

FY2024-33 Draft Capital Plan Overview



Jan 23, 2023

CAPITAL PLANNING COMMITTEE

Agenda Item

- **Discussion Item:** Introduction of the City & County of San Francisco's Draft 10-Year Capital Plan

The 10-Year Capital Plan

- The 10-Year Capital Plan guides San Francisco's infrastructure investments over the next ten years, and is updated every other year
- Review infrastructure needs for the City. Identify emerging needs.
- The Plan is a critical decision point in important conversations around capital investments and is used to inform various decisions, such as:
 - Capital Budget funding
 - Debt Program (G.O. Bonds & Certificates of Participation)



Draft FY2024-33 Capital Plan

Funding Overview FY24-33

Summary by Service Area FY 24-33

<i>(in \$millions – includes all funding sources)</i>	GENERAL FUND DEPTS	ENTERPRISE DEPTS	EXTERNAL AGENCIES	TOTAL	Change from Prior Plan
Affordable Housing	-	-	3,780	3,780	44%
Public Safety	1,413	-	-	1,413	11%
Health and Human Services	891	-	-	891	7%
Infrastructure & Streets	1,694	8,774	-	10,468	-1%
Recreation, Culture, and Education	1,397	-	2,932	4,329	9%
Economic & Neighborhood Development	-	2,183	2,555	4,738	-16%
Transportation	-	8,071	7,244	15,315	19%
General Government	311	-	-	311	92%
TOTAL	5,706	19,028	16,511	41,245	9%

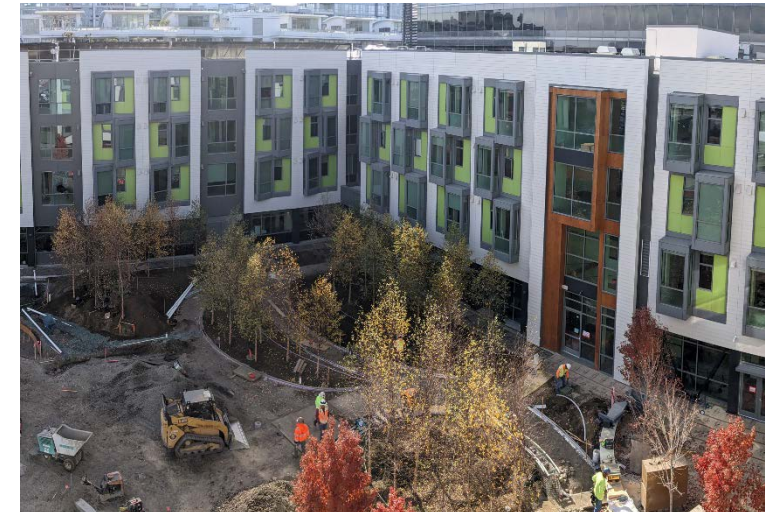
Capital Plan Discussions at CPC

Date	Topic
Dec 5	<ul style="list-style-type: none"> ▪ Transportation Chapter Update (SFMTA, SFO)
Dec 12	<ul style="list-style-type: none"> ▪ Affordable Housing Chapter Update (MOHCD, TIDA) ▪ Economic & Neighborhood Development Chapter Update (TIDA only) ▪ Recreation, Culture & Education Chapter Update (SFUSD only)
Jan 23 - TODAY	<ul style="list-style-type: none"> ▪ Draft Capital Plan Discussion (Overview, Pay Go, & Certificates of Participation) ▪ Economic & Neighborhood Development Chapter Update (Port, Planning) ▪ Infrastructure & Streets Chapter Update (PUC)
Feb 6	<ul style="list-style-type: none"> ▪ Draft Capital Plan Discussion (GO Bond Program) ▪ General Government Chapter Update (RED, DT) ▪ Health & Human Services Chapter Update (DPH, HSA, HSH) ▪ Infrastructure & Streets Chapter Update (PW)
Feb 13	<ul style="list-style-type: none"> ▪ Public Safety Chapter Update (FIR, POL, DEM, SHF, JUV) ▪ Recreation, Culture & Education Chapter Update (REC, ART, LIB)
Feb 27	<ul style="list-style-type: none"> ▪ Draft Capital Plan Approval for Recommendation to BOS

