

1 [General Obligation Bond Election – Healthy, Safe and Vibrant San Francisco Bond - Not to  
2 Exceed \$390,000,000]

3 **Ordinance calling and providing for a special election to be held in the City and County**  
4 **of San Francisco on Tuesday, November 5, 2024, for the purpose of submitting to**  
5 **San Francisco voters a proposition to incur bonded indebtedness of not-to-exceed**  
6 **\$390,000,000 to finance the acquisition or improvement of real property, including:**  
7 **facilities to deliver primary healthcare services, emergency medical services, skilled**  
8 **nursing services, services for persons experiencing mental health challenges,**  
9 **substance use disorder, and other emergency housing services; acquire, improve and**  
10 **seismically upgrade critical medical care and mental health facilities; and provide**  
11 **funds for an emergency shelter and services center for families and children; and**  
12 **pedestrian and roadway safety improvements, streetscape enhancements and other**  
13 **public space improvements, and related costs necessary or convenient for the**  
14 **foregoing purposes; authorizing landlords to pass-through 50% of the resulting**  
15 **property tax increase, if any, to residential tenants under Administrative Code Chapter**  
16 **37; providing for the levy and collection of taxes to pay both principal and interest on**  
17 **such Bonds; incorporating review of Bond expenditures under the provisions of the**  
18 **Administrative Code by the Citizens' General Obligation Bond Oversight Committee;**  
19 **setting certain procedures and requirements for the election; adopting findings under**  
20 **the California Environmental Quality Act; and finding that the proposed Bonds are in**  
21 **conformity with the General Plan, and with the eight priority policies of Planning Code,**  
22 **Section 101.1(b).**

23 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
24 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
25 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strikethrough Arial font~~.

**Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

A. According to the City and County of San Francisco (“City”) Point-in-Time Count conducted in January 2022, there were 7,754 people were estimated as experiencing homelessness in the City, 4,397 of which were unsheltered, and over the course of an entire year, many more people experience homelessness.

B. The City, through its Department of Homelessness and Supportive Housing, currently offers temporary shelter to over 3,500 people per night through a variety of shelter programs including emergency shelter, navigation centers, cabins, safe parking and transitional housing, but additional shelter beds are needed to meet the needs of unsheltered adults, young adults and families.

C. The City administers local, state 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 Single Room Occupancy hotels, newly constructed units, scattered-site market-rate units and apartment buildings (“permanent supportive housing” or “PSH”), but the City does not have a sufficient supply of PSH units to meet the demand.

D. The City, through its Department of Public Health, provides healthcare services in a number of settings and through a number of different mechanisms including at existing facilities such as San Francisco General Hospital, Residential Care Facilities, community clinics, and through contracts with nonprofit service providers.

1           E.       When there is insufficient capacity at any one level of care or facility, the longer  
2 wait times for services have a detrimental effect on the ability of people to heal and become  
3 healthier,

4           F.       Limited state and federal resources and the high cost of construction place a  
5 greater burden on local governments to contribute their own limited resources to produce  
6 more facilities or expand capacity at existing facilities to provide emergency medical services,  
7 preventative healthcare services, temporary shelter, and permanent supportive housing, but  
8 the City's financial resources have not kept pace with demand.

9           G.       The proposed Healthy, Safe and Vibrant San Francisco Bond ("Bond") will  
10 provide a portion of the critical funding necessary to acquire, improve, or finance the  
11 construction or rehabilitation of real property for emergency shelters, including shelters and  
12 interim housing sites located throughout the City through, among other financing vehicles,  
13 loans to private developers for such purposes, and the financing of existing and new health  
14 facilities and institutions, and necessary funding for pedestrian and roadway safety  
15 improvements, streetscape enhancements and other public space improvements.

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

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

24           J.       City staff have identified projects to address public safety hazards, improve disabled  
25 access, and have identified street repaving, curb ramp, street structures, and plaza

1 improvement programs to address public safety hazards, reduce the backlog of deferred  
2 maintenance, improve disabled access, and equitably improve the public right-of-way; and

3 K. Infrastructure improvements in the public right of way that reduce traffic speed,  
4 improve visibility, and create protected spaces for active modes of transportation have shown  
5 to decrease the number and severity of crashes for all roadway users. San Francisco has  
6 implemented design and data-driven engineering tools towards the City's Vision Zero goals,  
7 including over 13,000 traffic safety treatments. Of these, physical roadway improvements  
8 have the greatest demonstrated impact. This Bond will provide critical funding for road safety  
9 measures to accelerate the City's Vision Zero goals.

