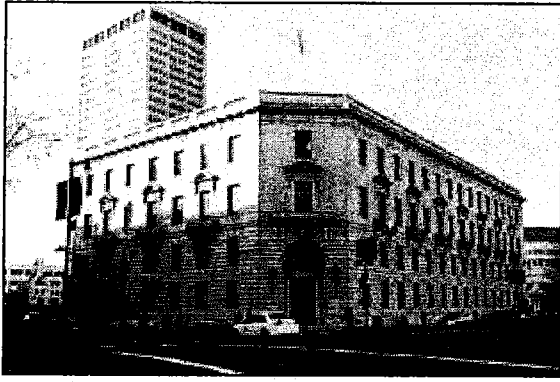
The Plan proposes a November 2015 Public Health Facilities G.O. bond, which, beginning in FY 2016, will be the funding source for renewal needs at the San Francisco General Hospital campus. The existing hospital (Building 5), with an average annual renewal need of \$10.9 million, is the most expensive facility to maintain.

HSA's renewal needs total approximately \$6.8 million annually. Two facilities account for more than three-quarters of this total: 170 Otis and 1235 Mission.

2. Enhancement Program (FY2014 – FY2018)

Enhancements for health and human services facilities in the first five years of the Plan are highlighted below.

- **SFGH Rebuild.** This critical project is on schedule and projected to be complete in 2015. The new seismically-safe facility allows SFGH to continue operating the only Level I Trauma Center in San Francisco. A final bond issuance of \$208.5 million is scheduled for summer 2013.
- **SFGH Existing Hospital (Building 5) Seismic Retrofit and Renovation.** With the new acute care hospital complete in 2015, the SFGH Campus Master Plan proposes moving various department functions from the seismically deficient red brick buildings to Building 5. The renovation work will primarily be fire and life safety improvements, architectural work to accommodate outpatient services and other clinic, and structural improvements to the exterior columns. The total project cost is estimated at \$190 million and will be funded by the November 2015 G.O. Bond.
- **SFGH Building 80/90 Seismic Retrofit and Renovation.** Constructed in 1934, Building 80/90 is a seismically deficient red brick building that houses the urgent care clinic and several other clinics. These clinics will move to Building 5 to make room for a major seismic renovation of this structure. Design is expected to begin in 2015 or 2016 and construction in 2018. The total project cost is estimated to be \$73 million and will be funded by the November 2015 G.O. Bond.



DPH's headquarters from the northeast corner of the intersection of Polk and Grove Streets

- **DPH Administration Building Seismic Retrofit and Renovation.** Once the Veteran's Building updated is complete, 101 Grove will be the last Beaux-Arts building in the Civic Center requiring a seismic upgrade. Built in 1932, the building houses DPH administration headquarters, the Tom Waddell Health Center, an immunization clinic, and laboratory. Construction documents were produced for the project in 1994 but were never realized. A new study is currently underway to revisit the structural solution and comply with current codes. The total project cost is estimated to be \$150 million and will be funded by the November 2015 G.O. Bond.

- **New Southeast Health Center Facility.** This project consolidates and merges space for DPH and Children, Youth & Families (CYF) services in a new facility and allows the City to move out of a \$900,000 annual lease. The project cost is estimated to be \$25 million. Of this, \$3 million comes from a Mental Health Services Act grant; the remainder will come from the November 2015 G.O. Bond. DPH is also exploring other sources of potential funding including lease financing, private fundraising, and other state or federal grant opportunities.

- **ADA Improvements.** The final projects enumerated by the City's ADA Transition Plan will be completed by FY 2015, including: modernization of elevators and SFGH Building 80/90; disability access at public entries and bathrooms around SFGH campus; SF City Clinic disability access; Maxine Hall Clinic elevator; and renewal of accessibility features and HSA's homeless shelters.

3. Enhancement Program (FY2019 – FY2023)

The major seismic projects at DPH facilities will continue construction and are expected to be completed within the second five years of the Plan. There are no new proposed enhancements for health and human services facilities.

4. Deferred Projects

The Plan defers the following investments for health and human services facilities.

- **LHH Facility Master Plan.** Developing a master plan of LHH capital needs to coordinate the campus with the programmatic and capital changes at SFGH is estimated to cost \$750,000.
- **LHH Dialysis Unit.** Building a new 30-chair dialysis unit in Building H at the LHH campus to replace the existing non-compliant unit at the SFGH campus is estimated to cost \$7.5 million. The new dialysis unit has the potential to increase annual revenue by approximately \$500,000. DPH continues to explore financing options and potential public-private partnerships.
- **LHH Patient Ward Remodel.** Converting the old patient wards into office space for administrative functions is estimated to cost \$500,000.
- **DPH Clinic Patient Enhancement Program.** Providing new painting, finishes, and enhancements to 29 community health services clinic waiting areas and exteriors in advance of the health care reform measures that begin in 2014 is estimated to cost \$2 million. DPH continues to explore alternative funding.
- **Maxine Hall 2nd Floor Patient Capacity Enhancements.** Reconfiguring the existing space on the 2nd floor of Maxine Hall to include additional examination and counseling rooms along with support staff space is estimated to cost \$750,000.
- **170 Otis Seismic Upgrade.** Built in 1978, 170 Otis houses HSA's executive offices and program administration. The seismic upgrade is estimated to cost \$3.3 million, but no funding source has been identified.

5. Emerging Needs

The level of capital investment required to meet the following emerging needs is not funded in the Plan but will be reviewed in the subsequent years as additional planning is conducted and uncertainty around project-specific issues is resolved.

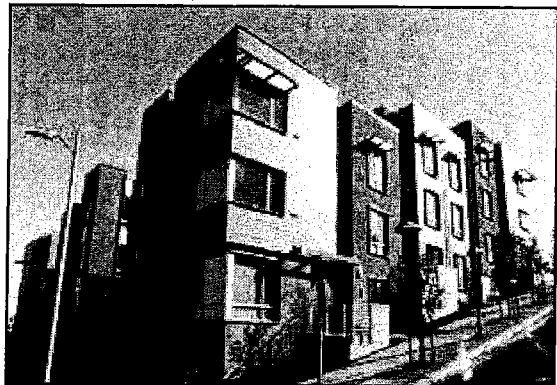
- **SFGH Data Center Relocation.** Relocating the data center from its current facility at SFGH is necessary to support the data needs for the new hospital. The size and location of the project is contingent upon the final design and capacity of a combined data center at San Francisco International Airport (SFO), which may be able to incorporate this project.
- **Remaining SFGH Campus Seismic Upgrade.** The SFGH Campus Master Plan outlines the series of necessary campus-wide relocations and renovations, which include the seismic upgrades of Buildings 1, 9, 10, 20, 30, 40, and 100. DPH is developing cost estimates for the projects.
- **LHH Seismic Upgrade.** Built in 1924, Buildings A, B, and C received a Seismic Hazard Rating (SHR) of 3 following the Loma Prieta earthquake. They are currently designated as a DOC and house functions and staff critical for supporting the hospital in the event of an emergency. DPH is analyzing the current and future expected uses for the buildings and the need for a seismic upgrade.
- **DPH Clinic Expansion.** This project will study the potential for expanded clinical space at Castro Mission Health Center, Ocean Park Health Center and Maxine Hall Health Center in order to meet current patient demand and potential increased patient demand resulting from health care reform. More details will be available in the next Plan as DPH continues to refine the scope and project cost.
- **HSA Space Reconfiguration.** HSA is currently undertaking a study to examine its existing and future space usage and staffing levels for the purposes of maximizing efficiency of space use, streamlining and consolidating operations, preparing for projected increase in clients due to the federal Patient Protection and Affordable Care Act, and coordinate its facility layout with its changing business practices. Future plans will include more details regarding the recommended capital investments.



Ocean Park Health Center

San Francisco Housing Initiatives

Overview and Highlights



New Housing Units in Hunter's View

of improvements over the last few years including: the modernization of senior and family development fire systems; elevator upgrades; common space improvements including accessibility improvements; sidewalk repairs; exterior painting; exterior and interior stabilization of lead-based paint; and site improvements at family developments. These projects were completed by December 2011.

Additionally, SFHA was able to leverage an additional \$27 million in private funding for energy conservation capital improvement projects. These projects included: boiler and hot waterline replacements; heating system improvements; window replacement; exterior painting; security gate and lighting improvements; disability modifications to apartments and common areas; range and refrigerator replacement; asbestos removal; utility line replacement; and site improvements. These projects were completed by August 2012.

Mayor's Office of Housing (MOH). MOH provides financing for the development, rehabilitation and purchase of affordable housing in San Francisco. MOH's portfolio of affordable housing includes approximately 7,000 units for seniors, families, formerly homeless, and people with disabilities. The affordable housing that MOH supports is developed, owned and managed by private non-profit and for-profit entities that leverage City subsidies with state and federal resources to create permanent affordable housing opportunities for low income households.

Additionally, MOH is now responsible for all former San Francisco Redevelopment Agency (SFRA) housing assets and functions, which include approximately 11,000 units of affordable housing. The housing supported by the former SFRA is also owned and managed by non-profit and for-profit entities; however the SFRA retained ownership of the underlying land, entering into long-term (99 year) leases with the development entities. With the dissolution of the SFRA, ownership of those parcels transferred to the City, although the responsibility for managing and operating parcel improvements has remained with the owners of those improvements.

The Mayor's Office of Housing (MOH) is the lead implementing agency for HOPE SF, an initiative aimed at transforming some of San Francisco's most distressed public housing sites into vibrant mixed-income communities. There are four active HOPE SF sites: Hunters View, Alice Griffith, Sunnyside-Velasco, and Potrero Annex and Terrace. Recent accomplishments include: completion of Phase I of affordable housing construction at Hunters View; securing of \$30.5 million in Choice Neighborhoods Initiative funding from HUD for Alice Griffith; and completion of master planning and site design for both Sunnyside and Potrero.

Finally, MOH was successful in facilitating input from a broad coalition of stakeholders to create a Housing Trust Fund (HTF). The HTF was recently approved by San Francisco voters and will provide consistent funding over 30 years to create new affordable housing and preserve existing affordable housing assets, as well as support a number of programs including the Complete Neighborhoods Infrastructure Grant Program. The Complete Neighborhoods program will provide grants for the construction of neighborhood amenities such as streetscape improvements and pocket parks in areas of the City that are zoned for growth but lack sufficient supporting infrastructure.

1. Renewal Program

The HUD Capital Fund Program (CFP) is the primary source of funding for SFHA's asset renewals. SFHA projects that the state of good repair annual renewal and maintenance need for Fiscal 2014 is about \$20 million. Assuming continued reuse of all current facilities and annual escalation of five percent, the SFHA projects that the total annual renewal need

over the next 10 years is \$235 million. SFHA anticipates an annual allocation of \$8 million from HUD to address these needs, leaving an additional \$159 million in renewal projects deferred from the plan. Without funding to address this gap the backlog of renewal need will grow to an estimated \$483 million over the next 10 years.

SFHA uses the following criteria when allocating HUD CFP renewal funds: (1) Ensure that the most distressed developments remain safe and functional without extraordinarily high maintenance costs and are available for occupancy until they are rebuilt; (2) Address emergency building and site problems; (3) Maintain the long-term viability of the fundamentally sound developments; and (4) Improve the energy efficiency of properties in conjunction with Energy Services Contracting.

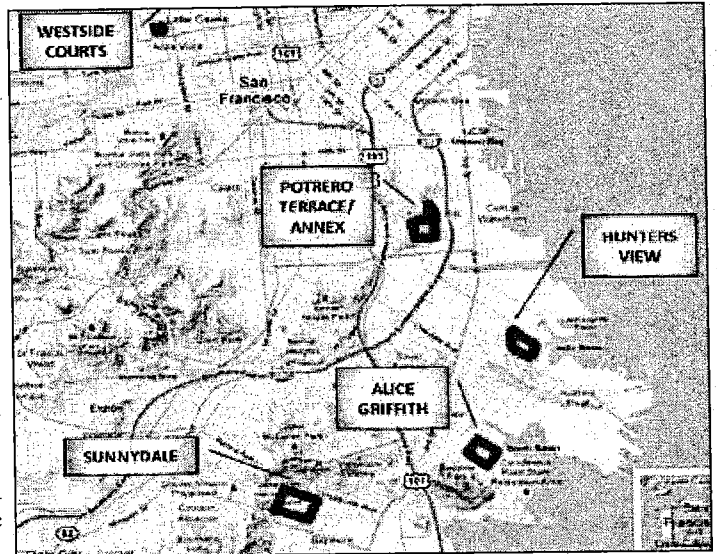
2. Enhancement Program

As the oldest housing authority in California, many of SFHA's housing sites have significant capital needs that have been deferred due to a lack of funds. In response to a 2006 task force report calling for a new approach to rebuild and sustain San Francisco's public housing, the City authorized \$95 million in local bond funding to launch HOPE SF. HOPE SF is an initiative aimed at transforming some of San Francisco's most distressed public housing sites into vibrant mixed-income communities. The Mayor's Office of Housing (MOH) is the lead implementing agency for HOPE SF, working in close collaboration with the San Francisco Housing Authority.

HOPE SF calls for a wide variety of capital improvements which will help address deficiencies at a number of public housing sites. Major program improvements include:

- Renovating or replacing dilapidated public housing with new units while adding affordable rental and market rate homes, as well as retail and commercial space;
- Constructing new streets and improving public right-of-way infrastructure that connect communities to their surrounding neighborhood fabric; and
- Investing in community facilities such as community centers, parks and playgrounds.

Currently, there are four active HOPE SF sites, representing 5,166 units of new housing. The below table provides an overview of the four active sites. Each site will be constructed in phases over a period of up to 12 years.



SFHA Housing Sites

Name and Location	Unit totals	Status
#1: Hunters View, Bayview	Public Housing: 267 Affordable Rental: 83 Market Rate: 331 BMR Homeowner: 59 TOTAL UNITS: 740	Construction of Phase I infrastructure and vertical to be completed Spring of 2013. Phase II to begin Fall of 2013. Anticipated completion: 2018
#2: Alice Griffith, Hunter's Point Shipyard/ Candlestick Point	Public Housing: 256 Affordable Rental: 248 Market Rate: 600 BMR Homeowner: 106 TOTAL UNITS: 1210	Design of Phase I infrastructure and vertical underway. Phase I infrastructure to commence in December of 2013.
#3 Potrero Annex and Terrace, Potrero Hill	Public Housing: 606 Affordable Rental: 424 Market Rate: 486 BMR Homeowner: TBD TOTAL UNITS: 1516	Land use entitlements and environmental approvals to be completed fall 2014. Initiation of construction dependent on funding availability.

Name and Location	Unit totals	Status
#4 Sunnydale-Velasco, Visitacion Valley	Public Housing: 785	Land use entitlements and environmental approvals to be completed fall 2014. Initiation of construction dependent on funding availability.
	Affordable Rental: 307	
	Market Rate: 608	
	BMR Homeowner: TBD	
	TOTAL UNITS: 1700	

Of the four active sites, Hunters View and Alice Griffith represent HOPE SF's first phase and are either under construction (Hunters View) or nearing start of construction (Alice Griffith). Both sites are part of the Hunters Point/Candlestick Point Project Area and have successfully leveraged state and federal funds in addition to tax increment to attain sufficient financial viability to move the project forward. Hunters View received a \$30 million state Infill Infrastructure Grant for infrastructure development, and Alice Griffith was awarded a federal Choice Neighborhoods Initiative (CNI) grant from HUD, in the amount of \$30.5 million. Infrastructure and housing costs for Alice Griffith will primarily be funded through developer contributions and property tax financing as part of an ongoing financial obligation of the successor agency to the San Francisco Redevelopment Agency.

Additional funding for HOPE SF will come in the form of Certificates of Participation issued by the City. In 2010, the Board of Supervisors authorized the issuance of Certificates of Participation (COP) financing to provide approximately \$25 million toward completion of the Hunters View housing development. The COPs will be needed by Fiscal Year 2015-2016.

Commencement of HOPE SF's next phase of development, consisting of the remaining two sites, Potrero Annex and Terrace and Sunnydale-Velasco, is pending while MOH works to secure necessary funding for these projects. Neither site is part of a major project area (former redevelopment area) and there are currently no funds available at the state level to support infill infrastructure development. However both sites have received a CNI Planning Grant from HUD to facilitate planning activities that will advantageously position them for future funding applications for the CNI Implementation Program. CNI Planning activities will commence in 2013 and be finalized by the end of 2014.



Hunters View 4 and Prospect Park

Site	2014-2018	2019-2023	Funding Description
Hunters View	Complete Phase II and III infrastructure and vertical		Phase III infrastructure funding TBD
Alice Griffith	Complete Phase I-V infrastructure and vertical		Infrastructure funding to be provided by Lennar Corp.
Site #3 (either Sunnydale or Potrero)	Complete planning activities and initiate Phase I of infrastructure and vertical	Achieve 50% construction completion of all phases	Identification of funding for infrastructure improvements is critical for project advancement
Site #4 (either Sunnydale or Potrero)	Complete planning activities and maintain community engagement	Initiate Phase I of infrastructure and vertical	Identification of funding for infrastructure improvements is critical for project advancement

3. Deferred Projects and Emerging Needs

- **Westside Courts.** Westside Courts was originally selected for participation in the HOPE SF initiative. Currently, the project is being reviewed to assess the feasibility of rehabilitation of the existing structures.
- **Former SFRA and MOH Housing.** While the City is not responsible for management, maintenance or operations of former SFRA housing units, these assets do comprise San Francisco's affordable housing infrastructure, which ensures access to housing for thousands of low and moderate income households. The long-term viability of this infrastructure, and the ability of the City to maintain a diverse population, will depend upon continued monitoring and potential investment by the Mayor's Office of Housing.

Health and Human Services

Program/Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
State of good repair renewal - Need	45,774	48,062	50,465	51,895	54,271	311,030	561,497	452,784

SPENDING PLAN

State of good repair renewal - Proposed Uses	29,317	29,388	29,102	13,761	14,312	84,901	200,761	105,431
ADA Transition Plan Improvements	3,935	950					4,885	
Enhancements	342,700	112,400	547,600	40,350	57,250	500	1,100,800	327,009
TOTAL	375,952	142,718	576,702	54,111	71,562	85,401	1,306,446	432,440

DEFERRED

REVENUES

General Fund	25,240	22,386	21,249	5,987	6,615	47,559	129,037	
Capital Planning Fund	2,000	12,800	(15,550)				(750)	
SFGH and Laguna Honda Bonds	208,600						208,500	
Public Health Facilities Bond			435,000				435,000	
Other Local Sources	31,000	19,400	37,600	12,400	12,400		112,800	
State	21,500	4,000	19,600				45,100	
Federal	15,662	15,582	13,903	7,774	7,896	37,342	97,959	
Private	72,050	68,650	64,950	27,900	44,800		278,350	
TOTAL	375,952	142,818	576,752	54,061	71,512	84,901	1,305,996	
Total San Francisco Jobs/Year	3,353	1,274	5,145	482	638	757	11,649	

Annual Surplus (Shortfall)	100	50	(50)	(50)	(500)	(450)
Cumulative Surplus (Shortfall)		150	100	50	(450)	

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DEFERRED

State of road repair renewal Proposed Uses

ADA Transition Plan Improvements - Public Health

SECH Building E Renovation & Seismic Retrofit

55FG Building 30/90 Renovation & Seismic Retrofit

...the ...

Remaining SFGH Campus Seismic Upgrade

BREITENBURGER VERLAG

1994 Facility Master Plan

New Dialysis Unit at Laguna Honda

2
F
C
H

CONCLUSION

Capital Plann

100

STREETS

TOTAL

Human Services Agency

Program Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
State of good repair renewal - Need	6,178	6,487	6,811	7,152	7,509	43,567	77,703	2,502

SPENDING PLAN

								DEFERRED
State of good repair renewal - Proposed Uses	8,484	8,736	8,462	1,721	1,902	13,672	42,978	43,279
ADA Transition Plan Improvements - Human Services		200					200	
170 Old Seismic Upgrade								5,324
TOTAL	8,484	8,736	8,462	1,721	1,902	13,672	42,978	48,603

REVENUES

General Fund	8,484	8,736	8,462	1,721	1,902	13,672	42,978	
TOTAL	8,484	8,736	8,462	1,721	1,902	13,672	42,978	
Total San Francisco Jobs/Year	76	78	75	15	17	122	383	

San Francisco Housing Authority									
State of good repair renewal - Need	19,845	20,837	21,879	22,754	21,879	128,174	235,368		
SPENDING PLAN									
Current Backlog								194,459	
Distressed properties									129,655
Non-distressed properties									
State of good repair renewal - Proposed Uses	8,012	7,932	7,853	7,774	7,696	37,342	76,609		
HOPE SF									
Hunters View	67,500	48,600	73,700				189,800		
Alice Griffin	61,768	51,000	54,400	40,300	57,200		264,600		
Site #3 (Sunnydale or Potrero)			50	50	50	250	400		
Site #4 (Sunnydale or Potrero)						250	250		
TOTAL	137,212	107,532	136,003	48,124	64,946	37,842	531,659	324,114	
REVENUES									
Local	31,000	19,400	37,600	12,400			112,800		
State	18,500	4,000	19,600				42,100		
Federal	15,862	15,582	13,903	7,774	7,696	37,342	97,959		
Private	72,050	68,650	64,950	27,900	44,800		278,350		
TOTAL	137,212	107,632	136,053	48,074	64,896	37,342	531,209		
Total San Francisco Jobs/Year	1,224	960	1,214	429	579	333	4,738		
Annual Surplus (Shortfall)		100	50	(50)	(50)	(500)	(450)		
Cumulative Surplus (Shortfall)		100	150	100	50	(450)			



V | Infrastructure and Streets

Streets and Rights-of-Way

Street Repaving Map
Renewal Program
Emerging Needs
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Infrastructure and Streets

The City and County of San Francisco is responsible for operating and maintaining a complex infrastructure network that supports the delivery of critical services to San Francisco residents, businesses and visitors. While the San Francisco Public Utilities Commission (SFPUC) primarily manages underground infrastructure, the Department of Public Works (DPW) focuses on above ground infrastructure such as roadways, sidewalks, landscaping and street structures.

The SFPUC is responsible for providing and distributing water to 2.4 million customers; wastewater treatment, effluent discharge, and biosolids disposal; and supplying electric power to operate Muni streetcars and electric buses, street and traffic lights, and municipal buildings. Under contractual agreement with 28 wholesale water agencies, the SFPUC also supplies water to customers in Alameda, Santa Clara and San Mateo counties.

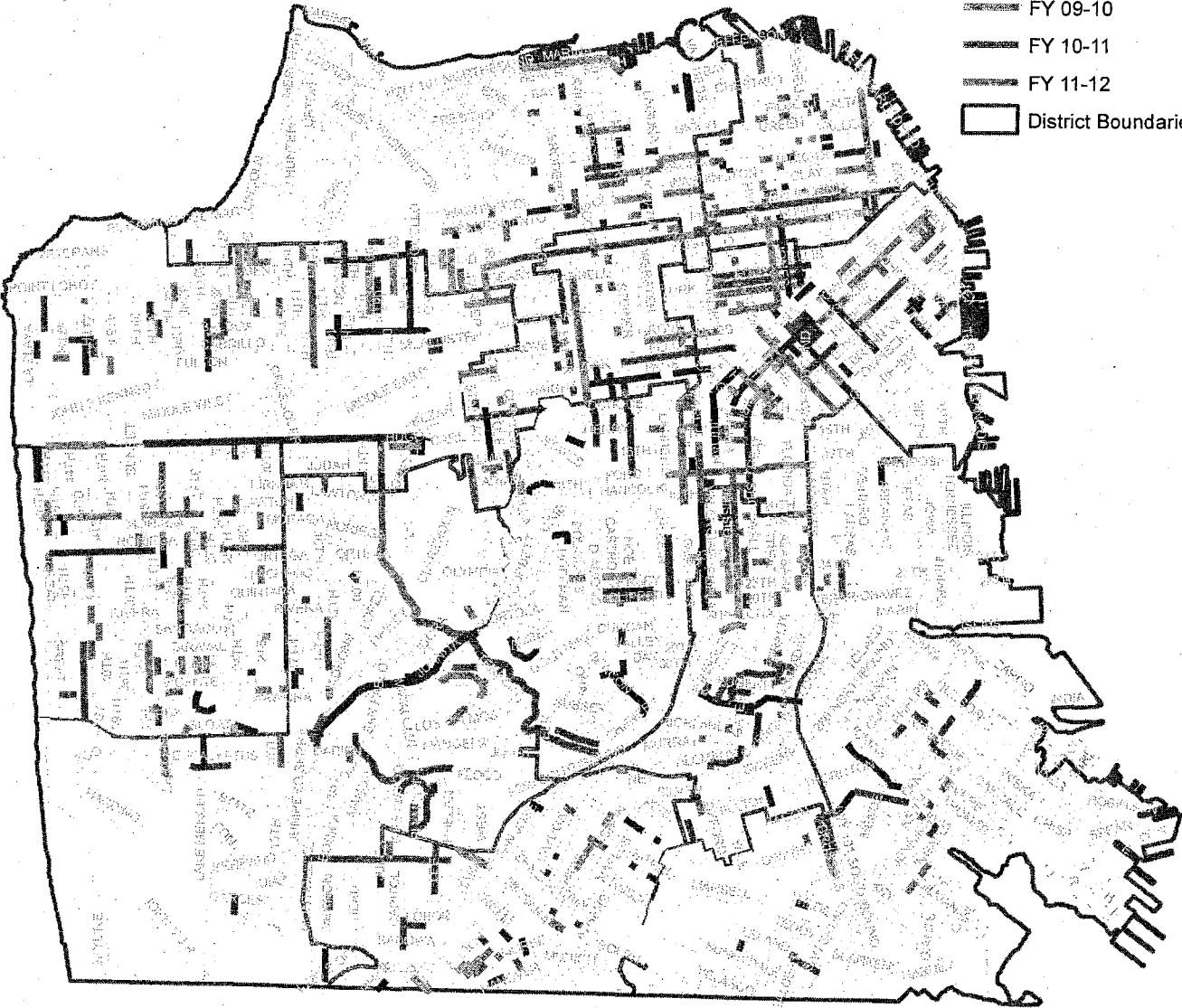
The City maintains approximately 850 miles of streets and roadways comprising 12,458 street segments or blocks; 37 miles of roadway within the City's Park System; certain special streets such as the Embarcadero and Doyle Drive; sidewalks adjoining City, State and Federal properties; 340 street structures; and more than 34,000 street trees.

Streets and Rights-of-Way

Streets Paved 2007-2012

Fiscal Years

- FY 07-08
- FY 08-09
- FY 09-10
- FY 10-11
- FY 11-12
- District Boundaries



Streets and Rights-of-Way

Highlights and Accomplishments

In November 2011 City voters passed the Road Resurfacing and Street Safety (RRSS) G.O. Bond allowing the City to issue up to \$248 million in bonds to fund critical street and right-of-way improvements. These improvements include: (1) repaving and renewing approximately 1,400 street blocks; (2) designing and constructing approximately 1,700 curb ramps; (3) repairing 125,000 square feet of sidewalk; (4) rehabilitating and strengthening critical street structures; and (5) implementing streetscape, pedestrian and bicycle safety features such as the installation of pedestrian countdown signals and bike lanes. The bond will also allow the City to upgrade and rehabilitate transit signals along key corridors—speeding up average MUNI travel time along these routes by an estimated eight percent. The below table provides an overview of the bond program.

2011 Road Resurfacing & Street Safety Bond (\$ in Millions)	
Program	Bond Amount
Street Repaving & Reconstruction	\$149
Sidewalk Accessibility Improvements	\$22
Street Structures Rehabilitation	\$7
Streetscape, Pedestrian & Bicycle Safety Improvements	\$50
Transit Signal Infrastructure	\$20
TOTAL	\$248

In March 2012 the City issued its first series of bonds totaling \$76.5 million. To date, the Department of Public Works (DPW) has:

- Repaved 84 blocks (with 314 in construction and 363 in design phase or bid phase);
- Constructed 311 curb ramps (with 52 additional ramps in the construction phase and 338 in the design phase);
- Repaired more than 125,000 square feet of sidewalk;
- Established the list of structures to be repaired with bond funds and completed the first structure project (installing a new guardrail on Bernal Heights Boulevard); and
- Convened a team of community groups and worked with the Streets Capital Group to develop a project list of streetscape, pedestrian, and bicycle safety improvement projects that was approved by the Capital Planning Committee in July 2012.



Construction of the first streetscape project—The Great Highway Streetscape from Balboa to Fulton—began in February 2013. Planning has also begun on many other streetscape projects, including Taraval Streetscape Project (46th to 48th Ave), Castro Streetscape and Pedestrian Safety Improvements (Market to 19th Street), and Bartlett Plaza Living Alley (21st to 22nd Street). Under the transit signal infrastructure program, the MTA has been coordinating with the DPW repaving team to upgrade its signal infrastructure. To date, MTA has installed 41 new traffic signals that give transit vehicles priority to reduce transit travel times. MTA and DPW are also coordinating on smaller “follow the paving” pedestrian and bicycle safety projects, several of which are under construction, including Fulton pedestrian islands, the Euclid/Arguello crosswalk opening, and Balboa traffic calming.

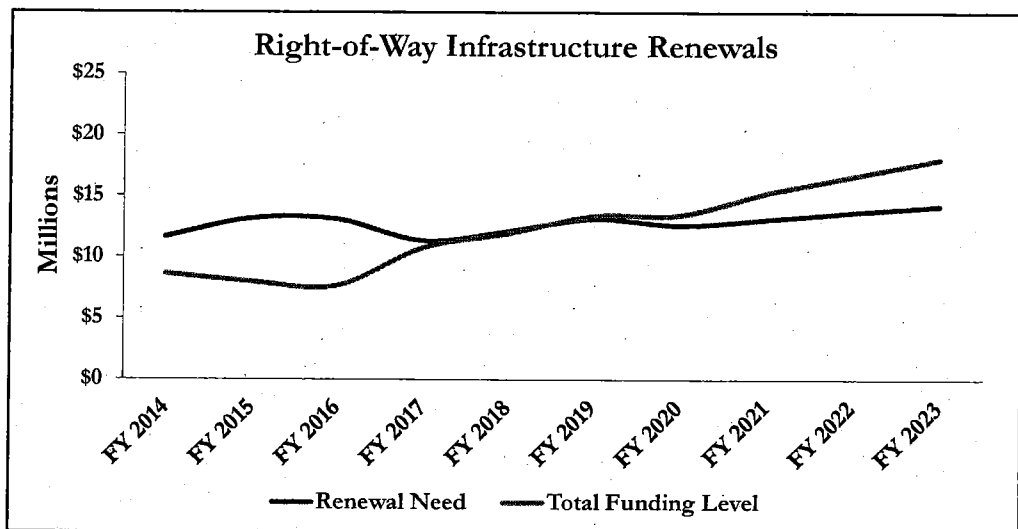


In addition to bond-funded streetscape projects, DPW made progress on several other streetscape projects that are heading into or already under construction. These projects are funded by federal awards matched with local funds, as well as several State grants. These include 19th Avenue Median Improvements (Lincoln to Wawona), Broadway Streetscape Enhancements Phase III (Kearny to Battery Streets), Marina Green Bicycle Trail Improvements, Folsom Streetscape (19th Street to Cesar Chavez Street) and Cesar Chavez Streetscape (Hampshire to Guerrero).

The City remains committed to improving curb ramps, sidewalks, street crossings, and roadways to provide accessible paths of travel for people with disabilities. With funding from the RRSS G.O. Bond, DPW’s Sidewalk Improvement and Repair Program (SIRP) program has proactively inspected 205 square blocks and repaired 171,350 square feet of sidewalk, of which 42 percent (71,872 square feet) were in front of publicly owned property. The Accelerated Sidewalk Abatement Program (ASAP), which inspects and expedites corrective action on egregious sidewalk conditions, inspected and repaired more than 42,000 square feet of damaged sidewalks at 74 publicly owned locations.

1. Renewal Program

The Plan proposes \$993 million in renewal funding for streets and right-of-way assets. Of this, about 87 percent (\$867 million) will be used to fully fund the street resurfacing program to allow the City to achieve its goal of reaching a Pavement Condition Index (PCI) score of 70 by FY 2020. The remaining \$126 million in renewal funding will go towards right-of-way asset renewals such as street structures, street trees, irrigation systems, and plazas. Under the Plan’s proposed funding assumptions, the renewal program (excluding street resurfacing) will be underfunded in each of the first six years of the Plan. However in FY 2019 funding will meet the annual renewal need and the City will begin addressing its backlog. The following chart provides an overview of renewal funding.



Street Resurfacing. DPW oversees the maintenance of 850 miles of streets. Its pavement management strategy is to apply the right treatment to the right roadway at the right time. Without regular resurfacing treatments, a street could end up costing the City four times more over the course of its life cycle. As approved by city officials and voters, DPW's goal is to achieve and maintain a PCI of 70. This target will take streets from being on the brink of considered "fair" to a more cost-effective "good."

Relying largely on RRSS bond proceeds, the City expects to increase its PCI score from 64 in FY 2012 to 66 by FY 2014. To reach an average PCI score of 70 by 2020, the goal set in the previous Capital Plan by the Capital Planning Committee, the City must appropriate approximately \$87 million annually from federal, state and local sources, increasing with inflation in future years. Historically, the program has not been supported by the General Fund. However in accordance with the newly proposed Transportation and Street Infrastructure Package (TSIP) referenced in the Executive Summary, the Plan assumes an average annual General Fund contribution of approximately \$53 million over the next 10 years.

Curb Ramp Inspection and Replacement. The City is committed to improving curb ramps and providing accessible paths of travel for people with disabilities. This renewal project complements the Public Right-of-Way Transition Plan Improvement (listed below in the Enhancement Program section) by ensuring funds for maintaining previously installed ramps. In FY 2014, \$250,000 of RRSS funding will be used to support the program. The Plan proposes investing about \$8 million in the program over the next decade.

Street Structures. DPW is responsible for maintaining 362 City-owned street structures, including retaining walls, stairs, bridges, viaducts, tunnels, underpasses and overpasses. Repairs to these structures are funded through the Street Structure program. Maintaining the City's street structures is estimated to cost \$56 million over the next ten years. The cost is inclusive of structures in need of replacement or repair, like Islais Creek Bridge. The Plan proposes investing \$53 million into the program to address both the annual need and the accumulated backlog from the first six years of the Plan. This includes the \$2 million of RRSS bond proceeds that the program is set to receive in FY 2014. DPW is currently pursuing federal funding for Islais Creek Bridge repairs.

Street Tree Maintenance. DPW is now responsible for maintaining approximately 34,000 of San Francisco's 105,000 street trees. Maintenance for the remaining street trees is the responsibility of fronting property owners. Ideally, mature trees should be pruned every three to five years to maintain proper and healthy growth and provide ADA-mandated width and headroom over sidewalks for pedestrians. At present, DPW is only able to prune trees on a 13-year cycle because of limited operating funds. Under these circumstances, the City established a tree relinquishment program that is transferring street tree maintenance responsibilities to property owners. Mature trees are transferred once they have been inspected and pruned. Young trees will be transferred once they have passed through their delicate establishment period and have been inspected by DPW crews. The Plan proposes \$22 million in funding, resulting in a maintenance cycle of about five years and continued relinquishment of trees.

Street Tree Establishment. On average, the City replaces 375 trees each year as a result of typical tree mortality, disease or vandalism. Once planted, young trees require frequent watering and re-staking for the first five years in order to foster the root system and promote tree growth. The highest loss rates of young trees happen within the first three years of planting. The Plan proposes approximately \$16 million which covers the annual need.

Sidewalk Improvements and Repair Program. The Sidewalk Inspection and Repair Program (SIRP) proactively inspects and makes necessary repairs to approximately 200 square blocks of the City's most heavily traveled sidewalks. This ensures that the City's approximately 5,000 street segments are inspected on a 25-year cycle. DPW's Accelerated Sidewalk Abatement Program (ASAP) addresses requests for action outside of SIRP zones. Property owners who do not make the repairs identified by DPW are assessed a fee, plus the cost of sidewalk abatement if the City has to perform the repair. Of the blocks inspected by SIRP in FY 2012 that required repair, 71 percent were the responsibility of private property owners. In that same year, SIRP repaired 171,350 square feet of sidewalk fronting 217 square blocks, of which 59 percent was on sidewalks that are the responsibility of private property owners.

In addition to sidewalk repairs under SIRP and ASAP, DPW repairs sidewalks around approximately 325 publically-maintained street trees annually. This work is funded by local sales tax dollars and state Transportation Development Act funds. Repairs are limited by the amount of these sources available each year. The Plan fully funds the \$79 million need.



Median Maintenance. With 68 landscaped medians across the city, irrigation systems require routine maintenance and repairs to prolong their useful lives and keep the landscaping in good condition without the need for costly manual watering. The program is funded mainly through the General Fund, although DPW receives a small amount of State Gas Tax funds. The total 10-Year need is approximately \$26 million, which the Plan proposes to fully fund.

Plaza Inspection and Repair. DPW is responsible for maintaining nine plazas throughout the City. Similar to the programs in place for street structures and sidewalks, DPW conducts annual inspections of these public spaces. The Plan estimates the ten year inspection and repair costs at \$3 million and allocates \$3 million to cover this need.

Enhancement Program (FY 2014-2023)

The majority of needs for streets and right-of-way assets are categorized as renewals. However the City will be undertaking some major enhancement projects over the next ten years.

Through RRSS, the City is investing \$50 million in significant streetscape, pedestrian and bike improvements. While DPW is leading RRSS planning and implementation, an interagency partnership worked with a stakeholder working group to compile and prioritize a list of streetscape, pedestrian, and bike safety improvement projects from City and community-led plans to be funded with bond dollars.

Criteria used to determine the list included, but was not limited to: (1) equitable geographic distribution; (2) the ability to coordinate pedestrian and bicycle safety improvements with scheduled repaving projects; (3) how projects along MUNI routes could be coordinated with the SFMTA Transit Effectiveness Project; and (4) other available funding sources that could be leveraged with bond funding. The group came up with a list of recommended projects which was approved by the Capital Planning Committee in June 2012. DPW is coordinating the project implementation logistics for these projects, anticipating that the projects will be implemented in three batches.



As mentioned in the Executive Summary, streetscape, pedestrian and bike enhancement programs will also be receiving an additional fixed amount of funding through TSIP which proposes using a combination of general fund revenue and the 2014 Street & Transit G.O. bond to make critical improvements.

- **Streetscape Improvement Program.** The Plan proposes investing close to \$96 million over the next decade to fund streetscape improvements using a combination of various funding sources.

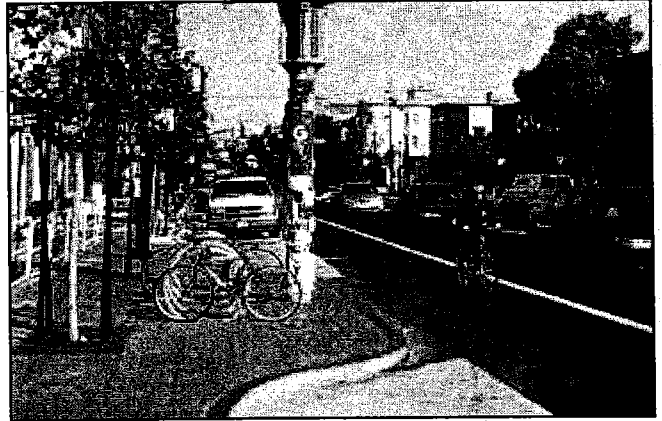
To date, \$5.6 million in RRSS bond funding has been issued to support the design and construction of the first batch of streetscape projects. DPW anticipates the next RRSS bond sale in spring 2013. This sale will support the construction of the first batch of projects and initiation of the second batch of projects. The third bond sale is currently slated for the end of FY 2014.

DPW will also use funds from the City's impact fee program to implement street and right-of-way infrastructure improvements called for in various Neighborhood Plans. For more information about these projects please refer to the Planning Department section within the Economic Development Chapter of the Plan.

The fixed amount funding the program is set to receive through TSIP will be used to implement smaller streetscape improvements in conjunction with the Street Resurfacing Program.

Lastly, DPW is also undertaking several other streetscape improvement projects using Federal funds, matched with local and state dollars. These include planting the median on 19th Avenue, extending the streetscape enhancements on Broadway to an additional block, improving the bike trail along Marina Green, constructing pedestrian safety and visual enhancements along Folsom Street from 19th Street to Cesar Chavez Street, and improving the bike and pedestrian safety. Additionally, DPW is seeking new Federal grants for other streetscape projects, such as the 2nd Street Enhancement Project.

- **Pedestrian and Bike Safety Improvement Program.** The DPW Pedestrian and Bike Safety Improvement Program focuses on implementing safety projects in conjunction with the Street Resurfacing Program to capture cost efficiencies. Typical improvements include pedestrian islands, bike lanes, crosswalk enhancements, and traffic calming measures. The Plan proposes investing just over \$38 million into the program over the next decade using RRSS bond proceeds and funding through TSIP, which proposes using a combination of general fund revenue and the 2014 Street & Transit G.O. bond to make critical pedestrian and bike improvements. The MTA also plans traffic calming and pedestrian and bicycle safety projects with DPW overseeing their construction. For more information on the MTA's bike and pedestrian programs refer to the Transportation Chapter within this Plan.
- **Complete Street Corridor Development.** Per TSIP, the Plan proposes to invest \$68 million in major corridor enhancement projects that include some combination of streetscape; bike safety; pedestrian safety; ADA; and transit improvements. Funding sources include the general fund and the 2014 Streets & Transit G.O. bond.
- **Public Right-of-Way ADA Transition Plan (Curb Ramps and Sidewalks).** Title II of the Americans with Disabilities Act (ADA) requires local entities to develop a transition plan for the public right-of-way. San Francisco's ADA Transition Plan describes the City's existing policies and programs to enhance accessibility in the right-of-way, including curb ramps and sidewalks. As mentioned previously, the City is committed to improving curb ramps and providing accessible paths of travel for people with disabilities. The Plan proposes fully funding the ADA Transition Plan totaling \$69.2 million over the next 10 years. The Plan assumes \$52.8 million will be funded through the General Fund, while the remaining \$16 million will come from a combination of RRSS proceeds, Prop K revenues and state funding.



2. Emerging Needs

In addition to the renewal and enhancement projects and programs above, the City is in the early planning stages of two other enhancement efforts.

- **Better Market Street.** The Better Market Street project calls for a comprehensive renovation of Market Street from The Embarcadero to Octavia Boulevard — one of the City's most important thoroughfares. Last upgraded in 1987, Market Street has various renewal needs that could be addressed through the project. Additionally, the project calls for making streetscape, transit, pedestrian and bike enhancements, fostering economic development, and helping create more vibrant public spaces.

The scope of work for the project is extensive. A comprehensive renovation will need to go through environmental review and require inter-agency coordination for work that could include: repaving of the roadway, sidewalk and crosswalk reconstruction, and new curb ramp construction; new street trees and landscape elements, (DPW); replacement of MUNI overhead wires (MTA-MUNI) and upgrades to the traffic signal infrastructure (MTA-DPT); street lighting upgrades, sewer repair and/or replacement (SFPUC); water main work (SFPD); and replacement of AWSS facilities and infrastructure (SFPD). The current cost estimate for the project is approximately \$346 million. While a small portion of the project could be funded using neighborhood impact fees, funding for most of the project beyond the current planning phase has yet to be secured. The City is currently exploring funding options for this project.

- **Managing and Growing the Urban Forest (Urban Forest Project).** Based on recent findings from an AECOM Urban Forest Master Plan and Financial Assessment, the Urban Forest Project would entail DPW taking over full maintenance responsibility for all 105,000 street trees, including sidewalk repairs and tree maintenance. This would mean that the City would assume





maintenance responsibility for approximately 70,000 street trees which are currently the responsibility of private property owners. Having a single entity, with adequate resources, responsible for maintaining street trees would mean better and more efficient maintenance of street trees and be consistent with how most U.S. cities manage their street trees. The Assessment proposes that DPW would plant 7,000 trees a year to replace those lost to normal mortality, and repair an estimated 2,100 sidewalk locations annually for damage caused by trees. The program would ultimately expand San Francisco's urban forest by at least 50 percent over the next 20 years, with a substantial increase in the planting of new trees. All street trees would then be maintained on a five-year cycle.

While the efficiencies from being able to care for entire strings of trees versus splitting it between several property owners would result in significant cost savings, it would cost the City an estimated \$142.6 million more than the current relinquishment program. Efforts to fund these additional costs through a parcel tax or other measure are currently being explored.

3. Deferred Projects

Below is an overview of major projects that the Plan is proposing to defer due to lack of funding.

- **Bayview Transportation Improvements (BTI).** This program will implement key segments of the Candlestick Point-Hunters Point Shipyard transportation plan helping to reduce truck traffic on Third Street and residential streets and to develop a more direct truck route between US-101 and existing and planned development in the Bayview and Hunters Point Shipyard. Proposed improvements include the rehabilitation and reconfiguration of the right-of-way to increase roadway capacity, pavement condition, street trees, sidewalks, curb ramps, bike lanes, bulb-outs, and traffic calming in certain areas. Project costs are estimated to be \$30.3 million over the next ten years. Funding for these projects has not been identified.
- **Biofuels Upgrade.** This project entails installing a new fuel tank at the DPW Operations Yard to dispense B-20 biofuels. In 2006, then-Mayor Gavin Newsom issued Executive Directive 06-02 which requires all diesel-using departments begin using B-20 in their diesel vehicles by the end of 2007. DPW has a waiver extending its deadline to August 2013. B-20 is a mix of 20 percent biofuels and 80 percent diesel. It can be run in a standard diesel engine without making any conversion; however DPW does not have a fuel storage tank or dispenser for B-20. Without a new fuel tank, DPW will not be able to reach compliance by August 2013. The project is estimated to cost \$1 million. At this point, funding has not been identified.
- **DPW Office Consolidation and Modernization.** DPW has begun exploring the possibility of constructing a new office facility to consolidate all DPW office functions. Currently office functions are spread across the City in five locations, several of which need improvements. Preliminary budget estimates show the project costing around \$187 million; however additional analysis and planning would be needed to refine the estimates. Funding for planning has not been secured.
- **Great Highway Long Term Stabilization.** The City has embarked on a collaborative master planning effort to respond to continuing beach erosion impacts along the Great Highway at Ocean Beach south of Sloat Blvd. The Great Highway is the north-south corridor that provides access to Ocean Beach, the San Francisco Zoo and the Oceanside Wastewater Treatment Plant. The effort involves a partnership with the Army Corps of Engineers, the National Park Service, City Departments, and a host of local, State and Federal stakeholders. The ultimate goal is to create an Ocean Beach Master Plan to lay out a long term vision for the area. In the immediate term, DPW needs to pursue permanent restoration work along the storm damaged stretch of Great Highway below Sloat Boulevard where DPW has put in emergency repairs. The current estimated cost for this near-term project is \$10.5 million. No funding for the project has been secured, however DPW is seeking Federal funding.
- **Hallidie Plaza Improvements.** Hallidie Plaza is scheduled for extensive enhancements as

part of the Better Market Street project. However, it will still be years before that project is designed, funded, and constructed. This project would address pressing safety concerns including: bringing handrails and guardrails up to code, constructing ADA compliant ramps, and addressing drainage. The total project cost is estimated to be close to \$3 million. Funding for this project has not been identified.

- **HOPE SF Emerging Needs.** As described in the Health and Human Services chapter, the Mayor's Office of Housing (MOH) is seeking to develop eight severely distressed public housing sites into mixed income communities. Funding is in place for public infrastructure needs (including both streets and rights-of-way and public utilities) for the first two sites, Hunters View and Alice Griffith; however no funding source has been identified for the next two sites: Potrero Annex & Terrace and Sunnydale-Velasco.

Public Utilities Commission

To distribute water to its nearly 2.6 million customers, the SFPUC operates and maintains 24 transmission pipelines and related facilities; 27 pump stations; 28 dams and reservoirs; nine tanks; 11 tunnels; 28 valve lots; three water treatment plants; three yards; and 30 chemical stations. The SFPUC also provides wastewater treatment services for over 800,000 San Francisco residents and businesses with its four water pollution control plants, 27 sewage pump stations, six stormwater pump stations, 993 miles of combined sewer, storage and tunnels, 36 combined sewage discharge outfalls, and four effluent outfalls. To provide reliable electric power to its customers, the SFPUC operates and maintains the Hetch Hetchy Reservoir, smaller dams and reservoirs, water transmission systems, power generation facilities and power transmission assets, including transmission lines to the Newark substation. It must provide electric power to satisfy the municipal loads and agricultural pumping demands of the Modesto and Turlock Irrigation Districts. The Auxiliary Water Supply System (AWSS) delivers water dedicated to fighting fires at high pressure throughout the city. It includes two pump stations, two storage tanks, one reservoir, and approximately 135 miles of pipes. The system also includes 52 suction connections along the northeastern waterfront, which allow fire engines to pump water from San Francisco Bay, and two fireboats that supply seawater by pumping into any of the five manifolds connected to AWSS pipes. The AWSS also includes 1,600 hydrants and 3,828 valves.

This complex network of facilities and infrastructure is managed by three utility enterprises within the SFPUC: Water, Wastewater and Power. In addition, these three enterprises provide utility services on Treasure Island and Yerba Buena Island pursuant to a contract between the Treasure Island Development Authority (TIDA) and the United States Navy, the owner of those utilities. The table below shows proposed SFPUC capital expenditures over the next ten years within each enterprise.

Enterprise	Total Expenditures
Water	1,308,148,000
Wastewater	5,339,383,000
Hetch Hetchy Water & Power	728,097,000
SFPUC Total	\$ 7,375,628,000

Highlights and Accomplishments

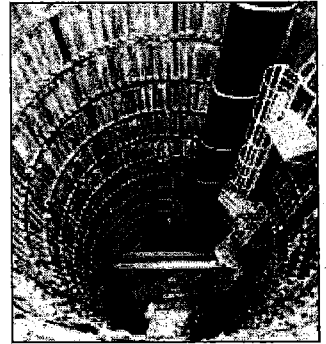
Water Enterprise Accomplishments

- Maintained continuous water deliveries and service during WSIP construction with no supply interruptions
- Brought Tesla Ultraviolet Disinfection facility online
- Prepared second State of Regional Water System Report
- Installed 130,000 new water meters
- Launched program to replace old toilets and urinals in Civic Center facilities and replaced 77 toilets and 31 urinals in City Hall.
- Continued to implement the Watershed and Environmental Improvement Program
- Increased rate at which local water mains are replaced from nine miles in FY 2013 to 12 miles in FY 2014 and finally to 15 miles in FY 2015 and beyond.

Wastewater Enterprise Accomplishments

- Received San Francisco Public Utilities Commission approval for a \$6.9 billion phased implementation of the Sewer System Improvement Program (SSIP). Projects in the first phase (\$2.7 billion) include completing the Biosolids Digester Facility, Central Bayside System Improvement, the Early Implementation Green Infrastructure Project, and Pump Stations and Treatment Reliability Projects.
- Finished the Urban Watershed Framework which documents the collection system assessment process to determine grey and green infrastructure needs for stormwater management.

- Purchased 1550 Evans Avenue office and warehouse space for the Wastewater Collections group and part of the SSIP Program team.
- Made several repairs to the Oceanside and Southeast Water Pollution Control Plants that include mechanical and electrical upgrades, sludge handling and oxygen generation improvements, dewatering system repairs and upgrades, and biosolids disposal and storage enhancements.
- Completed the Sunnydale Auxiliary Tunnel construction work that will ensure system reliability, redundancy, and operational flexibility to control combined wastewater discharges from the Sunnydale urban watershed. Added capacity to provide localized flooding relief to the Visitation Valley community.
- Started construction of a redundant North Shore Force Main to provide a bypass for future maintenance of the existing force main, and ensure Wastewater Enterprise can meet its level-of-service for reliability.
- Started construction of the Cesar Chavez Street Sewer Improvement project in June 2011 with completion anticipated for March 2013.
- Increased rate at which sewers are replaced from 11 miles in FY 2012 to 15 miles in FY 2015 and beyond.
- Started tenant improvements at the offices of the Southeast Community Facility to provide space for the 5 Keys Charter School.



Hetch Hetchy Water Accomplishments

Water Infrastructure

- Continued work on the Mountain Tunnel Rehabilitation Planning and Conceptual Engineering Study to evaluate rehabilitation alternatives including repair, reline, and replacement of tunnel. It is expected that the Alternative Analysis Report and the Conceptual Engineering Report will be completed in the third and fourth quarters of FY 2013.
- Performed internal pipe inspections and the planning of rehabilitation and replacement work on the San Joaquin Pipeline.



Power Infrastructure – Powerhouse Generation

- Successfully upgraded Kirkwood Power House Generator Unit 2 governor to a new digital governor; upgrade work for Unit 1 is expected to be completed in February 2013.
- Finalized the generator rewind project at Moccasin, construction is scheduled to start in 2013.

Power Infrastructure – Transmission Lines / Switchyards

- Performed transmission line surveys to assess the condition of lines and to develop a vegetation and ground clearance management program to comply with regulatory requirements. The design of new towers to alleviate the clearance issues over Don Pedro Reservoir is in progress. The design of Early Intake Switchyard Rehabilitation work is close to completion and construction is slated to begin in early 2013.



Joint Projects – Water Infrastructure

- Substantially completed construction of UV Disinfection Systems at Moccasin, Early Intake and O'Shaughnessy in line with Environmental Protection Agency (EPA) requirements. Preliminary condition assessments of Holm, Kirkwood, and Moccasin Penstocks have been performed. A second phase of investigation is needed to further evaluate the internal corrosion condition and mitigation measures of the Moccasin Penstock.