Capital Accomplishments

Affordable Housing

- ▣ 2,600 new affordable housing units since 2020 through 10 groundbreakings and 12 grand openings
- ▣ Converted 665 units from privately owned to permanently affordable through Small Sites Program
- ▣ \$21M in rental assistance to 3,000 households
- ▣ Completion of 105-unit Maceo May project for formerly homeless and low-income veterans



Capital Accomplishments

Economic and Neighborhood Development

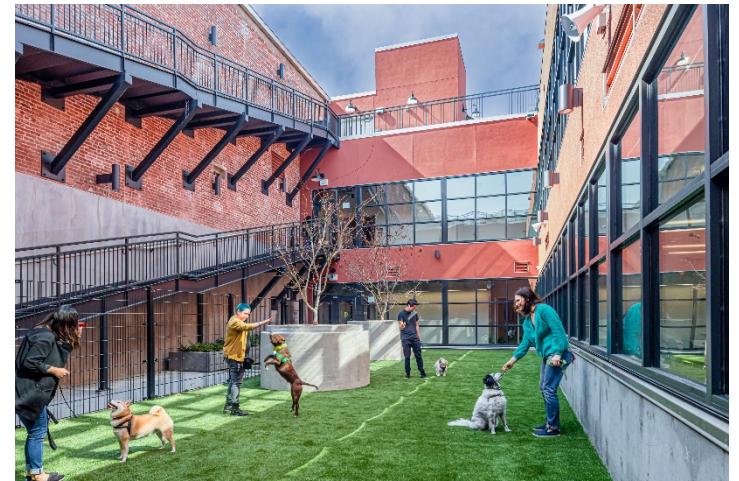
- ❑ Updated Housing Element, this is the first housing plan that centers racial and social equity
- ❑ Mission Bay: Completed 24 acres of open space, and 39,000 feet of streets and underground utilities
- ❑ Shipyard Candlestick: Completed 14 open space parcels and 9,000 feet of streets and underground utilities
- ❑ Treasure and Yerba Buena Islands: Completed water storage reservoirs and construction of new wastewater plant to begin in 2024, secured \$50 million for affordable housing, transportation and roadway improvements



Capital Accomplishments

General Government

- Connected over 8,096 units with free broadband internet access over the last 5 years
- Acquired 10 properties for Public Health, Fire, and HSH
- Completed Animal Care and Control replacement animal shelter at 1419 Bryant Street. The project is the adaptive reuse and rehabilitation of the original Market Street Railway Company Powerhouse built in 1893
- Completed Phase II relocation of the District Attorney out of the Hall of Justice



Capital Accomplishments

Health and Human Services

- Commenced investment in Mental Health San Francisco, Crisis Stabilization and Overdose Prevention
- Completed construction of Maria X Martinez Health Resource Center and Southeast Health Center, and two seismic retrofits for two existing public health centers
- Two Navigation Centers completed
- Acquired 6 buildings for permanent supportive housing, totaling 625 units



Capital Accomplishments

Infrastructure and Streets

- Maintained Pavement Condition Index at 74 in 2021, maintained 53,949 trees, constructed 2,104 curb ramps, and repaired more than 93,235 square feet of sidewalks
- Completed five regional water system projects
- Continued progress on key maintenance and essential field work, including the San Andreas Pipeline No. 2, Headworks Replacement, and Biosolids Facility Project
- Completed four solar electric projects and began enrolling customers in the SuperGreen Saver program



Capital Accomplishments

Public Safety

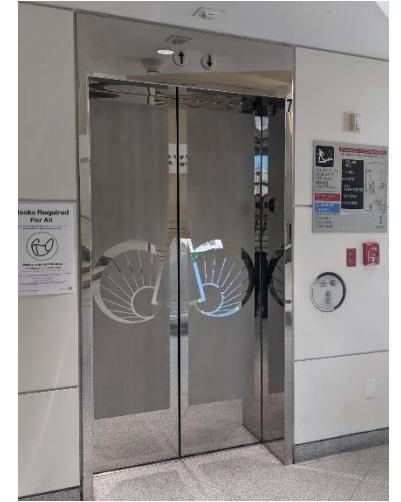
- Completed floating fire station to replace Fireboard Station 35
- Completed new Ambulance Deployment Facility
- Moved police staff into completed Forensic Services Division
- Installed security upgrades at Pier 96, Academy, Morris lot, Taraval, Egbert, and Police Headquarters
- Completed kitchen renovation and integrated electronic security system at County Jail #2