10 L. Due to the high office vacancy rates after the COVID-19 pandemic, there has been  
11 significant increase in retail vacancy and a decrease in sales tax revenue in the Union Square  
12 and downtown areas. This Bond will make capital improvements in and around the Union  
13 Square and downtown areas designed to improve the pedestrian experience as part of a  
14 complementary strategy to sustain and improve the downtown retail storefront economy.

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

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

23 N. City staff have identified a capital improvement need totaling \$390,000,000 in  
24 projects and programs relating to acquiring or improving real property, including to stabilize,  
25 improve, and make permanent investments in supportive housing facilities, shelters, and/or

1 facilities that deliver services and/or facilities that deliver preventative healthcare, emergency  
2 medical care, and behavior health services; invest in critical repairs at Zuckerberg San  
3 Francisco General Hospital and Laguna Honda Hospital in order to maintain licensure  
4 compliance, and pedestrian and roadway safety improvements, streetscape enhancements  
5 and other public space improvements (as further defined in Section 3 below).

6 O. The proposed Bond will allow the City to finance the acquisition or improvement  
7 of the Project (as defined in Section 3 herein) in the most cost-effective manner possible.

8 P. The proposed Bond is recommended by the City's 10-year capital plan,  
9 approved each odd-numbered year by the Mayor of the City and this Board of Supervisors of  
10 the City ("Board").

11 Section 2. A special election is called and ordered to be held in the City on Tuesday,  
12 November 5, 2024, for the purpose of submitting to the electors of the City a proposition to  
13 incur bonded indebtedness of the City for the real property improvements described in the  
14 amount and for the purposes stated (herein collectively, "Project"):

15 "HEALTHY, SAFE AND VIBRANT SAN FRANCISCO BOND. \$390,000,000 to acquire  
16 or improve real property, including to: stabilize, improve, and make permanent investments in  
17 supportive housing facilities, shelters, and/or facilities that deliver preventative healthcare  
18 service, emergency medical care, and behavioral health services; invest in critical repairs at  
19 Zuckerberg San Francisco General Hospital and Laguna Honda Hospital; acquire, improve  
20 and seismically upgrade critical medical care facilities; and provide funds for an emergency  
21 shelter and services center, specifically for families and children; and pedestrian and roadway  
22 safety improvements, streetscape enhancements and other public space improvements, and  
23 to pay related costs; with a duration of up to \_\_\_ years from the time of issuance, an estimated  
24 average tax rate of \$\_\_\_/\$100 of assessed property value, and projected average annual  
25 revenues of \$\_\_\_\_\_, all subject to independent citizen oversight and regular audits; and

1 authorizing landlords to pass-through to residential tenants in units subject to Administrative  
2 Code Chapter 37 (“Residential Rent Stabilization and Arbitration Ordinance”) 50% of the  
3 increase, if any, in the real property taxes attributable to the cost of the repayment of such  
4 Bonds.”

5 The special election called and ordered to be held hereby shall be referred to in this  
6 ordinance as the “Bond Special Election.”

7 Section 3. PROPOSED PROGRAM. Contractors and City departments shall  
8 comply with all applicable City laws when awarding contracts or performing work funded with  
9 the proceeds of Bonds authorized by this measure, including projects:

10 A. EXPANDING AND IMPROVING COMMUNITY HEALTH CENTERS TO  
11 DELIVER PREVENTATIVE PRIMARY CARE SERVICES, BEHAVIORAL HEALTH  
12 SERVICES, SEXUAL HEALTH SERVICES, AND OTHER ANCILLARY HEALTHCARE  
13 SERVICES. Up to \$99,100,000 of bond proceeds will be allocated to acquire or improve real  
14 property, including but not limited to finance the construction, acquisition, development,  
15 improvement, expansion, rehabilitation of community health centers, including up to  
16 \$71,100,000 to seismically retrofit and renovate the Chinatown Public Health Center and up to  
17 \$28,000,000 will be used to acquire and improve a new building for the relocation of the City  
18 Clinic.

