Resolution determining and declaring that the public interest and necessity demand
the acquisition or improvement of real property, including: facilities to deliver services
for persons experiencing mental health challenges, substance use disorder, and/or
homelessness; parks, open space, and recreation facilities, including green and
climate resilient infrastructure; and streets, curb ramps, street structures and plazas,
and related costs necessary or convenient for the foregoing purposes; authorizing
landlords to pass-through 50% of the resulting property tax increase to residential
tenants under Administrative Code Chapter 37; adopting findings under the California
Environmental Quality Act; and finding that the proposed Bonds are in conformity with
the General Plan, and with the eight priority policies of Planning Code, Section
101.1(b).

WHEREAS, According to the City and County of San Francisco (“City”) Point-in-Time
Count conducted in January 2019, about 8,000 people experience homelessness in the City
on any given night, and over the course of an entire year, many more people experience
homelessness; and

WHEREAS, According to Department of Homelessness and Supportive Housing
(“HSH”) records, in Fiscal Year 2018-2019, HSH served about 18,000 people experiencing
homelessness, and of those, 4,000 have a history of both mental health and substance use
disorders; and

WHEREAS, An estimated 24,500 people inject drugs in the City and recent data
indicate that 39 percent of people who inject drugs in the City reported injecting
methamphetamine. Methamphetamine is increasingly being consumed in public spaces, and
residents are more regularly encountering individuals who present challenging psychosis-
related behaviors or experience moments of mental health crisis; and

WHEREAS, The City, through HSH, currently offers temporary shelter to approximately
3,400 people per night through shelters, Navigation Centers, stabilization beds, and
transitional housing -- 566 additional beds have opened since October 2018 and another 499
are in development -- but additional shelter beds are needed to match the waitlist for
individuals looking to access shelter; and

WHEREAS, The City administers locally and federally funded supportive housing to
provide long-term affordable housing with on-site social services to people exiting chronic
homelessness through a portfolio that includes renovated Single Room Occupancy hotels,
newly constructed units, and apartment buildings that operate under a master lease between
private property owners and the City (“Permanent Supportive Housing”), but the City does not
have a sufficient supply of Permanent Supportive Housing units to meet the demand; and

WHEREAS, DPH provides behavioral health services in a number of settings and
through a number of different mechanisms including at existing facilities such as San
Francisco General Hospital, the Behavioral Health Access Center, Residential Care Facilities,
community clinics, and through contracts with nonprofit service providers; and

WHEREAS, When there is not enough capacity at any one level of care or facility,
longer wait times for services have a detrimental effect on the ability of people to heal and
become healthier, and the City has an inadequate number of beds to help those recovering
from substance use, mental health, or a dual diagnosis, with some residential care facilities
having wait lists of up to seven months as of 2019; and

WHEREAS, Limited state and federal resources and the high cost of construction put a
greater burden on local governments to contribute their own limited resources to produce
more facilities to serve those struggling with behavioral health and substance use disorders,
temporary shelters, and permanent supportive housing, and consequently the City’s supply of these resources has not kept pace with demand; and

WHEREAS, The proposed Health and Recovery Bond (“Bond”) will provide a portion of the critical funding necessary to acquire or improve real property, including permanent supportive housing and shelters, and existing and potential new behavioral health facilities and institutions; and

WHEREAS, On March 16, 2020, the Public Health Officers of six Bay Area counties jointly issued a Shelter in Place Public Health Order to protect the health and well-being of Bay Area residents in the face of the COVID-19 Public Health Emergency (“Public Health Emergency”); and

WHEREAS, The Public Health Emergency brought with it City unemployment levels approaching 10% within three weeks of the first Shelter in Place Public Health Order and full or partial job loss impacts on industries with an estimated 166,936 employees, creating an urgent need to invest in projects that create jobs and support the City’s economic recovery; and

WHEREAS, The City’s most recent 10-year capital plan identifies a deferred maintenance backlog of $799 million for streets and General Fund facilities, and the Recreation and Parks Department’s more recent facilities condition assessment shows $950 million in deferred maintenance; and