Capital Accomplishments

Recreation, Culture, and Education

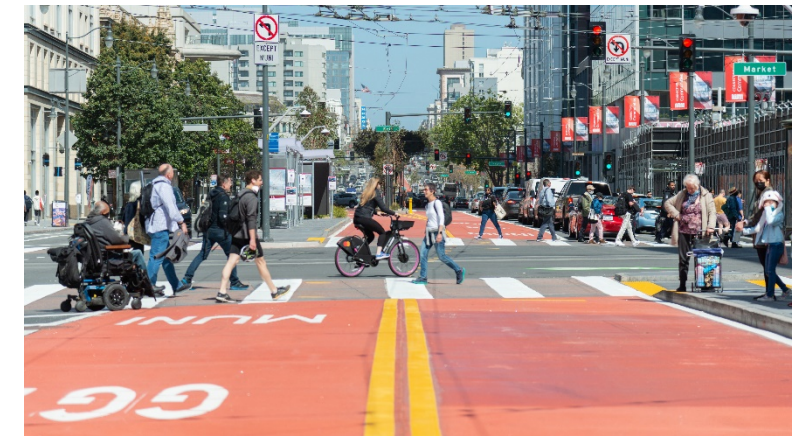
- ▣ Renovations at three Neighborhood Parks in Equity Zones and nine playgrounds, with four additional parks under renovation
- ▣ Two new parks at Francisco Reservoir and Shoreview Park, and launching process for 11th & Natoma
- ▣ Completed elevator modernization at Main Library
- ▣ Advanced retrofits at African American Art & Culture Complex and Mission Cultural Center for Latino Arts underway
- ▣ Replaced Opera House seating
- ▣ Masonry restoration at Legion of Honor near completion



Capital Accomplishments

Transportation

- Completed the Van Ness Improvement Project, providing transit-only lanes and pedestrian and accessibility upgrades,
- Completed Central Subway, extending the T-line through SoMa, Union Square and Chinatown
- Added 50 miles to the city's bike network & 43 miles of Slow Streets
- Improved Presidio Parkway on Route 101
- Completed Phase 3 of the Harvey Milk Terminal 1 at SFO



Draft FY2024-33 Capital Plan

Funding Principles

1. Address legal or regulatory mandate
2. Protect life safety and enhance resilience, including racial equity
3. Ensure asset preservation and sustainability
4. Programmatic and planned needs
5. Economic development

Draft FY2024-33 Capital Plan

Building our Future

Racial and Social Equity	Climate Resilience	Earthquake Safety
Promote equity in the services delivered by the City's facilities and infrastructure	Get to net-zero GHG emissions and adapt to unavoidable climate impacts	Protect communities from the impacts of a major earthquake
<ul style="list-style-type: none"> Environmental Justice Framework Racial Equity Lens in the Capital Budget Public Health – Mental Health SF, Neighborhood Clinics Affordable Housing - \$1.1B in G.O. bonds since 2015 	<ul style="list-style-type: none"> Connect SF Muni Forward Bike and Ped Improvements EV Charging Building electrification Waterfront Resilience Program Ocean Beach Adaptation Extreme Precipitation Study Heat and Air Quality Resilience 	<ul style="list-style-type: none"> Concrete Building Safety Program Addressing SHR4 and SHR3s ESER Bond Program – Police and Fire Stations Emergency Firefighting Water Supply Embarcadero Early Projects