Facilities/Roads/Rights-of-Way

- Installed a new microwave radio system at the Intake Radio Site, Poopenaut Pass, and Cherry Tower Site. Completed draft Condition Assessment Reports of Roads and Bridges and prioritized mitigation work. The design of the new Control Room in Moccasin campus is in progress.

Hetch Hetchy Power Accomplishments

Streetlights

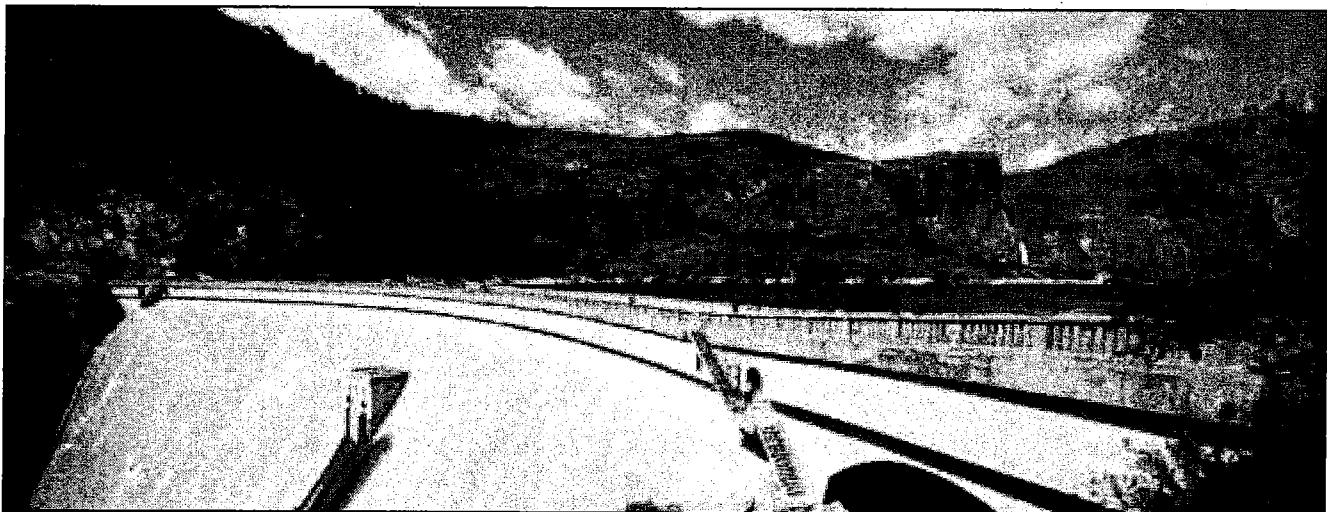
- Secured funds for the engineering and construction costs to install new street lights as part of the Van Ness Bus Rapid Transit Project.
- Repaired 3,075 street light outages and 35 requests to improve illumination of street lights.
- Restored thirty-seven (37) street light pole knockdowns; 95% were completed within 21-day level of service.
- Converted 2,670 feet of Sweeney high voltage series loop circuits into standard service voltages.
- Approved the design of ninety-two (92) decorative-type energy efficient, light emitting diode (LED) street and pedestrian light installations on Redevelopment areas in Rincon Hill, Hunters View Phase 1 and Hunters Point Phase 1; 34 luminaries and poles have been installed.

Transmission & Distribution

- Completed approximately 100 electric service connections for City facilities in FY 2012.
- Entered into a memorandum of understanding (MOU) with the Port of San Francisco on June 21, 2012 to continue to provide electric service and deliver clean municipal electric power to the Port.
- Performed a feasibility study to determine the merits of the City and County of San Francisco to provide electric services exclusively to the Transbay Joint Powers Authority's Transbay Transit Center facility in San Francisco, California.
- Installed Electric Vehicle charging stations at the SFO International Airport (21), Treasure Island (3), City-owned parking garages (27) and 3 charging stations at our new SFPUC Headquarters (525 Golden Gate Ave) including the first public accessible curbside charger in San Francisco.

Renewable Energy Generation

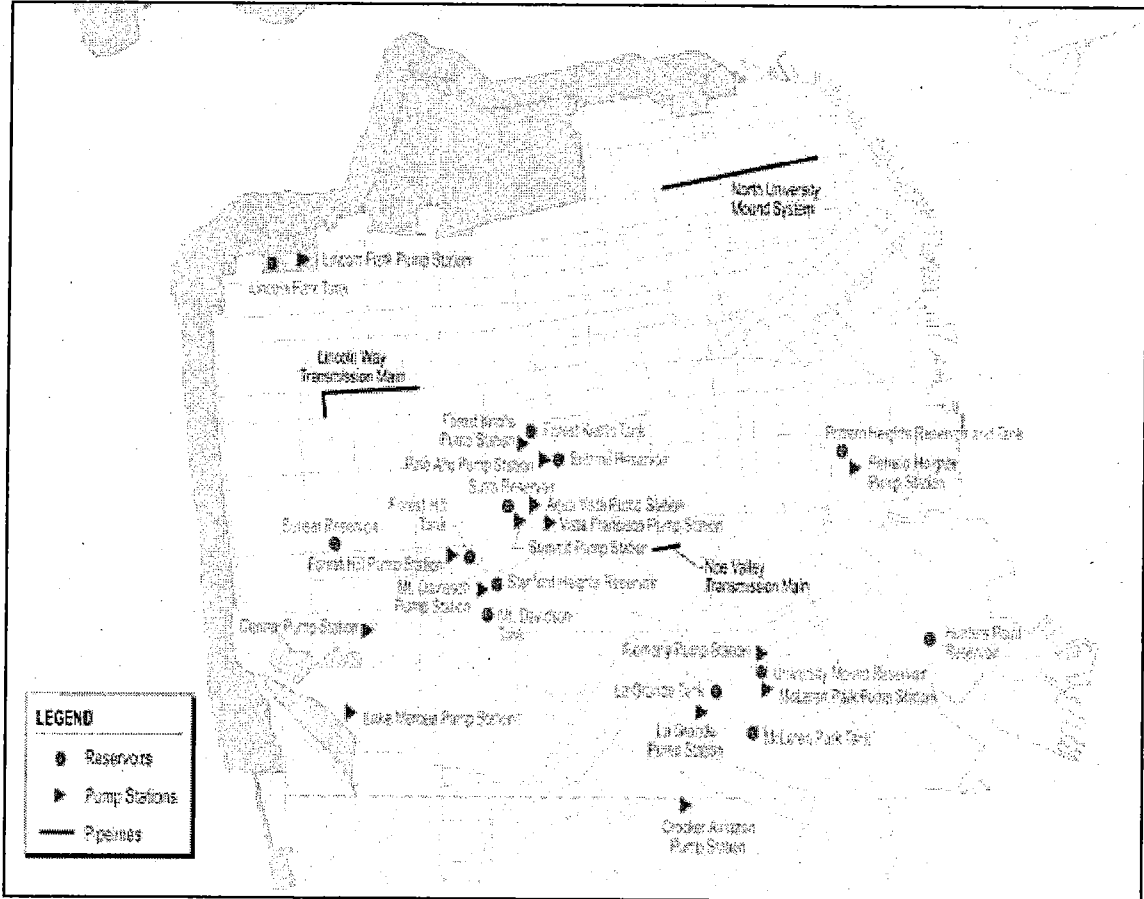
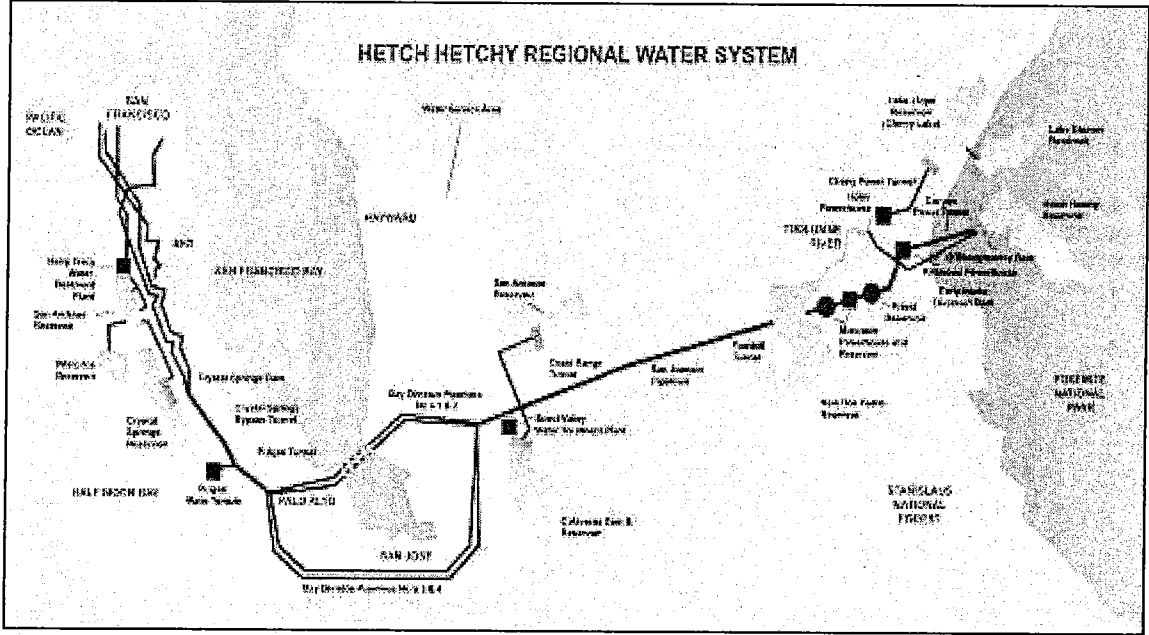
- Installed three solar photovoltaic rooftop projects at Chinatown Public Health Center, Muni Woods Coach and Alvarado School.
- Completed a conceptual design feasibility study for an Ocean Energy project.
- Finished environmental permitting submittal for a 10kW wind energy project on Twin Peaks.
- Made significant progress on planning, environmental and design for the 240 kW University Mound Small Hydroelectric Project.
- Started the planning phase for the 1,000 kW Calaveras Small Hydroelectric Project
- Completed a plan for use of TransBay cable funds for four community facilities and various schools



Energy Efficiency

- Completed 15 projects resulting in energy savings of 3,570 MWh electrical savings per year, and 170,415 therms of gas savings per year. These are lighting, heating, ventilating and Air Conditioning (HVAC) projects for City departments including Real Estate, Human Services Agency, Sheriff's/Sheriff's Dept., SFPUC headquarters building, City Hall and Moscone Center.
- Issued for a report for compliance with the CCSF energy efficiency benchmarking ordinance.
- Developed an energy efficiency incentive proposal for the TransBay Transit Center.
- Started energy efficiency incentive programs for new Power Enterprise retail multi-family and commercial customers; CleanPower SF and the development of a PG&E energy efficiency matrix for comparison of potential SFPUC programs

SFPUC - Water Enterprise



SFPUC – Water Enterprise

Project costs for the Water Enterprise total \$1.3 billion. The cost of the 10-year Water Enterprise Capital Plan is less than investments from the Water System Improvement Program (WSIP) but higher than historical amounts to make more consistent on-going investments. The following table shows regional and local infrastructure investments proposed over the next ten years.

Regional	(Millions)
Water Treatment Program	30.8
Water Transmission Program	189.6
Water Supply & Storage Program	84.5
Watersheds & Land Management	46.9
Communication & Monitoring Program	9.6
Buildings & Grounds Programs	109.2
Total - Regional	470.6
Local	
Water Conveyance/Distribution System	527.5
Buildings & Grounds Improvements	36.9
SF Eastside Recycled Water	200.0
Other Recycled Water Projects	5.8
Treasure Island	6.0
Auxiliary Water Supply System	61.4
Total - Local	837.6
Total Water Enterprise	1,308.1

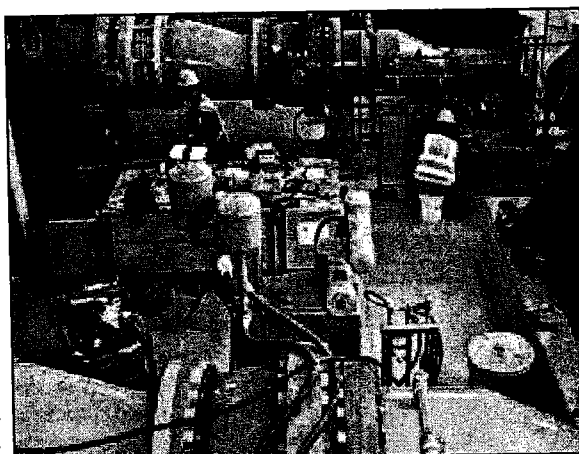
A combination of Water Enterprise revenue, revenue bonds, general obligation bonds, and capacity fees are proposed to fund these capital needs; some projects will be deferred if funding is not available. Funds for Treasure Island capital improvements are generated by utility service charges and TIDA.

1. Renewal Program

Annual funding for the Water Enterprise's renewal and replacement (R&R) program is approximately \$131 million. The proposed R&R program includes investments to keep the water systems operational with the goal of reaching and maintaining a state of good repair.

Regional Water Treatment Program. This program includes upgrades of chemical dosage, flow monitoring, valve and pump replacement, chemical handling upgrades, power upgrades, systems to control discharges to maintain permit compliance, communications, process control equipment to meet more stringent drinking water regulations, seismic improvements, and upgrades to control software.

Regional Water Transmission Program. This will provide upgrades to the Transmission System including pipeline inspection and repairs, valve replacements, metering upgrades, corrosion protection to extend the useful life of the pipelines, pump station upgrades and vault upgrades. Included is funding for the Calaveras Micro Turbine Project, a small renewable hydroelectric turbine (approximately 1 MW) on the Calaveras Pipeline near the Sunol Valley Water Treatment Plant using energy from water stored in Calaveras Reservoir.



Regional Water Supply & Storage Program. This project includes upgrades to structures to meet State Division of Safety of Dams requirements including geotechnical work and installation of automated data acquisition and monitoring systems. The automated data acquisition system will provide timely, accurate data related to inspections at various dams.



New Headquarters for the SFPUC located at 525 Golden Gate Avenue, San Francisco. The building was completed in May 2012 with a total cost of \$201.6 million. The building has a Platinum LEED status.

Funding is also included for participation in a regional desalination project.

Regional Watersheds & Land Management. This program supports projects that improve and/or protect the water quality and/or ecological resources impacted by the siting and operation of the SFPUC facilities. Projects including the repair, replacement, maintenance, or construction of roads, fences, or trails, the acquisition of easements and/or fee title of properties, (within the Pilarcitos Creek, San Mateo Creek, and Alameda Creek watersheds), and other ecosystem restoration or public access, recreation, and education projects.

Regional Communications & Monitoring Program. This program includes the development of a microwave backbone to link the entire SFPUC Regional water system from the O'Shaughnessy Dam site in Yosemite to the rest of the SFPUC sites (San Francisco, San Mateo, Santa Clara and Alameda counties). The project will provide much needed redundant emergency communication capability and increased bandwidth for secure data transfer.

Regional Buildings & Grounds Programs. The program provides funding for major improvements to the Sunol and Millbrae Yards. Sunol Yard improvements include replacement structures for maintenance shops and equipment storage, new fueling center and administration building, re-surfacing of yard, and demolition of six dilapidated structures. Millbrae Yard improvements include a new administration building to consolidate the Water and Wastewater laboratory, maintenance shop, and equipment storage, demolition of large unused abandoned building, new parking lot, and new vehicle wash site.

Local Water Conveyance/Distribution System. The program provides funding to install, replace and renew pipelines and service connections for the drinking water distribution system in San Francisco. Prior Ten-Year

Capital Plan assumed funding for 6 miles of pipeline replacement per year. The increased investment provides for replacement or renewal of nine miles of pipe in FY 2012-13, 12 miles in FY 2013-14, 15 miles in FY 2014-15 and maintaining 15 miles per year for the next 10 years. Improvements include replacement, rehabilitation, re-lining, and cathodic protection of all pipe categories to extend or renew pipeline useful life.

Local Buildings & Grounds Improvements. This provides funding for capital improvements at CDD facilities and structures. Projects include a new fueling station, yard improvements to address health and safety issues and security and a comprehensive arc flash and electrical hazard study.

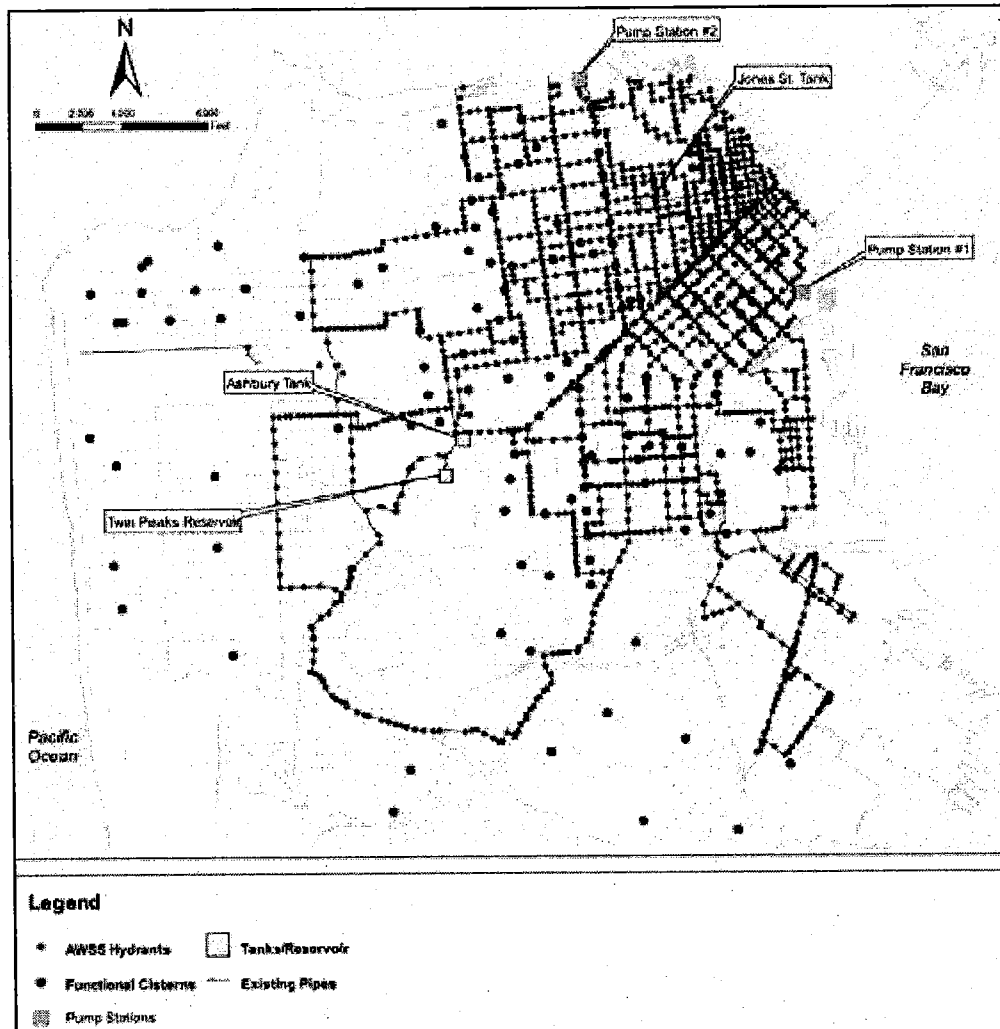
Local SF Eastside Recycled Water Project. The San Francisco Eastside Recycled Water Project includes the recycled water treatment facilities, storage, and distribution system to produce and deliver approximately 2 MGD of water to customers on the eastern side of the City. The project is currently funded by Water System Improvement Program (WSIP) funds through design and environmental review. Additional funding will be need for construction.

Other Recycled Water Projects. This includes recycled water projects for retail customers near Daly City, Redwood City and South San Francisco. Projects will contribute to SFPUC's overall water supply diversification goal, providing additional recycled water use for irrigation, and which will be a direct offset of potable water currently used to irrigate parks, cemeteries and golf courses.

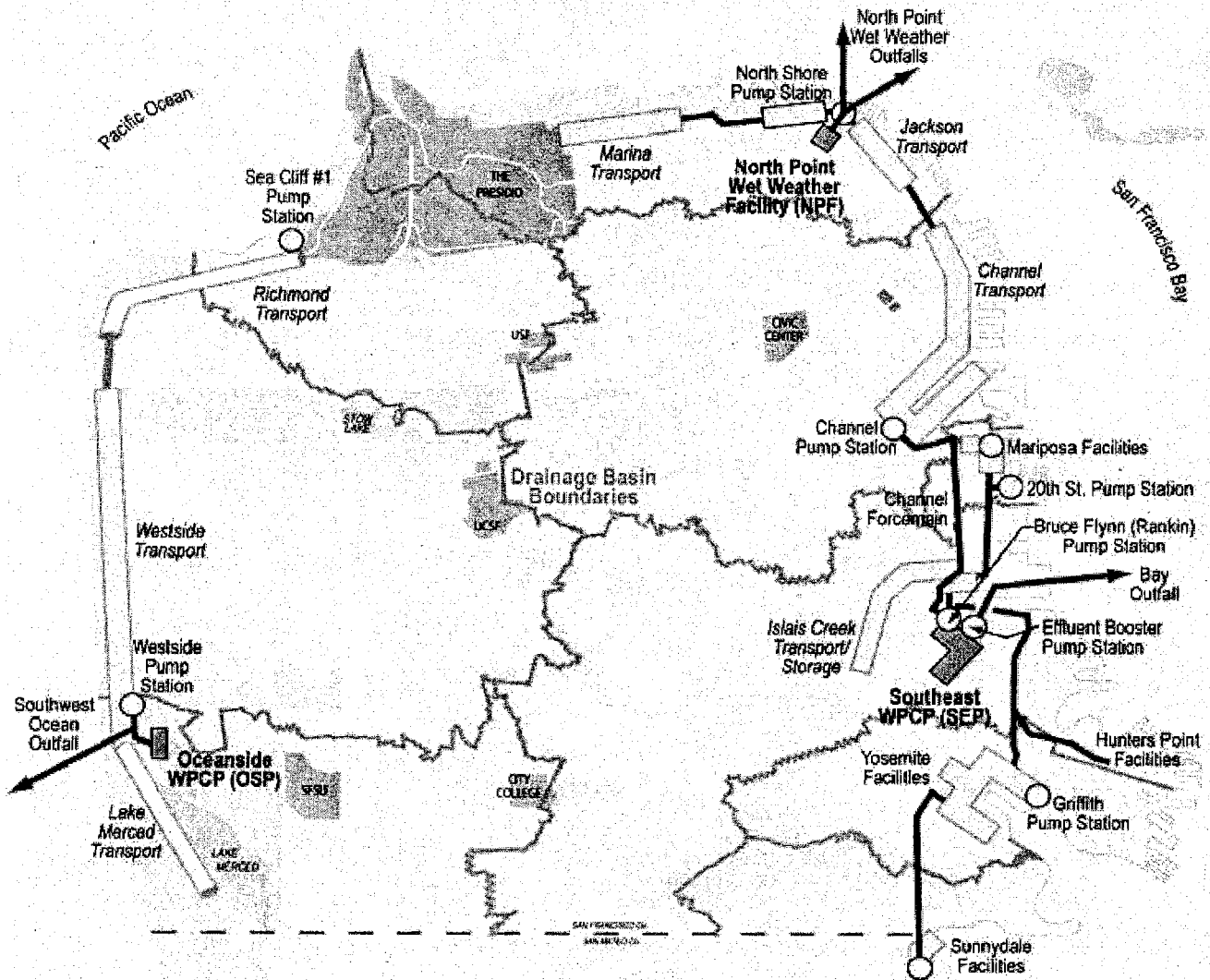
Treasure Island. Existing water facilities on Treasure Island and Yerba Buena Island are unreliable and investments in existing infrastructure are needed to maintain reliable service for existing and future use. Proposed projects include rehabilitation of existing on-island storage and strengthening water pipelines between storage and major service connections. These interim investments are planned to be consistent with long-term planning and development of the islands and will be funded by non-rate-payer sources.

Auxiliary Water Supply System (AWSS). The 2010 Earthquake Safety and Emergency Response (ESER #1) bond provided funding \$102 million in AWSS repairs and enhancements increase the City's firefighting response capacity following a major earthquake and during multiple-alarm fires from other causes. Having issued \$46 million in bonds, the remaining \$56

million bonds are slated to be sold in FY 2015 but may occur over several years. The Capital Plan proposes an additional \$180 million in future G.O. bonds through ESER #2 and ESER #3 to retrofit and improve core facilities (pump stations, storage tanks, and reservoirs), cisterns, pipes, and tunnels that constitute the AWSS network. Guiding this work is a SFPUC lead hydraulic planning study with AECOM/AGS JV to identify AWSS repairs and improvements. Scheduled for completion in early 2013, the study is projecting system wide improvement in the several hundreds of million dollars depending on the level of water reliability the City chooses to adopt. The AWSS project is also discussed in the Public Safety Chapter within this Plan.



SFPUC – Wastewater Enterprise



SFPUC – Wastewater Enterprise

The Wastewater Enterprise (WWE) is responsible for protecting public health and the San Francisco Bay and Pacific Ocean water environment by collecting and treating storm and sanitary flows. Assets include 993 miles of combined storm and sanitary collection system pipes, sewer mains, storage structures and tunnels.

Southeast Water Pollution Control Plant
Bruce Flynn Pump Station
Oceanside Water Pollution Control Plant
Westside Pump Station
Zoo Wet Weather Lift Station
North Point WWF & North Shore Pump St
Channel Pump Station & Transport
Southeast Booster Pump Station
Griffith Pump Station
Hudson Avenue Pump Station
Mariposa Pump Station & Transport
Palace of Fine Arts Pump Station
Pine Lake Pump Station
Sea Cliff #1 Pump Station
Sea Cliff #2 Pump Station
Tennessee Pump Station
20th Street Pump Station
Merlin/Morris Pump Station

Chavez/Army Circle Lift Station
Geary Expressway Lift Station
Sunnydale PS & Transport
Rankin Wet Weather Lift Station
Richmond Chemical Station
Berry Pump Station
Richmond Transport
North Shore Transport
Islais Creek Transport
Westside Transport
Marina Transport
Jackson Transport
Yosemite Transport
Hunters Point Transport
900 Miles of Sewers
3 Ocean/Bay Outfalls
36 Overflow Structures
Southeast Community Facility

The WWE is currently developing the Sewer System Improvement Program (SSIP), a long-term capital plan outlining strategies to improve wastewater infrastructure. The ten-year capital plan shows \$5.3 billion in Wastewater needs.

1. Renewal and Replacement Program

The Wastewater renewal program (R&R) includes two major categories – collection system and treatment facilities – and is estimated to cost \$75.8 million in FY 2014 and increase to \$102 million by FY 2023.

Collection System. Condition Assessment Project – Includes cleaning of large diameter sewers, transport/storage boxes and collection system discharge/overflow structures. The cleaning work is necessary to perform inspections of the subject facilities in support of the Wastewater Enterprise's Collection System Asset Management Program (CSAMP).

Sewer Replacement / Improvement Program. Helps mitigate future years' operating costs by timely maintenance of the Wastewater collection system. Historically, the Enterprise has been replacing approximately four miles of sewers each year at an annual cost of about \$12.0 million. The annual budget for sewer replacement beginning in FY 2012-13 is approximately \$40.3 million. This will enable the Wastewater Enterprise to award approximately 11 to 12 miles of sewer replacement work in FY 2012-13. This amount increases to \$80.8 million in FY 2021-22 which will enable award of approximately 15 miles of sewer replacement work. The goal is to accelerate the current 200-year replacement rate until the sewers are replaced once every 100 years.

Collection System Spot Sewer Repair Project. Addresses collapse sections of pipe, voids and holes and other deficiencies. FY 2012-13 funding in the amount of \$8 million will repair approximately 300 individual spot sewer locations, with an increase in FY 2013-14 to \$18.6 million which will repair approximately 700 individual spot sewer locations, to meet the targeted levels of service goals. It is anticipated that this base rate of spot repair will continue for the next several years and would ultimately decrease as the overall R&R sewer replacement program continues to be implemented.

Treatment Plants. The treatment plant renewal program includes projects to keep the Wastewater systems operational, with the goal of reaching a state of good repair. This is a continuing annual program to extend the useful life of the Wastewater Enterprise treatment facilities assets. Projects include planned renewals and replacements at treatment plants and pumping stations to maintain the capacity and reliable performance of wastewater treatment facilities.

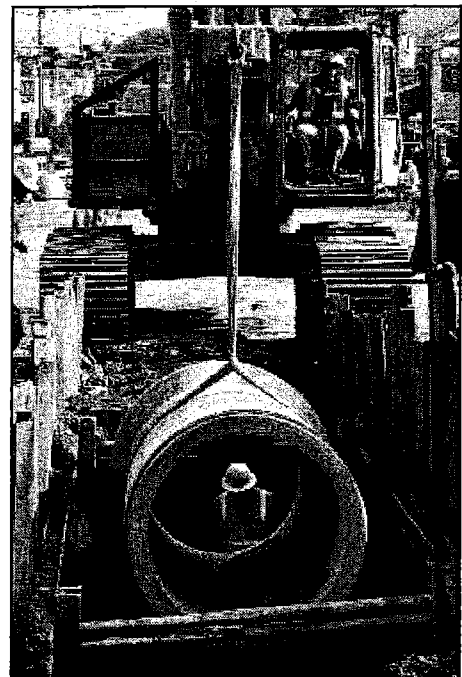
2. Enhancement Program (FY 2013-14 – FY 2023)

The ten-year plan proposes investments totaling nearly \$4.4 billion for capital improvements to the sewer system. The capital improvements are categorized under the SSIP, Treasure Island and Wastewater Facilities and Infrastructure.

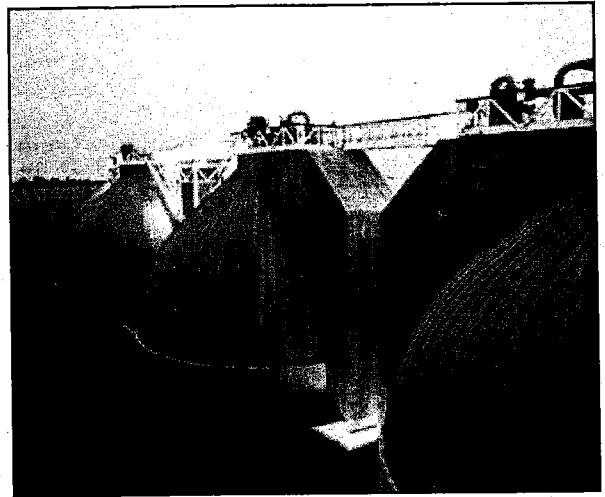
- **Sewer System Improvement Program (SSIP).** The Sewer System Improvement Program (SSIP) evaluated the current treatment and collection system to provide a long-term strategy for wastewater and stormwater management to ensure reliability and resilience. The SSIP is based on a comprehensive planning effort that: (1) outlines a long-term strategy for San Francisco's wastewater and stormwater management; (2) addresses specific system deficiencies, aging infrastructure, and future operational and repair/replacement needs; and (3) provides a roadmap for a future capital improvement programs, ensuring reliable service meeting all regulatory requirements.

The 10-Year Capital Plan anticipates approximately \$4.3 billion in investments from the SSIP, focusing on projects in the following categories:

- » Program-Wide Efforts. The Program-Wide Management Project will assist the SSIP



implementation, providing Condition Assessments (facility inspections), project definition and prioritization, public outreach and education, analysis of the impacts of climate change, sustainability evaluation, and general program management. The initial focus will be on scope optimization and validation; and the development of programmatic schedules, cost estimates, rate and spending projections for the SSIP.



- » **Biofuel/Alternative Energy.** This Program will determine if it is feasible and cost-effective to generate bio-energy as a byproduct of processing the fats, oils, and grease (FOG) and/or food waste collected throughout the City. Feasibility will be determined through pilot studies and analysis that will evaluate whether adoption of biofuel energy programs into the SFPUC's wastewater infrastructure (collection system and/or treatment processes) would reliably and cost effectively enhance system performance and sustainability. (This Program is included in Program-Wide Management in Table C7.)
- » **Treatment Facilities.** This program includes the Bayside Biosolids (Digester) Project which funds the planning, design and construction of a new digester and solids facility to be located in the southeast area of San Francisco, improvements to the near shore combined sewer transport storage and combined sewer discharge structures, major improvements to the North Point Facility, North Shore Pump Station and associated outfalls, and major improvements to the Oceanside Water Pollution Control Plant, Westside Pump Station and Force Main.
- » **Sewer/Collection System.** This effort includes the proposed Central Bayside System Improvement Project providing system enhancements to the Channel Drainage Basin, including needed redundancy for the existing 66-inch Channel Force Main, hydraulic improvements to sewers/pump stations, and improvements to stormwater management through elements of both grey and green infrastructure. Also provides funding for replacement of existing sewers to increase hydraulic capacity, pump stations and force main improvements.
- » **Flood Control.** The SSIP will utilize an integrated drainage basin management approach to investigate the health of each of the City's drainage basins (watersheds) and identify potential opportunities for stormwater capture and reuse to address issues of flooding. These projects will provide basin-wide improvements for watersheds identified in the SSIP. Through the Low Impact Design (LID) Program, projects and policies will be developed for storing, or diverting stormwater for beneficial use prior to being directed into the sewer system. The SSIP Urban Watershed Assessment and Planning project will evaluate alternatives that balance the use of grey versus green infrastructure for collection system improvements.
- **Sewer Redevelopment of Treasure and Yerba Buena Islands.** On October 1, 1997, concurrent with the operational closure of the Treasure Island Naval Station, the City entered into a Cooperative Agreement with the U.S. Navy in which the City agreed to take responsibility for caretaker services on Treasure Island and Yerba Buena Island. That agreement has been renewed annually since 1997 by the Treasure Island Development Authority (TIDA). As a result of this agreement, on behalf of TIDA, the SFPUC provides utility operations and maintenance services for the wastewater and stormwater systems. The Board of Supervisors authorized TIDA to enter into a Development Agreement with a private developer, and approved related documents, that were also approved in part by the San Francisco Public Utilities Commission, providing for redevelopment of infrastructure on that property. The SFPUC and TIDA intend to negotiate a Utilities Agreement to address the capital improvements funding and schedule for certain sanitary and storm sewer facilities.

Wastewater Facilities and Infrastructure

- **Collection System Division Consolidation.** This project will focus on consolidating the Collection System Division Administrative and Sewer Operations staff to a centralized location, maximizing the operational efficiency and functionality of the City's sewer cleaning.
- **Ocean Beach Visioning Process.** This project will facilitate the development of a

comprehensive shoreline management and protection plan in partnership with relevant stakeholders and regulatory agencies to provide a long-term solution to the erosion issues along Ocean Beach.

- **Southeast Community Center Improvements.** This project focuses on evaluating and improving the functional and operational reliability of the existing Southeast Community Facility by providing infrastructure improvements.

SFPUC - Hetch Hetchy Water & Power

1. Renewal and Replacement Program

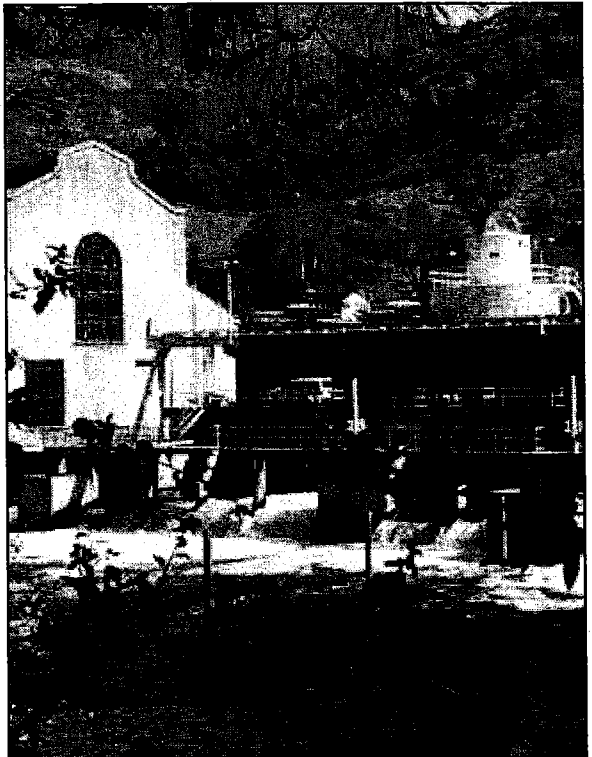
Totalling \$612.2 million, the renewal and replacement program investments are entirely for the Hetchy Water Enterprise.

Water Infrastructure. The Water Infrastructure capital renewal and replacement program include concept, development, design and upgrades for operating, managing, and maintaining the Hetch Hetchy Water Infrastructure. In general, this includes water facilities from Hetch Hetchy Reservoir to Alameda East. The new and upgraded systems will have increased coverage, capacity or reliability, or improve employee safety and/or operating efficiency for those projects. Renewal and replacement projects include continued rehabilitation to the San Joaquin Pipelines, Mountain Tunnel Water Quality, and assessment of the Coast Range Tunnel.

Power Infrastructure – Powerhouse. Hetchy Power infrastructure, facilities and equipment have reached their life expectancy. Power generation will become less reliable if upgrades are not performed.

The Capital Plan provides funding for various generation renewal and replacement projects at the Holm, Kirkwood, Moccasin, and Moccasin Low Head Powerhouses. Projects include upgrades to the powerhouse protection, control, and monitoring systems, replacing step-up transformers and replacement of pumps which divert water from Eleanor to Cherry Reservoir. Also, the Plan will cover secondary containment system for the transformers in order to minimize the risk of oil spill and avoid environmental impacts.

Power Infrastructure – Transmission Lines and Switchyards. The Capital Plan includes rehabilitation of transmission lines, a condition assessment of the lines to reduce the risk of failure, replacement of large transformers at switchyards that have exceeded their expected life, and renewal and replacement of switchyard and substation components including an inadequate grounding system that may result in potential electrical hazards. The facilities also need to be upgraded to ensure compliance with the electric power reliability standards by North American Electric Reliability Corporation (NERC) and Western Electricity Coordination Council (WECC). Hetchy must maintain these assets to ensure electricity grid reliability and avoid transmission line failure resulting in costly repairs and revenue loss.



Joint Projects – Water Infrastructure. The Capital Plan includes rehabilitation of Hetchy penstocks, reservoirs outlets, tunnel adit, and the condition assessment of Hetchy dams. Failure of the penstocks could cause flooding, impact the ability to generate power and maintain reliability of the water supply to SFPUC customers.

The findings from the dam condition assessments will be used to identify and prioritize work to be performed. Failure to upgrade these facilities could jeopardize the system resulting in loss of storage or conveyance and may impact the SFPUC's water supply reliability and/or the ability to deliver water and generate power.

Facilities/Roads/Rights-of-Way. This is a multi-year project to renew and/or replace the infrastructure required for operating and maintaining the Hetch Hetchy Water delivery and transmission systems. The Plan includes investments for rehabilitating roads and bridges; upgrading existing and constructing new structures, facilities, security, and communication systems. These improvements will allow Hetchy to meet California Building Code (CBC) requirements and address life-safety issues.

2. Enhancement Program (FY 2013-14 – FY 2023)

The capital improvement program for the Power Enterprise totals \$115.9 million.

- **Streetlights.** Hetchy provides power to all of San Francisco's 44,528 streetlights and maintains the 25,509 owned by the City. It also coordinates and funds the maintenance of the 19,019 streetlights owned by Pacific Gas & Electric (PG&E). Hetchy Power is in the process of performing an assessment of the existing streetlight system, particularly City-owned



facilities over 60 years old, and preparing a retrofit/replacement program that will include specific recommendations, strategies for capital recovery, and an implementation schedule. The plan also includes funding for a portion of the engineering and construction costs associated with the installation of new streetlights as part of the Van Ness Bus Rapid Transit (BRT) Project.

- **Transmission and Distribution.** Transmission and Distribution (T&D) projects address the SFPUC's ability to assess and develop City-owned transmission and distribution assets as well as evaluate its reliance on assets owned by a third-party. Projects support the SFPUC's responsibility to provide long-term electric reliability options and services for the City. Projects include the following:
 - » A condition assessment of existing third-party T&D systems, construction and ownership of new T&D systems and renewal and replacement of existing systems.
 - » A project to evaluate the feasibility of two scenarios: (1) replacing all or a portion of the 2000 Pacific Gas & Electric Company (PG&E) meters used to serve the SFPUC's municipal load customers with meters that would be owned by the Power Enterprise; and (2) SFPUC purchasing these meters from PG&E.
 - » Transbay Center Project - Provide construction and permanent electric services to the new Transbay Transit Center, including adjacent bus ramps, and the new bus storage facility at Stillman Street, in San Francisco. The SFPUC, in agreement with the Transbay Joint Powers Authority will provide electric service to the Transit Center by installing two 12-kilovolt (kV) electric circuits, 12-kV switchgear, transformers, and other electrical equipment.



- **Renewable/Generation Power.** In accordance with City policies and directives to increase renewable energy and reduce greenhouse gases, Hetchy Power is continuously developing and implementing new renewable generation resources. The Capital Plan proposes a series of small municipal and energy development projects including solar photovoltaic (PV), solar thermal, wind projects, and other renewable energy projects

The Capital Plan funds portions of the long-term development of cost-effective, small hydroelectricity projects. Small hydro provides the potential for relatively low generation costs, sustainability, and good stewardship of SFPUC's resource. As part of this program the SFPUC is installing a small hydro project to capture clean renewable energy from Hetchy Water System pipelines that serve the University Mound Reservoir. The Plan also provides funding for the GoSolar program administered by Hetchy Power that provides a City incentive payment towards non-municipal solar projects in San Francisco.

- **Energy Efficiency.** Energy efficiency improvements are an important component of an electric utility's resource portfolio. These investments reduce facility operating costs and electric bills for customers, improve system functionality, and reduce the environmental impact of energy use. The Plan proposes funding for lighting and mechanical system efficiency upgrades. These investments are consistent with State policies that place emphasis on energy efficiency and that support greenhouse gas reduction.
 - » General Fund Departments – Funding for General Fund facilities for the planning, design and construction of energy efficiency projects. Energy retrofits include lighting, heating and ventilation, and energy management systems and demand response projects. The capital budget funds efficiency projects in municipal facilities including departments such as Real Estate, Public Health, Sheriff's Department, Fine Arts and Human Services Agency.
 - » Civic Center District - Planning, design and construction of projects in the green energy district in the Civic Center in accordance with the partnership Memorandum of Understanding (MOU) with the Clinton Global Initiative. This effort will employ new technologies in energy efficiency and obtain Leadership in Energy and Environmental Design (LEED) certification for upgraded buildings from the US Green Building Council. The plan funds, for example, the Civic Center Garage ventilation upgrades and Green Building Certification for the Main Library and the Asian Art Museum.

- **Treasure Island.** The Cooperative Agreement (discussed in the Wastewater Enterprise section concerning Treasure Island) also requires TIDA to provide utility operations and maintenance services for the electrical and natural gas utility systems at Treasure Island and Yerba Buena Island. These functions are performed by SFPUC. With respect to the future redevelopment of that property, the SFPUC has developed a work plan for creating a public power utility on each of the islands, subject to a Commission determination following completion of feasibility studies.

The current planning shows that the existing electrical overhead poles, lines, and substation may be adequate to serve the first phase of development. However at some point during development, the electric utility infrastructure will have to be replaced with an underground distribution system.

Infrastructure & Streets

Program / Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Grand Total	Backlog
SPENDING PLAN								
Streets & ROW								
State of good repair renewal - Streets & ROW	79,353	80,313	83,603	90,661	95,824	563,684	993,438	405,626
Public Right-of-Way Transition Plan Improvements	12,002	12,421	13,021	13,650	14,311	82,642	148,048	
Enhancements - Streets & ROW	47,369	74,492	10,000	10,000	10,000	50,000	201,861	1,591,476
Subtotal	138,724	167,226	106,624	114,311	120,135	696,326	1,343,346	1,997,102
SFPUC								
Water Enterprise	95,633	126,947	166,562	90,642	280,423	486,561	1,246,758	
Wastewater Enterprise	211,608	294,655	524,336	381,887	1,263,074	2,684,449	5,360,009	
High Techy Water and Power Enterprise	74,085	99,978	86,747	88,642	100,952	277,693	728,097	
Subtotal	381,326	521,580	777,635	561,171	1,644,449	3,448,703	7,334,864	
TOTAL	520,050	688,806	884,259	675,482	1,764,584	4,145,029	8,678,210	1,997,102
REVENUES								
General Fund	3,598	38,390	21,362	26,686	30,075	202,740	322,800	
General Fund - TSIP	10,000	20,400	50,808	52,324	53,871	293,655	481,058	
Other Local Sources	4,628	2,537	4,873	5,005	4,937	27,014	48,993	
Prop K Funding	7,240	8,699	5,820	6,045	6,281	35,138	69,222	
Road Repaving and Street Safety Bond	84,105	18,701					102,805	
Street and Transit Bond		30,000					30,000	
State	19,324	20,001	20,711	21,451	22,221	123,780	227,487	
Federal	9,831	28,499	3,050	2,800	2,800	14,000	60,980	
SFPUC Revenues	381,326	521,580	777,635	561,171	1,644,449	3,448,703	7,334,864	
TOTAL	520,050	688,806	884,259	675,482	1,764,584	4,145,029	8,678,210	
Total San Francisco Jobs Year	4,639	6,744	7,888	6,025	15,740	36,974	77,410	

Departmental Breakdown

Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
State of good repair renewal - Need	81,709	85,353	88,900	90,926	95,705	551,687	994,280											
SPENDING PLAN																		
Current backlog																		
Roads																		405,626
Street Resurfacing																		866,880
Curb Ramps (ADA Right-of-Way Transition Plan)	5,499	5,774	6,063	6,366	6,684	38,780	69,165											
Sidewalk Improvement and Repair Program	6,503	6,647	6,968	7,285	7,627	43,862	78,883											
Street Structures	3,394	3,008	2,848	4,460	5,465	33,642	52,817											
Street Tree Maintenance	2,464	2,357	2,171	2,162	1,995	10,410	21,560											
Street Tree Establishment	972	913	937	1,408	1,523	10,102	15,855											
Median Maintenance	1,412	1,441	1,454	2,247	2,435	16,533	25,523											
Plaza Inspection and Repair	150	147	148	304	321	1,970	3,039											
Curb Repairs and Replacement	371	238	220	163	488	5,008	7,785											
Complete Street Corridor Development	2,000	12,000	8,000	8,000	8,000	30,000	68,000											
Streetscape Improvement Program	3,883	2,688	2,000	2,000	2,000	10,000	35,521											265,289
Pedestrian and Bike Safety Improvements (DPW Projects)	7,486	20,834				10,000	38,320											
Utility Undergrounding																		1,208,100
Great Highway Long-Term Stabilization							16,163											
Railway Transportation Improvements																		40,515
Halilide Plaza Improvements																		4,866
TOTAL	138,724	167,226	106,824	114,311	120,135	886,326	1,243,346											1,997,102

REVENUES

General Fund	3,696	3,590	21,362	26,686	30,025	202,740	322,800											
General Fund - TSIP	10,000	20,400	50,808	52,324	53,871	293,655	481,058											
Other Local Sources	4,628	2,837	4,873	5,005	4,937	27,014	48,993											
Road Repaving and Street Safety Bond	84,105	18,701					102,805											
Street and Transit Bond		30,000					30,000											
Prop K Funding	7,240	8,699	5,820	6,045	6,281	35,138	69,222											
State	9,827	20,801	20,741	21,451	22,921	23,780	25,787											
Federal	9,831	28,499	3,050	2,800	2,800	14,000	60,980											
TOTAL	138,724	167,226	106,824	114,311	120,135	886,326	1,243,346											
Total San Francisco Jobs/Year	1,237	1,492	951	1,020	1,072	6,211	11,983											

SFPUC Water Enterprise

Program Project

FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 FY 2020 FY 2021 FY 2022 FY 2023

SPENDING PLAN

Regional Costs

Water Treatment Program	4,836	8,841	3,647	2,052	1,889	9,531	30,796
Water Transmission Program	14,015	10,416	12,921	5,621	13,485	133,125	189,583
Water Supply & Storage Program	3,228	5,153	10,653	8,053	20,378	37,040	84,505
Watersheds & Land Management	7,596	6,796	5,196	3,896	3,896	19,480	46,860
Communication & Monitoring Program	530	3,500	2,000	550	550	2,500	9,630
Buildings & Grounds Programs	15,433	21,395	67,665	4,685			109,178
Regional Subtotal	45,638	56,101	102,082	24,857	40,198	201,676	470,552

Local Costs

Water Conveyance /Distribution System	44,185	53,700	53,700	53,700	53,700	288,500	527,485
Buildings & Grounds Improvements	1,900	13,160	6,845	12,085	2,885	25	36,900
SF Eastside Recycled Water					183,640	16,360	200,000
Other Recycled Water Projects	910	986	3,925				5,821
Treasure Island	3,000	3,000					6,000
Local Subtotal	19,995	70,846	64,470	65,785	240,225	284,885	776,205

Auxiliary Water Supply System (see SFFD financial table in Public Safety chapter)

TOTAL	65,633	126,947	166,552	90,642	280,423	486,561	1,246,758
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REVENUES

Water Revenue Bonds	61,995	93,061	125,027	69,105	258,275	185,848	793,311
Water Revenue	33,638	33,886	41,525	21,537	22,148	300,713	453,447
TOTAL	95,633	126,947	166,552	90,642	280,423	486,561	1,246,758
Total San Francisco Jobs/Year	853	1,132	1,486	809	2,501	4,340	11,121

STFUD Wastewater Expense											
SPENDING PLAN											
Sewer System Improvement Program											
Program-wide Management	22,000	22,000	20,000	20,000	20,000	13,000	85,000	182,000			
Treatment Facilities	77,850	103,000	282,500	181,250	1,087,900	78,370	2,513,810				
Sewer/Collection System	22,100	43,400	75,870	75,540	55,420	1,277,810	1,550,140				
Flood Control	23,000	28,600	15,400	2,500		780	480	50,760			
SSIP Subtotal	124,950	197,000	393,770	279,290	1,157,100	2,144,660	4,296,770				
Renewal & Replacement											
Collection System	63,939	74,750	74,263	76,862	79,554	420,176	789,544				
Treatment Plant Improvements	11,849	12,442	13,063	13,745	14,402	83,559	149,930				
Renewal & Replacement Subtotal	75,788	87,192	87,326	90,577	93,956	503,735	938,574				
Treasure Island	4,570	15,463	38,240	12,070	12,018	36,054	108,165				
Wastewater Facilities & Infrastructure											
Ocean Beach Protection	1,500						1,500				
Southeast Community Center Improvements	5,000	5,000	5,000				15,000				
Wastewater Facilities & Infrastructure Subtotal	5,000	5,000	5,000				15,500				
TOTAL	241,608	294,655	574,336	381,887	1,263,074	2,684,449	5,360,009				

REVENUES

Wastewater Revenue Bonds	15,030	253,655	479,365	384,887	1,214,074	2,409,898	4,655,680				
Wastewater Revenue	46,578	41,000	45,000	47,000	49,000	275,750	504,329				
TOTAL	241,608	294,655	574,336	381,887	1,263,074	2,684,449	5,360,009				
Total San Francisco Jobs/Year	1,888	2,628	4,677	3,406	11,267	23,945	47,811				

SFPUC Hetch Hetchy Water and Power

Program/Project: FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 Plan Total

SPENDING PLAN

Hetchy Power

Streetlight	11,574	394	2,489	4,662	4,662	22,648	46,429
Transmission/Distribution	4,235	1,000	1,250				6,485
Renewable/Generation	3,200	3,200	3,200	3,200	3,200	6,000	22,000
Energy Efficiency	2,112	812	650	650	650	3,250	8,124
Treasure Island	3,900	10,550	5,800	2,100	2,100	8,400	32,850
Hetchy Power Subtotal	25,021	15,956	13,389	10,612	10,612	40,298	115,888

Hetchy Water

Water Infrastructure	10,600	14,950	14,750	13,650	27,350	118,100	199,400
Power Infrastructure - Powerhouse	12,902	13,150	12,560	6,920	6,250	19,025	70,807
Power Infrastructure - Transmission Lines/Switchyard	13,750	23,950	13,370	13,700	13,770	24,100	102,650
Joint Projects - Water Infrastructure	3,800	10,932	16,258	19,450	24,450	53,550	128,440
Joint Projects - Facilities/Buildings/Roads/ROW	8,012	21,030	16,420	24,310	18,520	22,620	110,912
Hetchy Water Subtotal	49,064	84,022	73,358	78,030	90,340	237,395	612,209
TOTAL	74,085	99,978	86,747	88,642	100,952	277,693	728,097

REVENUES

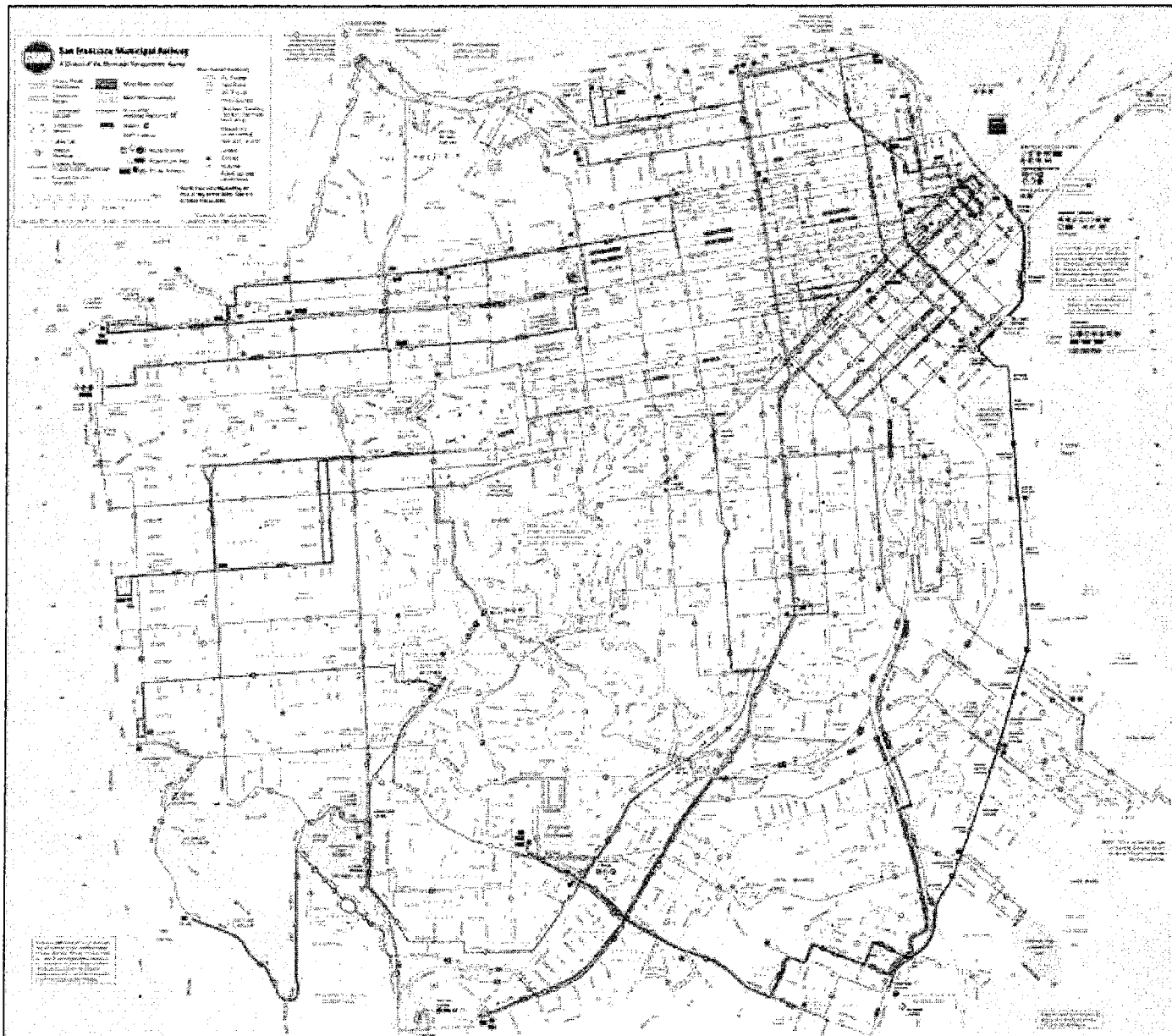
Hetchy Power Bonds-55% Joint Assets	12,276	37,645	18,616	24,881	20,306	28,126	141,850
Hetchy Water Bonds-45% Joint Assets	15,915	29,333	29,455	33,342	46,687	152,377	307,108
Hetchy Revenue	28,500	33,000	38,676	30,419	33,960	97,191	261,746
Fund Balance	17,393						17,393
TOTAL	74,085	99,978	86,747	88,642	100,952	277,693	728,097
Total San Francisco Jobs/Year	661	892	774	791	900	2,477	6,495



VI | Transportation

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San Francisco Municipal Transportation Agency



San Francisco Municipal Transportation Agency

Overview & Accomplishments

The San Francisco Municipal Transportation Agency (SFMTA) has short-term and long-term processes in place to prioritize its capital needs, including its Strategic Plan, this citywide Capital Plan, the Transit Fleet Management Plan, a 25-year capital program included in the 2009 Regional Transportation Plan (RTP), the Transportation 2035 Plan for the San Francisco Bay Area, a federally required plan for the Central Subway New Starts Criteria Report, and an Enterprise Asset Management System under development. Together with a number of new efforts to improve the identification and prioritization of capital needs, these efforts have resulted in a systematic prioritization of the 173 capital projects or programs planned for the next 20 years (FY 2010 through FY 2029). These capital projects cover all modes of transportation under the purview of SFMTA, including bus and light rail transit, on- and off-street parking, taxis, commercial vehicles, bicycles, paratransit, pedestrians, and vehicle sharing. SFMTA is responsible for managing nearly all modes of transportation within San Francisco in some shape or form. To manage the capital needs of such a broad and complex transportation system, SFMTA's Capital Plan is organized into the following 16 programs:

Accessibility. This program focuses on Americans with Disabilities Act compliance and improving access to the transportation system and city destinations for all users. This category is for projects specific to accessibility that are not covered in other programs. Most programs have accessibility components (e.g. accessible paratransit vans in the Fleet Program, accessible stations in the Central Subway Program, etc...).

