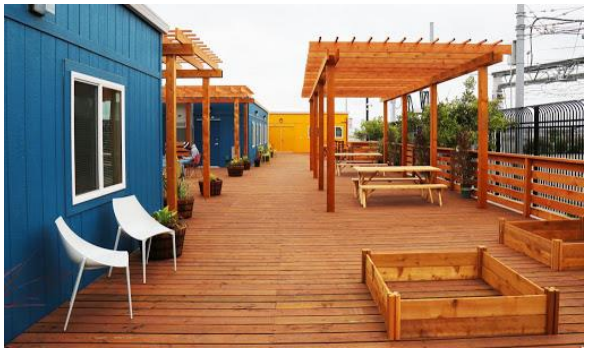
2020 Health and Recovery Bond

Status Report Presented to the Citizens' General Obligation Bond Oversight Committee

August 22, 2022



ONESF Building Our Future

San Francisco Recreation & Parks

HSH

San Francisco Public Works

San Francisco Department of Public Health

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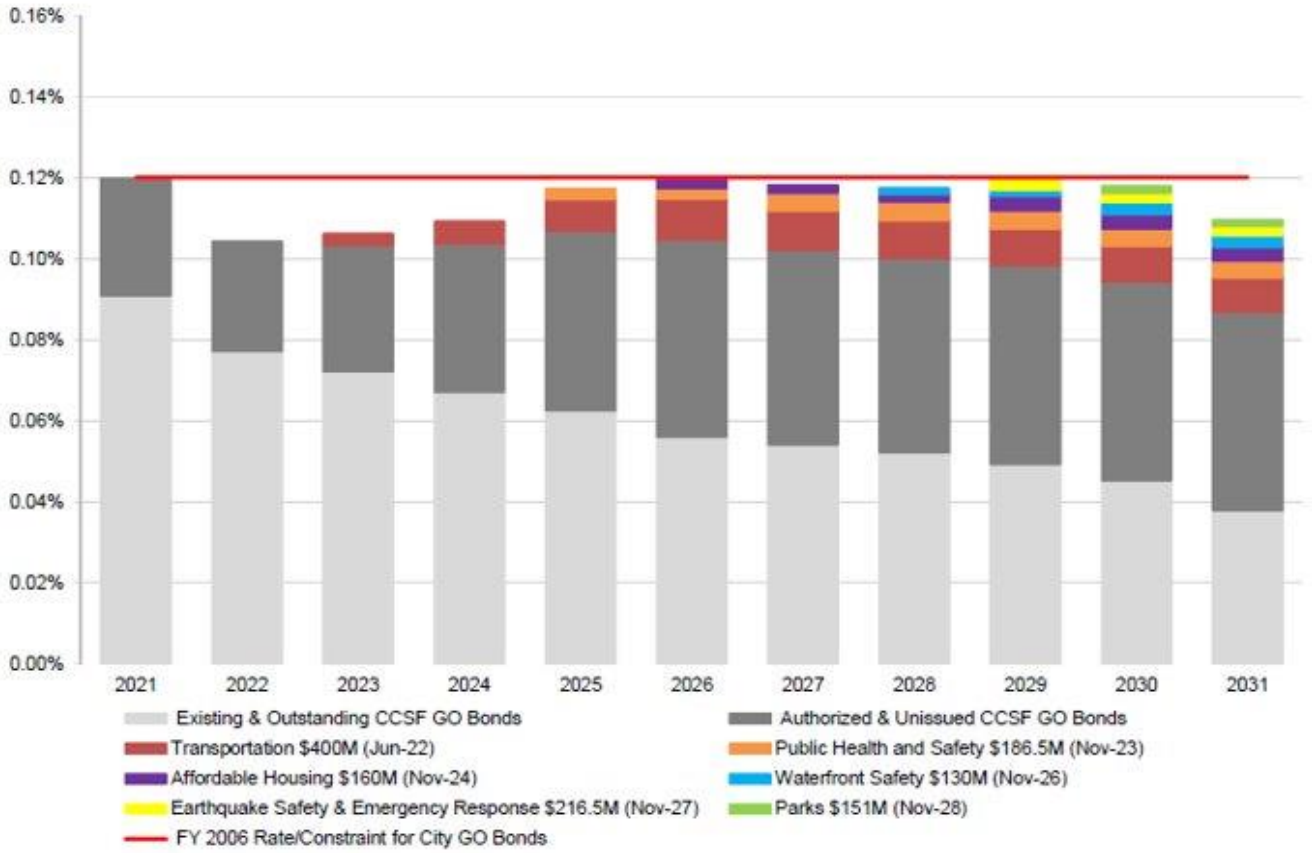
Link to the Capital Plan

The City's FY22-31 Capital Plan anticipates $1.2B in General Obligation (G.O.) Bonds over the next ten years, without increasing the property tax rate above 2006 levels.
The Health and Recovery 2020 Bond Program is part of this 10-Year Capital Plan.



