

# 2020 Health and Recovery Bond

Status Report and Sale Resolution Presented to the  
Capital Planning Committee

June 23, 2025



**ONESF**  
Building Our Future



**San Francisco**  
Department of Public Health



# Action Item

Resolution Authorizing Issuance and Sale of General Obligation Bonds (Health and Recovery, 2020), Series 2025G, in an Amount Not to Exceed \$150,000,000

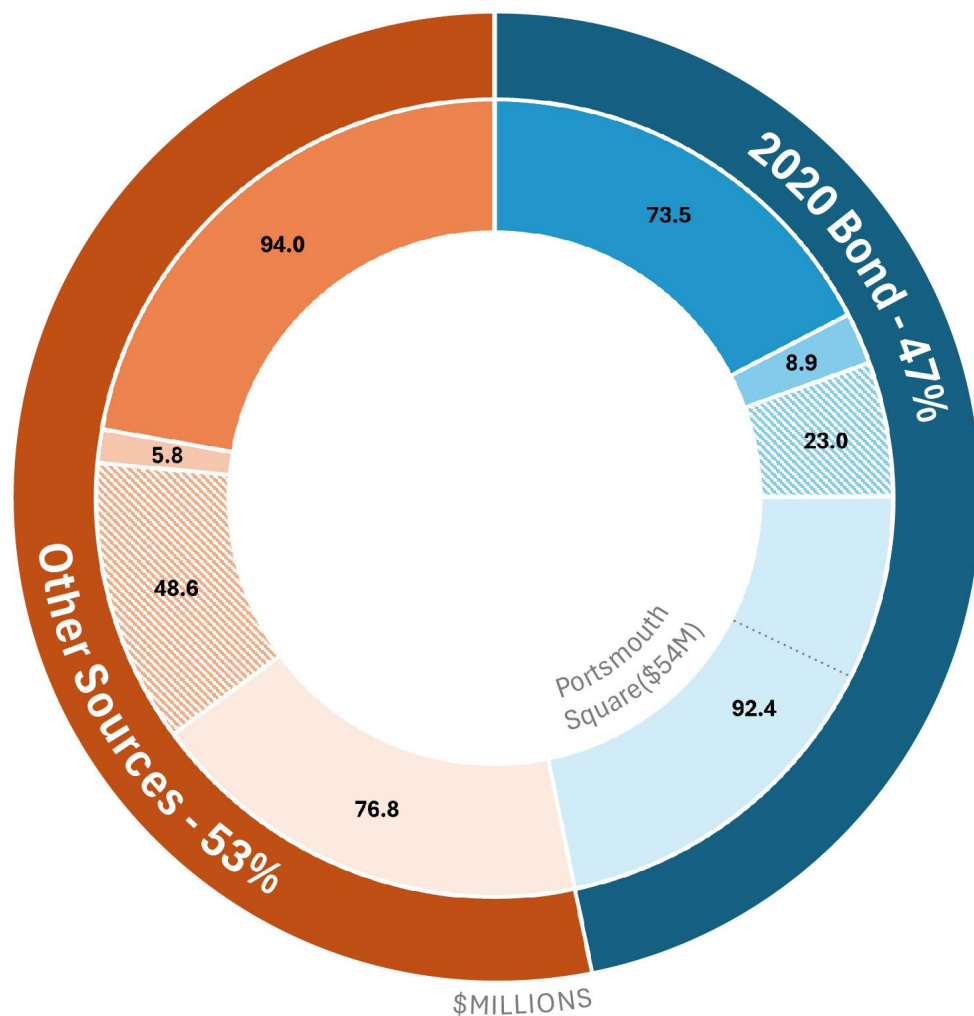
(Recommendation to the Board of Supervisors)

