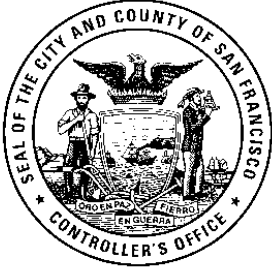
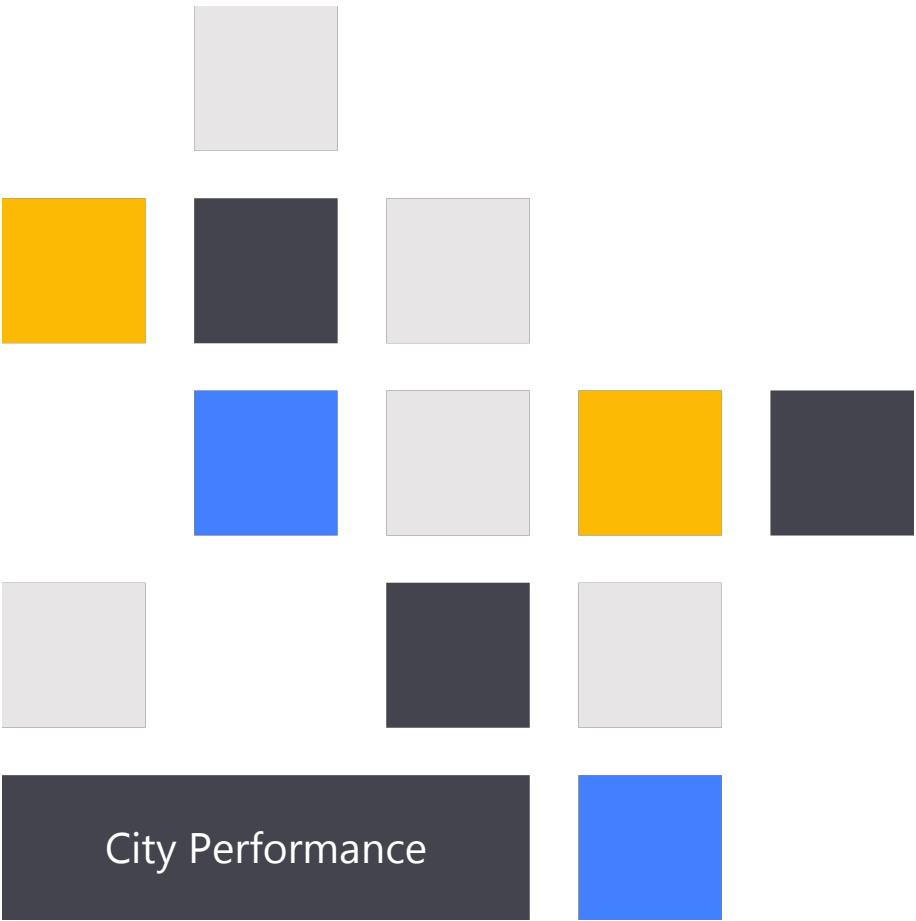


Annual General Obligation Bond Program Report

Fiscal Years 2022 and 2023

A high-level overview, as of June 30, 2023, of scope, schedule, budget, and citywide issues for the City's general obligation bond programs.



May 23, 2024

City & County of San Francisco
Office of the Controller
City Performance

About City Performance

The City Services Auditor (CSA) was created in the Office of the Controller through an amendment to the San Francisco City Charter that was approved by voters in November 2003. Within CSA, City Performance ensures the City's financial integrity and promotes efficient, effective, and accountable government.

City Performance Goals:

- City departments make transparent, data-driven decisions in policy development and operational management.
- City departments align programming with resources for greater efficiency and impact.
- City departments have the tools they need to innovate, test, and learn.

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Executive Summary

This report provides a high-level overview of the scope, schedule, and budget status of the City and County of San Francisco's (the City's) General Obligation (GO) bonds. This report focuses on changes and delays in Fiscal Years 2021-2022 (FY22) and FY23, from July 1, 2021 through June 30, 2023.¹ This report also covers changes from the prior report which highlights work done in FY19 through FY21.

The eight active bonds covered in this report will fund a total of 50 different projects or programs – called components. The report organizes the eight bonds into four broad policy areas including **Public Health and Safety; Affordable Housing; Transportation; and Parks, Health, and Recovery.**

New and Completed GO Bonds

- Since the end of FY21, the City has begun one new GO bond that is actively tracked in this report, the 2020 Health and Recovery Bond.
- Since the last report, the City substantially completed and closed out two GO bonds, the 2015 Affordable Housing Bond and the 2014 Earthquake Safety and Emergency Response Bond. These two completed bonds will not be highlighted in this report.

Bond Component Schedule Overview

- Of the 50 components actively funded by GO bonds, the City completed four during this reporting period. One component is two-years ahead of schedule as of this reporting period. Seven components remain on schedule as of this reporting period.
- Thirty-three components (of 50) are delayed by approximately 38 months on average, with 10 delayed by less than a year and 23 delayed by a year or more.
- The City has not yet assigned a completion date to the remaining five components.
- Of the 38 in-progress components appearing both in this report and the previous report, project schedules were pushed back by an average of 14 months per component.

This report assists the Citizen's General Obligation Bond Oversight Committee (CBOBOC), policy makers, and the public in understanding the status of the programs funded by the City's \$3.3 billion active GO bond portfolio. The report includes a watch list of more notably delayed bond components for ease of reference.

Key Highlights by Subject Area

- 1. Public Health and Safety**
 - Bonds – 2018 Embarcadero Seawall Earthquake Safety & 2016 Public Health and Safety
 - 17% completed, 39% delayed under a year, 44% delayed by over a year (18 total)
- 2. Affordable Housing**
 - Bonds – 2019 Affordable Housing & Preservation and Seismic Safety
 - 63% on schedule, 38% delayed by over a year (8 total)
- 3. Transportation**

¹ Scope, schedule, and budget data are as of June 30, 2023, unless otherwise noted.

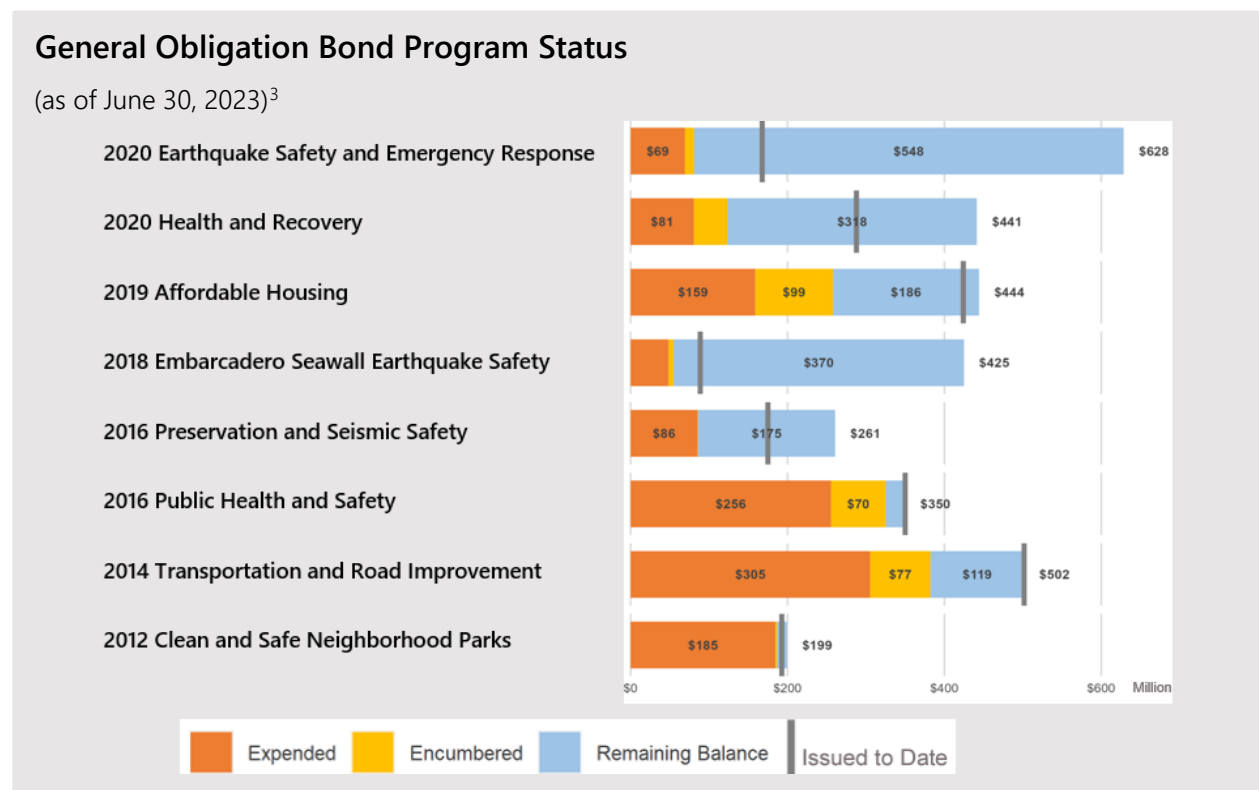
- Bonds – 2014 Transportation and Road Improvement
- 100% of components delayed by under a year (8 total)

4. Parks, Health, and Recovery

- Bonds – 2020 Health and Homelessness, Parks, and Streets & 2012 Clean and Safe Neighborhood Parks
- 6% complete, 6% accelerated, 13% on schedule, 19% delayed under a year, 25% delayed over a year, 31% not yet scheduled (16 total)

Summary of Expenditures by Bond

The chart below highlights the spending and budget of the eight different GO bonds discussed in this report (sorted by year). In general, the City has or will soon spend more of the budgets of older bond series – as captured by the orange bars for “expended” funds and the yellow bars for “encumbered” funds. Newer bond series have more of their budgets left unspent and bonds unsold – represented by the blue bars for “remaining balance” and the gray bars for “issued to date.”²



This report closes with an update on citywide capital development issues that impact many of the bond programs detailed from the last report. For the first time, this report also includes a high-level discussion of Certificates of Participation (an alternative debt program) used during the same period of July 1, 2021 to June 30, 2023.

² “Issued to date” refers to the amount of the bonds the City has already sold, which translates to the amount of money the City has on hand to fund projects.
³ Total bond amounts in the table above may differ from voter authorized amounts due to exclusion of cost of issuance or appropriation of interest earned.

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Background

REPORT OBJECTIVES AND METHODOLOGY

This report provides a high-level overview of the scope, schedule, and budget for the City's eight active⁴ general obligation bonds. The report opens with a brief introduction to general obligation bonds and certificates of participation. It then highlights notably delayed bond components in a watchlist. After the watchlist, the report discusses each bond (grouped by policy area) in more detail. After the more specific discussions of each bond, the report provides an update on citywide capital development issues that bond managers and City stakeholders identified that affect all capital work in the City.

In the bond sections, the report pays special attention to components of bonds that:

1. Are at least three years behind their original projected end date;
2. Have a projected end date (as of June 30, 2023) that has been extended at least one year since the last report (as of June 30, 2021); and/or
3. Have a remaining unspent budget greater than 5% of the authorized amount.

The report closes with a discussion on Certificates of Participation (COPs), which are included in this report for the first time.

To provide this high-level review of the City's general obligation bond programs, the City Performance Unit of the Controller's Office (the Controller's Office) asked departments to provide data at the component level for each bond program as of June 30, 2023.⁵ The Controller's Office also interviewed bond program and component managers to obtain more qualitative information and to better understand the data provided.

This report does not cover bonds that are functionally complete (those having less than five percent of the authorized bond amount remaining) in individual bond chapters. The report also does not cover bonds for which funds were issued after the reporting date of June 30, 2023. For an overview of the budgets, expenditures, and encumbrances of active and functionally complete bond programs, at both the bond and component level, see [Appendix A](#). For a glossary of terms used throughout this report, see [Appendix C](#).

WHAT IS A GO BOND?

General Obligation (GO) bonds are debt instruments issued by the City to fund capital projects that do not directly generate revenue, such as roads, parks, and fire stations. The City generally uses GO bonds to pay for infrastructure that San Franciscans will use for years, instead of routine maintenance that will need to be repeated regularly. By borrowing, the City can spread out the cost of building or repairing

⁴ Active bonds do not include the 2014 Earthquake Safety and Emergency Response Bond and the 2015 Affordable Housing Bond, which are functionally complete and have less than 5% of the authorized amount remaining.

⁵ Data is as of June 30, 2023, unless otherwise noted.

infrastructure across all the years that the public will enjoy the asset. GO bonds allow the City to make critical capital improvements to strengthen aging infrastructure; better respond to and recover from an earthquake; increase the City's stock of affordable housing; and improve transportation systems, parks, public health, and building safety.

GO bonds must be approved by a two-thirds vote of the electorate. From 2008 through 2023, voters approved 14 GO bonds totaling \$5.9 billion (see table in Bond Summary section).⁶ Of these 14 bonds, eight are currently active, totaling \$3.3 billion. The total budget of these bond programs may have increased slightly beyond what voters approved due from the City earning interest on bond proceeds that are waiting to be spent. A portion of the bond authorizations, typically one to two percent, is set aside to cover the expected cost of issuance of bond debt, which are the costs associated with the sale and issuance of bonds. In addition to GO bonds, the City funds capital projects by several other means, including revenue bonds, general fund revenues, user fees, and Certificates of Participation (discussed below).

For planning, funding, and other management purposes, each bond program is typically divided into one or more components. Each component represents a distinct project area and is assigned to a lead department. For example, the 2012 Clean and Safe Neighborhood Parks Bond program consists of four components. The Waterfront Parks component is led by the Port of San Francisco, while the Citywide Programs, Citywide Parks, and Neighborhood Parks components are led by the Recreation and Parks Department.

Bond program components are generally either stand-alone, large-scale projects or ongoing, recurring programs. Stand-alone projects typically consist of large-scale, one-time public works (such as the construction of the Traffic Company and Forensic Services Division facility). Ongoing programs tend to consist of smaller individual improvements implemented over an extended period of time (such as citywide curb ramp installations).

Finally, this report tracks the City's progress on completing the work funded by GO bonds mostly by comparing previous projected timelines to updated timelines and by looking at the money moved to date. In general, after the voters approve a GO bond program, the City will go through the process of

1. Issuing the bonds (selling the bonds and collecting money from the investors purchasing them),
2. Encumbering funding (setting the money aside for a specific use – often through a contract with the company constructing the project), and
3. Expending the funding (transferring the money to the company or entity constructing the project).

This report broadly refers to any funding not yet encumbered or expended as the remaining (or unspent) balance. Note that the remaining balance is not necessarily the same as the amount issued to date, as one is measuring the unspent budget (remaining balance), and one is measuring the dollar value of the bonds sold to date (issued to date).

⁶ In the June 2022 election, voters did not approve the Muni Reliability and Street Safety Bond.

WHAT IS A COP?

A Certificate of Participation (COP) is another type of debt instrument the City uses to fund capital improvement projects. COPs are structured as a lease-lease back agreement. The City will lease City-owned property to a third-party trustee through a property lease, and instead of using the building, the trustee immediately leases the property back to the City through a project or site lease. The purchasers of the COPs are granted an interest in the base rental payments the City makes to the trustee to lease the building back; these payments are set at a level to pay the purchasers back on an amortized debt service schedule for their upfront purchase of the Certificates, with interest. In this way, the lease-lease back agreement simulates a bond sale, while utilizing the inherent value of City-owned assets to finance capital projects. The lease payments (which function as debt repayments) are appropriated each year and paid from the City's General Fund or revenue that would otherwise flow to the General Fund.

BOND SUMMARY

This report groups bonds and discusses them by policy area, namely: [Public Health and Safety](#), [Affordable Housing](#), [Transportation](#), and [Parks, Health and Recovery](#). Policy areas with more remaining unspent funds are discussed first, with more recently authorized bonds appearing first within each policy area section of the report. The table below summarizes these policy areas, the bonds within each area since 2008, and follows the order the report uses to discuss each.

Voter-Approved GO Bonds Since 2008 (**Bonds shaded in grey and italicized are functionally complete*)

Year	Bond Program	Authorization (\$ millions)	Managing Dept.	Completion Date ⁷
Public Health and Safety				
2020	Earthquake Safety and Emergency Response	628.5	DPW	November 2027
2018	Embarcadero Seawall Earthquake Safety	425.0	PRT	June 2028
2016	Public Health and Safety	350.0	DPW	May 2025
<i>2014</i>	<i>Earthquake Safety and Emergency Response*</i>	<i>400.0</i>	<i>DPW</i>	<i>June 2024</i>
<i>2010</i>	<i>Earthquake Safety and Emergency Response*</i>	<i>412.3</i>	<i>DPW</i>	<i>September 2023</i>
<i>2008</i>	<i>SFGH and Trauma Center Earthquake Safety*</i>	<i>887.4</i>	<i>DPW</i>	<i>August 2015⁸</i>
Affordable Housing				
2019	Affordable Housing	600.0	MOHCD	December 2025
2016	Preservation and Seismic Safety	260.7	MOHCD	December 2028
<i>2015</i>	<i>Affordable Housing*</i>	<i>310.0</i>	<i>MOHCD</i>	<i>September 2023</i>
Transportation				
2014	Transportation and Road Improvement	500.0	MTA	December 2025
<i>2011</i>	<i>Road Repaving and Street Safety*</i>	<i>248.0</i>	<i>DPW</i>	<i>June 2024</i>

⁷ Bond completion dates are per data received as of June 30, 2023, unless otherwise noted.

⁸ August 2015 is the actual completion date for the bond program's main project. The final project was completed in Dec. 2020.

Parks, Health and Recovery				
2020	Health and Recovery	487.5	RPD	December 2028
2012	Clean and Safe Neighborhood Parks	195.0	RPD	March 2024
2008	<i>Clean and Safe Neighborhood Parks*</i>	<i>185.0</i>	<i>RPD</i>	<i>November 2021</i>

Bond Component Watch List








The following table identifies in-progress bond components that have reported delays based on their projected end dates. These component delays are described in greater detail in each component's corresponding bond chapter later in this report. Of the 50 components covered in this report, 66% (30) are delayed by approximately 38 months on average. Ten are delayed by less than a year, and 23 are delayed by a year or more. Of the 38 in-progress components appearing both in this report and the previous report, project schedules were pushed back by an average of 14 months per component.

Projects contributing to the delayed components have been highlighted below. These notable projects have been identified through interviews with each component's department team, schedule data submitted to the Controller's Office, and department reports submitted to CGOBOC.







Bond components are ordered first by earliest year of voter-approved bond and second by the total delay since its initial end date estimate. Additionally, components that experienced a significant delay since the last Controller's Office report (data as of June 2021) but have since been completed, have been omitted from this watch list.






Schedule Status Legend

-  Component delayed 1 year+ since last report
-  Component delayed 2 years+ since last report
-  New bond with significantly delayed component since issuance

Bond	Component	Schedule Status	Delay Since 2021 Report (Months)	Total Delay (Months)	Projects(s) Contributing To Delay	Reason for Delay
2012 Clean and Safe Neighborhood Parks	Neighborhood Parks		25	61	<ul style="list-style-type: none"> Rossi Pool (open January 2022) Willie “Woo Woo” Wong Playground (open February 2021) Garfield Pool (open July 2021) 	<ul style="list-style-type: none"> Projects are all open to the public, however there are delays to project closeout including unforeseen site conditions, repairs, and contractor mediation.
	Waterfront Parks		36	100	<ul style="list-style-type: none"> Agua Vista Park 	<ul style="list-style-type: none"> Part of Mission Bay Ferry project, which is also delayed.
2016 Preservation and Seismic Safety	Market Rate, Below Market Rate and Deferred Loans		64	76	<ul style="list-style-type: none"> 31 projects 	<ul style="list-style-type: none"> Third and final loan issuance is on hold due to the shifting interest rate environment.
2019 Affordable Housing ⁹	Public Housing		36	0	<ul style="list-style-type: none"> 7 projects 	<ul style="list-style-type: none"> Coordinating funding with state resources and market conditions.
	Low-Income Housing		48	0	<ul style="list-style-type: none"> 11 projects 	
	Preservation & Middle-Income Housing		24	0	<ul style="list-style-type: none"> 3 projects 	
	Senior Housing		36	0	<ul style="list-style-type: none"> 4 projects 	<ul style="list-style-type: none"> In addition to above, Laguna Honda

⁹ The “Total Delay” for each component is listed as 0 months as the original end date was reinstated during this report period. Availability of state funding impacted the ability of the team to predict the completion date.

Bond	Component	Schedule Status	Delay Since 2021 Report (Months)	Total Delay (Months)	Projects(s) Contributing To Delay	Reason for Delay
						Hospital's temporary loss of accreditation.
2020 Health and Recovery	Neighborhood Parks		--	36	<ul style="list-style-type: none"> Buchanan Mall 	<ul style="list-style-type: none"> Delays from securing philanthropy and grants to fund full project scope.
	Street Structures and Plazas		--	15	<ul style="list-style-type: none"> 6 projects 	<ul style="list-style-type: none"> Full scope of projects being determined (limited funding).
2014 Transportation and Road Improvement	Accessibility Improvements		41	107	<ul style="list-style-type: none"> Bart Canopies 	<ul style="list-style-type: none"> Coordinating with other projects and major events occurring along the Market Street Corridor caused delays.
	Caltrain Upgrades		38	48	<ul style="list-style-type: none"> Caltrain electrification 	<ul style="list-style-type: none"> Project is primarily managed by Caltrain.
	Complete Streets Improvements		25	47	<ul style="list-style-type: none"> 5 projects 	<ul style="list-style-type: none"> Unforeseen conditions such as encountering underground basements and utilities.
	Muni Facility Upgrades		33	39	<ul style="list-style-type: none"> 5 projects 	<ul style="list-style-type: none"> Scope changes, coordinating schedules with contractor, lengthy procurement timelines, and interagency coordination.

