

# 01. Executive Summary

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# 01. EXECUTIVE SUMMARY

The Fiscal Year 2024-33 City and County of San Francisco Capital Plan (the Plan) is the City's commitment to building a more resilient, equitable, and vibrant future for the residents, workers, and visitors of San Francisco. Updated every odd-numbered year, the Plan is a fiscally constrained expenditure plan that lays out anticipated infrastructure investments over the next decade. This document is the product of input from Citywide stakeholders, who have put forth their best ideas and most realistic estimates of San Francisco's future needs.

Projects in the Plan are divided into eight Service Areas: Affordable Housing; Economic and Neighborhood Development; General Government; Health and Human Services; Infrastructure and Streets; Public Safety; Recreation, Culture, and Education; and Transportation. Each Service Area chapter describes the associated Renewal Program, Enhancement Projects, Deferred Projects, and Emerging Needs. General Fund, Enterprise, and external agencies are all represented to give as full a picture of San Francisco's capital needs as possible.

# Plan By the Numbers

Policies governing the Plan are discussed in the Introduction as well as the Capital Sources chapter. The Plan also lays out a number of goals that continue key objectives from previous years, including robust funding for asset preservation, relocating critical City services to seismically sound facilities, and construction of several public infrastructure projects to improve services and quality of life.

As shown in Table 1.1, this Plan captures \$24.8 billion in recommended direct City investments and \$16.5 billion in external agency investment, which total \$41.3 billion in capital improvements citywide. This work is estimated to create over 173,000 local jobs over the next decade.

TABLE 1.1

Capital Plan Summary in Five-Year Intervals (Dollars in Millions)	FY24-28	FY29-33	Plan Total
<b>BY SERVICE AREA</b>			
Affordable Housing	2,183	1,596	3,780
Public Safety	688	725	1,413
Health and Human Services	485	406	891
Infrastructure & Streets	7,123	3,360	10,483
Recreation, Culture, and Education	2,721	1,608	4,329
Economic & Neighborhood Development	2,682	2,056	4,738
Transportation	8,628	6,687	15,315
General Government	92	219	311
<b>TOTAL</b>	<b>24,603</b>	<b>16,657</b>	<b>41,260</b>
<b>BY DEPARTMENT TYPE</b>			
General Fund Departments	2,953	2,753	5,706
Enterprise Departments	11,492	7,551	19,043
City & County Subtotal	14,446	10,304	24,749
External Agencies	10,157	6,354	16,511
<b>TOTAL</b>	<b>24,603</b>	<b>16,657</b>	<b>41,260</b>

# Planned Project Highlights

San Francisco has many competing needs, and the capital program is no exception. Major projects with funding identified in this Plan include:

## General Fund Departments

- Chinatown Public Health Center Seismic Retrofit
- 1001 Polk Street Shelter Project
- Replacement of the unsafe Hall of Justice
- Park system renovations, including Portsmouth Square and India Basin
- Neighborhood Fire Stations program
- District Police Stations program
- Replacement fire training facility
- ADA facilities and right-of-way barrier removal
- Zuckerberg San Francisco General and Laguna Honda Hospital campus improvements

## Enterprise Departments

- Seawall strengthening
- SFMTA facilities
- Muni Forward
- Vision Zero Pedestrian Safety Program
- Water, Sewer, and Power Enterprise improvements
- SFO Terminal 1 and 3 improvements

## External Agencies

- Affordable housing developments
- Treasure Island redevelopment
- City College seismic and code upgrades
- Modernization of SFUSD sites

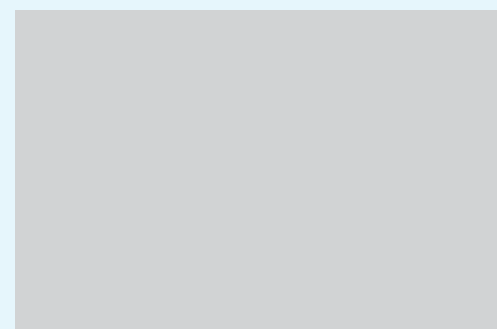


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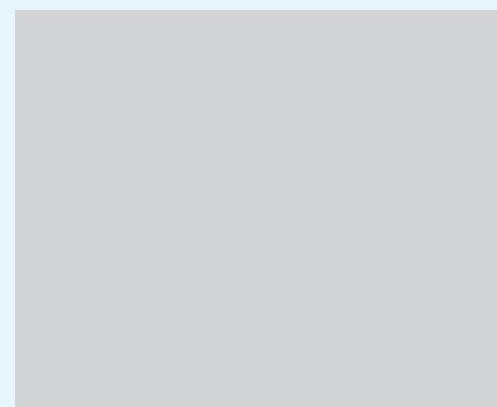