## 2020 Health & Recovery Bond – RPD Issuance Summary

	Bond Authorization	First Issuance	Second Issuance	Future Issuance(s)
<b>Neighborhood Parks</b>	<b>101.0</b>	<b>101.0</b>	-	-
<i>Buchanan Mall</i>	2.0	2.0	-	-
<i>Gene Friend Rec Center</i>	30.0	30.0	-	-
<i>Herz Rec Center</i>	10.0	10.0	-	-
<i>India Basin</i>	29.0	29.0	-	-
<i>Japantown Peace Plaza</i>	25.0	25.0	-	-
<i>Neighborhood Parks Contingency</i>	5.0	5.0	-	-
<b>Recovery Parks</b>	<b>86.0</b>	<b>55.6</b>	<b>5.9</b>	<b>24.5</b>
<i>Buena Vista Park</i>	3.0	0.5	2.5	-
<i>Crocker Amazon</i>	15.0	0.5	-	14.5
<i>Jackson Playground</i>	10.0	-	-	10.0
<i>Portsmouth Square</i>	54.0	54.0	-	-
<i>Richmond Senior Park</i>	1.0	-	1.0	-
<i>South Sunset Rec Center</i>	3.0	0.6	2.4	-
<b>Citywide Parks</b>	<b>18.0</b>	<b>6.2</b>	<b>7.2</b>	<b>4.7</b>
<b>Community Gardens - SF Grow Center</b>	<b>0.6</b>	<b>0.3</b>	<b>0.3</b>	-
<b>Community Opportunity Fund</b>	<b>6.0</b>	<b>0.1</b>	-	<b>5.9</b>
<b>Playgrounds</b>	<b>9.0</b>	<b>3.5</b>	<b>2.5</b>	<b>3.0</b>
<b>Sustainability</b>	<b>14.0</b>	<b>0.2</b>	<b>12.7</b>	<b>1.2</b>
<b>Trails - Twin Peaks</b>	<b>1.0</b>	<b>1.0</b>	-	-
<b>Contingency</b>	<b>1.4</b>	<b>1.4</b>	-	-
<b>Administration - Audit &amp; Issuance</b>	<b>2.0</b>	<b>1.0</b>	<b>1.0</b>	-
<b>TOTAL</b>	<b>239.0</b>	<b>170.3</b>	<b>29.5</b>	<b>39.2</b>



# 2020 Health & Recovery Bond – Spending & Additional Sources



## 26 ACTIVE PROJECTS FROM 7 PROGRAMS



9 Projects in Construction



2 Projects in Bid Award



13 Projects in Planning & Design



2 Projects in Close-out





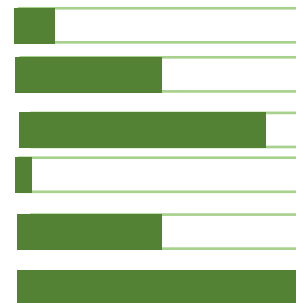
# Program Progress: Construction

## Neighborhood Park Projects (\$101M – 2020 BOND/\$282M – ALL SOURCES)



Buchanan Street Mall  
 Gene Friend Recreation Center  
 Herz Playground Recreation Center  
 India Basin Waterfront Park – Phase 3  
 Japantown Peace Plaza  
*India Basin Waterfront Park – Phase 1 & 2*

% Complete



## Completed Projects



## Recovery & Citywide Programs (\$11.7M – 2020 BOND/\$28M – ALL SOURCES)



Playgrounds – Tenderloin Rec Center  
 Recovery Parks – South Sunset Clubhouse  
 Trails – Twin Peaks  
 Sustainability – Sunset Dunes New Amenities  
*GGP – Middle Lake*  
*GGP – Bandshell (ADA) Parking Lot*  
*GGP – JFK Promenade “Living Rooms”*

% Complete



# Program Progress: Bid/Award, Planning & Design



## 2 Projects in Bid/Award

- ☐ Portsmouth Square
- ☐ GGP JFK/Stanyan ADA



## 13 Projects in Planning & Design

- ☐ Recovery Parks – 4 projects
- ☐ Citywide Parks/GGP – 3 projects
- ☐ Citywide Parks/McLaren – 2 projects
- ☐ Playgrounds – 3 projects
- ☐ Community Gardens – 1 project

**15 projects from +\$40 million in bond funding**



Rendering of Portsmouth Square Children's Play Area



Richmond Senior Center Community Meeting



Rendering of Jackson Playground Clubhouse

# Future Bond Needs

## Underfunded Major Park Projects (~\$100M)

**Kezar Pavillion** - \$70M committed/\$70M gap

**Crocker Amazon Baseball & Softball Diamonds** - \$37.5M committed/\$7M gap

**Jackson Playground** - \$31.5M committed/\$8.5M gap from development impact fees

**Rachele Sullivan Park** - \$2.7M committed/\$10M gap from development impact fees

**SF GROW @ McLaren Park** - \$600K committed/\$5.9M gap

## Ongoing Park Amenities (+\$200M)

**Playgrounds** - \$15-20M annual need for renovations, renewals & resurfacings

**Mission Art & Rec Center** – immediate need (est. \$80-100M)

- Other Rec Center Needs: St Mary's Rec, Potrero Rec, Bernal Rec, Senior Center

### Historic Resources

- Palace of Fine Arts Roof & Sewer (est. \$12M), Geneva Car Barn Office Building (est. \$60-80M)