Bond	Component	Schedule Status	Delay Since 2021 Report (Months)	Total Delay (Months)	Projects(s) Contributing To Delay	Reason for Delay
	Muni Forward Rapid Network Improvements		56	77	<ul style="list-style-type: none"> 10 projects 	<ul style="list-style-type: none"> External agency coordination.
2016 Public Health and Safety	ZSFG, Building 5		12	72	<ul style="list-style-type: none"> ZSFG, Building 5 	<ul style="list-style-type: none"> Unforeseen conditions requiring additional design changes, review, and approvals.
2020 Earthquake Safety and Emergency Response	Emergency Firefighting Water Systems		25	25	<ul style="list-style-type: none"> Potable Emergency Firefighting Water System (PEFWS) pipelines – 36 & 42 inch 	<ul style="list-style-type: none"> Pipelines are divided into multiple contracts. One of the contracts encountered permitting constraints and geotechnical challenges that extend the schedule. The schedule has been updated to reflect the later contract end date.
	Neighborhood Fire Stations & Support Facilities		14	26	<ul style="list-style-type: none"> Fire Training Facility 	<ul style="list-style-type: none"> Scope changes, staff turnover, interdepartmental negotiations.
	Disaster Response Facilities		26	26	<ul style="list-style-type: none"> Kezar Pavilion Renovations 	<ul style="list-style-type: none"> Lingering COVID-19 impacts and identifying a replacement specialized architect required for historic preservation compliance.

Public Health and Safety

There are three active general obligation (GO) bonds funding public health and safety improvements¹⁰—the 2020 Earthquake Safety and Emergency Response (2020 ESER) bond, the 2018 Embarcadero Seawall Earthquake Safety (2018 Seawall) bond, and the 2016 Public Health and Safety (2016 PHS) bond. The 2014 ESER bond is considered functionally complete (4% of budget remaining) and will not be detailed in this report.

Across these three bonds, voters have authorized a total of \$1.4 billion. Of this, \$942.7 million remains unspent and unencumbered, with most of that amount (\$917.9 million) split between the 2020 ESER and the 2018 Seawall Bond.

City Has \$942.7 in GO Bond Funds Remaining for Public Health and Safety Bonds¹¹

(In Millions, bond programs in italics are functionally complete and excluded from the total)

Bond Program	Amount Authorized	Budget	Issued	Expended	Encumbered	Amount Remaining
2020 Earthquake Safety and Emergency Response	\$628.5	\$628.5	\$167.8	\$69.2	\$11.6	\$547.7
2018 Embarcadero Seawall Earthquake Safety	\$425.0	\$425.0	\$88.8	\$48.4	\$6.4	\$370.2
2016 Public Health and Safety	\$350.0	\$350.0	\$350.0	\$255.7	\$69.5	\$24.8
<i>2014 Earthquake Safety and Emergency Response</i>	<i>\$400.0</i>	<i>\$400.0</i>	<i>\$400.0</i>	<i>\$382.8</i>	<i>\$2.4</i>	<i>\$14.8</i>
Total	\$1,403.5	\$1,403.5	\$606.6	\$373.3	\$87.5	\$942.7

These bond programs fund the construction of a new fire training facility; critical earthquake resiliency and flood protection upgrades to the Embarcadero Seawall; and earthquake resiliency and life-safety improvements within San Francisco’s health, homeless services, police, fire, and emergency response systems. Additionally, both the 2020 and 2014 ESER Bonds ensure the City can respond quickly and effectively to a major earthquake or disaster.

¹⁰ Voters also approved \$207 million for facilities that provide treatment, shelter, permanent supportive and transitional Housing as part of the 2020 Health and Recovery Bond.

¹¹ As of June 30, 2023. All amounts in the budget column include costs related to Oversight, Accountability, and Cost of Issuance.

2020 Earthquake Safety and Emergency Response Bond

In November 2020, voters approved the \$628.5 million Earthquake Safety and Emergency Response (ESER) Bond to continue the work started in the 2010 and 2014 ESER Bonds.¹² These projects are focused on ensuring the effective deployment of first responders in the event of an earthquake or another major disaster. San Francisco Public Works (Public Works) manages three components of the bond: The Neighborhood Fire Stations & Support Facilities, District Police Stations, and the 9-1-1 Response Facilities Components. The Public Utilities Commission (PUC) manages the Emergency Firefighting Water System (EFWS). The Recreation and Parks Department (RPD) manages the Disaster Response Facilities component.

SCOPE

- **Neighborhood Fire Stations & Support Facilities** (\$270.8 million): This component is the successor to the Neighborhood Fire Stations component from the 2014 ESER Bond and includes the construction of a new fire training facility to replace existing ones in SOMA and Treasure Island.
- **Emergency Firefighting Water Systems** (\$151.2 million): This component is the successor to the EFWS components from the 2010 and 2014 ESER Bonds. Four projects in this component will expand the underground network of pipelines by approximately five miles in the Richmond and Sunset Districts to help supply water in the event of earthquakes and fires. One project in the component will replace the fireboat manifold at Fort Mason Pier 2 to increase earthquake resistance and emergency preparedness.
- **District Police Stations** (\$119.2 million): This component is the successor to the 2014 Police Facilities component. Projects included in this component include the Ingleside District Police Station Replacement and surge

AT A GLANCE:

Authorization: \$628.5 million approved in 2020.

Scope: Increasing construction costs contributed to reduced project scopes and cancellations in four out of five components. Projects with reduced scopes include the Ingleside Police Station replacement, Kezar Pavilion upgrade, and EFWS upgrade. Projects that have been cancelled include Fire Station 7 Replacement and the Lake Merced Pistol Range Replacement.

Schedule: Four of five components were delayed by six months to two years due to multiple factors including COVID-19 related delays, material shortages, and scope changes. The District Police Stations component maintained the same schedule as previously reported.

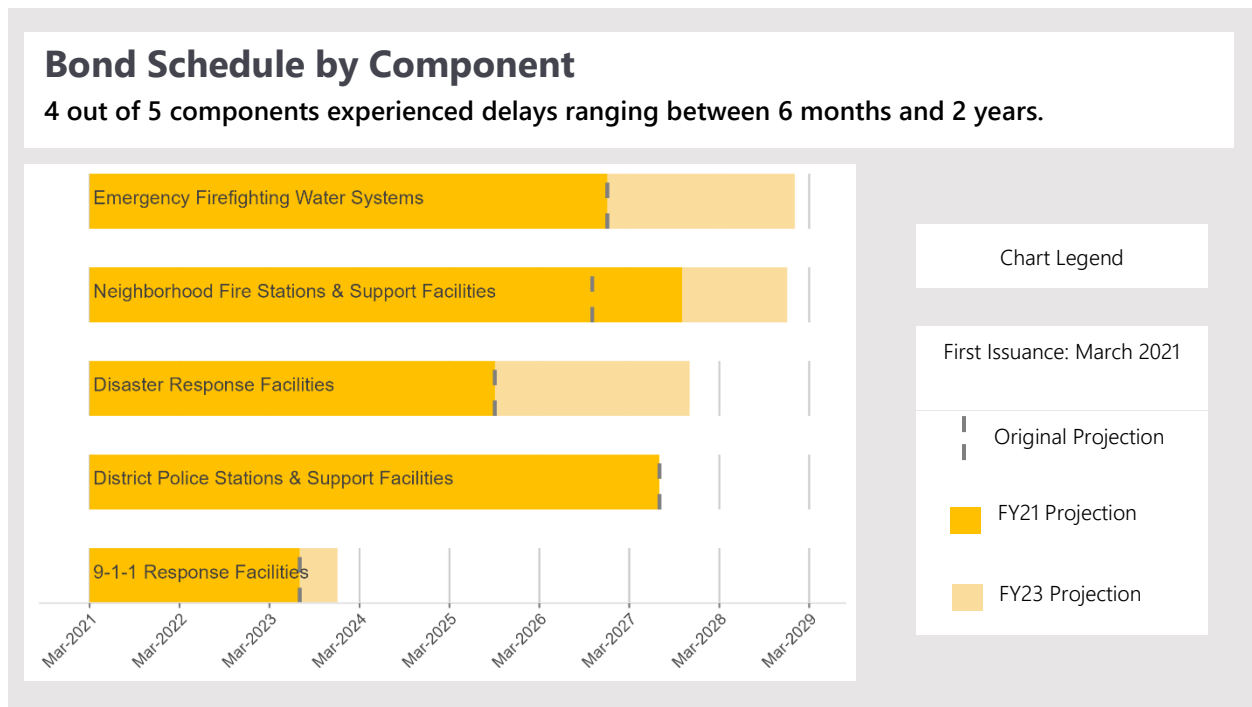
Budget: \$80.8 million expended and encumbered of \$628.5 million budgeted (13%).

¹² The 2010 and 2014 ESER Bonds are excluded from this report because they are considered functionally complete with less than 5% of the budget remaining.

facility, as well as structural improvements to the Mission District Police Station. The surge facility will serve as a temporary base of Police operations while the Ingleside Station Replacement project takes place.

- **Disaster Response Facilities** (\$68.9 million): The sole project within this component is the renovation of the existing Kezar Pavilion and the replacement of an existing annex on the South-West side of the Pavilion. This project will allow Kezar Pavilion to serve as a disaster response facility to provide shelter, or as a mutual aid staging area in the event of a major emergency.
- **9-1-1 Response Facilities** (\$8.9 million): This component focuses on the renovation of the existing 9-1-1 Call Center located at 1011 Turk Street. The upgrades include an increased number of call-taking workstations, technology enhancements, and better visual oversight of the operations center.

PROGRESS AND SCHEDULE



The **Emergency Firefighting Water Systems** component was delayed by approximately 2 years due to supply chain shortages. For example, water pipes that were ordered in January 2022 did not arrive until February 2023.

The **Neighborhood Fire Station** component experienced delays due to scope changes and project staff turnover and interdepartmental negotiations. The Treasure Island Development Authority needs SFFD to vacate its current training facility at Treasure Island by the summer of 2026, the originally projected completion date. The project is currently in the design phase and scheduled to be fully completed by December 2028.

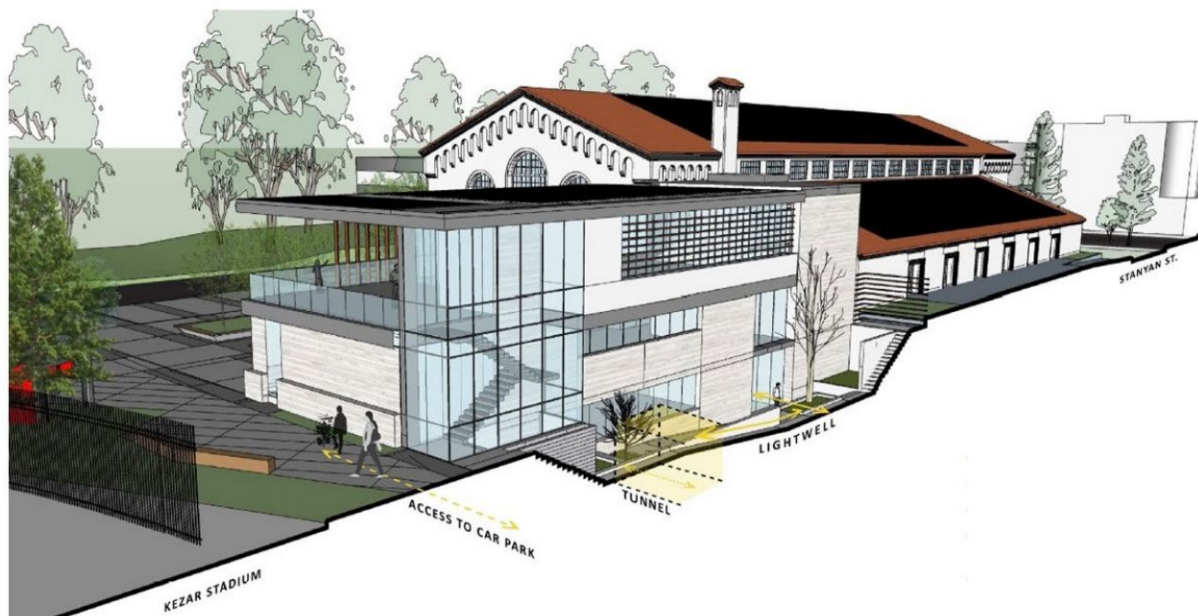
The replacement of the Ingleside District Police Station in the **District Police Stations** component is currently in the design phase and is on schedule to be completed by Spring of 2027. Structural

improvements to the Mission District Police Station began in August 2022 with completion expected in FY24.

The **9-1-1 Response Facilities** component was delayed by five months due to longer permit processing times and an increase in the scope to include additional IT infrastructure and equipment. The additional scope was requested by the Department of Emergency Management (DEM) to increase system efficiency and anticipate future growth.

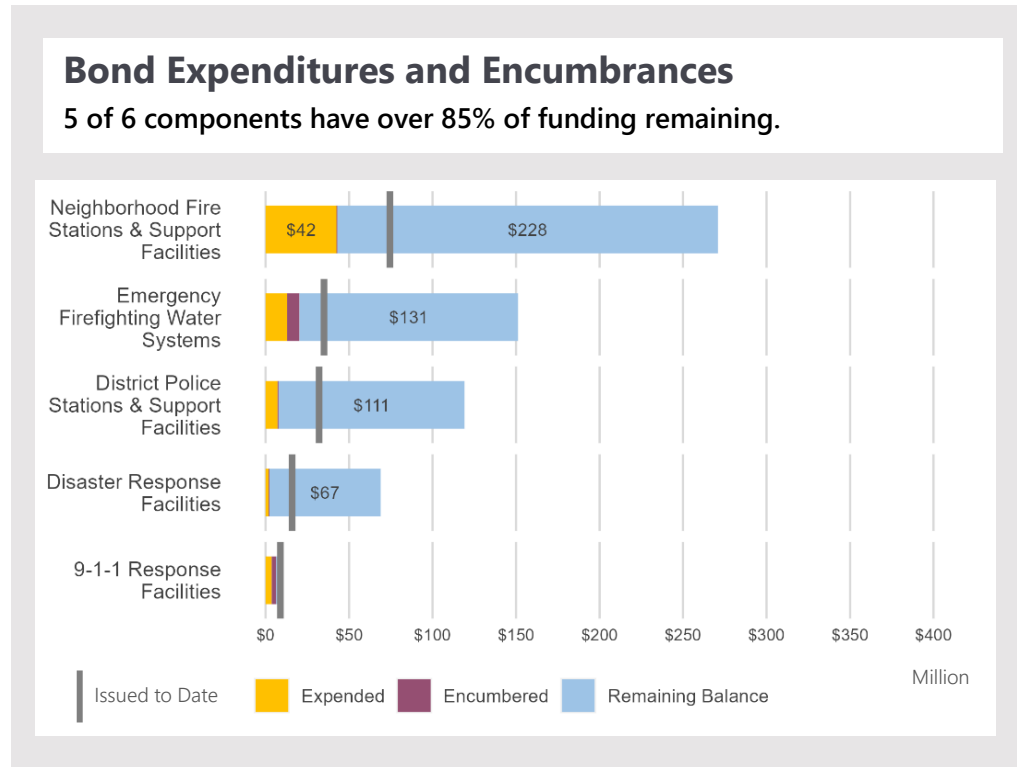
The **Disaster Response Facility** component was delayed by two years due to multiple challenges. First, lingering impacts from the COVID-19 pandemic altered the City's priorities and required DEM to prioritize emergency protocols for the City. Required on-site investigatory assessments and reports needed for the design phase were more complex than originally anticipated – requiring geotechnical reports, site topographic and utility surveys, destructive testing, historic reports, and more. The project team coordinated closely with the Planning Department's Historic Preservation staff to assess the existing facility with help from a specialty, third-party historic architect. During the assessment, the consultant's company was sold to an entity headquartered in a banned state under Chapter 12X of the Administrative Code.¹³ Contracting with a replacement took additional time and caused project delays. However, the initial historic evaluation has provided necessary information to avoid a costly and lengthy Environmental Impact Report process. The project is currently in the design phase with completion anticipated in November 2027.

New annex to the existing Kezar Pavilion



¹³ Chapter 12X of the City Administrative Code prohibited City-sponsored travel and contracting with states that allow discrimination against LGBT individuals, have restrictive abortion laws, or have voter suppression laws. The chapter was repealed through Ordinance #075-23 in May 2023 and became effective in June 2023.

BUDGET AND SPENDING



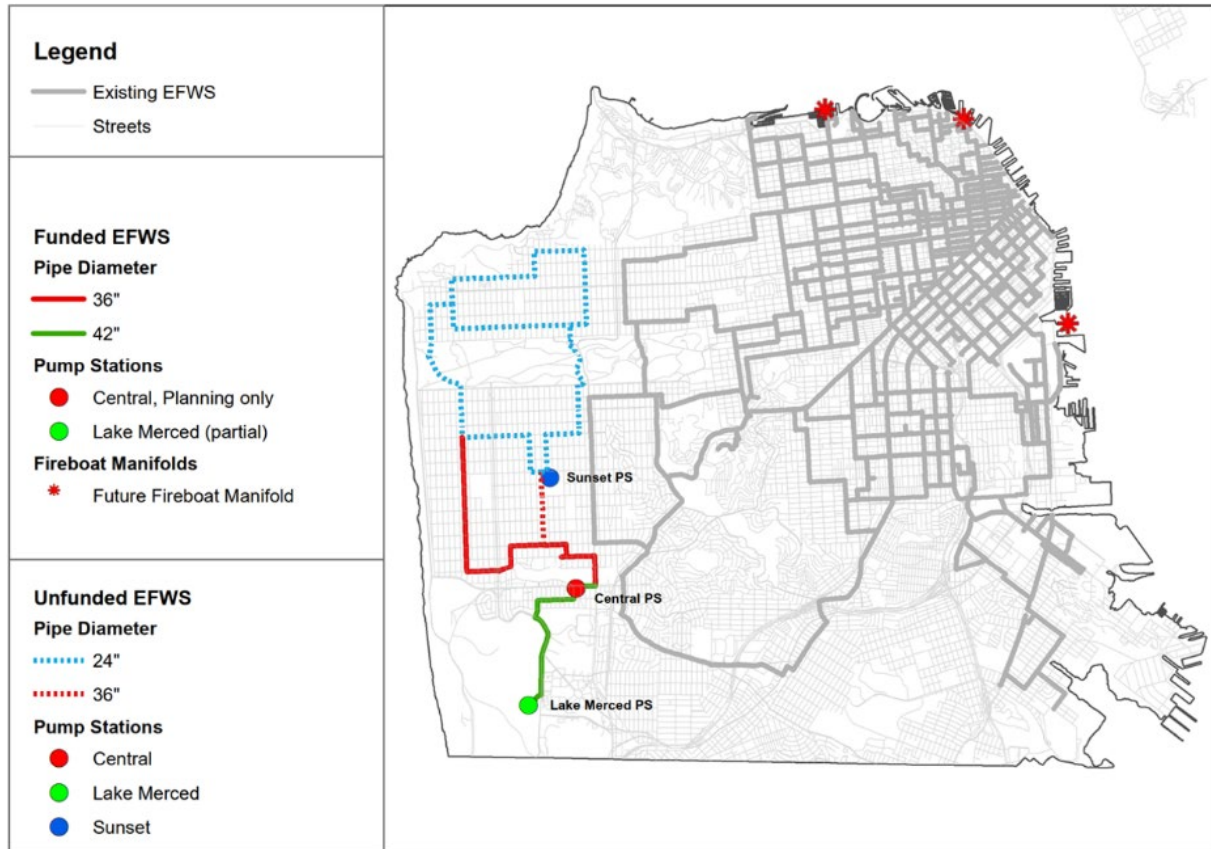
As of June 30, 2023, \$80.8 million dollars of bond funding (13% of the total budget) have been expended and encumbered (see Appendix A).

\$40 million was spent to acquire the land for the future fire training facility as part of the **Neighborhood Fire Stations** component. The Fire Station 7 Replacement was cancelled due to increasing project costs and the prioritization of the Fire Training Facility.

High inflation rates and rising construction costs contributed to higher than anticipated cost estimates for projects in the **District Police Stations, Disaster Response Facilities, and Emergency Firefighting Water Systems** components. As a result, the managing departments reduced the scope of their respective components. Public Works reduced the overall cost of the Ingleside Police Station Replacement project by simplifying the design, removing unnecessary elements, and reducing the size of the surge facility. RPD is moving forward with the schematic designs for the Kezar Pavilion renovation project and will look for alternative funding mechanisms to close the budget gap. The PUC reduced the

number of contracts to upgrade the potable EFWS system on the West side of the City from three to two to fit within budget.

Map of planned pipeline installments as part of the EFWS component.



2018 Embarcadero Seawall Earthquake Safety Bond

In November 2018, voters approved the \$425 million Embarcadero Seawall Earthquake Safety Bond (2018 Seawall Bond). The Port of San Francisco (Port) manages all eight components of the bond. The Port will re-scope all components in FY24 based on updated planning work.

The 2018 Seawall Bond is part of the larger Waterfront Resilience Program managed by the Port, which aims to strengthen protections along the waterfront from future risks associated with climate change and earthquakes. Through the program, the Port helps lead the City's effort to protect critical infrastructure like transit networks, utilities, and buildings.

Embarcadero Waterfront



SCOPE

The 2018 Seawall Bond originally authorized eight components that funded various feasibility assessments and pilot projects. The bond funds projects located between Fisherman's Wharf in the North to Heron's Head Park in the South. The Port plans to re-organize the eight components and allocated budgets after completing early assessments and identifying a final list of projects. The Port will present new component names and budgets at the CGOBOC meeting in April 2024.

The original scope of the 2018 Sewall Bond included both long-term planning and project development. This report combines the preliminary studies and early assessments into one component called "Other Design and Planning Components."

As of June 30, 2023, the primary components include:

- **Seawall Program Projects** (\$262.9 million): As the core component of the 2018 Bond, this component will fund various projects aimed at potentially raising the bulkhead wharf, protecting structures in the event of an earthquake, and mitigating flooding associated with sea level rise. As of June 30, 2023, the Port identified 23

AT A GLANCE:

Authorization: \$425 million approved in 2018.

Scope: In this reporting period, the Port completed one pilot project. In FY24 the Port will re-scope all components based on updated planning work.

