

FY2026-35 Draft Capital Plan Overview



Jan 13, 2025

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)



THE CITY AND COUNTY
OF SAN FRANCISCO
PROPOSED CAPITAL PLAN

ONE
Building Our

Fiscal Years 2024

Draft FY2026-35 Capital Plan

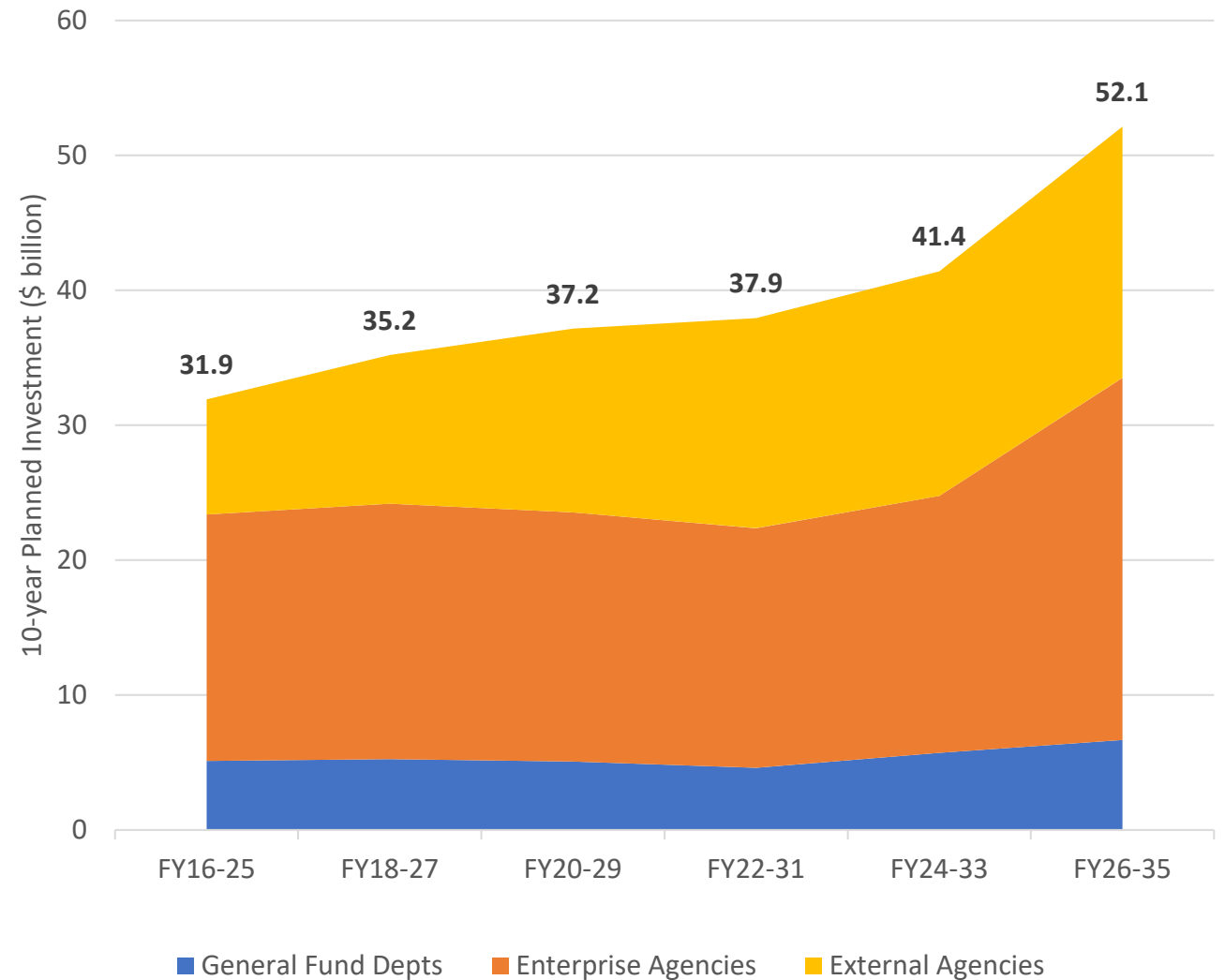
Funding Overview FY26-35

Summary by Service Area FY 26-35

(in \$millions – includes all funding sources)	GENERAL FUND DEPTS	ENTERPRISE DEPTS	EXTERNAL AGENCIES	TOTAL	Change from Prior Plan
Affordable Housing	-	-	2,753	2,753	-30%
Public Safety	1,486	-	-	1,486	5%
Health and Human Services	841	-	-	841	-7%
Infrastructure & Streets	2,262	11,064	-	13,326	27%
Recreation, Culture, and Education	1,676	-	2,412	4,088	-6%
Economic & Neighborhood Development	-	3,871	3,326	7,197	52%
Transportation	-	11,901	10,136	22,038	44%
General Government	403	-	-	403	30%
	6,668	26,836	18,627	52,132	26%

Capital Plan Over Time

- The Capital Plan has grown over 60% over the last 10 years (5.3% annually)
- Most of the growth has come from enterprise and external agencies
- Investment in General Fund depts grew only 30% over 10 years (2.7% annually)



Capital Plan Discussions at CPC

Date	Topic
Nov 4	<ul style="list-style-type: none">▪ Port of San Francisco Plan Update
Dec 2	<ul style="list-style-type: none">▪ Treasure Island Capital Plan Update
Jan 13 - TODAY	<ul style="list-style-type: none">▪ Draft Capital Plan Discussion (Overview, Pay Go, GO Bonds & Certificates of Participation)▪ Recreation & Parks Department Capital Plan Update
Jan 27	<ul style="list-style-type: none">▪ Public Works Capital Plan Update▪ Building Our Future Capital Plan Update
Feb 10	<ul style="list-style-type: none">▪ Real Estate Division Capital Plan Update (HOJ, HSA, ART, Wholesale Produce Market)▪ Department of Public Health (Capital Plan Update)
Feb 24	<ul style="list-style-type: none">▪ Draft Capital Plan Approval for Recommendation to BOS

Capital Accomplishments

Affordable Housing

- **Started construction on 1,042 units of affordable housing**, with an investment of \$378 million in local funds leveraging more than \$700 million in other funds.
- Provided \$115 million in preservation loans, which will **stabilize 227 households in their current homes**.