WHEREAS, Infrastructure investment is a known and tested jobs stimulus strategy with a strong multiplier effect, estimated at 5.93 jobs for every million dollars in construction spending according to the REMI Policy Insight model; and

WHEREAS, Since 2005, the City has engaged in regular, long-term capital planning to identify and advance shovel-ready projects that deliver improvements in line with adopted funding principles that prioritize legal and regulatory mandates, life safety and resilience,
asset preservation and sustainability, programmatic and planned needs, and economic
development; and

WHEREAS, Parks, recreation facilities, open spaces, streets, curb ramps, street
structures, and plazas are all essential infrastructure for which the City is responsible and
must maintain a state of good repair for public health, safety, and equitable accessibility; and

WHEREAS, Parks, recreation facilities, and open spaces offer space to relax and enjoy
nature and places to play and exercise, increase residents’ quality of life, support good mental
and physical health, and can help people deal with trauma or find comfort in a time of distress,
as a growing body of work shows that time spent outdoors in natural environments can help
lower stress, depression, anxiety, diabetes, risk of preterm birth, high blood pressure, asthma,
stroke, heart disease and other health improvements; and

WHEREAS, During the Public Health Emergency, City residents have sought solace
and refuge in City parks and open spaces and heavily utilized these spaces for exercise and
as an alternative to private back yards, and more so in denser neighborhoods and in Equity
Zones; and

WHEREAS, During the Public Health Emergency, many of the City’s recreation
facilities served as childcare centers for emergency and healthcare workers, helping to
alleviate child care concerns for these important professionals; and

WHEREAS, A recent survey by the National Recreation and Park Association (NRPA)
found that eighty-three percent (83%) of American adults agree that visiting their local parks,
trails and open spaces is essential for their mental and physical well-being during the COVID-
19 Emergency, and fifty nine percent (59%) said that access to these amenities is very or
extremely essential to their mental and physical health during this crisis; and

WHEREAS, A park system as large and diverse as the City’s -- over 220 parks spread
over 3,400 acres, and containing 181 playgrounds, 82 recreation centers and clubhouses, 37
community gardens, 29 off-leash dog areas, 9 swimming pools, and numerous tennis courts, ball fields, soccer fields, and other sports and athletic venues -- requires continued and consistent investment to address dilapidated playgrounds, worn out playfields, run-down buildings, and crumbling outdoor courts; and

WHEREAS, The City is responsible for the state of good repair of more than 1,200 miles of streets, approximately 50,000 curb ramp locations, 371 street structures, and 9 plazas, which are heavily used and have longstanding deferred maintenance needs; and

WHEREAS, Streets, curb ramps, street structures, and plazas connect people to jobs, hospitals, shopping centers, and transit -- places that are vital to daily life -- and providing smooth and pot-hole free streets and pedestrian right-of-way is essential to reducing the costs of road-induced damage, preventing accidents for bicyclists and drivers, and creating safe passage for pedestrians; and

WHEREAS, City staff have identified and planned several park, open space, and recreation facilities improvement projects to address public safety hazards, improve waterfront access, improve disabled access, enhance the condition of neighborhood and citywide park, recreation, and open space facilities and lands, address deferred maintenance, support population growth, enhance green infrastructure, improve climate resiliency and seismic safety, ensure equitable access to high-quality open spaces, and other issues facing the City's park system that can put people to work quickly and support local economic recovery; and

