

# FY27-FY28 Capital Budget **Scenario Review**

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Office of Resilience and Capital Planning | April 20, 2026

# CPC AGENDA

## Capital Budget

- **Discussion Item: Capital Budget Scenario Review**
  - Admin Code Section 3.21: CPC reviews the Capital Budget to ensure it aligns with recommendations in Capital Plan
  
- **Today's Presentation**
  - Review Scenario Totals
  - Summary of all Scenarios: Low, High, and all “Mid” Packages
  - Department Comments
  - Committee Discussion
  
- **Upcoming CPC Presentations: Capital Budget Approval**

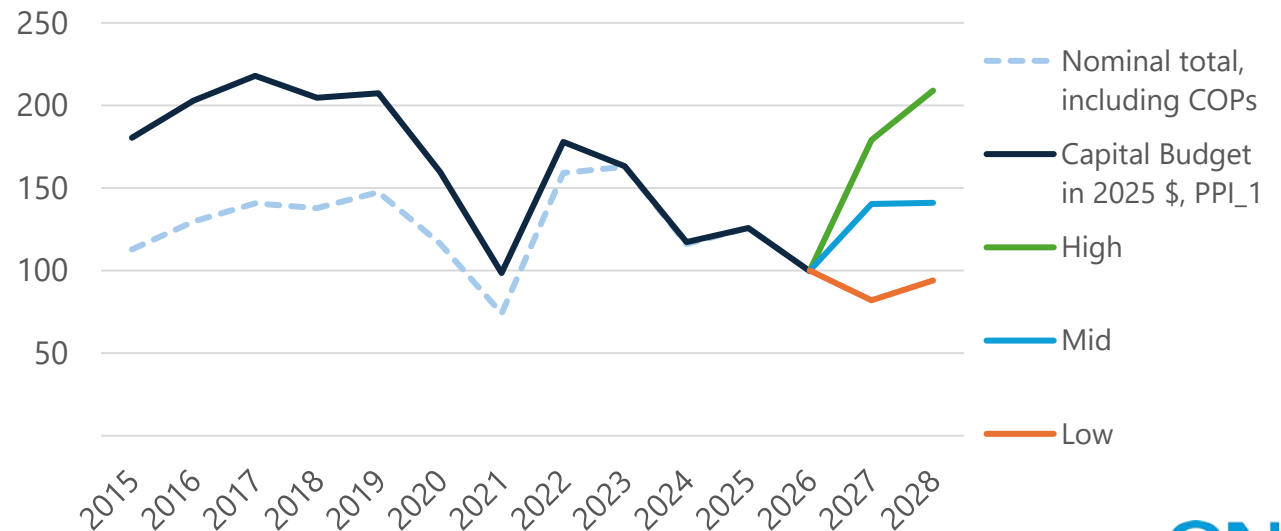
# Capital Budget Scenario Totals

	BASED ON CAPITAL PLAN				BASED ON 5-YR FINANCIAL PLAN	
	High Scenario (\$M)		Mid Scenario (\$M) (All Packages Combined)		Low Scenario (\$M)	
	FY27	FY28	FY27	FY28	FY27	FY28
<b>General Fund</b>	179.0	209.0	115.3	134.0	57.0	87.0
<b>Certificates of Participation</b>	-	-	25.0	7.0	25.0	7.0

## Considerations

- ~\$35M/year of the Capital Budget goes towards set-asides and other policy decisions
- COP capacity for FY28 is expected to be around \$7M, based on de-appropriation of previously appropriated COPs

Capital Budget GF Investment in Real 2025 Dollars (Millions)



# Capital Budget Scenario Review

## Low Scenario – based on 5-yr Financial Plan

Set-asides & Policies	FY27	FY28
REC Set-Aside ( <i>Prop B, 2016</i> )	15.0	15.0
Street Trees Set-Aside ( <i>supports Prop E, 2016</i> )	7.1	7.5
Routine maintenance allocations for all depts.	12.8	13.3
<b>SUB-TOTAL</b>	<b>34.9</b>	<b>35.8</b>