- Approved \$324.4 million in predevelopment and construction loans toward **the development of 1,058 affordable units in Mission Bay South, Transbay, and Hunters Point Shipyard Phase 1**.
- **Constructed 138-unit Star View Court project for occupancy in May 2024**, the second 100% affordable housing site on Treasure Island.



Capital Accomplishments

Economic & Neighborhood Development

- **Completed China Basin Park, a new five-acre bayfront park** with a great lawn, dog zone, bay trail connection, and a shoreline sand area.
- **Mission Bay:** Constructed 19 open space parcels totaling over 29 acres, over 39,000 linear feet of streets and underground utilities, 4 storm water pump stations and one sanitary sewer pump station.
- **Completed all street improvements and public infrastructure** planned on the first stage of development on Yerba Buena Island and Treasure Island.
- **Secured state funding for the Yosemite Slough Neighborhood Adaptation Plan** to address disparities in sea level rise planning in Bayview Hunters Point.



Capital Accomplishments

General Government

- **Connected over 17,097 units in 143 affordable housing sites with free broadband internet access** over the last 6 years through the Fiber to Housing Project.
- **Completed several large renewal projects** including heat pump replacements at City Hall and 555 7th St, elevators at City Hall, and restroom reconstruction and cooling tower replacement at 1 South Van Ness.
- **Reconfigured the Hall of Justice waste collection system** to enhance waste diversion and save cost.



Capital Accomplishments

Health & Human Services

- The **\$390M Healthy, Safe, & Vibrant GO Bond** was **approved** by voters in November 2024.
- **Completed and occupied the new UCSF Research Building at ZSFG** funded by the University of California San Francisco.
- **Commenced critical rehabilitation work** at Next Door Adult Shelter at 1001 Polk Street and MSC South Adult Shelter at 525 5th Street.
- **Acquired eight buildings with 691 units, completed rehabilitation of 362 units, and commenced construction of 145 new units** of permanent supportive housing.