Revised 11-17-2020

All future debt program amounts are estimates and may be adjusted.

SAN FRANCISCO RECREATION & PARKS

SF Recreation and Park Department

2020 Health & Recovery Bond

Bond Budget

RPD received the First Issuance of $176.5M in August 2021.

The First Issuance funded:

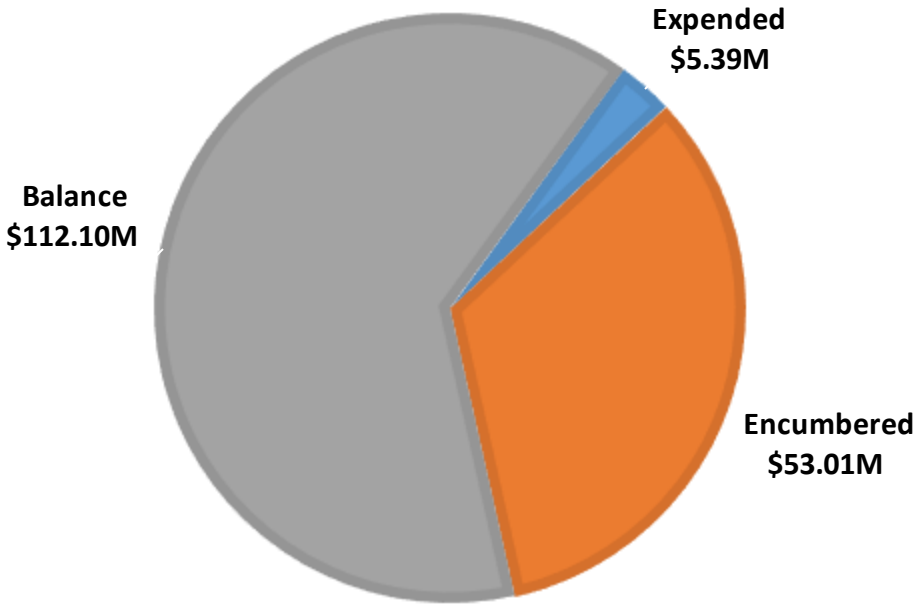
- All Neighborhood Parks
- Recovery Parks – Portsmouth Sq
- Trails – Twin Peaks
- Partially funded Citywide Parks and Programs ($13m) to initiate projects

Neighborhood Parks	**101,000,000**
Buchanan Mall	2,000,000
Gene Friend Recreation Center	30,000,000
Herz Playground Recreation Center	10,000,000
India Basin	29,000,000
Japantown Peace Plaza	25,000,000
Neighborhood Parks Contingency	5,000,000
Recovery Parks	**86,000,000**
Buena Vista Park	3,000,000
Crocker Amazon	15,000,000
Jackson Playground	10,000,000
Portsmouth Square	54,000,000
Richmond Senior Park	1,000,000
South Sunset Playground	3,000,000
Citywide Parks	**18,000,000**
Golden Gate Park	10,000,000
John McLaren Park	6,000,000
Lake Merced	2,000,000
Community Gardens	**600,000**
Community Opportunity Fund	**6,000,000**
Playgrounds	**9,000,000**
Sustainability	**14,000,000**
Trails - Twin Peaks	**1,000,000**
Contingency	**1,400,000**
Administration	**2,000,000**
Controller Audits	338,640
Bond Issuance & Oversight Costs	1,661,360
PARKS AND OPEN SPACES (RPD) TOTAL:	**239,000,000**

First Bond Sale Proceeds + $13m for programs

2020 Health & Recovery Bond

RPD FIRST ISSUANCE - $176.5M



Financial Overview, August 2022:

- First Bond Sale: $176.5M
- Expended: $5.39M – 3%
- Encumbered: $53.01M – 33%
- Balance: $112.10M – 64%

*Encumbrance calculations include the construction contract award of 900 Innes Park Construction and contract award of CMGC for Gene Friend Rec Center with Rec and Park Commission approvals in July and August 2022.

