

# FY 2024-25 & FY 2025-26 Capital Budget



Office of Resilience and Capital Planning | May 6, 2024

# CPC AGENDA

## General Fund Dept Capital Budget

### Action Item

- Approve the FY25 & FY26 Proposed General Fund Dept Capital Budget for recommendation to Board of Supervisors;
- Approve the recommended FY25 Certificates of Participation for Streets & Critical Repairs
  - Admin Code Section 3.21: CPC reviews the Capital Budget to ensure it aligns with recommendations in Capital Plan

# CAPITAL BUDGET

## Scenario Recap

	CAPITAL PLAN RECOMMENDATION					
	High Scenario (\$M)		Medium Scenario (\$M)		Low Scenario (\$M)	
	FY25	FY26	FY25	FY26	FY25	FY26
<b>General Fund</b>	119.0	149.0	74.0	74.0	59.0	59.0
<b>Certificates of Participation</b>	30.0	-	45.0	-	45.0	-
<b>TOTAL</b>	<b>149.0</b>	<b>149.0</b>	<b>119.0</b>	<b>74.0</b>	<b>104.0</b>	<b>59.0</b>



# CAPITAL BUDGET

## Changes to Mid Scenario since April 22

- Mayor's Office presented a proposal for the November 2024 G.O. Bond on April 29
  - DPH allocations in the proposed bond are lower than previously anticipated
- To meet regulatory and cash flow needs for DPH, projects worth \$7.3M are being brought forward from FY26 to FY25

	<b>ORIGINAL</b>		
	<b>Medium Scenario (\$M)</b>		
	FY25	FY26	Total
<b>General Fund</b>	74.0	74.0	148.0



	<b>NEW</b>		
	<b>Medium Scenario (\$M)</b>		
	FY25	FY26	Total
	81.3	66.7	148.0

- Two-year total investment for DPH is unchanged

# CAPITAL BUDGET

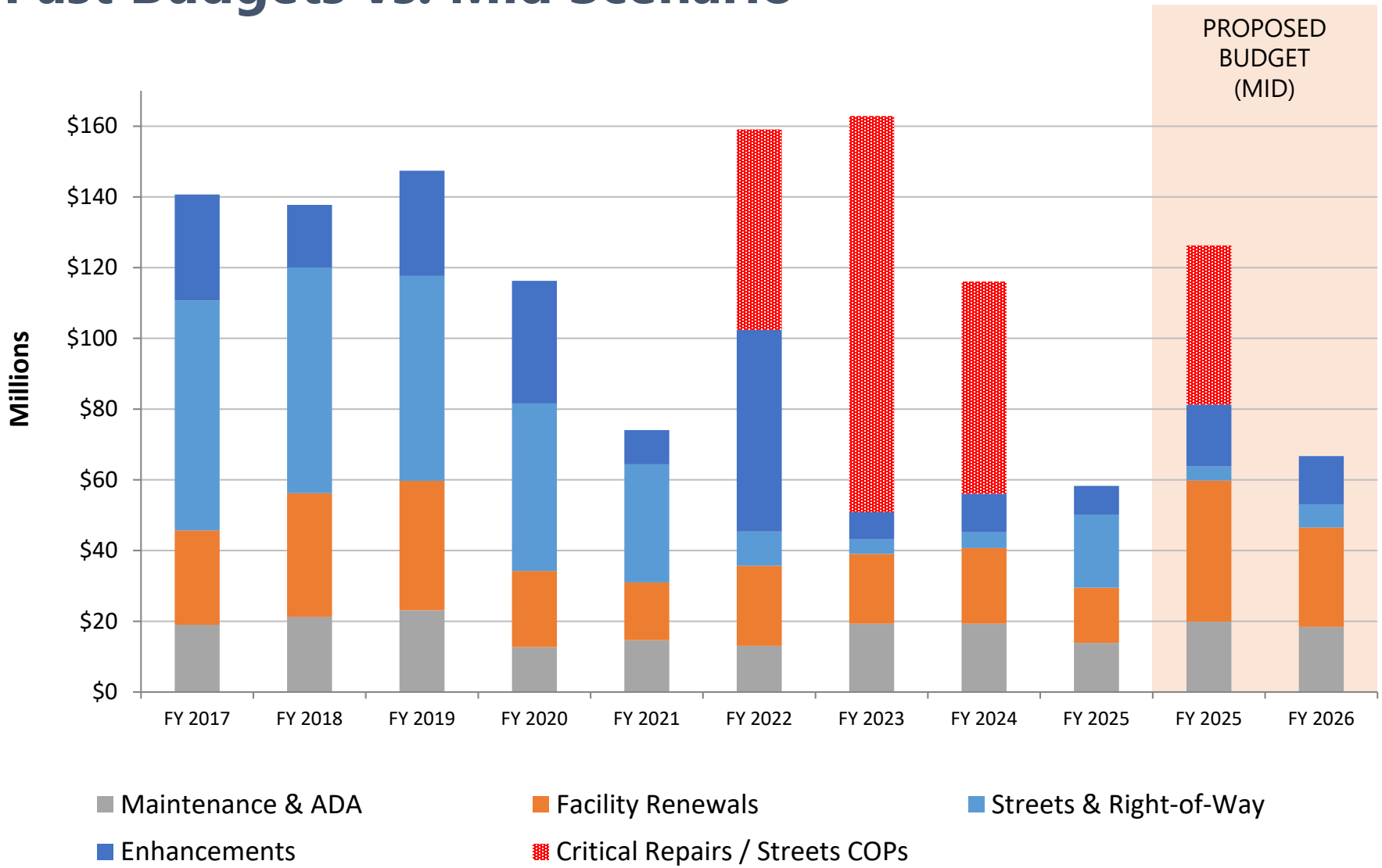
## Recommendation

- Capital Planning Committee (CPC) recommends **Mid Scenario** to Board of Supervisors
- If Mayor's Office determines that revenue is not available to fund the Mid Scenario, CPC recommends the Low Scenario

