

# 01. Executive Summary

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# 01. EXECUTIVE SUMMARY

The Draft Fiscal Year (FY) 2026-35 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.

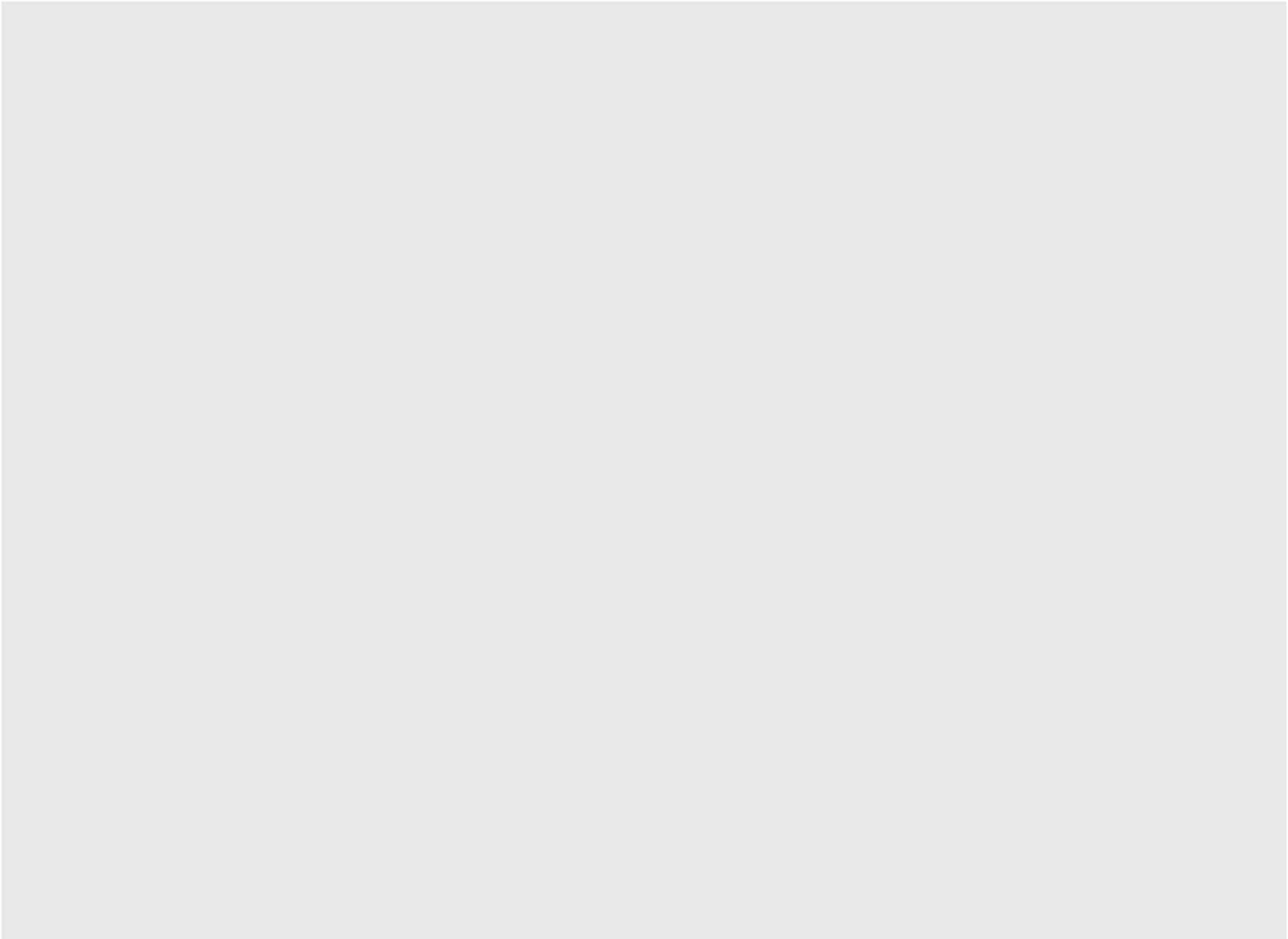
# Plan by the Numbers

Policies governing the Plan are discussed in the Introduction as well as the **Capital Sources Chapter**. The Plan also continues key objectives from previous years, including robust funding for asset preservation, relocation of 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 \$33.5 billion in recommended direct City investments and \$18.6 billion in External Agency investment, which total \$52.1 billion in capital improvements citywide. This work is estimated to create over 210,000 local jobs over the next decade.