Project Highlights: India Basin Phase II (900 Innes Improvements)

$66.1 M Project Budget

$29M Bond Allocation

Concept Design

PROJECT COMPONENTS

- New park at former industrial waterfront
- Sea level rise and shore enhancements
- Restoration of the historic Shipwright's Cottage
- New food pavilion building
- Seating terraces and circulation pathways connecting the adjacent parks

Bond Funding	Actuals	Encumbrance	Balance
$29M	$1M	$28M	$0

STATUS

- ✓ Phase I 900 Innes Remediation is nearing completion; water barrier was removed mid-July 2022
- ✓ Phase 2 900 Innes park construction approved by BCDC in May 2022
- ✓ Phase 2 900 construction contract awarded in July 2022
- ✓ Entering contract with Swinerton by end of August to encumber bond funds

Planning April 2016 | Design December 2018 | Bid/Award March 2022 | Construction August 2022 | Opening February 2024

SAN FRANCISCO RECREATION & PARKS

Project Highlights: Gene Friend Rec Center

$59M Project Budget

$30M Bond Allocation

Concept Design (Sept 2019)

PROJECT COMPONENTS

- Full demolition of the existing facilities for curb-to-curb renovation
- New larger building with two indoor courts, two multi-purpose rooms, and other amenities
- New outdoor court
- New playground and amenities

Bond Funding	Actuals	Encumbrance	Balance
$30M	$0.17M	$28.83M	$0

STATUS

- ✓ Environmental review complete
- ✓ RFP for design services has been published and team selected
- ✓ Schematic design to be completed September 2022
- ✓ Additional funding secured: Development Impact Fees, Downtown Park Fund
- ✓ CM/GC contract approved August 2022, funds to be encumbered shortly

Planning	Design	Bid/Award (CM/GC)	Construction	Opening
August 2014	March 2022	March 2022	August 2023	April 2025

SAN FRANCISCO RECREATION & PARKS

Program Highlights: Recovery Parks

Portsmouth Square

PROJECT COMPONENTS

- Curb-to-curb renovation:
- Improvement of all existing park features including plaza and landscaping
- New clubhouse
- New children's play area
- Project relies on removal of pedestrian bridge across Kearney St

Bond Funding	Actuals	Encumbrance	Balance
$54.0M	--	$0.07M	$53.93M

STATUS

- ✓ Environmental review complete with EIR certified in Jan 2022
- ✓ Concept Design approved in Jan 2022
- ✓ $6.7M expended and $1.6M non-bond dollars encumbered to date. Majority of bond allocation is reserved for construction.

Planning	Design	Bid/Award	Construction	Opening
March 2017	January 2020	August 2023	February 2024	February 2026

SAN FRANCISCO RECREATION & PARKS

Project Highlights: Rec Center at Herz Playground

$25M Project Budget

$10M Bond Allocation

Concept Design

PROJECT COMPONENTS

- A new ~12,000 sq ft gym with indoor basketball court
- Outdoor exercise equipment
- Nature Exploration Area
- Improved lighting and circulation

Bond Funding	Actuals	Encumbrance	Balance
$10M	$0.53M	$0.01M	$9.46M

STATUS

- ✓ Environmental review complete
- ✓ Construction documents underway
- ✓ Partnership with HOPE SF Sunnydale
- ✓ Additional Funding secured: Local Funding
- ✓ Additional Funding in process: Sunnydale HOPE SF & Federal Funding

Planning	Design	Bid/Award	Construction	Opening
December 2019	March 2021	January 2023	June 2023	August 2024

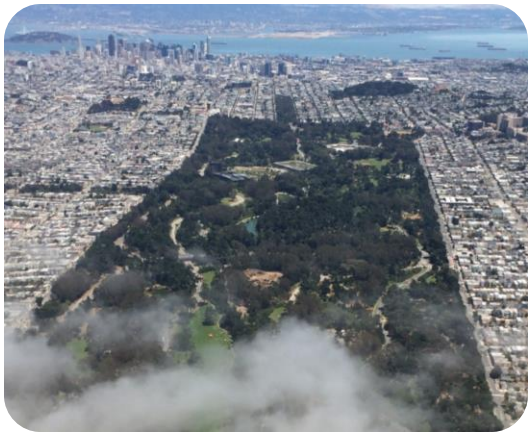
SAN FRANCISCO RECREATION & PARKS

Program Highlights: Citywide Parks & Programs

Sustainability

Rendering of South Ocean Beach Coastal Trail

Citywide Parks



Golden Gate Park

Community Opportunity Fund (COF)

