

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

3 **Resolution determining and declaring that the public interest and necessity demand**
4 **the acquisition or improvement of real property, including: facilities to deliver primary**
5 **healthcare services, emergency medical services, skilled nursing services, services for**
6 **persons experiencing mental health challenges, substance use disorder, and other**
7 **emergency housing services; acquire, improve and seismically upgrade critical**
8 **medical care and mental health facilities; and provide funds for an emergency shelter**
9 **and services center for families and children; and pedestrian and roadway safety**
10 **improvements, streetscape enhancements and other public space improvements and**
11 **related costs necessary or convenient for the foregoing purposes; authorizing**
12 **landlords to pass-through 50% of the resulting property tax increase, if any, to**
13 **residential tenants under Administrative Code Chapter 37; adopting findings under the**
14 **California Environmental Quality Act; and finding that the proposed Bonds are in**
15 **conformity with the General Plan, and with the eight priority policies of Planning Code,**
16 **Section 101.1(b).**

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

22 WHEREAS, The City, through the Department of Homelessness and Supportive
23 Housing (“HSH”), currently offers temporary shelter to serving over 3,500 people per night
24 through a variety of shelter programs including emergency shelter, navigation centers, cabins,
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1 safe parking and transitional housing, but additional shelter beds are needed to meet the
2 needs of unsheltered adults, young adults and families; and

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

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

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

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

23 WHEREAS, The proposed Healthy, Safe, and Vibrant San Francisco Bond (“Bond”) will
24 provide a portion of the critical funding necessary to acquire or improve real property,

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1 including emergency housing and shelters, and existing and potential new behavioral health
2 facilities and institutions; and

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

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

11 WHEREAS, City staff have identified projects to address public safety hazards,
12 improve disabled access, and have identified street repaving, curb ramp, street structures,
13 and plaza improvement programs to address public safety hazards, reduce the backlog of
14 deferred maintenance, improve disabled access, and equitably improve the public right-of-
15 way; and

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17 WHEREAS, City staff have identified a capital improvement need totaling
18 \$390,000,000 in projects and programs relating to acquiring or improving real property,
19 including to stabilize, improve, and make permanent investments in supportive housing
20 facilities, shelters, and/or facilities that deliver services to persons experiencing mental health
21 challenges, substance use disorder, and/or homelessness; acquire, improve and seismically
22 upgrade critical medical care and mental health facilities, and improve pedestrian and
23 roadway safety improvements, streetscape enhancements and other public space
24 improvements, all as otherwise specified in the ordinance submitting this proposal to the
25 voters (collectively, "Project"); and

1 WHEREAS, The Bond will allow the City to finance the acquisition or improvement of
2 the Project in the most cost-effective manner possible; and

3 WHEREAS, The Bond is recommended by the City's 10-year capital plan, approved
4 each odd-numbered year by the Mayor of the City and the Board of Supervisors of the City
5 ("Board"); be it

6 RESOLVED, The Board determines and declares that the public interest and necessity
7 demand the acquisition or improvement of real property, including facilities to stabilize,
8 improve, and make permanent investments in emergency housing facilities, shelters, and/or
9 facilities that deliver preventative healthcare, emergency medical care, and behavioral health
10 services; invest in critical repairs at Zuckerberg invest in critical repairs at Zuckerberg San
11 Francisco General Hospital and Laguna Honda Hospital in order to maintain and licensure
12 compliance, and make pedestrian and roadway safety improvements, streetscape
13 enhancements and other public space improvements, and related costs necessary or
14 convenient for the foregoing purposes; and, be it

15 FURTHER RESOLVED, The estimated cost of \$390,000,000 for the Bond is and will
16 be too great to be paid out of the ordinary annual income and revenue of the City, will require
17 an expenditure greater than the amount allowed by the annual tax levy, and will require the
18 incurrence of bonded indebtedness in an amount not to exceed \$390,000,000; and, be it

19 FURTHER RESOLVED, The Board, having reviewed the proposed legislation, makes
20 the following findings in compliance with the California Environmental Quality Act ("CEQA"),
21 California Public Resources Code, Sections 21000 et seq., the CEQA Guidelines, 14
22 California Code of Regulations, Sections 15000 et seq., ("CEQA Guidelines"), and San
23 Francisco Administrative Code, Chapter 31. The Board, finds, affirms and declares:

24 A. EXPANDING AND IMPROVING COMMUNITY HEALTH CENTERS TO
25 DELIVER PREVENTATIVE PRIMARY CARE SERVICES, BEHAVIORAL HEALTH

1 SERVICES, SEXUAL HEALTH SERVICES, AND OTHER ANCILLARY HEALTHCARE
2 SERVICES:

3 (i) The proposed funding for the Chinatown Public Health Center project was
4 determined by the Planning Department to be exempt from CEQA as a Category 1 exemption
5 for existing facilities pursuant to CEQA Guidelines Section 15301, as set forth in the Planning
6 Department's memorandum dated _____, which determination is on file with the Clerk
7 of the Board of Supervisors in File No. ____ ("Planning Department Memorandum") and is
8 hereby affirmed and adopted by this Board for the reasons set forth in the Planning
9 Department Memorandum.

10 (ii) The remaining portion of the proposed funding described in Section 3A of
11 this Ordinance is excluded from CEQA because such funding is not a "project" as defined
12 under CEQA Guidelines Sections 15378(b)(4), as set forth in the Planning Department
13 Memorandum, which determination is hereby affirmed and adopted by this Board for the
14 reasons set forth in the Planning Department Memorandum.