TABLE 1.1

Capital Plan Summary in Five-Year Intervals (Dollars in Millions)	FY26-30	FY31-35	Plan Total
<b>BY SERVICE AREA</b>			
Affordable Housing	1,937	815	2,753
Public Safety	1,253	234	1,486
Health and Human Services	407	435	841
Infrastructure & Streets	7,549	5,777	13,326
Recreation, Culture, and Education	2,461	1,627	4,088
Economic & Neighborhood Development	3,689	3,508	7,197
Transportation	13,669	8,368	22,038
General Government	140	263	403
<b>TOTAL</b>	<b>31,104</b>	<b>21,028</b>	<b>52,132</b>
<b>BY DEPARTMENT TYPE</b>			
General Fund Departments	4,186	2,482	6,668
Enterprise Departments	16,421	10,415	26,836
City & County Subtotal	20,608	12,897	33,505
External Agencies	10,496	8,131	18,627
<b>TOTAL</b>	<b>31,104</b>	<b>21,028</b>	<b>52,132</b>



# 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	1,546	1,233
Streets	1,109	1,020
Other Right-of-Way Assets	198	106
<i>Subtotal, Renewals</i>	<b>2,853</b>	<b>2,359</b>
Capital Enhancement Investments	FUNDED	DEFERRED
<b>Earthquake and Safety Improvements</b>		
HOJ Consolidation Project	367	
New Fire Division of Training Facility	196	
Emergency Firefighting Water System	121	
District Police Stations and Facilities	98	
Chinatown Public Health Center Seismic Retrofit	76	
Kezar Pavillion Seismic Upgrade	70	114
Relocation of HSA Headquarters	55	
ZSFG - Bldg 3 Retrofit and Renovation	40	
1001 Polk Replacement Shelter Project		187
Taraval Station Structural Improvements/Replacement		168
New Police Shooting Range - Lake Merced		92
Fire Station 7 Replacement		65
Other Earthquake & Safety Improvements	650	711
<i>Subtotal</i>	<b>1,673</b>	<b>1,337</b>

## General Fund Department Program Summary (continued)

(Dollars in Millions)

Enhancements (continued)	FUNDED	DEFERRED
<b>Disability Access Improvements</b>		
Facilities	18	
Sidewalk Improvements and Repair Program	70	
Curb Ramp Program	106	226
<i>Subtotal</i>	<b>193</b>	<b>226</b>
<b>Parks, Open Space &amp; Greening Improvements</b>		
Neighborhood Park Projects & Open Space Improvements	250	
Street Tree Planting and Establishment	30	217
Street Tree Maintenance and Sidewalk Repair	259	82
Other Parks, Open Space & Greening Improvements	762	107
<i>Subtotal</i>	<b>1,301</b>	<b>406</b>
<b>Street Infrastructure Improvements</b>		
The New Harvey Milk Plaza	25	21
Other Street Infrastructure Improvements	466	1,574
<i>Subtotal</i>	<b>491</b>	<b>1,595</b>
<b>Other Improvements</b>		
Utility Undergrounding		1,630
Other Projects	158	
<i>Subtotal</i>	<b>158</b>	<b>1,630</b>
<b>SUBTOTAL, ENHANCEMENTS</b>	<b>3,816</b>	<b>5,195</b>
<b>PLAN TOTAL</b>	<b>6,668</b>	<b>7,554</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)	FY26-30	FY31-35	Plan Total
Routine Maintenance	109	140	249
ADA: Facilities	9	9	18
ADA: Public Right-of-Way	55	71	125
Street Resurfacing	207	290	497
Enhancements	50	50	100
Recreation and Parks Base Commitment	71	71	142
Capital Contribution to Street Tree Set-Aside	37	48	85
ROW Infrastructure Renewal	52	107	158
Facility Renewal	439	885	1,325
<b>Total Projected Funding</b>	<b>1,030</b>	<b>1,670</b>	<b>2,700</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 nearly \$27 billion in Enterprise department capital investments during the next 10 years.