COF project at Duboce Park

Trails

Rendering of Twin Peaks Promenade

McLaren Park

Lake Merced

SAN FRANCISCO RECREATION & PARKS

Challenges & Updates

- **Unfavorable Bidding & Economic Environment**
  - ✓ Project modifications
  - ✓ Seek additional funding
  - ✓ Delay in some leveraged funds

- **Regulatory Environment & Unforeseen Site Conditions**
  - ✓ Requires additional permitting and planning work before construction could begin

- **Building stewardship for Citywide Programs**
  - ✓ Robust (and lengthy) community outreach process

- **Phase I Bond Projects = Primary focus**
  - ✓ Ensuring delivery by strategically timing Phase 2 projects

San Francisco Public Works Right-Of-Way Repair

2020 Health and Recovery Bond

Background

The 2020 Health and Recovery General Obligation Bond dedicates $41.5 million to address capital needs in the City's right-of-way and public spaces.

The City and County of San Francisco is responsible for the maintenance of approximately 940 miles of streets and approximately 390 street structures of which many are public staircases, bridges, and plazas found in each of its neighborhoods. To ensure the City's streets and public spaces are accessible, curb ramps are installed to assist people with disabilities and who have trouble stepping on and off the sidewalk for navigation in the public right of way.

The Health and Recovery Bond includes investments in:

Right-of-Way Repair	($M)
Street Resurfacing	$31.5 million
Curb Ramps	$5 million
Street Structures and Plazas	$5 million
Total: Right-of-Way Repair	$41.5 million

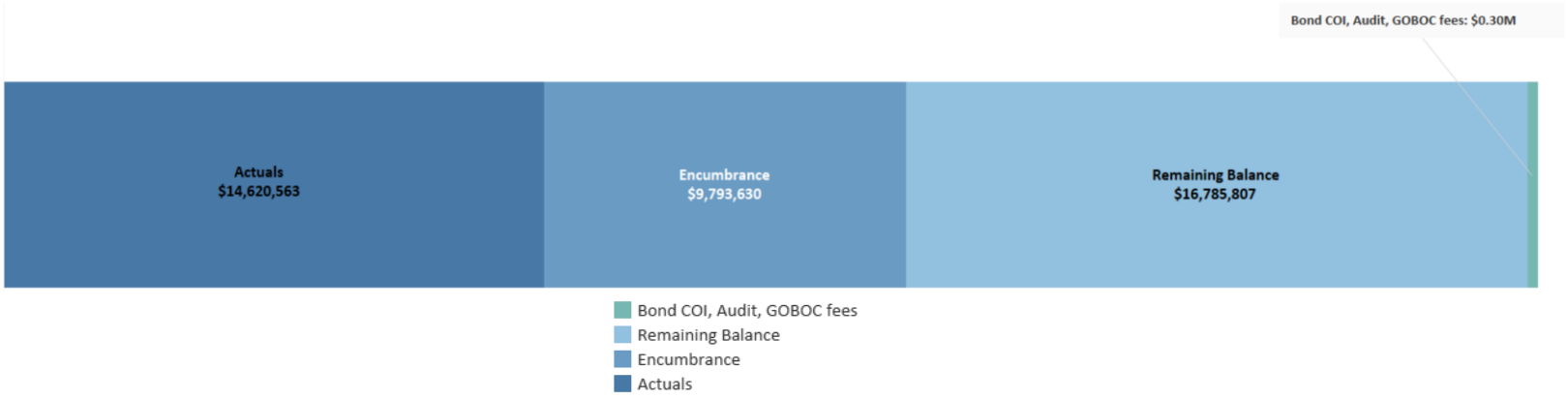
2020 Health and Recovery Bond

Program Schedule and Budget

Public Works received the Full Issuance of $41.5M in August 2021.