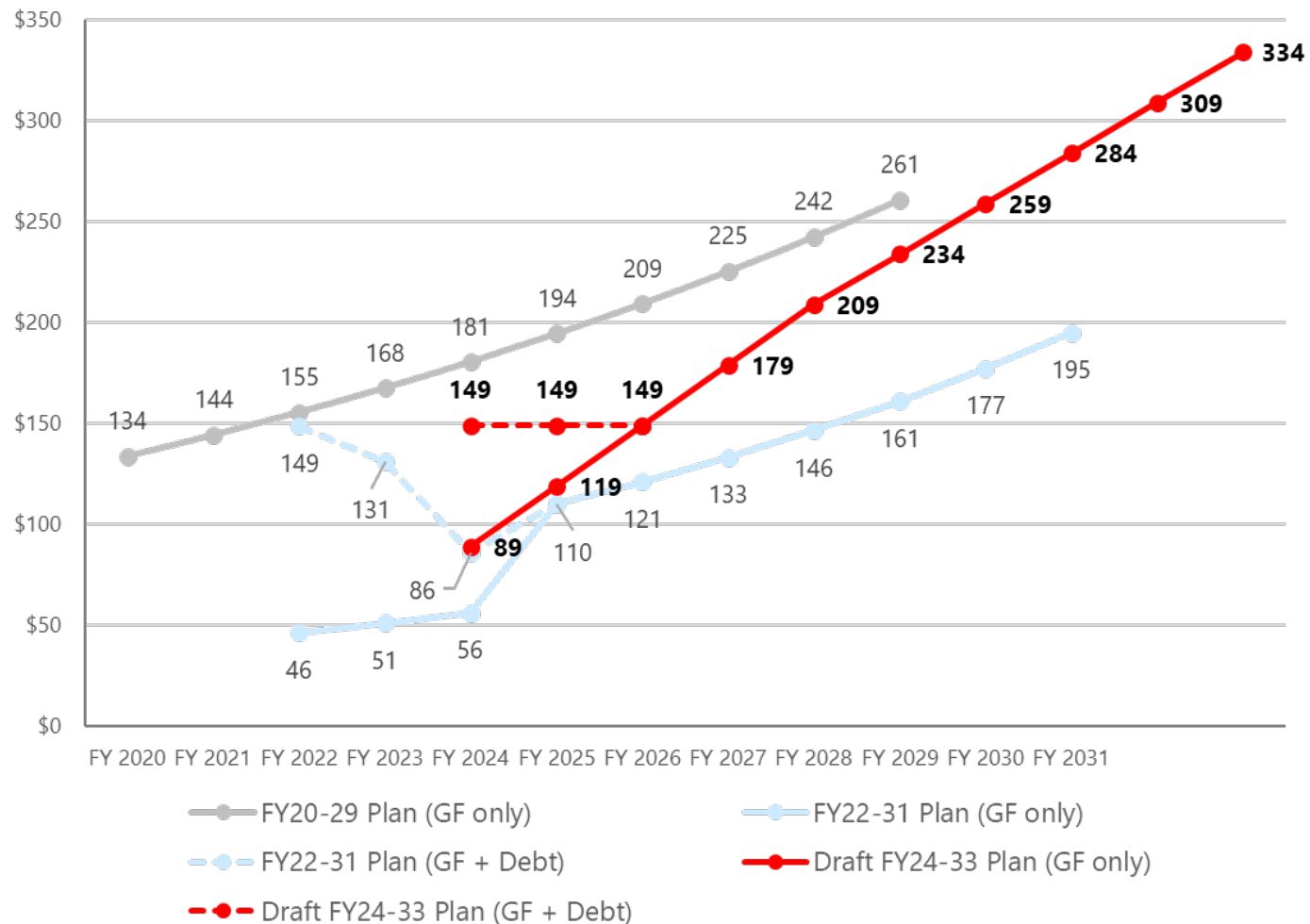
Draft Pay-As-You-Go Program

Policies and assumptions

- ▣ Pay Go funding level aims to restore and eventually exceed pre-pandemic funding levels
 - ▣ Recommend General Fund investment of \$89M in FY2024 growing by \$30M per year until FY2028, and \$25M per year thereafter
 - ▣ Recommend issuing \$30 million COPs in FY24 and FY25 to support lower General Fund funding level
- ▣ Achieve and maintain Street Resurfacing Pavement Condition Index (PCI) target at 75
 - ▣ Current PCI level is 74
- ▣ ADA-related policy continues to prioritize barrier access removal and the ongoing Curb Ramps right-of-way program
- ▣ Maintain \$10M/yr for Enhancement projects
 - ▣ In FY24 and FY25 the Plan recommends \$5M/yr due to lower General Fund funding level