### Major Parks

- Golden Gate Park Playgrounds & Restrooms, McLaren Park, Buena Vista Park

**Roadways and Parking Lots** (\$41.5M – deferred need)

- Golden Gate Park, Ocean Beach Parking Lot, McLaren Park

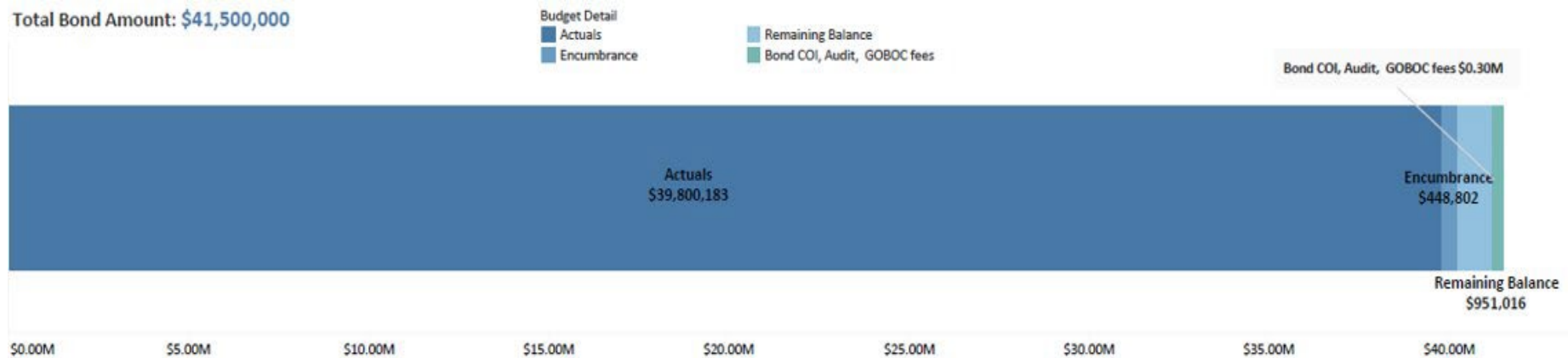
**Paved Pathways Systemwide** (\$97M – deferred need)

# Immediate Need Exceeding \$300 million



# 2020 Health and Recovery Bond: Right-of-Way Repair (Public Works)

**\$41.5 M was issued in August 2021 to fund the Right-of-Way Repair component of the 2020 Health and Recovery GO Bond**



- 96% of funds spent down within 3 years of issuance
- Two of the three major subprograms have already exceeded performance measure goals





# Public Health Bond History

## 2008 SF General Hospital Improvement Bonds

## 2016 Public Health & Safety Bond

## 2020 Health & Recovery Bond

## 2024 Healthy, Safe & Vibrant SF Bond

- \$887M 2008 bond was a major investment to rebuild the hospital, improving seismic safety
- This work included modernizing hospital facilities and expanding capacity
- \$350M in funding continued investments in improving, and expanding ZSFG care
- This bond also began major investments in the modernization and seismic strengthening of SFDPH clinics and health centers, renovating CMHC & MHHC, and building a new SEHC
- The 2016 bond also helped fund the construction of Maria X Martinez Health Resource Center
- \$60M in funding made critical investments in expanding access to behavioral health care
- Treasure Island Residential Step-Down Facility is at 100% CD, and will add 84 new beds to the behavioral health continuum of care
- This \$205.1M in funding continues to improve seismic safety at clinics, funding the retrofit of the only remaining SHR4 clinic, and further modernizing SFDPH's network of clinics
- This bond will also continue to increase seismically safe square footage at ZSFG, adding 65,000 sq. ft.