Remaining Expenditure Categories	FY27	FY28
ADA ( <i>primarily Curb Ramps</i> )	3.9	7.7
Critical Enhancements ( <i>legal mandates, security, fiber</i> )	2.9	4.6
Facility Renewals ( <i>life-safety, HVAC, elevators, boilers etc.</i> )	13.6	24.1
Planning	0.2	0.3
ROW Renewals ( <i>potholes, street structures etc.</i> )	1.6	4.6
Street Resurfacing (Pay-Go Cash)	-	10.0
<b>SUB-TOTAL</b>	<b>22.1</b>	<b>51.2</b>
<b>TOTAL (Pay-Go Cash)</b>	<b>57.0</b>	<b>87.0</b>
<b>COPs</b>	<b>25.0</b>	<b>7.0</b>

### Highlights

- Primarily funds set-asides and routine maintenance
- Only the most urgent needs (leaky roofs, sewage systems, state-of-good-repair projects already underway, regulatory requirements, basic right-of-way needs) are funded
- Streets is funded at \$23M in FY27 and \$17M in FY28 (will result in deterioration of pavement condition)

# Capital Budget Scenario Review

## High Scenario – based on Capital Plan recommendation

Set-asides & Policies	FY27	FY28
REC Set-Aside ( <i>Prop B, 2016</i> )	15.0	15.0
Street Trees Set-Aside ( <i>supports Prop E, 2016</i> )	7.1	7.5
Routine maintenance allocations for all depts.	13.8	14.6
<b>SUB-TOTAL</b>	<b>35.9</b>	<b>37.1</b>

Remaining Expenditure Categories	FY27	FY28
ADA ( <i>primarily Curb Ramps</i> )	17.1	15.9
Critical Enhancements ( <i>legal mandates, security, fiber</i> )	17.0	28.7
Facility Renewals ( <i>life-safety, HVAC, elevators, boilers etc.</i> )	43.8	62.1
Planning	7.8	5.0
ROW Renewals ( <i>potholes, street structures etc.</i> )	8.3	8.2
Street Resurfacing (Pay-Go Cash)	49.0	52.0
<b>SUB-TOTAL</b>	<b>143.1</b>	<b>171.9</b>
<b>TOTAL (Pay-Go Cash)</b>	<b>179.0</b>	<b>209.0</b>
<b>COPs</b>	<b>-</b>	<b>-</b>

- Fully funds ADA, life safety, security, emergency power packages
- Adequately funds facilities (HVACs, boilers, electrical etc.) towards a state of good repair, resulting in a reduction in the backlog\*
- Adequately funding for right-of-way programs including curb ramps, potholes etc.
- Funds planning for a new family shelter, and relocation of SOMArts Cultural Center
- Streets fully funded with General Fund (not debt) to maintain PCI at 75 in the long term

\*if funding level is maintained in future budget years

# Capital Budget Scenario Review

## Packages Overview

### ADA & Elevators

- Projects related to improving accessibility and removing barriers
- Includes projects such as elevator repair, elevator modernization, sidewalk repairs, and curb ramps

### Emergency Power

- Includes projects related to generators, power control panels, and other electrical repairs and upgrades

### Life Safety

- Projects critical to the safety of staff, residents, visitors, or patients (including fire alarm / fire suppression systems and other life safety needs)

### Security

- Critical need at ZSFG and other Public Health facilities
- Includes security system upgrades, access control, camera installation etc.

### Street Resurfacing

- Fully funding streets to maintain a PCI of 75 in the long term

Capital Budget Packages	Package Cost*	
	FY27	FY28
ADA & Elevators	10.4	3.7
Emergency Power	8.9	1.3
Life Safety	7.4	6.1
Security	5.5	0.9
Street Resurfacing	26.0	35.0
<b>TOTAL (All Packages)</b>	<b>58.3</b>	<b>47.0</b>

\*The \$ amount shown is the total increase from the low scenario for each package (not always the full project cost).