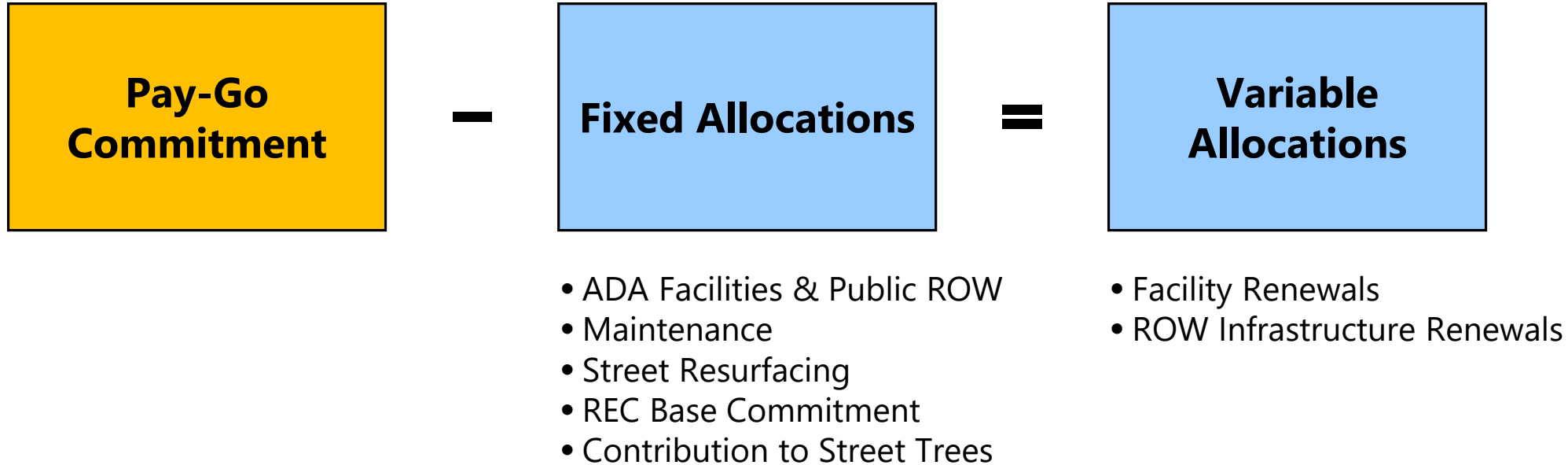
Draft Pay-As-You-Go Program

Impact of COVID-19 on Capital Plan



- The FY22-31 Capital Plan (in blue) was reduced significantly from the prior Plan due to the uncertainties posed by COVID-19
- The FY24-33 Capital Plan (in red) is attempting to restore pre-pandemic funding levels, but proposed funding still falls short

Draft Pay-As-You-Go Program Methodology



Pay-as-you-go Allocation for Draft FY24-33 Capital Plan:



Draft Pay-As-You-Go Program Overview FY24-31

Pay-as-you-go Program Funding

(in \$millions)

	FY 24-28	FY 29-33	Plan Total	Change from Prior Plan
Routine Maintenance	90	115	205	10%
ADA: Facilities	9	9	18	13%
ADA: Public Right-of-Way	28	37	65	15%
Street Resurfacing	161	294	454	77%
Enhancements	40	50	90	N/A
Recreation and Parks Base Commitment	71	71	142	-
Capital Contribution to Street Tree	34	43	78	10%
ROW Infrastructure Renewal	31	84	115	132%
Facility Renewal	281	716	998	139%
TOTAL	745	1,420	2,165	81%

Draft Pay-As-You-Go Program

Funding Outcomes FY24-33

Funding Category <i>(in \$millions)</i>	10-yr GF Need	10-yr GF Funding	% Funded
Routine Maintenance	205	205	100%
ADA: Facilities	18	18	100%
ADA: Public Right-of-Way	130	65	50%
Street Resurfacing	454	454	100%
Enhancements	2,211	90	4%
Recreation and Parks Base Commitment	142	142	N/A
Contribution to Street Tree Set-aside	78	78	N/A
Moscone Renewals	30	15	50%
FIXED ALLOCATION TOTAL	3,268	1,067	
Facility Renewal	1,733	982	57%
ROW Infrastructure Renewal	201	115	57%
VARIABLE ALLOCATION TOTAL	1,933	1,098	
GRAND TOTAL	5,201	2,165	

■ Fire and Police renewals largely covered through G.O. bonds are not included above