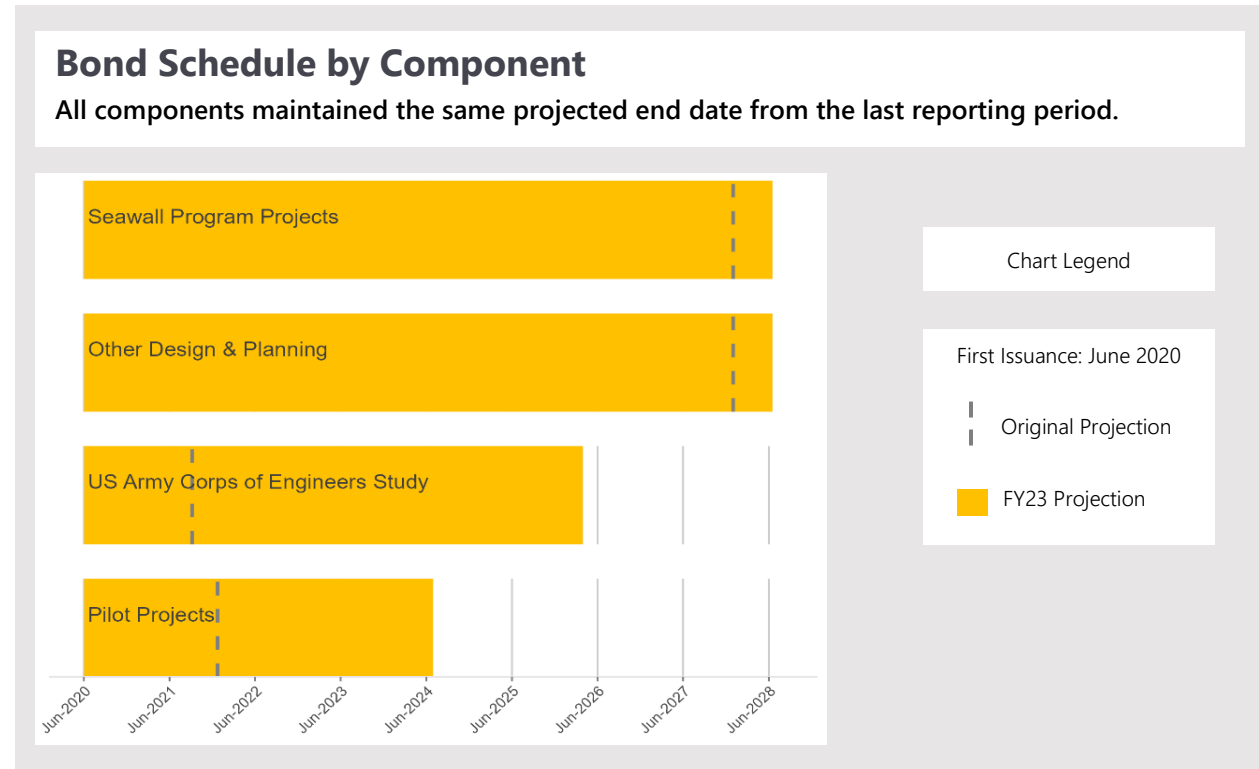
Schedule: The USACE Study continues to be three years past the original end date, however no additional delays occurred in this reporting period.

Budget: \$54.8 million expended and encumbered of \$425 million budgeted (13%).

potential projects through the Embarcadero Seawall Multi-Hazard Risk Assessment and the joint Disaster Response Exercise conducted with the Department of Emergency Management. The Embarcadero Early Projects, a subset of the Seawall Program Projects located along a portion of the full geographic extent covered by the bond, focus on the 3.5 miles of the Embarcadero Seawall between Fisherman's Wharf and Mission Creek. Projects include replacing the aging Wharf J9 in Fisherman's Wharf, protecting the Ferry Building, and strengthening the bulkhead wall at multiple piers along the Embarcadero.

- **Pilot Projects** (\$40 million): The Port piloted a living seawall project in collaboration with the Smithsonian Environmental Research Center to increase ecological diversity in the San Francisco Bay. The Port installed textured concrete tiles that encourage underwater habitats at three locations along the Embarcadero in 2022. These textured tiles provide potential habitat for numerous native species, including oysters, rockweed, and Pacific herring.
- **United States Army Corps of Engineers Study** (\$8.9 million): This funding supports a unique seven-year study of flood risk along the San Francisco waterfront from Aquatic Park to Heron's Head Park. Fewer than five low-lying metropolitan areas in the nation were selected by the US Army Corps of Engineers for such an in-depth assessment. The US Army Corps of Engineers study (**the USACE Study**) will identify areas at risk of flooding, strategies to reduce these risks, and ultimately allow the City to become eligible for significant federal funding to adopt these strategies at a funding ratio of two-thirds federal to one-third local. The original scope and timeline of the USACE Study was extended due to the unforeseen magnitude of the undertaking.
- **Other Design and Planning Components** (\$113.2 million): This encompasses several components related to the Seawall design and planning process— planning/engineering/preliminary design, final design, seawall program labor, design support during construction, and funding to support the work of other City departments and government agencies.

PROGRESS AND SCHEDULE



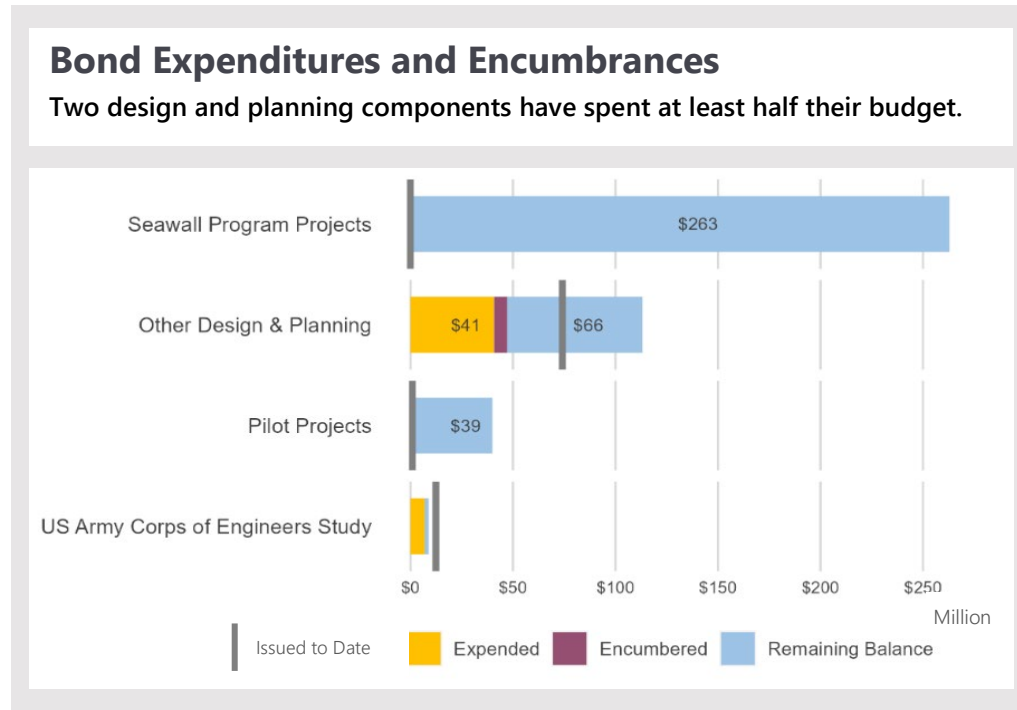
The bulk of the projects that will be completed under this bond are contingent upon the completion of the **USACE Study**. The Study will provide a full list of recommended projects to enhance the City’s waterfront resilience. Once the projects have been identified, conceptual designs and early construction work will be funded through this bond. The Port anticipates spending down all of the available bond funds by June of 2028.

The **USACE Study** is now delayed by three years from its original projected end date of September 2021. This was due to a significant expansion in the scope of the study and a federally-approved waiver that extended the study period from 36 to 86 months. The expanded scope also allowed for an additional \$5 million in federal funding. This study will determine which projects the City will move forward with the remaining bond funds to enhance protections along the City’s waterfront. The US Army Corps will release its findings in January 2024 and plans to finalize the list of recommended projects by June 2024. Congress will then approve (or reject) the projects and release funding.

The Port identified 23 projects as part of the **Seawall Program Projects** component, which focuses on areas along the waterfront with the highest risks associated with sea level rise. Seven projects advanced to the pre-design phase, and the remaining 16 will move forward after funding is secured. Read more about the Embarcadero Early Projects on [the Port’s website](#).

The Port finished installing the Living Seawall Project’s textured tiles, as a part of the **Pilot Projects** component, in October 2022. The Port continues to monitor the tiles for their effectiveness in promoting ecological diversity along the shores of the Bay.

BUDGET AND SPENDING



As of June 30, 2023, \$54.8 million (13% of the total budget) has been expended and encumbered (see Appendix A).

A majority of these funds have been spent on preliminary studies and assessments. As of June 30, 2023, approximately \$47.2 million (42% of the component’s budget) of the **Other Design & Planning** component has been expended and encumbered. Approximately \$6.9 million (78% of the component’s budget) of the **USACE Study** component has been expended and encumbered. This aligns with the original bond plan of funding the early conceptual design and engineering work first and the Seawall and Pilot projects after.

Approximately \$622.5 thousand (1.6% of the component’s budget) of the **Pilot Projects** component has been expended and encumbered. This was used to fund the Living Seawall Pilot along the Embarcadero. The Port originally anticipated more pilot projects, but due to high project costs, will reallocate the remaining funds to the **Other Design & Planning** component.

While a majority of the bond funds remain (\$370.2 million, or 87% of the total budget), the list of projects that ultimately move forward will depend on the availability of external federal funds. The 23 Embarcadero Early Projects alone have a total cost greater than all the available funds from the bond. The Port will work with various City stakeholders to determine which projects end up moving forward based on funding availability and Congressional appropriations. A more recent January 2024 Draft Plan by the USACE estimates the total cost of the project is approximately \$13 billion.

2016 Public Health and Safety Bond

In June 2016, voters approved the \$350 million Public Health and Safety (PHS) Bond. San Francisco Public Works (Public Works) manages the bond, delivering projects on behalf of the Department of Public Health (DPH), the San Francisco Fire Department (SFFD), and the Department of Homelessness and Supportive Housing (HSH).

SCOPE

- **Zuckerberg San Francisco General Hospital (ZSFG), Building 5** (\$203.4 million): This component funds clinical improvements, seismic improvements, and infrastructure improvements as well as projects that are critical in converting ZSFG Building 5 (former acute care hospital prior to the completion of the new hospital in 2015) into the new centralized outpatient ambulatory care center. Due to rising construction costs and changes in ZSFG project priorities, many of the originally planned projects have been placed on hold by DPH or scopes have been reduced. These include the Ward 7B and 7E Mental Health Rehabilitation Center Relocation, Behavioral Health Center Hummingbird Expansion, 4E Surge Space, Mechanical Core Phase 1,¹⁴ and Building 80/90 Specialty Services Relocation. Building 80/90 Specialty Services will resume pending ZSFG confirmation of alternative fund sources from the San Francisco General Health (SFGH) Foundation.

AT A GLANCE:

Authorization: \$350 million approved in 2016.

Scope: The Ambulance Deployment Facility, Southeast Health Center, and Other Community Health Centers components were completed during this reporting period.

Schedule: The ZSFG Component and Homeless Services components were each delayed by 1 year. The Neighborhood Fire Station component did not experience additional delays since the last report.

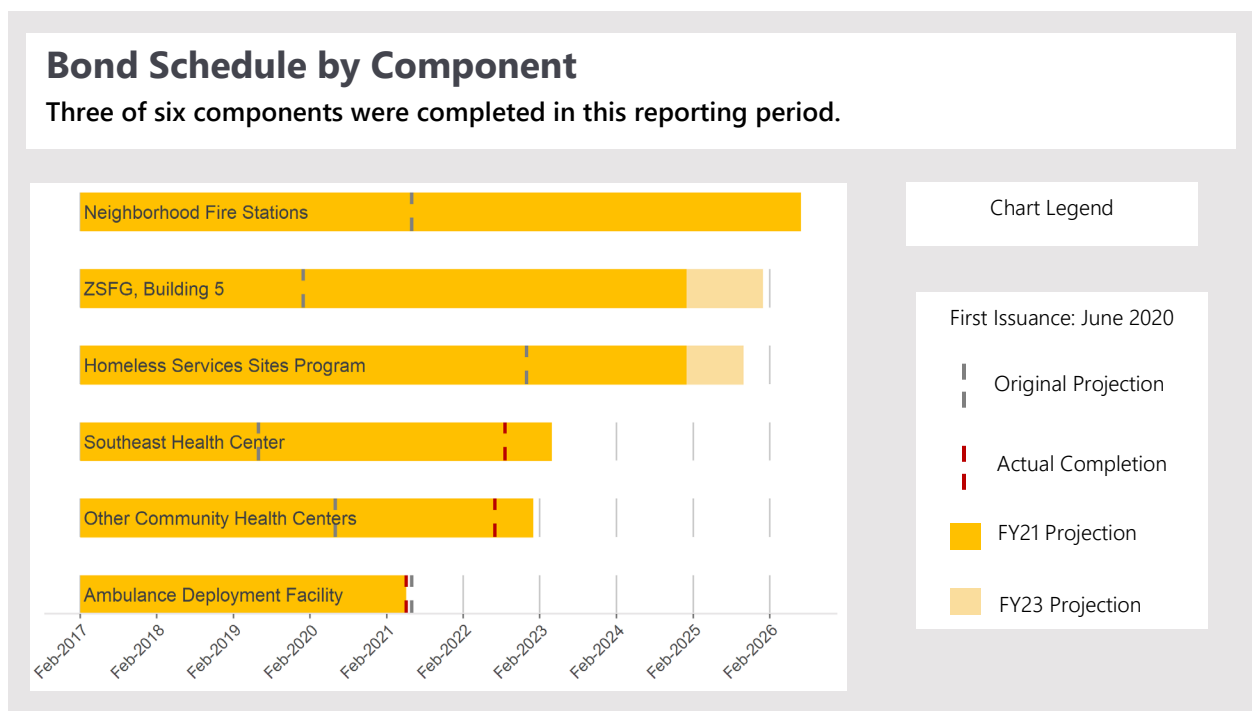
Budget: \$325.2 million expended and encumbered of \$350 million budgeted (93%).
- **Ambulance Deployment Facility** (\$47.9 million): This component funded the construction of a modern emergency medical services facility to ensure that ambulance dispatch functions remain operational after a major earthquake. SFFD moved into the facility in May 2021.
- **Southeast Health Center** (\$37.3 million): This component funded a two phased project to modernize the Southeast Health Center, one of the SF Health Network's busiest clinics. The first phase of the project expanded the existing dental suite and lobby area to allow for expanded patient capacity and provide an enhanced patient experience. A second phase involved the construction of a new, two-story 20,000 square feet structure that integrates a family-oriented

¹⁴ Mechanical Core Phase 1 scope of work included preparing a comprehensive facilities assessment report that evaluated the condition of the existing mechanical system and equipment in Building 5, such as the existing air handling units, other mechanical equipment and fans, and ductwork.

primary care model with comprehensive behavioral health services tailored to meet the needs of Bayview’s high-risk population. All projects within this component were completed by August 2022.

- Other Community Health Centers** (\$28.7 million): This component funded seismic assessments, seismic retrofits, and renovations at SF Health Network community health centers, including the Castro-Mission Health Center and Maxine Hall Health Center. The seismic assessment was completed for Chinatown Public Health Center under 2016 PHS, but the renovation and seismic upgrade of the building was removed from the scope of the 2016 PHS Bond due to insufficient funding. All remaining projects within this component were completed by July 2022.
- Homeless Services Sites Program** (\$19.7 million): This component funds three main areas: (1) renovation of three City-owned shelters (at 1001 Polk Street, 260 Golden Gate Avenue, and 525-5th Street); (2) acquisition, construction, and renovation of an administrative office and client access point for HSH at 440 Turk Street; and (3) construction of a new centralized deployment facility and client access point for the SF Homeless Outreach Team (SFHOT) at 1064-68 Mission Street. All projects are managed by Public Works, except for the 1064-68 Mission Street project, which is managed directly by HSH.
- Neighborhood Fire Stations** (\$9.2 million): This component funds seismic improvements to SFFD’s neighborhood fire stations, building on the 2010 and 2014 ESER Bond programs’ seismic and other health and safety improvements.

PROGRESS AND SCHEDULE



Three out of six components of this bond were completed in this reporting period. Two of the three remaining components experienced schedule delays of approximately one year, and the remaining component is still on track with the previously projected end date.

ZSFG Building 5 is now expected to be completed in December of 2025, a 12-month delay from the previously reported end date in the prior report. This component tracks 19 individually delivered projects, many of which must be sequenced. This means delays in any one of the earlier projects can lead to delays for later projects. Unforeseen conditions are also common in the 1970's era Building 5, resulting in design revisions that require additional review and approvals by the Department of Health Care Access and Information (HCAI).¹⁵ Furthermore, Building 5 continues to be an active and operating clinical setting. This requires a significant amount of coordination between the project and the ZSFG clinical operations to minimize impact to patient care, heightened infection control requirements during all phases of physical construction, and constraints on work hours and work areas. These additional considerations and HCAI reviews slow construction and lengthen project timelines.

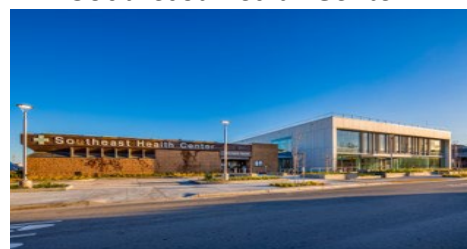
The **Neighborhood Fire Stations** component maintains the previously reported end date of June 2026. The component includes two hose tower removal projects and two emergency generator projects. The hose tower removal at Fire Stations 6, 11, 12, 21, and 38 were completed in March 2021. The hose tower removal at Fire Station 15 will be completed by 2025. The emergency generator installation at Fire Stations 37 and 44 are bundled as one project and are currently under construction. The generator project at Fire Station 18 was initially put on hold due to insufficient funds, but the project restarted after unspent funds from the completed Ambulance Deployment Facility (ADF) Project were reallocated to Fire Station 18. Both projects will be complete by Spring 2025, contingent on generator lead times.

The **Homeless Services Site Program** component is now expected to be complete in September 2025, an 8-month delay from the previously reported end date in the prior report. The development at 525 5th Street was delayed when the existing contract with a consultant expired and the project team onboarded Public Work's Bureau of Architecture to finish the remaining tasks. The development at 1001 Polk Street is currently in the construction phase and completion is expected in Q1 of 2025. Three of the five projects within this component achieved substantial completion prior to August 2022. The Hamilton Family Shelter was completed in January 2021. The Homeless Services Site at 440 Turk was completed in July 2019. And the Homeless Services Site at 1064-1068 Mission was completed in August 2022.

The **Other Community Health Centers** component achieved substantial completion in July 2022, six months ahead of the previously projected end date. The previously reported end date was tracking final completion, rather than substantial completion. The Maxine Hall Health Center and Castro Mission Health Center were also completed during this reporting period.

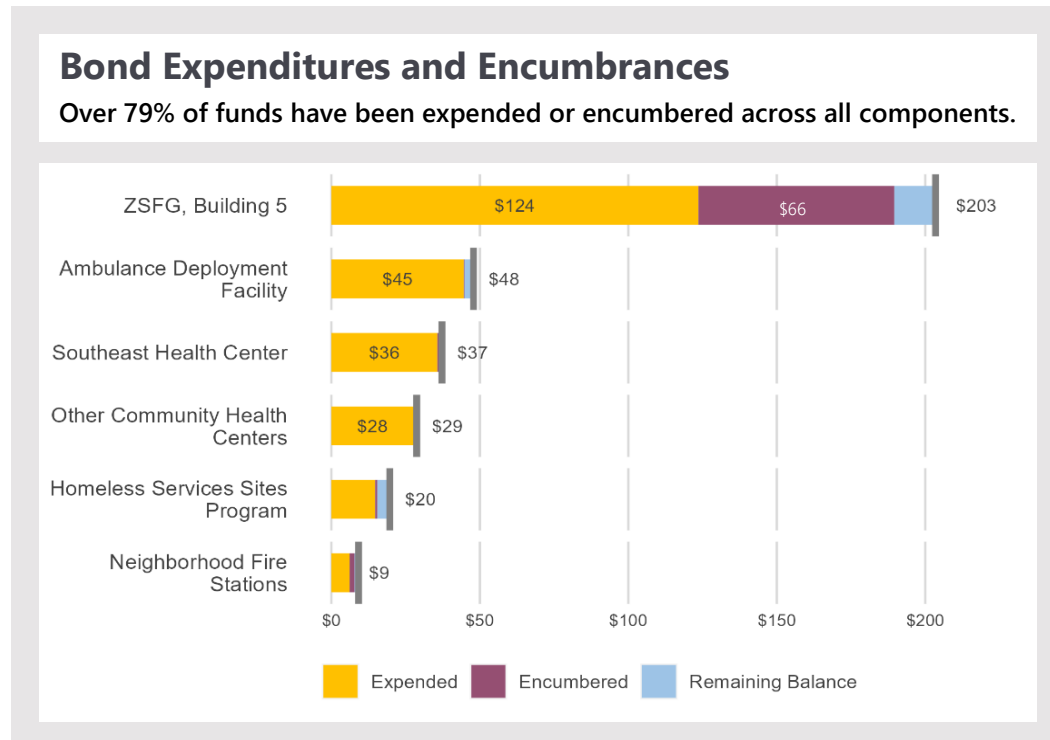
The **Southeast Health Center** component achieved substantial completion in August 2022, seven months ahead of the previously projected end date. The previously reported end date was tracking final completion, rather than substantial completion. The second phase of the Southeast Health Center was also completed during this reporting period.

Southeast Health Center



¹⁵ A state regulatory body that has jurisdiction over hospitals and other medical facilities (formerly known as the Office of Statewide Health Planning and Development "OSHPD").

BUDGET AND SPENDING



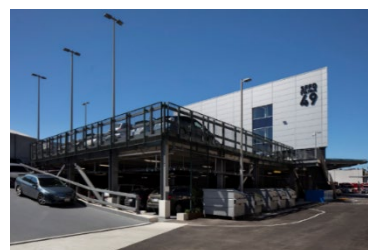
As of June 30, 2023, \$325.2 million dollars (93% of the total budget) has been expended and encumbered (see Appendix A).

Project bids for **ZSFG Building 5** exceeded original estimates by 20-30%. Some project scopes have been reduced to account for this, and Public Works is also working on finding additional sources of funding to complete the remaining projects. Potential sources include the release of bond interest earnings, supplements from the 2020 Health and Recovery Bond, and private funding through the SFGH Foundation.

The **Homeless Services** component received additional Capital Planning funds for the development at 525 5th Street. Public Works anticipates this component will be completed within the allocated budget.

The **Neighborhood Fire Stations** component secured enough funding through the unspent construction contingency of the Ambulance Deployment Facility Project to proceed with the emergency generator project at Fire Station 18.