Bicycle. This program includes completion of the Bicycle Plan (2009), development of new bike strategies, bike parking, bike sharing, bike boulevards, cycle tracks and other bicycle facilities.

Central Subway. This program is primarily funded with the federal New Start Program for the Phase 2 extension of T Third Street line and all complementary projects.

Facility. This program addresses buildings, yards, transit stations, and other agency facilities.

Fleet. This program focuses on revenue and non-revenue vehicles that must be replaced and regularly overhauled, as well as expansion needs.

Information Technology/Communication. This program addresses systems that are critical to agency operational efficiency.

Parking. This program focuses on rehabilitation and improvement of the SFMTA owned parking garages as well as all of the metered spaces on the street.

Pedestrian. This program includes investments in pedestrian safety features, bulbouts, and crosswalks.

Safety. This program addresses the need for safety measures for agency operations, personnel and public use of the transport system.

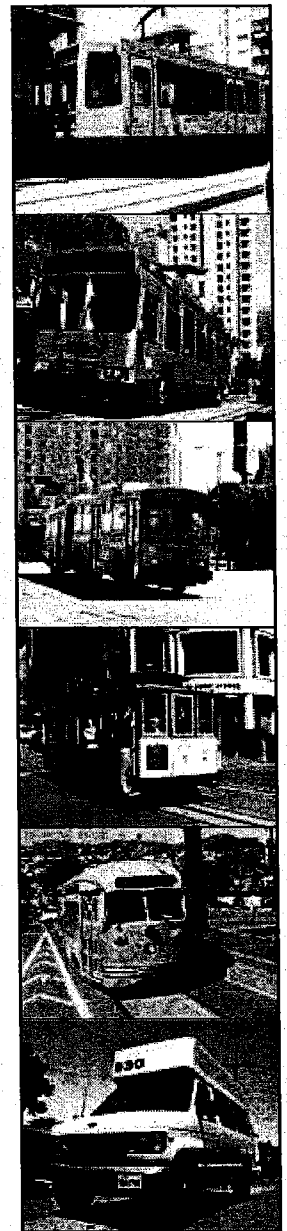
School. This program focuses on the ways children can safely access their school by walking, transit, and bicycling.

Security. This program includes the security of critical equipment, data, operations and public protection from potential dangers.

Taxi. This program provides for regulation of the city's taxi industry and programs for electric vehicles, improved signing and messaging and real time information for taxi patrons.

Traffic Calming. This program includes the neighborhood and arterial traffic calming programs that ensure that vehicle speed and street treatments are appropriate for specific urban settings throughout the city.

Traffic/Signals. This program addresses vehicular operations, congestion management,

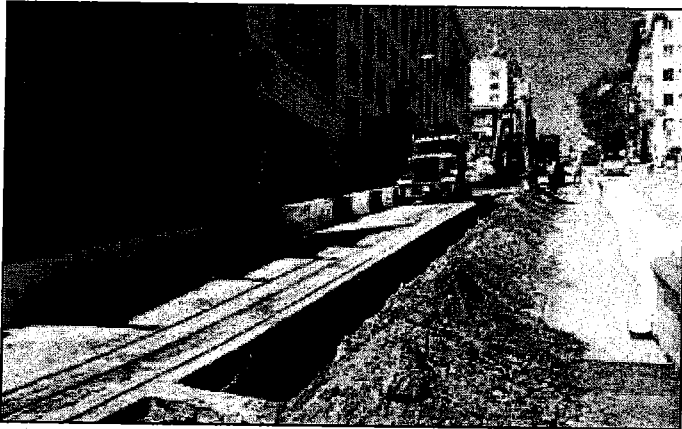


Muni is the largest public transportation system in the region (based on ridership), the eighth-largest in the United States and one of the most diverse in the world.

multimodal signal timing and traffic safety measures.

Transit Fixed Guideway. This program focuses on rail lines, overhead wires for electric trolley coaches, and all guideways needed for light rail, historic streetcar, cable car and trolley coach services.

Transit Optimization/Expansion. This program includes the Transit Effectiveness Project (TEP), transit operational improvements and key enhancements such as the Bus Rapid Transit projects.



SFMTA 20-Year Capital Plan

A revised 20-year SFMTA Capital Plan was adopted by the SFMTA Board in January 2012. A major component of this revision was the restructuring of the project identification and prioritization process.

The Capital Plan is now overseen by an agency-wide Transportation Capital Committee (TCC), which is comprised of representatives from each of the SFMTA's 16 capital program areas and all of the agency's functional divisions. The TCC approves all additions or amendments to the Capital Plan and a project must be included in the Capital Plan to be eligible for inclusion in the Capital Improvement Program (CIP). Consideration of projects for inclusion in the Capital Plan follows a formal process starting with submitting a Capital Need Request form. Projects included in the financially

unconstrained Capital Plan are then prioritized based on criteria approved by the SFMTA Director of Transportation and division directors. The capital project prioritization criteria include State of Good Repair (40%), Safety and Security (24%), Financial Sustainability (15%), Environmental Sustainability (13%), Enhancements or Expansions (8%).

The policies that govern the TCC, Capital Plan, and Capital Improvement Program are designed to streamline previous processes and ensure that agency staff, the Board and the agency's stakeholders have a clear understanding of the transparent decision-making process used to determine the agency's capital priorities.

Project Funding

In total, the 20-year Capital Plan includes 173 projects or programs totaling \$23.4 billion dollars, which includes all potential SFMTA capital investments. SFMTA's total unconstrained capital need for the aforementioned 173 projects over the next 10 years is \$12.1 billion dollars. The SFMTA projected capital revenues for next 10 years are \$4.1 billion dollars, leaving a projected capital shortfall of almost \$8.1 billion dollars over this same period.

The largest programs in the Capital Plan include Transit Optimization (28%), Fleet (21%), Fixed Guideway (18%); and Facility (12%). Planned capital work is split between replacement (29%), rehabilitation (26%), expansion (28%), and enhancement (16%). On the revenue side, the majority of the \$3.7 billion in identified capital funding comes from federal sources (61%), with the remaining from state (12%) and local (27%) sources.

The SFMTA has undertaken a number of strategies to address the projected budget shortfall, including revenue generating strategies, such as advertising and increased fees, and its first issuance of revenue bonds. If additional revenues fail to be generated over the coming years, some projects will need to be deferred beyond the 10-year horizon of this plan.

The recently adopted Moving Ahead for Progress in the 21st Century (MAP-21) federal transportation funding legislation maintained funding levels similar to the previous legislation (SAFETEA-LU), but adjusted some of the program allocations. MAP-21 eliminated all discretionary funding programs, and redistributed those funds to formula based programs. SFMTA anticipates receiving federal funding amount similar to the previous year; however the types of projects that federal funds are prioritized towards may differ from previous years. MAP-21 is a two-year bill for federal fiscal years 2013 and 2014, and while this is an improvement over the series of 6-month extensions of federal funding that occurred since the expiration of SAFETEA-LU in 2005, longer term federal legislation is preferred to properly plan for SFMTA's capital needs.

1. Renewal Program

In coordination with the Federal Transit Agency's (FTA) State of Good Repair (SGR) Program, the SFMTA has been in the process of developing a comprehensive Transportation Asset Management (TAM) Program. As part of the program, the SFMTA seeks to utilize principles of long-term capital asset management to optimize the long-term health and performance of the City's transportation system. Because the SFMTA is a multi-modal agency that is responsible for managing all transport modes in San Francisco, the program encompasses all capital assets including the various components of transit (vehicles, stations, track, and other assets), facilities, parking structures, bicycle infrastructure, traffic management systems, and technology equipment.

The Asset Management program has achieved several milestones. In 2010, the SFMTA conducted a capital asset inventory that documented over 3,600 asset line items. The information collected was then used to produce a report on the SGR in accordance with FTA requirements. Key findings from this initial asset inventory and SGR report include:

- The total value of the SFMTA capital assets exceeds \$12.3 billion;
- While most of the SFMTA's capital assets are currently within standard design life, large portions of many asset classes are near or at their 90 percent lifespan; and
- There exists a \$2.2 billion backlog of deferred investment.

In the next 20 years, the SFMTA seeks to reduce its backlog and build upon the existing asset management system. To replace all assets when they reach the end of their scheduled useful life and eliminate the backlog of deferred investment, the SFMTA would need to invest an average of \$510 million annually over the next 20 years. These investments would upgrade facilities that were designed up to 100 years ago, replace rails when they reach their design life, and renovate an overhead power system that provides a zero emissions transportation option for over half of SFMTA riders, among other renewal projects.

Based on currently identified needs and secured funding sources over the next decade, the SFMTA anticipates that only a portion of the necessary funding would be attained to perform the anticipated renewal and repair projects. The primary federal sources of funds for SGR projects within MAP-21 include sections 5307-Urbanized area formula grants, 5309-Fixed guideway capital investment grants, and 5337-State of good repair grants. The specific procedures for applying MAP-21 legislation are currently being developed and could lead to adjustments in the types of project prioritized for federal funding. Almost all of the state funds are dedicated to the Central Subway project. Primary sources of local funding include Proposition K transportation sales tax and SFMTA revenue bonds. In total, SFMTA anticipates receiving approximately \$260 million annually to fund SGR needs, slightly over half the level required to replace all assets when they reach their useful life and eliminate the backlog over the next 20 years.



However under the Transportation and Street Infrastructure Package (TSIP), referenced in the Executive Summary of this Capital Plan, the SFMTA will receive an additional \$192 million from the City's General Fund to help fund SGR renewals within the Fleet Replacement Program (mid life component overhauls) and the Traffic Signal Replacement Program.

In the next five years, the SFMTA seeks to expand the Asset Management Program. The goal of the program is to identify, monitor, and analyze the current condition of all capital assets and through planning, improve budgeting and prioritizing capital programs to optimize the performance of the transportation system over the long-term. Some of the initiatives include:

- Collecting more detailed capital asset information and enhanced data analysis;
- Developing a Transportation Asset Management Strategy; and
- Developing a comprehensive Enterprise Asset Management System to manage asset data.

While the asset management program is being developed, the SFMTA has identified a set of renewal and replacement efforts for the next 10 years based on existing asset data. These programs are focused on improving the condition of transit-critical assets as well as asset groups with high replacement deferral rates (beyond useful life) in the SGR Report. These programs, collectively known as the State of Good Repair Capital Program, are described below.

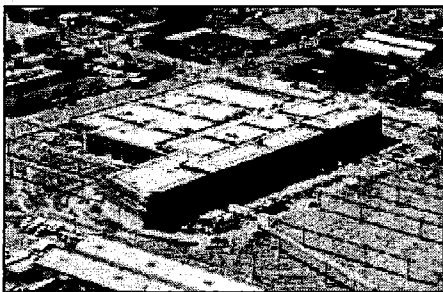
Fleet Replacement. Over the coming years, the SFMTA will procure a number of motor coaches and trolley coaches including the replacement of 45 NABI motor coaches in FY 2013, 60 New Flyer trolley coaches in FY 2014, and up to 76 Neoplan motor coaches in FY 2014. SFMTA plans to replace the entire motor and trolley coach fleet by the end of FY 2020, as all vehicles are nearing or have exceeded their useful life. Replacing the fleet at regular intervals is one of the most effective ways to ensure service reliability. The SFMTA has a policy to replace vehicles with the cleanest technology available that meets the agency's operating requirements. Upcoming procurements will replace clean diesel buses with hybrid buses. SFMTA continuously evaluates new vehicle technologies including newly developed parking control vehicles. The SFMTA is also evaluating clean vehicle technologies for the parking control officers and taxi fleets, as well as a biofuel pilot for non-revenue service vehicles.

A recent change within the Program is the use of the City's General Fund to support the Fleet Replacement Program. Per TSIP, the Plan recommends that the program receive an additional \$165 million from the General Fund over the next ten years. Funding will be used to help fund fleet mid life component overhauls, which will improve transit performance and reliability, while helping the City accommodate increased demand on transit due to City growth.

Traffic Signal Replacement Projects. This program provides for the replacement and upgrade of the deteriorated or obsolete signal hardware for over 1,100 signalized intersections. The program is being coordinated with SFgo improvement efforts. SFgo is a citywide intelligent transportation management system that gathers real-time information on current transit and auto traffic flow and congestion, processes and analyzes this information, responds to changes in roadway conditions, provides transit signal priority, and disseminates information to the general public.

Like the Fleet Replacement Program, the Traffic Signal Replacement Program for the first time in recent history will receive support from the City's General Fund. Per TSIP, the Plan recommends that the SFMTA receive \$27 million from the General Fund over the next decade to help fund traffic signal renewals which will help improve traffic flow throughout the City.

Parking Facilities Restoration & Compliance. The Agency manages 39 parking facilities that provide nearly 15,000 parking spaces, 90,000 sq. ft. of retail space and generate over \$85 million in annual gross revenues. Many of these facilities were built over 50 years ago and are in need of major rehabilitation and equipment upgrades. The SFMTA's Series 2012 and Series 2013 Revenue Bonds will infuse over \$51 million into this program. The overall project includes structural/seismic upgrades, energy efficient lighting, mechanical system upgrades (e.g. elevators, HVAC, sump pumps), revenue control systems, CCTV surveillance systems, expanded electric vehicle (EV) charging and bike parking as well as compliance with ADA regulations and various Planning, Building and Fire Codes. The total project cost is \$75M. Phase I, funded by \$51.2M in Parking Revenue Bond, will implement high priority projects at 18 parking garages. Phase II, estimated at \$23.8M, will complete the remaining projects at the garages and lots (funding source to be determined). When completed, this program will extend useful life of major revenue-generating assets, enhance safety of public facilities, as well as help provide better services for those using cleaner transportation alternatives such as bicycling, carpooling and car-sharing.



Muni Metro East Light Rail Vehicle Facility

Overhead Line Reconstruction/Replacement Projects. This program entails reconstructing the Overhead Catenary System (OCS) including replacement of trolley wires, overhead special work, and support poles, much of which are beyond the standard design life. The Overhead Catenary System allows SFMTA to carry over half of its riders using zero emission vehicles. Per a recent analysis, the SFMTA determined that it makes operational and fiscal sense to continue trolley coach operations for another vehicle procurement cycle. This policy will be reevaluated when the next fleet of trolley coaches are coming up for replacement to see if another zero emission fleet option is viable. Key upcoming projects include the 21 Hayes Overhead Replacement Project and the 33 Stanyan Overhead Replacement Project.

Rail Replacement and Rehabilitation Projects. This program seeks to keep light rail,

historic streetcar, and cable car operations safe and reliable. Key upcoming projects include Twin Peaks Rail Replacement, Sunset Tunnel Rail Rehabilitation, and M Line Rail Replacement between Saint Francis Circle and Holloway Avenue. Ongoing or recently completed projects include Church/Duboce Rail Replacement, Green Center Rail Replacement, and Carl Street Rail Reconstruction.

Central Control and Communications (C3) Program and Radio Replacement Project.

The C3 program is comprised of several projects for systems replacements, facility and communication upgrades for the existing facility, enhancements to an interim location, and construction of a primary Central Control facility. This effort features improvements to the facility and communications/security/transit management equipment, as SFMTA's voice and data radio systems are obsolete and in need of replacement. Communication is critical between the transit fleet, Central Control, the police, fire and security. The SFMTA has embarked on a program to replace this obsolete system with a state-of-the-art, wireless system featuring mobile and handheld radios, mobile data terminals and will interface from new mobile radios to vehicle on-board power, control and communications systems.

Cable Car Infrastructure Rehabilitation. Cable car infrastructure (such as rail, cables, motors, and vehicle detectors) needs to be renewed and replaced while maintaining the historic integrity of the system. This entails upgrading the direct current (DC) motor drives and associated equipment previously installed to reduce maintenance, improve reliability, safety and quality for the city's cable car lines. Three key projects planned in the next five years include pulley replacement, rebuilding track switches, and propulsion gear box replacement.

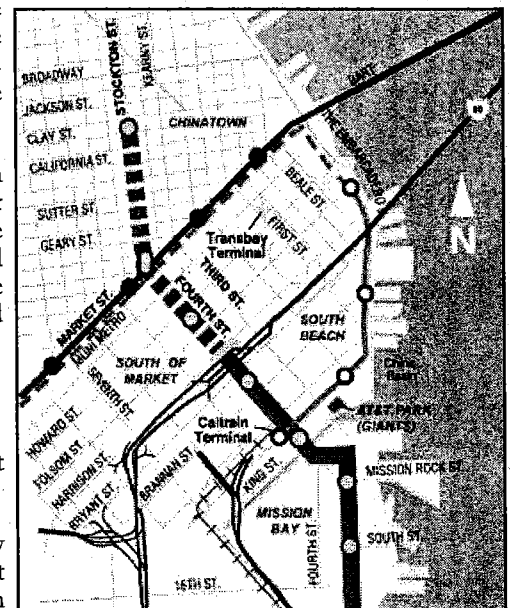
Wayside Train Control Program. This program ensures that all trolley and rail system for wayside signaling, switching, and automatic routing are maintained in a state of good repair to ensure safe and reliable operations. Signal improvements are routinely coordinated with rail replacement projects, such as those at St. Francis Circle, in the Sunset and Twin Peaks Tunnels, and at the Church and Duboce intersection.

Facilities. Many of SFMTA's facilities require significant renovation to bring them up to modern standards. The draft SFMTA Real Estate and Facilities Vision for the 21st Century (Real Estate Vision) establishes a plan and process to rehabilitate SFMTA's existing facilities and address future operating and fleet needs. The Real Estate Vision also identifies opportunities to partner with developers to generate revenue to offset facility costs. The draft Real Estate Vision has been released and will be brought to the SFMTA Board for adoption in January 2013.

2. Enhancement Program (FY 2014-2018)

Major capital projects that will expand or enhance current assets and the current level of service include:

- **Central Subway (Third Street Light Rail Phase 2).** The Central Subway is the highest priority transit project for San Francisco and the single largest capital project in the SFMTA Capital Plan. It consists of a 1.7 mile extension of the existing Third Street light rail line to Chinatown, beginning with surface rail north from King Street along Fourth Street and continuing in subway under Fourth Street north of Bryant Street. The rail line crosses beneath Market Street and proceeds north, under Stockton Street and the Stockton road tunnel, to a terminus at Stockton and Jackson streets. The alignment includes a surface stop at Fourth and Brannan, and three underground subway stations at Moscone Center, Market Street/Union Square and Chinatown. In 2008, the project's environmental document was certified, and the Federal Transit Administration granted a Record of Decision. In early 2010, utility relocation began along the route with tunnel construction due to commence in early 2013. In October 2012, a Full Funding Grant Agreement between SFMTA and the Federal Transit Administration was reached, finalizing the funding and financing of the Central Subway Project. The project is slated to open at the end of 2018 and is expected to carry over 77,000 daily riders by 2030.
- **Transit Effectiveness Project (TEP).** This project was the first comprehensive review of San Francisco's transit system in more than 25 years. It began with an 18-month analysis designed to review, evaluate, and make recommendations on the existing transit system, with the goal of making service more attractive to the public without additional operating



Future Central Subway Stops

costs. After a lengthy public outreach effort, in 2008 the SFMTA Board endorsed TEP service recommendations to address the challenges of changing travel patterns, increasing costs, and operational and physical constraints that effect on-time performance.

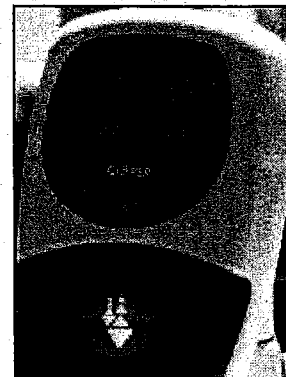
While the focus of the plan was on mid-range capital improvements (three to seven years in the future), recommendations were also made for short-term actions. The TEP also analyzed other capital needs, such as changes to the type and size of vehicle fleets, which are slated to be incorporated into both the City and SFMTA Capital Plans as they are developed. In the coming years, the SFMTA will also integrate about \$150 million in capital projects into eight corridors serving the N Judah, J Church, 22 Fillmore, 28L 19th Avenue Limited, 5 Fulton, 30 Stockton, and 8X Bayshore Express. Additional corridors have also been identified for the second phase of improvements. It is estimated that more than half of this investment will be needed for improvements to transit stops (e.g., shelters and customer information) and bus infrastructure, including new overhead trolley wiring.

The TEP is currently entering the environmental clearance phase. The Initial Study will be released by the end of January 2013, with the Draft EIR planned for release by the end of June 2013. The Final EIR and certification is anticipated by the end of January 2014. There are also a number of pilot projects associated with the TEP that will be tested during the environmental clearance phase. The TEP is currently funded through approximately 30 percent engineering design. Per TSIP, the Plan recommends that the project receive \$120 through the 2014 Street & Transit Improvement General Obligation (G.O.) Bond to fund the first phases of the project. The SFMTA is exploring additional funding options for full implementation of the TEP.

- **Metro East Light Rail Vehicle Facility.** Currently, the Muni Metro East (MME) facility is partially occupied, with specialized equipment needed to provide the full range of vehicle maintenance services. Under the Real Estate Vision recommendations the MME facility will serve multiple purposes. In the near term, LRV vehicles may be assigned here during Green Yard Re-Rail because of available capacity. Additionally, up to 56 historic streetcars may also be relocated to MME. In the longer term, the Real Estate Vision recommends constructing a centralized Body Repair and Paint facility on 4 acres controlled by SFMTA to the east of the current MME. The Body Repair and Paint facility would be able to accommodate the entire range of vehicles in the SFMTA transit fleet. Funding for the Paint and Body facility was anticipated under SAFTEA-LU federal funding legislation, however, the MAP-21 legislation eliminated the previously identified funding source and a substitute funding source has not yet been identified.
- **Islais Creek Motor Coach Maintenance Facility.** SFMTA plans to introduce a new motor coach facility located along the northern shore of Islais Creek. The new yard will be located on 8.4 acres of land bounded by Cesar Chavez Street, Indiana Street, I-280, and Islais Creek. It will feature parking for 72 60' and 77 40' hybrid diesel vehicles, three buildings housing 17 service bays, as well as facilities for operations and maintenance, administration, fuel and wash. Phase 1, which includes the bus storage area, along with the fuel and wash station, are anticipated to be complete in the spring of 2013. The maintenance facility is currently being redesigned to accommodate 60' articulated buses. Phase two includes the maintenance facility and is currently scheduled to be complete by the end of 2015 to accommodate the planned arrival of articulated buses. Based on current cost estimates, which will be updated in early 2013, 100 percent of the funding for phase two has been secured.
- **Customer First Grants.** As part of a larger effort to optimize transit operations citywide, the Customer First projects including the 14 Mission, N Judah, and 8X Bayshore Express will implement several treatments to enhance the customer experience making it more comfortable and improving speed and reliability. Treatments include transit lane colorization and transit only lane enforcement (TOLE) camera installation, vehicle branding and transit stop enhancements, transit signal priority, and NextMuni signs to provide real time transit information. Funding for the Customer First Grants from FTA and MTC is currently in place and all projects are planned to be implemented by the summer of 2014.
- **NextMuni.** An Automated Vehicle Locator (AVL) system on Muni (also known as NextMuni) has been expanded to include an increasing number of transit stops on the network. Vehicle tracking equipment has been fitted on all transit revenue vehicles, including motor coaches, trolley coaches, light rail vehicles, historic streetcars and cable cars. The SFMTA has expanded the system to over 900 information display signs. This program

allows customers to access vehicle arrival information on the internet (www.nextmuni.com), at the regional 311 number and through mobile telephones. Additional expansion of NextMuni is planned as part of the Transit Effectiveness Project. The expansion of NextMuni is currently unfunded.

- **SFpark.** SFpark is SFMTA's new approach to parking management. The goal is to use policies and technologies to better manage demand for the City's finite parking supply. It also makes it easier and more convenient to find parking. SFpark also helps to reduce congestion, and greenhouse gas emissions, while allowing for better circulation of transit and emergency vehicles. Since the first parking meters were introduced in Hayes Valley in the summer of 2010, the pilot has expanded into other areas, such as the Mission, South of Market (SoMa), the Financial District, Civic Center, the Fillmore, the Marina, Fisherman's Wharf, Embarcadero, and Mission Bay. Program elements include new parking meters that accept credit/debit cards, in-pavement sensors that provide real-time data on parking usage, and demand responsive pricing, to allow the SFMTA to provide real-time information about where parking spaces are available, both on-street and in garages and lots. The SFMTA has just begun an approximately \$25 million project to replace 25,000 outdated parking meters with modern equipment capable of variable and special event pricing. This project is expected to be complete in the summer of 2014.
- **Pedestrian and Traffic Calming Projects.** The Mayor's Executive Directive 10-03, issued in December 2010, established targets for a reduction in severe and fatal pedestrian injuries of 25% by 2016 and 50% by 2021. Additionally, the directive specified reducing pedestrian injury inequities among neighborhoods, increasing walking trips, and, following up on the work of the WalkFirst project, form a multi-agency and stakeholder committee to complete several near term action items and develop a pedestrian strategy for mid to long term action items to achieve the Directive targets. SFMTA brought a draft Pedestrian Strategy to its Board of Directors in January 2013. The Pedestrian Strategy is likely to identify needs in excess of funding currently identified for the pedestrian capital program and potential funding sources will need to be identified. Per TSIP,
- **The SFMTA Traffic Calming.** The Traffic Calming program has been in place for over ten years and is currently undergoing a major revision to ensure project selection and prioritization criteria are consistent with adopted City goals, and to evaluate the efficiency of project development and implementation to maximize delivery of projects with the limited resources available. The program is anticipated to be revised by summer 2013.
- **Signals, signs, and ITS projects.** A number of new signals and signs are scheduled to be added to San Francisco streets over the coming years. In addition, various Intelligent Transportation System (ITS) projects are slated to be added, including traffic monitoring cameras, parking guidance signs, and transit signal priority.



Clipper smart card technology

3. Deferred Projects

The SFMTA currently has an estimated \$2.2 billion state-of-good repair backlog based on the scheduled life cycle of its existing assets. Financial resources allow for a current baseline of \$260 million annual investment into the replacement and renewal of these assets. An annual investment of \$366 million is necessary to prevent the backlog from growing and \$510 million would be needed to replace and renew all assets based on their scheduled useful life. Major areas of renewal include operational support facilities such as maintenance yards, traffic signal infrastructure (conduit, controllers and signals), and renewal of the Muni fleet. Ongoing vehicle renewal is necessary to maintain service reliability.

To date, the SFMTA has not had the financial resources to support more than day-to-day operational maintenance. Vehicle overhauls are funded as resources allow rather than on a regular schedule. Simultaneously, increased population is leading to greater needs and improvement in the public realm, expanded and enhanced pedestrian and bicycle improvements in a constrained environment are resulting in significant cost increases, however these projects are not only critical to maintain quality of life, but to continually ensure that San Francisco streets remain safe. This is all occurring as funding, particularly federal and state resources, is declining, making local and regional funding more important to finance our capital and operational needs. Through the implementation of the Strategic Plan and improving project coordination internally and with other city departments, target and make more efficient use of local funds.

In addition, the SFMTA will be working with other city departments and our stakeholders to jointly identify opportunities to secure the necessary capital and operating resources to meet growing demand for sustainable transportation options such as transit, walking and bicycling.



MUNI Rain Yard

- **Mid-life Rebuilds of the Fleet.** Motor coaches, trolley coaches, and light rail vehicles all require mid-life rebuilds to attain the required useful life and maintain adequate vehicle availability throughout that period. The total estimated cost for these fleets, deferred in the past and needs through the next 10 years, is approximately \$500 million. Funding priorities for federal transit capital dollars in the region do not give priority for mid life rebuilds, and funding availability is limited. SFMTA recently funded mid-life overhauls of 80 40' hybrid diesel vehicles, but conditions of the funding source require that these vehicles extend their useful life. While important to implementing SFMTA's strategy to stagger transit fleet procurements with smaller quantities of vehicles purchased each year, this funding source does not currently provide for mid-life overhauls.

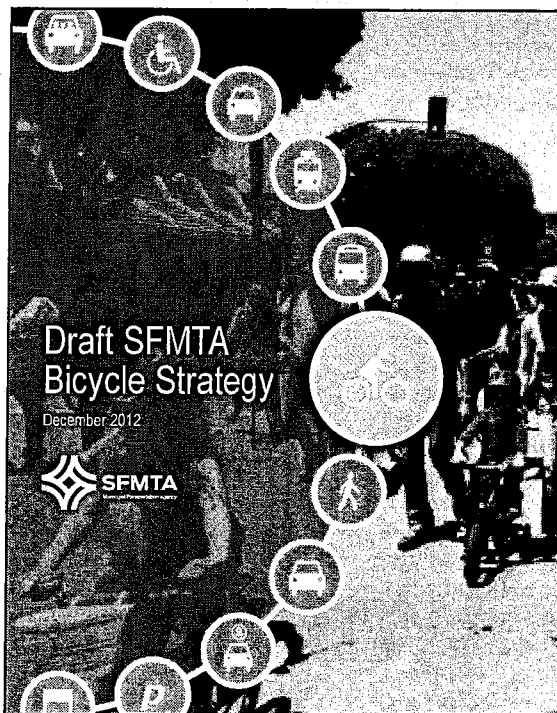
- **Signs, Signals, and Striping.** The estimated annual investment need for street traffic signal infrastructure is \$17.9 million. Although funding from Prop K is available for some programmatic repair and maintenance, this only provides an average of \$4.8 million per year, leaving a deferred need of \$13.1 million per year.

4. Emerging Needs

In addition to the renewal and enhancement programs mentioned previously, there are a number of other efforts underway that will help the agency to better identify and plan for its capital needs. These efforts support the SFMTA's shift toward a sustainable mobility framework centered on providing greater accessibility to transportation options to the private automobile, including transit, taxis, ride-share, car-share, pedestrian and bicycling.

Emerging projects include:

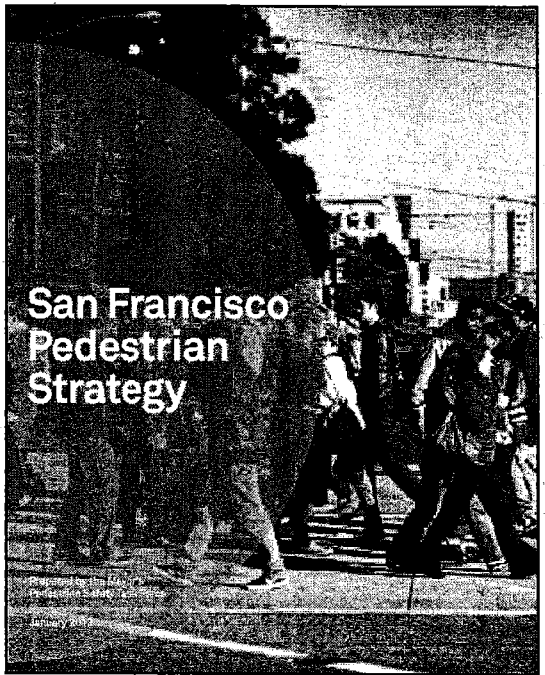
- **Bicycle Program.** The SFMTA Bicycle Plan (2009) aims to provide a safe and attractive environment for promoting bicycling as a viable travel mode. The Bicycle Plan includes a policy document; new design guidelines for a wide range of bicycle facilities; and a revised Bicycle Route Network that emphasizes expansion and refinement of the existing Bicycle Route Network. Due to a court injunction introduced in 2006, the Bicycle Plan and any related physical improvements were put on hold; however, in June 2009, the Bicycle Plan was approved by the SFMTA Board of Directors and the Bicycle Plan's Environmental Impact Report was certified by the San Francisco Planning Commission. Subsequently, the court injunction was gradually lifted, allowing for the implementation of bicycle projects in 2009 and 2010.



Since 2008 SFMTA installed approximately 1,200 bike racks and bike corrals, (with more on the way). The citywide bicycle network has also expanded to include over 65 miles of lanes and 64 miles of sharrows, including new and innovative bike facilities, such as the John F. Kennedy Drive bikeway. The bicycle sharing pilot is also included in the bicycle program, and will launch in 2013 with 500 bicycles at 50 stations, with plans to expand to over 2,500 bicycles pending funding identification and environmental clearance. SFMTA is developing a Bicycle Strategy that establishes the methodology by which future bicycle projects will be prioritized. The Bicycle Strategy identifies the levels of investment necessary to reach specific bicycle mode share goals. To reach the SFMTA Strategic Plan goal of 10 percent bicycle mode share by 2018 requires approximately \$22 million per year in investment. The bicycle program is currently funded at approximately \$5 million per year.

- **Pedestrian Program.** The Pedestrian Program is partially discussed in the Enhancements section, with further detail provided here. The Mayor's Executive Directive 10-03, issued in December 2010, established targets for a reduction in severe and fatal pedestrian injuries of 25% by 2016 and 50% by 2021. Additionally, the directive specified reducing pedestrian injury inequities among neighborhoods, increasing walking trips, and, following up on the work of the WalkFirst

project, form a multi-agency and stakeholder committee to complete several near term action items and develop a pedestrian strategy for mid to long term action items to achieve the Directive targets. SFMTA is currently developing the Pedestrian Strategy and anticipates bringing the draft Pedestrian Strategy to the Board in early 2013. The Pedestrian Strategy brings together the goals from the stakeholder committee, Walk First criteria, and a street design toolkit. The Pedestrian Strategy also identifies the funding required to reach the goals as \$600 million over the next 10 years. This represents an approximately \$28 million annual shortfall compared to the historical level of funding for pedestrian projects.



- Real Estate and Facilities Vision for the 21st Century.** The Facilities program, which includes the Real Estate and Facilities Vision for the 21st Century (Real Estate Vision), is partially discussed in the Renewal section with further detail provided here. Many of SFMTA's facilities require significant renovation to bring them up to modern standards. The SFMTA Real Estate Vision establishes a plan and process to rehabilitate our existing facilities and address future operating and fleet needs. The Real Estate Vision also identifies opportunities to partner with developers to generate revenue to offset facility costs. The potential projected revenue from development on SFMTA sites only account for a fraction of the approximately \$300 million cost to implement the Real Estate Vision, which currently has no identified funding. The \$300 million is based on industry standard averages and minimal inflation and therefore is likely understated. The Real Estate Vision recommends a strategy that will accommodate the agency's projected 20 year known needs without the need to acquire new land. However, should the needs change, additional land acquisition may be necessary.

- Electric Vehicle Charging Infrastructure.** Transitioning vehicles from gasoline to electricity is a key part of San Francisco's strategy, in addition to Transit First programs, for reducing greenhouse gases and other harmful pollution from the transportation sector. To enable the shift to EVs, San Francisco has begun providing public chargers at city-owned parking garages to extend the range EV drivers can travel away from their "home" chargers. \$2.4 million will be needed to expand the public charging infrastructure to additional city properties throughout the City. Currently, only partial funding has been identified.

- Taxi Program.** The Taxi program was new to the SFMTA Capital Plan in 2012. As such, this plan only includes currently identified projects, not a comprehensive assessment of taxi capital needs. Upcoming projects include Electronic Taxi Hailing Project in the spring of 2013 and the Taxi Toplight Program which is expected to rollout over the next five years. The Electric Vehicle Charging Infrastructure is also a component of the Taxi Program. Of these projects, only the Electronic Taxi Hailing Project is fully funded. The Taxi Toplight Program and Electric Vehicle Charging Infrastructure are partially funded and will be implemented as additional funding sources are identified. Assessment of the capital needs for the Taxi Program is ongoing and updates will be included in future SFMTA Capital Plans.

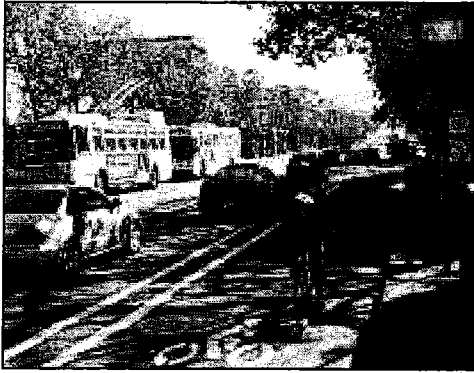


Taxi queue at SFO

- Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS).** SFMTA led a multi-agency partnership with the Planning Department and the San Francisco County Transportation Authority with the goal of minimizing transportation impacts of land use changes by identifying key transit-oriented, pedestrian-friendly infrastructure projects timed to support growth in the Eastern Neighborhoods over the next 20 years.

The Board of Supervisors identified a short list of priority Eastern Neighborhoods Early Start Capital Projects deemed critical to support land use changes. EN TRIPS identified the following key projects: Folsom Street Redesign (including possible two-way conversion); 16th Street Corridor Transit Improvements (including the extension of the 22-Fillmore trolley line to Third Street); and 7th/8th Street Corridor Improvements.

- **Urban Planning Initiatives.** SFMTA is also coordinating with other city departments and private developers to address the transportation needs of major growth projects including at Candlestick Point/Hunters Point Shipyard, Treasure Island, the northeastern waterfront area, and Parkmerced.



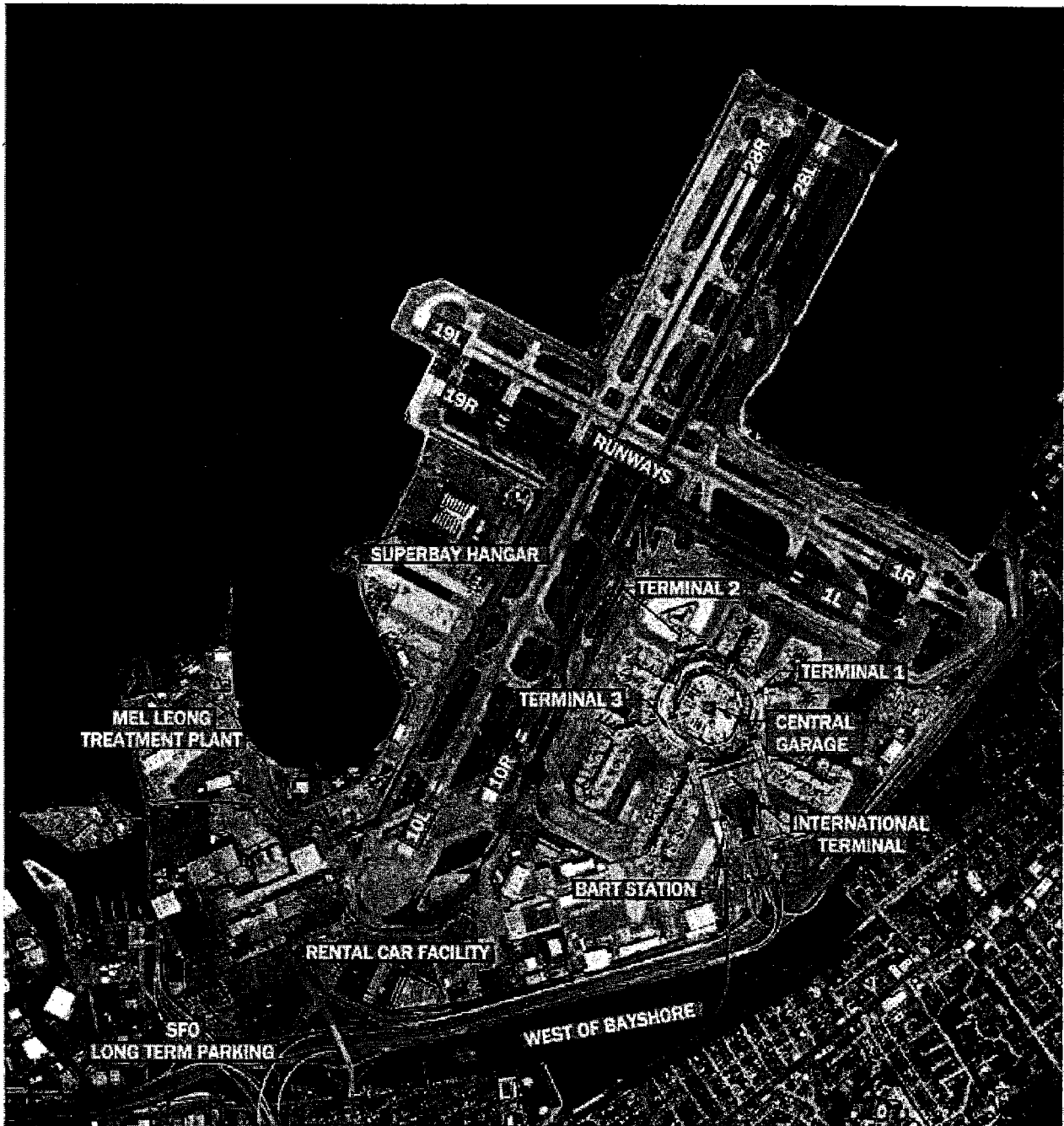
Multi-modal transportation on Market Street

- **Better Market Street.** The Better Market Street project offers a special opportunity to envision a new Market Street. The SFMTA, along with the San Francisco Planning Department, San Francisco Department of Public Works, San Francisco Office of Economic and Workforce Development, and the San Francisco Transportation Authority are working together to support the project. For more details about the project refer to the Infrastructure and Streets chapter of this Plan.

San Francisco International Airport

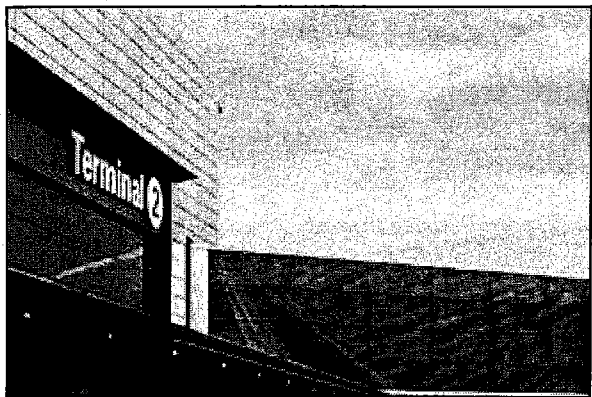


San Francisco International Airport



San Francisco International Airport

Overview & Accomplishments



New Terminal 2 Facade

Located within unincorporated San Mateo County, the San Francisco International Airport (SFO) has 2,203 acres of usable land, nearly all of which (2,186.5 acres) has been developed for Airport use. The Airport manages four runways, 88 operational gates and four terminal buildings in addition to 32 miles of roadways, five parking garages, the AirTrain transit service, a rental car facility, leased cargo and maintenance facilities, a waste treatment plant, and more than 274 miles of pipelines, ducts, power, and pump stations for water, sewage, storm drainage, industrial waste, gas, electrical, and telecommunications distribution systems.

The Airport continues to experience growth in passenger traffic. In FY 2012 43 million passengers traveled through the Airport, which was 5.1% higher than the previous peak in FY 2000 and 7.9% higher than FY 2011. Passenger traffic has grown at a compound annual growth rate of 4.8% over the last five fiscal years.

During fiscal year 2012, total domestic passenger enplanements were 16,809,755, an increase of 9.4% compared to FY 2011. International enplanements during FY 2012 totaled 4,610,308, an increase of 3.3% compared to FY 2011. While the Airport expects increases in passenger traffic to continue, the growth is likely to be at a more moderate pace than the Airport has experienced over the last few years.

The growth in passenger traffic has resulted in a significant increase in parking, concession, and other non-airline revenues. In FY 2012, concession revenues, including revenues for parking and other ground transportation, were approximately \$226.6 million, a 12.6% increase compared to the previous Fiscal Year revenues of approximately \$201.2 million. Following the reopening of Terminal 2 in April 2011, the restaurants and shops that comprise the concessions offerings set a new standard for quality and revenue generation which will be used as a model for all future concessions development at the Airport. Terminal 2 also features a "club room" feel in the food court and passenger waiting areas, and a focus on sustainable food in all restaurants. In Fiscal Year 2011/12, Terminal 2 passengers spent 14% more than all other enplaning passengers on retail and food and beverage items, excluding duty free.



New Terminal 2 Interior

As a result of the passenger traffic increases and the new Terminal 2 standard for capital projects, the Airport plans to improve many of its terminals and other critical support facilities to accommodate the growth and enhance the customer experience. The Airport is proceeding with the \$224.1 million, federally mandated Runway Safety Area (RSA) project and is constructing a replacement 216-foot Air Traffic Control Tower. The Airport is also in the programming and planning phase of several new terminal improvement projects, such as reconfiguration of security and concession areas in Terminal 3 and the redevelopment of Terminal 1. An on-airport hotel and an additional long-term parking garage are also in the planning stage.

The Airport is committed to long-term infrastructure planning and annually updates its 5-Year Capital Plan, which serves as the foundation for the Ten-Year Capital Improvement & Facilities Maintenance Plan.

The plans are developed through an extensive annual review process involving participation from senior Airport staff; an internal CIP Working Group, comprised of Airport management staff; the Airport Director; the Airlines; the Airport Commission; and the Airport Financial Advisory Committee, which includes the Deputy City Controller, the Director of the Controller's Office of Public Finance, and members from the financial services industry.

Airport Commission Capital Planning Policies govern the advancement, implementation, and management of capital projects profiled in the Five-Year and Ten-Year Capital Plans. The Capital Planning Policies provide strategic guidelines for the Airport capital program. Given the capital-intensive nature and age of facilities at San Francisco International Airport, continued traffic growth, and ongoing concerns about controlling costs to the airlines, the

Airport must invest in capital projects strategically over the next five years, with an eye toward investments needed beyond that timeframe.

The Airport is considering various capital projects for inclusion in the 10-year capital plan. The following principles will guide decision-making regarding new capital investments at the Airport:

- Maintain the Airport's infrastructure in good condition to support its customer service goals.
- Deliver facilities on a just-in-time basis to meet passenger demand.
- Implement projects that generate revenue if they are projected to be cost-neutral or ideally revenue-positive.
- Implement projects that reduce operating costs if doing so minimizes the overall life-cycle costs.
- Maximize grants for eligible projects, but evaluate the cost and operational implications of proceeding with an otherwise low-priority project.
- Collect the full rentable value from the Airport's assets, maximizing the use of underutilized or vacant space such as office space, cargo facilities, and/or hangars.
- Prioritize projects based on their implications for meeting federal/state/local mandates, contributing to enhanced safety and security, preserving and maintaining existing assets, enhancing customer service, and contributing to sustainability.
- Ensure that investment in projects, including associated operating costs, does not result in airline costs per enplaned passenger (CPE) that exceed the Airport's competitive target.

The FY2013 - 2022 Capital Plan includes various capital projects to meet the needs of airport and airline operations, as well as improve the passenger experience to remain competitive in the marketplace. The Airport will continue to pursue the major efforts that were initiated in prior plans as well as continue to evaluate or plan for many other projects. Because of the strong passenger growth and increased airline operations, the Airport is carefully reviewing all capital project commitments to ensure it remains focused on the meeting these demands, providing exceptional capital projects with facilities designed to elevate the air travel experience. The Airport FY 2012 airline average cost per enplanement (CPE), the standard Airport expense metric, was \$14.41, which is 27% lower than the post 9/11 FY 2003 CPE of \$19.62.

Project Funding

Currently, the 10-Year, \$1.9 billion Capital and Facilities Maintenance Plan (Airport Plan) includes the following projected requirements:

- \$1.7 billion in capital improvement projects spanning the ten-year period.
- \$117.3 million in facilities maintenance projects to cover the cost of non-routine maintenance and repair projects over the next ten years. These needs are annually approved and funded as operating budget projects within the Facilities Division.
- \$10.0 million in deferred facility maintenance projects over the coming ten-year period. These items are assigned a less urgent priority and are separately identified from those in the renewal budget. Deferred maintenance items are typically re-categorized as facilities maintenance projects based upon regularly scheduled assessments for asset condition and remaining useful lives.

The Airport Plan identifies the following funding sources to meet the projected \$1.9 billion ten-year infrastructure needs:

- \$1.6 billion in Airport revenue bond funds
- \$166.5 million in operating funds
- \$103.7 million in federal and state grants

1. Renewal Program

The Facilities Maintenance and the Design and Construction division uses the City's Facilities Resource Renewal Model (FRRM) to determine Airport facility maintenance requirements for buildings and uses other dedicated systems to assess asset renewal life cycles for airfield support structures, pavement infrastructure, and Airport utilities.

The Airport will need an estimated \$117.3 million for facilities maintenance and renewal projects over the next ten years. These repair and renewal projects are funded through each year's annual operating budget, while capital improvements are usually multi-year projects financed with capital funds. The \$117.3 million in funding does not include projects that are identified as deferred maintenance. The Airport has identified approximately \$10.0 million as unfunded deferred maintenance and this amount is shown in the accompanying financial projections as a funding shortfall. Deferred maintenance is categorized as projects that are temporarily delayed based upon Airport priorities and the availability of resources.