# Capital Budget Scenario Review

## Street Resurfacing

### REQUESTED GF \$

General Fund Request	FY27 Request	FY28 Request
Long-Term (PCI 84)	85.4M	108.5M
Mid-Level (PCI 75)	49.0M	52.0M

### RECENT LOCAL FUNDING SOURCES

*\$ in millions*

Fund Source	FY22	FY23	FY24	FY25	FY26
G.O. Bond	31.5	-	-	-	
Certificates of Participation	-	30.0	32.8	23.9	23.0

### PROPOSED FY27 & FY28 SCENARIOS

*\$ in millions*

Fund Source	High Scenario		Streets Package		Low Scenario	
	FY26	FY27	FY26	FY27	FY26	FY27
General Fund	49.0	52.0	26.0	45.0	-	10.0
Certificates of Participation	-	-	23.0	7.0	23.0	7.0
<b>General Fund Investment</b>	<b>49.0</b>	<b>52.0</b>	<b>49.0</b>	<b>52.0</b>	<b>23.0</b>	<b>17.0</b>

# Capital Budget Scenario Review

## ADA & Elevators

Dept	Project Name	FY27	FY28
DPW	Curb Ramps Program	4.0	6.0
DPW	Curb Ramps with Basements	2.0	2.0
WAR	Opera House Elevator Renewals	0.4	3.0
DPW	Sidewalk Improvements and Repair	1.5	1.6
JUV	JPD Admin Building Elevator Modernization – Phase II	3.0	
AAM	Elevator modernization project		1.3
WAR	ADA Lift Renewals	1.0	
ART	SOMA ADA Barrier Removal	0.6	
SCI	Elevator Modernization	0.6	
ART	AAACC Elevator Modernization	0.6	
FAM	de Young Landscape Paths	0.2	0.2
Total Project Costs		13.8	14.0
<b>Total Cost of Package (Increase from Low)</b>		<b>10.4</b>	<b>3.7</b>

### Highlights

- With this package, we fund 44% of all ADA & Elevator requests (as compared to 24% under Low)
- Consequences of deferring
  - Inaccessible street crossings (no ramps), unreliable elevators, entrapment risks
  - Limits safe use and equitable access for people with disabilities, older adults and others with mobility challenges
- Other considerations
  - Delays increase exposure to federal accessibility compliance risk (our Title II ADA obligations)
- Remaining unfunded ADA projects include lower priority elevator modernizations and additional curb ramp funding (to meet PW’s 2035 goal of full curb ramps).

# Capital Budget Scenario Review

## Life Safety

Dept	Project Name	FY27	FY28
DEM	1011 Turk Fire Life Safety Systems Reliability Project	0.4	2.0
SHF	CJ1, CJ2 & CJ3 Fire Life Safety Systems replacement	1.0	1.0
SHF	CJ2 and CJ3 Infrastructure Reinforcement & Safety Upgrades	0.5	1.5
JUV	IT Modular Building Exterior Restoration	1.8	
ADM	Brooks Hall Fire Panel Installation	1.6	
DPH	ZSFG - Colonnade Repairs		1.0
DPH	ZSFG - Fire Alarm Upgrade - B25 Panels and Head End		1.0
SHF	County jail 3 Fire Mitigation	0.5	0.5
DPH	LHH - Admin Bldg Haz Mat Abatement	0.5	0.5
POL	Fire Panel Replacements	0.8	0.1
JUV	Multipurpose Room (MPR) Windows - JJC	0.8	
FAM	LH Fire Alarm System replacement	0.2	0.1
FAM	dY Fire Suppression Systems	0.2	0.2
FAM	LH Fire Suppression Systems	0.2	0.2
FAM	de Young Cooling Tower Rails	0.1	0.0
Total Project Costs		8.3	8.0
Total Cost of Package (Increase from Low)		7.4	6.1