Capital Accomplishments

Infrastructure and Streets

- **Repaved and maintained 1,011 street blocks**, maintaining the City's Pavement Condition Index at 75 for 2024; **constructed a total of 1,558 curb ramps**; **repaired more than 77,175 square feet of sidewalks**, equivalent to 28 blocks.
- **Completed several Water projects** including, the Rollins Road Building Renovation, Harry Tracy Water Treatment Plant Filter Replacement, Corrosion Control Phase 2, Watershed Environmental Improvement, San Francisco Westside Recycled Water Pump Station, San Francisco Groundwater Supply, Emergency Firefighting Water System Pump Station No. 2, Clarendon Supply, and Reservoir and Irrigation projects.
- **Energized the Bay Corridor Transmission Distribution substation**, as well as **major phase for redevelopment projects at Pier 70, Mission Rock, Treasure Island, and Yerba Buena Island.**



Capital Accomplishments

Public Safety

- **Completed HVAC system comprehensive upgrades and replacements** for Station 9, 14, 26, and Community Paramedicine at 1415 Evans.
- **Completed hose tower removal work** at Fire Stations 6, 11, 12, 21 and 38. Hose-tower removal and replacement is in process for Fire Station 15.
- **Completed server room upgrades** in alignment with federal National Incident Based Reporting System standards.
- **Schematic Design completed** in September 2024 for the Fire Department's **new Division of Training**
- **Completed a renovation of the 911 Call Center** in Spring 2024.



Capital Accomplishments

Recreation, Culture, and Education

- ❑ **Completed Phase 2 at India Basin Waterfront Park** with the park creation at 900 Innes, & **renovated Fillmore Turk Mini Park.**
- ❑ **Completed renovations at neighborhood parks,** including a full renovation at Esprit, replaced the Crocker Amazon soccer fields, added a restroom to Noe Valley Town
- ❑ **Completed exterior SOMArts ADA Barrier Removal and Retaining Wall Project.**
- ❑ **Completed renovations for the Mobile Service & High-Density Storage Facility** at 750 Brannan Street.
- ❑ **Restored Mechanics Monument and Lotta's Fountain.**



Capital Accomplishments Transportation

- **Completed the Muni-Metro T Third Line** through SoMa, Union Square, and Chinatown.
- **Grew the city's bike network by approximately 50 miles** by increasing connectivity between many of San Francisco's neighborhoods.
- **Completed the Harvey Milk Terminal 1**, which received LEED Platinum certification.
- **Completed construction of the Southgate Road Realignment** from Yerba Buena Island to Treasure Island. Broke ground on the **Yerba Buena Island West Side Bridges Retrofit Project**.





Draft FY2026-35 Capital Plan

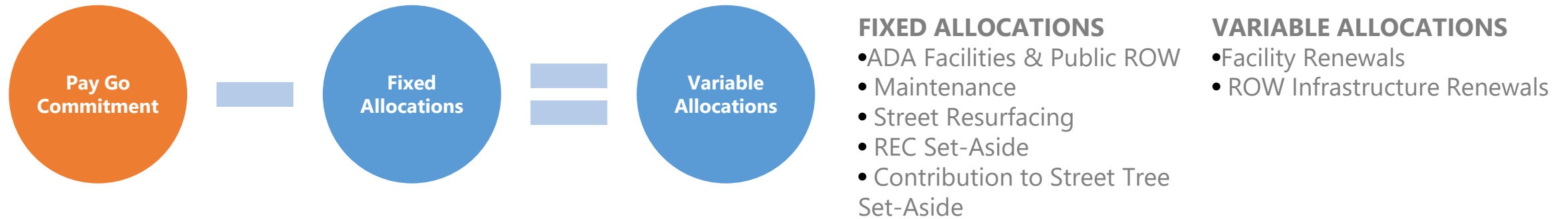
Funding Principles

- Address legal or regulatory mandate
- Protect life safety and enhance resilience, including racial equity
- Ensure asset preservation and sustainability
- Programmatic and planned needs
- Economic development