19 B. CRITICAL REPAIRS AND RENOVATIONS AT ZUCKERBERG SAN  
20 FRANCISCO GENERAL HOSPITAL AND LAGUNA HONDA HOSPITAL. Up to \$56,000,000  
21 of bond proceeds are proposed to be used to make critical repairs to Zuckerberg San  
22 Francisco General Hospital and Laguna Honda Hospital, including the repair of mechanical  
23 systems, fire control systems, and other deferred maintenance needs as well as  
24 improvements to hospital infrastructure required to meet new regulatory requirements to  
25 ensure the hospital remains operational and in regulatory compliance.

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D. SEISMIC UPGRADES AT ZUCKERBERG SAN FRANCISCO GENERAL HOSPITAL TO ENSURE STAFF SAFETY. Up to \$40,000,000 of bond proceeds will be used to pay the costs of improvements at Building 3 at Zuckerberg San Francisco General Hospital for seismic retrofits to provide 65,000 square feet of secure working space for administrative staff, and other safety measures at the hospital.

F. NEW SHELTER SITE. Up to \$50,000,000 of bond proceeds will be used to pay the costs to acquire, construct, or improve a shelter or interim housing site to reduce unsheltered homelessness for families.

G. VISION ZERO AND SAFE STREETS. Up to \$68,900,000 of bond proceeds will be used to pay the cost of certain roadway safety improvements citywide, including High Injury Network projects such as Sloat Boulevard / Great Highway Exchange Project, and paying the costs of pedestrian safety improvements Citywide, including sidewalk widening, bulb outs, road repaving and certain multimodal transit projects.

H. MODERN AND ACCESSIBLE PUBLIC REALM PROJECTS. Up to \$46,000,000 of bond proceeds will be used to improve and modernize public spaces around downtown San Francisco, including accessibility improvements, and transit access and pedestrian experience enhancements; up to \$25,000,000 of bond proceeds will be used to improve accessibility, safety and design at the Harvey Milk Plaza; and up to \$5,000,000 of bond proceeds will be used to rehabilitate and modernize park infrastructure.

I. CITIZENS' OVERSIGHT COMMITTEE. A portion of Bond proceeds shall be used to perform audits of Bond expenditures implied by or necessary incident to the acquisition or improvement of real property for the Project, as further described in Section 4 and Section 16 herein.

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Section 4. BOND ACCOUNTABILITY MEASURES.

The Bonds shall include the following administrative rules and principles:

A. OVERSIGHT. The proposed Bond funds shall be subject to approval processes and rules described in the San Francisco Charter and Administrative Code. Pursuant to Administrative Code Section 5.31, the Citizens' General Obligation Bond Oversight Committee shall conduct an annual review of Bond spending, and shall provide an annual report of the Bond program to the Mayor and the Board.

B. TRANSPARENCY. The City shall create and maintain a web page outlining and describing the bond program, progress, and activity updates. The City shall also hold an annual public hearing and review on the bond program and its implementation before the Capital Planning Committee and the Citizens' General Obligation Bond Oversight Committee.

Section 5. The estimated cost of the bond-financed portion of the project described in Section 2 above was fixed by the Board by the following resolution and in the amount specified below:

Resolution No. \_\_\_\_\_, on file with the Clerk of the Board in File No. \_\_\_\_\_ \$390,000,000.

Such resolution was passed by two-thirds or more of the Board and approved by the Mayor. In such resolution it was recited and found by the Board that the sum of money specified is too great to be paid out of the ordinary annual income and revenue of the City in addition to the other annual expenses or other funds derived from taxes levied for those purposes and will require expenditures greater than the amount allowed by the annual tax levy.

The method and manner of payment of the estimated costs described in this ordinance are by the issuance of Bonds by the City not exceeding the principal amount specified.



1           Such estimate of costs as set forth in such resolution is adopted and determined to be  
2 the estimated cost of such bond-financed improvements and financing, respectively.