# Future Public Health Bond Priorities

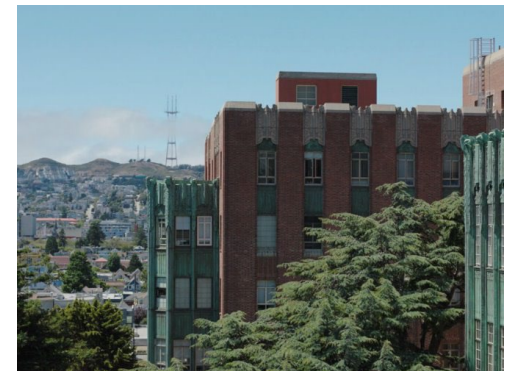


## Silver Avenue Family Health Center (\$80M)

- Expand capacity at one of the network's busiest dental clinics
- Better integrate primary care and mental health services to improve collaboration on patient care between providers
- Modernize patient care areas and improve the patient experience
- This project was deferred in 2024

## ZSFG Bldg 80/90 Retrofit & Renovation (\$200M)

- Retrofitting these buildings would add 80,000 sq ft to the ZSFG campus
- The fact that many hospital functions are based in unsafe buildings is not only unsafe for staff, but makes the hospital less resilient in the aftermath of an earthquake
- This project cost was estimated in 2016, thus has increased drastically and will continue to increase the longer it is deferred





# 2020 Health & Recovery Bond



2026

## Psychiatric Emergency Services (PES)

- Expansion of PES capacity from 22 to 38
- Increases safety features and provides a more comfortable patient experience



2027

## Treasure Island Residential Step-Down Facility

- Expansion of residential care capacity on Treasure Island
- Project prioritizes substance use disorder step-down beds, identified as a gap in the continuum of care



2028

## Mental Health Services Center

- Consolidation of multiple behavioral health services
- Co-location of behavioral health administrative functions



# Equity & Resilience

## *Ensuring equitable access and treatment*



**72% of patients receiving mental health or SUD treatment are People Of Color**

**36% of patients are experiencing homelessness**

**Staff undergo extensive racial equity training to ensure culturally responsive care**

## *Increasing resilience of City buildings and services*



**LEED Gold Certified**

**Rooftop solar array, EV charging, All-electric HVAC & kitchen systems**

**Newly built seismically safe building**





# Treasure Island Residential Step-Down Facility

- Facility will replace 172 existing beds on Treasure Island and add 84 more (49% increase in capacity)
- This facility will house clients exiting residential substance use disorder (SUD) programs to provide continued support for their sobriety in the least restrictive environment appropriate for this phase of their recovery
- SUD Residential Step-Down beds were identified as a priority in the behavioral health continuum of care
- This project is also funded by Prop C, a Community Care Expansion (CCE) grant, and TIDA developer fees



**Total Bond Budget: \$47.1M**

**Amount in Current Issuance: \$42.1M**

**Amount Spent To-Date: \$0.6M**

Design  
Completed

Permitting  
In Progress

Bid/Award  
Feb 2026

Construction  
Apr 2026

Substantial Completion  
Nov 2027



# Mental Health Services Center

- This facility will co-locate multiple mental health services in a single location, including Office-Based Buprenorphine Induction Clinic (OBIC), Behavioral Health Access Center (BHAC), a pharmacy, and behavioral health administrative functions
- Consolidating multiple programs presents a challenge given diverse operational needs and diverse funding sources, but also an opportunity to increase ease of access to services and improved collaboration amongst providers
- This project is also funded by Prop C and BHCIP grant funding in addition to the 2020 HR Bond

**Total Bond Budget: \$1M**  
**Amount in Current Issuance: \$1M**  
**Amount Spent To-Date: \$0**





DEPARTMENT OF  
HOMELESSNESS AND  
SUPPORTIVE HOUSING

# 2020 Health & Recovery General Obligation Bond

June 23, 2025



# 2020 Health & Recovery G.O. Bond Overview

- Scope: Stabilization, acquisition, construction, expansion and improvement of permanent supportive housing units and emergency shelters
  - Authorization Total: \$147M
  - Amount Issued to Date: \$30,160,200
  - Anticipated Date of Next Issuance: Q3 2025



# Overview

Program	Description	Key Deliverables/Milestones
Permanent Supportive Housing (PSH)	<b>Bond Goal: 250 units</b> <ul style="list-style-type: none"> <li>Acquire and improve approximately 250 housing units to house and serve people exiting chronic homelessness</li> </ul>	<b>Planned: 453 units</b> <ul style="list-style-type: none"> <li>Rehabilitate two sites acquired in FY23 (835 Turk, 685 Ellis) leveraging state Homekey and Homekey+ (Prop 1) funds</li> <li>Acquire and rehabilitate newer property to be acquired in 2025 with state Homekey + funds (1035 Van Ness)</li> <li>Fund 145 newly constructed units (1633 Valencia)</li> </ul>