Ambulance Deployment Facility



Affordable Housing

There are two active GO affordable housing bonds—the 2019 Affordable Housing Bond and the 2016 Preservation and Seismic Safety (PASS) Bond.¹⁶ In March 2024, an additional affordable housing bond will be on the ballot.

Across the two active bonds, voters authorized a total of \$860.7 million. Of this amount, \$516.5 million remains unspent across the two bonds as of June 30, 2023. The 2019 Affordable Housing Bond accounts for \$341.8 million of this and the 2016 PASS Bond accounts for \$174.7 million. The Mayor’s Office of Housing and Community Development (MOHCD) manages both bonds. A large portion of the unspent \$516.5 million is committed to identified housing projects in MOHCD’s development pipeline.

MOHCD expects the total \$860.7 million authorization to support new construction and preservation of at least 4,060 affordable housing units across the two bond programs.

An additional affordable housing bond, the 2015 Affordable Housing Bond, is considered functionally complete and will not be detailed in this report.

City Has **\$516.5 Million** in GO Bond Funds Remaining for Affordable Housing Projects¹⁷

(In Millions, bond programs in italics are functionally complete and excluded from the total)

Bond Program	Amount					Amount Remaining
	Authorized	Budget	Issued	Expended	Encumbered	
2019 Affordable Housing	\$600.0	\$444.1	\$424.1	\$159.0	\$99.2	\$341.8
2016 Preservation and Seismic Safety	\$260.7	\$260.7	\$175.0	\$85.5	\$0.5	\$174.7
<i>2015 Affordable Housing</i>	<i>\$310.0</i>	<i>\$310.0</i>	<i>\$310.0</i>	<i>\$287.1</i>	<i>\$19.3</i>	<i>\$3.6</i>
Total	\$860.7	\$704.8	\$599.1	\$244.5	\$99.7	\$516.5

Affordable housing bond programs are unique in that bond proceeds fund loans to developers. The City does not directly manage construction projects funded by the bonds. Rather, MOHCD provides oversight to affordable housing developers who manage the projects. Compared to private loans, the City offers lower-cost and longer-term capital that contributes to the mix of financing developers can assemble to acquire, construct, and/or rehabilitate affordable housing.

Developers must raise the necessary funding to afford San Francisco’s high land and labor costs as well as to navigate the permitting process, neighborhood approval delays, and other challenges to bring affordable units online in a way that is sustainable for the sponsor organization. GO bond funding and other support from MOHCD facilitates affordable housing construction in this context.

¹⁶ The 2020 Health & Recovery Bond also provides funding for permanent supportive housing (not administered by MOHCD).

¹⁷ As of June 30, 2023. All amounts in the budget column include costs related to Oversight, Accountability, and Cost of Issuance.

In addition to the 2016 and 2019 Affordable Housing GO Bonds, MOHCD draws on several sources to support financing for affordable housing projects, including Development Impact Fees,¹⁸ the Housing Trust Fund, geographic-specific funds, and other local, state, and federal sources. MOHCD works with project developers (also known as sponsors) to help assemble a package of financing to make projects feasible. The package may even include financing from multiple GO bond programs.

730 Stanyan (an Affordable Housing Development Financed with GO Bonds)



The two affordable housing bond programs use counts of the number of units produced, protected, or assisted as their measure of success.¹⁹ New projects funded by the bond increase the units projected, while developments which do not move forward with bond funds decrease planned units. For planned projects, the unit count can also change during predevelopment or design due to changes in the number of units planned, their size (i.e., one or two bedrooms), and the mix of sizes included in a building. For example, neighborhood approval of a project may be contingent on a certain size building, which may prompt an adjustment to the mix of unit sizes prior to approval. However, once construction starts, the unit count is set. The following sections provide a scope, schedule, and budget update for the two active affordable housing GO bonds.

KEY ISSUE AND UPDATE

The last report discussed how the City may benefit from exploring alternative financing structures for affordability preservation of existing housing. Within the Preservation and Seismic Safety (PASS) Bond's Small Sites program, there are two key challenges that the Mayor's Office of Housing & Community Development (MOHCD) has identified. First, the bond, as approved, cannot create a revolving loan program, meaning that MOHCD is not able to re-lend PASS funds that are repaid by developers. Second, the Small Sites program is also reliant on the City's ongoing financial investment (which developers do not pay back). Thus, without additional, continuous funding streams, there may be limited incentives for developers to invest in existing housing affordability preservation and consequently, limited developer capacity in this market. MOHCD reported that various other jurisdictions facilitate a revolving loan fund—including New York City, Seattle, Massachusetts, and Minnesota.

Update: MOHCD reported that they are actively working with City leadership to address these issues. To date, an alternative funding source has not been identified that allows for revolving loans.

¹⁸ Cities are authorized to levy development impact fees from development applicants as a condition of project approval. The collected fees are allocated to pay for infrastructure improvements necessitated by the new development.

¹⁹ The term "assisted" could refer to assistance provided through down payment assistance loans, loans used for renovations, or loans combined with other funding sources to pay for development and to preserve affordability.

2019 Affordable Housing Bond

In November 2019, voters approved the \$600 million²⁰ Affordable Housing Bond. The Mayor's Office of Housing and Community Development (MOHCD) manages all five components of the bond.

SCOPE

- Low-Income Housing** (\$182.3 million): This component funds loans for the construction, acquisition, and rehabilitation of permanently affordable rental housing for households earning 0% to 80% Area Median Income (AMI). MOHCD's priorities for this component include funding for neighborhoods with limited affordable housing production, projects that are shovel-ready within four years, predevelopment funding, and projects that can leverage non-City funding sources, among other factors. MOHCD expects this component to fund 1,501 units, a 50% increase since the last report.
- Public Housing** (\$148.5 million): This component funds the repair and rebuilding of distressed public housing and its underlying infrastructure. MOHCD prioritizes projects with an urgent capital need to address life safety risks, create new homes, accelerate construction timelines, or reduce adverse community impacts associated with long construction timelines. This component will fund 743 units located across three²¹ HOPE SF sites—Sunnydale, Hunters View, and Potrero, as well as the substantial renovation of 69 dilapidated units located in five multifamily sites. Since the last report, the scope has expanded to include 25% more units.

AT A GLANCE:

Authorization: \$600 million approved in 2019.

Scope: As of June 30, 2023, 1,501 low-income housing units, 812 public housing units, 555 senior housing units, and 219 middle-income housing units are projected to be completed. Additionally, 18 households are projected to receive assistance with Down Payment Assistance Loans.

Schedule: All five components are on track within original projections.

Budget: \$258.2 million expended and encumbered of \$444.1 million budgeted (58% of the total budget).

Hunters View public housing before and after HOPE SF transformation

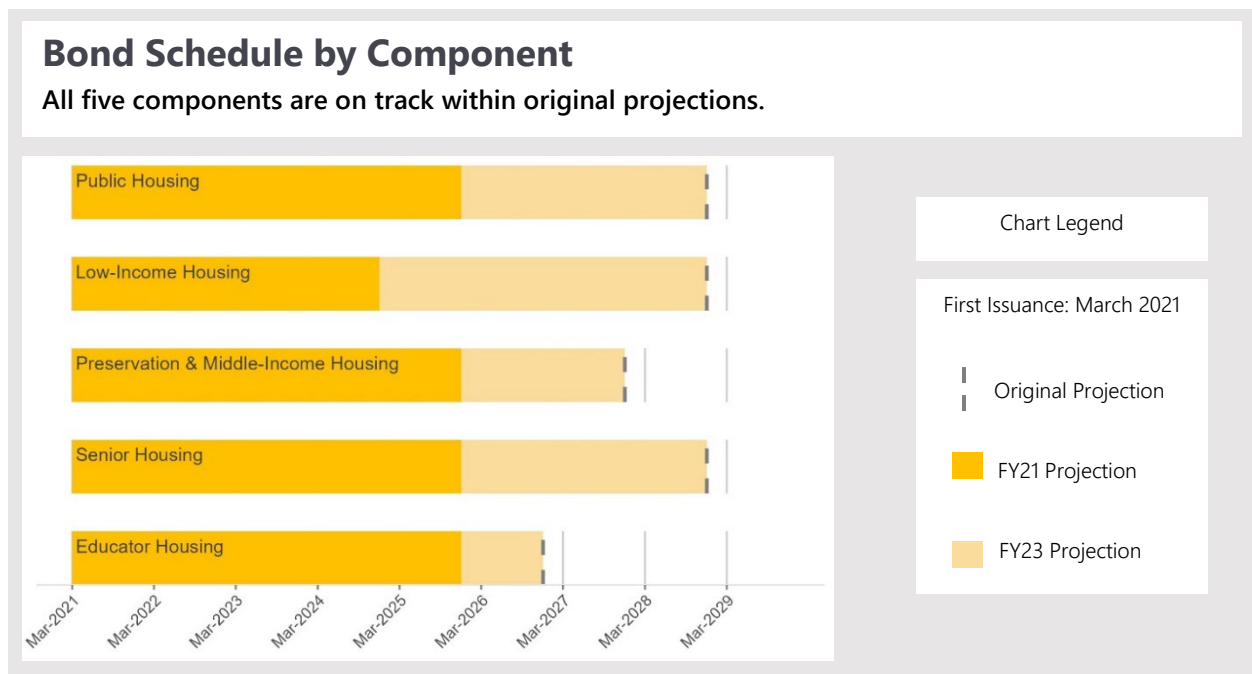


²⁰ The FY23 revised budget is \$444.1 million.

²¹ In the last report, the scope has expanded from two to three HOPE SF sites and now includes Hunters View.

- Preservation and Middle-Income Housing** (\$46.5 million): This has two subcomponents—affordable housing preservation and middle-income housing. The preservation funding is for the acquisition and/or rehabilitation of rental housing at risk of losing affordability and is intended for households earning between 30% to 120% of AMI. Priorities include acquisitions and/or rehabilitation of sites that enhance permanent affordability, buildings at risk of imminent conversion to market-rate rents, or those in neighborhoods with limited affordable housing production or high eviction rates. The middle-income funding is for the creation of new affordable housing through either down payment assistance loans or the purchase of land for new affordable construction for those earning between 80% to 175% of AMI. Priorities include San Francisco Unified School District (SFUSD) educators eligible for the Teacher Next Door Down Payment Assistance Loans or households eligible for Down Payment Assistance Loans. This component will fund 219 units and 18 households for Down Payment Assistance Loans.
- Senior Housing** (\$41.6 million): This component funds the creation of new affordable senior housing rental opportunities, through new construction and acquisition, for seniors on fixed incomes earning between 0% and 80% AMI. Like the Low-Income component, MOHCD prioritizes projects in neighborhoods with limited affordable housing production and those that can leverage additional non-City resources, in addition to new construction projects. This component is projected to fund 555 units across four projects, including 200 units at the Laguna Honda Hospital.
- Educator Housing** (\$20 million): This component funds pre-development and construction of permanently affordable rental housing serving SFUSD and City College of San Francisco educators earning between 30% to 140% of AMI.

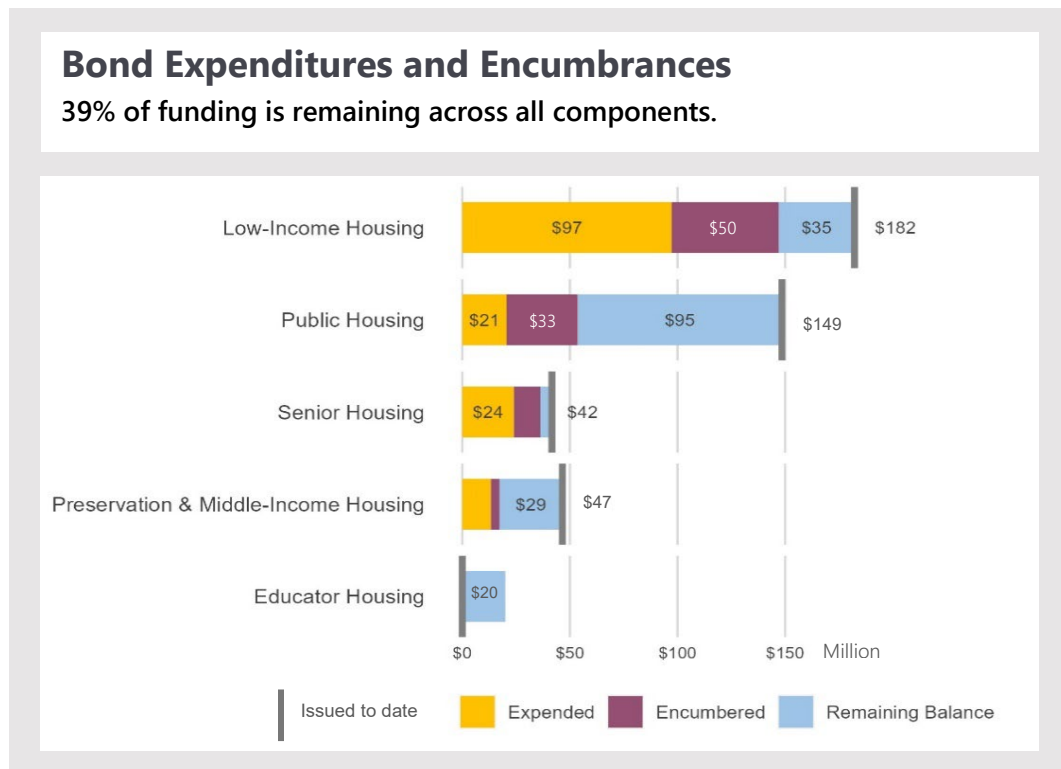
PROGRESS AND SCHEDULE



The City received \$170 million for the second issuance of the 2019 Affordable Housing Bond in April 2023. All projects planned with the second issuance are on track to be completed on schedule with

original projections. Projections shifted from the last report because of inconsistent state funding availability and a slowdown in market rate development. For some affordable housing projects, market rate units supplement the costs for affordable housing units. For the **Senior Housing** component, Laguna Honda Hospital’s temporary loss of accreditation²² delayed the project, which is still in predevelopment. MOHCD’s June 2023 bond report indicated 44% of units are in preconstruction and most components will fully expend funding by 2028, with the **Low-Income Housing** component (stated due date in 2027) and the **Preservation and Middle-Income Housing** component (2026) coming earlier. The **Educator Housing** component is proceeding as planned, and a Notice of Funding Availability was released in early 2023 to facilitate the development and construction of at least two Educator Housing projects with units affordable to households earning between 30% and 140% AMI.

BUDGET AND SPENDING



As of June 30, 2023, \$258.2 million (58% of the total budget) has been expended and encumbered (see Appendix A).

²² Laguna Honda Hospital was recertified in August 2023.

Most of these expenditures are associated with the **Low-Income Housing** (81%) and the **Senior Housing** (87%) components. MOHCD plans to begin spending for the **Educator Housing** component in 2024, the developer selected for the project is first applying for tax credits before moving forward.

2016 Preservation and Seismic Safety Bond

In November of 2016, voters authorized repurposing the \$260.7 million remaining from the 1992 Seismic Safety Loan Program bond authority to preserve the affordability of existing rental housing, protect residents at risk of displacement, and improve seismic safety. In March of 2019, the Citywide Affordable Housing Loan Committee adopted the Preservation and Seismic Safety (PASS) Program Regulations. The Mayor's Office of Housing and Community Development (MOHCD) now manages the components of the bond.

SCOPE

PASS Bond proceeds provide loans to housing developers for the (1) acquisition, improvement, and/or rehabilitation of multifamily rental buildings of five or more units; (2) the conversion of such buildings to permanent affordability; and (3) for financing the costs of safety improvements. Loan proceeds may not finance new construction or acquisition without improvement. Properties financed by the loans are subject to permanent rental price restrictions, whereby the building's combined average rental cost may not be higher than what a household earning 80% of the Area Median Income (AMI) can afford, and no one household's rent is more than 120% of AMI (units meeting this standard are hereafter referred to as "affordable").

All PASS loans issued to date have been for take-out financing, similar to refinancing, where loans finance a project after construction is complete. MOHCD reports that this provides sponsors with more expeditious and lower-cost financing over a longer term (up to 40 years) than conventional loans taken out to begin the acquisition and construction process. This practice therefore lowers developers' long-term costs to maximize the number of projects.

The bond's scope is organized according to loan cost and associated affordability requirement. The three types of loans below represent the components of the bond.

- Market Rate (MR)** (\$154.9 million) loans require rental units remain affordable for the original term of the loan. If Below Market Rate or Deferred Loans are also used, rents must remain affordable for as long as the building operates as a multi-unit residential building. The cost of MR loans is equal to the interest rate applied to the bond proceeds funding the loan, plus 1% and administrative fees.

AT A GLANCE:

Authorization: \$260.7 million approved in 2016.

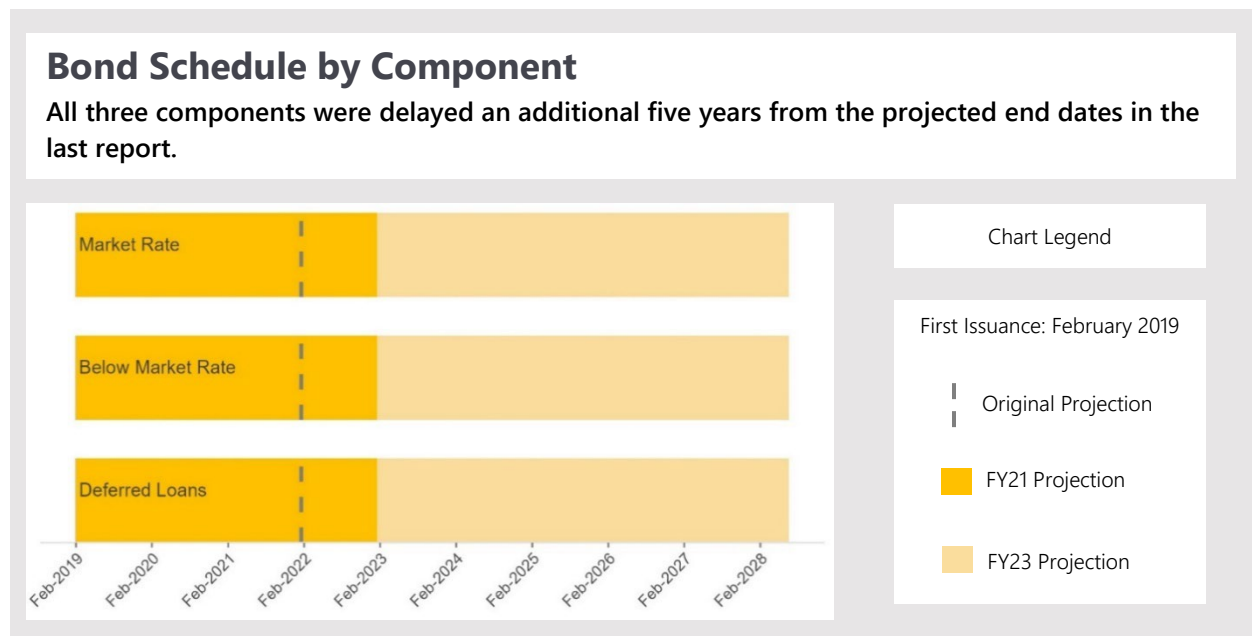
Scope: As of June 30, 2023, 577 developments, residential units, and commercial units have been preserved using funding across the bond programs.

Schedule: All three components were delayed an additional five years from the projected end dates in the last report.

Budget: \$85.5 million dollars expended and encumbered of \$260.7 million budgeted (33%).

- **Below Market Rate (BMR)** (\$89.3 million) loans require all rental units remain affordable for as long as any portion of the building financed with the loan operates as a multi-unit residential building. The cost of BMR loans is equal to one-third the interest rate applied to the bond proceeds funding the loan.
- **Deferred Loans** (\$14.6 million) require all rental units remain affordable for as long as any portion of the building financed with the loan operates as a multi-unit residential building. The cost of Deferred Loans is equal to one-third the interest rate applied to the bond proceeds funding the loan. Deferred loans have no payments due until loan maturity.

PROGRESS AND SCHEDULE



MOHCD’s reports to CGOBOC typically focus on progress made within each bond issuance, rather than overall progress made on the bond. (There have been two issuances to date totaling \$175 million.) MOHCD’s rationale for this practice is that it awards take-out financing to developers through a notice of funding availability (NOFA) process that is sized to align with the scale of each bond issuance. MOHCD notes the results of these NOFAs, or earmarking of projects, as “committed” funding and will recognize the project completed once construction ends and MOHCD transfers the take-out financing to the developer – thus both encumbering and expending the funds in quick succession.

This report focuses on overall expenditure progress by GO bond program and thus may differ from MOHCD’s issuance-specific reporting to CGOBOC. Reporting in this manner allows for comparability across bond programs and consistency within bond programs over time. (For example, a bond program-wide view will capture delays that affect when a subsequent issuance is made or the completion of that issuance.)

As of June 30, 2023, the bond programs’ funding preserved 577, residential units, and commercial units. This represents approximately 60% of the planned scope. However, MOHCD is considering changing the scope of the next issuance to focus on rehabilitation of existing affordable housing in need of life safety repairs and seismic safety improvements.

MOHCD currently projects completing and fully expending the bond program by the end of 2028. However, PASS's schedule is dependent on the interest rate environment. The first issuances were released before interest rates rose in 2021 and 2022. MOHCD is working with the Office of Public Finance (OPF) to determine the timing of the next issuance to ensure the loans remain attractive to potential borrowers. As a result, the projected end date may shift.