The Airport considers renewals to be general repair and replacement of building systems, such as a roof repair. Most of the projects at the Airport are enhancements, including runways, taxiways, and fire systems because of their complexity, scale and scope. These projects increase the asset's value, take several years to complete, and usually require debt financing.

2. Enhancement Program (FY 2014-2023)



Runway Reconstruction

In this Plan, the Airport is initiating several important improvement projects which will benefit the traveling public, enhance revenue and continue the long term planning process for world class facilities at the Airport. Below is an overview of the Airport's \$1.7 billion 10-year enhancement program by infrastructure category.

- **Airfield.** Investing \$181.9 million to install runway safety areas (RSAs), overlay, reconstruct, and improve common landing areas, runways, taxiways, ramps, aprons, adjacent infield areas, and related support facilities, including:
 - » Runway Safety Area Improvement Program – \$116.6 million of a \$224.1 million project to design and construct runway safety areas and related improvements;
 - » Runways – \$31.4 million for overlay and reconstruction of Runway 1L-19R, Runway 28R-10L and Runway 28L-10R;
- » Airfield Improvements – \$15.1 million to reconstruct various airfield areas, including airfield perimeter security fencing, video surveillance systems, perimeter lighting and other security systems;
- » Taxiways – \$11.7 million to reconstruct taxiways, vehicle service roads, upgrade and replace airfield infrastructure, and improve airfield markings; and
- » Airfield Utilities – \$7.1 million for Surface Movement Guidance Control System (SMGCS) improvements and upgrades to airfield power and telecommunications infrastructure.
- **Airport Support.** Investing \$327.4 million to expand and improve areas and facilities which support airline functions (e.g. hangars, aircraft maintenance facilities, etc.) and government installations (e.g. FAA, FBI, Post Office), including:
 - » On-Airport Hotel – \$165 million to build a new 403 room hotel on the site of the former Hilton hotel;
 - » New Air Traffic Control Tower – \$52.0 million in remaining funds to construct a new Air Traffic Control Tower and demolish the existing control tower;
 - » Hangar and Cargo Facility Improvements – \$50.6 million to replace and renovate cargo and hangar facilities at the Airport;
 - » Airport Support Facility Improvements – \$30.7 million to rebuild and enhance facilities

that are scheduled to be renewed, including baggage handling systems and explosive detection systems;

- » Security Improvements – \$11.7 million to replace the Access Control System, to relocate the Security Access Office, to upgrade rolling gates at the U.S. Coast Guard facility, and to construct an Airfield Operations Facility;

- » Technology Systems Improvements – \$7.1 million to upgrade and replace existing technology assets that will become either physically or functionally obsolete and to expand newer technology systems that have become standard for conducting business efficiently;

- » Capital and Support Equipment – \$6.8 million to replace specialized vehicles for aircraft rescue and firefighting, marine rescue watercraft, shuttle buses and other capital equipment;

- » Noise Insulation Program – \$2.1 million to support federal grant programs for minimizing the impact of aircraft noise in the communities surrounding the Airport; and

- » Security Local Area Network Replacement (S-LAN) – \$1.4 million to replace a portion of the Airport's S-LAN, providing a segregated, secured network for the Airport's safety and security systems.

- **Groundside.** Investing \$102.8 million to rebuild, seismically reinforce, and enhance roadways and parkways, courtyards, fences, bridges, the AirTrain system, the Rental Car Center, public parking lots, and garages, including:

- » Long-Term Parking Garage - \$65.5 million of a \$72.0M project to construct a second long-term parking garage;

- » Roadway Improvements – \$17.2 million to rebuild and expand roadways, including changes to the North Field Access Road, and reroute utilities;

- » Viaduct Improvements – \$14.0 million for Phase 2 of the project to reinforce the main roadway connecting the terminals; and

- » Public Parking Lot/Garage Improvements – \$4.0 million to renovate and enhance parking facilities; and

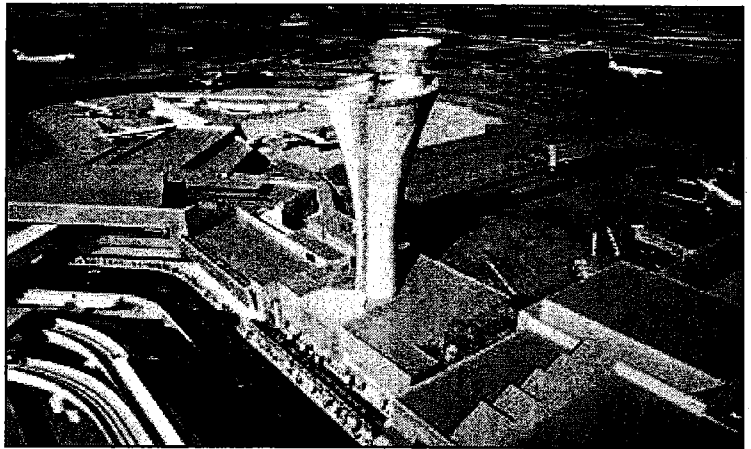
- » AirTrain Improvements - \$2.1 million to upgrade and replace AirTrain system components, ancillary facilities infrastructure and equipment and the closed circuit television system.

- **Terminals.** Investing \$969.8 million to rebuild and upgrade areas within the terminal complex, such as the Airport concourses, boarding areas, pedestrian bridges, lobbies, and offices, including:

- » Terminal 1 - \$840 million in planning, programming and initial construction funding for the Terminal 1 renovation project;

- » Terminal 3 Boarding Area E Renovations – \$23.3 million of a \$115.9 million project started in FY 2009/10, will improve and upgrade the structural, mechanical, telecommunications, electrical, and special systems as well as refurbish Boarding Area E to extend the service life of this terminal facility by an additional ten years. The renovated Boarding Area will include passenger amenities similar to Terminal 2 that will result in additional concession revenue.

- » Terminal 3 Improvements – \$20.5 million project reconfigures and expands the checkpoint area in Terminal 3, which is necessary due to new TSA requirements. The project will convert two separate checkpoint areas into one consolidated checkpoint, remove some existing ticket counters and install a new queuing area. The project also eliminates three existing post-security concessions on the western side of the current



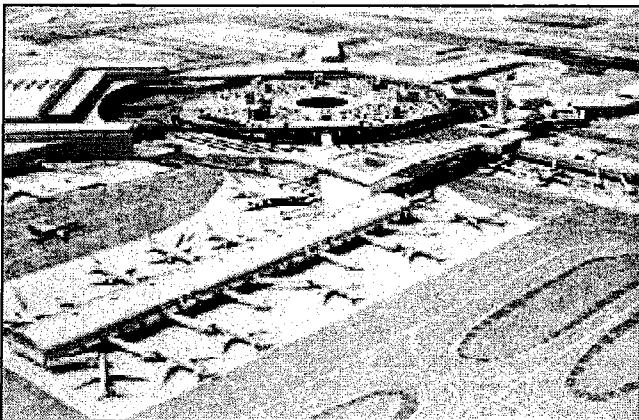
New Air Traffic Control Tower

checkpoint, where five screening areas are currently located, and adds approximately 7,465 square feet of new post-security concession space.

- » Integrated Facilities Air Traffic Control Tower – \$17.9 million for the terminal building and secure connector at the base of the new Control Tower;
 - » Terminal Facility Renovations – \$40.3 million to make terminal safety improvements, design a new secure connector, replace aged equipment, and enhance and upgrade various terminal building systems and structures;
 - » Terminal Energy Efficiency Projects – \$13.4 million to upgrade mechanical systems throughout the terminal complex to increase efficiency, including pneumatic controls associated with the main Air Handling Units and chilled water distribution;
 - » Escalator, Moving Walks and Elevator Improvements – \$8.8 million to replace terminal escalators, moving walks and elevators; and,
 - » Terminal Public Wi-Fi – \$5.7 million to install free Wi-Fi services throughout the terminal complex to the airline passengers.
- **Utilities.** Investing \$163.2 million to rebuild water systems, sewage and industrial waste systems, storm drainage systems, central plant systems, and telecommunications systems, including:
 - » Wastewater System Improvements – \$64.8 million to replace drainage and sewage systems and construct a new industrial waste processing facility within the Mel Leong Treatment Plant;
 - » Power & Lighting System and Natural Gas System Improvements – \$46.1 million to replace airfield power and lighting systems, natural gas pipelines, and supporting infrastructure;
 - » Central Plant Improvements – \$22.8 million to implement energy-efficient upgrades to central plant systems;
 - » Water Systems Improvements – \$21.7 million to rebuild water system infrastructure, including the phased replacement of water mains;
 - » Storm Drain Improvements – \$5.2 million to replace sections of the storm drain network; and
 - » Telecommunication System Improvements – \$2.6 million to upgrade, replace, and expand the network of duct banks, conduits, and cabling. This project will also fund improvements to telecommunications system rooms and critical wiring sites.

3. Emerging Needs

An overview of the Airport's significant short-term emerging needs is provided below.



Conceptual Design for Terminal 1

- **Terminal 1 Redevelopment.** The 1989 SFO Master Plan proposed the redevelopment of Terminal 1, Boarding Area B, due to the age and condition of the facility. The ongoing maintenance requirements of the building and associated systems are significant because of the continued settling of the 1960's-era boarding area, which has subsided by 30-50 inches, putting pressure on the outer walls and systems. To keep Boarding Area B in working condition and up to code for the next four to five years, the Airport has made improvements to the restrooms, retrofitted and upgraded the terminal lighting, reduced the slope of the connector between the terminal building and Boarding Area B, and made significant roof repairs. While the Airport has made sufficient capital investments to keep the facility operational over the last ten years, Boarding Area B is accommodating many more passengers than it was designed to handle.

In 2007, the Airport initiated a planning study for the redevelopment of Terminal 1. In this initial phase, the Airport identified a preferred alternative for the redevelopment of the terminal building and Boarding Area B. The new terminal layout would increase gate capacity, provide improved passenger processing facilities such as ticketing, security screening, and baggage claim areas, provide better airline support facilities, and improve aircraft operating environment, including new taxi lane layouts in the vicinity of the terminal boarding areas to enhance the Airport's operational capability and reduce aircraft delays. On March 16, 2010, the Airport Commission approved a policy stating that the Airport will not proceed with the Terminal 1 and Boarding Area B Redevelopment until the need for the project was supported by forecasted passenger traffic demand and airline gate requirements. With the current passenger growth forecast and corresponding demand for gates, the Airport has estimated it will reach this demand threshold within the 10-year capital plan timeframe and is initiating the planning and programming for the T1 project.

Consistent with the FY 2011/12 Capital Plan, this Capital Plan includes \$840 million for design, architecture and planning to develop a new Terminal 1, including redevelopment, demolition, and reconstruction of Boarding Area B. Consistent with the Airport Commission's policy, the Airport will phase the redevelopment and reconstruction of Terminal 1 to match the demand for gates as closely as possible, but will consider the full cost impacts related to the phasing of the project.

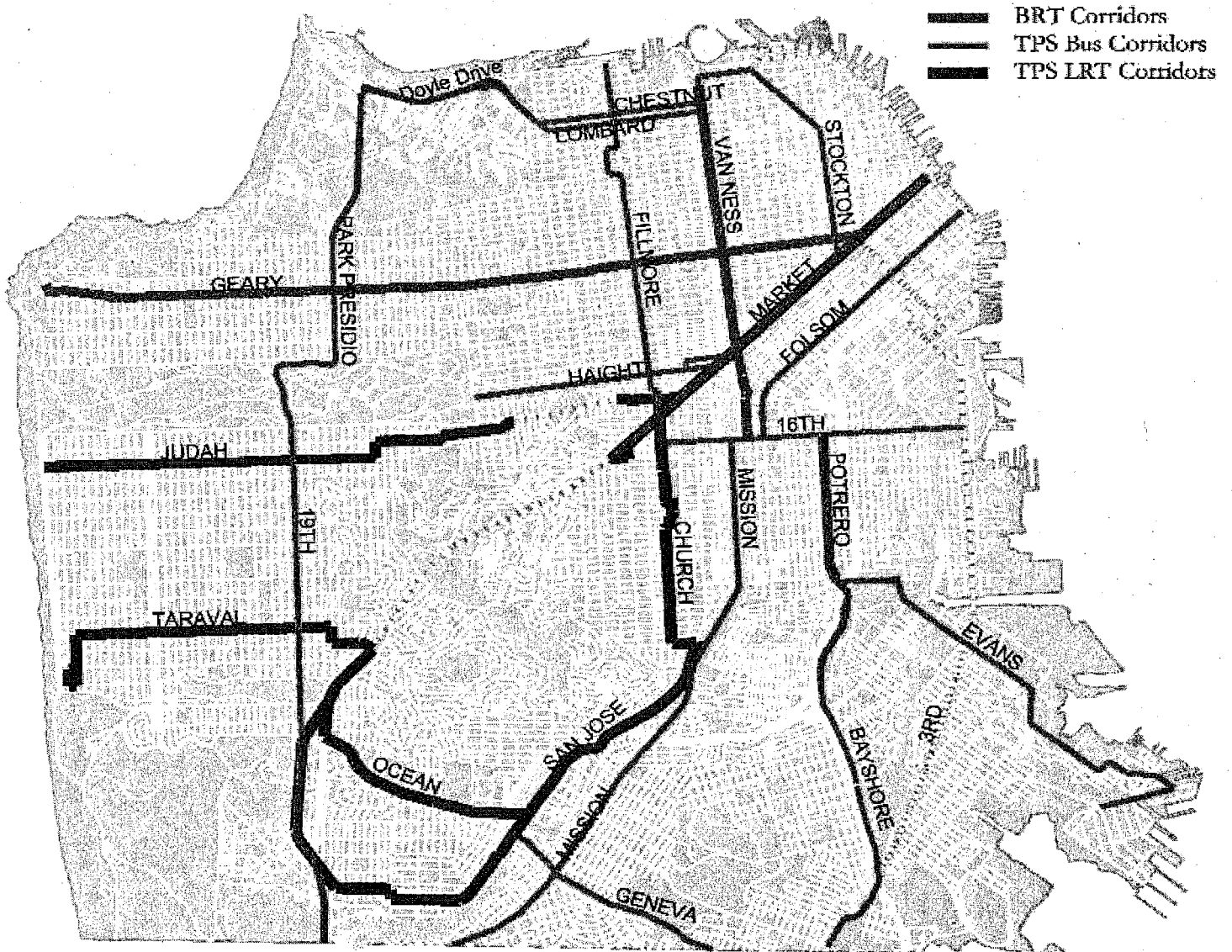
- **On Airport Hotel.** The airport recently completed a market demand and feasibility study for the potential development of an on Airport 403-room full-service hotel located at the site formerly occupied by the Hilton Hotel. This project is in the early review and planning stage. The preliminary plan is for the hotel to be financed, constructed and owned by the Airport, but it would be managed, operated and maintained by a professional, qualified hotel operator.

The market demand and feasibility study showed that demand for hotel rooms in the area around the San Francisco International Airport exceeds the current supply. The study found that an on-Airport hotel would have significant competitive advantages over other hotels in the area, capturing the higher-rated corporate clients and transient travelers willing to pay a premium for the convenient location. Because of current market demand, the hotel can command a high daily premium room rate and will generate significant ancillary revenues from food & beverage and conference room facilities. The on-Airport hotel also maintains a competitive edge and higher barrier-to-entry from competitors, since there are no other similar hotels proposed to be developed in the Airport market and the cost to acquire land and build a premium hotel is high.

The 10-Year capital plan includes \$165.0 million estimate for the hotel project. The Airport is continuing to refine its project costs and analyze the financial impact and will only proceed if the project is financially feasible. Preliminary analysis included in the market demand and feasibility study indicated that with an initial investment, the project would generate significant operating revenues covering all operating and financing costs, resulting in positive cash flows starting the first year of operation and continuing for the entire financing term.



Interagency Initiatives



Retaining and expanding transit's share of travel in San Francisco is a major strategic challenge. Meeting San Francisco's future transportation needs and transit goals requires the City to coordinate with a number of regional transportation agencies including the San Francisco County Transportation Authority (SFCTA), the Peninsula Corridor Joint Powers Board (Caltrain), and the Transbay Joint Powers Authority (TJPA). Major interagency capital projects include implementation of Bus Rapid Transit along Geary Boulevard and Van Ness Avenue, maintenance, electrification, and improvement of Caltrain, and the rebuild of the Transbay Terminal. In 2010, the SFCTA launched the development of the San Francisco County Transportation Plan, which will evaluate existing needs and growth trends in an effort to develop updated transportation sector policies, strategies and investment priorities for sustainable growth.

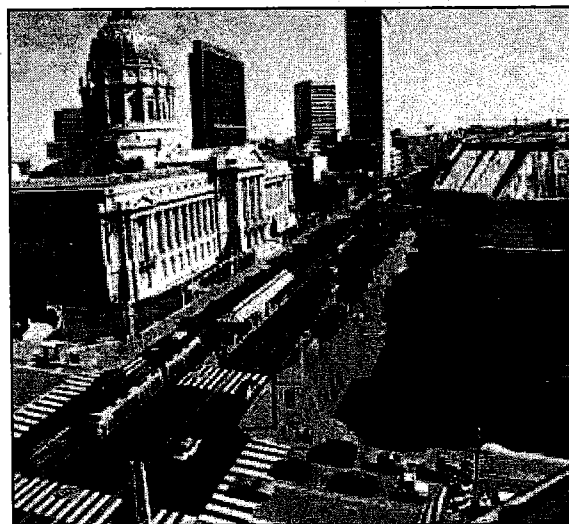
The SFCTA administers the Proposition K half-cent local transportation sales tax program, passed by 75% of San Francisco voters in November 2003.

San Francisco County Transportation Authority (SFCTA)

The SFCTA is responsible for the City's long-range transportation planning. In this capacity it analyzes, designs and funds improvements for San Francisco's roadway and public transportation networks. The Authority also administers and oversees the delivery of the Prop K half-cent local transportation sales tax program. Additionally, it serves as the designated Congestion Management Agency (CMA) for San Francisco under state law and acts as the San Francisco Program Manager for grants from the Transportation Fund for Clean Air (TFCA).

As the Congestion Management Agency for the City, the SFCTA prepares the long-range countywide transportation plan. The San Francisco County Transportation Plan (SFTP) identifies long-range transportation system needs for San Francisco, prioritizes future transportation improvements within expected revenues, and recommends policy and institutional changes to support investments in the system. The 2004 Countywide Transportation Plan provided the policy context for the Proposition K Sales Tax Expenditure Plan, and advanced several initiatives including Bus Rapid Transit (BRT) treatments on the city's network of Transit Preferential Streets (see below); demand management through pricing strategy; and a new approach to multimodal neighborhood transportation planning.

The SFTP update is currently under development in parallel with the Regional Transportation Plan/ Sustainable Communities Strategy (RTP/SCS) update process. The SFTP update includes revised forecasts of long-range transportation needs both citywide and within the city's "Core Network," and estimates for meeting ambitious future transportation system goals. The Plan will include a preferred financially constrained investment scenario and one or more vision scenarios, as well as strategic policy initiatives. The SFTP development process is informed by an interagency Technical Advisory Committee (TAC) and Community Advisory Committee (CAC).



Computer Rendering of Proposed Van Ness Avenue Bus Rapid Transit

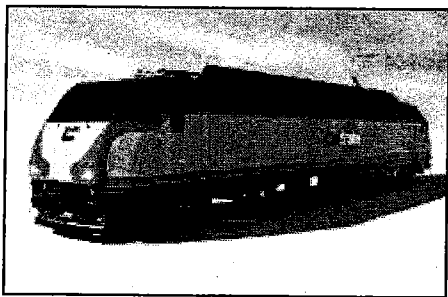
Transbay Joint Powers Authority (TJPA)

The TJPA oversees the Transbay Transit Center/Caltrain Downtown Extension Project. It is responsible for designing, constructing and operating the new Transbay Transit Center and associated facilities in downtown San Francisco, including the extension of the Caltrain commuter rail into the new Transit Center and accommodations for future California High Speed Rail.

Peninsula Corridor Joint Powers Board (JPB)

San Francisco, along with San Mateo and Santa Clara counties, is a representative member of the Peninsula Corridor Joint Powers Board (JPB) which operates and maintains Caltrain – one of the oldest commuter rail services in Northern California. Caltrain provides peak and off-peak connections along the Peninsula rail corridor between San Francisco and Gilroy. Per the 1996 Joint Powers Agreement, funding for system-wide capital improvements are shared equally among the three members, while local improvements are, in general, borne by the County partner in which the improvements are located.

The total estimated cost for the ten-year JPB Capital Improvement Program (CIP) is \$2.6 billion, as projected in its most recent Short Range Transit Plan (SRTP), covering FY 2009 through FY 2018. This includes basic maintenance and renewal costs as well as major enhancements such as the conversion to an electrified system and installation of a federally mandated Positive Train Control (PTC) system.



Conceptual rendering of a Caltrain rapid electric rail locomotive

1. Renewals

Pursuant to the Joint Powers Agreement between the three JPB member entities, each member has been contributing a one-third share towards Caltrain's local match for its capital projects that are designed to replace, enhance or expand Caltrain assets. Per Caltrain's most recent SRTIP covering FY 2009 through FY 2018, the City's share for matching and/or funding system-wide improvements, excluding electrification, is anticipated to be about \$58 million.

2. Enhancement Program (FY2014-2023)

- **Bus Rapid Transit (BRT).** The City's 2004 Countywide Transportation Plan helps implement San Francisco's Transit First Policy by funding cost-effective Bus Rapid Transit (BRT) treatments on the city's network of Transit Preferential Streets (TPS).

BRT is a new mode of transit for San Francisco, developed to deliver many of the benefits of light rail at a lower cost. It is a high-quality transit service that reduces travel time, increases reliability, and improves passenger comfort by giving the bus an exclusive lane to operate faster and more reliably. Key components of a BRT system include: dedicated lanes or exclusive guideways; modern, low-floor, high-capacity buses; high quality bus stops; streetscape improvements and pedestrian amenities; proof of payment and all door boarding; and advanced transit and traffic management systems such as signal priority and real-time information systems.

The SFCTA, in partnership with SFMTA, is currently conducting environmental studies for two BRT projects—Van Ness Avenue and Geary Boulevard. Van Ness Avenue is a key north-south spine in San Francisco's transit system carrying over 20,000 boardings daily, while the Geary corridor is the most heavily used transit route in northern San Francisco with approximately 55,000 daily boardings. Although these lines operate at high-frequencies, they are plagued by a variety of traffic and transit conditions that degrade both the travel time and reliability of service.

The environmental review of the Van Ness Avenue BRT project includes analysis of the replacement of the Overhead Contact System support poles / streetlights on Van Ness Avenue, as these poles are nearing the end of their useful life and would need to be replaced as part of the BRT project. While the SFCTA is addressing the environmental review of the project, the design, funding and implementation of the project is a shared effort between SFMTA, DPW, and SFPUC.

The Geary BRT project is also addressing special infrastructure needs of its own. These include two grade-separated intersections at Fillmore and Masonic, and measures to reduce construction impacts should there be a decision to convert BRT to rail in the future.

Improvements on Van Ness and Geary have been prioritized for funding through the 2003 voter-approved transportation sales tax measure (Prop K) and the 2005 Prop K Strategic Plan. Following environmental review of each project, final design could be undertaken, with BRT service on Van Ness beginning in 2017 and on Geary beginning in 2019.

- **Transbay Transit Center.** The Transbay Transit Center Project will help centralize a fractured regional transportation network by building an intermodal hub connecting eight Bay Area counties and the State of California through 11 transit systems: AC Transit, BART, Caltrain, Golden Gate Transit, Greyhound, Muni, SamTrans, WestCAT Lynx, Amtrak, Paratransit and the future High Speed Rail. The project consists of three interconnected elements including: (1) Replacing the outmoded Transbay Terminal at First and Mission Streets with the modern Transbay Transit Center; (2) Extending Caltrain and California High Speed Rail underground from Caltrain's current terminus at 4th and King streets into the new downtown Transit Center; and (3) Creating a new mixed-use neighborhood surrounding the new Transit Center, including transit-oriented development on publicly owned land in the vicinity of the new Transit Center. To learn more about the Caltrain's High Speed Rail electrification projects please refer to the Caltrain sections within this chapter. Refer to the Successor Redevelopment Agency Section within the Economic & Neighborhood Development Chapter of this Plan for more information on the neighborhood development efforts.

The first phase of the project entails the construction of a new five-story Transit Center

serving Caltrain and future California High Speed Rail. Phase I will also create new bus ramps that will connect the Transit Center to a new off-site bus storage facility and the San Francisco-Oakland Bay Bridge. The new Transit Center will feature a 5.4 acre park on the roof. Additionally, a complementary Transit Tower, developed by Hines Real Estate, will be built adjacent to the Transit Center, which will provide additional financing for the project. The San Francisco Planning Commission has provided all necessary approvals for the Transit Tower, and a purchase and sale agreement was approved by the TJPA Board in November 2012. Phase I began in 2008 with the building of a temporary terminal designed to serve passengers while the new Transit Center is under construction. In 2010, operations at the temporary terminal commenced and construction of the new Transit Center and began. The Transit Center is scheduled to be completed in 2017.

The second phase of the project includes the completion of the 1.3-mile extension of the Caltrain rail line from Fourth and King streets to the new Transit Center. The timing of Phase II construction will be based on available revenues.

The project is designed to provide a variety of public benefits including: accommodation of projected growth in travel, improved access to rail and bus services; improved Caltrain service by providing direct access to downtown San Francisco; enhanced connectivity between Caltrain and other major transit providers; modernization of the Transbay Transit Center that meets future transit needs including high-speed rail; reduced non-transit vehicle use; reduced traffic congestion and vehicle hours of delay on major on major freeways; and the alleviation of blight and revitalization of the Transbay Terminal Area. The TJPA also projects improved regional air quality by reduced auto emission. Additionally the project calls for construction of 2,600 new housing units, thirty-five percent of which would be affordable. Developing housing next to a major transit hub will further facilitate the use transit and enhance access to employment, retail, and entertainment opportunities; and support of local economic development goals.

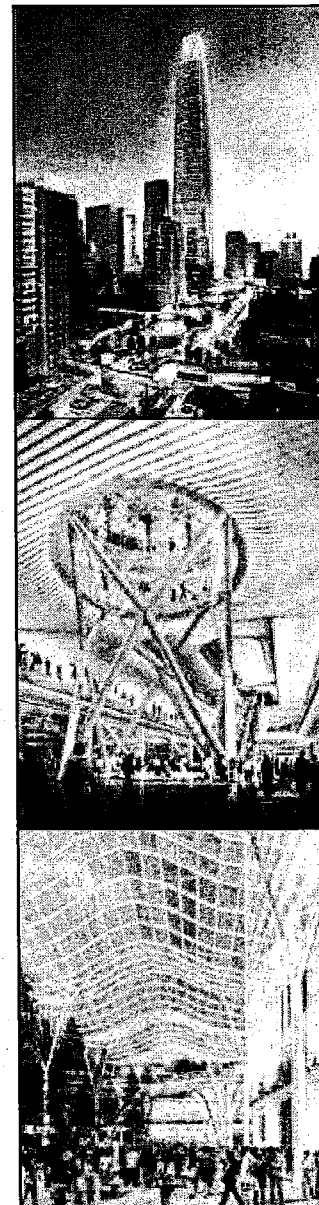
The project's total capital cost is estimated at \$4.2 billion, escalated to the year of expenditure (YOE). It is funded through a mix of local, regional, state and federal funds.

- **Presidio Parkway Project.** The Presidio Parkway, also known as Doyle Drive or Route 101, is currently being reconstructed to address a myriad of problems associated with the aging structure. Doyle Drive was originally constructed in 1936 through what was then an active Army installation known as the Presidio of San Francisco. The road was elevated to meet Army security requirements. Today, the Presidio is a national park and Doyle Drive has been re-envisioned as the Presidio Parkway - a roadway tucked into the natural contours of the Presidio of San Francisco and the Golden Gate National Recreation Area.

The project addresses the structure's end-of-useful-life issues including: seismic vulnerability, lanes that are too narrow; no barrier separating opposing traffic flows; and no shoulders for disabled vehicles, maintenance crews, and emergency vehicles. The project is fully funded and is being delivered in two phases. Construction for Phase I began in late 2009. In mid-2012 a portion of the new permanent parkway as well as a temporary bypass were opened. With Phase I construction elements now carrying traffic on a seismically safe roadway, the Presidio Parkway project is nearly halfway to completion.

During Phase II all remaining project elements will be completed, transforming the regional gateway linking the Golden Gate Bridge and City. The new design will open up views of the San Francisco Bay, create new direct access to the Presidio from Doyle Drive, and enhance pedestrian and cyclist connections within the Presidio. An extensive landscaping effort will follow completion of major elements in 2015.

- **Yerba Buena Island Ramps Project.** Yerba Buena Island (YBI) and Treasure Island (TI) are located in the San Francisco Bay, approximately halfway between Oakland and San Francisco, and are accessible by vehicles only via the San Francisco-Oakland Bay Bridge. The Bay Bridge is a critical link in the interstate network, providing access between San Francisco and the East Bay. YBI and TI are accessed by on-and off-ramps located on the upper and lower decks of the Bay Bridge. The proposed project would replace the existing westbound on-ramp and off-ramp located on the eastern side of YBI to improve the functional roles of the current ramps. The YBI Ramps project is being implemented through a partnership between the San Francisco County Transportation Authority and Caltrans and is scheduled to start construction contract advertisement in June 2013.
- **Treasure Island Mobility Management Program.** The Treasure Island Transportation



Management Act of 2008 (California State Assembly Bill No. 981) directs the Treasure Island Development Authority (TIDA) Board of Directors and the Board of Supervisors (BOS) to designate a board or agency to serve as the Treasure Island Mobility Management Agency (TIMMA). The purpose of the TIMMA is to implement a comprehensive and integrated Transportation Program to manage travel demand on Treasure Island as the TI/YBI Redevelopment Project develops. The centerpiece of this innovative approach to mobility is an integrated and multimodal congestion pricing demonstration program that applies motorist user fees to support enhanced bus, ferry, and shuttle transit, as well as bicycling options, to reduce the traffic impacts of the project.

In October 2011, the Authority Board and the TIDA Board adopted an expression of the intent to recommend that the BOS designate the Authority as the TIMMA to implement the Transportation Program. Through a partnership agreement with TIDA, the Authority initiated development of TIMMA formation plans and other pre-implementation activities in support of the Transportation Program. In 2012, the Authority was awarded two major planning grants to advance the Transportation Program, including an FHWA Value Pricing Pilot Program (VPPP) grant, and an MTC Priority Development Area Planning (PDA) grant. These grants will help to confirm the concept of operations for the parking and road pricing systems, and support project development and pre-implementation activities.

3. Emerging Needs

- **Better Market Street.** The Better Market Street project is supported by five city agencies including San Francisco Planning Department, DPW, San Francisco Office of Economic and Workforce Development, SFCTA, and SFMTA. To learn more about the project please refer to the Streets and Rights-of-Way section of the Capital Plan.
- **Caltrain Electrification.** In March 2012 the JPB entered into an MOU with the California High Speed Rail Authority (CHSRA) to make strategic, early investments in the Peninsula Corridor that would allow Caltrain's existing system to support high-speed rail services while enhancing Caltrain service. These improvements include corridor electrification and an advanced signal system which are estimated to cost approximately \$1.5 billion. The electrification program is the centerpiece in Caltrain's proposed CIP to transform the system from commuter rail to a state-of-the-art rapid rail system from San Francisco to San Jose. The JPB anticipates that this work will occur in the next five to ten years and will dovetail with the scheduled replacement of the majority of the fleet with modern, light-weight, and higher speed passenger trains. The total project cost for the Electrification Infrastructure program is \$785 million (YOE), while the replacement of train-sets is estimated to cost \$456 million (in year of procurement dollars).

The MOU identifies a mix of local, regional, state and federal funding sources to cover the improvement costs. At the local level, the JPB has agreed to contribute \$180 million, to be split equally between the three member entities. The JPB CIP includes \$60 million in San Francisco funding sources, \$20 million of which has been identified and committed to date. Based on a preliminary project cash flow provided by the JPB, San Francisco would need to have the remaining local match contribution available to support planned expenditures starting in FY 2015. The Capital Planning Program is currently leading an interdepartmental initiative to identify potential funding sources that could be used to help cover the existing gap.

- **Caltrain Oakdale Avenue Station.** The SFCTA, in partnership with the SFMTA, is also coordinating with Caltrain/JPB staff to evaluate construction of an infill station at Oakdale Avenue. This station would serve as a regional transit connection for the Bayview/Hunters Point areas. The collaboration amongst the three partners, JPB, SFCTA, and SFMTA, is working to ensure that plans for electrification and bridge repair/replacement do not preclude the potential construction of a new station at this location.
- **Quint Street Bridge Replacement.** The Quint Street Bridge Replacement will be funded by federal funds and PCJPB local partner funds. The Connector Road funding plan is still under development. At this point it is anticipated to be funded by at least \$4 million in federal FTA funds through Caltrain, with the remainder being funded by local funds. The FTA funds would need to be swapped with local funds since FTA funds cannot be used on the Connector Road. SFMTA has agreed to work with the SFCTA and PCJPB on this fund swap. The SFCTA is looking at Prop K for the local portion, but it has also been in discussion with the SFPUC to see if it can partner on the funding for the Connector Road.

- **Urban Planning Initiatives.** SFMTA is also coordinating with other city departments and private developers to address the transportation needs of major growth projects including at Candlestick Point/Hunters Point, Treasure Island, the northeastern waterfront area, and Park Merced. For more information please refer to the Economic & Neighborhood Development chapter of the Plan.

Transportation

Program/Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
SPENDING PLAN								
Municipal Transportation Agency (SFMTA)	535,607	590,512	384,781	390,326	393,896	1,794,782	4,089,904	8,156,333
International Airport (SFO)	380,569	302,234	364,899	276,047	205,561	333,094	1,862,404	
Interagency Initiatives	708,527	923,176	416,264	466,673	703,561	1,333,046	4,551,237	
TOTAL	1,624,703	1,815,922	1,165,934	1,133,046	1,303,018	3,460,922	10,503,545	8,156,333
REVENUES								
Local	489,285	440,212	119,068	74,402	177,676	601,337	1,901,960	
General Fund - STIIP	10,000		25,000	25,000	25,000	125,000	210,000	
Street and Transit Bond		120,000					120,000	
Regional	15,554	3,262	10,036				28,852	
Federal	548,813	640,550	361,304	496,839	643,334	942,636	3,633,476	
Slate	58,850	61,180	19,861	15,667	53,108	217,030	425,696	
Other	366,873	499,945	349,807	260,350	189,255	241,873	1,908,103	
TOTAL	1,489,375	1,765,149	885,076	872,258	1,088,373	2,127,876	8,228,107	
Total San Francisco Jobs/Year	13,285	15,745	7,895	7,781	9,708	18,981	73,395	
DEFERRED								
Annual Surplus (Shortfall)	(135,328)	(50,773)	(280,858)	(260,788)	(214,645)	(1,333,046)	(2,275,438)	
Cumulative Surplus (Shortfall)		(186,101)	(466,959)	(727,747)	(942,392)	(2,275,438)		

Departmental Breakdown

SPENDING PLAN											DEFERRED
Accessibility	800	100	800	100	100	570	2,850	5,220	55,168		
Bicycle	3,695	13,024	3,225	3,512	3,512	7,547	37,734	68,737	227,040		
Central Subway	191,590	191,590	150,000	150,000	150,000	48,060	65,610	796,850			
Facility		600			5,127	1,245	6,227	13,199	1,492,780		
Fleet	103,713	104,289	86,563	164,239	126,354	631,771	1,216,929	1,447,936			
IT/Communications	22,105	5,189	400	400	12,012	60,060	100,166	202,300			
Parking	46,300				10,260	51,300	107,860	601,809			
Pedestrian	7,813	792	3,383	3,423	5,385	26,923	47,719	233,590			
Safety	690	3,102	7,471	7,271	4,365	21,823	44,722	147,175			
School	2,449	2,593	780	780	2,435	12,174	21,211				
Security	3,000	3,000	3,000	3,000	2,410	12,050	26,460	523,357			
Taxi	1,300	518	700	518	739	3,694	7,469				
Traffic Calming	4,348	20,531	4,120	1,364	6,930	34,649	71,942	189,935			
Traffic/Signals	24,532	4,594	7,622	7,997	13,097	65,484	123,326	131,756			
Transit Fixed Guideway	48,985	46,619	38,430	35,824	42,313	211,563	423,734	1,818,203			
Transit Optimization/Expansion	74,287	193,971	78,287	6,771	110,174	550,870	1,014,360	1,105,284			
TOTAL	535,607	590,512	384,781	390,326	393,896	1,794,782	4,089,904	8,156,333			

REVENUES

Federal	294,737	301,573	305,010	326,588	208,251	942,636	2,378,795				
State	50,537	49,360	8,778	9,013	47,947	217,030	382,665				
Local	180,333	119,579	45,993	29,725	112,698	510,116	998,444				
General Fund - STIP	10,000		25,000	25,000	25,000	125,000	210,000				
Street and Transit Bond		120,000					120,000				
TOTAL	535,607	590,512	384,781	390,326	393,896	1,794,782	4,089,904				
Total San Francisco Jobs/Year	4,778	5,267	3,432	3,482	3,514	16,009	36,482				

Program/Project

	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Plan Total	\$1,023	\$1,023	\$1,023	\$1,023	\$1,023	\$1,023
Budget	\$1,023	\$1,023	\$1,023	\$1,023	\$1,023	\$1,023

Renewal and Deferred Maintenance-Needs

SPENDING PLAN

Operating	9,310	10,000	10,500	11,000	11,500	65,000	117,310
Renewal							
Capital (by Airport Cost Center)							
Airfield	99,204	25,013	9,013	26,206	13,921	8,509	181,866
Airport Support	90,915	54,947	122,758	37,036	11,400	10,368	327,424
Groundside	44,884	33,114	7,995	550	7,250	9,000	102,793
Terminals	115,634	158,326	192,221	188,157	165,786	159,716	969,840
Utilities	20,622	20,834	22,412	13,098	5,704	80,501	163,171
TOTAL	380,569	302,234	364,899	276,047	205,561	333,094	1,862,404

REVENUES

Operating						
Operating Budget (Renewal/Maintenance)	13,696	14,489	15,092	15,697	16,306	166,501
Capital Sources						
Revenue Bonds / Capital Borrowings	281,522	276,812	349,807	252,912	189,255	1,592,181
Grants	85,351	10,933		7,438		103,722
TOTAL	380,569	302,234	364,899	276,047	205,561	1,862,404
Total San Francisco Jobs/Year	3,395	2,696	3,255	2,462	1,834	16,613

Infrastructure Investments

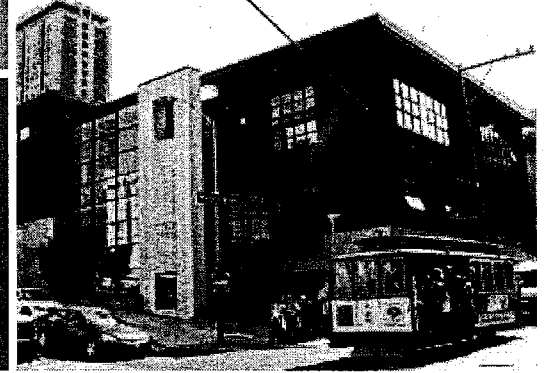
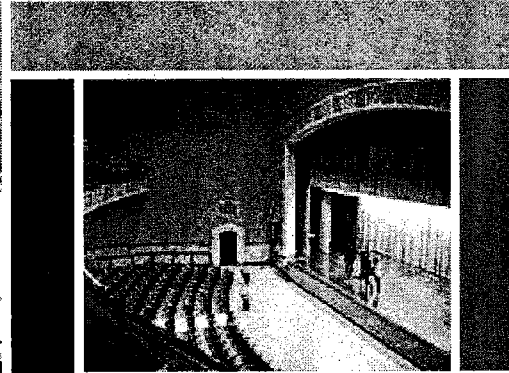
SPENDING PLAN

San Francisco Transportation Authority									
Presidio Parkway	492,900	364,700							364,700
Yerba Buena Island Ramps	15,646	27,130	43,758	39,398	16,626	8,102			135,014
SFTA Subtotal	508,546	27,130	408,458	39,398	16,626	8,102			499,714
Caltrain									
Rolling Stock Replacement	155,700	152,100	148,500						300,600
Electrification Infrastructure	696,800	76,200	12,000						88,200
Caltrain State-of-Good Repair & Other Enhancements	1,015,335	115,748	78,649	43,690	40,890	1,040			280,017
Caltrain Subtotal	1,867,835	344,048	239,149	43,690	40,890	1,040			668,817
Transbay Terminal									
Phase I	721,457	282,421	212,380	197,208	137,834	37,700			867,543
Phase II	80,837	54,928	63,189	135,958	271,323	656,719			2,515,163
Transbay Subtotal	802,294	337,349	275,569	333,166	409,157	694,419			3,382,706
TOTAL	708,527	923,176	416,254	466,673	703,561	1,333,046			4,551,237

REVENUES

Local	295,256	306,144	57,983	28,980	48,672				737,035
Regional	15,554	3,262	10,036						28,852
State	8,313	11,820	11,083	6,654	5,161				43,031
Federal	254,076	338,977	56,294	170,251	435,083				1,254,681
Private		212,200							212,200
TOTAL	573,199	872,403	135,396	205,885	488,916				2,275,799
Total San Francisco Jobs/Year									
	5,113	7,782	1,208	1,836	4,367				20,300

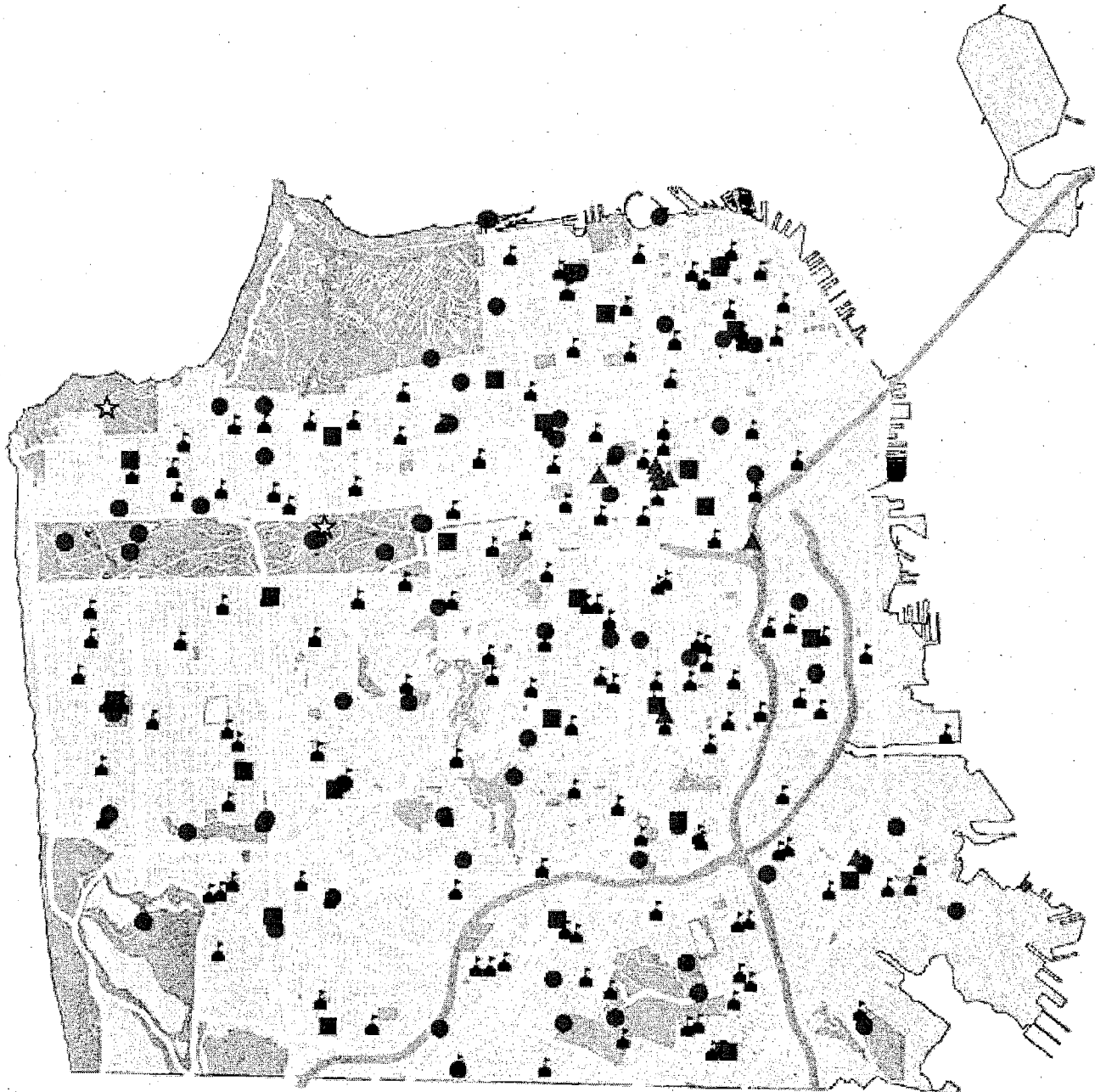
Annual Surplus (Shortfall)	(135,328)	(50,773)	(280,858)	(260,788)	(214,645)	(1,333,046)	(2,275,438)
Cumulative Surplus (Shortfall)		(186,101)	(466,959)	(727,747)	(942,392)	(2,275,438)	



VII | Recreation, Culture & Education

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Recreation, Culture & Education



Legend

- | | |
|------------------------------|------------------------------------|
| ▲ SF Unified School District | ● Community and Recreation Centers |
| ☆ Fine Arts Museums | ■ Public Library |
| ▲ Arts and Cultural Centers | ■ Parks and Open Space |

Recreation, Culture & Education

The Recreation and Parks Department (RPD), art and cultural agencies, public libraries, and two school districts operate nearly 500 facilities and properties that provide recreational, cultural, and educational services.

With over 3,000 acres and 230 properties, RPD manages a large and diverse park system that contains hundreds of parks and recreation facilities. RPD has a large share of the assets within the City and also operates Sharp Park and Camp Mather outside the city limits. In terms of cultural and educational facilities, the City owns 27 branch libraries, four major civic center arts facilities and auditoriums, four neighborhood arts cultural facilities, and over 3000 public art objects and monuments. The San Francisco Unified School District operates 183 facilities that serve 56,236 students, and the San Francisco Community College District manages twelve campuses for 35,000 full-time equivalent students.

Highlights and Accomplishments

The recent opening of recreation facilities, such as the Chinese Recreation Center and the passage of bonds for libraries, parks, and schools reveal the City's commitment to recreation, culture, and education facilities. Additionally, the City has made progress on a number of seismic safety projects at key facilities. Most notable is the Veterans Building seismic retrofit project which is currently underway and expected to be completed mid 2015.

Each of these improvement areas are discussed below with the external education agencies included at the end of the chapter.

Status updates on the RPD Bond projects can be found at: <http://sfrecpark.org/>

Recreation and Parks System

Beginning with the \$110 million 2000 Neighborhood Parks Bond, the department has pursued major renovation and modernization of the aging park system. By leveraging the 2000 Bond funds, grants, gifts, and other local investments, the department completed 223 capital projects. The \$185 million 2008 Clean and Safe Neighborhood Parks Bond continued the program, with projects focusing on seismic hazards, improving conditions of park structures, and addressing other basic parks and recreation infrastructure needs. With passage of the \$195 million 2012 Clean and Safe Neighborhood Parks Bond, the department continues the capital improvement program, ensuring vibrant parks and open spaces for future generations.

Public Library

Following voter approval of \$106 million in G.O. bonds in 2000, the City leveraged the approved bond funds with State grants, gifts, and revenue bonds supported by the Library Preservation Fund to finance the \$196 million Branch Library Improvement Program (BLIP).

With all \$196 million allocated, the City is nearing the end of this successful program. To date, the City has replaced rental facilities, provided structural upgrades, enhanced access, made program improvements, and addressed deferred maintenance for 22 of the 24 Branch libraries and the Support Services center.

BLIP accomplishments include the following:

- A new Support Services center
- City-owned rather than leased facilities at Glen Park, Portola, Ingleside, and Visitacion Valley
- Mission Bay -- the first new branch library in 40 years
- A new Bayview Branch Library and a new Ortega Branch Library at the renovated West Sunset Playground
- Branch library renovations at Excelsior, Sunset, West Portal, Marina, Noe Valley, Western Addition, Eureka Valley, Richmond Bernal Heights, Potrero, Anza, Merced, Park, Parkside,



Ortega Branch Library

Presidio, and Golden Gate Valley.

Finally, the new North Beach Branch library is under construction and will be completed in 2014.

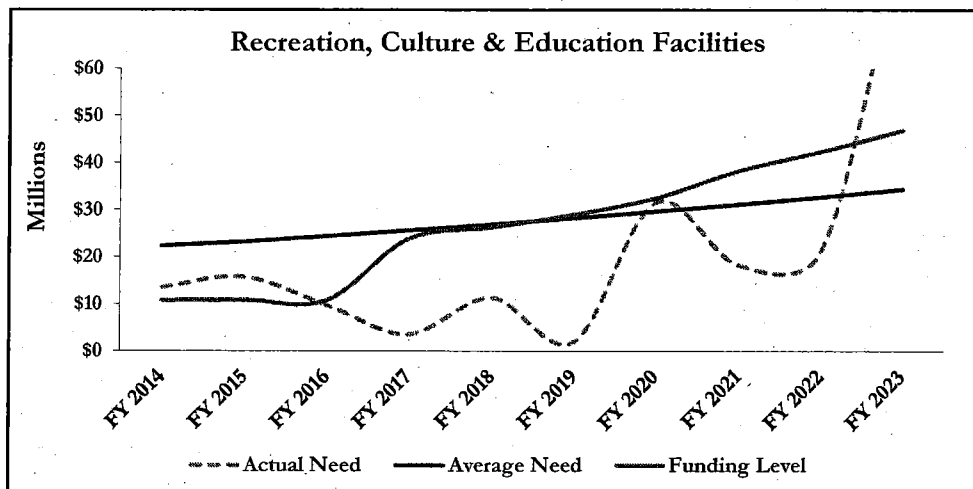
Arts and Museums

The approval of the Veterans Building COPs means that the City will soon check another building off its list of seismic concerns. The retrofit will also bring much needed renovations for the veteran's organizations and others remaining in the building, as well as future art related functions, including: a new gallery and space for the Arts Commission and its large collection; a new performance and practice space for the San Francisco Opera; and office space for the Grants for the Arts.

While the Arts Commission and Gallery will benefit from the long-awaited Veterans Building renovation, the Cultural Centers have seen improvements at several facilities thanks to increased funding for renewals and accessibility. This Plan recommends an additional \$1.6 million in additional ADA improvements at SOMA Arts and Mission Cultural Center.

1. Renewal Program

The facility renewal model projects a total renewal need of \$323 million over the next ten years to keep primarily General Fund facilities in a state of good repair. Given funding constraints, the Plan allocates \$282 million for Recreation and Culture Renewals.



*Library, Zoo, Academy, and SFUSD renewal needs not included.

- **Public Art.** In addition to facilities, the Arts Commission maintains a collection of over 3000 public art objects and monuments valued at over \$86 million. Maintenance and Renewal of these assets remains significantly underfunded. In addition, the City's Public Art Ordinance (PAO) continues to fund acquisition of new art (2% of the construction cost of most facility projects), but only allows a small portion of PAO funding for repairs.

Given the limited funding to maintain the existing collection, this Plan recommends continuing to explore modifications to the PAO to allow wider usage of funds for repairs throughout the City. An analysis to determine the extent of the collection's renewal and conservation need is currently underway. This analysis will inform future modification recommendations related to the level at which the PAO fund should be used to support renewals of existing monuments and city-owned public art. However, given constraints on fund usage, PAO funds cannot support everyday maintenance and graffiti protection.

- **Academy of Sciences.** Though the Academy just re-opened in 2008, it is a key destination that sees heavy usage and wear as well as a need to renovate or replace exhibits. The Morrison Planetarium, which sees substantial traffic, requires an estimated \$3.5 million in replacements and renovations over the life of the Plan. The Steinhart Aquarium's Life Support Systems, which have been running continuously since 2007, reach the end of their useful life in FY 22 and require \$6 million in funding. These items and other renovation projects have difficulty raising outside funding.

2. Enhancement Program (FY 2014-2023)

- **Recreation and Parks System Modernization.** The Capital Plan relies on a series of bonds to modernize the City's parks and recreation facilities. The 2008 Clean and Safe Neighborhood Parks Bond for \$185 million continues to deliver renovated parks, playgrounds, and recreation centers to the public. In November 2012, voters approved an additional \$195 million in General Obligation Bonds to improve more neighborhood parks, playgrounds, and recreation centers, along with pools, open space, water conservation, forestry, and much needed work on citywide parks. Even with the infusion of funds received by the bonds, over \$1 billion in deferred maintenance and modernization needs remain: the modernization program will continue with a planned 2020 bond. Status of the 2008 bond program is as follows:

- » **Neighborhood Parks.** The repair and renovation program in the 2008 bond provided a phased approach to implementing projects at 13 sites. To date, six of these are open to the public: McCoppin Square, Mission Dolores Playground, Chinese Recreation Center, Mission Playground, Fulton Playground and Sunset Playground. In 2013, six more are scheduled to be complete: Cayuga Playground, Palega Playground, Lafayette Park, Cabrillo Playground, Glen Canyon Park, and Kimbell Playground. The final neighborhood park project location, Mission Dolores Park, is scheduled to open in 2014.