# 835 Turk Street

Program	Accomplishments/Milestones
Adult Permanent Supportive Housing – Rehabilitation	835 Turk is a residential hotel built in 1929 and acquired by the City in March 2022
<b>835 Turk</b>	<ul style="list-style-type: none"> <li>Five Keys Schools and Programs (Sponsor) entered into a lease and property management agreement with HSH on March 1, 2023</li> </ul>
114 units	<ul style="list-style-type: none"> <li>Currently operating as permanent supportive housing</li> </ul>
7-story residential hotel	<ul style="list-style-type: none"> <li>Five Keys and the City, through HSH, applied for a state Homekey+ grant funds in May 2025</li> </ul>
<b>106 units post rehab to create ADA units</b>	<ul style="list-style-type: none"> <li>53 units to be supported by Homekey+, eligible to formerly homeless adults with mental health and/or substance use challenges</li> <li>If awarded Homekey+, the Sponsor will return to Citywide Affordable Housing Loan Committee with final gap request in August 2025 and Board of Supervisors' review in September 2025</li> <li>Long term ground lease and construction start - October 2025</li> <li>Construction completion - October 2026</li> <li>Operating funds will include City's Local Operating Subsidy Program (LOSP) and Homekey+ operating grant (COSR)</li> </ul>



Health & Recovery GO Bonds	\$ 9,629,000
OCOH Funds	\$ 3,293,000
Homekey+	\$13,300,000
Homekey+ COSR	\$ 4,500,000
<b>Total Budget:</b>	<b>\$30,722,000</b>

# 685 Ellis

Program	Accomplishments/Milestones
Adult Permanent Supportive Housing – Rehabilitation	685 Ellis is a 78-unit, 7-story building built in 1927 and acquired by the City in 2022.
<b>685 Ellis</b>	<ul style="list-style-type: none"> <li>• Budget: Pending selection of affordable housing development team; will be developed in collaboration with MOHCD and include long-term ground lease</li> </ul>
67 shelter beds	
7-story residential hotel with basement	<ul style="list-style-type: none"> <li>• Interim use as adult emergency shelter until conversion to PSH through an HSH contract with Five Keys Schools and Programs</li> </ul>
<b>Approximately 78 PSH units post-rehab</b>	<ul style="list-style-type: none"> <li>• Received state Homekey Funding award in fall 2023. Conversion from interim use to permanent supportive housing required after 5 years (min) to 30 years (max) from recordation of declaration of restrictions (1/7/25). HSH to request HCD approval for earlier delivery</li> <li>• Rehabilitation scope will include: <ul style="list-style-type: none"> <li>- Seismic retrofit</li> <li>- Building systems upgrades</li> <li>- Accessibility barrier removals</li> <li>- Build-out of additional community and administrative spaces</li> <li>- Other improvements to convert the former hotel to PSH</li> </ul> </li> </ul>



Health & Recovery GO Bonds	\$ 30,000,000
OCOH Funds	\$ 5,000,000
<b>TOTAL SOURCES</b>	<b>\$ 35,000,000</b>

# 1035 Van Ness

Program	Accomplishments/Milestones
Permanent Supportive Housing for Veterans – Rehabilitation	<ul style="list-style-type: none"> <li>Acquisition of an existing privately-owned 106-unit assisted living facility, to be repurposed as 124-unit supportive housing for veterans</li> <li>Swords to Plowshares (Sponsor) and the City, through HSH, applied for a state Homekey+ grant funds in May 2025</li> </ul>
<b>1035 Van Ness</b>	
124 units	<ul style="list-style-type: none"> <li>Acquisition of the property by sponsor will occur by Fall 2025</li> </ul>
9-story assisted living	<ul style="list-style-type: none"> <li>Operating funds will include City’s Local Operating Subsidy Program (LOSP), HSH, SFHA’s Veterans Affairs Supportive Housing (VASH) vouchers, and Homekey Plus operating grant</li> <li>If awarded Homekey+, the Sponsor will return to Citywide Affordable Housing Loan Committee with final gap request in July 2025 and Board of Supervisors’ review in September 2025</li> <li>Enter into long term ground lease and construction start - October 2025</li> <li>Construction completion - October 2026</li> </ul>
<b>124 units post rehab</b>	