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# General Fund Departments

General Fund departments primarily rely on the General Fund to support their infrastructure needs. Table 1.2 outlines a program summary of planned General Fund department investments, as well as projects deferred from the Plan due to funding limitations. These projects and more are discussed in the Plan's Service Area chapters.

TABLE 1.2

General Fund Department Program Summary (Dollars in Millions)		
Renewal Investments	FUNDED	DEFERRED
<b>Projected for Next Ten Years</b>		
Facilities	1,256	1,786
Streets	1,044	772
Other right-of-way assets	154	118
<i>Subtotal, Renewals</i>	<b>2,454</b>	<b>2,676</b>
Capital Enhancement Investments	FUNDED	DEFERRED
<b>Earthquake and Safety Improvements</b>		
HOJ Consolidation Project	367	
Emergency Firefighting Water System	139	
1001 Polk Shelter Project	100	
New Training Facility & Neighborhood Fire Stations	228	
District Police Stations and Facilities	114	
Kezar Pavillion Seismic Upgrade	75	
Relocation of HSA Headquarters	70	
Chinatown Public Health Center Seismic Retrofit	74	
ZSFG - Bldg 3 Retrofit and Renovation	49	
County Jail #2 Improvements		228
Central District Station Replacement		141
Bureau of Equipment Relocation		98
Other Earthquake & Safety Improvements	440	547
<i>Subtotal</i>	<b>1,656</b>	<b>1,014</b>

Enhancements (continued)	FUNDED	DEFERRED
<b>Disability Access Improvements</b>		
Facilities	18	
Sidewalk Improvements and Repair Program	47	21
Curb Ramp Program	67	201
<i>Subtotal</i>	<b>132</b>	<b>223</b>
<b>Parks, Open Space &amp; Greening Improvements</b>		
Neighborhood Park Projects & Open Space Improvements	224	
Street Tree Planting and Establishment	18	222
Street Tree Maintenance and Sidewalk Repair	249	56
Other Parks, Open Space & Greening Improvements	582	55
<i>Subtotal</i>	<b>1,073</b>	<b>333</b>
<b>Street Infrastructure Improvements</b>		
Better Market Street	113	
Other Street Infrastructure Improvements	3	949
<i>Subtotal</i>	<b>116</b>	<b>949</b>
<b>Other Improvements</b>		
Utility Undergrounding		1,479
Other Projects	86	3
<i>Subtotal</i>	<b>86</b>	<b>1,481</b>
<b>SUBTOTAL, ENHANCEMENTS</b>	<b>3,062</b>	<b>4,000</b>
<b>PLAN TOTAL</b>	<b>5,516</b>	<b>6,675</b>

# Pay-As-You-Go Program

The Plan proposes funding the majority of the City's ongoing annual needs with General Fund dollars through the Pay-As-You-Go (Pay-Go) Program. These are typically smaller investments to maintain facilities and infrastructure in a state of good repair or fund critical infrastructure needs. Within the Pay-Go Program, projects are categorized as Routine Maintenance, ADA Facilities, ADA Public Right-of-Way, Street Resurfacing, Critical Enhancements, Facility Renewal, and Right-of-Way Infrastructure Renewal.

Table 1.3 provides a summary of the Plan's planned funding for the Pay-Go Program by expenditure category. The planned investment over 10 years is \$2.2 billion. While this level is almost \$1 billion higher than the previous Plan, which was highly impacted in the early years due to the COVID-19 pandemic, funding in the near-term remains constrained. Some of this shortfall is made up by Certificate of Participation (COP) investments described below.