- » **Park Restrooms.** The Restroom Rehabilitation Program selected 20 park sites to be improved with funding from the 2008 Bond. To date, nine of these are open to the public, construction is underway on ten more, and the remaining site is in the planning phase.

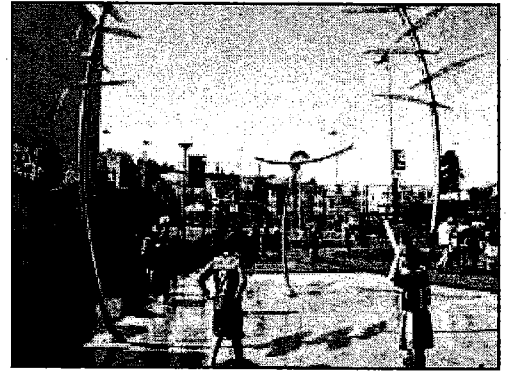
- » **Park Playfields.** The RPD is in the third phase of a program to renovate City soccer, baseball, and other playing fields with state of the art, durable synthetic turf. The program also includes the addition of field lights and other field related amenities. Funds from the 2008 Bond were allocated to three playfields and leveraged matching funds from the City Fields Foundation: Mission Playground soccer field has been completed; the multi-purpose playfield at Minnie and Lovie Ward Recreation Center is scheduled for completion in early 2014; and the Beach Chalet soccer fields are moving through the environmental review process and are now anticipated for completion in 2014.

- » **Park Forestry Program.** The Park Forestry Program addresses critical needs for hazardous tree repair, removal, and replanting. Site-specific tree assessments have been completed in the department's most visited urban forestry areas. The cycle of tree work and replanting (two new trees for every one tree removed) is ongoing and seasonal due to nesting season and weather constraints.

- » **Park Trails Program.** Following a community process, ten trails were identified for repair and renovation. To date, four of these projects are complete and open to the public, and the remaining six are in various stages of design and construction. All are slated for completion in 2013.

- **2012 Bond Program.** The 2012 San Francisco Clean and Safe Neighborhood Parks Bond for \$195 million was approved by more than 72 percent of voters. Of this amount, \$99 million is allocated to renovating and repairing 15 neighborhood parks, recreation centers, and pools, \$21 million for improvements to citywide Parks including Golden Gate Park, John McLaren Park, and Lake Merced Park; \$40.5 million for citywide programs including forestry, trails, water conservation, failing playgrounds, and the Community Opportunity Fund for smaller, community-driven projects; and \$34.5 million for waterfront parks and open space (under Port jurisdiction). For current status and a list of projects, please visit: <http://sfrecpark.org/>

- **Veterans Building Seismic Upgrade & Improvements Project.** The Veterans Building currently houses the Herbst Theatre, meeting space for local veterans, and City office space. The facility has long suffered from a number of seismic deficiencies and a \$132.5 million project is underway to seismically retrofit, provide life safety and code-mandated improvements, and renovate the facility. Commercial Paper provided funding for the initial planning and design, while recently approved COPs will fund



Mission Playground



Veterans Building

the construction phase that extends through mid-2015. An additional General Fund contribution of \$500,000 in FY 2014 will supplement the build out and relocation of the Arts Commission into the newly renovated facility. When the market improves, the sale of transferable development rights may offset some project costs. The San Francisco Opera Association will be making an additional \$18 million investment in improvements to the Veterans Building fourth floor, including two new performance/rehearsal spaces for use both by the Opera and other performing organizations.

- **Academy of Sciences Renovations and Improvements.** The Academy is currently at work creating an animal care and conservation area where veterinarians provide medical and surgical treatment for sick and injured animals and also oversee the quarantine program. The Care and Conservation project is already underway and requires an additional \$1 million in funding in FY 2014. The Academy is also embarking on a \$3.5 million project to renovate and reconfigure a portion of the Steinhart Aquarium to display new and exciting specimens from unique environments. The Academy is actively seeking donors for these new initiatives, but will rely on their endowment if outside support is not available.

3. Deferred Projects

- **Golf Course Improvements.** Significant facility upgrades are needed at the City's golf courses with the exception of Harding Park, which was updated with a combination of investments from the City, philanthropic donations, and state bond funds. Two of the City's golf courses needing improvements include the Lincoln Park course with an estimated project cost of \$5 million and Sharp Park with a potential need of \$6 million.
- **Renovation of the Arts Commission Gallery Building.** Located at 155 Grove, this seismically unsafe facility has been inactive since 1989.
- **Renovations of the City's Cultural Centers.** Though the ADA Transition plan funded accessibility improvements at the City's cultural centers, building deficiencies and seismic issues remain deferred from the plan. The severity of these facility needs, the cost of renovating the existing sites, and the possibility of relocating to other sites requires additional review and analysis.
- **Recreation & Parks Roads.** The RPD is currently working with DPW to enter road data into its pavement management software and is beginning to inspect its 37 linear lane miles of streets. With accurate data on road conditions, RPD can become a certified pavement management program and apply for additional funding. The costs for grinding and replacing asphalt and basic maintenance (filling potholes, patching, etc.) are estimated at \$45 million.

4. Emerging Needs

The capital investments required for the following deferred projects and emerging needs have not yet been identified. They will be reviewed in subsequent capital plans as additional planning is completed and uncertainty around project-specific issues and funding sources is resolved.

- **Public Library.** With a decade of major renovations behind it, the Library Department plans to identify additional improvements through post-occupancy evaluations at key sites and to move forward with several other initiatives:
 - » **Non-BLIP Branch Libraries.** The current BLIP does not include two of the Library's busiest branches: Chinatown and Mission, each renovated in the mid-1990's to meet seismic safety and ADA requirements. However, as library usage continues to evolve, it is appropriate that these two branches be evaluated for potential renovations to address current and future library users' needs and accessibility requirements. The Library anticipates launching this evaluation in FY 2014.
 - » **Teen Center at the Main Library.** The San Francisco Public Library plans to develop a 21st century learning space of 5,000 square feet to meet the needs of youth ages 12-20. The space will incorporate library and technology resources and physical space to support library teen programs, events and collections, youth development, education, collaboration, and creativity. Conceptual design for the Teen Center is being funded through a \$100,000 grant from the Institute of Museum & Library Services and in a collaborative effort with the Bay Area Video Coalition, the California Academy of Sciences and KQED. Construction costs for the 5,000 square foot site are being revised

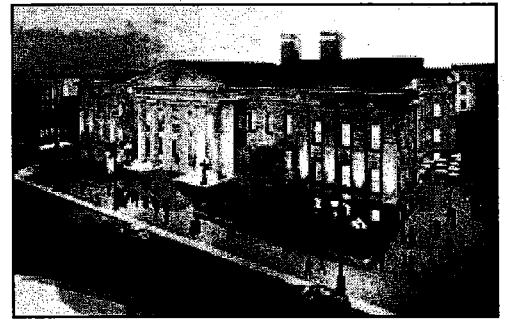
Approved by the voters in November 2007, Proposition D renewed the Library Preservation Fund, a baseline established to fund the department's needs for a 15-year term. The measure also authorized the Library to issue lease revenue bonds for the construction or improvement of public library facilities.

based on updated design needs but current estimates sit at \$2.5M. Construction costs may be largely donor funded but will also include the use of the Library Preservation Fund.

- » **Remaining Facilities Plan.** The Public Library is working with the Bureau of Design & Construction to evaluate: the relocation requirements related to the Teen Center Project; the current and planned space usage for program and support needs at the Main Library and 190 9th Street; and the archival material space needs at Brooks Hall. The analysis will be completed in FY 2014.

- **The Old Mint.** The San Francisco Museum and Historical Society has completed the first phase of the planned Old Mint renovations, which includes design and engineering work, hazardous material abatement, and seismic work. The overall vision for the historic landmark project includes a fully restored, multi-use building that houses the new San Francisco Museum at the Mint. This museum complex will tell the stories of the people, places, events, innovations, and forces that created and continue to shape the San Francisco Bay Area.

Additional renovations will cost \$60 million – a cost the City and its partner plan to meet with a mix of a philanthropy-driven capital campaign, foundation and corporate support, governmental grants, tax credit programs, and other financing. More information can be found at: <http://www.sanfranciscomuseum.org/>



Mint Concept (HOK)

- **Law Library.** During the 1995 seismic upgrades to City Hall the San Francisco Law Library moved to the Veterans' Building at 401 Van Ness and placed some of its collection in storage. With the seismic upgrades to the Veterans' Building, the library will have to be relocated once again. Discussions between the City and the San Francisco Law Library are currently underway to determine the legal, programmatic, and space needs for this function.
- **Rec Park Emerging Needs.** Future Park Bonds are expected to continue several of the programs in the 2008 and 2012 Bonds toward the department's modernization needs. In addition, the City Planning Department and impact fees are expected to provide some funding for improvements and acquisition and/or development of new parks. However, allocation between programs and specific sites has not been determined and the substantial renewal and enhancement needs of the department are not met by the projected funding. Key projects and programs that need funding are:

- » **Neighborhood Parks – Recreation Centers.** St. Mary's, Potrero, and SOMA / Eugene Friend are the last three recreation centers in need of renovation for seismic safety, upgraded access, current use patterns, replacement of failing structures, systems, and play features.

- » **Regional Parks - Golden Gate Park and McLaren Park.** Although the 2012 bond provides \$9 million to Golden Gate Park (GGP), the site relies on extensive aging infrastructure in need of improvement, as well as roadways and water features, such as the eleven lakes with their original pounded clay bottom. John McLaren Park is allocated \$10 million in the 2012 bond, but this still leaves a significant need for renovation of playgrounds, picnic areas, pedestrian and traffic safety, trails, recreation facilities and water features.

- » **New Park Acquisitions and Capital Development Needs.** The department continues to collaborate with interdepartmental committees and utilize non-open space funds such as Impact and Development fees, grants, and other sources to acquire and develop property in areas in need of additional open space. This was recently done in the Mission District to acquire a future park site at the intersection of 17th Street and Folsom Street. However, over the long term, the department needs to find additional resources for new parks in areas of the city experiencing significant growth, or in areas which have a high need for new open space. In addition, capital funds for making improvements to newly-acquired open spaces are important so that the new properties can serve as usable open space and meet the public's open space needs.



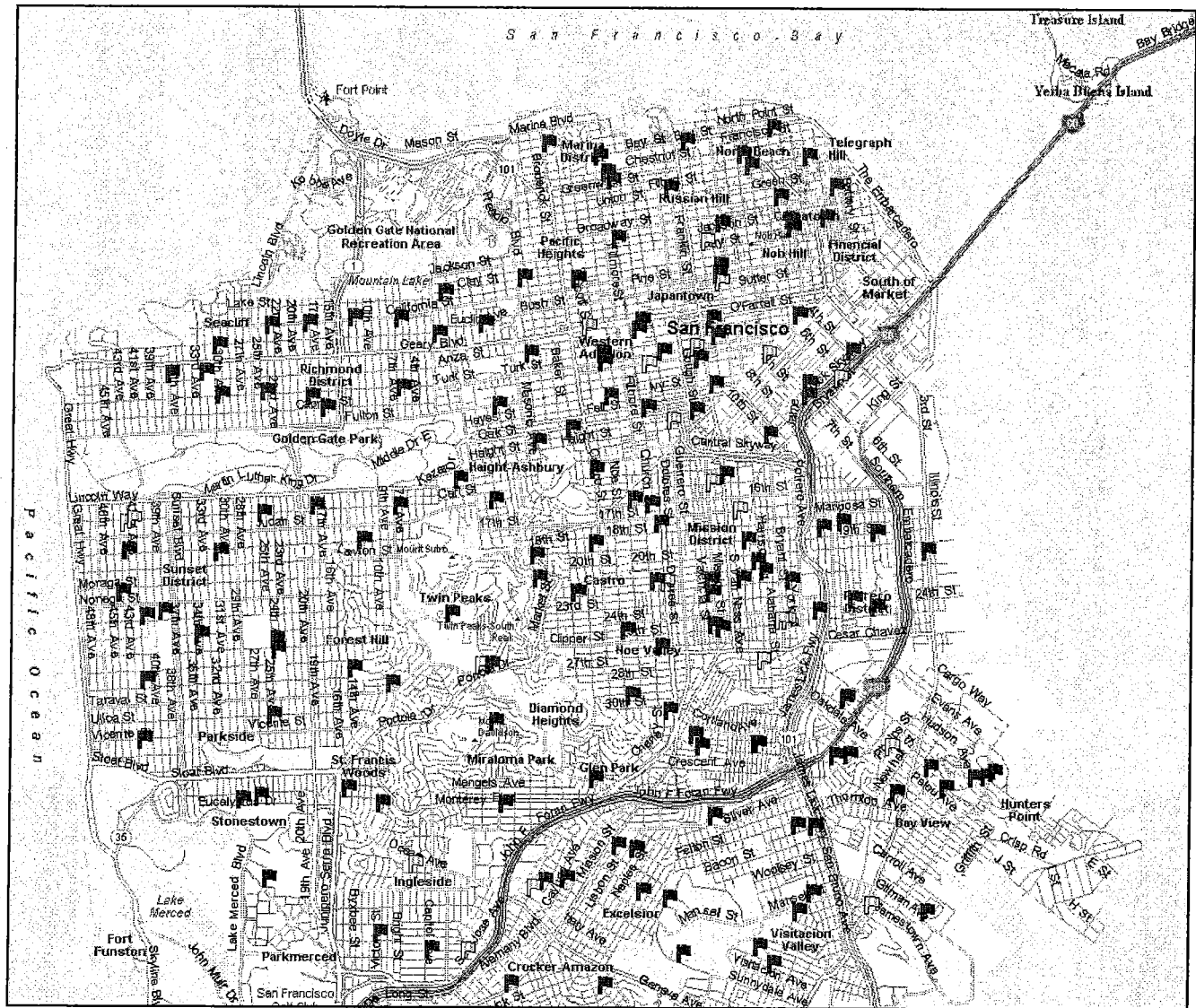
Balboa Skate Park

- » **Marina Renovation Program.** The department is implementing a major program to renovate the San Francisco Marina Yacht Harbor. This includes investments of over \$45

million over the course of the two phase program. The first phase of work, consisting of \$27 million in improvements to the West Harbor, was completed in early 2013. Phase 1 work was primarily funded through a loan secured from the State's Department of Boating and Waterways, to be repaid with Marina generated revenues. Planning for the second phase of work, improvements to the East Harbor (Gas House Cove), will begin in 2013.

- » **Seismic Improvements.** While many facilities are covered through the recent Bonds, two major facilities within the RPD portfolio require significant seismic upgrades. Based on an engineering study, Kezar Pavilion has an estimated seismic need of over \$6 million. Kezar Stadium track also has capital needs. Another facility requiring seismic upgrades is the John McLaren Lodge situated at the entrance to Golden Gate Park. The estimated seismic improvements stand at \$15 million and would include improvement to the annex (a two-story administrative building directly behind the Lodge), the breezeway which connects both buildings, and an ADA compliant elevator.
- » **Water Conservation Program.** Through a successful program with the PUC, \$2.1 million in funding has been provided for irrigation upgrades to Balboa Park, Jefferson Square and Alta Plaza. The 2012 bond allocates \$5 million to water conservation and irrigation upgrade needs. Despite this program, there still remains a substantial need to bring all of our parks, including Golden Gate Park, up to the City's standard for water conservation and to provide modern, automated irrigation systems.
- » **Candlestick Park.** The 49ers currently have an option to leave the stadium after either the 2013 or 2014 season. The 49ers must notify the City of their decision to remain at Candlestick Park for the 2014 season no later than January 31, 2014. As part of the Hunters Point Shipyard Redevelopment project, Lennar Corporation is required to assume control of the premises and demolish the stadium by 2023. Should the City continue to operate the stadium between the time that the 49ers leave the stadium and Lennar assumes control of the property, significant capital work may be required to maintain the stadium in event ready condition.
- » **SF Zoo.** Since 2000, the Zoo has spent approximately \$70 million on new construction, renovation, and enhancement. While the western side of the Zoo has seen significant improvements, there are many structures that still need repair and renovation. On the eastern side of the zoo, substantial work needs to be performed to renovate the lion house and bear grottoes along with other original structures from the 1920s and 30s.
- » **Camp Mather.** The department has partnered with the PUC to conduct outreach and develop a list of needed capital improvements. This heavily used site needs significant improvements to existing structures, and a modern wastewater treatment facility to meet current environmental standards.
- » **Park Concessions.** The department has several existing revenue generating properties that are in need of capital improvements. Without needed renovations, the operations and revenue generation at these sites may be jeopardized. In addition, the RPD is interested in re-purposing existing structures so that they can have a dual purpose that includes the provision of park-serving amenities. Lastly, capital improvements should include increasing park infrastructure to be used by events and concessionaires as well as the Department.
- » **Francisco Reservoir.** Consistent with Board Resolution 502-08, the City will explore the preservation of the Francisco Reservoir as open space.
- » **HOPE SF Emerging Needs.** As described in the Health and Human Services chapter, the Mayor's Office of Housing (MOH) is seeking to develop severely distressed public housing sites into mixed income communities. Funding and open space needs at these sites are still being identified.

San Francisco Unified School District



LEGEND

■ DISTRICT SCHOOL FACILITIES

□ DISTRICT OWNED NON-EDUCATIONAL FACILITIES

▤ CHARTER SCHOOLS, COUNTY COMMUNITY SCHOOLS AND FACILITIES WHERE THE DISTRICT OPERATES PROGRAMS, BUT DOESN'T OWN OR NECESSARILY LEASE THE FACILITY

San Francisco Unified School District

The San Francisco Unified School District (the “District”) is involved in the operations of 180 sites located throughout the City as well as one facility in La Honda, CA (where a County Community School is located) and two parcels of vacant land.

Highlights and Accomplishments

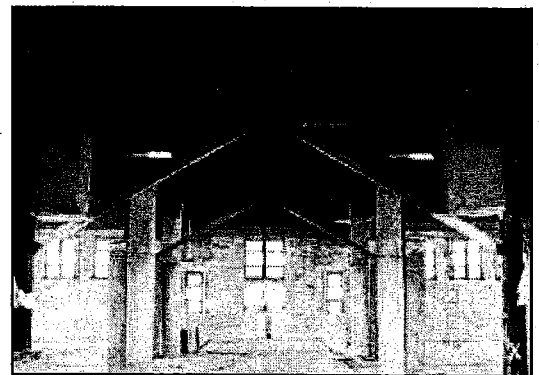
The District continues to provide substantial capital improvements for its facilities throughout the City, with the majority of the funding to implement these improvements coming from previously approved general obligation bond measures. In addition, the District has moved forward with a major new strategic plan focused on increasing student achievement and narrowing the achievement gap, a new student assignment system, new school site attendance zones and a significant revision to the District student transportation policy.

In November 2003, voters approved a \$295 million general obligation bond to address modernization needs at 30 school sites, and in November 2006 they approved another \$450 million general obligation bond to modernize facilities at an additional 59 sites. All of the original modernization and new construction projects funded by the 2003 and 2006 bond are substantially complete, with a number of follow-up projects at several sites currently in progress.

In November 2011, voters approved a \$531 million general obligation bond to address the modernization and new school facility needs at 54 additional sites. This work will also include the construction of a new middle school to replace the former Willie Brown Jr. Academy, which has been demolished. Of the 54 projects over 20 school sites are in the planning and design phase, including the new Willie Brown Jr. Middle School and the first projects are scheduled to begin construction in the spring of 2013.

It is also projected that the construction of several new schools may be required to meet the student capacity demand over the next 10 years, and an updated demographic analysis study is in progress to validate those projections.

In addition to funding capital improvement projects through general obligation bonds, the District’s Mello-Roos Tax was reauthorized in June 2010 for a 20-year period by San Francisco voters. The purpose of the tax is to pay for fire, health and life safety improvements at educational facilities owned and operated by the District, including responses to emergency situations.



Civic Center Campus During Seismic Improvements

1. Renewal Program

The District is required to forward a five-year plan to the State of California estimating the costs of projects that are categorized as deferred maintenance. However, the State’s recent budgets (from FY 2009 through FY 2013) suspended the local matching contribution normally required as a condition of eligibility for deferred maintenance basic grant funding. In addition, the state matching portion of the deferred maintenance program was reduced by approximately 20%.

As a result of the reduction in funding, more deferred maintenance projects are being funded through the modernization projects associated with the 2003, 2006 and 2011 bonds. However, the projects on the State-mandated five-year plan are those that must be addressed before proceeds of future bonds are available. Examples of such work include roof repair, boiler repair, fire alarm system installation and repair and plumbing repairs. Because of the emergency nature of these projects, repairs must be made as quickly as funding allows.

2. Enhancement Program (FY 2014 - 2023)

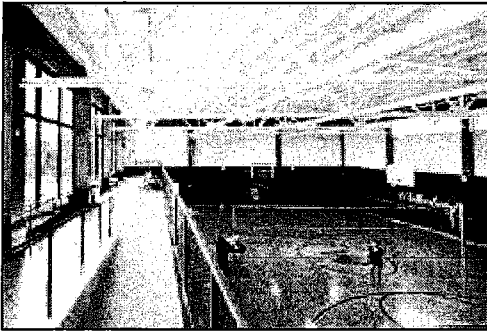
Progress to date for the 2003 and 2006 bond projects reflected an aggressive schedule to meet phased deadlines outlined in the Lopez vs. SFUSD ADA Stipulated Judgment, which contained three groups of schools with respective completion deadlines. Accessibility improvements in schools in Group One, Group Two and Group Three were to be completed by June 2007, June 2010, and June 2012, respectively. All required and scheduled work was successfully

completed by the June 2012 deadline, and the Lopez Stipulated Judgment is in process of being closed out.

- **2003 Bond Projects.** Of the \$295 million authorized by 2003 Proposition A, \$280 million of bonds have been sold. The remaining \$15 million of bond authorization is reserved for the School of the Arts (SOTA) exclusively at the 135 Van Ness historic site, which can only be sold when other raised funds are in place or have been committed. The District anticipates selling the \$15 million of bonds only when or if a project at the 135 Van Ness site moves forward.
- **2006 Bond Projects.** Of the \$450 million in bonds authorized by 2006 Proposition A, the District has issued \$435 million. The remaining \$15 million of bond authorization is also reserved for the School of the Arts, but may be used at any site in the District for SOTA including 135 Van Ness.

- **2011 Bond Projects.** Of the \$531 million in bonds authorized by the 2011 Proposition A, \$115 million of bonds have been sold, with a second issuance of approximately \$200 million to be sold in the late spring or summer of 2013. Of the 54 project sites over 20 school sites are currently in the planning and design phase, including the new Willie Brown Jr. Middle School which will replace the former school of the same name that was demolished last year.

While the District has over \$40 million in matching state facility funding eligibility for the 2011 Prop A bond sites, without a new State-wide Facilities Bond proposition being approved by California voters these reimbursements may remain unfunded. Currently, the District 2011 bond project budgets do not assume contributions from a state facilities bond. The District is projecting that \$164 million remains unfunded during the next 10 years, primarily due to shortfalls in the level of funding for deferred maintenance.



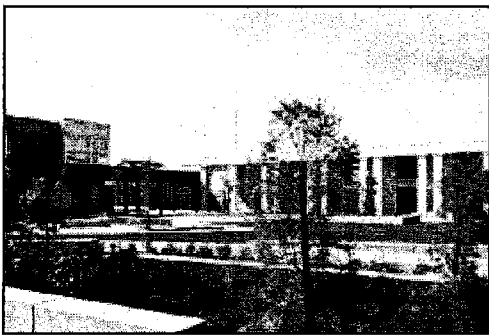
Raoul Wallenberg High School Gym

3. Emerging Needs

In future updates of the District's capital plan, the District will include information on school infrastructure needs required for new and growing communities. As Mission Bay, Hunters Point, and Treasure Island continue to expand and take form, school facilities will need to be enhanced in order to fulfill the educational requirements of the communities. In addition, programs like HOPE SF will generate their own unique needs, which will be described in future updates to the District's capital plan.

The District currently has no specific plans for another general obligation bond proposal during the term of the FY 2014-2023 Capital Plan. As new needs emerge, the District may consider additional G.O. Bond measures due to significant increases in new housing units, changing demographics, needed improvements to school cafeterias or for centralized meal production, strategic project opportunities, or other factors. The District will continue to advise the City's Capital Planning Committee of its plans or changing needs and coordinate all planning efforts together with City staff.

Sustainability and Building Efficiency. In order to promote a healthy learning and teaching environment, generate utility savings, reduce maintenance and operational costs, establish SFUSD green building leadership, and inspire the next generation of citizens, SFUSD is developing a building-energy efficiency program that will be an integral part of daily school life. One of the principal goals of the program will be to identify the biggest energy users in the District and make those facilities more energy efficient. A portion of the 2011 bond funding has been set aside for sustainability and building-energy efficiency projects, and the District is partnering with the City and the PUC on a wide range of solar power and other sustainability initiatives.



MLK Middle School Courtyard

Sources of Funds (2013 dollars in millions)

Sources	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Totals
2003 GO Bond Funds	\$15										\$15
2006 GO Bond Funds (1)	\$15										\$15
2011 GO Bond											
\$531 Million(2)	\$200	\$216									\$416
State Matching Funds (3)				\$40							\$40
Mello-Roos Tax (4)	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$45
Developer Fees (5)	\$5	\$5	\$5	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$57
Deferred Maintenance (Local Match)	\$0	\$0	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$20
Deferred maintenance (6) (State Match)	\$0	\$0	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$20
TOTAL	\$239.5	\$225.5	\$14.5	\$55.5	\$15.5	\$15.5	\$15.5	\$15.5	\$15.5	\$15.5	\$628

(1) \$15 million – SOTA pending determination of project site.

(2) First bond sale of the 2011 authorization was in 2012 in the amount of \$115 million.

(3) State matching funds presently estimated at \$40. New State-wide facilities bond measure required to be passed for funding.

(4) Estimate based on an approximate 2/3 use of Mello-Roos tax funds for capital improvements.

(5) Estimate based on average collection of developer fees.

(6) Funding contingent on proposed State Budget. Decreased Deferred Maintenance dollars may result in less work being done.

City College of San Francisco

Overview and Accomplishments

City College of San Francisco (CCSF) is a community college serving about 100,000 students annually at nine campuses and many other sites throughout the City. By law all community colleges must produce a revised 5-Year Capital Outlay Plan each year: City College's Board of Trustees adopted the most recent Capital Plan in July 2012. The Board adopted the College's Master Plan in 2004.

Since the adoption of the Master Plan the College has implemented several major projects including the construction of the Mission Center, the Wellness Center, the Student Health Services Building, the Multi-Use Building, and the Chinatown North Beach Center, a complete remodel of the John Adams Center, extensive ADA related modifications in all older facilities, and the completion of a computer network covering all facilities. The next facility to be constructed is the Performing Arts Center at the Ocean Campus. With the exception of the Wellness Center which was funded solely with local bond funds, all projects have been funded with a combination of State and local bond funds. In 2001 and 2005, voters approved two local bonds which provided the College with approximately \$440 million in funding for both new construction and much needed renovation work.

The only capital funds CCSF has available at this time are state and local bond funds for constructing the Performing Arts Center. There are no other funds available or forthcoming. The State has not run a bond issue for higher education in several years and has not established a date for the next one. CCSF has not run a local bond issue since 2005 and has not established a date for a future bond issue. The State eliminated all funds for scheduled maintenance three years ago. This circumstance is beginning to cause serious problems for CCSF resulting a need for the college to reallocate funds away from programs to buildings and infrastructure beginning in FY 2014.

In November 2012, voters passed two propositions that will help alleviate some of the college's recent financial pressures. State Proposition 30 prevented automatic spending cuts to higher education institutions that would have cost the college roughly \$10 million in immediate state funding. Local Proposition A calls for a parcel tax on property owners which is expected to bring in roughly \$14 million in annual revenues for the college over the next eight years.

Renewal Program

All California community colleges track their facilities utilization, current and future maintenance needs through the FUSION system. The college's FUSION data was brought up to date during 2012. This data shows that the college's overall maintenance needs exceed \$180 million. Unless the state begins to provide maintenance funds the college will need to present a local bond issue to San Francisco voters at some time in the future to fully address this issue. In the near term the college will need to devote more of its operating budget to maintenance needs.

Enhancement Program

To date, the college's only remaining major capital project is the construction of its new Performing Arts Center at the Ocean Campus. The center will be approximately 117,000 gross square feet and will house the Music and Theater Arts Departments which are currently housed in substandard and inadequate facilities. The center is set to include a 650 seat performing auditorium, parking and public amenities, a rehearsal hall and reception area, ensemble rooms, and offices. The project is currently in the early planning phases. The project will be funded with the College's remaining state and local bond funds. The budget for the project is approximately \$76 million.

Deferred And Emerging Needs

Over the next 10 years the College will need to focus on major maintenance and upgrade issues for existing facilities.

Recreation, Culture, and Education

State of good repair renewal - Need	25,929	26,966	28,314	29,730	31,216	181,114	323,268	127,134
SPENDING PLAN								
State of good repair renewal - Proposed Uses	12,576	12,713	12,712	25,845	28,446	201,512	293,804	25,867
ADA Transition Plan Improvements	3,112	1,500	2,000				6,612	
Enhancements	42,050	81,000	40,000			150,000	313,050	129,591
TOTAL	57,737	95,213	54,712	25,845	28,446	351,512	613,466	155,258
REVENUES								
General Fund	12,394	12,348	12,783	23,789	26,287	188,984	278,556	
Other Local Sources	3,343	2,865	1,958	2,056	2,159	12,527	24,910	
Clean and Safe Neighborhood Parks Bond	40,000	80,000	40,000				160,000	
Park System Renovation and Improvement Bond						150,000	150,000	
TOTAL	57,737	95,213	54,712	25,845	28,446	351,512	613,466	
Total San Francisco Jobs/Year	515	849	488	231	254	3,135	5,472	

Departmental Breakdown

State of good repair renewal - Need	834	868	911	957	1,005	5,829	10,404	2,427
SPENDING PLAN								
State of good repair renewal - Proposed Uses	322	324	321	711	785	5,645	8,107	3,453
ADA Transition Plan Improvements - Arts Commission	1,612						1,612	
Arts Commission Space Buildout	500						500	
Cultural Center Upgrades								111,133
TOTAL	2,434	324	321	711	785	5,645	10,219	114,585
REVENUES								
General Fund	2,434	324	321	711	785	5,645	10,219	
TOTAL	2,434	324	321	711	785	5,645	10,219	
Total San Francisco Jobs/Year	3	3	3	6	6	50	97	

Asian Art Museum

Program/Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
State of good repair renewal - Need	818	850	893	937	984	5,711	10,194	

SPENDING PLAN

State of good repair renewal - Proposed Uses	395	398	394	873	964	6,932	9,956	1,408
TOTAL	395	398	394	873	964	6,932	9,956	1,408

DEFERRED

REVENUES

General Fund	395	398	394	873	964	6,932	9,956	
TOTAL	395	398	394	873	964	6,932	9,956	
Total San Francisco Jobs/Year	4	4	4	8	9	62	89	

Fine Arts Museums

Program/Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
State of good repair renewal - Need	1,921	1,998	2,098	2,203	2,313	13,419	23,951	

SPENDING PLAN

State of good repair renewal - Proposed Uses	889	874	867	1,917	2,119	15,233	21,879	5,054
TOTAL	889	874	867	1,917	2,119	15,233	21,879	5,054

DEFERRED

REVENUES

General Fund	889	874	867	1,917	2,119	15,233	21,879	
TOTAL	889	874	867	1,917	2,119	15,233	21,879	
Total San Francisco Jobs/Year	8	8	8	17	19	136	195	

State of good repair renewal - Need

1,793	1,865	1,958	2,056	2,159	12,527	22,360	362
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SPENDING PLAN

DEFERRED

State of good repair renewal - Proposed Uses	1,793	1,865	1,958	2,056	2,159	12,527	22,360
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Teen Center at the Main Library	1,550	1,000					2,550
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TOTAL	3,343	2,865	1,958	2,056	2,159	12,527	24,910
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REVENUES

Other Local Sources	3,343	2,865	1,958	2,056	2,159	12,527	24,910
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TOTAL	3,343	2,865	1,958	2,056	2,159	12,527	24,910
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Total San Francisco Jobs/Year	30	26	17	18	19	112	222
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Recreation and Parks Department

State of good repair renewal - Need	18,843	19,597	20,577	21,606	22,686	131,623	234,933
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SPENDING PLAN

DEFERRED

Current backlog							72,883
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Recreation & Parks Roads							
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State of good repair renewal - Proposed Uses	8,460	8,512	8,438	18,666	20,627	148,290	8,863
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ADA Transition Plan Improvements - Recreation & Parks	1,500	1,500	2,000				5,000
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Parks Systemwide Modernization Program	10,000	80,000	10,000			150,000	310,000
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Lincoln Park Golf Course Renovation							8,390
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Sharp Park Golf Course Renovation							10,068
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Total	49,960	90,012	50,438	18,666	20,627	298,290	527,993
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REVENUES

General Fund	9,960	10,012	10,438	18,666	20,627	148,290	217,993
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Clean and Safe Neighborhood Parks Bond	40,000	80,000	40,000				160,000
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Park Systemwide Renovation and Improvement Bonds						150,000	150,000
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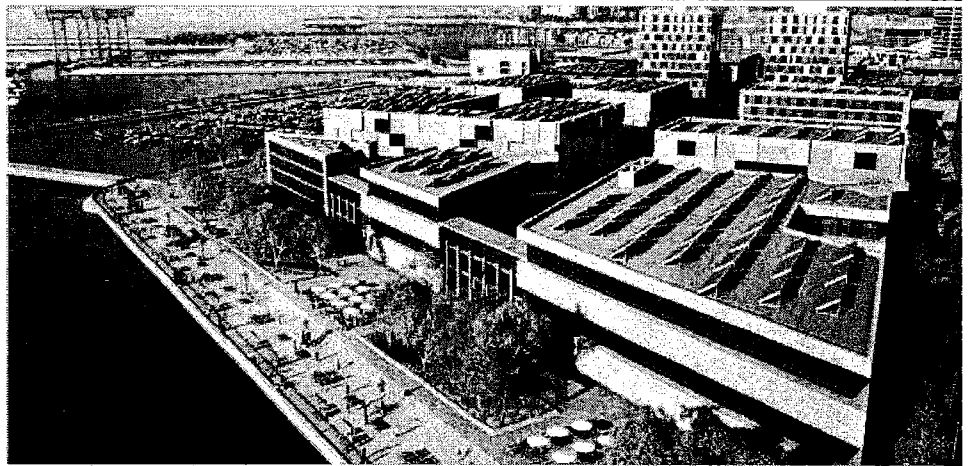
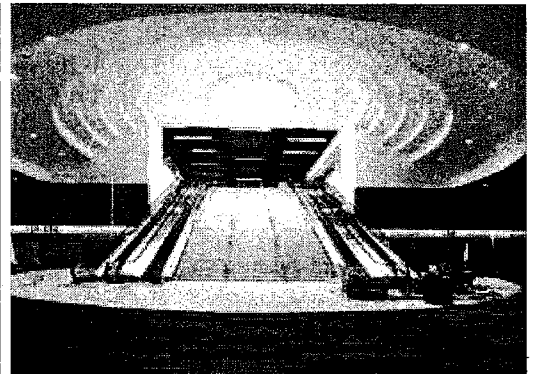
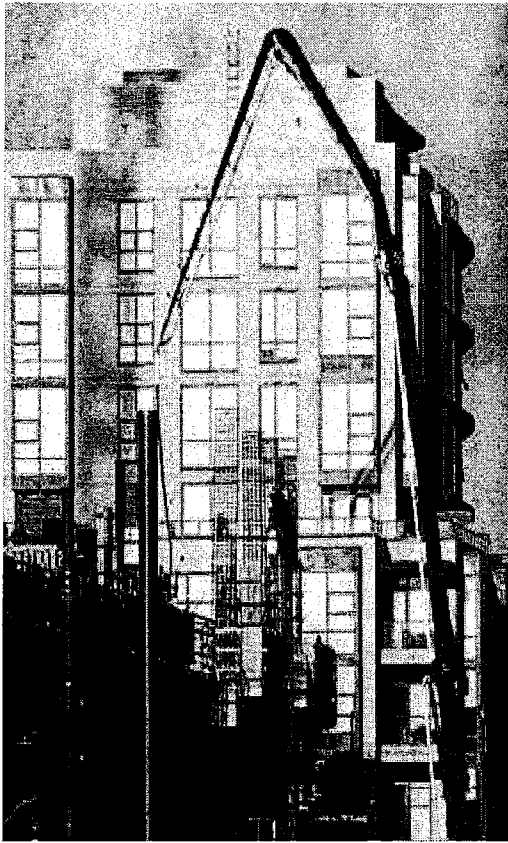
TOTAL	49,960	90,012	50,438	18,666	20,627	298,290	527,993
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Total San Francisco Jobs/Year	45	390	60	67	183	2,661	4,740
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War Memorial and Performing Arts Center									
Program/Project	EY 2014	EY 2015	EY 2016	EY 2017	EY 2018	EY 2019	Plan Total	Backlog	
State of good repair renewal - Need	1,719	1,787	1,877	1,970	2,069	12,004	21,426	46,839	

SPENDING PLAN									
									DEFERRED
State of good repair renewal - Proposed Uses	735	740	733	1,622	1,792	12,886	18,508	5,889	
TOTAL	735	740	733	1,622	1,792	12,886	18,508	5,889	

REVENUES									
General Fund	735	740	733	1,622	1,792	12,886	18,508		
TOTAL	735	740	733	1,622	1,792	12,886	18,508		
Total San Francisco Jobs Year	7	7	7	14	16	115	165		



VIII | Economic & Neighborhood Development

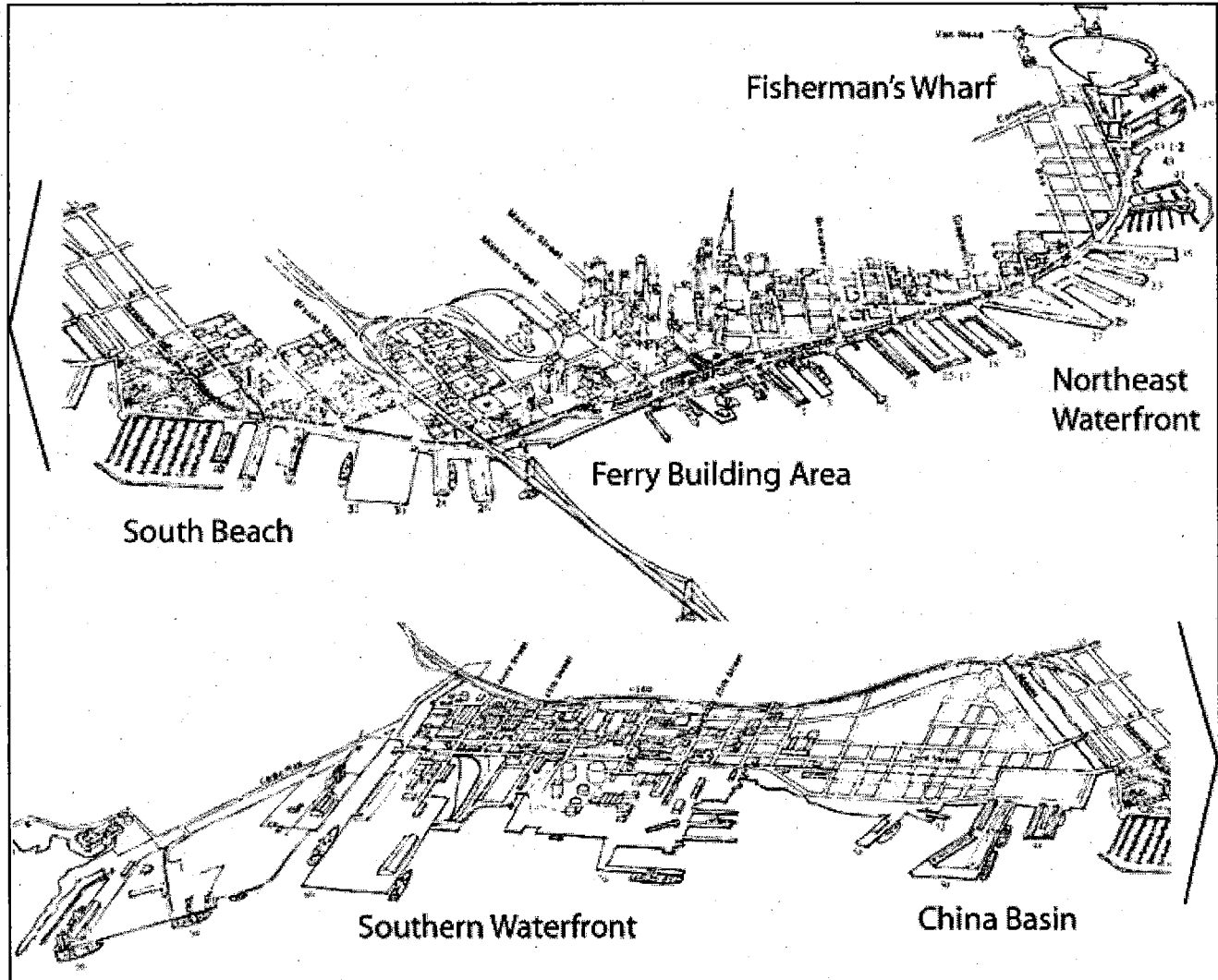
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Enhancement Program (FY 2019 – 2023)	136	Mission Bay North and South	144
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Renewal Program	138	Planning Department	152
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Economic and Neighborhood Development

The City operates three convention facilities; owns or has responsibility for 39 pile-supported pier structures and 245 commercial and industrial buildings along the waterfront; and shares responsibility for the redevelopment of nearly 1,400 acres (40% more land area than Golden Gate Park) of formerly industrial or federally-owned land in Mission Bay, Hunter's Point, the Hunter's Point Naval Shipyard, and on Treasure and Yerba Buena Islands. Included in this inventory is not only the land, piers and buildings but also the fixed and long-term infrastructure that support them such as utilities, rights of way, cargo cranes, railroad track, and seawalls.

While many things contribute to the development of the local economy, this chapter includes departments and programs whose primary objective is to contribute to San Francisco's diverse economic base. Real estate at the Port, improvements to the Moscone Convention Center, redevelopment projects in Mission Bay, Treasure Island, and Bayview Hunter's Point, and Planning Department rezoning of neighborhood areas all share the goal of broadening the economic base of the City and creating neighborhoods that have modern infrastructure and are desirable places to live and work. Once complete, these projects will attract residents and businesses to San Francisco, increasing the City's economic competitiveness and expanding its tax base. The Plan identifies a total economic development need over the next ten years of 3.7 billion, primarily for pier and substructure repairs along the waterfront and commercial and residential real estate development on the eastern side of San Francisco.

Port of San Francisco



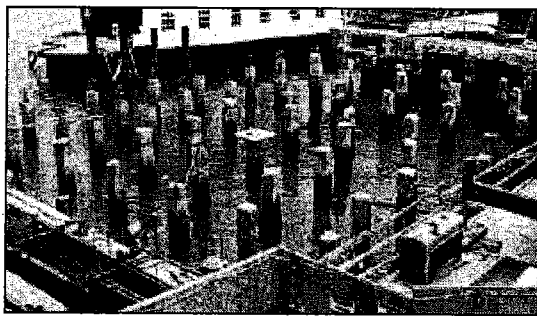
The FY 2014-23 update of the Port's 10-Year Capital Plan identifies a total need of approximately \$2.1 billion, primarily for deferred maintenance and seismic upgrade work on Port facilities. This is \$135 million less than the \$2.2 billion identified in the Port's FY 2013-22 update. This net reduction is largely the result of better need estimates, completed repairs, and the reclassification of several projects from renewals to enhancements.

The largest element of the Port's Plan is the rehabilitation and redevelopment of the heavily blighted Pier 70 area, with an estimated need of approximately \$550 million for that area, and an undetermined price for capital enhancements necessary to support a new City neighborhood at Pier 70. These costs include upgrades to salvageable buildings, demolition of unsalvageable ones, environmental remediation, improvements to street and utility infrastructure, and construction of open space park areas near the water's edge. The FY 2014-23 Capital Plan reflects the Port's Pier 70 strategy which consists of four major components: (1) rehabilitation of very significant historic buildings along 20th Street in conjunction with Orton Development, Inc.; (2) development of Crane Cove Park using 2008 and 2012 voter-approved General Obligation bond proceeds for parks; (3) rehabilitation of additional historic buildings located in the 25-acre waterfront site in cooperation with Forest City California, Inc. and development of a phased network of roads and infrastructure for the entire Pier 70 area; and (4) continued collaboration with BAE San Francisco Ship Repair ("BAE SFSR"), the operator of the Port's Pier 70 shipyard to enhance the Port's Drydock #2 and related facilities.

Highlights and Accomplishments

2012 marked a year with more visible construction along the waterfront than any time since the demolition of the Embarcadero Freeway in the early 1990s. Construction cranes, barges and crews are at work at multiple locations along the waterfront, as the Port, its contractors and its tenants race to prepare for the 34th America's Cup in 2013. Work is underway or has been completed at all of the following locations:

SB 815 (2007) removed state-imposed restrictions on four of the Port's seawall lots, including SWL 337. Passage of SB 815 allows the Port to realize significant increases in rental income from these lots, generating much needed funds for the preservation of historic Port property.



Pier reconstruction underway

- **James R. Herman International Cruise Terminal at Pier 27 (Phase 1).** The Port's objectives for this project are to (1) transform Pier 27 into a year-round cruise terminal that will meet the evolved security and passenger handling demands of the cruise ship industry; (2) develop an efficient facility that will lower the Port's operational costs by the use of effective space planning and equipment to handle passenger circulation and provisioning; and (3) configure the cruise terminal in a way that will create opportunities for Port to allow special event uses when the terminal is not occupied for cruise purposes. The first special event to use the cruise terminal will be the 34th America's Cup, including the America's Cup Village for the 2013 Louis Vuitton Challenger Series, Red Bull Youth Racing Event and the America's Cup Final Match. The current project budget is \$111 million including \$67 million for Phase 1 of the project, including construction of the core and shell. Phase 1 will be complete by March 2013 and Phase 2, further described below, will commence after the 34th America's Cup is complete.
- **Pier 43½ Bay Link Trail.** In December 2012, the City assembled for a ribbon-cutting ceremony to celebrate the opening of this \$9.4 million park and seawall repair in Fisherman's Wharf – a critical link in the San Francisco Bay Trail – funded by the 2008 Clean and Safe Neighborhood Park Bond.
- **Brannan Street Wharf and Pier 36 Demolition.** Planned since 2000, the Brannan Street Wharf is one of two major public plazas in the City's northern waterfront required by the BCDC Special Area Plan for the San Francisco waterfront (SAP). This two acre public plaza costs \$26 million, including the costs to remove Pier 36 and repair the seawall, with funding from the sale of the Watermark condominiums on Seawall Lot 330, Port capital funds, the 2008 Clean and Safe Neighborhood Park Bonds, and federal funding from the Water Resources Development Act. The U.S. Army Corps of Engineers completed removal of Pier 36, as required by the BCDC Special Area Plan, in mid-2012, allowing construction on the Brannan Street Wharf to commence. Work is on schedule to be complete by June 2013.
- **Heron's Head Park Entrance.** Heron's Head Park is a 25-acre open space and thriving wildlife habitat located in the City's Southeast Sector. In November 2012, the City celebrated the re-opening of Heron's Head Park, after the completion of \$2.5 million in park improvements with funding from the 2008 Clean & Safe Neighborhoods Park Bond.
- **Bayfront Park Shoreline Stabilization.** The Port completed this project in 2012 to rebuild and stabilize approximately 1,200 linear feet of bay shore and slope from the Pier 52 parking lot to Agua Vista Park. This project was required for development and construction of the planned Bayfront Park to the water's edge. Also included in the project scope was the installation of a temporary eight foot wide mixed-use pathway to allow the public to access the shoreline until the park is completed as part of the Mission Bay Redevelopment Project. The \$2.4 million in funding for this project was provided by proceeds of the 2008 Clean and Safe Neighborhood Parks bonds.
- **34th America's Cup Projects.** In accordance with the Lease Disposition Agreement for the 34th America's Cup between the City and County of San Francisco and the America's Cup Event Authority, LLC, the Port has undertaken a range of projects to improve facilities for the Event including: Pier 29 substructure repairs (\$1.1 million), Pier 23 electrical upgrades (\$550,000), Pier 19 South Apron (\$1.2 million), Piers 30-32 improvements (\$4.7 million), Pier 29 North End Wall (\$800,000), Pier 27-29 North Tip Drainage (\$1.5 million), Pier 64 removal (planned in 2014 - \$1 million) and Pier ½ removal (\$1.3 million). Pursuant to legislation authored by Supervisor John Avalos, which allows the Port to keep pile work in-house rather than source it to an outside contractor, the Port's pile crew is undertaking the upgrade of the Pier 19 South Apron. Among the most striking improvements to the Ferry Building area since the opening of Piers 1½-3-5, is the removal of Pier ½, which was required by the BCDC Special Area Plan and the major permit for the 34th America's Cup. This project was completed in November 2012 with funding from the San Francisco County Transit Authority, as a preliminary improvement associated with the Downtown Ferry Terminal Phase 2 project. Including contingency, fees and soft costs, the total cost of 34th America's Cup capital projects is estimated at \$17.2 million. The projects listed above are financed with a combination of funds from the following sources: (1) Port capital funds; (2) reallocation of 2010 Port Revenue Bond funds from other projects; (3) funding from the America's Cup Organizing Committee; 4) funding from a new certificates of participation ("COPs") issuance which the City will undertake on behalf of the Port;

and (5) San Francisco County Transit Authority's Proposition K grant funds. The City and Port are working on the COP issuance. In the interim, the City has agreed to use commercial paper to provide bridge financing for these critical projects until the COPs are issued.

- **Pier 29 Fire Damage Repairs.** On June 20, 2012, a fire caused damage to the Pier 29 bulkhead and shed building. The valley area between Pier 29 and Pier 27, to be used as part of the America's Cup village in 2013, was unharmed. Pier 29 (built in 1915) is located in the San Francisco Embarcadero Historic District which is listed in the National Register of Historic Places. Port staff is working with the Port's insurer and emergency contractors authorized by the San Francisco Board of Supervisors to repair the fire damage consistent with Standards for Treatment of Historic Properties issued by the Secretary of the Interior—replacement in-kind accompanied by code upgrades required to meet ADA and life safety standards. The estimated cost of this work is \$15 million, with \$14 million being funded by property damage insurance proceeds, and the balance of \$1 million funded by Port capital repair monies.
- **Pier 70 Shoreside Power Installation.** In 2012, the Port worked with BAE SFSR and the San Francisco Public Utilities Commission to design, permit and fund a shoreside power installation at the Pier 70 Shipyard as an air quality mitigation measure for the 34th America's Cup project. The City issued COPs to enable the Port to pay for the costs of the upgrade and removal of the existing obsolete equipment, capped at \$5.7 million, and BAE SFSR installed the system. The Port owns the new shoreside power system, however, to offset the Port's cost, BAE SFSR agreed pay an equipment charge on the electricity used over this system ("Equipment Charge"). Once a specified usage threshold is reached, SFPUC will provide a rebate of \$1.5 million to the Port that will offset a part of the costs of the upgrade ("Project Rebate"). Port staff projects annual debt service on the Pier 70 Shoreside Power System of \$725,000 annually for a period of ten years.
- **Delivery of America's Cup Sites.** The Lease Disposition Agreement between the City and the America's Cup Event Authority, LLC calls for use of Piers 30-32, 19, 19½, 23, 27, 29, 29½, and portions of 80 and short-term use of several seawall lots for Event-related activities, starting in 2012 and continuing through 2013. In addition to the capital projects described above, the Port Maintenance team undertook \$500,000 of repairs to prepare delivery of these sites to the America's Cup Event Authority. Preparation for the Event has engaged every division of the Port and virtually all Port staff. The Port-wide effort to undertake these capital projects and repairs has been extraordinary.

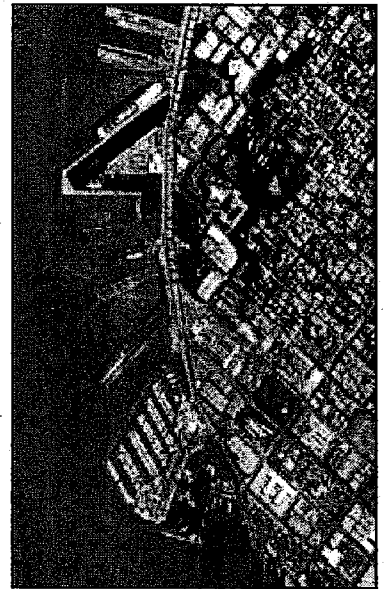
With the 34th America's Cup planned for 2013, the planned opening of the Exploratorium Museum at Piers 15-17 on April 17, 2013 and the completion of the Pier 27 Cruise Terminal, the waterfront will look like a renewed place in 2013. Crowds and television viewers will experience a rejuvenated and enlivened San Francisco waterfront, with new open space and activities for people to enjoy. It is against this backdrop that the Port prepares for its next major round of public and private investment.