15 B. CRITICAL REPAIRS AND RENOVATIONS AT ZUCKERBERG SAN
16 FRANCISCO GENERAL HOSPITAL AND LAGUNA HONDA HOSPITAL: The proposed
17 funding for critical repairs at Zuckerberg General Hospital and Laguna Honda Hospital is
18 excluded from CEQA because such funding is not a "project" as defined under CEQA
19 Guidelines Sections 15378(b)(4), as set forth in the Planning Department Memorandum,
20 which determination is hereby affirmed and adopted by this Board for the reasons set forth in
21 the Planning Department Memorandum.

22 C. SEISMIC UPGRADES AT ZUCKERBERG SAN FRANCISCO GENERAL
23 HOSPITAL TO ENSURE STAFF SAFETY: The proposed funding for continuation of projects
24 at Zuckerberg General Hospital and Laguna Honda Hospital was determined by the Planning
25 Department to be not a "project" as defined under CEQA Guidelines Sections _____, as set

1 forth in the Planning Department Memorandum, which determination is hereby affirmed and
2 adopted by this Board for the reasons set forth in the Planning Department Memorandum.

3 D. NEW SHELTER SITE: The proposed funding for the New Shelter Site is
4 excluded from CEQA because such funding is not a "project" as defined under CEQA
5 Guidelines sections 15378(b)(4), as set forth in the Planning Department Memorandum, which
6 determination is hereby affirmed and adopted by this Board for the reasons set forth in the
7 Planning Department Memorandum.

8 E. VISION ZERO AND TRAFFIC SAFETY: The proposed investments for vision zero
9 and traffic safety are excluded from CEQA because such funding is not a "project" as defined
10 under CEQA Guidelines Section 15378(b)(4), as set forth in the Planning Department
11 Memorandum, which determination is hereby affirmed and adopted by this Board for the
12 reasons set forth in the Planning Department Memorandum.

13 F. MODERN & ACCESSIBLE PUBLIC REALM PROJECTS

14 (i) HARVEY MILK PLAZA: The proposed funding for Harvey Milk Plaza has been
15 determined to be exempt from CEQA as a Class 2 Exemption as determined by the Planning
16 Department on November 23, 2022, on file with the Planning Department under File _____.

17 (ii) The remaining portion of the proposed funding described in Section 3H of this
18 Ordinance is excluded from CEQA because such funding is not a "project" as defined under
19 CEQA Guidelines Sections 15378(b)(4), as set forth in the Planning Department
20 Memorandum, which determination is hereby affirmed and adopted by this Board for the
21 reasons set forth in the Planning Department Memorandum.

22 H. CITIZENS OVERSIGHT COMMITTEE: The proposed role of the Citizens
23 Oversight Committee is excluded from CEQA because such funding is not a "project" as
24 defined under CEQA Guidelines Section 15378(b)(4), as set forth in the Planning Department
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1 Memorandum, which determination is hereby affirmed and adopted by this Board for the
2 reasons set forth in the Planning Department Memorandum.

3 I. Based on the whole record before the Board, there are no substantial project
4 changes, no substantial changes in project circumstances, and no new information of
5 substantial importance that would change the conclusions set forth in the exemption
6 determinations by the Planning Department that, as described above, the proposed projects
7 are exempt from environmental review.

8 J. For the portion of the proposed funding that does not constitute a project
9 pursuant to CEQA, the use of bond proceeds to finance any specific project or portion of any
10 specific project will be subject to approval of the applicable decision-making body at that time,
11 upon completion of planning and any further required environmental review under CEQA; and,
12 be it

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

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

23 FURTHER RESOLVED, Under Administrative Code, Section 2.40, the ordinance
24 submitting this proposal to the voters shall contain a provision authorizing landlords to pass-

1 through 50% of the resulting property tax increases, if any, to residential tenants in
2 accordance with Administrative Code, Chapter 37; and, be it

3 FURTHER RESOLVED, The City hereby declares its official intent to reimburse prior
4 expenditures of the City incurred or expected to be incurred prior to the issuance and sale of
5 any series of the Bonds in connection with the Bond. The Board hereby declares the City's
6 intent to reimburse the City with the proceeds of the Bond for the expenditures with respect to
7 the Project (the "Expenditures" and each, an "Expenditure") made on and after that date that
8 is no more than 60 days prior to the adoption of this Resolution; and, be it

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

11 FURTHER RESOLVED, Each Expenditure was and will be either (a) of a type properly
12 chargeable to a capital account under general federal income tax principles (determined in
13 each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bond,
14 (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to
15 a party that is not related to or an agent of the City so long as such grant does not impose any
16 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the
17 City. The maximum aggregate principal amount of the Bond expected to be issued for the
18 Project is \$390,000,000. The City shall make a reimbursement allocation, which is a written
19 allocation by the City that evidences the City's use of proceeds of the applicable series of the
20 Bond to reimburse an Expenditure, no later than 18 months after the later of the date on which
21 the Expenditure is paid or the related portion of the Project is placed in service or abandoned,
22 but in no event more than three years after the date on which the Expenditure is paid. The
23 City recognizes that exceptions are available for certain "preliminary expenditures," costs of
24 issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of
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1 issuance and not the year of expenditure) and Expenditures for construction projects of at
2 least 5 years; and, be it

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

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7 APPROVED AS TO FORM:
8 DAVID CHIU, City Attorney

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10 By: /s/MARK D. BLAKE
11 MARK D. BLAKE
Deputy City Attorney
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