FY2020-29 Capital Plan Off-Year Update:
November 2020 G.O. Bond

May 4, 2020
Plan Funding Principles and Resilience Challenges

Capital Funding Principles

- Legal Mandate
- Life Safety and Resilience
- Asset Preservation and Sustainability
- Formal Programs or Objectives
- Economic Vitality and Development

Resilience Challenges

- **EARTHQUAKES**
  There is a 76% chance the Bay Area will experience a 7.0 magnitude earthquake in the next 30 years. Even the relatively moderate and distant 1989 Loma Prieta Earthquake (6.9) caused substantial damage to our city. It is imperative to the survival of San Francisco that we continue working to prepare and recover from the “big one.”

- **INFRASTRUCTURE**
  Infrastructure is central to our daily lives—from the roads and pipes we use every day, to the larger systems, like food and social networks and housing that we rely on as lifelines. Sometimes these systems continue to operate past their intended life span and sometimes they are inadequate all together to meet the needs of a growing and vibrant city.

- **CLIMATE CHANGE**
  The impacts of global climate change are already being felt in the form of drought and increasingly severe storm events. We must secure our city’s future through mitigation, while recognizing the likely impacts of climate change by beginning to adapt today rather than when it is too late.

- **SOCIAL INEQUITY**
  San Francisco embraces equality and equity in all policies but this work is never done. Social equity and inclusiveness needs to be at the core of what makes a city thrive.

- **SEA LEVEL RISE**
  We expect a total in 66” of sea level rise to impact our shores by 2100. As we plan for the growth of our city, we need to adapt to this challenge that threatens not only our waterfront but also our way of life in San Francisco and regionally.

- **UNAFFORDABILITY**
  Forty-five percent of renters in San Francisco pay more than 30% of their household income in rent. Median home prices are continuing to rise, making it a challenge for first time home buyers. San Francisco is becoming out of reach for many of the people who made the city what it is today.
## Planned GO Bonds from FY2020-29 Capital Plan

<table>
<thead>
<tr>
<th>Election Date</th>
<th>Program</th>
<th>$M</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nov 2019</td>
<td>Affordable Housing</td>
<td>500*</td>
<td>Revised up to $600M</td>
</tr>
<tr>
<td>Mar 2020</td>
<td>Earthquake Safety &amp; Emergency Response</td>
<td>628.5</td>
<td></td>
</tr>
<tr>
<td>Nov 2020</td>
<td>Parks and Open Space</td>
<td>255</td>
<td></td>
</tr>
<tr>
<td>Jun 2022</td>
<td>Transportation</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>Nov 2023</td>
<td>Public Health</td>
<td>220</td>
<td></td>
</tr>
<tr>
<td>Nov 2026</td>
<td>Waterfront Safety</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Nov 2027</td>
<td>Earthquake Safety &amp; Emergency Response</td>
<td>271.5</td>
<td></td>
</tr>
<tr>
<td>Nov 2028</td>
<td>Parks and Open Space</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>2,725</td>
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</table>
In November of 2019 Mayor Breed asked City Administrator Kelly to re-prioritize the G.O. Bond Program to reflect and address the urgency of San Francisco’s mental health crisis.

Staff from DPH and HSH worked to identify high-value bond-eligible capital investments that would help San Francisco better serve people struggling with behavioral health and homelessness challenges.

• **Bonds must be used for capitalizable assets, cannot be used for leased facilities, services, or temporary investments.**
Off-Year Update Context: Building Recovery

More recently, with the rise of the COVID-19 and associated leap in unemployment, an urgent need to invest in shovel-ready projects and programs has arisen.

Basic infrastructure investments in parks and recreation facilities and right-of-way infrastructure can get people back to work quickly and help San Francisco recover.

Deferred right-of-way and facilities maintenance would otherwise go unfunded in recession and budget cuts climate.
Behavioral Health and Homelessness Approach

Data-driven approach to inform decisions and guide investments

- Homelessness and Behavioral Health (JSI-Tipping Point, 2019)
- Behavioral Health Services Audit (BLA, 2018)
- Other reports dating back to 2009

Goals

- Low-barrier access to welcoming, high quality behavioral health care that matches their needs for people experiencing homelessness
- A system of care grounded in evidence-based practices that reduces harm, increases recovery, and is suited to efficiently deliver behavioral health services to people experiencing homelessness
Behavioral Health and Homelessness
Target Population