Health & Recovery GO Bonds	\$ 5,912,794
OCOH Funds	\$ 2,087,206
Homekey+	\$ 32,800,000
Homekey+ COSR	\$ 2,524,030
<b>TOTAL SOURCES</b>	<b>\$43,324,030</b>



# 1633 Valencia

Program	Accomplishments/Milestones
Senior 55 year+ Permanent Supportive Housing – New Construction  <b>1633 Valencia</b>  6-stories  <b>145 studio units</b>	<ul style="list-style-type: none"> <li>Newly constructed permanent supportive housing for older adults ages 55+</li> <li>Developer – Mercy Housing California</li> <li>Currently under construction with completion in December 2025</li> <li>Board of Supervisors approval: May 7, 2024</li> <li>Local Operating Subsidy Program contract</li> </ul>



SFHAF Permanent Loan	\$16,000,000
Health & Recovery GO Bonds	\$ 41,036,048
Tax Credit Equity	\$ 27,569,430
Sponsor	\$ 100
<b>TOTAL SOURCES</b>	<b>\$84,605,578</b>

# Potential Future Costs Not Covered by Bond Proceeds

## • Ongoing Costs

- Operations and Maintenance

- Rent contribution capped at no more than 30% of tenant income
- Anticipated funding source(s): Our City, Our Homes Fund (Prop C); Local Subsidy Operating Program (LOSP); federal VASH and Continuum of Care subsidies

- Supportive Services

- Permanent supportive housing for formerly homeless tenants, including chronically homeless, provide on-site supportive services estimated at approximately \$591/tenant/month.
- Anticipated funding source(s): Our City, Our Home Fund and General Fund including funds reallocated within existing HSH budget.

# Future GO Bond Needs

## • Shelter Resiliency Projects

- Rebuild of 525 5<sup>th</sup> Street / MSC South Adult Shelter:
  - \$1.2M for design and pre-bond planning
- Rebuild of 1001 Polk / Next Door Adult Shelter:
  - \$2M for design and pre-bond planning
- Replacement of 260 Golden Gate / Hamilton Family Shelter:
  - \$500K for design and pre-bond planning
  - 2024 GO Bond included \$50 million for family shelter replacement. Potential sites under review

## • Shelter Replacement Projects

- 685 Ellis Adult Shelter - \$20M

# 2020 Health and Recovery Bond, 3<sup>rd</sup> Issuance

## Series 2025G – Plan of Finance

### Current Plan of Finance

- Not to exceed par amount of \$150M
- Expected term of 20 years
- True interest cost (blend of taxable and tax-exempt) of 6.21%
- Average annual debt service of \$12.61M

### Projects Funded

- DPH Behavioral Health Facilities
- HSH Permanent Supportive Housing sites

### Estimated Sources:

	Series 2025G
<u>Not-to-Exceed Par Amount</u>	\$150,000,000
Estimated Par	\$144,730,000
Reserve for Market Uncertainty	5,270,000
<b>Total Sources</b>	<b>\$150,000,000</b>

### Estimated Uses:

<u>Project Fund Deposit</u>	
Project Fund	\$142,918,380
CSA Audit Fee	285,837
<b>Total Project Fund Deposits</b>	<b>\$143,204,217</b>
<u>Delivery Date Expenses</u>	
Cost of Issuance	\$831,423
CGOBOC Fee	144,730
Underwriter's Discount	549,630
<b>Total Delivery Date Expenses</b>	<b>\$1,525,783</b>
Reserve for Market Uncertainty	\$5,270,000
<b>Total Uses</b>	<b>\$150,000,000</b>

Source: Fieldman, Rolapp & Associates, Inc.





# 2020 Health and Recovery Bond, 3<sup>rd</sup> Issuance

## Series 2025G – Financing Schedule

<b>Tentative Financing Schedule*</b>	
June 23	<b>Capital Planning Committee</b>
July 9 or July 16	<b>Board of Supervisors</b> Budget & Finance Committee
July 15 or July 22	<b>Board of Supervisors</b> Adoption of Sale Resolution 1 <sup>st</sup> Reading of Supplemental Appropriation
July 22 or July 29	<b>Board of Supervisors</b> 2 <sup>nd</sup> Reading of Supplemental Appropriation
Aug/Sep 2025	Tentative Bond Issuance and Closing

*\*subject to Board of Supervisors scheduling*