WHEREAS, The Bond will provide a portion of the critical funding necessary to acquire or improve real property, including to improve the safety and quality of neighborhood, citywide and waterfront parks and open spaces and recreation facilities under the jurisdiction of the Recreation and Park Commission; and
WHEREAS, City staff have identified street repaving, curb ramp, street structures, and
plaza improvement programs to address public safety hazards, reduce the backlog of
defered maintenance, improve disabled access, and equitably improve the public right-of-way
that can similarly put people to work quickly; and
WHEREAS, The Bond will provide a portion of the funding necessary to acquire or
improve real property, including to improve access for the disabled and the condition of the
City’s streets and other public right-of-way and related assets; and
WHEREAS, City staff have identified a capital improvement need totaling
$438,500,000 in projects and programs relating to acquiring or improving real property,
including to stabilize, improve, and make permanent investments in supportive housing
facilities, shelters, and/or facilities that deliver services to persons experiencing mental health
challenges, substance use disorder, and/or homelessness; improve the safety and quality of
neighborhood, citywide, and waterfront parks and open spaces and recreation facilities under
the jurisdiction of the Recreation and Park Commission; and improve access for the disabled
and the condition of the City’s streets and other public right-of-way and related assets; and
sites or properties otherwise specified in the ordinance submitting this proposal to the voters
(collectively, “Project”); and
WHEREAS, The Bond will allow the City to finance the acquisition or improvement of
the Project in the most cost-effective manner possible; and
WHEREAS, The Bond is recommended by the City’s 10-year capital plan, approved
each odd-numbered year by the Mayor of the City and the Board of Supervisors of the City
(“Board”); be it
RESOLVED, The Board determines and declares that the public interest and necessity
demand the acquisition or improvement of real property, including facilities to deliver services
for persons experiencing mental health challenges, substance use disorder, and/or
homelessness; parks, open space, and recreation facilities, including green and climate
resilient infrastructure; and streets, curb ramps, street structures and plazas, and related costs
necessary or convenient for the foregoing purposes; and, be it

FURTHER RESOLVED, The estimated cost of $438,500,000 for the Bond is and will
be too great to be paid out of the ordinary annual income and revenue of the City, will require
an expenditure greater than the amount allowed by the annual tax levy, and will require the
incurrence of bonded indebtedness in an amount not to exceed $438,500,000; and, be it

FURTHER RESOLVED, The Board, having reviewed the proposed legislation, makes
the following findings in compliance with the California Environmental Quality Act (“CEQA”),
California Public Resources Code, Sections 21000 et seq., the CEQA Guidelines, 15 Cal.
Administrative Code, Sections 15000 et seq., (“CEQA Guidelines”), and San Francisco
Administrative Code, Chapter 31. The Board, finds, affirms and declares:

A. FACILITIES TO DELIVER SERVICES FOR PEOPLE EXPERIENCING MENTAL
HEALTH CHALLENGES, SUBSTANCE USE DISORDER, AND/OR HOMELESSNESS:
The proposed funding described in Section 3A of the Ordinance is excluded from
CEQA because such funding is not defined as a "project" under CEQA Guidelines section
15378(b)(4), but is the creation of a government funding mechanism that does not involve any
commitment to any specific projects at any specific locations.

B. PARK, OPEN SPACE, AND RECREATION FACILITIES
   (i) For the improvements to the India Basin Open Space (as defined in Section
3B of the Ordinance), the Board of Supervisors, in Motion No. 18-136, affirmed certification of
the India Basin Mixed-Use Project Final Environmental Impact Report (State Clearinghouse
Number 2016062003) and, in Ordinance No. 252-18, adopted findings under CEQA related to
approvals in furtherance of the project and Development Agreement, including adoption of a
Mitigation Monitoring and Reporting Program (“MMRP”), and a Statement of Overriding
Considerations. The Planning Department determined that no further environmental review for this proposal is required because there are no changes to the approved Project or its surrounding circumstances that would necessitate additional environmental review, for the reasons set forth in its Memorandum dated May __, 2020. The findings contained in Ordinance No. 258-18, including the MMRP, and the Planning Department Memorandum dated May __, 2020, are hereby incorporated into the Ordinance as though fully set forth therein. For purposes of the Ordinance, the Board relies on said actions and their supporting documents, copies of which are in Board of Supervisors File Nos. 180842 and 180681 and incorporates these documents by reference;