Going forward, the Port's 10-Year Capital Plan consists of renewal projects that help sustain the existing infrastructure and enhancement projects, which will add to the existing infrastructure and economic activity along the waterfront. These projects and their funding sources are discussed below.

1. Renewal Program

This plan identifies \$360 million in funding available to address renewal and repair of existing facilities. The Port-wide Annual Programs that are funded on a continuing basis in the Port's annual capital budgets include: (1) emergency facility repairs; (2) renovations related to the Americans with Disability Act (ADA); (3) the dredging of the bay floor along the waterfront to ensure the depth of the Port pier berths remains suitable for water traffic; (4) emerging needs, where planning and design of projects are funded in order to position them for non-Port sources of construction funds; and (5) repair & reinvestment, which houses the balance of the Port's renewal program.

The biennial Capital Budget is funded primarily from two sources: fund balance and prior year operating surplus. The biennial repair and replacement Capital Budget has historically been too low to adequately address capital needs. Over the last ten years the average annual appropriation for the Capital Budget has been \$8.3 million. The size of the capital budgets



Piers 27-31

combined with the deferred backlog has meant that the capital budgets have primarily funded dredging, deferred maintenance and emergency needs, and have not addressed renewal needs adequately.

In response to this problem, the Port Commission adopted a policy for funding capital budget expenditures in March 2012. Annually, a minimum of no less than 20 percent of Port operating revenues shall be set aside in the Port's operating budget to fund capital expenditures. This minimum funding requirement shall be met through (1) an annual appropriation for current capital expenditures ("Capital Budget") and (2) a designation of current estimated revenues for future capital expenditures, consistent with the Capital Plan.

The projected FY 2014 Capital Budget is \$14 million - \$3.1 million more than what is included in the budget as a result of higher than expected net income in FY 2012. The Port Commission will consider a supplemental appropriation to allocate these funds to capital projects in February 2013. The Plan assumes an average of \$9.7 million per year over ten years, a notable improvement from previous years' \$8.3 million average. This budget will continue to primarily address dredging, deferred maintenance and emergency needs. Looking forward, continuing growth in the budget combined with capital planning tools will allow the Port Commission to measure progress toward addressing the renewal backlog and subsequent deterioration of Port assets.

- **Under Pier Utility Infrastructure.** Prompted by a series of potable water leaks into San Francisco Bay and with direction from the San Francisco Bay Regional Water Quality Control Board, Port staff members have initiated an aggressive program of under-pier inspections. The Port is coordinating this effort with the assistance the Department of Public Works ("DPW") and the San Francisco Public Utilities Commission ("SFPUC"). The purpose of the ongoing inspection program is to ascertain the general condition of the sewer and water infrastructure under the Port's piers, and to generate cost estimates for repairs, upgrades and replacements. Results of this inspection program indicate a total need of approximately \$40 million.

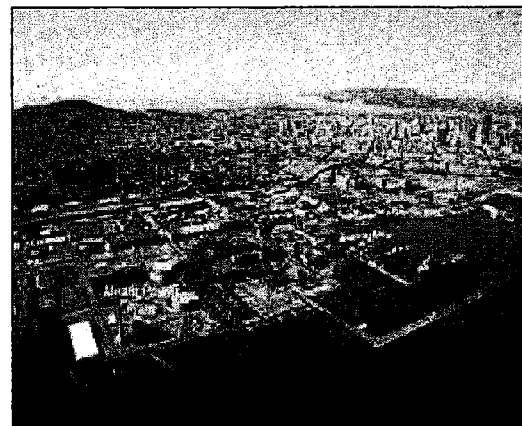
This year's Capital Plan presents a more comprehensive strategy for addressing the Port's under pier utility infrastructure needs. In response to a 2009 Notice of Violation stemming from a water leak at Pier 15, the Port conducted an assessment survey which concluded that in many places the utility infrastructure is in poor condition. In response, the Port devised a strategy for addressing the issue by grouping piers into categories and assigning responsibility for each category (i.e., tenant, Port, future developer). Where tenants have an obligation under their lease to maintain and repair utilities, they have been advised of the results of the condition assessment and directed to make needed repairs. For those piers that will be utilized for the 34th America's Cup, the Port is reviewing plans for utility improvements to ensure they are sufficient to meet the intended use at various locations, and that they adequately address problems identified in the condition assessment. Similarly, as piers are subject to future development, the Port will require development plans to employ innovative technologies, materials, installations, and other techniques that could reduce exposure and improve performance and reliability of water and sewer infrastructure.

For the remaining category of piers that the Port is responsible for capital improvements, the Port has established a procedure and adopted criteria to determine the priority for addressing their utility-related needs. In addition to condition scoring (1-5), the criteria include factors such as size, prior investments, current or future value, as well as current use and occupancy. Funding will be allocated in the 10-year capital plan to address priorities as they are identified.

The Port continues to partner with the SFPUC to explore low-cost public financing alternatives to address critical water and wastewater needs at the Port. This includes the Auxiliary Water Supply System (AWSS), improvements which are being funded through the Earthquake Safety & Emergency Response G.O. Bond program. For other piers, temporary utility rate increases will provide the basis for public financing that will allow immediate investment in troubled facilities. The SFPUC will coordinate with the Port to conduct rate increase sensitivity analyses in order to make determinations about the level of funding this method of financing will support within the first few years of the Port's 10-Year Capital Plan.

- **The San Francisco Seawall.** Previous iterations of this plan have discussed the seawall as an emerging need, based primarily on the length of time required to develop the necessary legislative vehicles associated with the Water Resources Development Act and

the unpredictability of the availability of these vehicles in any given year. While Port staff continue to pursue these options, the Port has undertaken a more near term, smaller scale initial approach. In December of 2012, the Port officially requested the assistance of the United States Army Corps of Engineers in studying the seawall and proposing repairs. Statutory limits on project size constrain the scale of rehabilitation available through this vehicle, however, Port and Corps staff feel that, should the study reveal a much larger problem, the City would be able to pivot into a scale-appropriate funding vehicle. All work on the seawall, near term and emerging, will require local matching funds, and the Port will need to look to City partners to assist with this critical structure.



Pier 70

2. Enhancement Program (FY 2014 –2018)

Public Private Waterfront Development Projects

Since the adoption of the Waterfront Land Use Plan, the Port and its partners have invested \$716 million in waterfront improvements. The Port and the Office of Economic and Workforce Development are collaborating on three major proposed waterfront projects with the potential to invest a combined \$4 billion in private and public funding in the San Francisco waterfront:

- The Golden State Warriors proposal for a multi-purpose entertainment facility on Piers 30-32 and Seawall Lot 330;
- The Seawall Lot 337 Associates, LLC proposal for 3,500,000 sqft of mixed use development on Seawall Lot 337 and Pier 48; and
- The Forest City Development California, Inc. proposal for over 2,500,000 sqft of mixed use development at the 25 acre Pier 70 waterfront site.

With the exception of targeted improvements to Pier 48 and historic resources at Pier 70, most of these investments represent capital enhancements rather than state of good repair work. The public investment at these resources, which the Port proposes to be funded by a combination of IFD and special taxes imposed through formation of Community Facilities Districts, is subject to the adoption of a City Policy for a Port IFD. City staff has proposed such a policy for review and consideration by the Capital Planning Committee (“CPC”), for a possible recommendation to the Board of Supervisors in early 2013. By Resolution 110-12, the Board of Supervisors has already stated its intention to form the Port IFD – “City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco). Resolution 110-12 contemplates distinct project areas/waterfront districts for each major project along the waterfront and also contemplates that additional project areas will be added from time to time.

The Port is in current negotiations with its development partners regarding the scope of required infrastructure required for each project and the mechanisms to fund this infrastructure. IFD is an integral part of this equation as the Port’s 10-Year Capital Plan currently assumes \$500 million in IFD proceeds to fund infrastructure at the three major project locations.

Collectively, these projects represent a historic shift of Port attention away from the more developed northern waterfront to under-developed areas south of the Bay Bridge. As the City embarks on these efforts, City staff will work closely with its regulatory partners at the SF Bay Conservation & Development Commission (BCDC), the California State Lands Commission and the San Francisco Bay Regional Water Quality Control Board to address their regulatory mandates and policy objectives in a manner that befits development along San Francisco Bay.

Revenue Bond-Funded Projects

The Port finances larger scale capital projects primarily through debt issuances. In 2010 the Port issued its Series 2010A and B Revenue Bonds to fund various projects. The current amount outstanding is roughly \$37 million. The City will issue Certificates of Participation (COPs) in the amount of \$38.5 million to fund a portion of Phase 1 of the Cruise Terminal projects and the America’s Cup projects. The annual payments associated with these outstanding obligations range from \$5.7 to \$2.1 million over the life of the COPs.

The Port’s current estimated revenue bonding capacity is \$42.6 million although actual capacity

may vary depending on interest rates and coverage assumptions. Port staff is in the process of reviewing other capital projects for additional funding utilizing the Port's remaining debt capacity. In the past, as a matter of policy, projects that will result in increases to revenue on the shortest available period of return on investment are those considered for funding from revenue bond proceeds. The Port staff expects to have made project selections by the time the final plan is published on March 1, 2013.

- **Piers 19 and 23.** These piers are located near one another in the northern waterfront. They require repairs and seismic upgrades and are currently without any long-term leases. The Series 2010 revenue bond program includes \$3.5 million to repair the Pier 19 roof to enable continued interim leasing of that facility. The Pier 19 bulkhead is also a potential location to co-locate emergency response facilities. The Series 2010 revenue bond program also includes \$2 million in design funding for further improvements to either Pier 19 or Pier 23.

Port staff envisions a mixed use development project at either Pier 19 or Pier 23, subject to CEQA and approval by the Port Commission, the Mayor, and the Board of Supervisors. Staff projects that the cost of a mixed use, adaptive reuse project at either Pier 19 or Pier 23 would be \$85 million, based on certified costs to construct Pier 1 and construction cost inflation since Pier 1 opened. This project is dependent on developing a financially-feasible mixed use program consisting of interim non-trust and public trust uses, consistent with a proposed interim leasing policy for Port historic structures pending Port Commission consideration. Other funding for the Pier 19 or Pier 23 project would include funding from lease revenues, IFD revenues, federal historic tax credits, private equity and transferable development rights, if approved by the City.

- **Pier 90-94 Backlands.** The Port's largest unleased area of Port property is the Pier 90-94 Backlands, an area of unengineered fill not suitable for commercial buildings without the inclusion of costly pile supported foundations. The Series 2010 revenue bond program includes \$8 million in funding for new road and utilities to support new industrial leasing plots that are planned for the site. DPW staff is currently developing construction documents. This project was defunded to fund projects related to the 34th America's Cup. Given the relocation of the City's tow operation from Pier 70, and the new 15 acres of open paved land that will become available in 2013 as a result, the Port needs to evaluate the timing of this project.
- **Pier 27 Cruise Terminal Project (Phase 2).** Phase 2 of the Cruise Terminal project addresses infrastructure needs on the Northeast Wharf Plaza, the ground transportation area, apron and substructure repairs, and installation of maritime equipment. The budget for Phase 2 is approximately \$44 million and will be funded through a combination of revenue and G.O. Bond proceeds, grants, savings from Certificates of Participation, and facility user charges. Despite these investments, Phase 2 projections show a shortfall of roughly \$4 million, which the Port is working to address. Note Phase 1 of the project is being funded.
- **Pier 35 Cruise Terminal.** To continue the Port's cruise business, which currently consists of approximately 45-65 cruise calls per year, the Port of San Francisco requires at least two cruise berths. Pier 35 is currently the Port's primary cruise terminal and will continue in service after Pier 27 re-opens. In 2009, Port engineers conducted a facility assessment of Pier 35 and found that urgent repairs are needed to the pier superstructure to keep the facility open. Additional substructure repair and seismic improvements are required to keep the facility operational, including recent substantial deterioration to the roof, which has led to damage to other interior elements of the structure.

General Obligation Bond Funded Projects

The Port participated with the Department of Recreation and Parks in Proposition B, a G.O. Bond approved by voters at the November 2012 election. Subject to completing review required pursuant to CEQA for each proposed park location, the proposed \$34.5 million in funding for Port projects will fund the Port at the same levels as the 2008 Clean and Safe Neighborhood Parks G.O. Bond. Proposed, open space projects in the northern and southern waterfront, include:

- **The Northeast Wharf Plaza.** The bond program will provide \$17 million for a new two-and-a-half-acre public open space adjacent to the planned new Cruise Terminal at Pier 27 and improvements to the Piers 27-29 north tip. This new open space is a park required pursuant to the BCDC's Special Area Plan for the San Francisco Waterfront.

- **Fisherman's Wharf.** Subject to CEQA analysis and completion of planning studies in coordination with BCDC, the bond program could fund up to \$1.5 million in public open space improvements in Fisherman's Wharf. A potential candidate for funding is the substructure of the historic Pier 43 Arch, a contributing resource to the Embarcadero Historic District listed on the National Register of Historic Places.
- **Blue-Greenway Parks.** The 2008 Clean and Safe Neighborhood Parks Bond program included substantial funding for a series of parks along the Port's waterfront, including Crane Cove and Warm Water Cove Parks. Subject to CEQA analysis, the proposed 2012 Bond program could provide new funding to expand both Crane Cove Park and Warm Water Cove Park, as well as add new open spaces at Islais Creek. As with Blue-Greenway projects in the 2008 bond program, the final allocation of funding among these Parks would be subject to community input and approval from policy makers.

Partnerships and Other Development Projects

- **Downtown Ferry Terminal Expansion Project.** The San Francisco Bay Area Water Emergency Transportation Authority (WETA) is proposing a \$117 million expansion and improvements to the Downtown San Francisco Ferry Terminal at the Port of San Francisco Ferry Building. WETA and the Port have entered into a Memorandum of Understanding (MOU) to undertake a coordinated planning effort for the Downtown San Francisco Ferry Terminal Expansion project in accordance with the Port's objectives for stewardship of the San Francisco waterfront and WETA's mission to provide ferry service and emergency operations. The project would expand the number of ferry gates, improve pedestrian circulation and ferry patron boarding, and enhance emergency response capabilities to evacuate people from San Francisco in the event of a major catastrophic event. WETA and the Port plan to utilize state and federal funding for the project.
- **Pier 9 – Autodesk.** Autodesk is an American multinational corporation that focuses on 3D design software for use in the architecture, engineering, construction, manufacturing, media and entertainment industries. In this private-public lease development project, Autodesk will construct a minimum of \$7 million in core and shell and tenant improvements. Autodesk will receive an amortized credit for core and shell improvement only in the amount of \$2.8 million. It is anticipated that the final project costs will exceed \$12 million. The credit is capped and will not be increased if Autodesk exceeds its original capital investment.
- **Sea Wall Lot (SWL) 337 and Pier 48.** SWL 337 and Pier 48 a mixed use development site spanning approximately 20 acres. The Port has entered into an Exclusive Negotiation Agreement with Seawall Lot 337 Associates, LLC, an affiliate of the San Francisco Giants. The current proposal envisions up to 1.7 million square feet of office space, up to 1,000 units of rental housing, approximately 125,000 square feet of retail and 8 acres of public open space. Capital improvements in excess of \$100 million would build required site infrastructure with funding primarily sourced in developer equity and repaid by IFD and Port land value. To increase return on Port's land value, staff is investigating the potential for substituting portions of developer equity with public financing mechanisms.
- **Sea Wall Lot (SWL) 351.** The SWL 351 development project would transform an approximately 28,000 square foot paved parking lot by combining it with adjacent private property to create new waterfront parks, retail and parking resources. This project has been approved by the Port Commission and the Board of Supervisors and is fully entitled. The CEQA approvals granted by these bodies have been challenged and are currently in litigation. Also, in response to approved height increases for a portion of the project site, a referendum campaign succeeded in gathering enough voter signatures to qualify this issue for a future ballot, anticipated to be November 2013. If the project prevails in the CEQA litigation and the referendum to disallow approved height increases fails at the ballot, the project is expected to commence construction in early 2014. The project calls for \$9.5 million in infrastructure investments including parks, open space and a retail structure. The Port anticipates these projects will be funded by developer equity with up to \$5 million of these public improvement costs reimbursed from proceeds of a proposed Infrastructure Financing District.
- **Pier 70 – Orton Development.** The 20th Street Historic Buildings are six buildings on or near 20th Street at Pier 70. These historic resources, some dating to the 1880s, are in



The 34th America's Cup

need of substantial investment to return to active use. Following a competitive solicitation process, in May 2012, the Port entered into an exclusive negotiations agreement with Orton Development Inc. for a public/private partnership to rehabilitate these buildings. In total, these buildings have over 250,000 square feet of building space with potential in some cases, for additional mezzanine construction. The current capital cost estimate is from \$60 to \$75 million. The Port will contribute \$1.5 million to the project (repositioning funds previously committed to a temporary shoring of one of the buildings). Orton will invest up to \$14 million of equity in the project and secure the remainder of the funding from leasehold mortgage and historic tax credit investors. The Port defers its rent from the project until Orton's equity investment is repaid.

- **Pier 70 – Forrest City Development.** The Pier 70 Waterfront Site is approximately 25 acres at the eastern edge of Pier 70, a site for new mixed-use development. The Port is in exclusive negotiations with Forest City Development California, Inc. for development of this site. Forest City is currently engaging with the community on its proposed vision for the Waterfront Site, which will be presented to the Port Commission early next year. Forest City will also work with the Port and the Office of Economic and Workforce Development to define an infrastructure system and regulatory framework that serves the Waterfront Site and Pier 70 as a whole. Capital improvements in excess of \$150 million would build required site infrastructure with funding primarily sourced in developer equity and repaid by IFD and Port land value. Staff is investigating the potential for substituting portions of developer equity with public financing mechanisms.

3. Enhancement Program (FY 2019 – 2023)

- **United States Department of Transportation.** Looking toward emerging sources of federal funding, the Port has been included in the City's request for inclusion in the next major transportation reauthorization act. If awarded, the Port could see funding from this source ranging from \$15-30 million. Because it is impossible to predict when the next transportation authorization bill will be signed into law, if the Port is able to make these enhancements it is likely that they will take place in the second half of this Plan. The candidate projects are:
- **Cargo Way.** A $\frac{3}{4}$ of a mile roadway in the southeast section of San Francisco that is a primary access route serving a number of active development and redevelopment projects. The City has developed a plan to rebuild the roadway that would address a number of project goals, including providing direct access to support the Candlestick Hunters Point Shipyard Redevelopment Area, supporting the Port of San Francisco's maritime eco-industrial park, closing a gap and providing safe pedestrian and bicycle facilities along the Bay Area's nine-county Bay Trail and the City's Blue Greenway, and improving Bay water quality by reducing a significant amount of wastewater being sent to the City's over-capacity Southeast Water Treatment Facility. In addition, this project is included in the San Francisco Bi-County Transportation projects and the Bayview Transportation Improvements projects.
- **20th Street Extension.** 20th Street within the Historic Pier 70 Area is the primary access route serving one of the City's most important historic districts. The existing 20th Street requires upgrading to accommodate modern transportation and infrastructure. This is needed in order to extend and connect the area into the regional transportation system, providing a connection to a planned 20th Street Ferry Terminal and closing a gap in the 9 county regional Baytrail System. An improved 20th Street will provide the necessary infrastructure to allow for significant new infill development and the adaptive reuse of some the City's most important historic resources.

4. Deferred And Emerging Needs

- **The San Francisco Seawall.** The seawall, and the unique threat that projected sea level rise represents to both the Port's finger piers and critical City infrastructure such as the SFMTA subway, must be factored into these development plans and all future Port capital planning efforts. Between 1900 and 2000, the sea level rose by seven inches due to global warming, during which time the seawall provided flood protection to the City. Scientific forecasts show that water levels could rise another 16 inches or more by 2050 and the California Climate Action Team found that water levels could rise as much as 55 inches by 2100 relative to sea level in 2000, which will expose the Port and adjacent City property to significant flood risk. Analyzing and developing a funding strategy to address this challenge is the Port's single highest capital planning priority.

Though Water Resource Development Act (WRDA) legislation is intended to be biennial, as a matter of practice, these new authorizations are passed into law much less frequently. As the separation between the last two WRDA authorizations was seven years, this Plan assumes the same, and predicts there will be a WRDA 2014. Based on discussions in 2009 of a possible WRDA 2010, Port staff submitted to House of Representatives Speaker Nancy Pelosi and Senators Barbara Boxer and Dianne Feinstein language to amend the Port's existing WRDA 07 authorization to increase the amount of funding authorized, and to make eligible appropriations for seawall construction or repair and removal of derelict pilings. This amendment language will be resubmitted when there are calls for a new WRDA. As noted earlier in this chapter, the Port is perusing a relatively smaller scale start to this project through the Army Corps of Engineers' Continuing Authorities Program. However, the best chance for funding on a larger scale remains WRDA-associated legislation, and the Port will continue to pursue this strategic end.

- **SF Bay Conservation & Development Commission (BCDC) Plan Amendment and Permit Requirements.** In 2012, the BCDC adopted amendments to its Special Area Plan (SAP) and approved a Major Permit to authorize the Pier 27 Cruise Terminal and Northeast Wharf Project. The Port has an existing BCDC permit requirement to carry out a Port-BCDC planning study which will help identify costs and scope of some of the BCDC capital requirements. Two major objectives of the study include defining a location for a new public plaza and associated protected open water basin and identifying the financing and implementation requirements to achieve them. Other BCDC requirements the Port will need to address include the removal of the easternmost portion of Pier 23, currently estimated to cost \$2.3 million, and implement public access improvements estimated to be \$24.0 million. The Port will also have to address any historical asset restoration or removal along the Embarcadero.

Moscone Convention Center

The Moscone Convention Center consists of three facilities all of which are owned by the City: Moscone South (opened in 1981), Moscone North (opened in 1992) and Moscone West (opened in 2003). Together they draw over one million attendees and exhibitors per year and make a substantial contribution to the \$8 billion in annual economic impact generated by San Francisco's travel and tourism industry.

Over the past two years, the City has completed six major interior renovation and upgrade projects to all three of buildings. These improvements include; more efficient heating, ventilation and air conditioning systems in meeting rooms; 24 newly renovated restrooms; energy efficient lighting upgrades; and wireless system modernizations. The \$56 million project was completed on time and on budget. It also received LEED Gold status for interior renovations.

With renovations at the current Moscone facilities complete, the City is working with San Francisco Travel (SF Travel) and the Tourist Improvement District (TID) to expand the Moscone Center and create more contiguous space. In February 2013 the Board of Supervisors will vote to establish the Moscone Expansion District (MED) - a business improvement district encompassing tourist hotels within the City. These hotels have agreed to charge an additional 1.25 percent of the gross revenues they receive from tourist rooms that will be combined with City revenue to support the expansion project.

1. Renewal Program

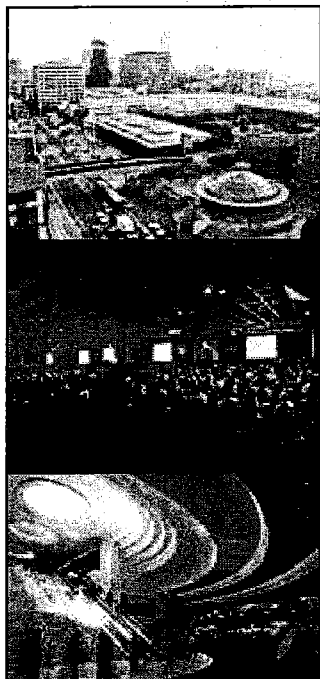
While the Moscone Convention Centers addressed numerous renewals over the past two years, significant needs still remain. A small but growing portion of these needs will but funded by a portion of the annual 1.25% gross receipts tax for rooms. This contribution starts at one percent of funds collected in the first 10 years (roughly \$200,000) and grows to six percent in year 11 (\$1 million). With an average annual need of more than \$10 million for the existing facilities alone, the Capital Plan recommends investing \$86.8 million in renewals through the Pay-as-you-go Program over the next ten years.

2. Enhancement Program (FY 2014-2023)

In recent years, the City and SF Travel have been evaluating expansion scenarios to meet existing and future demand for expanded contiguous exhibit space at Moscone South & North. In fall 2009 Economics Research Associates (ERA) conducted a "Feasibility & Economic Impact Analysis for the Proposed Moscone East Expansion" that concluded: San Francisco would likely see a decline in its convention business beginning in 2018 unless the Moscone Center is expanded to meet anticipated client needs. A 2012 Cost Benefit Analysis by Jones Lang LaSalle Hotels estimates that \$2 billion in direct spending has already been lost for meetings held between 2010 and 2019. Jones Lang LaSalle also projects that expanding Moscone will have a significant impact on visitor spending within the City. Using five different project scenarios, they project a net economic impact ranging from \$699 million to \$1.4 billion between FY 2012 and FY 2026.

- **Moscone Expansion Phase 1.** The scope of work adds up to 138,000 sqft of meeting, exhibition and ballroom space, as well as making significant landscaping, urban design, pedestrian safety and streetscape improvements to the surrounding area. The project is estimated to cost \$500 million and will be funded with City issued COPs scheduled for issuance in fiscal 2017. Revenues from the MED tax assessments will cover the majority of the debt service cost, although the City will also be responsible for funding a portion of the cost. Once the MCCIP COPs are paid off in Fiscal 2019, the City's annual required contribution (\$8.2 million - \$10.7 million) to the Moscone Center will be diverted towards debt service on the expansion COPs. The project also calls for City funds beyond the City's annual required contribution from Fiscal 2019 to Fiscal 2026. The City anticipates using excess revenues from the stabilization fund, prior year deficits and the sinking fund to cover these costs.

To help support the early planning of the expansion project, the Plan recommends \$3.5 million to fund pre-development activities in FY 2014. This is in addition to \$1.7 million in pre-development funds provided in the FY 2013 budget. Construction is estimated to start in December 2014.



Moscone Convention Center

Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency)

The San Francisco Redevelopment Agency, along with all 400 redevelopment agencies in California, was dissolved on February 1, 2012, by order of the California Supreme Court. Pursuant to subsequent State legislation, the City has created the Office of Community Investment and Infrastructure as the Successor Agency to the San Francisco Redevelopment Agency ("Successor Agency"). The Successor Agency is authorized to continue to implement the Major Approved Development Projects and manage Yerba Buena Gardens and other Successor Agency assets as directed by the Commission on Community Investment and Infrastructure and the Oversight Board of the City and County of San Francisco.

The Major Approved Development Projects include the Mission Bay North and South Redevelopment Project Areas ("Mission Bay"), the Hunters Point Shipyard Redevelopment Project Area and Zone 1 of the Bayview Redevelopment Project Area ("Shipyard/Candlestick Point"), and the Transbay Redevelopment Project Area ("Transbay"). The Commission on Community Investment and Infrastructure continues to exercise land use, development and design approval authority as required by the agreements and other enforceable obligations for each project area. In addition, the Successor Agency continues to manage Yerba Buena Gardens, a major recreation, retail and cultural facility within the former Yerba Buena Center Redevelopment Project Area ("YBC").

Mission Bay and the Shipyard/Candlestick Point are governed by their respective redevelopment plans and supporting documents and implemented through a series of detailed agreements with their respective master developers. These agreements commit the Successor Agency and all City departments to work together to implement the infrastructure plans for these projects. In Transbay, the Successor Agency is the master developer and is responsible for preparing and selling development parcels as well as implementing the infrastructure plan, as required by the redevelopment plan and related agreements. Yerba Buena Gardens was constructed between 1993 and 1999 by the former Redevelopment Agency and continues to be managed by the Successor Agency.

The Successor Agency's capital projects are funded by redevelopment tax increment, Mello-Roos special tax revenue, and lease revenue from the Successor Agency's assets in YBC. However, these sources are not sufficient to complete the capital projects required to implement the Major Approved Development Projects and maintain Yerba Buena Gardens. The Successor Agency is currently seeking additional sources of funding for the capital needs of these projects. Below is a description of the 2013-2022 capital programs for the Major Approved Development Projects and Yerba Buena Gardens.



*Aerial schematic of Hunter's
Point Shipyard/Candlestick Point
Redevelopment*

1. Hunter's Point Shipyard/Candlestick Point

The Shipyard/Candlestick Point comprises nearly 800 acres of abandoned and underutilized land along San Francisco's Southeastern shores. Through a public-private partnership with a master developer ("Lennar Urban") these long-abandoned waterfront lands will be transformed into productive areas for jobs, parks and housing, including affordable housing. The project will deliver nearly \$3 billion in new infrastructure to the City over the course of its 25-year buildout, including 350 acres of new parks, dozens of miles of new roads, a bus rapid transit system, a waterfront promenade, community facilities including a fire station and school site, and more than a dozen new affordable housing sites (see project overview map at end).

The first phase of the Shipyard/Candlestick Point's development is already underway with infrastructure for up to 1,600 homes and 25 acres of open space nearly complete and construction on the first homes will begin in early 2013. The balance of the project will be built as the remaining parcels are transferred from the United States Navy to the Successor Agency.

Over the expected 15-20 year phased build out, the project will include:

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- 12,100 residential units, approximately 30% of which will be offered at below-market rates.

- More than 350 acres of new and improved public parks, recreational fields, open spaces and waterfront trails and plazas.
- 935,000 sq. ft. (sq. ft.) of regional and neighborhood-serving retail space.
- 255,000 sq. ft. of new and renovated replacement space for the Shipyard artists, including an arts education center within a new “Arts District” supporting the vibrant artist community.
- More than 3 million sq. ft. of commercial space oriented around office, research and development campus, targeting emerging technologies.
- New public and community facilities on the Shipyard and Candlestick Point including a new fire station and an expanded police station.

The project is divided into phases and subphases which are controlled by several inter-related agreements between the Successor Agency and Lennar Urban. The Interagency Cooperation Agreement, approved in 2010, calls upon the City to expedite and prioritize implementation of the project as major pillar of its economic development strategy. Funding for the nearly \$3 billion in infrastructure will come from a variety of sources, including private capital, tax increment, and Mello-Roos special taxes. Because the project will not generate sufficient tax increment and Mello-Roos taxes in the early years, the Interagency Cooperation Agreement calls on the Successor Agency and each of the City departments to seek state and federal resources to jumpstart the completion of infrastructure to support the project. As a conservative estimate it is estimated that 15 percent of the project costs will need to be funded through federal and state sources over the next five years. In subsequent years the local sources described above will become available and along with land sales to support the project, and less federal and state support will be needed.

Project Funding

The total cost of building the horizontal infrastructure and associated public benefits to lay the groundwork for the phased vertical development of the project is estimated to be approximately \$3 billion. The sources of funding for the public/private partnership will come primarily from a combination of private capital, including proceeds from land sales and land-secured public financing. It is estimated that the private capital contribution to the project in the form of equity and/or private debt will be approximately \$1.25 billion. Land-secured public financing for construction of public infrastructure and eligible community benefits, including affordable housing, is expected to provide about \$1.75 billion in funding. This form of financing uses tax-exempt financing tools made possible through the developer's investment of private capital in the project to capture certain tax revenues that would not otherwise exist but for the project. Land-secured tax exempt financing will take the form of (i) the levying of special taxes in designated Community Facilities Districts and the issuance of “Mello-Roos” bonds supported by those taxes, and (ii) the allocation of property tax increment associated with the new property tax revenues and the issuance of tax allocation bonds based on that tax increment.

Hunter's Point Shipyard/Candlestick Point Enhancement Program (FY2014 - FY2018)

- **Arts and Technology District.** At the heart of the Shipyard an “Arts and Technology District” will bring community facilities, artists’ studios and galleries, plazas and office/research and development uses together in a dynamic, energetic, mixed-use “village center”, and a business incubator focused on innovation and clean technologies. The project will dedicate approximately 300,000 sq. ft. of space dedicated to artist studios, an arts center on the Shipyard, dedicated land and ground floor retail space for community services and organizations serving the surrounding neighborhood. In addition, space will be provided for a new fire station, a school site, and an expanded police station will be provided. Key components of the “Arts & Technology District” are listed below:
 - » Building 101 – This building will be retained as part of the Shipyard redevelopment, however significant upgrades are needed, including seismic upgrades, new flooring and roof, , rehabilitation of the restrooms, and ADA upgrades.
 - » Artists Replacement Studios – Includes new artist studios for approximately 100 artists.
 - » Arts Center – Includes 30,000 sq. ft. of land for an Arts Center arts oriented toward

raising the profile of the Shipyard as a cultural destination.

- » Community Facility Parcels – Includes approximately 6 acres throughout the Shipyard site have been set aside for community resources such as social services, education, art, public safety facilities and other community services as to be determined through a community process. There is no funding source for construction of these facilities.
- » Building 813 - Is being considered for reuse as an incubator and training facility for a range of new businesses, with a likely focus on clean technology, biotech and life sciences, and green businesses, with a mix of office, incubator, and workforce training uses. Upgrades include seismic and life safety, HVAC, new windows and doors. A 2012 market study found that an upgraded facility would incentivize “pioneering” technology companies to locate on the Shipyard.
- **Parks and Open Space Facilities.** The project will construct a variety of open spaces totaling approximately 350 acres, as required by the agreements between the Successor Agency and Lennar Urban. The Shipyard/Candlestick plan proposes to enhance the shoreline, the existing Candlestick Point State Recreation Area, and the Shipyard’s historic dry docks. A continuous series of open spaces are proposed along the shore. The plan will also extend the green space from the waterfront into the residential areas to form broad, wedge and rectangular shaped parks. Other open space linkages to the shore will be created with boulevards extending to the water from parks within inner neighborhoods. Key components of the project are listed below.

Phase 1 Park and Open Space Projects:

- » Hillpoint Park - Includes promontory overlook to the Shipyard waterfront;
- » Innes Court Park - Includes linear park On Phase 1 Hilltop area;
- » Galvez Steps - Includes hillside steps situated among a series of gardens and landings with seatwalls;
- » Coleman Bluffs Paths - Includes two accessible paths connecting the Hilltop area to the lower elevations of the Shipyard;
- » Hillside Central Park - Includes three outdoor connected parks providing pedestrian access within the terraced development

Phase 2 Park and Open Space Projects:

- » Bay Trail, - Includes approximately 6 miles of the Bay Trail are within the Shipyard/Candlestick parks
- » Northside Park (12.8 acres) - Includes ornamental gardens, new boardwalk, public restrooms, basketball, tennis, African Marketplace and children’s playground.
- » Waterfront Promenade North and South (29.5 acres)- Includes linear urban spaces along the waterfront that includes extensive renovation of existing wharf, and the retention of industrial artifacts along the promenade. New landscape features tree groves, seating, park facilities and native grasslands.
- » Heritage Park (15.6 acres) -Includes re-use of historic buildings, sculptural landforms, plaza area, tree grove in recycled concrete, shoreline revetment, native planting and gardens.
- » Marina – Includes approximately 150 slips with potable water, restroom facilities, electrical, and underground utilities.
- » Grasslands Ecology Park (82.1 acres) – Includes vast new habitat areas with sculpted landforms, freshwater and tidal wetlands, outdoor classes, and viewing peer. Includes habitat fencing and removal of non-native grasses and replanting of native grasses as part of the project improvements.
- » Park Maintenance Facility – Includes the maintenance facility for all parks, located

adjacent to the Grasslands Ecology Park.

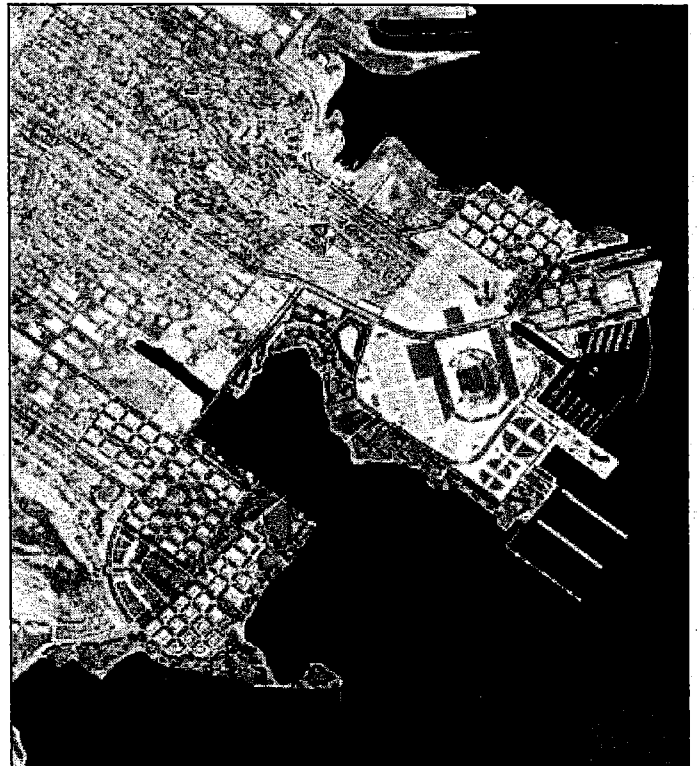
- » Yosemite Slough Bridge - The landscape area along the bridge will consist of pedestrian bike walkways and areas for fishing.
- » Candlestick Point Neighborhood Park (3.1 acre) - Includes a small dog area, shade pavilion, tennis courts, basketball court and community gardens.
- » Alice Griffith Neighborhood Park and Playground (1.4 acres) – Offers a mix of uses, from lawn areas, a playground, tot lot, community garden, dog running area and a basketball court.
- » Community Sports Field Complex and Multi-Use Fields - (63.1 acres) - Includes lighted and fenced fields for active recreational uses such as soccer, baseball, basketball and intramural sports. This area will also provide an open grass lawn for more informal waterfront uses such as kite flying, picnicking and other larger organized festivals.
- » Waterfront Recreation and Education Park / Re-Gunning Crane Pier Habitats (16.2 acres) -Includes the creation of a tidal wetland, tree grove, open lawn, water bird habitat piers, and a waterfront recreation and education center.
- » Bayview Gardens / Wedge Parks (2.5 acres) - Includes a large and small wedge park and a plaza surrounded by a hub of activity centered around bus rapid transit and retail areas. These areas will include a tot lot, dog play area and passive playgrounds and as well as extensive seating.
- » Candlestick Point State Recreation Area (CPSRA) (96.7 acres) - The Shipyard/Candlestick project will contribute more than \$40 million toward CPSRA improvements, consistent with the recently approved General Plan for the Recreation Area. Some of these improvements include constructing a pedestrian and bike accessible transition zone between all private development parcels and the park to create a continuous open space route along the development edge.
- **Transportation Improvements.** The Shipyard/Candlestick Point project includes an extensive program of on-site and off-site transportation improvements to facilitate automobile, transit, bicycle and pedestrian mobility in and around the project area. The proposed transportation system includes a multi-modal system of streets, transit facilities, pedestrian paths and dedicated bicycle lanes to link the Shipyard/Candlestick Point to the Bay Area Rapid Transit System (BART), T-Third light rail, Caltrain, local bus lines and potential future ferry service. The improvements would include curb, gutter, sidewalk, roadway, striping, transit preferential street elements, roadbed, grading, underground utilities and foundations, streetlights and other transit and streetscape furnishings, and landscaping where applicable. Improvements outside of the project area generally include roadway repair, restriping, curb and gutter realignment where required, signal upgrades, and utility relocation where required, and are fully described in the project's Infrastructure Plan.

Key components of the Transportation Program are listed below:

- » On-site – Includes local streets internal to the project site including neighborhood residential streets and private and public alleys.
- » Yosemite Slough Bridge - The proposed Yosemite Slough Bridge would extend Arellio Walker from Candlestick Point to Crisp Avenue in Hunters Point Shipyard. The bridge would contain a landscaped greenway, two BRT lanes, and a Class I bicycle/pedestrian path. No automobile traffic would be allowed on the bridge.
- » HPS Transit Center - The Hunters Point Shipyard Transit Center will serve the northern half of the project and would be located along two blocks adjacent to the Hunters Point Shipyard Village Center. Along with ten bus bays, the facility will include shelters, ticketing kiosks, real-time transit information technology and operator restrooms.
- » Harney Way Multimodal Boulevard - To facilitate access to the regional transit system, BRT and transit preferential improvements will be implemented in the Harney Way / Geneva Avenue corridor. Exclusive bus lanes and BRT elements will be installed along the route connecting Hunters Point Shipyard Transit Center and Bayshore Caltrain

Station through Candlestick Point. These lanes will be designed to be “rail ready” in that they will be able to support light rail operation, although light rail is not proposed as part of this project.

- » Off-site Corridors connecting to Third Street - Streetscape improvements are planned for several existing key Bayview Hunters Point roadways: Innes, Palou, Carroll and Gilman Avenues. These streets will serve as primary routes for pedestrians, bicyclists, transit riders, and drivers.
- » Bike routes - The existing bicycle routes in the project vicinity are not sufficient to accommodate the level of bicycle activity expected in the area after the proposed Project is built. To facilitate bicycle travel, the project will include an expanded network of bicycle routes as well as a system of shared-use recreational paths.
- » Bayview Transportation Improvement segments (“BTI”) - The spine of the project’s street network is a continuous arterial beginning in the northwest of the Hunters Point Shipyard and traveling south to Candlestick Point that connects the two project sites. The portion of the arterial will incorporate Innes Avenue, Robinson Street, and Crisp Road.. The portion of the arterial connecting the Shipyard and Candlestick Point incorporates an improved Griffith Street, Thomas Avenue, Ingalls Street and Carroll Avenue. The final portion, Arelious Walker Drive, lies on the western edge of Candlestick Point and connects to an improved Harney Way at the southernmost point of Candlestick Point. These arterial segments will be provided with federal-level environmental (NEPA) clearance, improving the project’s readiness for federal grant and loan sources.
- **Cultural and Historic Preservation.** The project proposes to enhance the shoreline along the Shipyard’s historic dry docks including two historic brick pumphouses that were originally constructed in the late 1800s. Additional projects may be undertaken to preserve the existing industrial maritime character of the area. Key components of the cultural and historic preservation program include:
 - » Hunters Point Commercial Drydocks - Dry Docks #2 and #3 are elements of the Hunters Point Commercial Dry Dock and Naval Shipyard Historic District, which has been determined to be eligible for listing in the National Register of Historic Places (National Register). Dry Dock #4 has been individually recognized as a structure, which is eligible for listing in the National Register. The brick buildings are within the State Lands public trust and must be preserved to facilitate access and enjoyment of the Bay. The drydocks themselves will require significant repairs to the buttresses to prevent further deterioration or collapse.
 - » Public Art - Approximately \$1 million in public art will be installed in Hilltop parks in coming years, kicking off the “Cultural Historic Recognition Program” (“CHRP”) that was incorporated in both phases of development.
 - » Memorials and Landmarks - as part of the CHRP program the public promenades and park is a place to recognize the Shipyard’s importance to the people who worked there, and to the nation, San Francisco, and the Bayview Hunters Point neighborhood. The design of these public spaces will retain and reuse historic structures and materials as much as possible and include interpretive installations to provide a history walk along the waterfront.
 - » International African Marketplace - Within Northside Park, a “market street” promenade would incorporate stylized park structures and interpretive features and infrastructure elements. to provide a festive setting for the marketplace



Hunter's Point Shipyard/Candlestick Point Enhancement Program (FY2018 - 2023)

Bayview Hunter's Point & Candlestick Point Site Plan

Below is an overview of proposed projects within the last five years of the Plan

- Harney Way Multimodal Boulevard, Bayview Gardens / Wedge Parks, BTI segments
- HPS Fire Station, Bay Trail, Waterfront Promenade North/South, Heritage Park, Park Maintenance Facility, Yosemite Slough Bridge, Palou Transit Preferential Street Improvements, Gilman Streetscape, HPS Transit Center, and Bike routes

Hunter's Point Shipyard/Candlestick Point Deferred and Emerging Needs

Primary funding sources for the following projects have not yet been identified: Arts Center; Hunters Point Historic Drydocks; Memorials and Landmarks; Community Facilities Parcels; Marina, Building 101 Upgrades; Building 813; Candlestick Point School Site; and Community Facilities. The Successor Agency envisions that these projects may be funded through a combination of local, state and federal grants or loans; philanthropic funds; master leases or development agreements; or funds derived from the project's "Community Benefits Fund."

2. Mission Bay North and South

San Francisco's new Mission Bay development covers 303 acres of land between the San Francisco Bay and Interstate-280. The Board of Supervisors established the project in November 1998. Development is controlled through the Redevelopment Plans and Designs for Development, Owner Participation Agreements between the Successor Agency and the master developer, originally Catellus Development Corporation, now FOCIL-MB, LLC, and Interagency Cooperation Agreements, which commit all City departments to work together to implement the Mission Bay Infrastructure Plans. The Infrastructure Plans outline the scope of infrastructure improvements needed to support the ultimate development that will occur in the Mission Bay area.

The development program for Mission Bay includes:

- 6,000 housing units, with over 1,800 (30%) affordable to moderate, low, and very low-income households;
- 4.4 million sq. ft. of high-tech/office/life science/biotechnology commercial space;
- A new University of California at San Francisco ("UCSF") research campus containing 2.65 million sq. ft. of building space on 43 acres of land donated by the master developer and the City;
- A state-of-the art 550-bed UCSF hospital complex serving children, women, and cancer patients;
- 400,000 sq. ft. of city and neighborhood-serving retail space;
- A 500-room hotel;
- 41 acres of new public open space, including parks along Mission Creek and along the San Francisco Bay, plus eight acres of open space within the UCSF campus; and
- A new public school, public library, fire and police stations, police headquarters, and other community facilities.

To date, 3,455 housing units, including 674 affordable units, have been constructed in Mission Bay, and an additional 267 condo units and 1,445 rental units including 350 affordable units are anticipated to be constructed over the next two years. More than 1.7 million sq. ft. of commercial office and biotechnology lab space has been built, and a new Public Safety building that will house a new police and fire station and the San Francisco Police Headquarters is under construction. Eight buildings have been constructed on the UCSF campus, including six research buildings, a campus community center, and a university housing development. More than 20 acres of new parks and open space have also been completed. The first phase of the UCSF Medical Center, comprised of 289 beds, is under construction and expected to open in late 2014.

Project Funding

The master developer is in the process of constructing approximately \$700 million in public infrastructure in Mission Bay which is being financed primarily through bonding against special assessments and increased property taxes generated by the development, as well as with grant funding. To date roughly 2/3rds of this infrastructure has been completed. Upon completion, the right-of-way infrastructure improvements and utility improvements are accepted for operation and maintenance by the City. The Successor Agency operates the park system until 2043, funded by annual assessments against private property in the redevelopment areas.

Mission Bay Enhancement Program (FY2014 – FY2018)

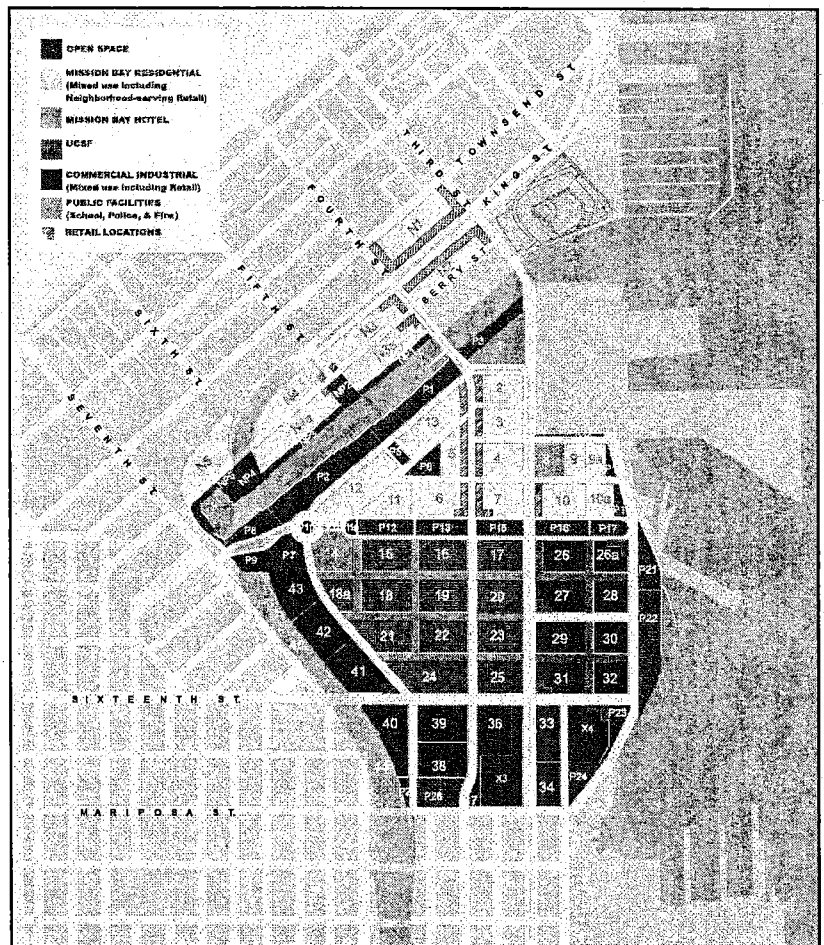
The phasing and timing for all infrastructure in Mission Bay is driven by the rate and phasing of market rate development. After a lag in market development due national economic slowdown starting in 2008, the rate of market rate development in Mission Bay has recently skyrocketed, resulting in immediate needs for additional infrastructure in the next five years. Infrastructure capital improvements in the Mission Bay area can be broken into three major categories: parks and open space, streetscape and underground utilities, and storm water treatment.

- **Parks and Open Space.** There are approximately 15 acres of public non-UCSF open space already developed in Mission Bay, with almost six additional acres on UCSF property, not including publically accessible walkways, totaling approximately 43% of the total 49 acres of public open space planned for the entire Mission Bay area (both UCSF and non-UCSF). Seventeen additional parks are anticipated to be constructed over the next 10 years, of which 12 are planned for delivery over the next five years. Parks anticipated to be finished by Fiscal 2018 include:

- » The remaining segments of the Mission Creek park loop, with an expanded community garden;
- » A new children's park and dog park;
- » A new baseball/softball field;
- » Continuation of the east-west The Commons linear park;
- » A small pocket park, fronting the Bay.
- » A major bayfront park, reminiscent of Crissy Fields; and

Two small parks, with passive and active uses. In addition to the use of special assessment and property tax bonds to reimburse the master developer for their costs to construct the parks, the Successor Agency has received \$960,000 in State Brownfield grant funds in the past for two parks, and will be receiving \$1.35 million in State Catalyst Community grant funds to assist in the construction of the children's park. If additional grant funds or other funding sources are identified, the timing of construction of parks receiving the additional funding would be able to be fast tracked. The phasing of the parks may also be adjusted based on changes in the phasing of the market rate development.

As the parks are completed, they are accepted by the City and maintained until 2043 by the Successor Agency using fees collected by through Community Facilities District #5 ("CFD #5"). The CFD #5 annual fee is based on the anticipated budget required to maintain the parks, and has a cap of a maximum fee that



Mission Bay Land Use Plan

can be charged. The annual budget includes capital funds needed to maintain the parks in a safe and enjoyable condition for the community.

- **Streetscape and Underground Utilities.** While a significant amount of roadways in Mission Bay, along with their underground utility system, have been constructed since 1998, there still remains a need for improvements to the core infrastructure serving the new residential neighborhood and technology, biotechnology, medical and life science research district in the southern portion of Mission Bay. This infrastructure includes new roadways, underground utilities, highway off-ramp improvements, and pedestrian and bicycle improvements. The majority of these improvements will be constructed over the next five years, and consist of the following improvements:
 - » Upgrade 16th Street, 3rd Street and Mariposa Street adjoining the new UCSF Medical Center, and construct the 4th Street entry roads at the north and south ends of the Medical Center campus.
 - » Complete all pedestrian and bicycle connections to the existing light rail stop at Mariposa and 3rd Streets;
 - » Construct final segment of Owens Street between 16th and Mariposa Streets to connect with Interstate-280;
 - » Widen the Interstate 280 off-ramp at Mariposa Street;
 - » Realign and upgrade Terry Francois Boulevard between South Street and 16th;
 - » Construct and upgrade Illinois Street, 16th Street, 3rd Street, and Terry Francois Boulevard, south of 16th Street;
 - » Complete the remaining roadways to serve the residential area in Mission Bay South, including Long Bridge, Channel, and Merrimac Streets;
 - » Install the prerequisite transit infrastructure along Long Bridge Street to accommodate the extension of an electric trolley coach route through Mission Bay's residential area;
 - » Install a pedestrian bridge across Mission Creek, aligned approximately with 5th Street to the north;
 - » Upgrade 3rd Street adjoining the future hotel site, between the 3rd Street bridge and Channel Street; and
 - » Upgrade and realign the streets near the future public safety building (Mission Rock and Terry Francois Boulevard.

A portion of the surface street improvements will receive a share of the \$10 million TIGER IV grant that San Francisco Municipal Transportation Agency (SFMTA) has been awarded.

- **Storm Water Treatment.** The remaining required storm water treatment improvements in Mission Bay are all located in the southern portion of the neighborhood, south of Mission Creek. This southern portion of Mission Bay will have a storm water treatment system separate from the combined sewer/storm water system found in the rest of the City to avoid additional burdens on the Southeast Treatment Facility. The storm water improvements can be broken into the two following categories:
 - » **Storm Water Pump Stations:** Storm Water Pump Station No. 3 and 5, including storm water pretreatment units, that will discharge treated storm water into the San Francisco Bay. Facilities consist of buried wet wells, above ground control rooms in nearby buildings, PG&E transformers, and outfall structures. Construction of the pump stations is expected to be completed by 2018.
 - » **Storm Water Treatment Facilities:** Storm water treatment bio-swales and basins are some of the new treatment facilities required to ensure storm water is clean before discharge into the Bay. These will primarily be located in parks, and are anticipated to be constructed within the next five years.