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 \$149M in FY2026 growing by \$30M per year until FY2028, and \$25M per year thereafter
- Maintain Street Resurfacing Pavement Condition Index (PCI) target at 75
- ADA-related policy continues to prioritize barrier access removal and the ongoing Curb Ramps right-of-way program
- Maintain \$10M/yr for Enhancement projects

Draft Pay-As-You-Go Program Methodology



Pay-as-you-go Allocation for Draft FY26-35 Capital Plan:

$$\text{\$2,700M} - \text{\$1,217M} = \text{\$1,483M}$$

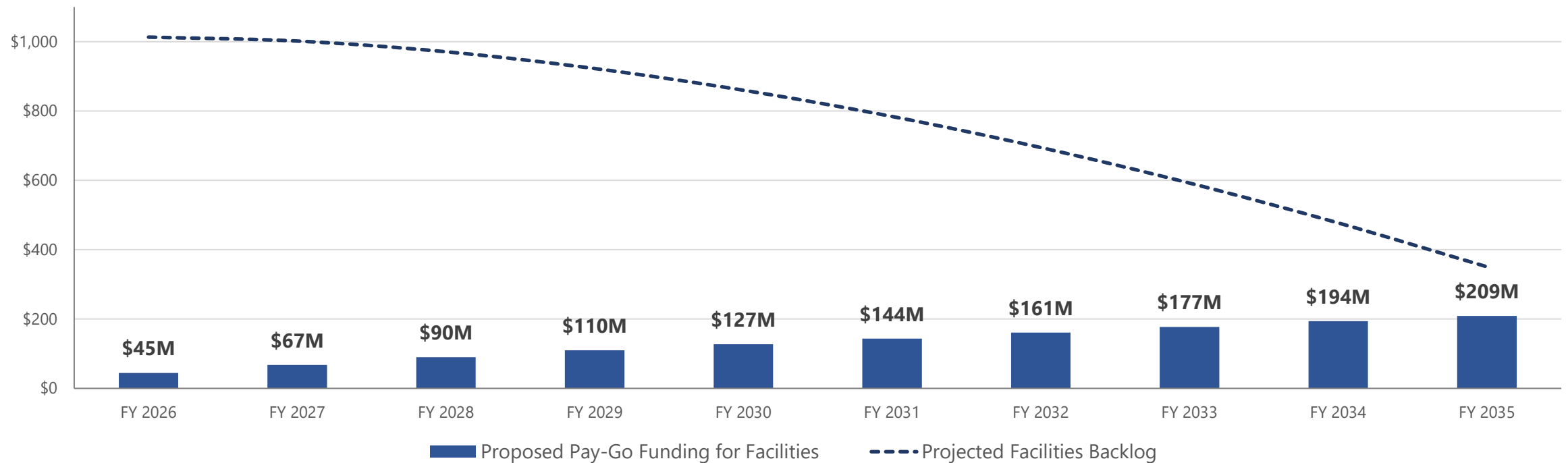
Draft Pay-As-You-Go Program Funding Outcomes FY26-35

Funding Category <i>(in \$millions)</i>	10-yr GF Need	10-yr GF Funding	% Funded
Routine Maintenance	226	249	110%
ADA: Facilities	18	18	100%
ADA: Public Right-of-Way	300	125	42%
Street Resurfacing	497	497	100%
Enhancements	3,384	100	3%
Recreation and Parks Base Commitment	142	142	N/A
Contribution to Street Tree Set-aside	85	85	N/A
FIXED ALLOCATION TOTAL	4,652	1,216	
Facility Renewal	1,971	1,324	67%
ROW Infrastructure Renewal	235	159	67%
VARIABLE ALLOCATION TOTAL	2,206	1,483	
GRAND TOTAL	6,858	2,700	