Enterprise departments appear in the Plan’s General Obligation (G.O.) Bond Program. The SFMTA passed a \$500 million Transportation G.O. Bond in 2014, and the Port won approval for a \$425 million Seawall Safety G.O. Bond in 2018. The next Transportation G.O. Bond is planned for 2026 and a Waterfront & Climate Safety G.O. Bond planned for 2028.

TABLE 1.4

Planned Revenue Bond Issuances FY2026-35 (Dollars in Millions)			
Agency	FY26-30	FY31-35	Total
SFPUC	4,973	3,376	8,350
Airport	4,549	648	5,197
<b>Total</b>	<b>9,522</b>	<b>4,025</b>	<b>13,547</b>

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 nearly \$19 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 \$1.8 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 limited in the near term.

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

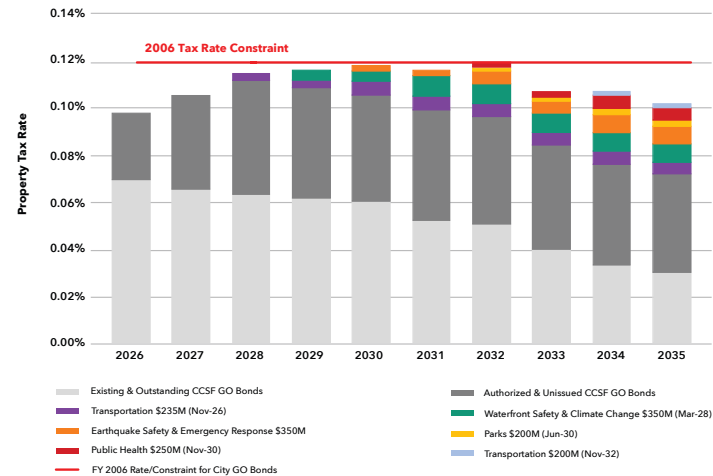
Chart 1.1 illustrates the relationship between the G.O. Bond Program and the local property tax rate, including existing and outstanding issuance and voter-approved bonds. This view shows the City’s policy constraint that G.O. bonds will not increase the property tax rate above 2006 levels.

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

TABLE 1.5

G.O. Bond Debt Program (Dollars in Millions)		
Election Date	Bond Program	Amount
Nov 2026	Transportation	235
Mar 2028	Waterfront & Climate Safety	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
<b>Total</b>		<b>1,785</b>

Capital Plan G.O. Debt Program FY2026-35



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

CHART 1.1

# Certificates of Participation

The Plan anticipates \$487 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.

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
FY2026	Relocation of HSA Headquarters	55
FY2026	Treasure Island Infrastructure	50
FY2027	Treasure Island Infrastructure	15
FY2027	HOJ Replacement	157
FY2030	HOJ Replacement	180
FY2032	HOJ Replacement	30
<b>Total</b>		<b>487</b>