With changing federal and State regulations, storm water in Mission Bay is required to be treated at higher levels than originally anticipated through the use of the treatment swales and basins. As a result, the cost of the storm water system has increased from what was originally anticipated in 1998.

Mission Bay Enhancement Program (FY2019 - FY2023)

Five out of the seventeen additional parks to be constructed over the next 10 years will fall within the last five years of the Plan. Parks anticipated to be finished by 2023 are:

- The remaining segments of The Commons;
- A linear park along the southern section of SWL 337; and
- Mariposa parks, to serve the new UCSF Children's hospital and the expanding Dogpatch neighborhood to the south.

As with the other parks, if additional grant funds or other funding sources are identified, the timing of construction of parks receiving the additional funding would be able to be fast tracked. The phasing of the parks may also be adjusted based on changes in the phasing of the market rate development.

Mission Bay Deferred and Emerging Needs

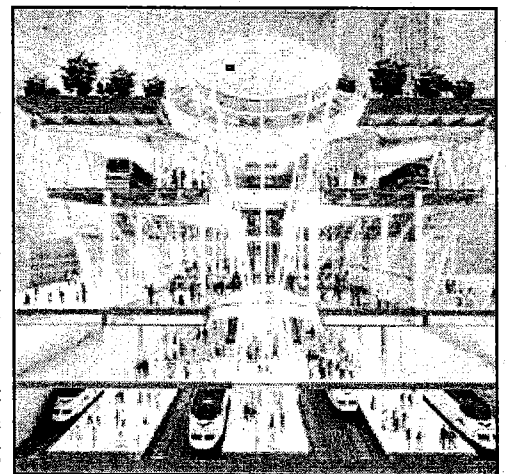
Mission Bay's financing structure for capital improvements is primarily dependant on the availability of special assessment and property tax funds to reimburse the master developer for the significant costs it expends for the original development of the infrastructure. The Successor Agency bonds against the flow of income from the special assessments and property taxes to reimburse the master developer. This system has come under immense strain with the recent economic downturn, with the last bonds being issued in 2009. The master developer has approximately \$100 million in unreimbursed infrastructure expenditures outstanding, and thanks to a confluence of rapid residential development, UCSF Medical Center and public safety building all being built at the same time, the next three years will require an additional \$114 million in new capital expenditures. Near-term bonding capacity is limited to approximately \$50 million, leaving substantial capital that must come from other sources.

Another potential need that is emerging is that the CFD#5 fees may not fully cover the maintenance and operation of the Mission Bay park system once the system is fully constructed. The actual cost of maintaining the parks is exceeding the originally estimated amount used to calculate the maximum fee allowed by CFD#5. As a result, there may be limited funds available for capital improvements to the parks as they age and require on-going improvements. This will most likely occur towards the end of this 10 year capital planning period.

3. Transbay

This 40-acre project in Downtown San Francisco's Financial District, adopted in 2005, includes the new Transbay Transit Center ("TTC") and 10 acres of former freeway infrastructure, which the Successor Agency and the Transbay Joint Powers Authority ("TJPA") are developing into a new, mixed-use neighborhood with 3,400 new housing units and 3 million sq. ft. of commercial space surrounding a state-of-the-art, multi-modal transit station. The TJPA is responsible for constructing, owning and operating the new TTC, which is currently under construction and scheduled to be completed in 2017. The TTC will be a modern transit hub accommodating regional bus, light rail, and future high-speed rail service throughout the Bay Area and California. The TJPA is also facilitating the development of a signature, 1,070-foot, 1.35-million-square-foot commercial tower adjacent to the new TTC on Parcel T. More detail on the TTC is provided in Interagency Initiative Chapter within the Transportation Section of this Plan

The Successor Agency is responsible for facilitating the remaining development on the publicly-owned properties within the project area. At full build out, these publicly-owned parcels will be transformed into approximately 3,400 new housing units, including 1,200 affordable units, and more than 3 million sq. ft. of new commercial development. Acting as the master developer for the project area,



Conceptual Design of Transbay Terminal

the Successor Agency is responsible for preparing and selling the publicly-owned parcels and also for planning and constructing a wide range of infrastructure improvements in the project area, including new public parks, new pedestrian-oriented alleys, and widened sidewalks. Folsom Street, which forms the southern boundary of the project area, will become a new neighborhood “boulevard” for Transbay and Rincon Hill to the south, with widened sidewalks and ground-floor retail to activate them.

Project Funding

The open space, street and right-of-way infrastructure associated with the new development is being funded with tax increment generated within the project area. Most of the projects will be constructed by private developers.

Transbay Enhancement Program (FY2014 - FY2018)

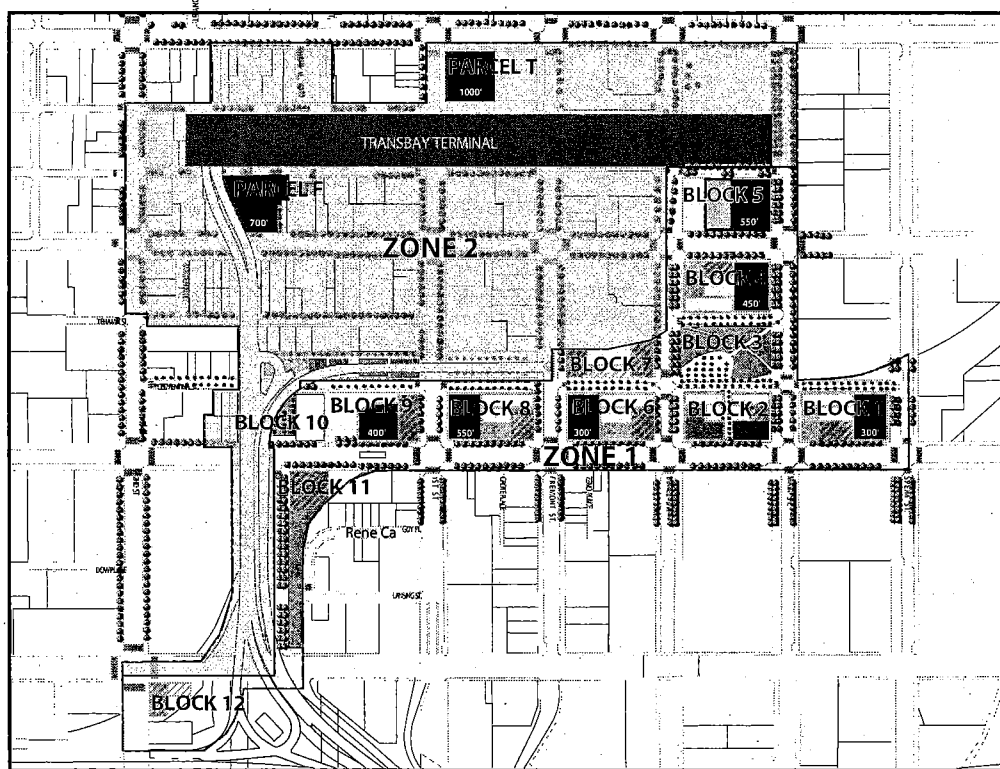
Below is an overview of major Transbay infrastructure projects anticipated to begin over the next five years:

- **Folsom Street Improvements.** Within the next five years, Successor Agency will complete construction of temporary and permanent improvements on Folsom Street between Spear and Second Streets, including widened sidewalks with special paving, new street trees and rain gardens, and conversion of the street to two-way traffic. The north side of Folsom Street will receive temporary improvements, with the permanent improvements added as private development occurs on the former freeway parcels. The Successor Agency will construct permanent improvements on the south side of Folsom Street, except at 201 Folsom Street, where it is anticipated that the private developer will construct the new streetscape consistent with the Successor Agency’s designs. The total cost of the Folsom Street improvements is \$20 million and will be funded by tax increment generated within the project area. Construction of temporary improvements on the north side and permanent improvements on the south side is expected to begin in 2014, with completion of all permanent improvements by 2020.
- **New Public Park (between Howard & Folsom).** By 2018, the Successor Agency will complete construction of a new public park under the TJPA and Interstate 80 off-ramps between Howard and Folsom Streets and along the east side of Essex Street. This new, 2.5-acre open space will accommodate a wide range of recreation areas, including plazas, playgrounds, landscaping, public art, exercise equipment, and a dog park. There will also be several retail opportunities, including space for an outdoor “beer garden” as well as traditional indoor spaces for cafés, art studios or other small businesses. The park will be built on property owned by the TJPA, the State and the Successor Agency. The total cost of the park is \$30 million and will be funded by tax increment generated within the project area. Construction of the park is expected to begin in 2015, with completion expected in 2017.
- **Clementina Street .** As the former freeway parcels on the north side of Folsom Street are developed into mixed-use residential projects, Clementina Street will be extended from First Street to Spear Street. This new, pedestrian-oriented alley will be lined with townhouses constructed as part of the master-planned blocks within the project area. is the Successor Agency anticipates the new portions of Clementina Street will be privately-owned. The extension of Clementina Street, will be constructed by private developers and funded with tax increment from the project area. The project is estimated to begin in 2014 and be completed over the following five years. The total cost of the extension of Clementina Street is \$3.0 million. Construction of Block 6 is expected to begin in 2014, with other blocks following over the next five years. **Folsom Street Off-Ramp** The Successor Agency has received approval from the California Department of Transportation to reconfigure the existing Folsom Street Off-Ramp on Block 8. The current design of the off-ramp cuts creates an unfriendly environment for pedestrians. The new configuration will result in the off-ramp ending at a “T” intersection, complete with a new traffic signal and crosswalk, at Fremont Street. Construction of the new off-ramp is anticipated to begin and finish in 2014. The total cost of the reconfiguration of the off-ramp is \$2.5 million and will be funded with tax increment.

Transbay Enhancement Projects FY2019 - FY2023

The following projects are scheduled to occur within the last five years of the Plan:

- **New Public Park (between Main & Beale).** By 2020, the Successor Agency will complete construction of a new 1.1-acre park north of Folsom Street, between Main and Beale Streets. Once the new TTC is completed in 2017, the temporary facility will be removed and opened up for development. The Transbay plan has programmed the site for approximately 750 new residential units surrounding the new park. Construction of the park is expected to begin in 2019 and cost approximately \$10,000,000 (2012 dollars). The park will be funded with tax increment.
- **Sidewalk Enhancements (Main & Beale).** As development occurs on the site of the Temporary Transbay Terminal, the sidewalks on both Main and Beale Streets will be widened to create linear parks extending from Mission to Folsom Streets and continuing on into Rincon Hill. The new sidewalks will be widened to 30 feet by narrowing the roadway, which currently has excess capacity. The linear parks will include a variety of program areas, including seating, lawns, planters and other features designed in coordination with the adjacent development. Construction of the widened sidewalks on Main and Beale Streets is expected to begin in 2019 and be completed by 2020 at a cost of approximately \$4.0 million. The widened sidewalks will be constructed by private developers and funded with tax increment from the project area.



Transbay Redevelopment Project Area

Transbay Deferred and Emerging Needs

An emerging need for the Transbay project will be funding for maintenance of the new infrastructure, especially the new parks. The Successor Agency is currently participating in a privately-led effort to create a community benefit district ("CBD") that will include Rincon Hill and Transbay. The budget for the CBD will include funding for maintenance of the Transbay parks, including programming for neighborhood events. It is anticipated that the CBD will be formed in March of 2013.

4. Yerba Buena Gardens

Yerba Buena Gardens spans a two-block area referred to as Central Block Two (CB-2) bounded by Mission, Howard, Third, and Fourth, Streets to the north, and Central Block Three (CB-3) bounded by Howard, Folsom, Third, and Fourth Streets to the south. The facilities at Yerba Buena Gardens are broadly defined as follows:

- **Exterior Public Open Space Areas** - encompasses all of the landscaped areas, the children's playgrounds, a pedestrian bridge, public restrooms, artwork, fountains and waterfalls, and

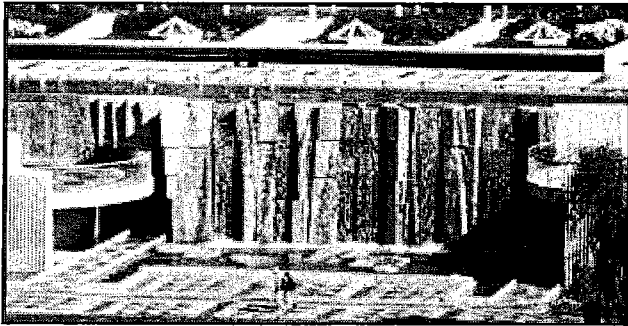
hardscape features;

- Underground Facilities - includes underground storage areas, equipment rooms, a loading dock, and site well;
- Cultural Facilities - includes the theatre and forum buildings at Yerba Buena Center for the Arts;
- Other Facilities - includes the East Café building (B Restaurant), the West Café building (Samovar Tea Lounge), and the Yerba Buena Gardens Management Office building; and
- The Children's Center Facilities - includes an ice skating center, a bowling center, a childcare center, the Children's Creativity Museum, and the historic carousel.

Yerba Buena Gardens was constructed by the former San Francisco Redevelopment Agency (between 1993 and 1999) and represents a civic investment of around \$118 million. Yerba Buena Gardens includes cafes, fountains – including the Martin Luther King Jr. Memorial Fountain – performance venues, children's play areas, an historic carousel, recreational venues such as an ice skating center and a bowling center, public artwork, and many other attractions. This award-winning public open space is host to over 100 public performances, arts events and festivals each year.

Project Funding

Yerba Buena Gardens is currently owned and operated by the Successor Agency to the former Redevelopment Agency, which supports the operations, capital expenditures, and programming of the gardens, the children's facilities, Yerba Buena Center for the Arts, and the Children's Creativity Museum through an innovative structure of ground lease payments and annual exactions from major private developments in the area. As required in various governing documents, this funding source is restricted to uses related to maintenance, operations, and security of Yerba Buena Gardens structures, landscaping, and open space, as well as funding for the cultural facilities.



MLK Memorial Fountain

Also, the Successor Agency (like the former Redevelopment Agency) sets aside some of these funds every year for a capital reserve, which is necessary to ensure long-term replacement and renovation of the public facilities at Yerba Buena Gardens. Prior to the expiration of the Yerba Buena Center Redevelopment Project Area, the capital reserve also received funding from occasional infusions of tax increment bond financing.

Yerba Buena Gardens' operating revenues and expenses have typically ranged from \$7 to \$8 million annually over the past few years. The capital reserve has ranged from around \$5 to 7 million. However, due to major repairs to the Martin Luther King Memorial Fountain in Fiscal Year 2012-13, and projected capital expenditures over the next ten years, the Successor Agency's capital reserve will not be sufficient to keep up with anticipated facility renewals. Sources of future capital funding have yet to be identified, but may include establishment of public-financing mechanisms, additional contributions from property owners, and/or significant cutbacks in operating and cultural facility expenditures.

Yerba Buena Gardens Renewal Program

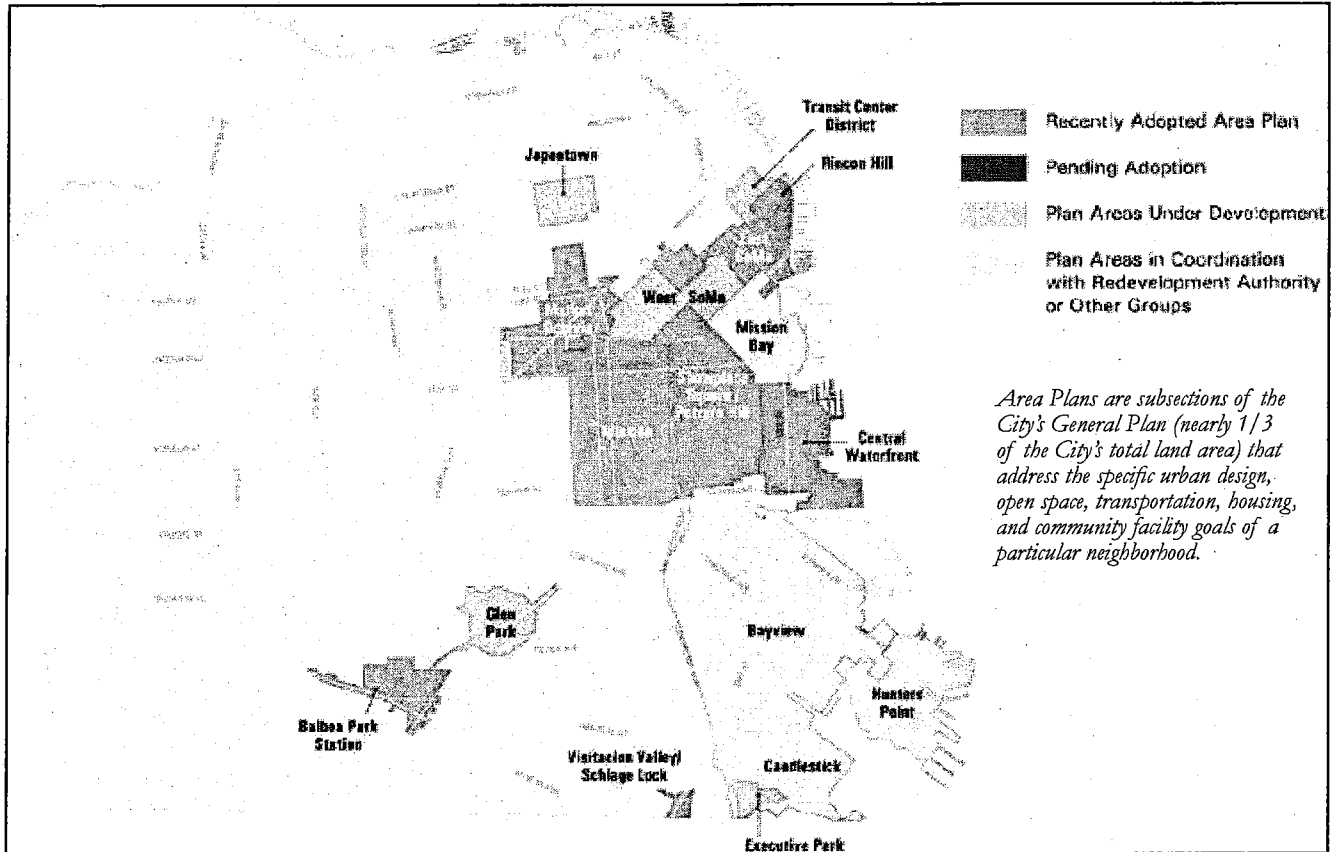
With the aid of a facilities assessment software program that forecasts long-term capital renewals, the Successor Agency and its on-site property manager, MJM Management Group, have identified \$5.4 million in facility renewal needs for Yerba Buena Gardens over the next ten years. Remaining capital reserves of about \$4.6 million, will fund most of this cost, however, the source of funds for the anticipated shortfall of about \$800,000 have yet to be identified.

Major anticipated renewals over the next ten years include: (1) roof repairs and/or replacements; (2) electrical, lighting, cooling and fire system upgrades; (3) elevator repairs; (4) boiler replacements; and (5) open space restorations and waterproofing; among others.

Yerba Buena Gardens Deferred and Emerging Needs

Yerba Buena does not have any major deferred projects although the Successor Agency is currently working to find funding for needed roof repairs, an electrical switch-gear upgrade and a calibration on equipment at its theatre building. Additionally, the Successor Agency has not identified any major emerging capital needs over the next ten years. However, based its past experience, the agency believes unexpected changes in the City's building and safety codes may trigger unplanned capital costs.

Planning Department



Community facilities include public community and recreation centers that serve a variety of public purposes.

The Planning Department engages citizens in an ongoing dialogue about San Francisco's future and helps play a central role in guiding the long-term development of the City. One of the department's major responsibilities includes the development of area plans - subsections of the City's General Plan that address the specific urban design, open space, transportation, housing, and community facility goals of a particular neighborhood. In recent years the City has adopted Area Plans for Rincon Hill, Market & Octavia, Bayview Hunters Point, the Eastern Neighborhoods, Visitacion Valley, Balboa Park, Glen Park, and the Transit Center District. Planning processes are currently underway in the Central Corridor, Japantown, and some smaller targeted areas. Together, these Area Plans comprise nearly one-third of the City's total land area.

Each Area Plan includes an Implementation Program, which recommends a host of specific infrastructure projects designed to support new residential and commercial development, and identifies a funding strategy largely dependent on impact fees. The Plans recommend both near term and long-term investments in the areas' streets, sidewalks, parks, transit, bicycle, and pedestrian infrastructure, community facilities, child care facilities, and library materials.

These projects are typically prioritized and funded by impact fees, grants, or other sources of revenue. The Department projects expected revenue from impact fees annually for each plan area for a five-year time horizon, based on projects in the development pipeline. The Department, in collaboration with agency and community stakeholders, then programs expected revenue towards neighborhood improvements identified in the area plans.

In most cases, the identified funding will not meet expected costs. Addressing these capital shortfalls is an ongoing citywide effort involving a variety of departments to identify State and Federal grants, public and private financing tools, and other sources of funds.

To provide better information the type of improvements that are needed, the Planning Department and Capital Planning Program are working closely to establish standards for the following infrastructure service categories: open space; recreational and childcare facilities, transit, streets and right-of-way, and fire protection.

Near-term projects with identified funding are moved from emerging needs within the Planning Department's chapter to funded projects within the implementing agencies' chapters of the 10-Year Capital Plan. Remaining infrastructure improvements identified by each community planning process will be moved in future years once funding is secured. Until then, infrastructure projects are considered emerging needs in the schedule at the end of this chapter. The proposed schedule will be amended based on Citizen Advisory Committee (CAC) input, grant funding, and recommendations from the City's Interagency Plan Implementation Committee (IPIC).

Established through Chapter 36 of the Administrative Code, IPIC makes recommendations on Area Plan-related project implementation, funding and programming, and intra-departmental collaboration. IPIC is also responsible for working with each Area Plan's CAC to prioritize future infrastructure improvements. This work informs IPIC's recommendations to the Planning Commission, Capital Planning Committee and Board of Supervisors for allocating impact fees to projects within the plan areas.

The chart below provides an overview of grant funding the City has secured to complete priority plan-identified capital projects.

Implementing departments include those City agencies who build, maintain, and operate public infrastructure, including SFMTA, DPW, Rec/Park and others.)

Neighborhood Plan	Project Description	Secured Funding	Project Manager
Market & Octavia	Haight & Market Street transit and pedestrian improvements	\$2.8 million in grant funding (80% grant funded)	MTA, Planning Dept
Market & Octavia	Living Alleyway planning	\$250,000 two-year planning grant to design and prioritize alleyway improvements	Planning Dept
Balboa Park	Phelan Loop transit and public plaza improvements	\$6 million in grant funding (50% grant funded) MTA, Planning, MOEWD	MTA, Planning Dept, Mayor's Office of Economic and Workforce Development
Eastern Neighborhoods	17th and Folsom open space improvements	\$5 million in grant funding (50% grant funded)	Rec & Parks Dept, Planning Dept
Other	Cesar Chavez streetscape improvements	\$10.5 million in grant funding (65% grant funded)	DPW, MTA, Planning

Additionally, the City anticipates being able to use some revenue from the 2011 Road Resurfacing & Street Safety General Obligation G.O. Bond, the 2012 San Francisco Clean & Safe Neighborhood Parks G.O. Bond and future proceeds from the Rincon Hill Infrastructure Finance District (IFD) to help support Area Plan projects.

An update on each Area Plan is provided below.

Rincon Hill

The Rincon Hill Plan provides the blueprint for a new high-density neighborhood just south of the Financial District. With over 3,600 new residential units planned in Rincon, and another 3,200 new units planned in the adjacent Transbay Redevelopment Area, this downtown neighborhood plan sets the stage for Rincon Hill to become home to an estimated 10,000 new residents.

The Rincon Hill Plan recommends a comprehensive program of public improvements to support new residents, including extensive streetscape improvements and pedestrian safety projects along Folsom Boulevard, Main, Beale, and Spear Streets; new open space including a large proposed park on Harrison Street and a smaller "pocket park" on Guy Street; and enhancements to library resources. DPW, RPD, and the Library share responsibility for these

Rincon Hill improvements.

Funding for these improvements will be partially provided through development impact fees in the form of direct cash payment, in-kind contributions, or participation in a Mello-Roos assessment district. However, impact fees are anticipated to cover less than 50 percent of the approximately \$40 million required for all recommended projects, and other sources of funding will be required. With development activity substantially diminished due to the economy, anticipated development fees are delayed, resulting in a significant shortfall for projects that have already started or are about to begin. The City currently owns land and is waiting for additional funding to build out Guy Place Park. Recently, the City's first Infrastructure Finance District was established in Rincon Hill to address the infrastructure funding gap.

Market & Octavia Area Plan

The Market & Octavia Plan envisions 6,000 new residential units housing 10,000 additional people in the Market and Octavia neighborhood. To accommodate this projected growth, the plan calls for enhancements to parks and open space, streetscape and pedestrian rights of way, and community facilities. These enhancements include the upcoming Van Ness Bus Rapid Transit Project, new open space in McCoppin Square north of Valencia Street and Brady Park on Brady Street, new childcare facilities, enhancements to library facilities and "living streets and alleys", street tree plantings, and corner bulb-outs at key pedestrian intersections. DPW, RPD, DCYF, the MTA, and the Library will share responsibility for these improvements.

The Planning Department estimates impact fee revenue and secured grants will support \$140 million dollars of infrastructure during the 10-Year Capital Plan (Phase I). Known revenue streams include an impact fee on new residential and commercial development, a density bonus program, central freeway ancillary project funds, the funding secured for the Van Ness Bus Rapid Transit project, and the recreation and parks bond. The Department is also evaluating additional revenue sources such as assessment districts, additional fees, and competitive grants.

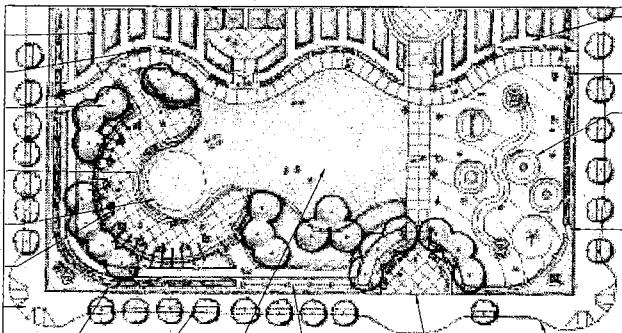
Potential projects in the next 5 years include improvements to the Haight Street bus operations, various pedestrian improvements, enhancements to Hayward Park, and other streetscape improvements.

Eastern Neighborhoods Area Plan

The Eastern Neighborhoods re-zoning effort creates the potential for up to 10,000 new residential units, and over 13,000 new jobs. A significant portion of this new development will occur in formerly industrial areas lacking in the services and infrastructure necessary for a livable neighborhood. The plan's Improvements Program addresses these infrastructure needs. Several of the short-term improvements, programmed for the first five years of Plan implementation, have been specifically identified. Many of the longer-term projects require additional planning work before the scope and costs are understood.

The Community and the Board of Supervisors identified short-term priority capital projects include:

- 16th Street improvements: Extension of the MUNI 22-Fillmore and Streetscape improvements along 16th Street east of Kansas Street to a terminal on Third Street;
- Streetscape improvements to Folsom Street as a "civic boulevard" in the South of Market;
- New park at 17th & Folsom Streets and a new public open space in Showplace Square.
- Pedestrian improvements along Townsend Street adjacent to the Caltrain Station and to Victoria Manalo Draves Park from the SOMA Eugene Friend Recreation Center and the Bessie Carmichael School;



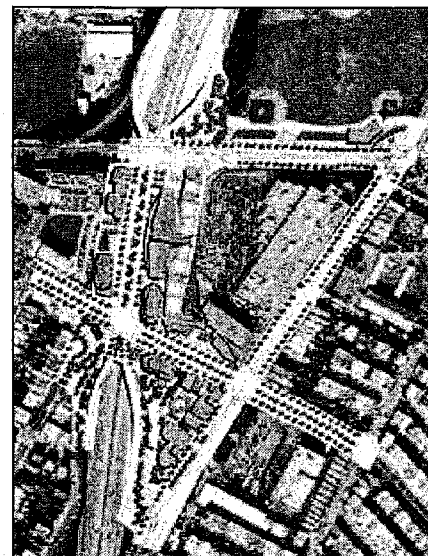
Proposed Park at 17th and Folsom

The Planning Department estimates all capital improvement costs – including the short-term priority projects described above – will total between \$250 million for a basic set of improvements and \$400 for full funding of all recommended projects. To meet these capital needs, the Department has identified a number of existing revenue sources, including the newly adopted Eastern Neighborhoods Impact Fee which will address \$55 million (less than a quarter) of these costs. The City is continuing to evaluate future revenue sources, including active pursuit of state and federal grants, consideration of

a permanent “special fund” set aside, and an Infrastructure Finance District (IFD) to meet the remaining funding needs.

Balboa Park Area Plan

The Balboa Park Station Area Plan lays out a two-part redevelopment vision. The first component of the vision aims to bring more housing opportunities close to transit along the main streets of Geneva, Ocean, Phelan, and San Jose Avenues, and in the area surrounding the station. These housing opportunities aim to provide approximately 1,800 housing units over the next 20 years. The second component includes dramatically re-engineering the area’s public facilities and public realm, including redesigning the main streets in the plan area, improving transit service and transit facilities, and creating a new open space system comprised of parks and plazas. The Planning Department estimates capital improvement costs will total approximately \$80 million dollars. The Balboa Park Station Area Plan includes an impact fee which will be a new source of revenue, however there still exists a deficit in the next ten years. The Plan identifies future potential revenue sources to fill roughly \$20 million of this gap.



Balboa Park Station Plan

Visitation Valley Area Plan

The Visitation Valley Redevelopment Program envisions the former Schlage Lock factory redeveloped into a transit-oriented mixed use development. The plan calls for the creation of over 1,200 new residential units, a mid-sized grocery store, and other neighborhood commercial ground floor retail. It also includes three new interconnected neighborhood parks of different sizes as well as a community plaza, the extension of the Visitation Valley street grid throughout the Schlage Lock property, and the integration of Leland Avenue into the site. The plan supports strategic infill development and a number of community improvements outside the Schlage site, along Bayshore Boulevard and Leland Avenue. Development impact fees associated with the plan will generate just under \$20 Million over the next ten years.

Bayview Hunters Point Area Plan

The Bayview Hunters Point Area Plan provides a general outline for community development in the Bayview, including additional housing, recreation, open space, and public service facilities, and better addressing transportation deficiencies by offering a wider range of transportation options.

Area Plans in Visitation Valley and Bayview Hunters Point were contained in designated redevelopment project areas, accordingly the infrastructure plans assumed potential tax-increment funding sources that need to be reconsidered.

Glen Park Area Plan

In coordination with the SFMTA, the Planning Department is in the process of developing a community plan for the “downtown” Glen Park neighborhood, encompassing the commercial and BART station areas, city streets, and public open spaces. Key capital projects associated with the project include:

- Pedestrian and streetscape improvements;
- Redesign of the BART plaza;
- Near and long-term San Jose Avenue roadway and streetscape improvements;
- Traffic calming projects;
- Bicycle network projects;
- Improved ADA access to the BART station and Muni J-line platform; and
- Greenway connection to Glen Canyon Park.

Funding for these projects comes primarily from Federal and State grants, with the City’s General Fund supporting the match requirements.

Transit Center District Plan

In coordination with the Successor Agency to the San Francisco Redevelopment Agency and

the Transbay Joint Powers Authority (TJPA), the Transit Center District Plan was adopted in the Fall of 2012. The Plan is a comprehensive vision for shaping growth on the southern side of Downtown to respond to and support the construction of the new Transbay Transit Center project, including the Downtown Rail Extension.

The plan includes a comprehensive strategy for streets and open spaces. The Plan is projected to generate over \$575 million for public infrastructure, particularly the Downtown Rail Extension project. The inventory of public improvements and the comprehensive funding program to implement these improvements are described in the Transit Center District Plan Program Implementation Document. Key capital improvements associated with the project include:

- Completion of the Transit Center, which includes the downtown rail extension for Caltrain and High Speed Rail.
- Streetscape Improvements and Pedestrian Circulation
- Open Space

Additional information about the Transit Center is in the Successor Agency chapter within this Plan.

Area Plans Under Development

The Planning Department also has several other planning efforts underway that will propose infrastructure enhancements, including: streetscape improvements; open space acquisitions and improvements; and transportation and circulation changes. Many of these planning efforts currently involve developing a community improvements program with related cost and revenue projections (see below for a summary of major efforts).

- **Central Corridor.** The Plan will develop an integrated community vision for the southern portion of the Central Subway rail corridor, with the goal of coordinating transit-supportive land uses with public improvements. The project is currently undergoing environmental review.
- **Japantown Economic and Social Heritage Strategy.** The Japantown Economic and Social Heritage Strategy will develop a vision for the Japantown neighborhood, focusing on economic development, preserving and enhancing the historic and cultural uses and buildings, and making physical improvements within the project area (see map below). It is a collaborative effort between the Planning Department, the Office of Economic and Workforce Development, and the Japantown community. The Japantown Economic and Social Heritage Strategy does not expect to result in significant land use changes. However, it will include recommendations for capital improvements to streets and parks.
- **Western SoMa.** The Western SoMa Community Plan is a comprehensive vision for shaping growth on the western side of the South of Market area. The Plan's chief objectives are to reduce land use conflicts between industry and entertainment and other competing uses, such as office and housing in areas designated as Service, Arts, and Light Industrial (SALI); protect existing residential uses on the alleys; retain existing jobs in the area; and encourage diverse and affordable housing, mixed-used areas, and a complete neighborhood. The Planning Commission recommended approval of the Western SoMa Plan in December 2012; the plan's adoption is expected to be before the Board of Supervisors in Winter 2013. The Plan includes an Implementation Document that identifies a number of capital improvements in the Plan Area, and would create impact fees for new development in the area consistent with the Eastern Neighborhoods Area Plans to partially pay for the identified infrastructure improvements.

Treasure Island /Yerba Buena Island Development Project Area

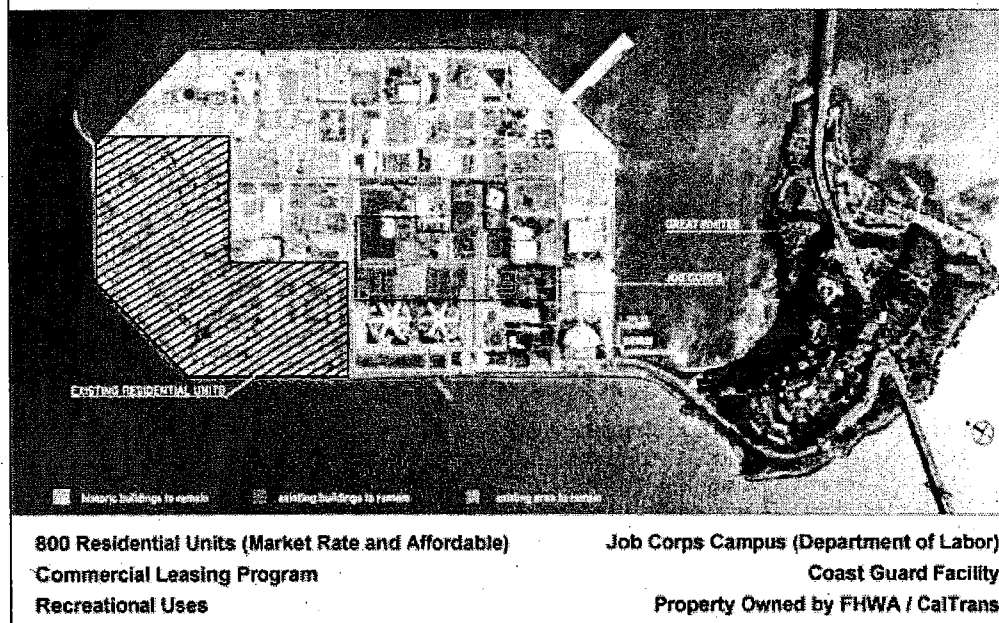
Treasure Island and Yerba Buena Island (collectively, "the Islands") are in San Francisco Bay, about halfway between the San Francisco mainland and Oakland. Treasure Island contains approximately 404 acres of land, and Yerba Buena Island, approximately 150 acres. The Islands are the site of the former Naval Station Treasure Island (NSTI), which is still owned by the United States Department of the Navy (Navy). NSTI was closed on September 30, 1997, as part of the Base Closure and Realignment Program.

Currently, the former military base consists primarily of low-density residential buildings; vacant and underutilized non-residential buildings that housed institutional, retail, office, and industrial uses; playing fields and other open space; several designated historic buildings; and several active institutional uses.

There are about 1,005 total dwelling units on Treasure Island and Yerba Buena Island, about 100 buildings with existing and former non-residential uses, parking and roadways, a wastewater treatment facility, and other infrastructure including a number of historically designated buildings. The Islands also include U.S. Coast Guard facilities on Yerba Buena Island, a U.S. Department of Labor Job Corps campus on Treasure Island, and Federal Highway Administration (FHWA) land occupied by the San Francisco-Oakland Bay Bridge (Bay Bridge) and tunnel structures on Yerba Buena Island.

In early 2003, the Treasure Island Development Authority (TIDA) and the Treasure Island Community Development, LLC (TICD) entered into an Exclusive Negotiating Agreement and began work on the Development Plan and Term Sheet for the Redevelopment of Naval Station Treasure Island (Development Plan). The Development Plan represented the culmination of nearly seven years of extensive public discourse about the future of Treasure Island, and was the product of the most extensive public review process for a large development project in the City's history. In May 2010, the TIDA Board and Board of Supervisors both unanimously endorsed a package of legislation that included an Update to the Development Plan and Term Sheet, terms of an Economic Development Conveyance Memorandum of Agreement (EDC MOA Term Sheet), and a Term Sheet between TIDA and the Treasure Island Homeless Development Initiative (TIHDI). Together the updated Development Plan, the EDC MOA Term Sheet and the TIHDI Term Sheet formed the comprehensive vision for the future of the former military base and represented a major milestone in moving the project closer towards implementation.

Treasure Island and Yerba Buena Island Existing Conditions



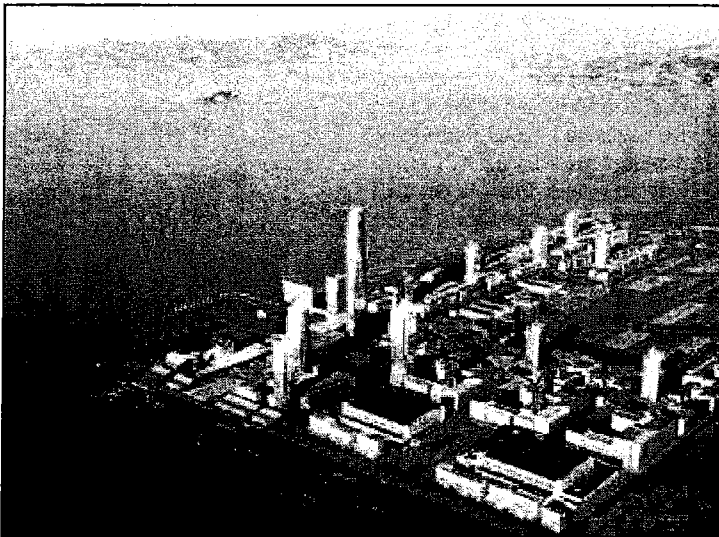
In April 2011, the TIDA Board and the Planning Commission certified the Environmental Impact Report (EIR) for the project and approved various project entitlements, including

amendments to the Planning Code, Zoning Maps and General Plan, as well as a Development Agreement, Disposition and Development Agreement and Interagency Cooperation Agreement. These entitlements include detailed plans regarding land uses, phasing, infrastructure, transportation, sustainability, housing, including affordable housing, jobs and equal opportunity programs, community facilities and project financing, and provide a holistic picture of the future development. In June 2011, the Board of Supervisors unanimously upheld the certification of the project's EIR and approved all necessary project entitlements. Pending property transfer from the Navy, which is anticipated to occur in summer 2013, the first phase of horizontal infrastructure construction could begin in late 2013 or early 2014. This first phase would consist primarily of horizontal infrastructure improvements to enable subsequent phases of vertical construction. The complete build-out of the project is anticipated to occur over fifteen to twenty years.

Project Funding Sources

The sources of funding for development will come primarily from a combination of private capital, including proceeds from land sales, and land-secured tax financing. The Financing Plan establishes the agreement between the Developer and TIDA for the use of tax increment generated by the Project Areas to finance public improvements and other costs permitted by law through Infrastructure Financing Districts (IFDs). The public improvements include Infrastructure described in the Infrastructure Plan and affordable housing, described in the Housing Plan. The Financing Plan also provides for the creation of Mello-Roos Community Facility Districts Act under which special taxes will be levied against private property (excluding TIDA affordable housing parcels), to finance public improvements and other costs permitted by law.

Enhancement Program (FY 2014 – 2023)



Aerial schematic of Treasure Island redevelopment

The Treasure Island / Yerba Buena Island Development Project includes up to 8,000 residential units (25% of which would be available at below market rates); up to 140,000 sq. ft. (sq. ft.) of new commercial and retail space; up to 100,000 sq. ft. of new office space; adaptive reuse of about 311,000 sq. ft. for commercial, retail, and/or flex space uses in the historic buildings on Treasure Island; up to approximately 500 hotel rooms; rehabilitation of the historic buildings on Yerba Buena Island; new and/or upgraded public facilities and public utilities; about 300 acres of parks and public open space including shoreline access and cultural uses such as a museum; new and upgraded streets and public ways; bicycle, transit, and pedestrian facilities; landside and waterside facilities for the existing Treasure Island Sailing Center; landside services for an expanded marina; and a new Ferry Terminal and intermodal Transit Hub. Construction and build-out of the project is anticipated to occur over an approximately 15- to 20-year period in four major phases comprised of several smaller sub-phases each.

The first phase of horizontal infrastructure construction could begin in late 2013 or early 2014 if the Navy property transfer is completed in the summer of 2013, as currently anticipated. This first phase would consist primarily of horizontal infrastructure (street & right of way, public utility, and open space infrastructure) improvements to enable subsequent phases of vertical construction (facility infrastructure). The complete build-out of the project is anticipated to occur over fifteen to twenty years. This first phase would consist primarily of horizontal infrastructure improvements to enable subsequent phases of vertical construction. The complete build-out of the project is anticipated to occur over fifteen to twenty years.

The Project must pay the costs of completing the “horizontal” development and other Project-related costs using private capital and public financing generated by the Project itself.

The total project costs are estimated to be approximately \$1.52 billion and include:

- Completing all pre-development planning and entitlement work, including engineering, urban design and land planning, architectural, legal and financial work, market and feasibility studies and environmental review under CEQA;

- The costs associated with the geotechnical improvements, initial improvements to addressing potential future sea level rise, and conducting necessary environmental remediation, as well as associated soft costs and management costs;
- Replacing and/or building the backbone wet and dry utilities, including a low-pressure potable water system, a reclaimed water system, an auxiliary fire water supply system, new sanitary sewer and storm drainage facilities, and joint trenches throughout the area to accommodate electrical, communication, and gas utilities;
- Preparing infrastructure and delivering sites for affordable housing developments at no cost, in developable condition with all of the requisite infrastructure and paying subsidies, as required in the Housing Plan, for vertical construction of Authority affordable housing to include housing for formerly homeless families and individuals (TIHDI Housing);
- Completing public open space improvements including public access trails, parks, shoreline improvements and other waterfront improvements to enhance public use, and enjoyment of views of the San Francisco Bay;
- Building public transportation improvements, including a new ferry terminal, lease payments for new ferry boats, and the cost to purchase or lease shuttle buses for the new on-island free shuttle service;
- Completing the renovation of Building 2 consistent with the Secretary of the Interior Standards for rehabilitation and a subsidy of the initial phase of retail development before it is financially viable to ensure that core neighborhood serving retail uses are developed in the early phases of the project;
- Satisfying any other requirements necessary to convert the raw land on Treasure Island into developable pads ready for development;
- Providing space and funding for new and improved community facilities;
- Funding for the ongoing operations and maintenance of public parks and public open space as further detailed above and in Draft Open Space Plan; and

A transportation operating subsidy to enhance funding for the project's unique transit services and transportation demand management programs. The DDA and Transportation Plan define a payment schedule of fixed payments to be made by the Developer. As previously mentioned sources of funding for the development will come primarily from a combination of private capital including proceeds from land sales and land secured tax financing.

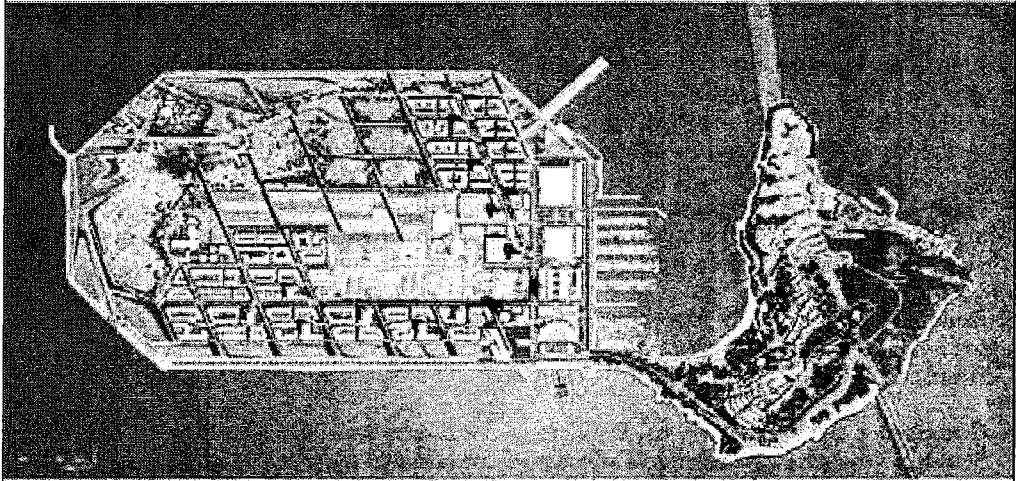
Emerging Needs

The below capital needs are currently being evaluated:

- **Utility Infrastructure.** The SFPUC and TIDA are working together to identify a scope of work and funding sources for capital improvements to maintain the existing utility systems over the next 10 years. These improvements are thought to be necessary in order to provide a minimum level of service reliability during the interim period before new infrastructure is constructed, dedicated to and accepted by the City as part of the Treasure Island Development Project. While the full scope and costs of these improvements are still being determined, funding sources outside of the Treasure Island / Yerba Buena Island Development Project will need to be identified.
- **Yerba Buena Ramps.** The improvement and/or replacement of the other ramps on the east side of the Yerba Buena Island tunnel is under study by the San Francisco County Transportation Authority (SFCTA) and Caltrans. Those agencies and FHWA are conducting environmental review to satisfy NEPA and the California Environmental Quality Act (CEQA) requirements. This project, if undertaken, would be a separate from both the Bay Bridge East Span project currently under construction and the Proposed Project.
- **Yerba Buena Tunnel.** A retrofit of the viaduct structures on the west side of the Yerba Buena Island tunnel is also underway by the San Francisco County Transportation Authority and Caltrans. Those agencies and FHWA will conduct environmental review to satisfy NEPA and CEQA requirements for that project.