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



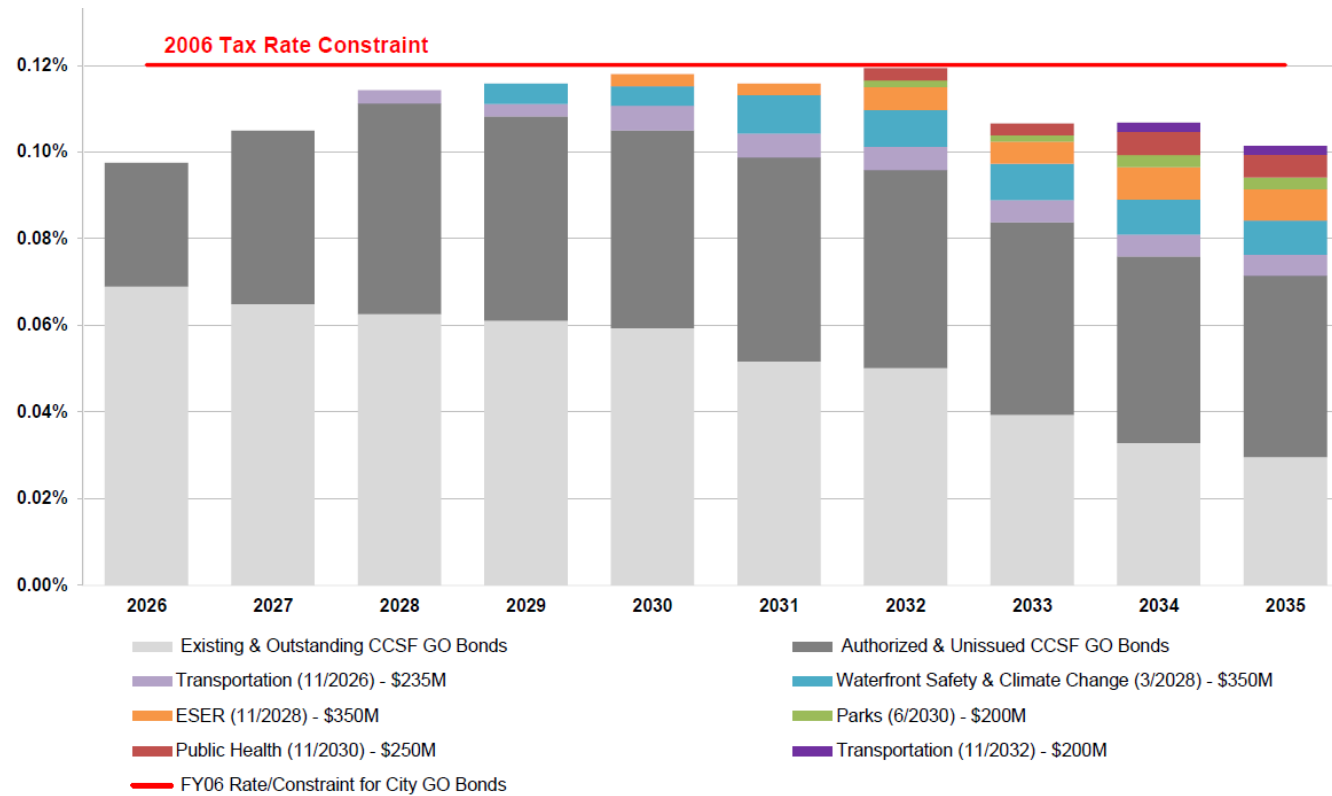
Draft Debt Program

General Obligation (GO) Debt

Election Date	Bond Program	Amount (\$M)
Nov 2026	Transportation	235
Mar 2028	Waterfront Safety & Climate	350
Nov 2028	Earthquake Safety & Emergency Response	350
June 2030	Parks & Open Space	200
Nov 2030	Public Health	250
Nov 2032	Transportation	200
Nov 2034	Affordable Housing	200
Total		1,785

Draft Debt Program

General Obligation (G.O.) Bond Capacity



AV projection assumes AAB reserves in FY26, and growth of 0.52% in FY27, 2.63% in FY28, 3.18% in FY29, 3.28% in FY30, and 3% per year thereafter