18,000
Adults Experiencing Homelessness in San Francisco

4,000
Experiencing homelessness, psychosis, and substance use disorder

237
Whole Person Care Shared Priority Initiative

Estimated populations of 18,000 and 4,000 based on FY1819 CCMS data.
Recent needs analysis shows priority needs in the system for:

- Locked sub-acute treatment facilities, residential treatment, and/or residential stepdown beds
- Long-term placement facilities, such as board and care and other residential care

Other investments that would improve San Francisco’s ability to serve those experiencing homelessness, mental health challenges, and substance use disorder:

- Permanent supportive housing units and shelters
- Behavioral health respite facilities, including detox
- A new centralized Behavioral Health Access Center
- Improvements to existing behavioral health facilities
Proposed November 2020 Bond Program: Mental Health and Homelessness

<table>
<thead>
<tr>
<th>Investment Priorities</th>
<th>$197M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent supportive housing units and shelters</td>
<td></td>
</tr>
<tr>
<td>Locked sub-acute treatment facilities, residential treatment facilities, and/or residential stepdown facilities</td>
<td></td>
</tr>
<tr>
<td>Behavioral health respite facilities, including detox</td>
<td></td>
</tr>
<tr>
<td>A new centralized Behavioral Health Access Center</td>
<td></td>
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<tr>
<td>Existing full-service health facility at Chinatown Public Health Center</td>
<td></td>
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<tr>
<td>Facilities for long-term placements, such as board and care and other residential care</td>
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Recovery Investment

Citywide capital planning keeps the City looking ahead and advancing projects towards construction. Shovel-ready parks projects and street infrastructure improvement programs can get people working again quickly.

Construction is one of the most powerful jobs stimulus engines.

- Every $1 million in construction spending creates an estimated 5.93 jobs.

Bonds enable construction and are an important local counter-recessionary tool.

Looking back at the Great Recession that began in 2008, San Francisco voters approved 4 G.O. Bonds totaling $1.7B that helped the city recover.

- From FY2008 to FY2013, $1.4B in bond proceeds were sold, creating an estimated 9,500 jobs.
Recovery/Unemployment Need

More than 70,000 SF Unemployment Claims Since Mid-March

Weekly Initial Claims for Unemployment in San Francisco Since January 2020
Recovery/Parks Capital Portfolio

4,113 acres of recreational and open space
3,400 acres within San Francisco
671 marina slips
222 neighborhood parks
181 playgrounds and play areas
151 tennis courts
72 basketball courts
82 recreation centers and clubhouses
59 soccer/playfields
37 community gardens
31 natural areas
29 off-leash dog areas
9 swimming pools
6 golf courses
2 stadiums
Recovery/Parks Capital Needs

- Growing population
- Growing density
- Growing environmental challenges
- Growing disparities
- Growing need for open space, especially in times of crisis
Recovery/Parks Capital Priorities

- High Needs: Equity
- High Needs: High Growth
- Conditions Assessment
- Multi-use Community Hub
- Life Safety & Seismic

Project Readiness
- Engaged with Community
- Design in Progress

Leveraged Funding
Recovery/Parks Capital Needs Analysis
## Proposed November 2020 Bond Program: Recovery/Parks

<table>
<thead>
<tr>
<th>Investment Priorities</th>
<th>$200M</th>
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<tr>
<td><strong>NAMED PROJECTS</strong></td>
<td><strong>115</strong></td>
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<tr>
<td>Gene Friend Rec Center</td>
<td>50</td>
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<tr>
<td>Herz Playground/Sunnydale HOPE SF</td>
<td>10</td>
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<tr>
<td>India Basin</td>
<td>30</td>
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<tr>
<td>Japantown Peace Plaza</td>
<td>25</td>
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<tr>
<td>Community Opportunity Fund</td>
<td></td>
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<tr>
<td>Trails</td>
<td></td>
</tr>
<tr>
<td>Mini-Parks</td>
<td></td>
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<tr>
<td>Community Gardens</td>
<td></td>
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<tr>
<td><strong>Contingency/Administration</strong></td>
<td></td>
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Recovery/Streets and Right-of-Way Need

San Francisco is responsible for:

• 1,200+ miles of streets
• Approximately 50,000 curb ramp locations
• 371 street structures and 9 plazas

Primary funding source for streets and right-of-way in recent years has been the Pay-Go Program (General Fund and SB1 State gas tax funds).