South Park Scattered Sites

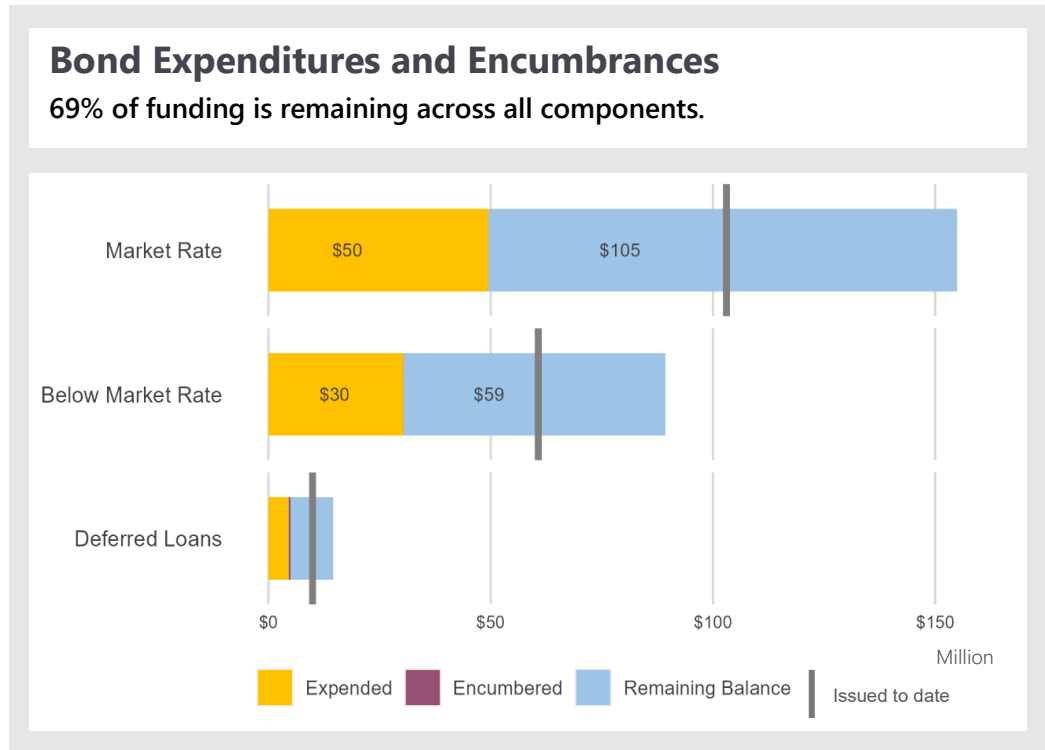


As noted in the last report, seven of the loans funded by the first issuance went into forbearance due to decreased commercial and residential rent collections associated with COVID-19 pandemic impacts, leading to program delays. Since then, MOHCD worked with developers to stabilize these projects. Additionally, MOHCD made their underwriting terms stricter.²³ While this potentially reduces the number of borrowers eligible for a City loan, it also reduces the chance of future loans entering forbearance. As of June 30, 2023, no loans are in forbearance and there have been no defaults or delinquencies.

All three components have experienced a five-year delay since the previously reported end date in the 2021 report. MOHCD attributes this delay to several factors including staff capacity, developer capacity, and external funding-related challenges. As of November 2023, MOHCD is fully staffed but issues with developer capacity and funding-related challenges remain. PASS funding often only covers a portion of a selected project's costs. So, if other funding is not secured or the developer does not have the capacity to support its completion, the project will be delayed even if the City has funding ready to be spent.

²³ Debt service coverage ratio was increased to 1.15:1 from 1.10:1 and the commercial and residential vacancy allowances were increased to improve financial sustainability and cashflow.

BUDGET AND SPENDING



As of June 30, 2023, \$86 million dollars of funding (33% of budget) have been expended and encumbered (see Appendix A).

The City has \$174.7 million dollars (69% of budget) remaining. All components expended funding between June 30, 2021 and June 30, 2023. **Market Rate** Housing expenditures equaled \$49.5 million (32% of budget), with \$105.4 million remaining. **Below Market Rate** Housing expenditures and encumbrances totaled \$30.4 million (34%), with \$58.9 remaining. Finally, **Deferred Loans** expenditures and encumbrances reached \$5 million (34%), with \$9.6 million remaining. Note that of the first two bond issuances, only \$2 million is uncommitted (with no project yet identified in MOHCD's pipeline).

Transportation

There is one active GO transportation bond —the 2014 Transportation and Road Improvement Bond. The San Francisco Municipal Transportation Agency (SFMTA) primarily manages the 2014 Bond, with two exceptions – the Caltrain Upgrades component is managed by Caltrain, and the Accessibility Improvements (BART Canopies) component is managed by Bay Area Rapid Transit (BART).

Voters authorized a total of \$500 million for transportation-related capital projects. Of the budgeted amounts, \$119.4 million remain unspent and unencumbered as of June 30, 2023.

City Has **\$119.4 Million** in GO Bond Funds Remaining for Transportation Projects²⁴

(In Millions, bond programs in italics are functionally complete)

Bond Program	Amount Authorized	Budget	Issued	Expended	Encumbered	Amount Remaining
2014 Transportation and Road Improvement	\$500.0	\$501.7	\$501.7	\$305.4	\$76.9	\$119.4
Total	\$500.0	\$501.7	\$501.7	\$305.4	\$76.9	\$119.4

In June 2022, SFMTA put a \$400 million general obligation bond on the ballot called the Muni Reliability and Street Safety Bond. The bond was intended to fund critical transit, safety programs, and infrastructure in the City. The bond did not receive the 2/3 share of the vote required to pass.

SFMTA's Approach to Capital Budgeting

SFMTA relies on a mix of funding sources for transit capital projects including federal government funds, other City sources (such as Prop K sales tax), and regional sources. As a result, SFMTA frequently switches project funding sources to align funding timelines with projects that are “shovel ready” and bond-funded projects undergo frequent changes. Furthermore, SFMTA adopted an informal policy in FY18-19 to no longer use bond funds for projects under \$10 million, as these are more likely to experience scoping changes than larger projects.

²⁴ As of June 30, 2023. All amounts in the budget column include costs related to Oversight, Accountability, and Cost of Issuance.

2014 Transportation and Road Improvement Bond

In November 2014, voters approved \$500 million in bond funding to improve the City's transportation system, targeting safety improvements and making Muni more reliable. The San Francisco Municipal Transit Agency (SFMTA) manages six of the bond's eight components and is the fiscal agent for all components. Caltrain manages the [Caltrain Upgrades](#) component, and Bay Area Rapid Transit (BART) manages the [Accessibility Improvements](#) component.

SCOPE

- **Muni Forward Rapid Network Improvements (Muni Forward)** (\$175.6 million): This component focuses on improving efficiency and connectivity on Muni's high ridership lines. The MTA developed these projects with learnings from the Transit Effectiveness Project (TEP). There are 34 projects in this component, including the L-Taraval Transit Improvements, Phase 2 of the Geary Boulevard Improvements, and upgrades to over 14 different bus and light rail lines in the City. Through this component, over 90 miles of corridor improvements were built in the last decade.
- **Muni Facility Upgrades** (\$84.5 million): This component funds the design and construction of projects to improve operations and accommodate expanded fleet needs at Muni's operations and maintenance facilities. There are 13 projects in this component.
- **Pedestrian Safety Improvements** (\$68.7 million): Using analysis from WalkFirst, the City's data-driven effort to improve pedestrian safety, this component targets capital improvements in neighborhoods to create a safer environment for walking. These improvements are part of the City's commitment to Vision Zero, with the goal of reducing serious traffic injuries and ending fatalities by 2024. There are 23 projects in this component.
- **Accessibility Improvements** (\$30 million): This component funds accessibility improvements (such as elevators and boarding islands) at transit stops. One of the main projects is the installation of BART canopies over shared BART/Muni entrances to protect them from the elements.
- **Complete Streets Improvements** (\$55.3 million): This component provides funding for pedestrian and bicycle enhancements and public space improvements. Its goal is to enable safe, convenient,

AT A GLANCE:

Authorization: \$500 million approved in 2014.

Scope: In this reporting period 10 projects were completed across all components of the bond.

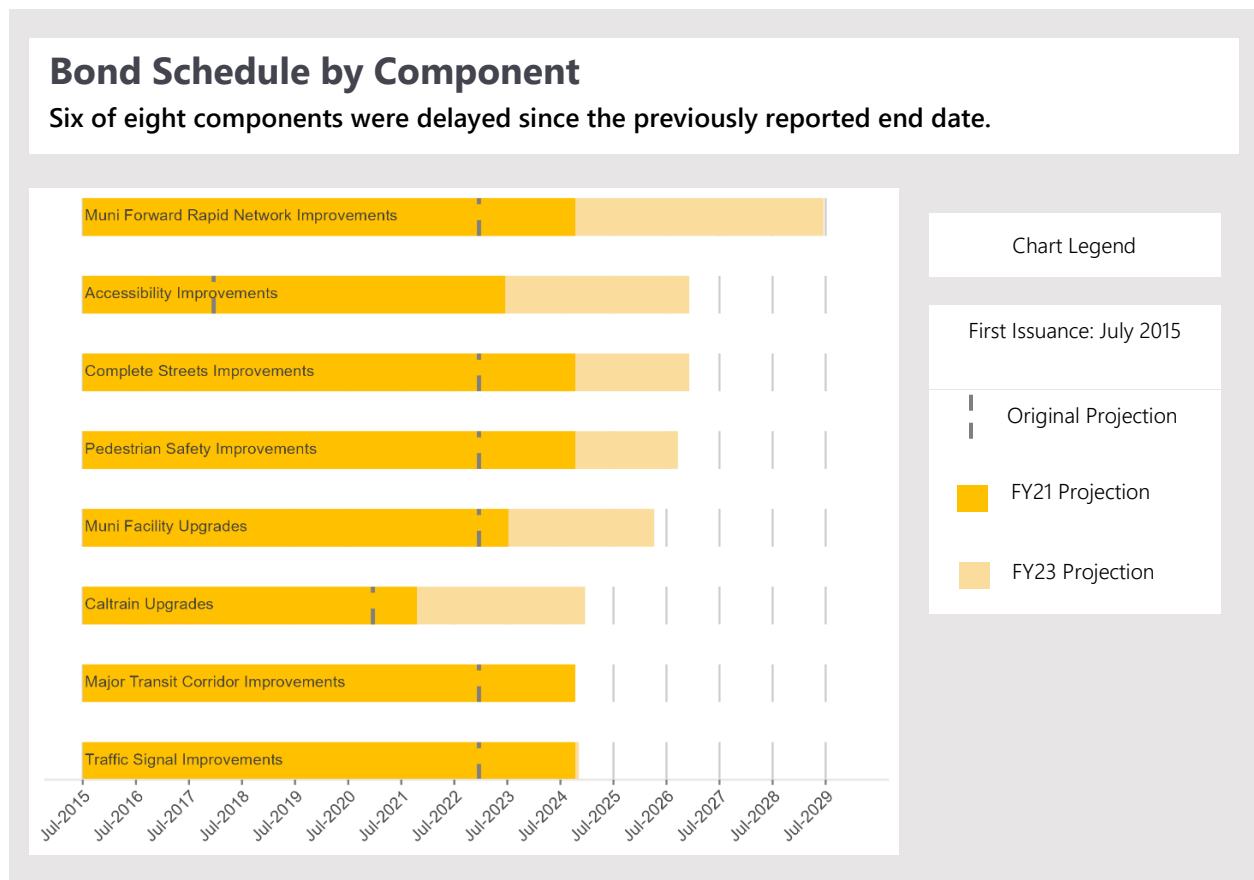
Schedule: Six of eight components were delayed by one to five years due to multiple factors including unforeseen conditions and challenges around coordinating with external agencies.

Budget: \$382.3 million expended and encumbered of \$501.7 million budgeted (76%).

and comfortable travel for all users through safer, well-defined bikeways and other improvements. There are 12 projects in this component.

- **Caltrain Upgrades** (\$39 million): This component funds part of San Francisco’s share of reliability, safety, and electrification improvements to Caltrain.
- **Major Transit Corridor Improvements** (\$27.1 million): This component upgrades streets that anchor the transit system to increase transit speed, reliability, and safety. It complements Muni Forward improvements by focusing on street corridors (e.g., the Better Market Street project).
- **Traffic Signal Improvements** (\$15.6 million): This component funds upgrades to traffic signals and operations, including traffic signal improvements on and adjacent to Market Street.

PROGRESS AND SCHEDULE



The **Muni Forward** component was delayed by five years from the last report’s projection. Its new projected completion date is June 2029. One of the projects includes improvements along Geary Blvd, which was delayed due to coordination with other City agencies, such as Public Works and SFPUC. While this extra coordination can contribute to project delays, it minimizes disruption to the public by only needing to conduct work in the area once. As of June 30, 2023, 12 of 34 projects were complete.

The **Accessibility Improvements** component was delayed by three years from the last report’s projection. Its updated projected completion date is now December 2026. Challenges in coordinating with other projects along the Market Street Corridor, like the relocation of a JC Decaux kiosk, streetlight relocations, and tree removals, contributed to delays. Major events occurring on the Market Street

corridor also contributed to some delays. As of June 30, 2023, 6 of 19 canopies were complete, with an additional three anticipated in FY24.

The **Complete Streets Improvements** component was delayed by approximately two years from the last report's projection. Its new projected completion date is now December 2026. The Bart Canopies project, which is included in both the Accessibility Improvements and Complete Streets Improvement components, is delayed by three years and contributes to the overall delay for both components. The project is managed primarily by Bart. As of June 30, 2023, 3 of 12 projects in this component were completed.

The **Pedestrian Safety Improvements** component was delayed by almost two years from the last report's projection. Its updated projected completion date is now September 2026. Delays were attributed to multiple factors including challenges in coordinating with other City agencies, scope increases, environmental reviews, and the public outreach processes. One of the projects in this component, the Mission Street Excelsior project, is primarily managed by Public Works with scheduled completion in September 2026. As of June 30, 2023, 10 of 23 projects were completed.

The **Muni Facility Upgrades** component was delayed by almost three years from the last report's projection. Its updated projected completion date is now April 2026. Projects currently in active construction include upgrades to Castro Station, Cable Car Barn renovation, and upgrades to the San Jose Substation. As of June 30, 2023, 7 of 13 projects were completed.

The **Caltrain Upgrades** is primarily managed by Caltrain and has been delayed three years since the last report.

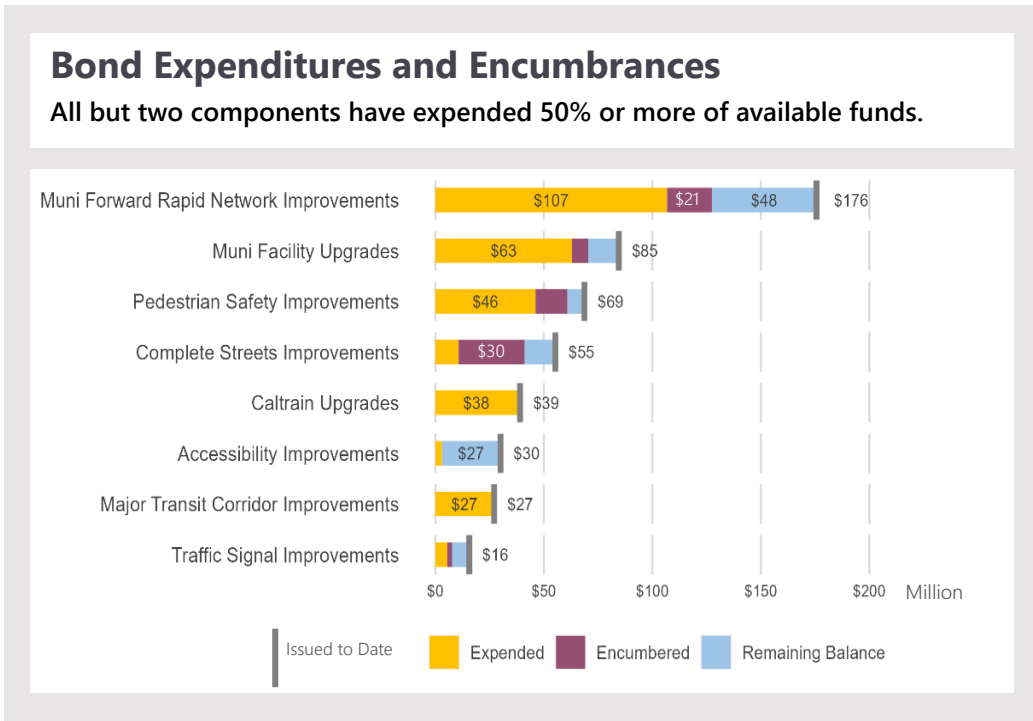
Castro Street Station



The **Major Transit Corridor Improvements** and **Traffic Signal Improvements** components are both still scheduled to be completed by Fall of 2024.

Major transit-related capital projects will draw from multiple sources of financing, and as such, the end date for a GO-bond component may not align with major project completion. GO-bond funding is generally drawn down first and may be fully expended before the project is open. (See "SFMTA's Approach to Capital Budgeting" section above for further details.)

BUDGET AND SPENDING



As of June 30, 2023, \$382.3 million of bond funding (76% of the total budget) has been expended and encumbered (see Appendix A).

The City sold the bond’s fourth and final issuance of \$122.8 million in August 2021. The final issuance is funding four projects that are shovel-ready and fully-funded – L Taraval transit improvements, Better Market Street, BART Canopies, and Western Addition pedestrian safety upgrades.

Similar to other bond programs, the high interest rates coupled with the rising cost of construction is a concern for program managers (see “Citywide Issues” section for further details). Program managers also noted an increase in scope changes impacting the total cost of projects. Unforeseen site conditions in the **Accessibility Improvements** and **Complete Streets Improvements** components required change orders to re-scope the project. This caused both delays and increases in overall project cost for the BART Canopies and 6th Street Improvement projects.

Parks, Health, and Recovery

The last two active GO bonds at least partially relate to parks and recreation—the 2012 Clean and Safe Neighborhood Parks (CSNP) Bond directly and the 2020 Health and Recovery Bond partially. The 2020 Health and Recovery Bond also funds health and recovery projects.

Across the two active bonds, voters authorized a total of \$682.5 million. Of this amount, \$342.9 million remains unspent as of June 30, 2023. The 2020 Health and Recovery Bond accounts for \$330.5 million of this and the 2012 CSNP Bond accounts for \$12.4 million.

The Recreation and Parks Department (RPD) manages most of the components of the 2012 Bond, except the Waterfront Parks, which is managed by the Port of San Francisco (the Port). RPD manages three of the eleven components of the 2020 Health and Recovery Bond. The remaining components are managed by the Department of Public Works, Department of Public Health, and Department of Homelessness and Supportive Housing.

City Has **\$342.9 Million** in GO Bond Funds Remaining for Parks, Health, and Recovery Projects²⁵

(In Millions)

Bond Program	Amount Authorized	Budget	Issued	Expended	Encumbered	Amount Remaining
2020 Health and Recovery	\$487.5	\$452.3	\$287.9	\$81.0	\$40.8	\$330.5
2012 Clean and Safe Neighborhood Parks	\$195.0	\$199.2 ²⁶	\$192.8	\$184.7	\$2.1	\$12.4
Total	\$682.5	\$651.5	\$480.7	\$265.7	\$42.9	\$342.9

²⁵ As of June 30, 2023. All amounts in the budget column include costs related to Oversight, Accountability, and Cost of Issuance.

²⁶ This amount is greater than the authorized amount because it includes accumulated interest from issued but unspent bond proceeds.

2020 Health and Recovery Bond

In November 2020, voters approved the \$487.5 million Health and Recovery Bond (also referred to as the Health and Homelessness, Parks, and Streets Bond) to respond to several priorities in the first year of the COVID-19 pandemic: parks and open spaces, health and homelessness, and right-of-way repair.

- **Parks and Open Spaces** components continue the work from the 2012 Clean and Safe Neighborhood Parks Bond.
- **Health and Homelessness** components have two areas of focus. First are capital projects that provide interim and long-term solutions to persons experiencing homelessness. Second are public facilities that serve people experiencing mental health challenges and substance use disorder.
- **Right-of-Way Repair** components construct or repair essential public infrastructure, including streets, curb ramps, and the pedestrian right of way.

Four partner agencies manage the bond. Recreation and Parks Department (RPD) manages three components, Department of Homelessness and Supportive Housing (HSH) manages two components, the Department of Public Health (DPH) manages three components, and the Department of Public Works (DPW) manages three components. This is the first time the 2020 Health and Recovery Bond appears in this report.

SCOPE

Parks and Open Spaces (\$190.9 million²⁷)

- **Neighborhood Parks** (\$101 million): Led by RPD, this component includes capital improvements to five parks with a specific focus on seismic safety, general physical conditions, and other modifications for current and future recreational use. The current projects include Buchanan Mall, Gene Friend Recreation Center, Herz Playground Recreation Center, India Basin, and Japantown Peace Plaza.
- **Recovery Parks** (\$64 million): Led by RPD, this component includes capital improvements to six spaces to provide the public active recreation and resilient contemplative spaces. The current projects include Buena Vista Park, Crocker Amazon,

AT A GLANCE:

Authorization: \$487.5 million approved in 2020.

Scope: 11 components respond to several priorities including parks and open spaces, health and homelessness, and right-of-way repair.

Schedule: One component, the Navigation Center is complete. Five components are on track to be completed within original projections. Four components are behind schedule but will be completed within original projections.

Budget: \$121.8 million expended and encumbered of \$452.3 million budgeted (27%).

²⁷ Reflects the total amount intended for delivering capital projects for Parks and Open Spaces. As the lead agency, RPD is responsible for the approximately \$7.4 million in bond administration costs for the entire bond program.

Jackson Playground, Portsmouth Square, Golden Gate Park Senior Center, and South Sunset Playground.

- **Citywide Parks and Programs** (\$32.8 million): Led by RPD, this component focuses on the restoration of natural features, construction of recreational assets, and improvement of connectivity and access at parks that serve the entire City including Golden Gate Park, McLaren Park, and Lake Merced. It also includes five subprograms including Community Gardens, Playgrounds, Sustainability, Trails, and the Community Opportunity Fund which encourages residents, neighborhood groups, and park advocates to propose capital projects.