Draft Pay-As-You-Go Program

Right-of-Way Renewal Funding Outcomes FY24-33

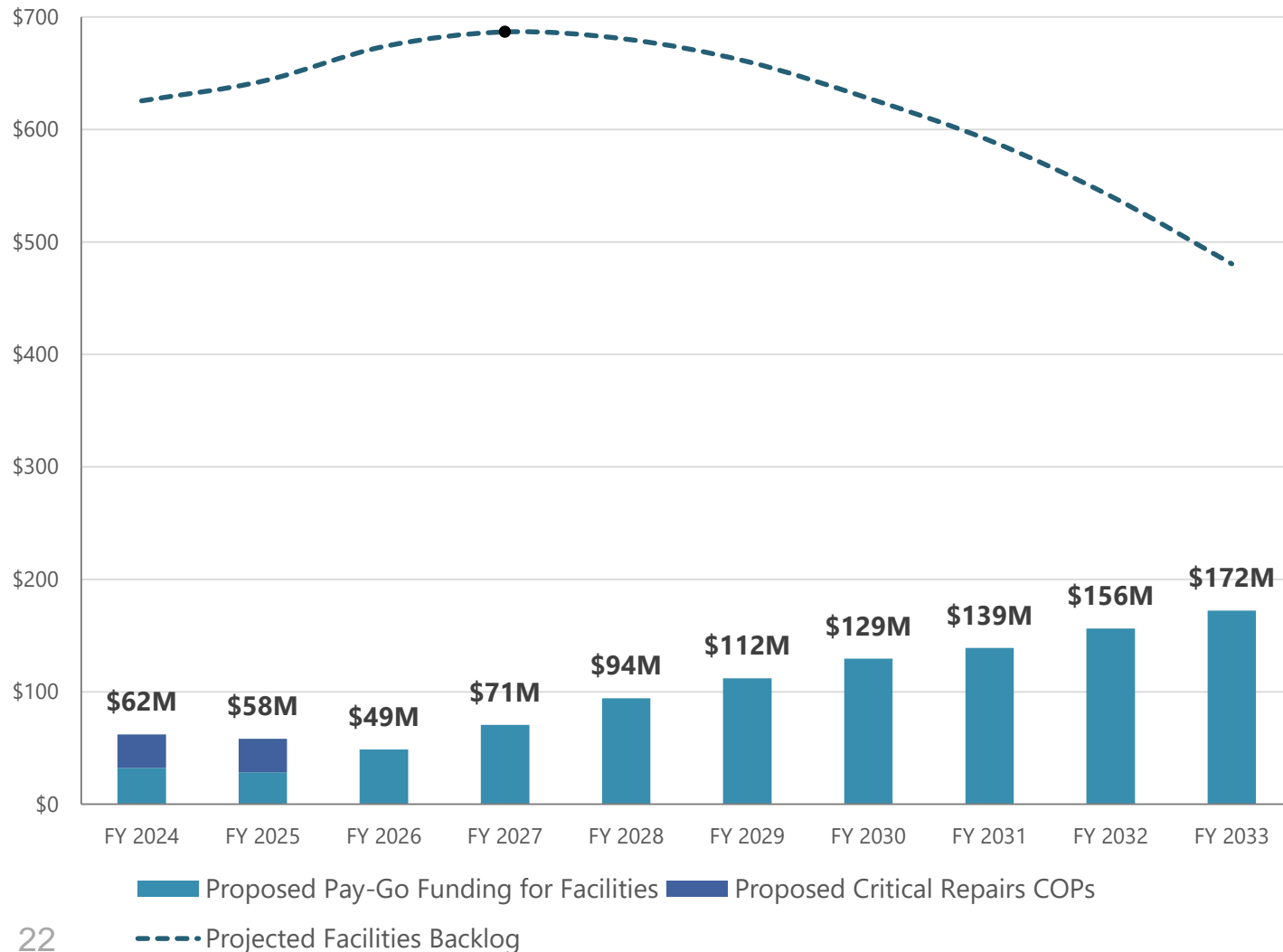
Funding Category <i>(in \$millions)</i>	10-yr GF Need	10-yr GF Funding	% Funded
Street Structure Repair	37	21	57%
Plaza Inspection and Repair Program	6	3	57%
Curb Ramp Inspection and Replacement*	15	9	57%
Landscape Median Maintenance	138	79	57%
Bridge Inspection and Repair Program	5	3	57%
TOTAL	201	115	

* This category funds maintenance for previously installed curb ramps. The ongoing new curb ramp installation program is funded under the ADA: Public Right of Way category on the previous slide.