*Delaying investments significantly increases costs of improvements.*
Recovery/Streets and Right-of-Way Work

Streets work can include:

- Pavement preservation treatments
- Replacement of concrete parking strips, medians, bus pads, and curb edges
- Traffic routing, adjustments to manhole frames and covers, and catch basin frames
- Resurfacing streets and sidewalks, filling asphalt surfaces and repairing concrete bases

Curb ramps projects provide pedestrian access between the sidewalk and roadway for people using wheelchairs, strollers, walkers, crutches, bicycles and pedestrians who have trouble stepping up and down high curbs.

Street structures and plazas work can include fixing:

- Broken fences, railings and exposed rebar
- Deficiencies on bridges and overpasses
- Old mechanical and electrical equipment
- Settled stairways, uneven steps, and landings
- Tilted retaining walls and failed construction joints
Recovery/Pavement Condition Index (PCI)

- San Francisco’s current Pavement Index Condition (PCI) is 74
- Goal is to have a PCI of 75 by 2025

PCI Score Legend

- **0 – 49**: Repair/Reconstruction (grind and pave with base repairs)
- **50 – 63**: Resurfacing (grind and pave only)
- **64 – 84**: Treatment to extend life of street (e.g. crack sealing, slurry sealing)
- **85 – 100**: No improvement needed
Recovery/ROW Priorities

**Street Repaving:**
- PCI score
- Complaints
- Project readiness
- Functional classification
- Transit and bicycle routes
- Equitable geographic distribution

**Curb Ramps:**
- Curb Ramp Condition score
- Geographic equity
- Input from disability stakeholders
- Location review by MOD and PW

**Street Structures and Plazas:**
- Life safety
- Trip and slip hazard
- Code violations
- Slope instability potential
- Level of deterioration
- Usage frequency
- Consideration of alternative ingress/egress routes
Proposed November 2020 Bond Program: Recovery/Streets and Right-of-Way

<table>
<thead>
<tr>
<th>Investment Priorities</th>
<th>$41.5M</th>
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<tr>
<td>Streets</td>
<td>31.5</td>
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<tr>
<td>Curb Ramps</td>
<td>5</td>
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<tr>
<td>Street Structures</td>
<td>5</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>41.5</strong></td>
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## Proposed November 2020 Bond Program

<table>
<thead>
<tr>
<th>Program Area</th>
<th>$M</th>
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<tbody>
<tr>
<td>Mental Health and Homelessness</td>
<td>197</td>
</tr>
<tr>
<td>Parks</td>
<td>200</td>
</tr>
<tr>
<td>Streets and Right-of-Way</td>
<td>41.5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>438.5</strong></td>
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GO Bond Program as published in the Capital Plan

![Property Tax Rate Chart]

- Existing & Outstanding CCSF GO Bonds
- Housing $500M (2019)
- Parks $255 (2020)
- Public Health $220M (2023)
- Earthquake Safety & Emergency Response $271.5M (2027)
- Authorized & Unissued CCSF GO Bonds
- Transportation $500M (2022)
- Waterfront Safety $150M (2026)
- Parks $200M (2028)
- FY2006 Rate/Constraint for City GO Bonds
## GO Bond Program Proposed Off-Year Update

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<td>Nov 2019</td>
<td>Affordable Housing</td>
<td>600</td>
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<td>Mar 2020</td>
<td>ESER</td>
<td>628.5</td>
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<td>Nov 2020</td>
<td><strong>Health and Recovery</strong> (was Parks)</td>
<td>(was 255)</td>
<td>438.5</td>
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<td>Jun 2022</td>
<td><strong>Transportation</strong></td>
<td>(was 500)</td>
<td>350</td>
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<td>Nov 2023</td>
<td><strong>Public Health</strong></td>
<td>(was 220)</td>
<td>186.5</td>
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<tr>
<td>Nov 2024</td>
<td>Affordable Housing</td>
<td>TBD</td>
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<td>Nov 2026</td>
<td>Waterfront Safety</td>
<td>150</td>
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</tr>
<tr>
<td>Nov 2027</td>
<td>ESER</td>
<td>272</td>
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<td>Parks and Open Space</td>
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<td><strong>TOTAL</strong></td>
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<td>2,825</td>
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Proposed GO Bond Curve Revised

Proposed Capital Plan Update GO Bond Program
(Recovery Bond, FY21 debt service, April 2020 Updated AV Projections

1) Projected AV Roll growth rates of 2.31%, 0.07%, 5.65%, 5.95% in FY21-24, respectively, and 3.5% from FY25 on.
Bond Legislation Timeline

May 4 – Discussion item at CPC

May 7 – Parks Commission

May 11 – Action items at CPC
(bond legislation and Capital Plan off-year update)

May 12 – Introduction at the Board of Supervisors