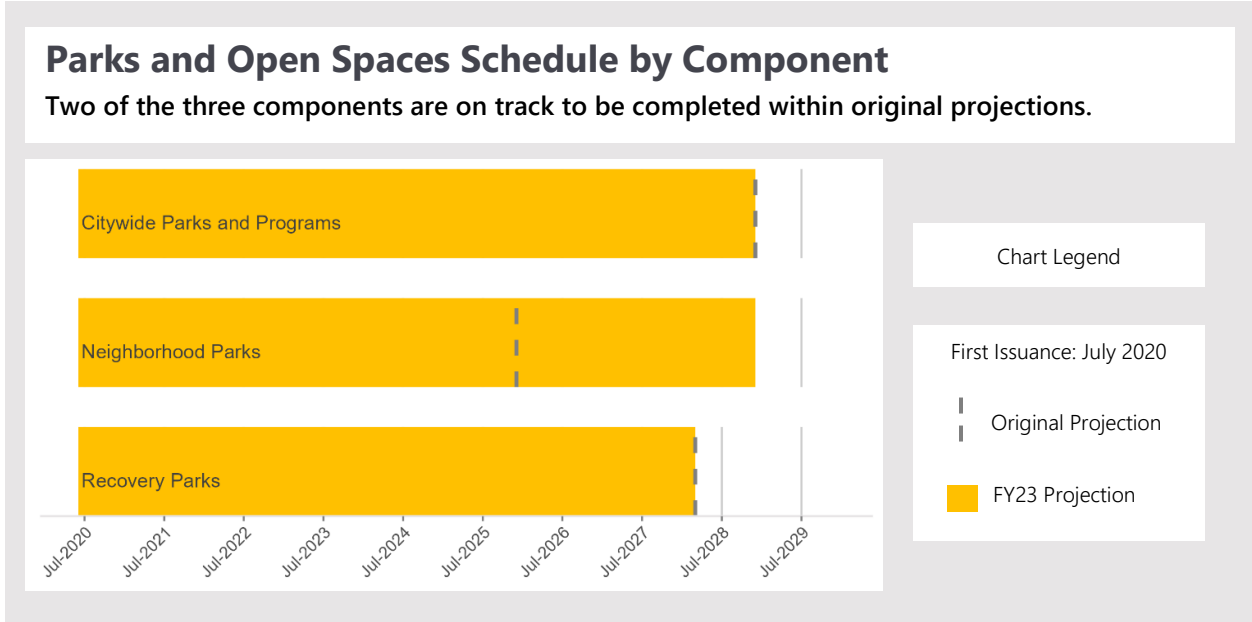
Health and Homelessness (\$206 million)

- **Permanent Supportive Housing** (\$116.9 million): Led by HSH, this component includes the stabilization, acquisition, construction, expansion, and improvement of approximately 250 permanent supportive housing units to serve people exiting chronic homelessness.
- **Navigation Center** (\$29.1 million): Led by HSH, this component includes acquiring a site for a 75-bed, low-barrier navigation center serving homeless youths ages 18-24.
- **Behavioral Health Acquisitions and Rehabilitation** (\$43.5 million): DPH partners with MOHCD and the Treasure Island Development Authority (TIDA) to replace 172 existing residential stepdown beds on Treasure Island, which provide stable housing for people exiting inpatient substance use treatment programs who are at risk of homelessness. As part of the project, DPH plans to increase total capacity by approximately 40% beyond existing beds, for a total of 242 step-down beds.
- **Psychiatric Emergency Services (PES) at Zuckerberg San Francisco General Hospital and Trauma Center (ZSFG)** (\$11.4 million): Led by DPH, this component renovates and expands the emergency department at ZSFG to provide additional psychiatric emergency services to clients in crisis.
- **Behavioral Health Acquisitions Planning and Project Management** (\$5.1 million): Led by DPH, this component evaluates potential acquisitions and manages the acquisition process to purchase additional buildings to host behavioral health treatment programs.

Right-of-Way Repair (\$41.3 million)

- **Street Resurfacing** (\$31.3 million): Led by DPW, this component will fund the repair and resurfacing of approximately 300 blocks.
- **Curb Ramps** (\$5 million): Led by DPW, this component will fund the design and construction of 121 curb ramps. Curb ramps are installed to assist people with disabilities, people who use strollers and walkers, and pedestrians who have trouble stepping up and down high curbs.
- **Street Structures and Plazas** (\$5 million): Led by DPW, this component will fund the maintenance and repairs of 11 structures and one plaza.

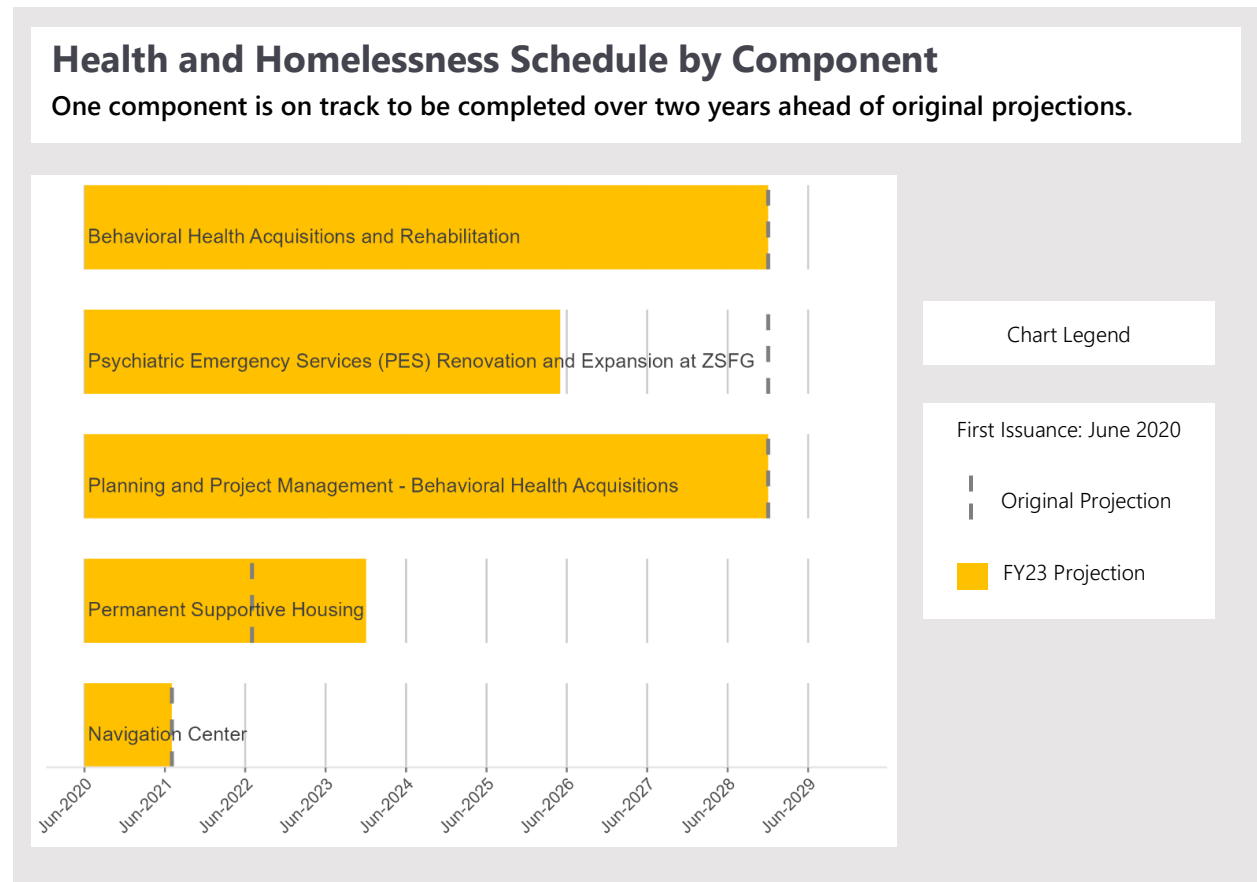
PROGRESS AND SCHEDULE



Two of three components are on schedule to make their original completion dates. The **Citywide Parks and Programs** component has several projects complete in Golden Gate Park, including the accessible parking lot behind the Bandshell in the Music Concourse.

Recreation Center at Herz Playground



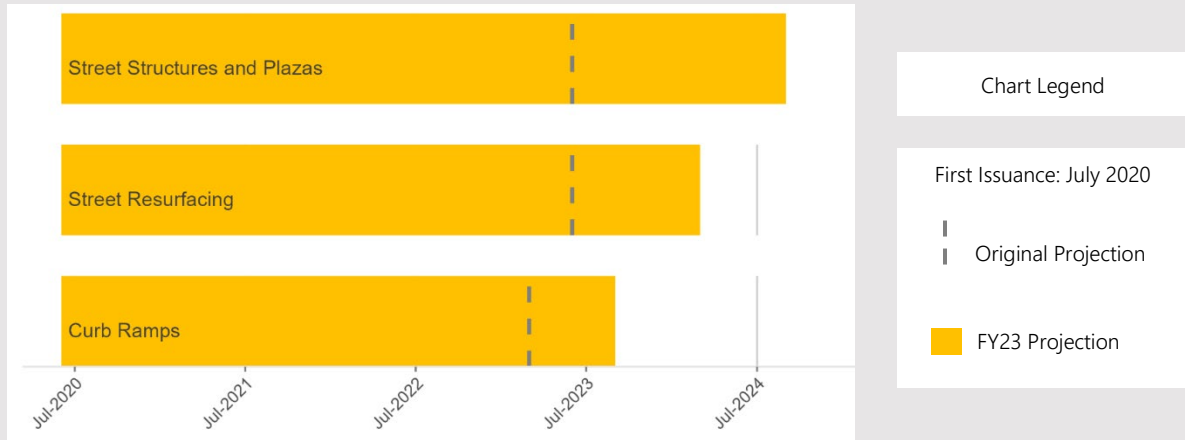


The **Psychiatric Emergency Services (PES) at ZSFG** component projected completion date jumped forward to two years earlier than initially anticipated. Originally part of the 2016 Public Health and Safety Bond, the scope of this component increased significantly to relocate the current PES as well as expand it. The scope expansion and the bidding environment during COVID (less competition with higher bids) led to increased project costs, which delayed the project. The **Behavioral Health Acquisitions** component is in the design phase and on schedule. HSH completed the **Navigation Center** component by the end of FY21, becoming HSH’s first capital project. Spending in the **Permanent Supportive Housing (PSH)** component is delayed because HSH was able to leverage State Homekey funds to acquire projects originally scoped for the GO bond funds instead. HSH now plans to use the GO bond funds for seismic retrofit and rehabilitation for two identified PSH sites. This component is currently out to bid, and the responses will determine the scale and scope of the project.

Acquiring sites for permanent supportive housing is a new capital model for the City. Instead of a City loan to a nonprofit owner/operator, the City has acquired the property directly and has entered into a master lease with a nonprofit operator to complete the development work.

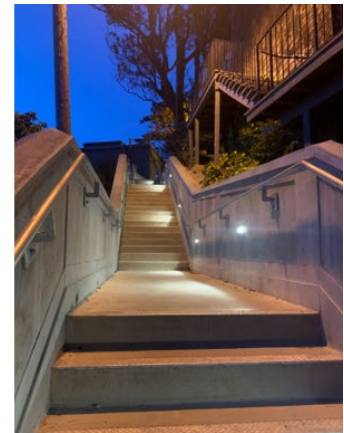
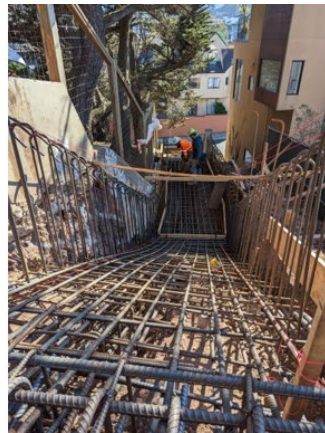
Right-of-Way Repair Schedule by Component

All three components are slightly behind original projected completion dates.

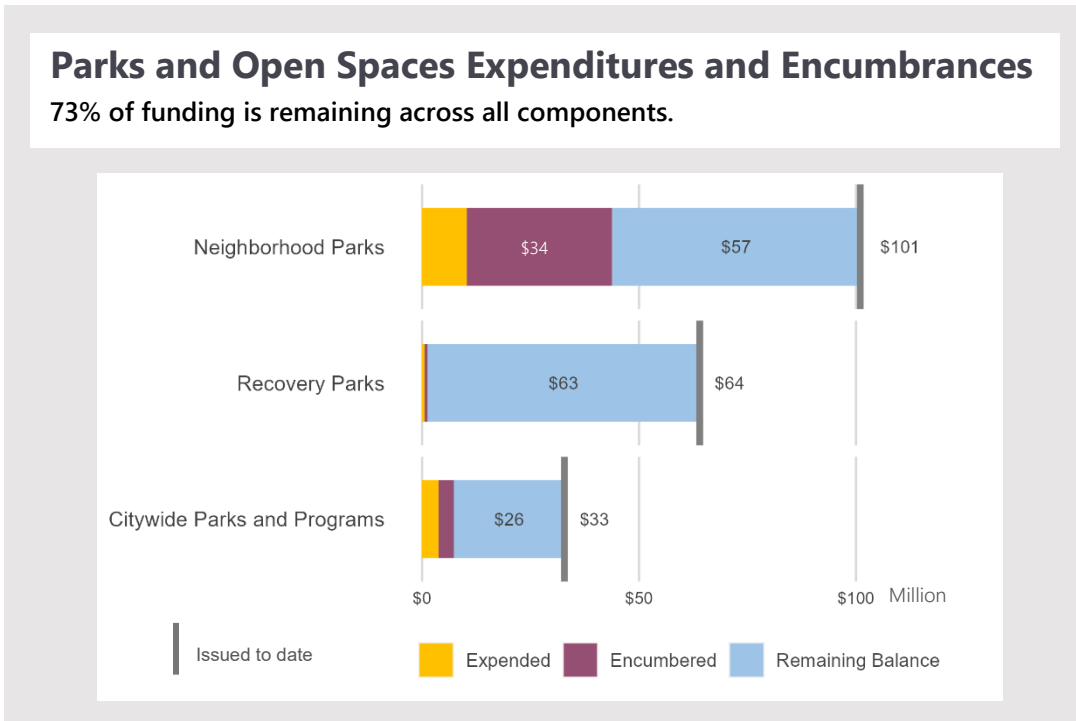


All components under Right-of-Way Repair have projected completion dates that moved back several months later than the original projections. However, all components are underway with a planned total completion date of September 2024. Upon bidding the project, DPW received bids lower than estimated, which allowed DPW to use the cost savings to increase the scope of the project. As of August 2023, **Streets Resurfacing** completed 372 Blocks (124% of original scope) and the **Curb Ramps** component constructed 123 curb ramps (102% of the original scope).

17th Street Staircase



BUDGET AND SPENDING

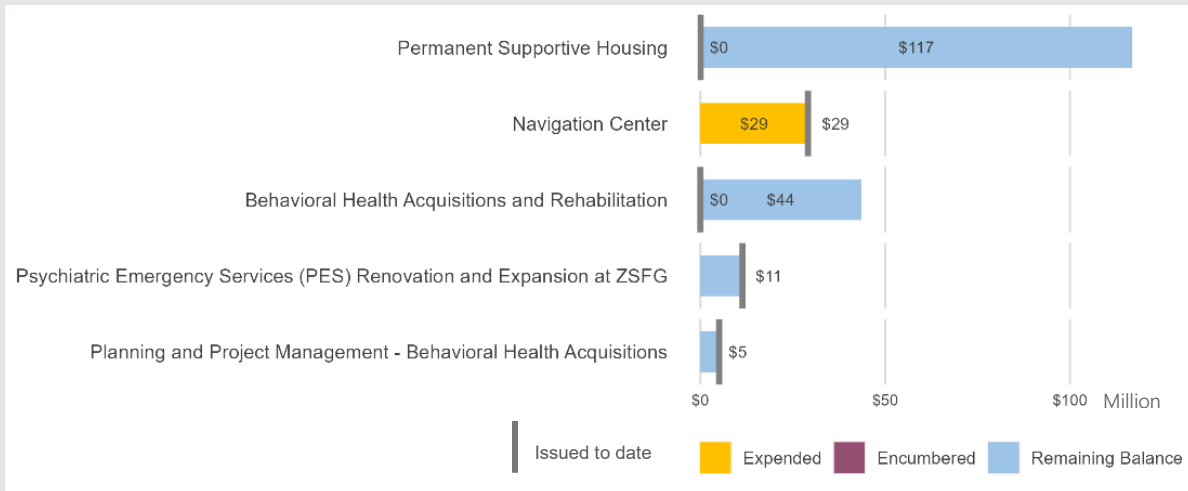


As of June 30, 2023, \$121.8 million dollars of funding (27% of budget) has been expended and encumbered (see Appendix A) across all components (Parks, Health and Homelessness, and Right-of-Way).

In April 2023, RPD received additional funding totaling \$28.5 million from the second issuance of the bonds. From July 1, 2021 to June 30, 2023, the **Citywide Parks and Programs** encumbered and spent \$7.3 million (28% of the component’s budget). As of June 30, 2023, the **Citywide Parks and Programs** had \$25.5 million (72% of the component’s budget) and the **Recovery Parks** had \$62.7 million (98% of the component’s budget) remaining, respectively. The **Neighborhood Parks** and **Recovery Parks** components both have sizable unspent balances of around \$60 million.

Health and Homelessness Expenditures and Encumbrances

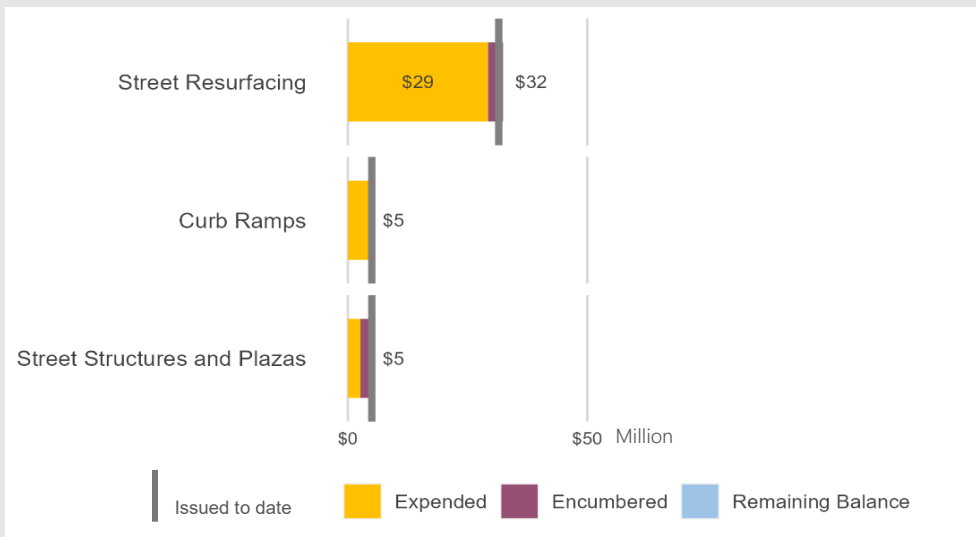
86% of funding is remaining across all components in this category and only one of five components has expenditures.



HSH and DPH received the first issuance totaling \$46.6 million in August 2021. As of June 30, 2023, all components except for the **Navigation Center** have significant amounts of funding remaining (\$177.9 million, or 86%).

Right-of-Way Repair Expenditures and Encumbrances

All three components are fully expended with no amount remaining.



DPW received the first issuance totaling \$41.5 million in August 2021. As of June 30, 2023, the components have been fully expended with no amount remaining.

2012 Clean and Safe Neighborhood Parks

Voters approved the 2012 San Francisco Clean and Safe Neighborhood Parks (CSNP) Bond in November 2012. The bond authorized \$195 million²⁸ in funding for four components. Three of the components are led by the Recreation and Parks Department (RPD), and one is led by the Port of San Francisco (the Port).

SCOPE

- **Neighborhood Parks** (\$100.2 million): Led by RPD, this component includes capital improvements to 16 parks with a specific focus on seismic safety, general physical condition, and adequacy for current and future recreational use.
- **Citywide Programs** (\$41.9 million): Led by RPD, this component includes five subprograms: "Let'sPlaySF!" (playground renovation), urban forest assessment and repair, trail restoration, water conservation, and a Community Opportunity Fund (COF).
- **Waterfront Parks** (\$34.8 million): Led by the Port, this component consists of six capital improvement projects intended to improve waterfront open spaces.
- **Citywide Parks** (\$21.1 million): Led by RPD, this component focuses on the restoration of natural features, construction of recreational assets, and improvement of connectivity and access at three parks that serve the entire City including Golden Gate Park, McLaren Park, and Lake Merced.

AT A GLANCE:

Authorization: \$195 million approved in 2012.

Scope: As of June 30, 2023, 16 neighborhood parks, 5 citywide programs, 6 waterfront projects, and 3 citywide parks (Golden Gate Park, McLaren Park, and Lake Merced) are included.

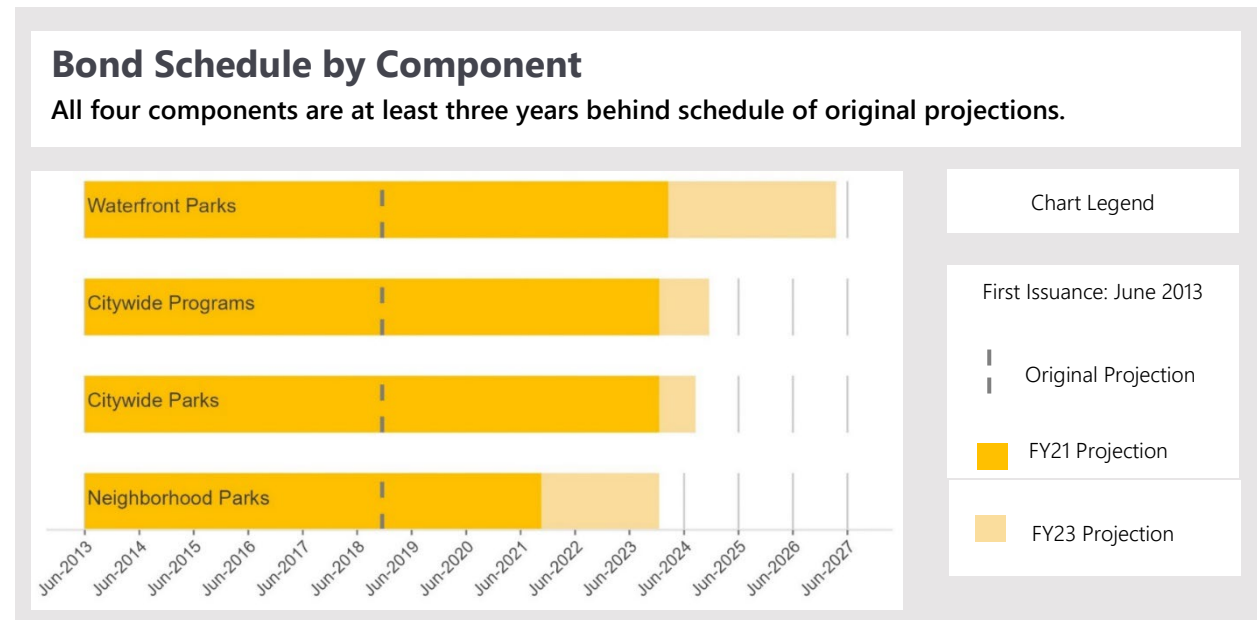
Schedule: All four components are at least three years behind schedule of original projections.