Illustrative Land Use Plan

Homes | Open Space and Recreation | Innovative Sustainable Urban Design



- Up to 8,000 Homes
- Up to 500 Hotel Rooms
- Up to 450,000 SF Retail & Historic Reuse
- Up to 100,000 SF Office
- 300 Acres Parks and Open Space
- Jobs and Community Benefits

Economic & Neighborhood Development

SPENDING PLAN										DEFERRED	
Port of San Francisco	88,825	64,500	91,300	55,300	10,600	752,000				1,062,925	
Moscone Convention Center	16,800	87,224	386,071	5,091	5,625	40,441				541,253	1,389
Tansbay Joint Powers Authority	16,750	8,250	750	4,000	30,750	30,250				79,750	
Yerba Buena Center	1,630	748	105	66	943	1,948				5,440	
Mission Bay Redevelopment	137,408	54,180	22,085	24,919	19,846	44,070				292,946	
Treasure Island Redevelopment	107,747	140,897	126,713	110,865	147,866	438,512				1,072,601	
Hunter Point Redevelopment	10,125	42,965	22,831	40,605	49,601	347,786				513,912	272,463
Planning Department	7,633	5,146	19,508	13,862	15,103	36,037				100,881	
TOTAL	7,593	373,428	418,283	255,579	267,254	1,691,044				3,669,307	273,852
REVENUES											
General Fund	3,639	2,321	2,301	5,091	5,625	40,441				59,319	
Local - Other Sources	49,054	3,000	2,251	2,146	2,080	1,138				59,669	
Revenue Bonds											
G.O. Bonds	13,400	18,200	500							32,100	
Certificates of Participation			383,770							383,770	
Port Funds & Tenant Responsibility	15,000	12,300	53,300	15,300	10,600	231,800				338,300	
Tourist Improvement District Assessment	13,281	84,903								98,164	
Land-Secured Financing (TIF, IFD, Mello Roos)	85,438	35,729	75,303	179,371	189,808	1,012,907				1,578,556	
Private Capital	77,715	174,404	111,948	103,081	170,410	669,470				1,297,737	
Planning Department Area Plan Sources	10,802	3,036	20,496	12,992	14,252	35,567				100,716	
Federal	24,844	43,995	43,425	45,911	7,440	37,589				202,703	
TOTAL	10,802	284,786	395,347	685,790	400,038	2,019,912				4,151,034	
Total San Francisco Jobs Year	2,640	3,526	6,117	3,257	3,568	18,018				37,027	

Annual Surplus (Shortfall)	(88,642)	(22,935)	22,072	109,581	132,784	328,868	481,727
Cumulative Surplus (Shortfall)	(88,642)	(111,577)	(89,505)	20,076	152,859	481,727	

Departmental Breakdown

Port of San Francisco

Program/Project FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 FY 2020 Plan Total

SPENDING PLAN

DEFERRED

State of Good Repair

Emergency Facility Repair

100 100 100 100 100 100 1,000

ADA

100 100 200 1,000 500 2,100

Emerging Needs

200 200

Dredging

4,000 5,500 5,500 4,800 5,600 29,300 54,800

Repair / Reinvestment

12,400 6,600 47,400 9,400 4,700 221,700 302,200

Subtotal

16,800 12,300 53,300 15,300 10,600 252,000 360,300 1,704,700

Enhancements

Pier 27 Cruise Terminal

43,825 43,825

Infrastructure (IFD eligible uses)

500,000 500,000

Ferry Terminal Expansion Project

5,000 34,000 37,500 40,000 116,500

Parks and Other

18,400 18,200 500 37,100

Subtotal

67,025 52,200 38,000 40,000 500,000 697,225

Usage to be Determined

New Debt Issuance

5,000 5,000

Subtotal

5,000 5,000

TOTAL

88,825 64,500 91,300 55,300 10,600 752,000 1,062,526

REVENUES

Port Capital Budget

14,000 8,500 10,500 8,600 10,500 45,100 97,200

New Debt Issuance (TBD)

5,000 5,000

2008 Clean & Safe Neighborhood Parks Bond

10,400 8,200 18,600

2012 Neighborhood Parks & Open Space Bond

3,000 10,000 500 13,500

Pier 27 Cruise Terminal Project

39,425 39,425

8 Washington Project

5,000 5,000

Port Terminal Improvements

1,000 3,800 42,800 6,700 100 186,700 241,100

IFD Bond Proceeds

500,000 500,000

US Department of Defense

3,000 3,000

US Army Corps of Engineers

20,200 20,200

Federal Railway Administration

3,000 3,000

DTFT - Federal Transit Administration, Prop 1B, RM2

5,000 34,000 37,500 40,000 116,500

TOTAL

88,825 64,500 91,300 55,300 10,600 752,000 1,062,526

Total San Francisco Jobs/Year

792 575 814 493 95 6,708 9,478

[illegible]

SPENDING PLAN

[illegible]

Folsom Boulevard Improvements

	2,000	2,000	2,000	4,000
North Side Temporary				
South Side Permanent	3,000	3,000	3,000	6,000
North Side Permanent			2,500	7,500
				10,000

New Alleyways

Clementina bet. First & Fremont Sts.	750	750
Clementina bet. Fremont & Beale Sts.	750	750
Clementina bet. Beale & Main Sts.	750	750
Clementina bet. Main & Spear Sts.	750	750
Tehama bet. Beale & Main Sts.	750	750
Natoma bet. Beale & Main Sts.	750	750

Main, Beale & Spear SI Improvements

Location	2,500	2,500
Folsom Street Off-Ramp Reconfiguration	2,500	2,500

New Open Spaces

[illegible]

REVENUES

Tax Incremental Bond Proceeds	5,750	8,250	750	4,000	30,750	30,250	79,750
TOTAL	5,750	8,250	750	4,000	30,750	30,250	79,750
Total San Francisco Jobs/Year	51	74	7	36	274	270	741

San Francisco Center									
SPENDING PLAN									
Exterior Public Open Spaces	1,165							360	11,525
Underground Facilities		7						129	136
Cultural Facilities	40	63	80	50	853			657	1,743
Other Facilities	45			16	90			115	266
Children's Center Facilities	380	678	25					1,687	11,770
TOTAL	1,630	748	105	66	943	1,948			5,440

REVENUES									
VBG Capital Reserve Fund	4,630	3,000	2,251	2,146	2,080	1,138			16,244
TOTAL	4,630	3,000	2,251	2,146	2,080	1,138	1,138	15,244	
Total San Francisco Jobs/Year									
	41	27	20	19	19	10			136

Annual Surplus / (Deficit)	3,000	2,251	2,146	2,080	1,138	(810)			9,804
Cumulative Surplus / (Deficit)	3,000	5,251	7,397	9,477	10,615	9,804			

Mission Bay Redevelopment									
SPENDING PLAN									
Parks and Open Spaces	3,881	9,997	7,091	16,135	4,703	15,080			58,887
Streetscape and Underground Utilities	31,456	39,990	14,210	4,580	698	28,355			119,289
Storm Water Treatment	2,289	1,203	784	3,835	5,225	656			17,011
Prior Unreimbursed Capital Expenditures of Master Developer	99,779								99,779
TOTAL	137,405	54,190	22,085	24,549	10,646	44,070			292,946

REVENUES									
Mello-Roos Bond (CED) Projects	31,000								31,000
Tax Increment Financing	24,149	1,012	17,393	26,648	33,359	53,054			155,616
State and Federal Funds	7,000	2,850	12,500						13,550
TOTAL	62,349	4,862	19,893	26,648	33,359	53,054	200,166		
Total San Francisco Jobs/Year									
	556	19	177	298	298	979			1,767

Annual Surplus / (Deficit)	(75,056)	(49,327)	(2,192)	2,099	22,713	8,984			(92,780)
Cumulative Surplus / (Deficit)	(75,056)	(124,384)	(126,576)	(124,477)	(101,763)	(92,780)			

Treasure Island Redevelopment

Program / Project	Prior Years	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total
SPENDING PLAN								
Property Acquisition/Assumption		7,700	7,426	7,150	6,875	6,600	18,150	53,900
Infrastructure Costs		75,005	85,646	70,507	60,009	83,352	212,898	587,416
Other Costs (Marketing, Project Management, et al.)		20,261	40,701	41,486	34,935	42,762	147,950	328,036
Inflation to Costs		4,781	7,124	7,571	9,046	15,152	59,514	103,189
TOTAL		107,747	140,897	126,713	110,865	147,866	438,512	1,072,601

REVENUES

Mello-Roos Bond (CFD) Proceeds		24,539	20,286	45,063	117,642	92,156	93,280	392,966
Tax Increment Financing			6,171	4,066	26,424	21,730	178,266	236,657
Private Capital		71,233	139,584	100,573	74,203	139,763	488,151	1,013,557
TOTAL		95,772	166,051	149,701	218,319	253,648	759,677	1,643,169
Total San Francisco Jobs/Year		854	1,481	1,335	1,947	2,263	6,776	14,657

Annual Surplus / (Deficit)		(11,975)	25,154	22,988	107,453	105,783	321,165	570,568
Cumulative Surplus / (Deficit)		(11,975)	13,179	36,166	143,620	249,402	570,568	

Hunters Point Redevelopment

Program / Project	Prior Years	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total
SPENDING PLAN								
Demolition, Abatement and Earthwork				6,731	4,645	6,606	40,564	58,625
Shoreline Improvements						719	18,236	18,955
Community/Arts Facilities		2,825	21,000					23,825
Transportation Improvements			19,965	13,364	34,760	16,239	223,540	307,868
Building 813		5,000						5,000
Parks and Open Space		2,500	2,000	2,736	1,200	25,947	65,455	99,839
TOTAL		10,125	42,965	22,831	40,605	49,601	347,786	513,912
TOTAL		10,125	42,965	22,831	40,605	49,601	347,786	513,912

REVENUES

Mello-Roos Bonds (CFD) Bond Proceeds				8,001	4,656	11,813	89,224	113,735
Tax Increment Financing							68,843	68,843
Private Capital		1,481	34,820	11,875	28,838	30,347	172,319	279,180
State and Federal Funds (unidentified)		6,144	6,145	3,425	5,911	7,440	17,389	46,453
TOTAL		7,625	40,965	22,831	39,405	49,601	347,786	508,212
Total San Francisco Jobs/Year		68	365	204	351	442	3,102	4,533

Annual Surplus / (Deficit)		(2,500)	(2,000)		(1,200)		(5,700)	(5,700)
Cumulative Surplus / (Deficit)		(2,500)	(4,500)	(4,500)	(5,700)	(5,700)	(5,700)	

Pennington Hill

SPENDING PLAN											
Transportation and Streetscape	557	2,801	4,981	2,295	10,077						
Recreation and Open Space	1,568	500	2,400		2,900						
Library Materials			30	280	300						
SoMa Stabilization Fund	928	427	1,734	73	294	4,235					
Program Administration	10	10	10	10	10	60					
TOTAL	3,063	937	6,975	343	10	2,599	10	2,599	10	2,599	17,572

REVENUES											
Local, Rincon Hill Impact Fee	3,710	1,707	6,936	294	1,174	16,939					
TOTAL	3,710	1,707	6,936	294	1,174	16,939					
Total San Francisco 1999/Year	33	16	62	3	10	151					

Annual Surplus / (Deficit)	770	(39)	121	(50)	(10)	(1,425)					(632)
Cumulative Surplus / (Deficit)	647	1,417	1,379	1,500	1,440	15					

Planning - Market & Octavia

Program / Project: Prior Market

FY 2019
FY 2023

FY 2018
FY 2017

FY 2016
FY 2015

FY 2014
FY 2013

FY 2012
FY 2011

FY 2010
FY 2009

FY 2008
FY 2007

SPENDING PLAN

Transportation and Streetscape	469	690	250	1,084	700	1,000	3,498	7,232
Recreation and Open Space		50	330	1,385	639		2,470	4,874
Greening		240	320	2,207	1,675	1,650	4,024	10,116
Childcare				672		865	945	2,482
Library Materials				73		94	103	269
Program Administration	66	19	124	243	218	346	629	1,579
TOTAL	535	999	1,024	5,674	3,232	3,955	11,688	26,552

REVENUES

Transportation	354	104	691	1,354	1,219	1,950	3,498	8,816
Open Space	246	74	488	957	862	1,382	2,470	6,232
Greening	420	120	795	1,555	1,399	2,224	4,024	10,116
Child Care	91	28	187	367	331	534	945	2,392
Library	10	3	20	40	36	58	103	259
TOTAL	1,121	329	2,181	4,272	3,847	6,148	11,039	27,816
Total San Francisco Jobs/Year		3	19	36	34	55	98	248

Annual Surplus / (Deficit)	(670)	1,156	(1,402)	615	2,193	(629)	1,263
Cumulative Surplus / (Deficit)	(670)	486	(916)	(301)	1,892	1,263	

Planning - Eastern Neighborhood												
SPENDING PLAN												
Transportation and Streetscape	1,095	3,500	90	3,013	90	90	9,610	11,298				
Recreation and Open Space	1,000	425	3,600	399	5,400	1,283	10,903	22,010				
Housing		10	2,773	140	925	909		4,597				
Childcare	1,916						984	984				
Library Materials		52	104	11	100	49	244	558				
Program Administration	182	29	431	45	358	152	761	1,776				
TOTAL	3,098	1,611	10,348	884	9,796	2,383	15,402	11,223				
REVENUES												
Local, EN Community Improvements Fund	4,467	986	10,352	1,068	8,580	3,652	18,261	42,608				
TOTAL	4,467	696	10,352	1,068	8,580	3,652	18,261	42,608				
Total San Francisco Jobs/Year		6	92	10	77	33	163	380				
Annual Surplus / (Deficit)												
Cumulative Surplus / (Deficit)												
	(915)	4	383		(1,216)	1,269	1,859	1,385				
	(915)	(911)	(527)		(1,743)	(474)	1,385					
Planning - Balboa Park												
SPENDING PLAN												
Transportation and Streetscape		69		100		90		3,259				
Recreation and Open Space		7				145		152				
Community Facilities & Services		3				94		97				
Program Administration	1	7		2		10		19				
TOTAL	1	86		102		339		527				
REVENUES												
Transportation	16	1	95		20	129		245				
Open Space & Greening	9	1	56		12	76		145				
Community Facilities & Services	5		36		7	48		91				
TOTAL	29	2	187		39	253		481				
Total San Francisco Jobs/Year		0	12		0	12		4				
Annual Surplus / (Deficit)												
Cumulative Surplus / (Deficit)												
	2	101		(63)		(86)		(46)				
	2	103		40		(46)						

Planning - Visitation Valley

Project: FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 Plan Total

SPENDING PLAN

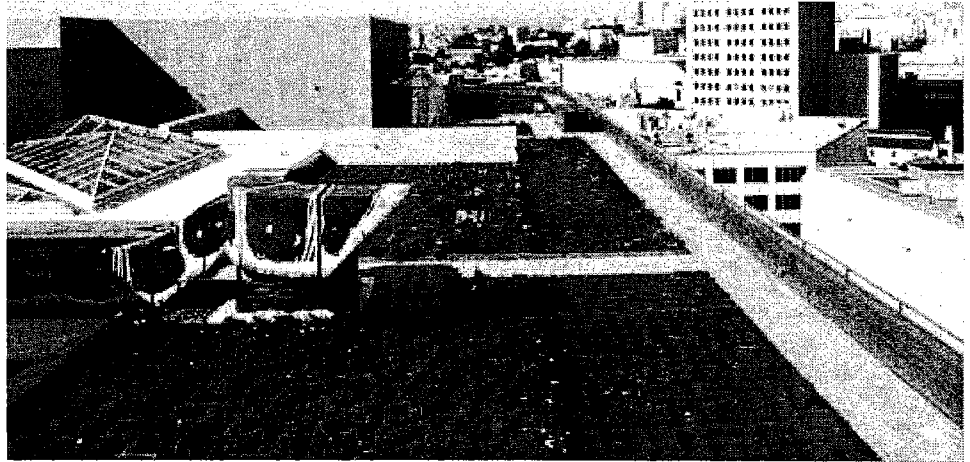
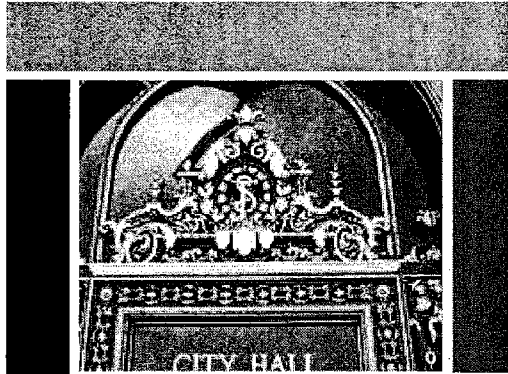
Transportation and Streetscape	301	551	351	232	240	1,200	1,457	4,011
Recreation and Open Space		340	275	200	370	1,037	1,222	3,444
Library Materials	251	302	143	140	254	735	866	2,439
Childcare	325	391	185	181	328	951	1,120	3,156
Community Facilities & Services			78		360	300	458	1,286
Program Administration	60	16	44	43	78	225	265	670
TOTAL	936	1,600	1,075	796	1,630	4,537	5,369	15,007

REVENUES

Library	251	51	143	140	254	735	866	2,188
Transportation	413	85	235	231	418	1,210	1,426	3,604
Parks and Recreation	354	72	202	198	358	1,037	1,222	3,089
Child Care	325	66	185	181	328	951	1,120	2,832
Community Facilities	133	27	76	74	134	389	458	1,159
TOTAL	1,475	302	840	824	1,492	4,321	5,093	12,872
Total San Francisco Jobs/Year	3	3	7	7	13	39	45	115

Annual Surplus / (Deficit)	(1,298)	(235)	28	(138)	(216)	(276)	(2,135)
Cumulative Surplus / (Deficit)	(1,298)	(1,533)	(1,505)	(1,643)	(1,859)	(2,135)	

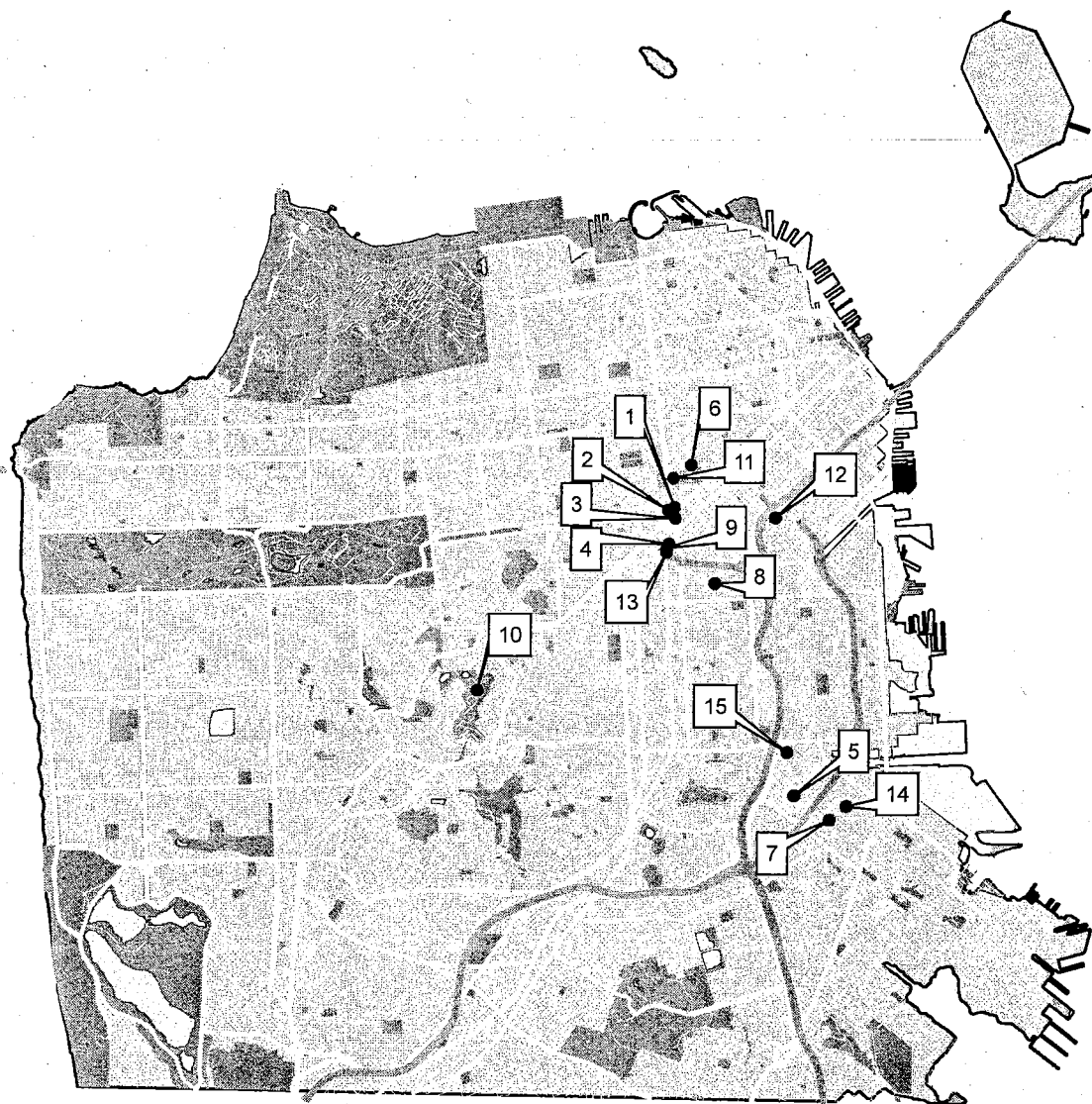
Planning Department Total											
SPENDING PLAN											
Transportation and Streetscape	1,327	2,336	6,971	6,386	4,053	2,380	10,740	32,877			
Recreation and Open Space	2,568	1,315	6,612	1,984	6,409	2,464	14,595	33,380			
Greening		240	370	2,207	1,675	1,650	4,024	10,116			
Housing		10	2,713	140	925	809		4,597			
Library Materials	251	354	276	234	614	877	1,212	3,566			
Childcare	2,240	391	185	854	328	1,816	3,049	6,622			
Community Facilities & Services			81		360	484	458	1,383			
SoMa Stabilization Fund	928	427	1,734	1,707	73	294		4,235			
Program Administration	319	73	616	340	866	743	1,665	4,104			
TOTAL	7,633	5,146	19,508	13,862	15,103	11,224	36,037	100,881			
REVENUES											
Revenue Total	10,802	13,036	20,496	12,992	14,252	14,374	35,567	100,716			
TOTAL	10,802	3,036	20,496	12,992	14,252	14,374	35,567	100,716			
Total San Francisco Jobs Year	1,276	276	783	716	127	128	317	898			
Annual Surplus / (Deficit)											
Annual Surplus / (Deficit)		(2,111)	987	(870)	(852)	3,150	(470)	(165)			
Cumulative Surplus / (Deficit)		(2,111)	(1,123)	(1,993)	(2,845)	305	(165)				



IX | General Government

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General Government



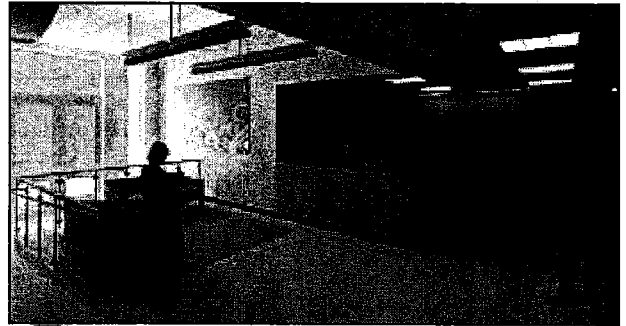
The table to the right lists the key facilities operated and maintained by the Department of Public Works (DPW), the Department of Technology (DT) and the General Services Agency (GSA).

ID	Asset
1	30 Van Ness Avenue
2	25 Van Ness Avenue
3	1 South Van Ness Ave
4	1650 Mission Street
5	Produce Market
6	Power House
7	DT Admin and Shops
8	Animal Control Facility
9	1660 Mission Street
10	DT Central Radio Station - Twin Peaks
11	City Hall
12	Hall of Justice
13	1680 Mission Street
14	DPW Central Shops
15	DPW Corporate Yard

The City's Real Estate Division manages more than four million square feet of office and other civic facilities, primarily in the Civic Center, manages the current Hall of Justice at 850 Bryant Street and the Animal Shelter at 1200 15th Street and operates several industrial/corporate yards to support the operations of multiple departments. The key facilities are displayed on the opposing page.

Highlights and Accomplishments

San Francisco made major facility improvements in the past two years to a number of its General Government facilities. These include a \$10 million investment in several floors of 25 Van Ness, to expand certain Department of Public Health functions, primarily funded through a National Institutes of Health grant. 1680 Mission received LEED certified existing building (LEED-EB) designation. One South Van Ness secured LEED-CI (commercial interiors) certification on the 6th and 8th floors. 2013 will bring LEED-EB designation to One South Van Ness, associated with investments of over \$12 million to improve the living roof, bike room, HVAC systems, install energy efficient lighting, and implementation of an industry-leading green cleaning policy.



Rendering of NIH funded office space at 25 Van Ness

The City also continues to make progress in its long-term effort to move employees from leased to owned space and improve the condition and functionality of its facilities. The City vacated its remaining footprint of over 70,000 square feet from 875 Stevenson in February, 2013, to allow the owners to re-position the asset to capture additional occupancies from the surging technology sector. City staff have relocated to a class A building at 1155 Market Street, and Repro-Mail occupies a building retrofitted just to meet their needs, as a single tenant, in an improved location at South Van Ness and 12th Street.

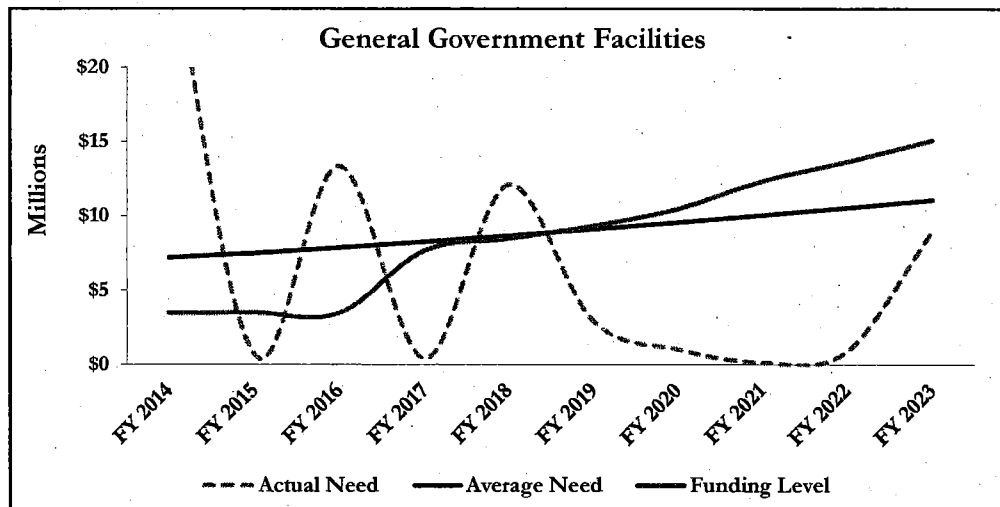
The City anticipates exploring opportunities for public-private partnership developments in the Civic Center area that could lead to improved facilities for City staff, while increasing density of development in transit-oriented locations.

The benefits of acquiring office space rather than leasing is that it offers protection from rental rate fluctuations, allows for more long-term planning, and provides greater flexibility with respect to modifying office space.

For General Government facilities, this Plan proposes investments of \$87 million.

1. Renewal Program

Renewal needs for General Government facilities total \$172 million. Given funding constraints, the Plan allocates \$83 million to meet these needs.



2. Enhancement Program (FY 2012 – FY 2021)

- **City Hall Emergency Power Capabilities.** Though City Hall is a base-isolated and earthquake safe facility, emergency power is not adequate for key back office functions to continue after an earthquake. This project will make improvements to allow provision of emergency power for those charged with carrying out the Logistics, Finance, and Administration responsibilities of the City's Emergency Response Plans.

- **Wholesale Produce Market Expansion.** In 2012, the Board of Supervisors approved the new 60 year master lease of the Wholesale Produce Market, including an expansion of the market to include Jerrold Avenue and 901 Rankin Street. CEQA approval was secured in 2012, and phase one of the project, to repurpose 901 Rankin for market expansion and new produce-related tenancy, commences in mid-2013. The project will increase the footprint of the market by about 25 percent, make improvements to comply with real estate market requirements and anticipated food safety regulations, and involve an investment of over \$70 million over two decades. Funding sources are current market revenue and a combination of financing options, all outside of the City's General Fund. An initial investment of \$5.5 million for design and construction of 901 Rankin is funded by the San Francisco Produce Market Corporation net revenues reserved to date.

The Market expansion requires the demolition of the Department of Technology (DT) Industrial Yard and the SFMTA street operations center which are currently located at 901 Rankin. The DT facility will be relocated to a leased location at Marin and 3rd Street, while SFMTA has selected two locations already in their portfolio to accommodate the relocations of their existing 901 Rankin operations. These moves will be completed by mid-2013.

- **Animal Shelter.** The Animal Shelter will receive \$28 million from ESER 2 G.O. Bonds to seismically improve or relocate the Animal Shelter due to the condition of the current facility. Constructed in 1931, the shelter is likely to be inoperable after a large earthquake and considered one of the City's most vulnerable structures. A needs and facility program assessment is expected to be completed in 2013. Confirmation of the Animal Shelter program, a test fit, and additional predevelopment planning will take place shortly afterward and a more refined number is expected in early 2014. More information on the ESER 2 Bond can be found in the Public Safety Chapter.
- **Office of the Chief Medical Examiner.** The Office of the Chief Medical Examiner will receive \$65 million from ESER 2 G.O. Bonds to relocate from the HOJ to a seismically safe facility at 1 Newhall Avenue. Storage for deceased after a large disaster as well as an improved autopsy suite and toxicology laboratory will be provided. Detailed planning will continue in FY 2014 with the expectation that construction will begin in 2015. More information on the ESER 2 Bond can be found in the Public Safety Chapter.

3. Emerging Needs

The following emerging needs will be reviewed in subsequent capital plans as additional planning occurs and uncertainty around project-specific issues is resolved.

- **Community Support Facilities.** With an aging stock of City-owned buildings used by non-profits, many with very low or zero cost leases and little attention paid to sustainable facility management practices, the City wants to ensure these assets are both safe and well maintained. In 2013, a pilot study will examine the management and capital needs at six of these facilities and make recommendations about how the City and its non-profit partners can better address the facility maintenance and capital needs of these important assets.
- **Communications System Modernization.** Faced with public safety radios that are beyond their usual life and new technology options that make interagency communication possible on a local and regional level, the City is contemplating radio and tower investments that may require several million in site improvements over the next 10 years. The City's technology decisions and funding strategy, as determined in the five-year Information and Communications Technology (ICT) Plan, will inform the level of investment in site and tower modernization. More information on the City's ICT Plan is at <http://sfcoit.org>
- **240 Van Ness Seismic Upgrade.** This structure may be replaced to consolidate with adjacent City property for future development.

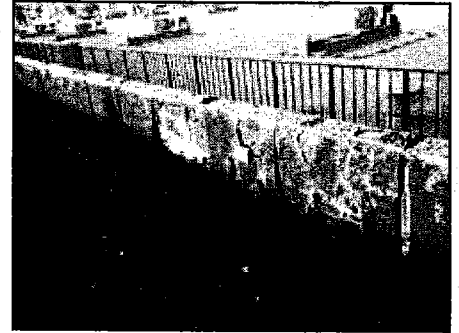
Deferred Projects

In addition to the existing backlog of deferred maintenance identified in the renewal section, the Plan defers another \$98 million in enhancements. These include the following:

- **GSA Central Shops and DPW Corporate Yard Modernization.** The plan defers the renovation and seismic upgrade of these facilities, estimated to cost approximately \$88

million. An analysis of the potential relocation of Central Shops will be completed by mid-2013, leading to the selection of a replacement facility, likely delivered through a public-private partnership. Funded by the SFPUC, this effort is part of phase I of the Southeast Water Pollution Control Facility improvements. Real Estate has also begun analyzing co-location opportunities for the various corporate yards.

- **DPW Office Consolidation and Modernization.** DPW has begun exploring the possibility of constructing a new office facility to consolidate all DPW office functions. Currently office functions are spread across the City in five locations, several of which need improvements. Preliminary budget estimates show the project costing around \$187 million; however additional analysis and planning would be needed to refine the estimates. Funding for planning has not been secured.



Central Shops Roof

General Government

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
State of good repair renewal - Need	13,822	14,375	15,093	15,848	16,640	16,640	96,546	172,324	74,322			

SPENDING PLAN

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
State of good repair renewal - Proposed Uses	13,468	13,488	3,459	7,651	8,455	60,785	87,307	8,336				

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
ADA Transition Plan Improvements	400	100										

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
Enhancements	2,960											

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
TOTAL	6,828	3,589	3,459	7,651	8,455	60,785	90,767	8,336				

REVENUES

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
General Fund	4,828	3,589	3,459	7,651	8,455	60,785	88,767					

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
Enterprise/Service Funds	2,000											

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
TOTAL	6,828	3,589	3,459	7,651	8,455	60,785	90,767					

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
Total San Francisco Jobs/Year	61	32	31	68	75	542	810					

Departmental Breakdown

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
State of good repair renewal - Need	580	604	634	665	699	4,054	7,236	857				

SPENDING PLAN

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
State of good repair renewal - Proposed Uses	297	299	296	656	725	5,211	7,484	500				

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
Biofuels Upgrade												

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
DFW Office Consolidation and Modernization												

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
TOTAL	297	299	296	656	725	5,211	7,484	275,685				

REVENUES

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
General Fund	297	299	296	656	725	5,211	7,484					

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
TOTAL	297	299	296	656	725	5,211	7,484					

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Backlog
Total San Francisco Jobs/Year	3	3	3	6	6	46	67					

Department of Technology

Program/Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
State of good repair renewal - Need	325	338	355	372	391	2,268	4,049	

SPENDING PLAN

State of good repair renewal - Proposed Uses	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
TOTAL	58	59	58	129	142	1,021	1,467	308

REVENUES

General Fund	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
TOTAL	58	59	58	129	142	1,021	1,467	308
Total San Francisco Jobs/Year	1	1	1	1	1	9	13	

General Services Agency

Program/Project	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
State of good repair renewal - Need	12,917	13,433	14,105	14,810	15,551	90,223	161,039	73,464

SPENDING PLAN

State of good repair renewal - Proposed Uses	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
ADA Transition Plan Improvements - GSA	400	100					500	
City Hall Emergency Power Capabilities	960						960	
1660 Mission Tenant Improvements	2,000						2,000	
TOTAL	6,472	3,231	3,104	6,867	7,588	54,553	81,816	7,528

REVENUES

General Fund	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Plan Total	Backlog
Enterprise/Service Funds	4,472	3,231	3,104	6,867	7,588	54,553	79,816	
TOTAL	6,472	3,231	3,104	6,867	7,588	54,553	81,816	
Total San Francisco Jobs/Year	58	29	28	61	68	487	730	

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A. Administrative Code Sections 3.20 and 3.21

SEC. 3.20. CAPITAL EXPENDITURE PLAN.

By March 1 of each odd-numbered year, beginning with March 1, 2013, the City Administrator shall submit to the Mayor and Board of Supervisors a ten-year capital expenditure plan which shall include an assessment of the City's capital infrastructure needs, investments required to meet the needs identified through this assessment, and a plan of finance to fund these investments. By May 1 of the same year, the Mayor and Board of Supervisors shall review, update, amend, and adopt by resolution the ten-year capital expenditure plan. The Mayor and Board of Supervisors may update the plan as necessary and appropriate to reflect the City's priorities, resources, and requirements.

The capital expenditure plan shall include all recommended capital project investments for each year of the plan. The plan shall incorporate all major planned investments to maintain, repair, and improve the condition of the City's capital assets, including but not limited to city streets, sidewalks, parks, and rights-of-way; public transit infrastructure; airport and port; water, sewer, and power utilities; and all City-owned facilities.

The capital expenditure plan shall include a plan of finance for all recommended investments, including proposed uses of General and Enterprise Funds to be spent to meet these requirements. Additionally, the plan shall recommend the use and timing of long-term debt to fund planned capital expenditures, including General Obligation bond measures.

The capital expenditure plan shall include a summary of operating costs and impacts on City operations that are projected to result from capital investments recommended in the plan. This operations review shall include expected changes in the cost and quality of City service delivery.

The plan shall also include a summary and description of projects deferred from the ten-year capital expenditure plan given non-availability of funding necessary to meet assessed capital needs. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005; amended by Ord. 40-06, File No. 060078, App. 3/10/2006; Ord. 222-11, File No. 111001, App. 11/15/2011, Eff. 12/15/2011 (Former Sec. 3.20 added by Ord. 223-97, App. 6/6/97; amended by Ord. 55-98, App. 2/20/98; repealed by Ord. 216-05)

SEC. 3.21. CAPITAL PLANNING COMMITTEE.

There is hereby created a Capital Planning Committee consisting of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. Each member of the Capital Planning Committee may designate a person to represent her or him as a voting member of the Committee. Such designations shall be in written documents signed by the designating member and filed with the City Administrator, or her or his designee.

The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan. As such, the Capital Planning Committee shall (1) establish prioritization and assessment criteria to assist the City Administrator with the development of the capital expenditure plan, (2) annually review the City Administrator's proposed capital expenditure plan prior to its submission to the Mayor and Board of Supervisors, and (3) review the annual budget and any proposed use of long-term debt, including General Obligation bonds, to ensure compliance with the adopted capital expenditure plan.

The Board of Supervisors shall not place on the ballot, or authorize the issuance of any long term financing, until the Capital Planning Committee completes a review of the proposal and submits its recommendation to the Board of Supervisors. Each proposal shall be in form and substance satisfactory to the Committee, and shall be accompanied by descriptive financial, architectural, and/or engineering data, and all other pertinent material in sufficiently complete detail to permit the Committee to review all aspects of the proposal. The Committee shall submit a written report to the Mayor and the Board analyzing the feasibility, cost, and priority

of each proposal relative to the City's capital expenditure plan.

The Chair of the Capital Planning Committee is hereby authorized to adopt such rules, definitions, and procedures as are necessary to meet the requirements described in Section 3.20 and 3.21. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005) (Former Sec. 3.21 added by Ord. 223-97, App. 6/6/97; repealed by Ord. 216-05)

B. Job Creation Estimation Methodology

In an effort to better evaluate and prioritize capital projects, local governments are examining not only upfront financial costs but also their contributions of direct and indirect jobs generated by the capital investment. The City and County of San Francisco's FY 2014-2023 Capital Plan estimates more than \$15 billion in capital projects during the next five years, which will create as many as 141,000 San Francisco jobs. A job is defined as one job year of full-time work. For example, five people employed for four years equals 20 job years. This jobs estimate is based on the REMI Policy Insight model which attributes 8.92 direct and indirect San Francisco jobs per million dollars in construction spending. This is exclusive of the additional jobs created outside of the City and County as workers and materials migrate in from surrounding areas.

Customized for San Francisco, REMI has the unique ability to determine the effects of taxes and other variables on the local economy. As a result, the Controller's Office of Economic Analysis uses this model for analyzing the economic impact of pending legislation. The table below summarizes the number of job years from the REMI model based on \$1 million of construction spending in San Francisco. As indicated, each \$1 million invested in construction activities results in 6.23 direct construction jobs, 2.69 indirect jobs in the various economic sectors noted above, totalling 8.92 direct and indirect jobs. Stated another way, for each direct construction job, there are 1.43 total jobs (8.92/6.23), or a construction job multiplier of 1.43.

Estimated Private Jobs Created from Construction Spending in San Francisco

Economic Sector	Total San Francisco Jobs per \$1M Construction Spending
Construction	6.23
Professional and Technical Services	0.46
Retail Trade	0.50
Administrative and Waste Services	0.26
Health Care and Social Assistance	0.26
Other Services, except Public Administration	0.31
Accommodation and Food Services	0.25
Finance and Insurance	0.13
Wholesale Trade	0.15
Transportation and Warehousing	0.02
Real Estate and Rental and Leasing	0.10
Arts, Entertainment, and Recreation	0.08
Information	0.04
Manufacturing	0.06
Educational Services	0.06
Management of Companies and Enterprises	0.01
Forestry, Fishing, Related Activities, and Other	0.00
Mining	0.00
Utilities	0.00
Total Private-Sector Jobs	8.92
Construction Multiplier	1.43
Direct Construction Jobs	6.23
Indirect Employment in Other Sectors	2.69

Source: Economic Multipliers from Office of Economic Analysis, Controller's Office REMI Model Outputs, 12/18/2012 from \$1 million construction spending.

C. Funding Principles

	Criteria Description	Criteria Measurement
Priority 1	<p>Improvement is necessary to comply with a federal, state, or local legal mandate.</p> <p>The City faces a wide range of directives to improve its facilities, some with significant consequences for failure to perform.</p>	<ul style="list-style-type: none"> • Action is mandated or required by local, state, or federal law, legal judgment or court order. • Action reduces the City's exposure to legal liability. • There are significant legal, financial, operating, or accreditation consequences for failure to perform.
Priority 2	<p>Provides for the imminent life, health, safety and security of occupants and the public or prevents the loss of use of the asset.</p> <p>Capital projects that minimize physical danger to those who use and work in City facilities, including protection during seismic events and exposure to hazardous materials.</p>	<ul style="list-style-type: none"> • The facility has a poor seismic rating with a high risk of collapse or structural damage. • Increases resiliency to withstand and recover from a disaster, particularly in critical facilities (i.e., hospitals, police and fire stations, jails, sewer system, pump stations, etc). • Mitigates hazardous materials and/or protects the vital environmental health of those who visit, use, and work in City facilities.
Priority 3	<p>Ensures timely maintenance and renewal of existing infrastructure.</p> <p>It is imperative to maintain the City's infrastructure. However, the lack of maintenance at some facilities will have a greater effect on the asset's value and/or future repair and replacement costs.</p>	<ul style="list-style-type: none"> • Failure to implement project risks potential loss or reduces the useful life of a City asset's value. • The facility provides government services that cannot be provided at another location.
Priority 4	<p>Supports formal programs or objectives of an adopted plan or action by the Board or Mayor.</p> <p>Capital investments should be integrated with adopted departmental and citywide long-term goals and objectives.</p>	<ul style="list-style-type: none"> • Supports a formally adopted plan or action by the Board of Supervisors or Mayor, (i.e., the City's General Plan or Neighborhood Area Plan) • Makes a substantial contribution to a broadly-accepted citywide goal (i.e., ecological sustainability or historic preservation)
Priority 5	<p>Enhances the City's economic vitality by stimulating the local economy, increasing revenue, improving government effectiveness, or reducing operating costs.</p> <p>Some projects have a direct or indirect effect on the City's revenues or expenditures. Cost savings or revenue enhancements may help offset the cost to the City of some capital investments.</p>	<ul style="list-style-type: none"> • Generates direct (increased service charges, leases, fees, grants, gifts, or other sources) or indirect (economic development, an increased tax base, business attraction or retention, or other sources) revenues. • Reduces maintenance or operating costs (i.e., through capital renewal, building redesign, or reduced staffing needs). • Improves government effectiveness and efficiency in the delivery of services (i.e., faster response times, improved customer service, or increased departmental coordination).

D. Methodology, Assumptions & Terms

Methodology

Under direction of the City Administrator, department staff annually assesses facility conditions, determines cost projections for renewal projects and proposed enhancements, and analyzes available funding resources to prepare a ten-year capital plan.

Through a series of meetings the CPC reviews proposals, staff recommendations, and documents toward the development of the citywide capital plan. These reviews do not, and are not meant to, replace the authority of department commissions' or other oversight bodies under the City Charter and other codes. Rather, the ten-year plan is meant to provide a forum that examines capital needs from a citywide perspective and to foster a dialogue on those needs between stakeholders, commissions, the Mayor, and the Board of Supervisors.

Staff uses two approaches to collect data for the Plan. The Facilities Renewal Resource Model (FRRM) is used to collect information on the state of repair for major facility and infrastructure subsystems (also known as renewals) for all of the General Fund departments. The Airport, Port, and MTA have implemented this model for their facilities as well. In addition, General Fund departments submitted enhancement requests using the Capital Planning and Reporting database (CPRd). Each proposal is reviewed by professional staff (e.g., architects, engineers, etc.) and categorized as a funded, deferred, or emerging need.

- **Facilities Renewal Resource Model (FRRM)**

For the eighth year, the City used the facility life-cycle model to predict annual funding requirements for General Fund department facilities. The objectives of the facility modeling effort are listed below.

- Develop a budget model to predict annual funding requirements for facilities renewal and document the existing backlog of deferred maintenance in a consistent way for all departments.
- Provide a basis for a funding plan that will first address adequate resources for renewal and then a reduction of the deferred maintenance backlog.
- Create consistent and comparative data among departments for determining funding allocations and targets for addressing renewal as a part of operating or capital budgets.
- Deliver a cost model to each department with associated staff training so that facilities renewal and deferred maintenance needs can be updated annually and progress in meeting those needs can be measured.
- Provide a planning tool for departmental use which provides a useful life "systems" profile of each building, as a way of predicting future funding needs or packaging projects to leverage fund sources.
- Develop a credible model to assess needs consistently and to focus on total funding needs and strategies.

The model uses building information (gross square feet, construction date, facility subsystem type), and an approach based on subsystem life cycles and replacement costs to estimate the backlog of deferred maintenance and future capital reinvestment needs. Below is an example of the ten-year renewal forecast report generated by FRRM for a particular facility. This report – one of dozens available – shows subsystems within the building that need to be replaced during the next 10 years and the corresponding cost (in thousands). A variety of other reports are available for further analysis.

Building Name: SFGH - MAIN HOSPITAL (BLDG 5)		CRV(000's): \$511,376		Building No.: 912		GSF: 617,400		Year Built: 1974		FCI: 0.00			
Backlog and 10 year Renewal Forecast by Building (000's)													
Subsystem Name		Backlog	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
a.3. Roofing - Mmbrn,Built-up,Shingle, Bitumin		\$0	\$776	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$776
b.1. Building Exteriors (Hard)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$295	\$0	\$0	\$0	\$295
c.1. Elevators and Conveying Systems		\$0	\$3,253	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,253
e.1. HVAC - Distribution Systems		\$0	\$14,077	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,077
d.1. HVAC - Equipment		\$0	\$8,332	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,332
d.2. HVAC - Controls		\$0	\$7,121	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,121
f.1. Electrical Equipment		\$0	\$0	\$22,486	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,486
g.1. Plumbing Fixtures		\$0	\$2,733	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,733
i.1. Fire Protection Systems		\$0	\$2,603	\$473	\$1,183	\$473	\$0	\$0	\$0	\$0	\$0	\$0	\$4,732
i.2. Fire Detection Systems		\$0	\$0	\$2,957	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,957
k.1. Built-In Equipment and Specialties		\$0	\$7,160	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,160
i.2. Interior Finishes		\$0	\$2,366	\$0	\$0	\$0	\$0	\$9,464	\$0	\$0	\$0	\$0	\$11,830
k.2. Hospital Equipment		\$0	\$13,708	\$4,569	\$0	\$4,569	\$0	\$0	\$0	\$0	\$0	\$0	\$22,847
TOTAL BY BUILDING		\$0	\$62,129	\$30,486	\$1,183	\$5,043	\$0	\$9,464	\$295	\$0	\$0	\$0	\$108,599

Each department maintains the model, with the capability of summarizing information at both the department and citywide level. The model has a great deal of built-in flexibility that allows the city to enter new data and even change the underlying assumptions in future years.

The FY 2014-2023 Capital Plan reflects renewal data collected from August through December 2012 and includes detailed information for each General Fund department. These findings are summarized in the renewal graphs and the renewal line of the financial summary schedules for each of the General Fund service areas found in Chapter I.

Assumptions

- In FY 2014 and FY 2015, the Plan uses the Annual Infrastructure Construction Cost Inflation Estimate (AICCIE) of four percent as the escalation rate. For every year thereafter, the Plan assumes an annual escalation rate of five percent for all projects, unless otherwise noted.
- Fiscal years (FY) in the Plan refer to the calendar year in which the City's July 1 to June 30 budget cycle ends. For example, FY 2014 equals the calendar year dates from July 1, 2013 to June 30, 2014.
- Dollars are listed in thousands for all financial schedules unless otherwise noted.
- For all proposed General Obligation bonds, the financial schedules show the total bond amount in the fiscal year during which the bond is to be approved by voters. For example, a G.O. bond proposal on the November 2014 ballot will appear in FY 2015 of the financial schedule.
- The General Obligation bond program assumes growth in Net Assessed Value of 4.2 percent in FY 2014, 2.3 percent in FY 2015, 2.3 percent in FY 2016, and 4.5 percent annually thereafter.
- When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels. In other words, new G.O. bonds will only be used as a funding source when existing approved and issued debt is retired and/or the property tax base grows.
- The General Fund Debt program assumes that General Fund discretionary revenues grow 4.5 percent in FY 2014, 2.1 percent in FY 2015, 3.0 percent in FY 2016, and 4.5 percent annually thereafter and that the amount of General Fund revenues spent on debt service will not exceed 3.25 percent.
- The Pay-as-you-go program assumes only General Fund revenue sources:

C. General Terms

Commonly used terms throughout the Plan are defined below.

- **Assessed Value.** The dollar value assigned to individual real estate or other property for the purpose of levying taxes. Net Assessed Value is the total assessed value across the City less any exempt property.
- **Capital Project.** A major construction and improvement project, including the planning and design phases. Examples include the resurfacing of a street and the construction of a new hospital, bridge, or community center.
- **Certificates of Participation (COPs).** A commonly used form of lease financing for capital improvement projects or purchases of essential equipment in which the debt service on the financing is secured by an underlying lease structure.
- **Community Facility District (CFD) - also known as a Mello-Roos District.** A district where a special property tax on real estate, in addition to the normal property tax, is imposed on property owners within the district to fund public improvements benefiting the district. The tax is often used to secure debt.
- **Debt Service.** The annual payment of principal and interest on the City's bonded debt.
- **Deferred Project.** Project not funded in the Plan either due to lack of funding or the timeline of the project falling outside of the ten-year planning cycle.
- **Emerging Need.** Project not funded in the Capital Plan because additional planning is needed or significant uncertainty around project-specific issues still exists.
- **Enhancement.** Investment that increases an asset's value or useful life and/or changes its use. These typically result from the passage of new laws or mandates, functional changes, or technological advancements. Examples include purchasing or constructing a new facility or park; major renovations of or additions to an existing facility; accessibility improvements to comply with the Americans with Disabilities Act (ADA); and planting new street trees.

While enhancements can be small-scale projects such as the removal of barriers to comply with ADA requirements, these typically are large-scale, multi-year, projects such as renovations, additions, or new facilities. While some project costs can be funded with pay-as-you-go sources, most enhancements require debt financing through the issuance of General Obligation (G.O.) bonds, Certificates of Participation (C.O.P.s) or lease revenue bonds.

- **Enterprise Department.** Department that does not require a General Fund subsidy because it generates its own revenues from fees and charges for services. The City has four Enterprise departments: Public Utilities Commission, San Francisco International Airport, Port of San Francisco, and the Municipal Transportation Agency.
- **External Agency.** Agency that is a separate, autonomous entity and operates outside the jurisdiction of the City and County of San Francisco.
- **General Fund Department.** Department that relies primarily or entirely on the General Fund as a revenue source to provide City services. The General Fund departments included in the Plan are the California Academy of Sciences, Asian Art Museum, Arts Commission, Department of Emergency Management, Department of Public Health, Department of Public Works, Department of Technology, District Attorney's Office, Fine Arts Museum, Fire Department, General Services Agency, Human Services Agency, Juvenile Probation, Police Department, Public Library, Recreation and Parks Department, Sheriff's Department, Superior Court of California, and the War Memorial and Performing Arts Center.
- **General Fund.** The largest of the City's funds, the General Fund is a source for discretionary spending and funds many of the basic municipal services such as public safety, health and human services, and public works. Primary revenue sources for the General Fund include local taxes such as property, sales, business, and other taxes.
- **General Obligation Bonds (G.O. Bonds).** A municipal bond secured by property tax revenues. G.O. Bonds are appropriately used for the construction and/or acquisition of improvements to real property broadly available to the residents and visitors of San Francisco.
- **Horizontal Infrastructure.** Infrastructure required to deliver basic public goods and services such as roads, sewers, water lines, bridges, transit rail, and open space, among others.
- **Job Years.** Defined as one year of full-time work. For example, three people employed full-time for five years represent 15 job years.
- **Pay-as-you-go.** Refers to the funding of capital projects with current revenue on an annual basis rather than long-term debt. Pay-as-you-go projects are typically funded by General Fund revenues.
- **Renewal.** Investment that preserves or extends the useful life of facilities or infrastructure. Examples of renewal projects include the repair and replacement of major building systems including the roof, exterior walls and windows, and heating and cooling systems; street resurfacing; and the repair and replacement of infrastructure in the public right-of-way, including sidewalks and street structures.

Since renewal projects tend to be smaller investments compared with investments needed to replace entire facilities, the proposed plan funds the majority of these needs through pay-as-you-go cash revenue sources, typically appropriated through the City's annual budget process.

- **Revenue Bond.** A municipal bond secured by and repaid from specific revenues. Pledged revenues are often earnings from a self-supporting enterprise or utility. Typically, these revenues are associated with the asset for which the bond was originally issued.
- **Routine Maintenance.** Projects that provide for the day-to-day maintenance of existing buildings and infrastructure, including labor costs. Unlike renewals and enhancements, these are annual projects.
- **Vertical Infrastructure.** Facility structures such as hospitals, clinics, public safety buildings, administrative facilities, public housing units, community centers, and jails, among others.

E. Infrastructure Finance Districts: Threshold & Strategic Criteria

The following threshold and strategic criteria to guide the use of future Infrastructure Finance Districts (IFDs) in San Francisco were adopted by the Board of Supervisors (BOS) on February 18, 2011. These criteria are in addition to those in IFD law (CA Government Code section 53395 et. seq.)

The Guidelines are organized into two sets of criteria: (1) minimum "Threshold Criteria" that must be satisfied for an IFD to be formed by the BOS and (2) "Strategic Criteria" that may be considered when deciding whether to form a future IFD. These policy guidelines would not apply to any existing Redevelopment Area (IFD law prohibits it) or to any property owned or managed by the Port of San Francisco.

Threshold Criteria:

1. Limit to areas that are rezoned as part of an Area Plan or Development Agreement approved by the Board of Supervisors (BOS) and also adopted as a Planned Priority Development Area (PDA) by the Association of Bay Area Governments (ABAG). Priority Development Areas (PDAs) are locally-identified, infill development opportunity areas within existing communities. They are generally areas of at least 100 acres where there is local commitment to developing more housing along with amenities and services to meet the day-to-day needs of residents in a pedestrian-friendly environment served by transit. To be eligible to become a PDA, an area has to be within an existing community, near existing or planned fixed transit or served by comparable bus service, and planned for more housing. Designation of PDAs expresses the region's growth priorities and informs regional agencies, like the Metropolitan Transportation Commission (MTC), which jurisdictions want and need assistance. Planned PDAs are eligible for capital infrastructure funds, planning grants, and technical assistance. Linking creation of future IFDs to areas designated as PDAs will allow the City to leverage the increment generated by an IFD to increase its chances to receive matching regional, state or federal infrastructure and transportation grants.

2. Limit to areas where a rezoning results in a net fiscal benefit to the General Fund as determined by the Controller's Office. Specifically, the City must demonstrate that any added General Fund costs generated by the new service population projected to result from the growth supported by a rezoning are offset by greater General Fund revenues, resulting in a net fiscal benefit or surplus. As a general rule, this would mean that use of IFDs would be limited to areas that received substantial & quantifiable upzoning, based on actual net increases in height, bulk, density that result in greater developable FAR than the previous "baseline" zoning, or through liberalization of land use and permitting provisions that increase the certainty of entitlements and the value of property.

3. In general, restrict the maximum increment available to an annual average of 33-50% over the 30-year term of the IFD, and in no event allow the annual average increment over the life of the IFD to exceed the projected net fiscal benefit over the life of the IFD. This maximum average cap would include annual pay-as-you-go monies and bond service payments or some combination of both. The maximum average increment cap may be increased to 50% to fund neighborhood infrastructure that also provides clear citywide benefits, like an extension or upgrade of a MUNI light rail line or the development of a City-serving park. In any event, this policy would guarantee that an IFD diversion should always be less than the net fiscal benefit, guaranteeing that there is at least some gain to the General Fund in all circumstances. This policy would not prevent the "front-loading" of increment in the beginning years of an IFD to allow for bonding and the acceleration of construction of neighborhood-serving infrastructure, especially since accelerating delivery of infrastructure should have a correspondingly positive effect on property tax revenues for the General Fund.

4. Limit to areas with documented existing infrastructure deficiencies. Because the City has not developed universally-applied and objective citywide standards for assessing the sufficiency (or deficiency) of existing neighborhood-serving infrastructure, BOS-adopted planning documents (like Area Plans) that qualitatively and/or quantitatively describe such deficiencies will suffice until new citywide standards are adopted at a later date. After the adoption of a new IFD policy, the Capital Planning Committee should be tasked with developing a systematic and quantitative set of criteria or standards for assessing existing neighborhood infrastructure deficiencies in the following areas: (i) neighborhood parks & open space improvements; (ii) "Better Streets" streetscape & pedestrian safety improvements; (iii) bicycle network improvements; (iv) transit-supportive improvements; (v) publicly-owned community center and/or child-care facilities. Furthermore, the CPC would need to adopt citywide standards to avoid the use of IFD funds for "gold-plated park benches" or facilities that far exceed citywide norms for cost and quality.

5. Limit use of IFD monies to individual infrastructure projects where a source of long term maintenance funding is identified. Within an IFD, limit expenditure of IFD monies to projects that have identified a separate source of funding for ongoing maintenance and operations. In some cases this could be through public-private agreements, such as a Master HOA agreeing to maintain a public park or a Community Benefit District agreeing to fund long-term maintenance, or via the creation of a new supplemental property tax assessment district, like a Mello-Roos Community Facilities District.

Strategic Criteria:

- » In general, limit IFDs to parcels without any occupied residential use. The City may want to exclude parcels that contain existing occupied residential structures. This is because IFD law requires an actual voter-based election if there are 12 or more registered voters within the proposed boundaries of an IFD. If there are less than 12 registered voters, the law only requires a weighted vote of the property owners, which, in general, should reduce the complexity and time required for forming a district. On the other hand, there may be circumstances where a voter-based election may be both desirable and manageable.
- » Use IFDs as a strategy to leverage additional non-City resources. As noted in Threshold Criteria #1 above, IFDs should be used as a tool to leverage additional regional, state and federal funds, thereby serving a purpose beyond earmarking General Fund resources for needed infrastructure. In particular, IFDs may prove instrumental in securing matching federal or state dollars for transportation projects.
- » Consider adopting a limited policy of “overriding considerations” for situations where the BOS may have adopted zoning that purposely restricts or limits the economic “highest and best” use of a given area, thereby limiting or reducing the net General Fund benefit derived from a rezoning, but where other social policy objectives might dictate that some IFD revenues be spent on supportive infrastructure.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee *EL*
RE: Ten Year Capital Expenditure Plan - FYs 2013-2014 through 2022-2023
DATE: March 5, 2013

Attached for introduction to the Board of Supervisors is the resolution adopting the City's ten-year capital expenditure plan for FYs 2013-2014 through 2022-2023 pursuant to pursuant to San Francisco Administrative Code Section 3.20.

Please note this item is cosponsored by Supervisor Chiu.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

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cc. Supervisor David Chiu