TABLE 1.3

Pay-Go Program Funding (Dollars in Millions)	FY24-28	FY29-33	Plan Total
Routine Maintenance	90	115	205
ADA: Facilities	9	9	18
ADA: Public Right-of-Way	28	37	65
Street Resurfacing	161	294	454
Enhancements	40	50	90
Recreation and Parks Base Commitment	71	71	142
Capital Contribution to Street Tree Set-aside	34	43	78
ROW Infrastructure Renewal	31	84	115
Facility Renewal	281	716	998
<b>Total Projected Funding</b>	<b>745</b>	<b>1,420</b>	<b>2,165</b>



# Enterprise and External Agencies

This Plan compiles information provided by the City’s Enterprise departments—the Port of San Francisco, the San Francisco Metropolitan Transportation Agency, San Francisco International Airport, and the San Francisco Public Utilities Commission. Those departments have their own timelines and Commissions that govern their capital processes. The information in this Plan represents the best available at the time of publication.

The Plan captures over \$19 billion in Enterprise department capital investments during the next 10 years.

Major projects identified in the last Plan such as the Seawall, the Transbay Transit Center, Pier 70, and SFO terminal improvements, are proceeding. Additional Enterprise department needs have arisen, notably the need to build adequate facilities to support our growing transit fleet.

TABLE 1.4

Planned Revenue Bond Issuances FY2024-33 (Dollars in Millions)			
Agency	FY24-28	FY29-33	Total
SFPUC	5,289	1,258	6,546
Airport	669	1,060	1,729
<b>Total</b>	<b>5,958</b>	<b>2,318</b>	<b>8,276</b>

Enterprise departments appear in the Plan’s G.O. Bond Program. The SFMTA passed a \$500 million Transportation G.O. Bond in 2014, and the Seawall won approval for a \$425 million General Obligation (G.O.) Bond in 2018. The next Transportation G.O. Bond is planned for 2026.

The Enterprise departments also issue revenue bonds against the revenues generated from user fees, taxes, and surcharges. Table 1.4 shows the current amount of revenue bonds to be issued for each department over the 10-year term of this Plan. As with the G.O. Bond and COP Programs, all revenue bond issuances are subject to change based on market conditions and cash flow needs of the associated projects.

For external agencies—City College of San Francisco, San Francisco Unified School District, the San Francisco Housing Authority, Treasure Island Development Agency, and the Office of Community Investment & Infrastructure (the successor agency to the Redevelopment Authority)—the Plan shows over \$16 billion in capital investments over the next 10 years. As affordable housing funding supports the development of units that will ultimately be held and managed by third parties, planned investments in that area are represented as external, including those funds administered by the Mayor’s Office of Housing and Community Development.

# General Obligation Bonds

The Plan anticipates \$2 billion in General Obligation (G.O.) Bonds over the next 10 years. G.O. Bonds are backed by the City’s property tax revenue and are repaid directly out of property taxes through a fund held by the Treasurer’s Office. As a result of the successful passage of several large bonds in the past few years, the capacity of the G.O. Bond Program is fairly limited in the near-term.

Table 1.5 shows the Capital Plan’s G.O. Bond Program for the next 10 years.

Chart 1.1 illustrates the relationship between the G.O. Bond Program and the local property tax rate, including existing and outstanding issuance and voter-approved Bonds. This view shows the City’s policy constraint that G.O. Bonds will not increase the property tax rate above 2006 levels.

All amounts attributed to future debt programs are estimates and may need to be adjusted.

TABLE 1.5

G.O. Bond Program (Dollars in Millions)		
Election Date	Bond Program	Amount
Mar 2024	Public Health & Shelter	310
Nov 2024	Affordable Housing & Shelter	200
Nov 2026	Transportation	300
Mar 2028	Waterfront and Climate Safety	250
Nov 2028	Earthquake Safety & Emergency Response	310
Jun 2030	Parks and Open Space	200
Nov 2030	Public Health	250
Nov 2032	Waterfront and Climate Safety	200
<b>Total</b>		<b>2,020</b>