Budget: \$186.8 million expended and encumbered of \$199.2 million budgeted (94%).

The 2012 CSNP Bond continues RPD and the Port's work from the 2008 CSNP Bond, which is close to completion. Of the remaining ten projects in the 2008 Bond, three are associated with the Citywide Parks component (of the 2012 Bond), four are in the Citywide Programs component, and three are in the Waterfront Parks component.

²⁸ The revised budget of \$199.2 million is greater than the authorized bond amount of \$195 million because it includes accrued and released interest.

PROGRESS AND SCHEDULE



All four 2012 bond components had projects with completion dates pushed further back from projections made in the last report (FY21), with the delays ranging as follows: **Waterfront Parks** (36 months), **Citywide Parks** (8 months), **Citywide Programs** (10 months), and **Neighborhood Parks** (25 months).

On the Port's side, **Waterfront Parks** is projected to be the 2012 Bond's final component completed in March 2027—approximately 14 years after the bond's first sale. Agua Vista Park is driving this extended timeline, though other projects have also experienced delays. The Port attributes Agua Vista Park's delays to its association with Mission Bay Ferry Landing construction, which faced legal challenges to the funding source,²⁹ multi-agency coordination challenges, and scope expansion. All other projects are expected to be completed by early 2024.

On the RPD side, while most projects in the other three components are substantially complete, delays were generally driven by scope expansions, contractor disputes, utility coordination challenges with PG&E, community engagement, planning requirements, and unforeseen archaeological issues. For example, Bayview Playground started as a Community Opportunity Fund project to replace the playground, but it evolved with an expanded scope to include renovations to the baseball diamond, a new picnic space, walking loop, and new adult exercise equipment. The delays caused by the increased scope were compounded by the project encountering numerous unforeseen circumstances, including utility lines, archeological issues, high groundwater, and required sidewalk improvements.

²⁹Mission Bay Ferry Landing is partially funded by Regional Measure 3 which was held until the termination of court proceedings.

Herz Playground Concept Design



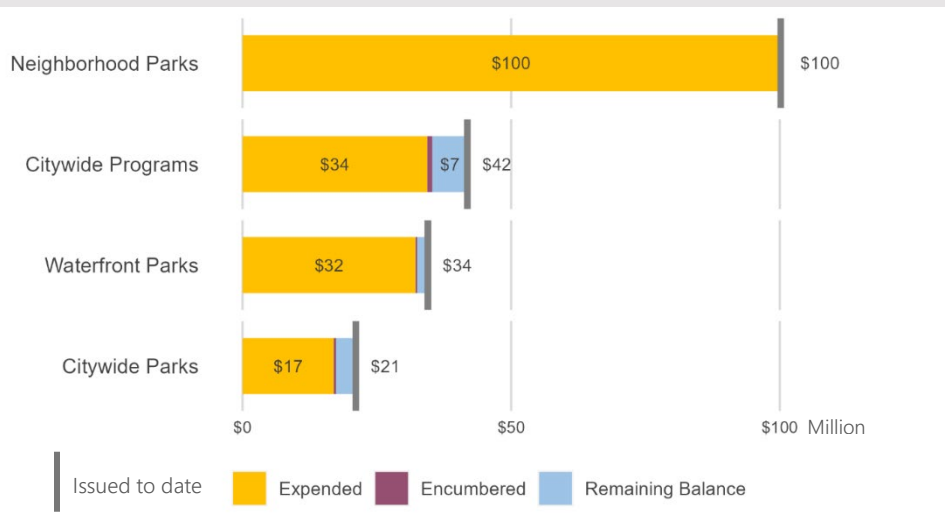
Herz Playground Execution



BUDGET AND SPENDING

Bond Expenditures and Encumbrances

6% of the budget is remaining across all components



As of June 30, 2023, RPD and the Port expended and encumbered \$186.8 million dollars³⁰ (94% of budget – see Appendix A for detail). As of the same date, the **Citywide Programs** and **Citywide Parks** hold the largest remaining balances of \$6.5 million dollars (16% of budget) and \$3.7 million dollars (18% of budget) remaining, respectively. The City completed the final issuance of the bond in October of 2019, receiving \$3.1 million in proceeds.

As a final note, this bond funds several projects that fall under a City requirement for 2% of a project’s budget to be set aside for artwork to adorn the final project site.³¹ Because of this requirement several projects that are substantially completed still have a remaining unspent balance for the artwork reserve.

³⁰ The amounts issued to date include the allocated interest for each component.

³¹ Per Section 3.19 of the Administrative Code, 2% of total gross estimated construction cost of a wide range of civic construction projects shall be allocated for acquisition of artwork for the capital improvement site, with specified exemptions.

Citywide Capital Issues

This section highlights some of the challenges facing capital project delivery in the City. The table below summarizes citywide capital issues identified in the [last Annual GO Bond Report](#) and any change in status over the past two years. These issues include a collection of City policies, regulations, and procedures that contribute to inefficiencies, project delays, and increased costs for capital projects. As discussed below, these issues have mostly remained the same or gotten worse. The issues addressed in this report are complex and often interrelated. The City will need to conduct additional research and analysis to better understand these issues and facilitate interagency efforts to address them.

Citywide Issues Summary Table

Subject Area	Issue	Status
City regulations	Certain contracting policies may disadvantage the City in an already tight construction contracting market.	Unchanged
	Low cost bid selection can result in unrealistic or weaker bids.	Unchanged
Internal permitting and approvals	The prioritization of permitting City projects falls short of a citywide mandate, and the permitting process can be lengthy.	Unchanged
	Departments must seek approval from multiple agencies and commissions.	Gotten worse
External agency approvals	Receiving approvals from external agencies contributes to increased project timelines and costs.	Unchanged
Bond planning	Pre-bond funding is beneficial for project teams to scope out and could be more extensively utilized.	Gotten worse
	The City lacks a consistent approach to estimating project costs.	Unchanged
Capital administration	Departments track expenditure and asset maintenance data using different decentralized tools.	Unchanged
	The City is not consistently measuring contractor performance to inform future bid awards.	Unchanged
Deferred maintenance	The City currently has a backlog of capital maintenance projects that may unnecessarily increase the need for additional GO bond funding.	Gotten worse
	The City's varying maintenance models may result in inconsistent upkeep across the City.	Unchanged

CITY REGULATIONS

Certain contracting policies may disadvantage the City in an already tight construction contracting market.

Status: While changes in City policy have eliminated some hurdles, the issue persists and continues to impact capital projects.

Since the publication of the previous report, The City has taken steps to reform contracting requirements. This includes the repeal of Chapter 12X of the City Administrative Code, which removed some hurdles tied to materials procurement and contracting. The City has also passed multiple ordinances to streamline the contracting and permitting process for homelessness-related projects.³² Project teams report this effort has reduced permit processing times significantly. In addition, this allows Public Works to enter into contracts without adherence to the Environment Code or Chapter 14B of the City Administrative Code.³³

What is Chapter 12X?

Chapter 12X of the City Administrative Code banned City agencies from contracting with businesses that are headquartered in a state that discriminates against LGBTQ+ individuals, has restrictive abortion laws, or has voter suppression laws. This legislation was repealed in May 2023 after Board of Supervisors passed Ordinance #075-23.

Chapter 12X directly impacted the existing contract with an architect for the renovations at Kezar Pavilion when the architect's firm was sold to an entity in a state banned by 12X. Finding a replacement architect contributed to project delays.

However, despite these changes in specific service areas, City policies continue to impede a majority of capital projects. The City's Local Business Enterprise requirement can constrain the number of vendors who are eligible to bid for City contracts, which in turn can result in higher costs, lower quality work, and longer project timelines. Project teams report this is especially true for projects requiring specialized contractors, such as for elevator installations and repairs. In addition, Project Labor Agreements³⁴ may also reduce competition for City construction jobs and lead to higher costs. To further understand the extent and impact of this issue, the City could conduct an analysis of current policies and procedures on project costs and timelines.

Low-cost bid selection can result in unrealistic or weaker bids.

³² [Ordinance #29-18](#) was enacted in February 2018 which authorized Public Works, the Department of Homelessness and Supportive Housing (HSH), and the Department of Public Health (DPH) to enter into contracts without adhering to the City Administrative Code or Environment Code provisions regarding competitive bidding and construction requirements for identified Shelter Crisis Sites. [Ordinance #61-19](#) amended the City Administrative Code to authorize HSH and Public Works to enter contracts without competitive bidding contracts and adherence to the Environment Code for all homelessness related projects. [Ordinance #38-24](#) was enacted in March 2024 to extend the sunset date of the provisions outlined in Ordinance #61-19 by five years from May 5, 2024 through May 5, 2029.

³³ [Chapter 14B](#) establishes minimum goals for utilizing local businesses in City contracts.

³⁴ The Citywide Project Labor Agreement (PLA) is an agreement between the City of San Francisco Building Trades Council and its affiliated unions requiring companies to hire from those union halls. This requirement applies to most GO bond-funded projects in excess of \$3 million issued by the Public Works or the Recreation and Parks departments.

Status: Low-cost bid selection continues to be the primary award method in the City.

While larger GO bond-funded projects such as the Fire Training Facility and ZSFG Building 5 are utilizing alternative bid-selection methods, City departments still frequently use low-cost bid selection for smaller projects. Selecting vendors primarily based on low, upfront prices seems intuitive, but it creates challenges and potentially higher costs in the long run. Low-cost bid selection incentivizes firms to submit low bids. These low bids are sometimes unrealistically low, and the firms may need repeatedly modify their initial low bid with a series of costly change orders throughout the life of the project. These change orders can add up and can significantly increase the cost of the project from the time when the initial bids were submitted. To further understand the extent and impact of this issue, the City could analyze the types of bid selections for GO-bond funded and other capital projects and analyze the potential impacts of lowest-cost bidding.

INTERNAL PERMITTING AND APPROVALS

The prioritization of permitting City projects falls short of a citywide mandate, and the permitting process can be lengthy.

Status: Despite efforts to fast-track City-funded projects, lengthy permitting timelines continue to impact project timelines.

Project teams continue to report lengthy permit processing timelines, sometimes taking over a year for approval. These longer timelines contribute to higher costs for the City due to project cost escalation. In some cases, teams reported that previously agreed upon permit processing timelines were not met by permit review teams. This makes it hard for project teams to plan if they cannot predict when final approval will be granted. While the City continues to try to speed up processing times for City-funded projects,³⁵ overall timelines for many projects continue to face delays. Despite the current challenges, project teams are hopeful that permitting for City projects will move more quickly as private housing development slows down, leading to fewer private-sector permit requests. To further understand the extent of this issue, the City could study the impact of lengthy permit processing times.

Departments must seek approval from multiple agencies and commissions.

Status: Seeking approvals from commissions continues to add to project timelines, and more projects require approval than before.

Project teams continue to report that required commission approvals contribute to increased timelines and costs. Some projects also require approval from multiple commissions, further delaying construction and increasing costs. In November 2020, voters adopted Proposition B which established the Public Works Commission in the City Charter. The Commission oversees contract awards, among other duties like evaluating department performance, approving annual budget plans, and holding

³⁵ The Board of Supervisors passed Ordinance #61-1, which aimed to speed up permit processing times for homelessness related projects.

hearings on department activities. Project teams report that the required approvals from this new commission and existing ones contribute to increased project timelines.

Furthermore, Chapter 6.1 of the City Administrative Code establishes a minimum threshold amount for construction projects that require commission approval. Currently, projects costing \$1 million or more must be approved by commissions. High rates of inflation over the past two years have pushed smaller projects over the \$1 million threshold, increasing the number of projects that require Commission approval before starting work. Project teams report the current threshold is too low, and that it should be increased to streamline the project approval process. The threshold amount is adjusted every five years by the Controller's Office to reflect increases in the Urban Regional Consumer Price Index. The current five year period ends in December 2024.

To further understand the extent and impact of this issue, the City could conduct a study to better understand the current impact of multiple commission approvals and approval thresholds on project timelines.

EXTERNAL PERMITTING AND APPROVALS

Coordinating approvals from external agencies contributes to increased project timelines and costs.

Status: Working with external agencies continues to be a roadblock for many projects.

Departments often need approvals for projects from various agencies such as PG&E, Caltrans, the California Coastal Commission, and the State Department of Health Care Access and Information. These agencies often have their own project requirements, which can be confusing for teams to navigate. This contributes to longer project timelines and increases in overall cost. Project teams have reported success with project working groups that improve communication and coordination with external agencies, however this remains a challenge.

To further understand the extent and impact of this issue, the City could conduct an analysis of various agencies' approval timelines to identify those with the longest delays.

BOND PLANNING

Pre-bond funding is beneficial for teams to get projects off the ground and could be more extensively utilized.

Status: The amount of money available for pre-project funding is shrinking.

The City's Capital Planning Revolving Fund allows departments to fund initial project studies to better understand the scope of a project early on and get more accurate cost estimates. The Fund is eventually reimbursed through the sale of GO bonds.

While this program has proven successful for some projects, the amount of money available in the Fund is limited. The total funds available have not increased since its inception, while the size of the City's general obligation bond portfolio has increased significantly. Additionally, significant inflation over the last few years means that the value of the revolving fund's limited dollars is diminished, further limiting what project teams can accomplish with the fund's resources. To further understand the extent and impact of this issue, the City could study whether the Capital Planning Revolving Fund has sufficient funding to meet the City's planning needs and how budget and inflation have changed the impact of the fund.

The City lacks a consistent approach to estimating project costs.

Status: Cost estimating techniques vary across departments and knowledge is not shared between them.

Estimating project costs requires departments to make assumptions about material and labor costs. Departments often use past bids and materials pricing to estimate for present day pricing, adjusted for inflation. However, each department applies different assumptions to their cost estimates, leading to inconsistent estimates for similar types of projects. Furthermore, departments do not share their cost estimating methods or databases. To further understand the extent and impact of this issue, the City could conduct an inventory of the various techniques and tools used by departments to estimate project costs.

CAPITAL ADMINISTRATION

Departments track expenditure and asset maintenance data using a variety of decentralized tools.

Status: Departments continue to use a variety of tracking systems, which limits understanding of the City's overall capital need.

Many departments do not fully utilize the City's centralized financial system and instead rely on internal tools to track project expenditures. Departments are required to enter all project costs, but the level of detail entered into the system varies across departments. This can impede citywide efforts to track real-time budget information (such as change orders) and requires departments' budget offices to do separate reporting (such as for CGOBOC).

Departments also have varying levels of sophistication in tracking asset maintenance needs, which can result in inadequate maintenance if they are unaware of when the useful life of systems (such as boilers) has been exceeded. Limited centralized and real-time tracking also presents challenges for the City in understanding the true backlog of maintenance needs and the time and money it would take to fix them.

The City is not consistently measuring contractor performance to inform future bid awards.

Status: Contractor evaluation system was developed, but not widely adopted. This resulted in a lack of contractor performance data.

In coordination with the Controller's Office, Public Works developed a rating tool launched in 2020 to assess contractor performance. The tool incentivizes better performance and evaluations can be considered during future contract award decisions. It provides transparency into which contractors provide reliable bids and which are consistently high-performing. An expansion was planned for other departments, but the rollout was disrupted by COVID-19. To allow the city to analyze and leverage contractor performance, there needs to be a process in place to collect and use the data. Additional data will allow the City to analyze key criteria such as contractor safety records and identify opportunities to modify the contractor evaluation process to incorporate new criteria

DEFERRED MAINTENANCE

The City currently has a backlog of capital maintenance projects that may unnecessarily increase the need for additional general obligation bond funding.

Status: The total cost of maintenance across the City will continue to grow and outpace available funds, ultimately costing the City more in the long run.

The City estimates that it currently has a multi-billion-dollar backlog of deferred maintenance. (i.e., the value of identified maintenance projects that have yet to be addressed.) When maintenance is deferred, it can reduce the expected life of a facility. Bond managers indicated that deferred maintenance can result in certain assets and buildings needing to be replaced earlier than they otherwise would, thus increasing the City's long-term costs. The City used to rely on general obligation bond funds as a source of funding for maintaining the City's assets. In recent years the amount of maintenance funding available through GO bonds has diminished and current bonds are primarily focused on building new assets.

As a result of the City's limited ability to use general obligation bonds, the City has increased the use of certificates of participation (COP's) as a funding source for maintenance projects.³⁶ The ability to use COP's has helped reduce the backlog of deferred maintenance projects. However, without additional sources of funding the amount and total cost of deferred maintenance will continue to outpace available funds.

To further understand the extent and impact of this issue, the City could analyze the current total maintenance costs and project future expenses if they remain unaddressed.

The City's varying maintenance models may result in inconsistent upkeep across the City.

³⁶ Certificates of Participation are another form of debt instrument used to fund capital projects. See COP section below for more information.

Status: Centralization of maintenance tracking has helped organize and prioritize some types of maintenance projects, but they do not address all the maintenance needs across the City.

The City currently lacks consistent standards for maintenance across all departments. Some departments have dedicated capital divisions to track and coordinate maintenance needs—such as SFMTA, while other departments operate in a decentralized manner. For example, each SFFD station is maintained independently by local uniform SFFD crews, who are not experts in facility maintenance. This can result in varying levels of upkeep with some stations requiring more expensive replacements of equipment and assets that were not maintained well. Departments also engage in various levels of monitoring of their capital equipment, with some failing to regularly track the expected life of their buildings' systems.

The Office of Resiliency and Capital Planning (ORCP) is piloting a new program in collaboration with Public Works for HVAC, roof, and elevator repairs. Through this program, Public Works now manages and prioritizes upgrades on behalf of all departments. The consolidation of repair needs into a centralized program may be helping better prioritize needs across departments.

ADDITIONAL CONSIDERATIONS

Interviews with bond program managers and Citywide stakeholders surfaced additional themes and considerations that impact capital projects.

Staffing challenges

Department staffing turnover impacts project delivery across City departments.

Staff turnover in the middle of a project can have varying impacts on the project, depending on if it occurs in the client or capital project delivery department. When new staff join the project delivery department, it takes time to get the new team members up to speed, which can contribute to delays in the overall schedule. This can have a cascading effect where the client department may not be able to deliver its services in a timely manner if their capital repairs are delayed. When turnover occurs at the client department, project goals and priorities may be reevaluated, which could result in scope changes and contribute to added costs and timelines.

Macroeconomic Climate

The cost of capital projects is rising at the same time the City has less money to pay for them.

The combination of high interest rates and inflation have made capital projects more expensive. Higher interest rates set by the Federal Reserve drive up the the borrowing costs the City has to pay to entice investors to buy San Francisco's general obligation bonds. For example, when interest rates were near zero in 2021, the City could sell GO bonds for affordable housing with interest rates below 1%. In April of 2023 with interest rates approaching 5%, the City had to pay as much as 6% for similar affordable

housing bonds.³⁷ These higher rates are compounded by inflation over the last two year, leading to higher materials and labor costs in the construction industry.³⁸ Combined, these factors limit the potential scope of bond programs because each dollar does not stretch as far as in prior years.

Additionally, in the post-pandemic economy, the City has less money to pay for capital projects. GO bonds are primarily backed by the ability of the City to collect property taxes. Since the COVID-19 pandemic, more people are working from home with fewer people physically working or attending conferences in the City. This reduces the City's tax revenues, with property taxes hit especially hard as fewer people live, work, or visit the City for business.³⁹ In turn, this means the City's ability to issue bonds to finance capital projects may decrease. Multiple stakeholders report concerns of being able to get on future bond schedules due to this constraint on future available funds.

The long-tail impact of the COVID-19 pandemic is still impacting project delivery; however, the City has seen some positive changes.

Lingering effects from the COVID-19 pandemic, including material shortages, lengthy delivery times, and increased costs, continue to impact capital projects across the City. For example, the SFPPUC reported a manufacturing delay for critical and highly specialized materials where there were no other available vendors. Despite some projects still experiencing supply chain delays, other project managers have seen some benefit from the current macroeconomic conditions. Private development has slowed down in the City, which may have led to contractors seeking more job opportunities in the public sector. This increase in competition among contractors for government work has led to lower bid costs than those seen during the height of the COVID-19 pandemic.

Bond program managers reported optimism that falling real estate prices may provide opportunities for the City to acquire properties at discounted rates. As noted above, however, these lower real estate prices are somewhat offset by rising interest rates making borrowing funds for future capital projects more expensive.

³⁷ Comparing [Federal Reserve FOMC rates](#) through 2021 to after the March 23, 2023 25 basis point increase. GO bonds referenced compare the City's Taxable GO Bonds (Social Bonds – Affordable Housing, 2019) [2021A Series](#) to the same bond's [2023C series](#) with the same maturity date of 6/15/26 ([2021A](#) and [2023C](#)).

³⁸ [According to EDD](#), The average hourly wage for a construction laborer (standard occupational code 47-2061) jumped 16% in the San Francisco Metro Division between Q1 2021 and Q2 2023. Additionally, the [BLS Producers Price Index for new non-residential building construction for the Western Region](#) (which includes California) rose 32% from the beginning of FY21 to the end of FY23.

³⁹ Return to office trends, apartment asking rents, residential housing prices, hotel occupancy and revenue all continue to be impacted by the COVID-19 pandemic – see [recent Status of the San Francisco Economy Reports](#).

Public Integrity

In response to the criminal prosecutions of a number of City officials, including the former Director of Public Works in early 2020, the Controller's Office undertook a public integrity review of many of the City's contracting processes. Spread across 12 separate reviews and audits through March 2024, the public integrity reviews included 79 recommendations for various City agencies, with ~25% of them (20) directly tied to the capital contracting process. Many of the recommendations called for the creation of new or additional oversight in approving contracts and selecting vendors, the creation of more rigorous and transparent documentation in City contracting, or set limits on how City officials can communicate with vendors. As of the Controller's December 2022 24-month update 38 of the recommendations had either been partially or fully implemented. Like all additional regulations, these new requirements stemming from the public integrity reviews will impact departmental operations as the City seeks to strike a balance between oversight and efficiency.

Certificates of Participation

San Francisco uses a variety of funding sources to implement the broad array of building and infrastructure projects planned each year. Certificates of Participation (COPs) is the other major local debt program, besides GO bonds and revenue bonds.