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4           Section 6.    The Bond Special Election shall be held and conducted and the votes  
5 received and canvassed, and the returns made and the results ascertained, determined, and  
6 declared as provided in this ordinance and in all particulars not recited in this ordinance such  
7 election shall be held according to the laws of the State of California (“State”) and the Charter  
8 of the City (“Charter”) and any regulations adopted under State law or the Charter, providing  
9 for and governing elections in the City, and the polls for such election shall be and remain  
10 open during the time required by such laws and regulations.

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12           Section 7.    The Bond Special Election is consolidated with the General Election  
13 scheduled to be held in the City on Tuesday, November 5, 2024 (“General Election”). The  
14 voting precincts, polling places, and officers of election for the General Election are hereby  
15 adopted, established, designated, and named, respectively, as the voting precincts, polling  
16 places, and officers of election for the Bond Special Election called, and reference is made to  
17 the notice of election setting forth the voting precincts, polling places, and officers of election  
18 for the General Election by the Director of Elections to be published in the official newspaper  
19 of the City on the date required under the laws of the State.

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21           Section 8.    The ballots to be used at the Bond Special Election shall be the ballots to  
22 be used at the General Election. The word limit for ballot propositions imposed by Municipal  
23 Elections Code Section 510 is waived. On the ballots to be used at the Bond Special  
24 Election, in addition to any other matter required by law to be printed thereon, shall appear the  
25 following as a separate proposition:

1 "HEALTHY, SAFE, AND VIBRANT SAN FRANCISCO BOND. To finance the  
2 acquisition or improvement of real property, including to: stabilize, improve, and make  
3 permanent investments in supportive housing facilities, shelters, and/or facilities that deliver  
4 services to persons experiencing mental health challenges, substance use disorder, and/or  
5 homelessness; acquire, improve and seismically upgrade critical medical care and mental  
6 health facilities; **and to make pedestrian and roadway safety improvements, streetscape  
7 enhancements, roadway improvements, and other public space improvements,** and to  
8 pay related costs; shall the City and County of San Francisco issue \$390,000,000 in general  
9 obligation bonds with a duration of up to 30 years from the time of issuance, an estimated  
10 average tax rate of \$\_\_\_/\$100 of assessed property value, and projected average annual  
11 revenues of \$\_\_\_\_\_, subject to independent citizen oversight and regular audits?"

12 The City's current debt management policy is to keep the property tax rate for City  
13 general obligation bonds below the 2006 rate by issuing new bonds as older ones are retired  
14 and the tax base grows, though this property tax rate may vary based on other factors.

15 Each voter to vote in favor of the foregoing bond proposition shall mark the ballot in the  
16 location corresponding to a "YES" vote for the proposition, and to vote against the proposition  
17 shall mark the ballot in the location corresponding to a "NO" vote for the proposition.

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19 Section 9. If at the Bond Special Election it shall appear that two-thirds of all the  
20 voters voting on the proposition voted in favor of and authorized the incurring of bonded  
21 indebtedness for the purposes set forth in such proposition, then such proposition shall have  
22 been accepted by the electors, and the Bonds authorized shall be issued upon the order of  
23 the Board. Such Bonds shall bear interest at a rate not exceeding that permitted by law.

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1           The votes cast for and against the proposition shall be counted separately and when  
2 two-thirds of the qualified electors, voting on the proposition, vote in favor, the proposition  
3 shall be deemed adopted.

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5           Section 10. The actual expenditure of Bond proceeds provided for in this ordinance  
6 shall be net of financing costs.

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8           Section 11. For the purpose of paying the principal and interest on the Bonds, the  
9 Board shall, at the time of fixing the general tax levy and in the manner for such general tax  
10 levy provided, levy and collect annually each year until such Bonds are paid, or until there is a  
11 sum in the Treasury of the City, or other account held on behalf of the Treasurer of the City,  
12 set apart for that purpose to meet all sums coming due for the principal and interest on the  
13 Bonds, a tax sufficient to pay the annual interest on such Bonds as the same becomes due  
14 and also such part of the principal thereof as shall become due before the proceeds of a tax  
15 levied at the time for making the next general tax levy can be made available for the payment  
16 of such principal.

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18           Section 12. This ordinance shall be published in accordance with any State law  
19 requirements, and such publication shall constitute notice of the Bond Special Election and no  
20 other notice of the Bond Special Election hereby called need be given.