(ii) Four other Neighborhood Park projects, the Gene Friend Recreation Center, the Herz Playground Recreational Center, Buchanan Street Mall, and the Japantown Peace Plaza, each have been determined to be categorically exempt under CEQA. The separate projects located at the Gene Friend Recreation Center and the Herz Recreational Center were each determined to be exempt as Category 32 exemptions for Infill Development Projects, and the separate projects located at the Buchanan Street Mall and the Japantown Peace Plaza were each determined to be exempt as a Category 1 exemption as a minor alteration to an existing facility, with Buchanan Street Mall also determined to be exempt as a Category 4 exemption as a minor alteration to existing land, as set forth in the Planning Department’s memorandum dated May __, 2020, which determinations are hereby affirmed and adopted by this Board for the reasons set forth in the Planning Department’s Memorandum dated May __, 2020; and

(iii) The remaining proposed Parks, Open Space and Recreation Facilities funding identified in Section 3B2 to 3B10 (the “Program Funding”) is excluded from CEQA because the Program Funding is not defined as a "project" under CEQA Guidelines section

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15378(b)(4), but is the creation of a government funding mechanism that does not involve any commitment to any specific projects at any specific locations.

C. STREETS, CURB RAMPS, STREET STRUCTURES AND PLAZAS: the proposed funding described in Section 3C of the Ordinance is excluded from CEQA because such funding is not defined as a "project" under CEQA Guidelines section 15378(b)(4), but is the creation of a government funding mechanism that does not involve any commitment to any specific projects at any specific locations.

D. CITIZENS’ OVERSIGHT COMMITTEE: the funding described in Section 3D of the Ordinance is excluded from CEQA because the funding is not defined as a "project" under CEQA Guidelines section 15378(b)(5), but is organizational activity that does not result in a direct or indirect impact on the environment; and be it

FURTHER RESOLVED, The Board finds and declares that the proposed Bonds (a) were referred to the Planning Department in accordance with Section 4.105 of the San Francisco Charter and Section 2A.53(f) of the Administrative Code, (b) are in conformity with the priority policies of Section 101.1(b) of the San Francisco Planning Code, and (c) are consistent with the City’s General Plan, and adopts the findings of the Planning Department, as set forth in the General Plan Referral Report dated __________, a copy of which is on file with the Clerk of the Board in File No. __________ and incorporates such findings by this reference; and, be it

FURTHER RESOLVED, The time limit for approval of this resolution specified in Administrative Code, Section 2.34 is waived; and, be it

FURTHER RESOLVED, Under Administrative Code, Section 2.40, the ordinance submitting this proposal to the voters shall contain a provision authorizing landlords to pass-through 50% of the resulting property tax increases to residential tenants in accordance with Administrative Code, Chapter 37; and, be it
FURTHER RESOLVED, The City hereby declares its official intent to reimburse prior expenditures of the City incurred or expected to be incurred prior to the issuance and sale of any series of the Bonds in connection with the Bond. The Board hereby declares the City’s intent to reimburse the City with the proceeds of the Bond for the expenditures with respect to the Project (the “Expenditures” and each, an “Expenditure”) made on and after that date that is no more than 60 days prior to the adoption of this Resolution; and, be it

FURTHER RESOLVED, The City reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bond; and, be it

FURTHER RESOLVED, Each Expenditure was and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bond, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City. The maximum aggregate principal amount of the Bond expected to be issued for the Project is $438,500,000. The City shall make a reimbursement allocation, which is a written allocation by the City that evidences the City’s use of proceeds of the applicable series of the Bond to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the related portion of the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The City recognizes that exceptions are available for certain “preliminary expenditures,” costs of issuance, certain de minimis amounts, expenditures by “small issuers” (based on the year of issuance and not the year of expenditure) and Expenditures for construction projects of at least 5 years; and, be it

FURTHER RESOLVED, Documents referenced in this resolution are on file with the
Clerk of the Board of Supervisors in File No. ______, which is hereby declared to be a part of this resolution as if set forth fully herein.

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

By:__________________________
KENNETH DAVID ROUX
Deputy City Attorney