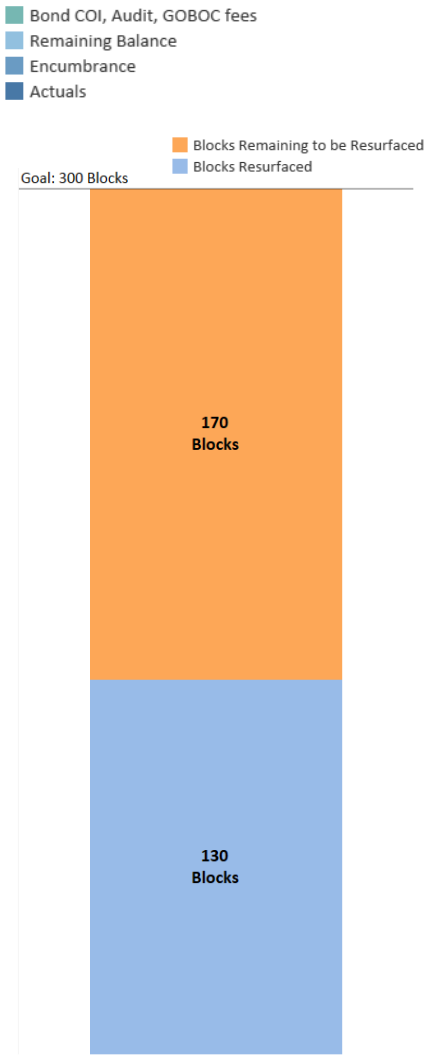
	2021				2022				2023				2024			
Program Name	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Street Resurfacing																
Curb Ramps																
Street Structures and Plazas																

Estimate Program Schedule



SAN FRANCISCO PUBLIC WORKS

Street Resurfacing

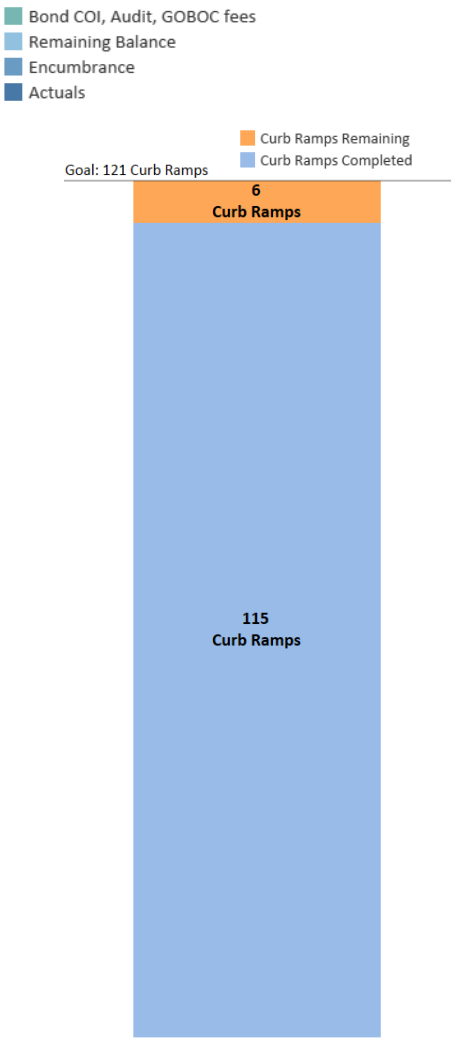


Goal:
Under this bond, $31.5M will fund repairing and resurfacing approximately 300 blocks.

Accomplishments:
130 Blocks have been resurfaced or 43% of the GO Bond resurfacing goal.

SAN FRANCISCO PUBLIC WORKS

Curb Ramps



Goal:
Under this bond, $5M will fund the design and construction of 121 curb ramps.

Accomplishments:
115 curb ramps have been constructed or 95% of the GO Bond curb ramp goal.