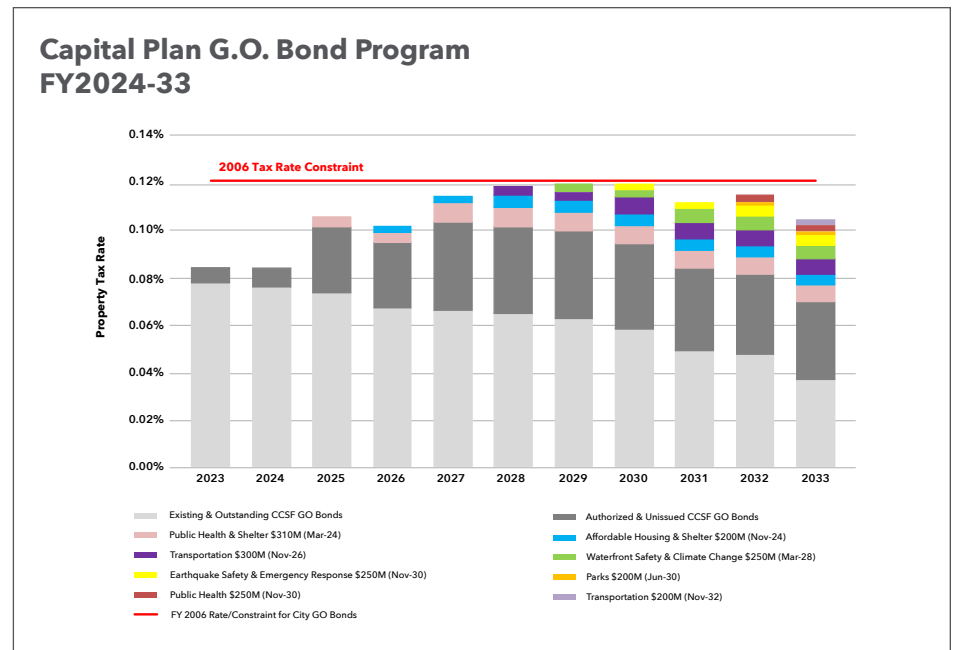


CHART 1.1

# Certificates of Participation

The Plan anticipates \$527 million in Certificates of Participation (COPs), also known as General Fund debt, over the next 10 years. COPs are backed by a physical asset in the City’s capital portfolio, and repayments are appropriated each year out of the General Fund. The COP program makes significant commitments in the early years to address reductions in the Pay-Go program.

Table 1.6 shows the Capital Plan’s COP Program for the next 10 years.

Chart 1.2 illustrates the COP program against the City’s policy constraint for General Fund debt not to exceed 3.25% of General Fund Discretionary Revenue.

All amounts attributed to future debt programs are estimates and may need to be adjusted.

TABLE 1.6

COP Program (Dollars in Millions)		
Fiscal Year of Issuance	Project	Amount
FY2024	Relocation of HSA Headquarters	70
FY2024	Critical Repairs / Recession Allowance	30
FY2024	Street Resurfacing	30
FY2025	Critical Repairs / Recession Allowance	30
FY2027	HOJ Replacement	167
FY2030	HOJ Replacement	200
<b>Total</b>		<b>527</b>