- ▣ Sidewalk Inspection and Repairs are funded under the ADA: Public Right-of-Way category
- ▣ The categories above have enhancement needs beyond the renewals represented here

Draft Pay-As-You-Go Program

Impact of Funding Level on Backlog



- Facilities Backlog estimation methodology
 - Current backlog is defined as total current renewal need (i.e. deferred maintenance + immediate need) less the amount funded in the first year of the Plan
 - The chart above does not include REC facilities since REC has a GF set-aside to address these needs
- At planned funding levels, the facilities backlog is expected to start reducing in FY2028

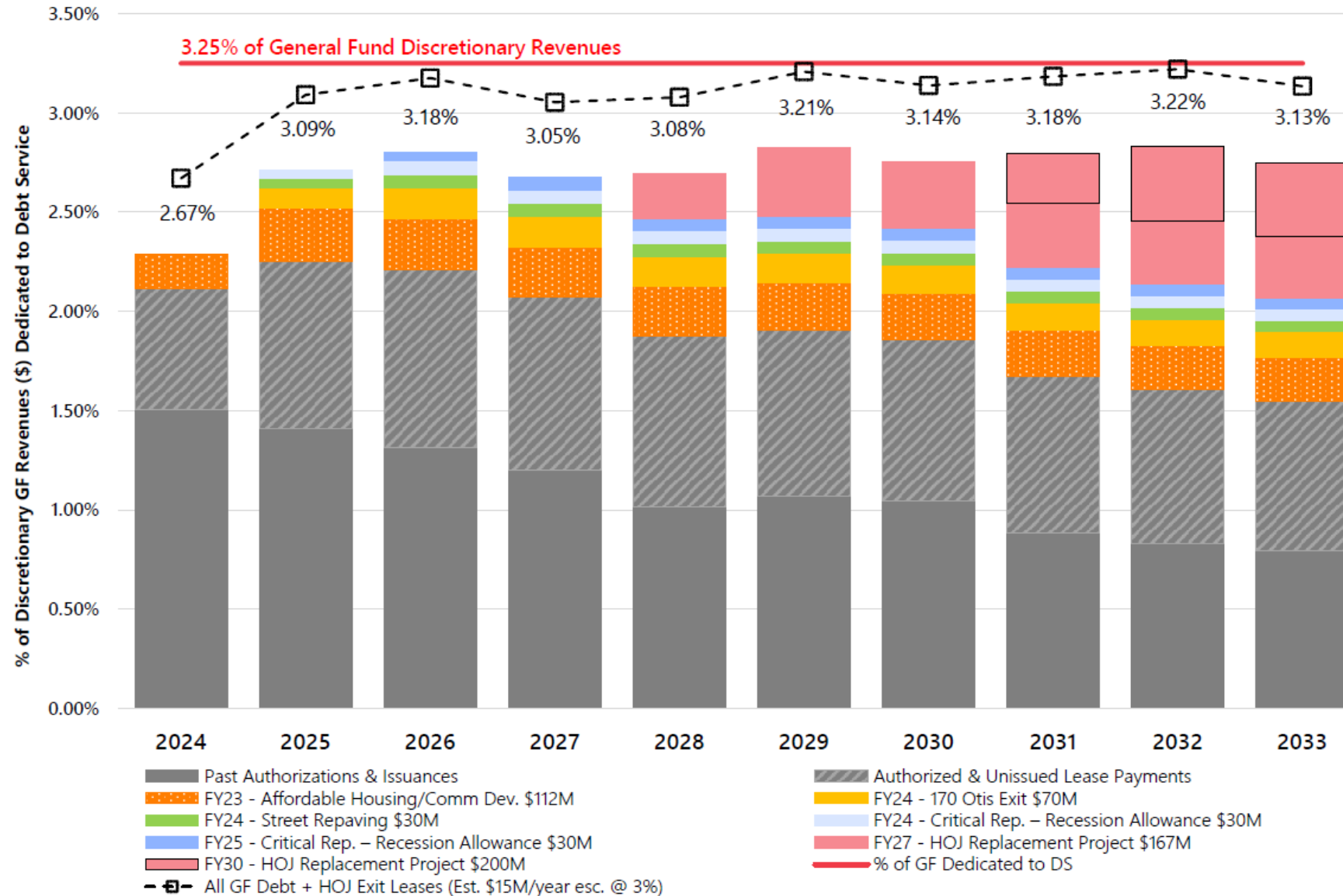
Draft Debt Program

Certificates of Participation Schedule

<i>(in \$millions)</i>		
Issuance	Proposed Project	Amount
FY24	170 Otis Exit	70
FY24	Critical Repairs / Recession Allowance	30
FY24	Street Repaving	30
FY25	Critical Repairs / Recession Allowance	30
FY27	HOJ Replacement	167
FY30	HOJ Replacement	200
TOTAL		527

Draft Debt Program

Certificates of Participation Capacity



Questions and Comments

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