SAN FRANCISCO PUBLIC WORKS

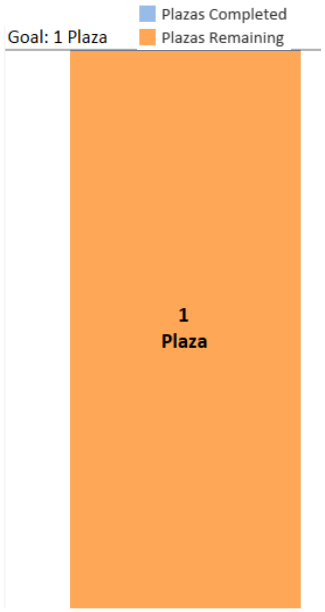
Street Structures and Plazas

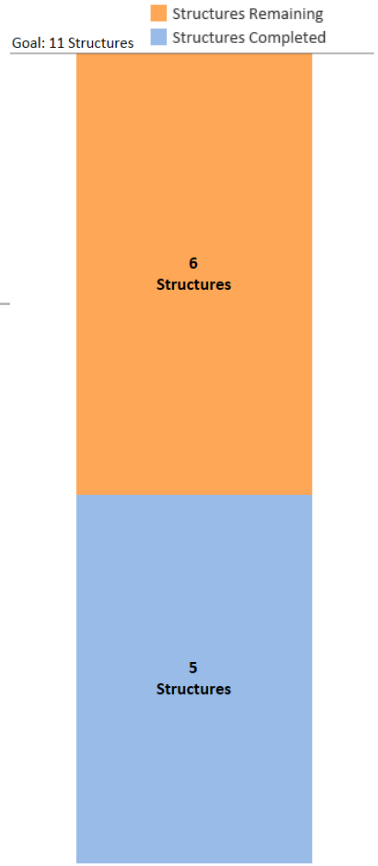
Goal:

Under this bond, $5M will fund the maintenance and repairs of 11 structures and 1 plaza.

Accomplishments:

5 street structures completed maintenance and repairs or 45% of the GO Bond street structure goal.





SAN FRANCISCO PUBLIC WORKS

Questions?

San Francisco
Department of Public Health

2020 Health and Recovery General Obligation Bond

With the issuance of Health & Recovery Bond funds DPH is proposing to invest in important facility acquisitions, renovations, and expansion across the continuum of care – from renovating and expanding Psychiatric Emergency Services (PES) at ZSFG to better serve clients in crisis to acquiring buildings to provide placements for much needed treatment and long-term care support.

DPH Allocation*	
Behavioral Health Acquisitions & Rehabilitation	$43.5 million
Psychiatric Emergency Services (PES) Renovation & Expansion at ZSFG	$11.4 million
Planning, Program and Project Management	$5 million
Controller Audits	$0.1 million
Total: Public Health	$60.0 million

* Project fund allocations shown include bond issuance and oversight costs.

BEHAVIORIAL HEALTH ACQUISITION AND REHABILITATION

- DPH is actively collaborating with Real Estate on identifying and acquiring properties.

- Working on predevelopment planning for projects to build out up to 140 residential stepdown beds, or other additional beds that would go toward meeting DPH's Mental Health San Francisco 400-bed expansion goal.

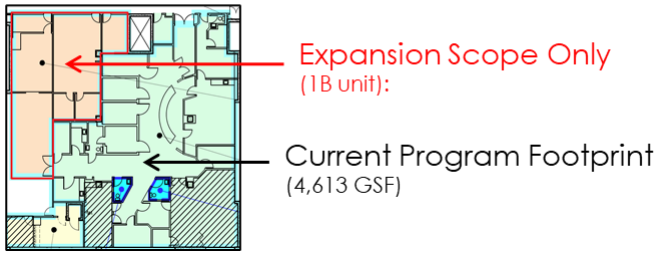
- In addition, the department is engaged in projects to rehabilitate existing sites to expand behavioral health service capacity.

Residential Stepdown Units on Treasure Island

- DPH is working in partnership with MOHCD and TIDA to replace 44 existing units on Treasure Island that are currently operated by HR360. These existing units will be demolished as part of the redevelopment of the island. The City is obligated to replace these units via an agreement with One Treasure Island.
- Mental Health San Francisco (MHSF) has identified Residential Stepdown units as priority need for the system of care. As part of the project, DPH is looking to increase total capacity be at least 30% beyond the existing 44 units.
- Site has been selected and will be shared with an MOHCD Supportive Housing project. Project is in program and conceptual design phase.
- MOHCD has an MOU with Mercy Housing to develop the entire site
- Multiple sources of funding will be leveraged to cover total project costs and include: A State Grant (application submitted), Prop C (Our City Our Home), Treasure Island Project Generated Sources, and the 2020 Health and Recovery Bond

PES Supplemental Request from the 2020 Bond - $11.4 Million
2016 Bond provides funds in the amount of $8 Million