21  
22           Section 13. The Board, having reviewed the proposed legislation, makes the following  
23 findings in compliance with the California Environmental Quality Act ("CEQA"), California  
24 Public Resources Code, Sections 21000 et seq., the CEQA Guidelines, 15 Cal. Administrative  
25

1 Code, Sections 15000 et seq. ("CEQA Guidelines"), and San Francisco Administrative Code,  
2 Chapter 31. The Board, finds, affirms and declares:

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

9 B. The funding described in Section 3D of this Ordinance is excluded from CEQA  
10 because the funding is not defined as a "project" under CEQA Guidelines section 15378(b)(5),  
11 but is organizational activity that does not result in a direct or indirect impact on the  
12 environment.

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14 Section 14. The Board finds and declares that the proposed Bonds (a) were referred  
15 to the Planning Department in accordance with Section 4.105 of the San Francisco Charter  
16 and Section 2A.53(f) of the Administrative Code, (b) are in conformity with the priority policies  
17 of Section 101.1(b) of the San Francisco Planning Code, and (c) are consistent with the City's  
18 General Plan, and adopts the findings of the Planning Department, as set forth in the General  
19 Plan Referral Report dated \_\_\_\_\_, a copy of which is on file with the Clerk of the  
20 Board in File No. \_\_\_\_\_ and incorporates such findings by this reference.

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22 Section 15. Under Section 53410 of the California Government Code, the Bonds shall  
23 be for the specific purpose authorized in this ordinance and the proceeds of such Bonds will  
24 be applied only for such specific purpose. The City will comply with the requirements of  
25 Sections 53410(c) and 53410(d) of the California Government Code.

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Section 16. CITIZENS' OVERSIGHT COMMITTEE. The Bonds are subject to, and incorporate by reference, the applicable provisions of Administrative Code Sections 5.30-5.36 ("Citizens' General Obligation Bond Oversight Committee"). Under Administrative Code Section 5.31, to the extent permitted by law, 0.1% of the gross proceeds of the Bonds shall be deposited in a fund established by the Controller's Office and appropriated by the Board of Supervisors at the direction of the Citizens' General Obligation Bond Oversight Committee to cover the costs of such committee.

Section 17. The time requirements specified in Administrative Code Section 2.34 are waived.

Section 18. 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 Project. The Board hereby declares the City's intent to reimburse the City with the proceeds of the Bonds for 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 passage of this ordinance. The City reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds.

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 Bonds, or (c) a nonrecurring item that is not customarily payable from current revenues. The maximum aggregate principal amount of the Bonds expected to be issued for the Project is \$390,000,000. 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 Bonds to reimburse an Expenditure, no later

1 than 18 months after the later of the date on which the Expenditure is paid or the related  
2 portion of the Project is placed in service or abandoned, but in no event more than three years  
3 after the date on which the Expenditure is paid. The City recognizes that exceptions are  
4 available for certain “preliminary expenditures,” costs of issuance, certain de minimis  
5 amounts, expenditures by “small issuers” (based on the year of issuance and not the year of  
6 expenditure) and Expenditures for construction projects of at least five years.

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8 Section 19. Landlords may pass through to residential tenants under the Residential  
9 Rent Stabilization and Arbitration Ordinance (Administrative Code Chapter 37) 50% of any  
10 property tax increase, if any, that may result from the issuance of Bonds authorized by this  
11 ordinance. The City may enact ordinances authorizing tenants to seek waivers from the pass-  
12 through based on financial hardship.

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14 Section 20. The appropriate officers, employees, representatives, and agents of the  
15 City are hereby authorized and directed to do everything necessary or desirable to accomplish  
16 the calling and holding of the Bond Special Election, and to otherwise carry out the provisions  
17 of this ordinance.

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19 Section 21. Documents referenced in this ordinance are on file with the Clerk of the  
20 Board of Supervisors in File No. \_\_\_\_\_, which is hereby declared to be a part of this  
21 ordinance as if set forth fully herein.

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23 APPROVED AS TO FORM:  
24 DAVID CHIU, City Attorney

25 By: /s/MARK D. BLAKE

MARK D. BLAKE  
Deputy City Attorney

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