	Medium Scenario (\$M)		Low Scenario (\$M)	
	FY25	FY26	FY25	FY26
<b>General Fund</b>	81.3	66.7	59.0	59.0
<b>Certificates of Participation</b>	45.0	-	45.0	-
<b>TOTAL</b>	<b>126.3</b>	<b>66.7</b>	<b>104.0</b>	<b>59.0</b>

# CAPITAL BUDGET

## Past Budgets vs. Mid Scenario



# CAPITAL BUDGET

## Past Budgets vs. Low Scenario



# CAPITAL BUDGET

## General Fund Allocations (Mid Scenario)

Set-asides & Policies	FY25	FY26
REC Set-Aside ( <i>Prop B, 2016</i> )	15.0	15.0
Street Trees Set-Aside ( <i>supports Prop E, 2016</i> )	6.4	6.8
Routine maintenance allocations for all depts.	11.5	12.3
<b>SUB-TOTAL</b>	<b>32.9</b>	<b>34.1</b>

Remaining Expenditure Categories	FY25	FY26
ADA ( <i>Curb Ramps, City Hall Wheelchair Lift, Opera House Elevator etc.</i> )	6.8	4.4
Critical Enhancements ( <i>legal mandates, security improvements etc.</i> )	10.8	6.7
Facility Renewals ( <i>life-safety, HVAC, roof leaks, boilers etc.</i> )	26.8	15.0
ROW Renewals ( <i>potholes, plazas, medians, bridges etc.</i> )	4.0	6.6
<b>SUB-TOTAL</b>	<b>48.4</b>	<b>32.7</b>
<b>TOTAL</b>	<b>81.3</b>	<b>66.7</b>



# CAPITAL BUDGET

## Projects reduced / eliminated in Low Scenario

DPH Projects		Mid Scenario (\$M)		Low Scenario (\$M)	
		FY25	FY26	FY25	FY26
ZSFG	Clinical Lab Replacement	5.4	-	-	-
ZSFG	NPC4 Compliance	0.5	-	0.3	-
LHH	X-Ray Replacement	1.0	-	-	-
LHH	Kitchen Coil Replacement	0.6	-	-	-
LHH	Roof Replacements	0.2	-	-	-

- These projects are prioritized for funding in the mid scenario based on regulatory need and cash flow requirements

# CAPITAL BUDGET

## Projects reduced / eliminated in Low Scenario (*\$20M reduction*)

### Other departments

#### ← HIGHEST PRIORITY

Dept	Project
ADM	1099 Sunnydale Electrification
ADM	Satellite Building Safety Repairs
DPW	Great Highway Sand Clearing
DPW	Pothole Repair
JUV	Admin Building Windows
POL	Security Enhancement & Cameras
SHF	County Jail 3 Heaters & Boilers

Dept	Project
AAM	HVAC & Roof
ART	Civic Art Collection
DPW	Plazas, Street Structures, Bridges, Medians
FAM	Fire and Building Systems
FIR	HVAC, Paint, Roofs
POL	Fire Panels, Paint
SHF	County Jail 3 Roof & Exteriors

Dept	Project
AAM	Floor Resurfacing
ART	Doors at Cultural Centers
DPW	Street Tree Planting
DPW	Emergency Capital Repairs
DPW	Community Beautification Projects
DT	Fiber Programs
POL	Stable Repairs

- If available funding is in between the mid and low scenarios, we recommend reducing / eliminating lower priority projects first

# CAPITAL BUDGET

## Recommended FY25 Certificates of Participation

*\$ in millions*

Dept	Project	Mid Scenario	Low Scenario
PW	Street Resurfacing	23.9	17.9
PW	Sunset Blvd. Recycled Water	2.9	2.9
PW	Bridge Inspection and Repair (4 <sup>th</sup> Street Bridge)	2.5	2.5
ADM	Underground Fuel Tank Replacement (Legal mandate)	11.1	11.1
ADM	25 Van Ness Heat Pump and Cooling Tower	2.3	2.3
ADM	50 Raymond Repairs	1.3	1.3
DPH	Laguna Honda Emergency Power	GF-funded	4.5
SHF	San Bruno County Water Line Replacement	1.0	1.0
WAR	Opera House Elevator Modernization	GF-funded	1.5
<b>TOTAL</b>		<b>45.0</b>	<b>45.0</b>

# CAPITAL BUDGET

## Recommended Non-General Fund Capital Sources

*\$ in millions*

Funding Source	Dept. receiving funds	FY25	FY26
State	DPW	44.9	46.3
Library Preservation Fund	LIB	8.9	7.1
Convention Facilities Fund	MOS	3.0	5.0
Area Plan Impact Fees	REC	-	0.5
Downtown Park Fund	REC	0.5	-
<b>TOTAL</b>		<b>57.2</b>	<b>58.9</b>

# CAPITAL BUDGET

## Summary

- 2-Year GF Investment: **\$148.0M** (*\$118.0M in Low Scenario*)
  - FY25 Certificates of Participation: **\$45.0M**
  - 2-Year Other Sources Investment: **\$116.1M**
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- TOTAL 2-Year Proposed Investment: **\$309.1M** (*\$279.1M in Low Scenario*)

# Questions & Comments

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