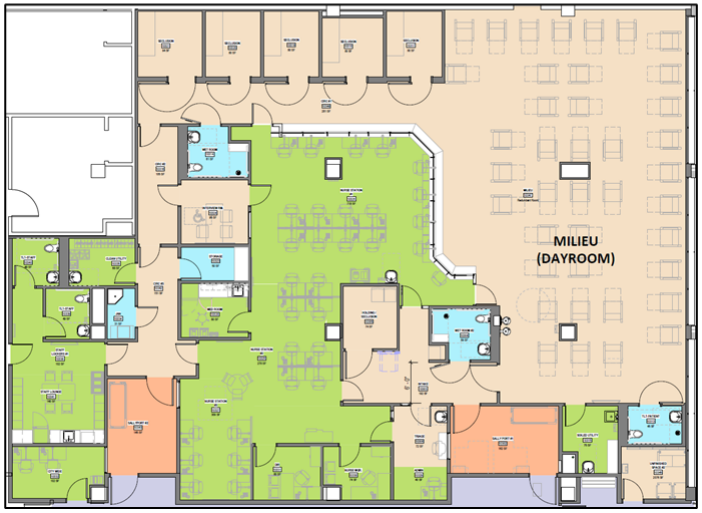
Original Expansion Layout (1B unit):



Original Expansion only Scope:
Expansion GSF: **1,799 GSF**
Expansion Costs: **$8M**
Estimated Construction Duration: **3+ years**

Previous project scope deemed infeasible due to complex construction sequencing requirements, disruptions to hospital operations and clinical services.
Early demolition currently underway

Proposed Relocation layout: (1E unit):



Proposed Design Option C2 Scope :
Gross Square Feet: **6,100 GSF**
Total Project Costs: **19.4M**
Estimated Construction Duration: **2 years**

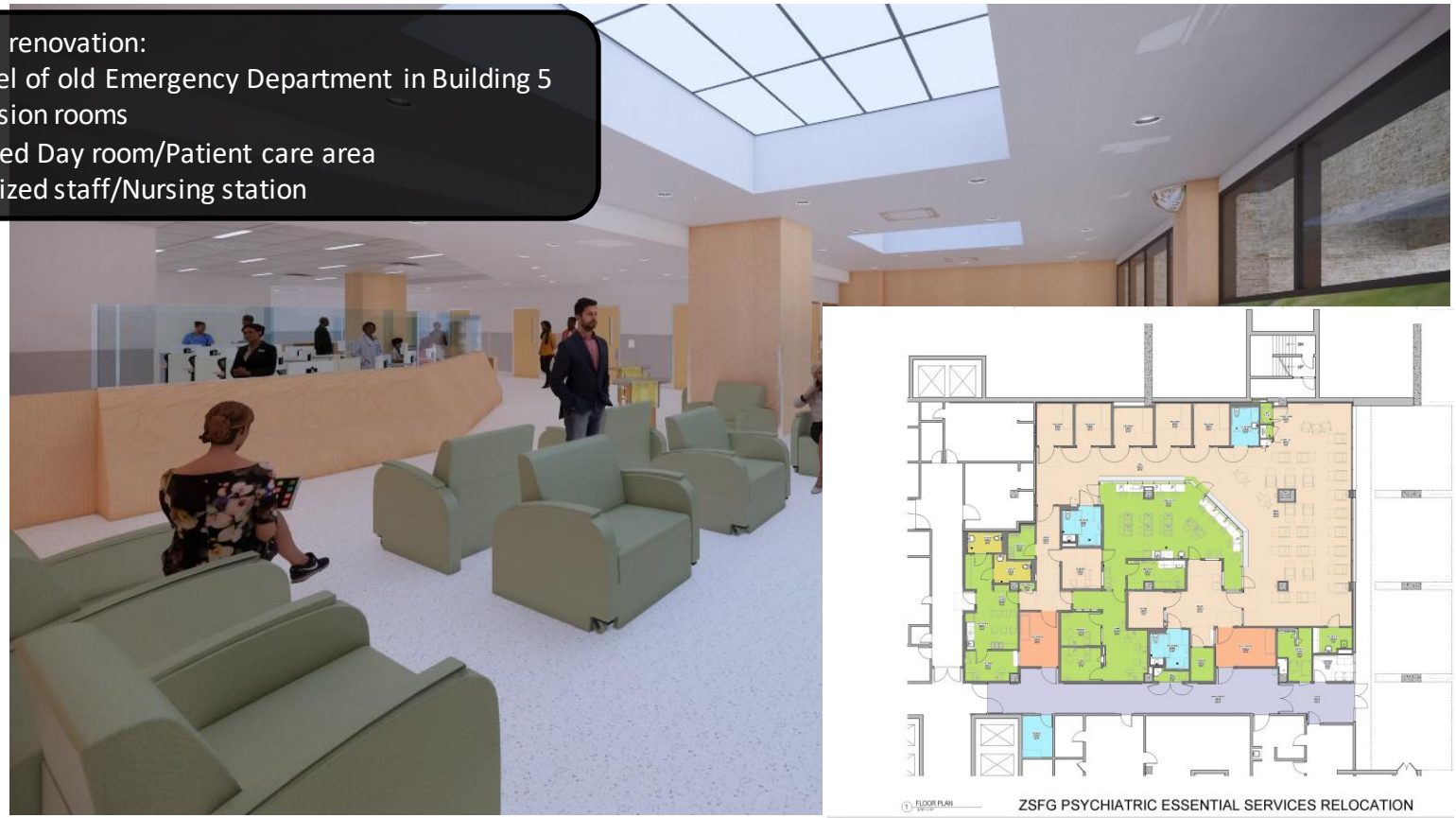
Programmatic Benefits:

- 300% larger day room
- Additional 2 seclusion rooms (50% increase from existing)
- Centralized nurse station
- Additional sally-port

Request Summary:
$11.4M Gap to be funded by the 2020 Bond to allow for Psychiatric Emergency Services Relocation Option C2.

Zuckerberg San Francisco General Hospital and Trauma Center

- Interior renovation:
- Remodel of old Emergency Department in Building 5
- 6 Seclusion rooms
- Expanded Day room/Patient care area
- Centralized staff/Nursing station



$11.4 M bond

STATUS

- ✓ Demolition underway
- ✓ OSHPD/HCAI Permitting underway
- ✓ Targeting construction completion June 2024

DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING

2020 Health and Recovery General Obligation Bond

August 2022

2020 Health and Recovery G.O. Bond Overview

Scope: Stabilization, acquisition, construction, expansion and improvement of permanent supportive housing units and emergency shelters.

- **Authorization Total** : *$147 million*
- **Amount Issued To Date**: *$30,160,200*
- Anticipated Next Issuance: CY 2023
- Anticipated Date of Next Issuance: TBD

Overview

Program	Description	Key Deliverables/Milestones
Emergency Shelter	***Bond Goal:*** Acquire partially renovated site at 888 Post Street/700 Hyde Street for a 75-bed low-barrier shelter serving homeless youth ages 18-24	***Completed:*** Lower Polk TAY Navigation shelter opened in spring 2021; City closed acquisition in August 2021.
Adult Permanent Supportive Housing (PSH)	***Bond Goal:*** Acquire approx. 250 housing units to house and serve people exiting chronic homelessness	***Projection:*** Plan to issue bonds for this purpose in 2023

HSH Issuance Summary

Program	Past Bond Sale(s) 1st Issuance ($ in Millions)	Future Sale(s) 2nd Issuance ($ in Millions)	Total ($ in Millions)
Lower Polk TAY Navigation Center – 888 Post Street	$ 29.1		$29.1
Bond Program Delivery	$ 1.0		$ 1.0
Adult Permanent Supportive Housing – Acquisition	$ 0.06	$115.64	$115.7
Financing & CSA Costs		$ 1.2	$ 1.2
Total	**$ 30.16**	**$116.84**	**$147.0**

Status Update

	Accomplishments/Milestones
Lower Polk TAY Navigation Center	**Completed:** • Lower Polk TAY Navigation (low-barrier) shelter opened to clients in spring 2021, operated by 3rd Street for Youth • City acquired property in August 2021.
Housing Acquisition for Adult Permanent Supportive Housing	• No Bond funds yet used for this purpose— HSH has been able to leverage $136 million in State Homekey funds using $164 million in Prop C dollars to directly acquire 6 PSH properties with 624 units.

Potential Future Costs Not Covered by Bond Proceeds

One-Time Costs

- Furniture, fixtures & equipment (FF&E): Not eligible for bond proceeds
  - Estimated cost – TBD
  - Anticipated date when funding will be needed: Funds required prior to tenant lease up
  - Anticipated funding source(s): Our City, Our Homes Fund (Proposition C: Homelessness Gross Receipts Tax Revenue)

On-Going Costs

- Operations & Maintenance
  - Estimated annual cost: **Approximately $1,100 per unit per month** depending on size and structure of the building (e.g. number of floors, building age)
  - Anticipated funding source(s): Our City, Our Homes Fund (Proposition C: Homelessness Gross Receipts Tax Revenue)

- Services
  - Permanent Supportive Housing for formerly homeless tenants, including chronically homeless, provide on-site supportive services estimated at approximately **$550 per tenant per month.**

Upcoming Challenges & Risks

- Neighborhood resistance to PSH
- Geographic diversity
- Finding buildings for sale that meet diverse needs