Revised 11-26-24

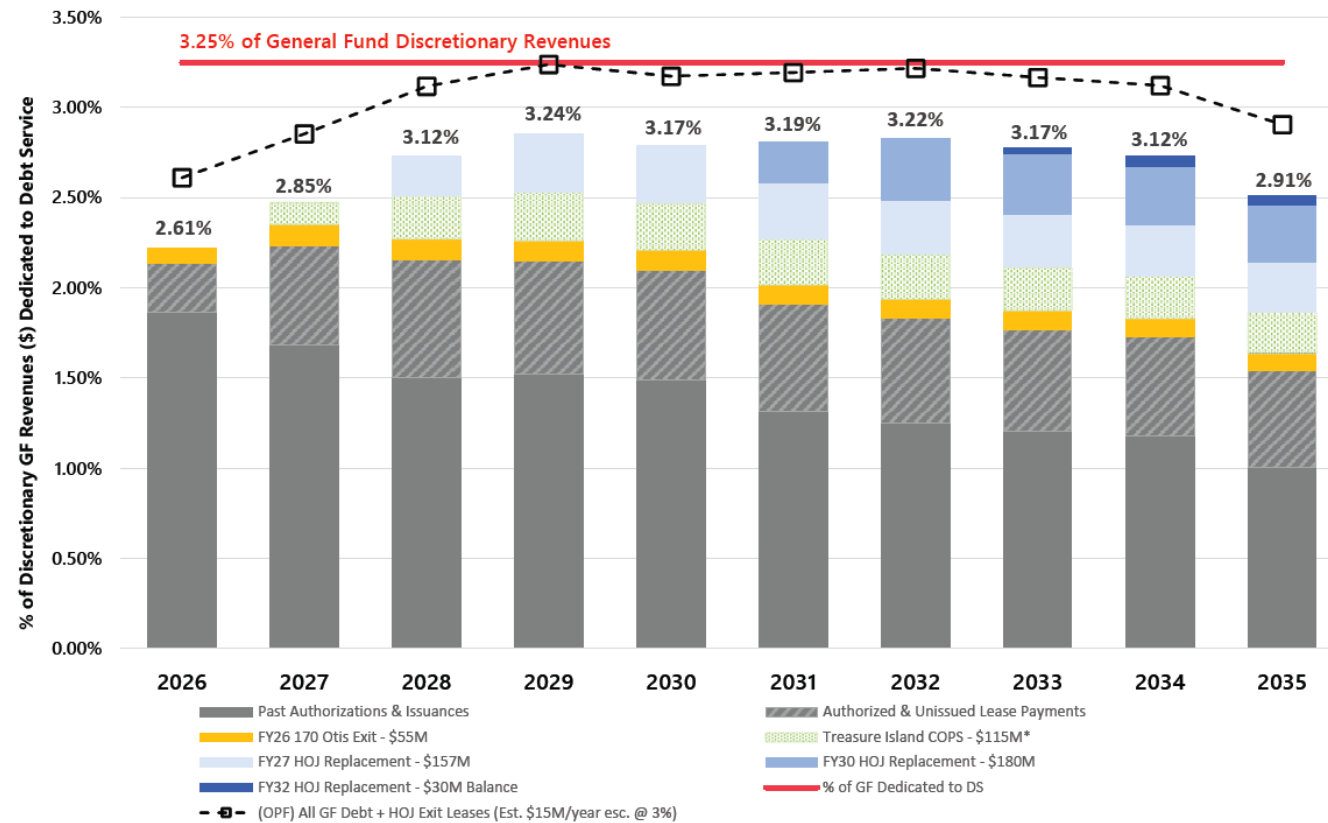
Draft Debt Program

Certificates of Participation Schedule

Issuance	Proposed Project	Amount (\$M)
FY 2026	Relocation of HSA Headquarters	55
FY 2026	Treasure Island Infrastructure	50
FY 2027	Treasure Island Infrastructure	15
FY 2027	HOJ Replacement	157
FY 2030	HOJ Replacement	180
FY 2032	HOJ Replacement	30
Total		487

Draft Debt Program

Certificates of Participation Capacity



* Treasure Island COPs to be sold in three tranches (FY25, FY26, FY27)

As of 11-13-2024

Questions and Comments?

onesanfrancisco.org

An aerial photograph of San Francisco, California, showing the city's dense urban landscape, the Golden Gate Bridge in the distance, and the bay. A semi-transparent blue rectangular overlay is centered over the city, containing white text. The text reads: "There is only one San Francisco. Let's take care of it." At the bottom center of the image, there are three small white circles, likely a navigation or status indicator.

**There is only one San Francisco.
Let's take care of it.**