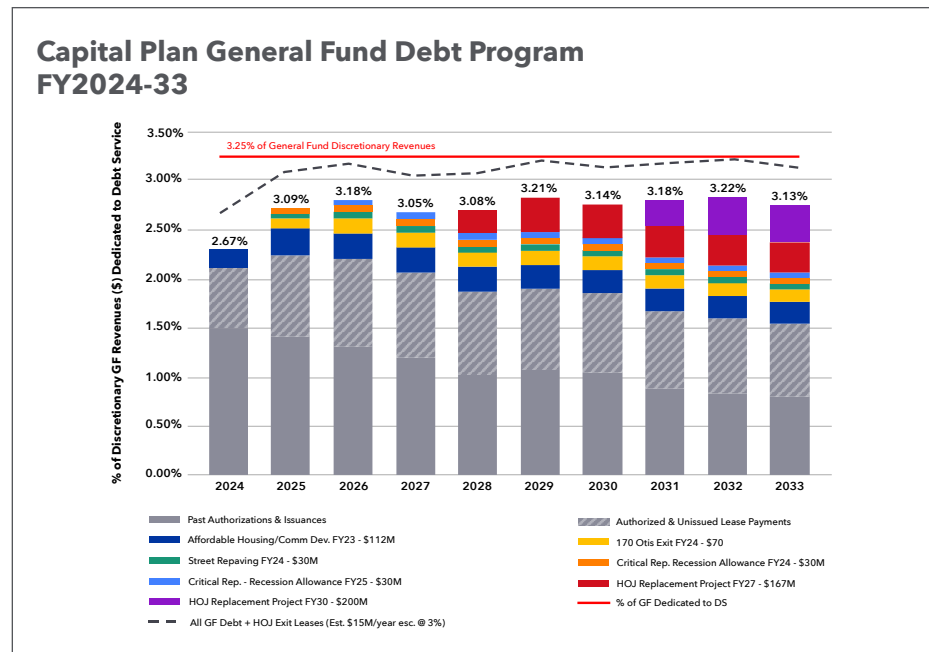


CHART 1.2

# Towards Resilience

This Capital Plan identifies planned funding of \$41.3 billion over 10 years. Despite this, the Plan defers nearly \$7 billion in identified needs for General Fund departments.

San Francisco's Capital Plan reflects confidence in the City's capacity to administer our capital program in a responsible and transparent manner that employs best practices in financial management. This includes establishing financial constraints around each funding program to promote its long-term viability, listing unfunded and deferred projects, and establishing funding principles.

Taking care of our capital infrastructure is an important part of building a resilient city. Resilience includes eliminating racial and social disparities so that all San Franciscans may recover and thrive no matter the shocks and stresses they face. The Capital Plan strives to fund projects and programs that address racial and social disparities and promote equity in the services delivered by the City's facilities and infrastructure.

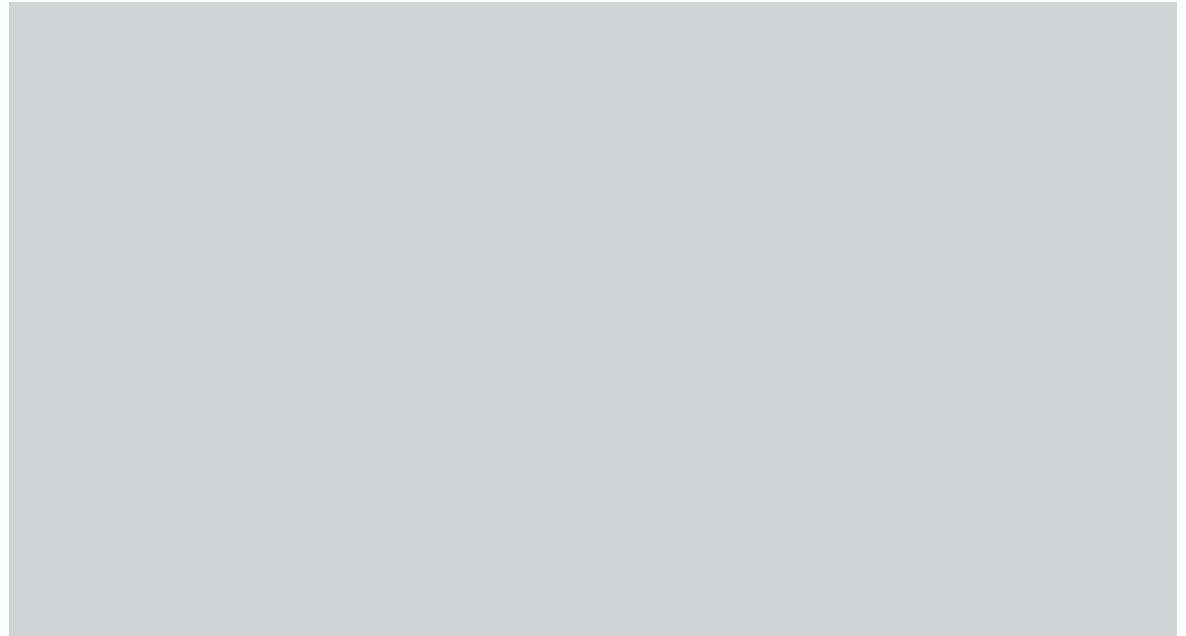


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