### Highlights

- With this package, we fund 33% of all Life Safety requests (as compared to 15% under Low)
- Consequences of deferring
  - Risk to staff and resident safety
  - High risk of systems failures resulting in potential building and operation shutdowns
- Other considerations
  - Unreliable fire systems and high reactive repairs cost
- Remaining unfunded projects include large fire alarm system replacements

# Capital Budget Scenario Review

## Emergency Power

Dept	Project Name	FY27	FY28
DEM	Design and installation of new generator unit	0.8	4.5
DEM	1011 Turk Critical Power Distribution Resiliency Project	3.6	
DPH	LHH - Emergency Power (Gap Funding)	2.0	
FIR	Emergency Generator Replacements & Maintenance	1.0	1.0
ADM	Public Safety Building Generator Controls	0.9	
DPH	ZSFG - B25 IT Emergency Power Off Reconfiguration	0.9	
WAR	Opera House Emergency Generator and Electrical Upgrades	0.6	
SHF	CJ Uninterrupted Power Supply Replacement	0.2	0.2
Total Project Costs		9.9	5.7
<b>Total Cost of Package (Increase from Low)</b>		<b>8.9</b>	<b>1.3</b>

### Highlights

- With this package, we fund 100% of all Emergency Power requests (as compared to 36% under Low)
- Consequences of deferring
  - Limited power capacity at City facilities during any extended power outage / major disaster
  - Could delay evacuation or emergency response times due to limited power and communication abilities

# Capital Budget Scenario Review

## Security

Dept	Project Name	FY27	FY28
DPH	ZSFG B5 Security - Badge reader upgrade	1.3	1.3
DPH	ZSFG B25 Security - Magnetic Door Revisions	2.0	
DPH	ZSFG Security - Campus Wide Call tower installation	1.0	
POL	Police Facilities Security Enhancement	0.5	0.4
DPH	Laguna Honda Hospital Lenel Conversion (Security)	0.6	
JUV	JJC Surveillance, Central Control, and Camera Upgrades	0.5	
AAM	Alarm and access control upgrade	0.2	
POL	Police Station Access Card Management System	0.1	0.1
POL	POL-Exterior Perimeter and Parking Lot Lighting	0.1	0.1
Total Project Costs		6.1	1.8
<b>Total Cost of Package (Increase from Low)</b>		<b>5.5</b>	<b>0.9</b>

### Highlights

- With this package, we fund 34% of all Security requests (as compared to 8% under Low)
- Consequences of deferring
  - Continued safety and security vulnerabilities in City facilities
  - Security risks for staff, residents, visitors
- Other considerations
  - Also impacts emergency response to security incidents
- Remaining unfunded projects include Laguna Honda Lenel Conversion in Y2

# Department Comments

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# Committee Discussion



# Committee Review and Discussion

## Capital Budget Scenarios

### Key Questions for the Committee

- Does the committee have feedback on the overall level of investment proposed in these scenarios?
- Mid Packages
  - Does the committee have feedback on the projects included in the packages?
  - What are the highest priority packages?
- Low Scenario
  - Does the committee have any feedback on what is included in the low scenario?
- Do committee members want to flag any specific projects or anything they don't see included in the drafted scenarios?
- Any other comments or considerations?

# Next Steps



# Capital Budget Process

## Next Steps

### **Scenario Refinement**

Refine scenarios based on Committee feedback.

City Administrator and Mayor's Budget Office coordinate to discuss final scenario recommendation.

### **Final Budget Vote**

**CPC votes to recommend final scenario on May 4<sup>th</sup>.**

# Appendix



# PDF Budget Details Attachments

## Project List by Scenario

- Set-asides (fixed, included in all scenarios)
  - All Dept Maintenance, REC projects, Street trees
- Low Scenario
  - All projects included in low (besides set asides, which are included in every scenario)
- Mid Packages
  - Projects with funding in any mid-level package
- High Scenario
  - Projects funded only in the high scenario (or with increased funding in the High Scenario)

## Capital Budget Detailed Scenarios

- Full list of all requests

# Street Resurfacing

## PCI Impact – City Investments