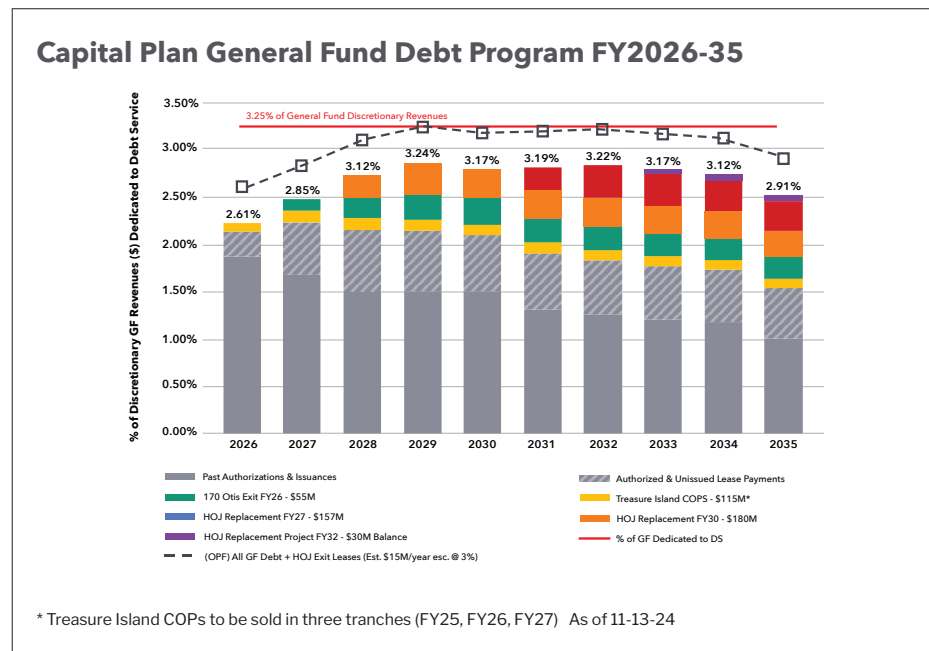


CHART 1.2

## Towards Resilience

This Capital Plan identifies planned funding of \$52.1 billion over 10 years. Despite this funding, the Plan defers over \$7.5 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

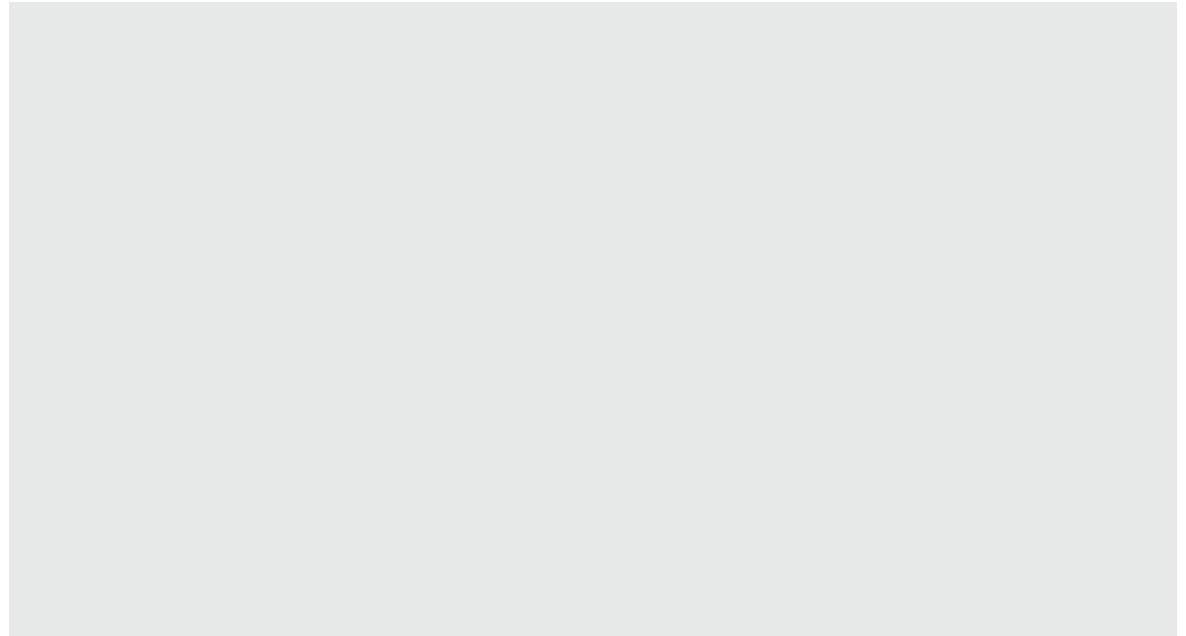


Image Caption

racial and social disparities and promote equity in the services delivered by the City's facilities and infrastructure. Most of the long-term resilience projects come from citywide planning and coordination efforts and include climate and seismic safety.