This is the first time that capital projects funded by COPs are included in this report. Including these projects is an opportunity to compare projects across funding sources and understand how challenges detailed in the [Citywide Issues](#) section affect a broader cross section of capital projects. Additionally, as the City anticipates budget deficits in the coming years, policy and decision makers will need to make strategic choices about how to best leverage debt funds to respond to infrastructure needs.

WHAT IS A COP?

COPs are structured as a lease-lease back agreement. The City will lease City-owned property to a third-party trustee through a property lease, and instead of using the building, the trustee immediately leases the property back to the City through a project or site lease. The purchasers of the COPs are granted an interest in the base rental payments the City makes to the trustee to lease the building back; these payments are set at a level to pay the purchasers back on an amortized debt service schedule for their upfront purchase of the Certificates, with interest. In this way, the lease-lease back agreement simulates a bond sale, while utilizing the inherent value of City-owned assets to finance capital projects. The lease payments (which function as debt repayments) are appropriated each year and paid from the City's General Fund or revenue that would otherwise flow to the General Fund.

COPs are an important debt instrument for the City to finance capital projects. Since they do not require voter approval, the City can quickly respond to emerging capital needs not covered by other sources. The Board of Supervisors (BOS) is responsible for authorizing the distribution of funds for projects.

In recent years, COP funded projects have been smaller in scale compared to GO bond funded projects. Most of the projects selected are in the advanced stages of planning and, therefore, have planned completion dates within two to three years. Due to the smaller size of COP funded projects, there are not as many post-project reporting requirements as compared with GO bond funded projects. This report serves to fill that gap by providing an example of one type of COP funded project below.⁴⁰

PLANNING AND ADMINISTRATION

Building and infrastructure projects are proactively identified and planned for in the City's 10-Year Capital Plan ("the Capital Plan"). The current Plan recommends \$41.4 billion in critical infrastructure improvements over the next 10 years (Fiscal Years 2024-2033).⁴¹ The Plan anticipates leveraging COPs

⁴⁰ Additional information on COPs can be found in the City's Continuing Disclosure Annual Reports and Budget and Legislative Analyst reports.

⁴¹ See the [FY 2024-33 Capital Plan](#) available on the Office of Resiliency and Capital Planning website.

and GO bonds during the plan period for a total of \$527 million and \$2 billion respectively. The City is constrained in its ability to leverage debt because of a City policy that states General Fund debt must not exceed 3.25% of General Fund Discretionary Revenue. In general, COPs count as debt for federal taxation purposes, but generally do not count as debt for City or State debt limit and voter authorization rules. Therefore, COPs can offer more flexibility and speed than GO bonds.

COP funds are first authorized by the Board of Supervisors with a not-to-exceed amount. Certificates are then sold to purchasers through third-party trustees which guarantee them repayment. After the Certificates are sold, the Office of Public Finance (OPF) coordinates the disbursement of the proceeds from the third-party trustee to departments as a reimbursement for accumulated project expenses that have already been paid. This process differs from GO bond-funded projects, where funds are expended directly from bond proceeds kept with the Treasurer after issuance.

While COPs sit with a third-party trustee, the OPF is the intermediary and responsible for the disbursement of funds. Therefore, OPF has a larger role in the administration of COPs when compared to GO bond funding.

In some cases, OPF uses the Commercial Paper (CP) Program to provide interim financing for COP funded projects, subject to approval from the Capital Planning Committee (CPC), BOS, and the Mayor. Commercial paper is a short-term debt instrument whereas COPs and GO bonds are more long-term. This can be a useful tool for project teams to fund smaller charges early in the project before long term debt can be secured through the sale of COPs.

Over the past several years, the types of projects identified in the Capital Plan to be funded by COPs have shifted from mostly larger infrastructure projects (e.g., Animal Care and Control, Hall of Justice, Public Works Yard) to smaller-scale repair and maintenance projects (e.g., HVAC and elevator repairs).⁴²

FY22-23 PROJECTS

On July 27, 2021, the Board passed Ordinance No. 123-21, authorizing the issuance of not-to-exceed \$67.5 million of COPs to finance \$56.7 million in Critical Repairs/Economic Recovery Stimulus projects in the Fiscal Year 2021-22 budget (the "FY22 COPs"). FY22 COPs were divided into two types of projects: Critical Repairs and Recovery Stimulus Projects. A total of 14 projects⁴³ were approved across nine departments. Departments that received the most funding approval were Public Works and the City Administrator's Office⁴⁴ with each receiving 21% of the total funds.

On July 26, 2022, the Board passed Ordinance No. 183-22, authorizing the issuance of not-to-exceed \$140 million of COPs to finance \$109.2 million in Critical Repairs, Streets, and Economic Recovery Stimulus projects in the Fiscal Year 2022-23 budget (the "FY23 COPs"). A total of 24 projects⁴⁵ were

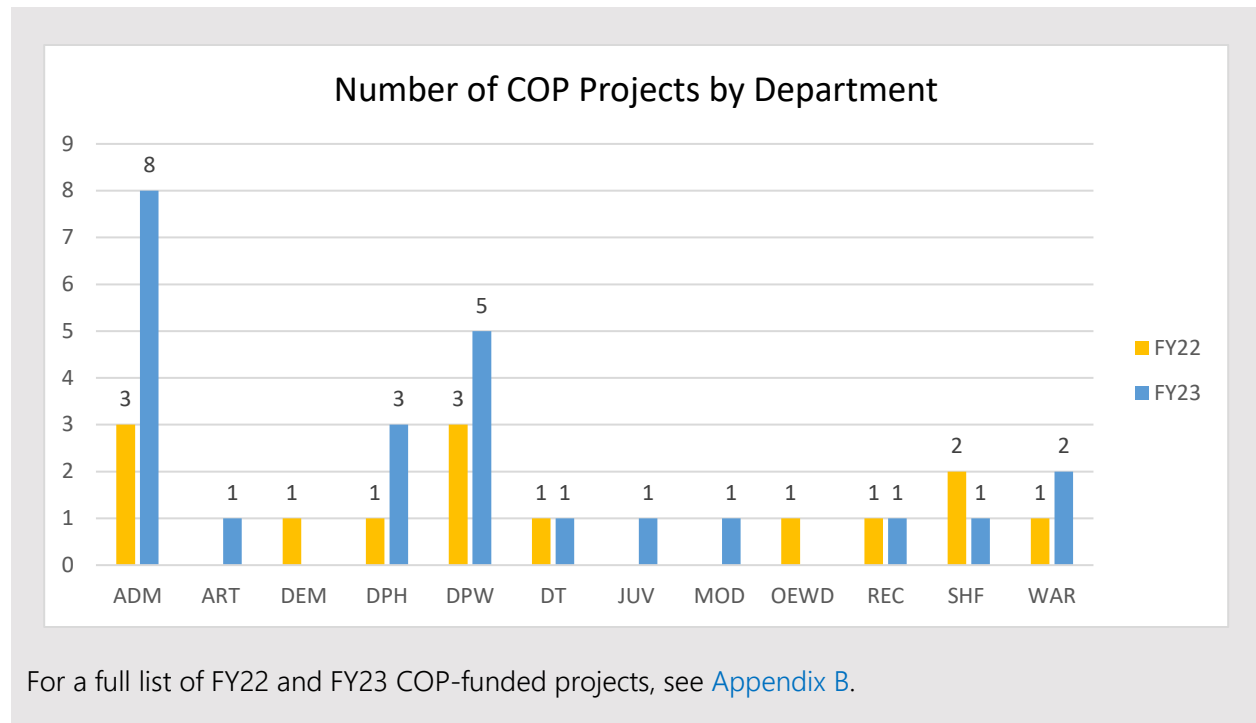
⁴² Additional information on COPs can be found in the City's Continuing Disclosure Annual Reports and Budget and Legislative Analyst reports.

⁴³ Reflects the total number of projects planned as of September 6, 2023.

⁴⁴ The Real Estate Division within ADM manages properties and associated capital improvements on behalf of other City departments.

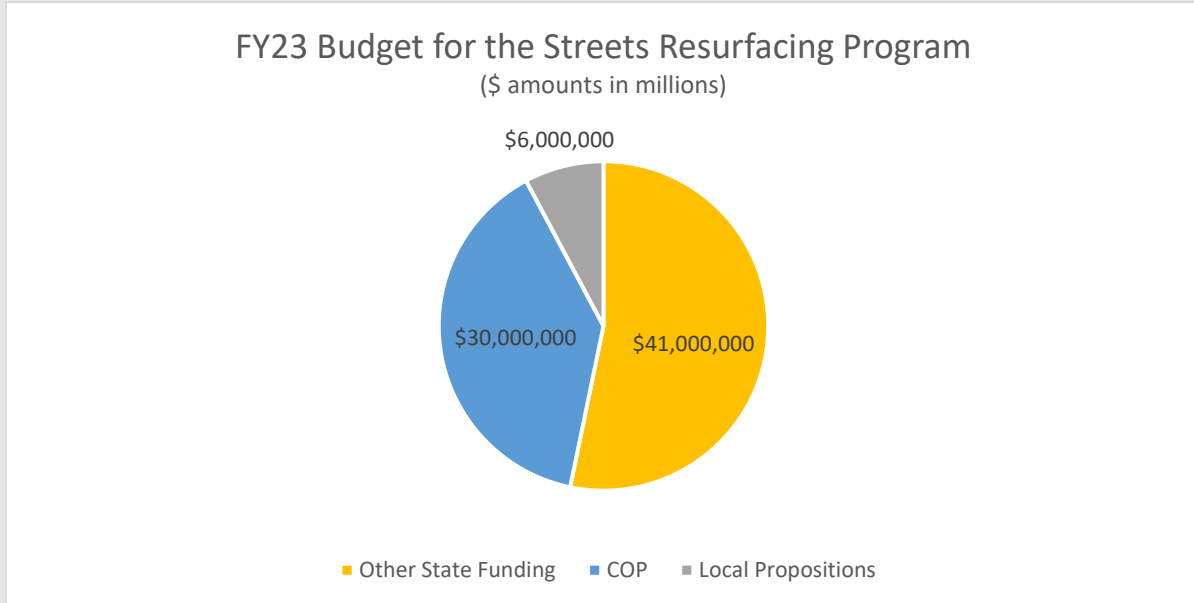
⁴⁵ Reflects the total number of projects planned as of September 6, 2023.

approved across 11 departments. Departments that received the most COP funding approval were the City Administrator’s Office (ADM) and Public Works, receiving 33% and 20% respectively.



Spotlight: Streets Resurfacing (\$30 million)

The Streets Resurfacing Program received \$30 million in funding from COPs in FY23. Data as of October 17, 2023.



One of the FY23 COP projects is the Streets Resurfacing Program, which works to repair roadways at various locations throughout the City to make streets safer and smoother for the people who drive, bike, walk, and take public transit on them. Historically, the Program was funded through GO bonds and the General Fund. But with an annual price tag of \$95 million to keep the streets in a state of good repair, the City shifted to paying for the program with more bond and COP funding.

In FY23, the Program had a budget of \$77 million, with \$30 million covered by COPs and another \$47 million through a combination of local and state funding. CP funding also supports the project. The Streets Resurfacing Program was a good candidate for COP funding as Public Works had already identified multiple project locations that were shovel ready. Public Works also took advantage of costs savings from lower than anticipated bids, which resulted in a total of 372 blocks resurfaced – higher than the original goal of 300 blocks.

The City considers streets with a Pavement Condition Index (PCI) score in the mid-80s to be in a state of good repair. San Francisco's 2023 Pavement Condition Index (PCI) score was at 75. This is one point higher than the previous year, due in part to the increase in one-time COP funding and lower than anticipated bids.

Investing in the timely maintenance of our streets ultimately saves the City money in the long run, as it is more expensive to repair if they were allowed to deteriorate.

Appendices

APPENDIX A: FINANCIAL SUMMARY OF BOND PROGRAMS

(As of June 30, 2023. Bonds in italics are functionally complete with less than 5% of the budget remaining.)⁴⁶

Bond Program/Component	Revised Budget	Issued	Expended	Encumbered	Expended + Encumbered	Remaining of Budget ⁴⁷	% of Budget Expended/ Encumbered	% of Issued Expended/ Encumbered
2020 Health and Recovery	\$452,326,875.97	\$287,913,000.00	\$81,010,668.31	\$40,820,050.23	\$121,830,718.54	\$330,496,157.43	27%	42%
Permanent Supportive Housing	\$116,900,000.00	\$60,200.00	\$3,933.00	\$0.00	\$3,933.00	\$116,896,067.00	0%	7%
Neighborhood Parks	\$101,000,000.00	\$101,000,000.00	\$10,289,843.80	\$33,525,645.93	\$43,815,489.73	\$57,184,510.27	43%	43%
Recovery Parks	\$63,974,075.97	\$64,000,000.00	\$562,485.45	\$694,239.46	\$1,256,724.91	\$62,717,351.06	2%	2%
Behavioral Health Acquisitions and Rehabilitation	\$43,500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43,500,000.00	0%	0%
Street Resurfacing	\$31,272,289.16	\$31,500,000.00	\$29,554,385.96	\$1,180,276.00	\$30,734,661.08	828,690.20	98%	98%
Navigation Center	\$29,100,000.00	\$29,100,000.00	\$29,046,697.50	\$0.00	\$29,046,697.50	\$53,302.50	100%	100%
Citywide Parks and Programs	\$32,820,000.00	\$32,820,000.00	\$3,826,354.60	\$3,486,650.84	\$7,313,005.44	\$25,506,994.56	28%	22%
Psychiatric Emergency Services (PES) Renovation and Expansion at ZSFG	\$11,377,246.00	\$11,377,246.00	\$0.00	\$0.00	\$0.00	\$11,377,246.00	0%	0%
Planning and Project Management - Behavioral Health Acquisitions	\$5,055,554.00	\$5,055,554.00	\$0.00	\$0.00	\$0.00	\$5,055,554.00	0%	0%
Curb Ramps	\$4,963,855.42	\$5,000,000.00	\$4,867,772.00	\$43,289.00	\$4,911,061.00	52,794.42	99%	98%
Street Structures and Plazas	\$4,963,855.42	\$5,000,000.00	\$2,853,816.00	\$1,889,949.00	\$4,743,765.00	\$220,090.42	96%	95%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$7,400,000.00	\$3,000,000.00	\$5,380.00	\$0.00	\$5,380.00	\$3,294,620.00	0%	0%

⁴⁶ The 2011 Road Repaving and Street Safety, 2010 Earthquake Safety and Emergency Response, 2008 SFGH Trauma Center Earthquake Safety, and 2008 Clean and Safe Neighborhood Parks bonds are not included in this table as they were near 100% completion in the [FY19-21 Report](#).

⁴⁷ The remaining budget adds expended and encumbered, then subtracts this amount from the revised budget.

Bond Program/Component	Revised Budget	Issued	Expended	Encumbered	Expended + Encumbered	Remaining of Budget ⁴⁷	% of Budget Expended/ Encumbered	% of Issued Expended/ Encumbered
2020 Earthquake Safety and Emergency Response	\$628,500,000.00	\$167,805,000.00	\$69,174,220.00	\$11,645,392.00	\$80,819,612.00	\$547,680,388.00	13%	48%
Neighborhood Fire Stations & Support Facilities	\$270,827,260.00	\$74,416,188.00	\$42,446,328.00	\$536,657.00	\$42,982,985.00	\$227,844,275.00	16%	58%
Emergency Firefighting Water Systems	\$151,170,852.00	\$35,000,000.00	\$12,932,854.00	\$7,361,682.00	\$20,294,536.00	\$130,876,316.00	13%	58%
District Police Stations & Support Facilities	\$119,163,994.00	\$32,022,200.00	\$7,226,858.00	\$553,687.00	\$7,780,545.00	\$111,383,449.00	7%	24%
Disaster Response Facilities	\$68,937,848.00	\$15,855,705.00	\$1,812,524.00	\$522,270.00	\$2,334,794.00	\$66,603,054.00	3%	15%
9-1-1 Response Facilities	\$8,863,438.00	\$8,863,438.00	\$3,654,565.00	\$2,671,096.00	\$6,325,661.00	\$2,537,777.00	71%	71%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$9,536,608.00	\$1,647,469.00	\$1,101,091.00	\$0.00	\$1,101,091.00	\$8,435,517.00	12%	67%
2019 Affordable Housing	\$444,130,944.00	\$424,130,944.00	\$159,010,391.00	\$99,170,256.00	\$258,180,647.00	\$185,950,297.00	58%	61%
Low-Income Housing	\$182,291,653.00	\$182,291,653.00	\$97,249,837.00	\$49,791,042.00	\$147,040,879.00	\$35,250,774.00	81%	81%
Public Housing	\$148,500,000.00	\$148,500,000.00	\$20,610,192.00	\$33,039,963.00	\$53,650,155.00	\$94,849,845.00	36%	36%
Preservation & Middle-Income Housing	\$46,500,000.00	\$46,500,000.00	\$13,301,629.00	\$4,039,275.00	\$17,340,904.00	\$29,159,096.00	37%	37%
Senior Housing	\$41,600,000.00	\$41,600,000.00	\$23,946,492.00	\$12,299,976.00	\$36,246,468.00	\$5,353,532.00	87%	87%
Educator Housing	\$20,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,000,000.00	0%	
Oversight, Accountability & Cost of Issuance (OA&COI)	\$5,239,291.00	\$5,239,291.00	\$3,902,241.00	\$0.00	\$3,902,241.00	\$1,337,050.00	74%	74%
2018 Embarcadero Seawall Earthquake Safety	\$425,000,000.00	\$88,775,000.00	\$48,366,461.84	\$6,434,704.00	\$54,801,165.84	\$370,198,834.16	13%	62%
Seawall Program Projects	\$262,900,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$262,900,000.00	0%	
Other Design & Planning	\$113,200,000.00	\$74,104,000.00	\$40,775,818.69	\$6,434,704.00	\$47,210,522.69	\$65,989,477.31	42%	64%
Pilot Projects	\$40,000,000.00	\$921,000.00	\$622,511.69	\$0.00	\$622,511.69	\$39,377,488.31	2%	68%
US Army Corps of Engineers Study	\$8,900,000.00	\$12,375,000.00	\$6,952,131.46	\$0.00	\$6,952,131.46	\$1,947,868.54	78%	56%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$0.00	\$1,375,000.00	\$16,000.00	\$0.00	\$16,000.00	\$0.00	-	1%
2016 Public Health and Safety	\$350,000,000.00	\$350,000,000.00	\$255,682,700.00	\$69,502,855.00	\$325,185,555.00	\$24,814,445.00	93%	93%

Bond Program/Component	Revised Budget	Issued	Expended	Encumbered	Expended + Encumbered	Remaining of Budget ⁴⁷	% of Budget Expended/ Encumbered	% of Issued Expended/ Encumbered
ZSFG, Building 5	\$203,436,455.00	\$203,436,455.00	\$123,613,484.00	\$65,966,581.00	\$189,580,065.00	\$13,856,390.00	93%	93%
Ambulance Deployment Facility	\$47,880,049.00	\$47,880,049.00	\$44,619,714.00	\$193,819.00	\$44,813,533.00	\$3,066,516.00	94%	94%
Southeast Health Center	\$37,285,698.00	\$37,285,698.00	\$35,732,046.00	\$695,402.00	\$36,427,448.00	\$858,250.00	98%	98%
Other Community Health Centers	\$28,749,573.00	\$28,749,573.00	\$27,838,452.00	\$268,576.00	\$28,107,028.00	\$642,545.00	98%	98%
Homeless Services Sites Program	\$19,700,000.00	\$19,700,000.00	\$14,801,906.00	\$696,037.00	\$15,497,943.00	\$4,202,057.00	79%	79%
Neighborhood Fire Stations	\$9,188,009.00	\$9,188,009.00	\$6,137,692.00	\$1,682,440.00	\$7,820,132.00	\$1,367,877.00	85%	85%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$3,760,216.00	\$3,760,216.00	\$2,939,406.00	\$0.00	\$2,939,406.00	\$820,810.00	78%	78%
2016 Preservation And Seismic Safety	\$260,700,000.00	\$175,000,001.00	\$85,522,737.00	\$486,400.00	\$86,009,137.00	\$174,690,863.00	33%	49%
Market Rate	\$154,917,440.00	\$103,030,822.00	\$49,503,253.00	\$0.00	\$49,503,253.00	\$105,414,187.00	32%	48%
Below Market Rate	\$89,316,278.00	\$60,695,762.00	\$30,362,892.00	\$79,400.00	\$30,442,292.00	\$58,873,986.00	34%	50%
Deferred Loans	\$14,567,054.00	\$9,921,431.00	\$4,553,455.00	\$407,000.00	\$4,960,455.00	\$9,606,599.00	34%	50%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$1,899,228.00	\$1,351,986.00	\$1,103,137.00	\$0.00	\$1,103,137.00	\$796,091.00	58%	82%
2014 Transportation and Road Improvement	\$501,675,785.07	\$501,675,785.07	\$305,419,358.03	\$76,887,818.65	\$382,307,176.68	\$119,368,608.39	76%	76%
Muni Forward Rapid Network Improvements	\$175,593,557.50	\$175,593,557.50	\$106,779,490.90	\$20,597,619.59	\$127,377,110.49	\$48,216,447.01	73%	73%
Muni Facility Upgrades	\$84,530,075.57	\$84,530,075.57	\$62,988,801.50	\$7,517,368.48	\$70,506,169.98	\$14,023,905.59	83%	83%
Pedestrian Safety Improvements	\$68,700,135.00	\$68,700,135.00	\$46,180,754.55	\$14,686,511.78	\$60,867,266.33	\$7,832,868.67	89%	89%
Complete Streets Improvements	\$55,293,055.00	\$55,293,055.00	\$10,705,234.16	\$30,460,533.75	\$41,165,767.91	\$14,127,287.09	74%	74%
Caltrain Upgrades	\$39,000,000.00	\$39,000,000.00	\$37,712,897.46	\$1,287,102.40	\$38,999,999.86	\$0.14	100%	100%
Accessibility Improvements	\$30,000,000.00	\$30,000,000.00	\$3,000,000.25	\$0.00	\$3,000,000.25	\$26,999,999.75	10%	10%
Major Transit Corridor Improvements	\$27,088,937.00	\$27,088,937.00	\$26,730,538.95	\$110,671.03	\$26,841,209.98	\$247,727.02	99%	99%
Traffic Signal Improvements	\$15,623,774.00	\$15,623,774.00	\$5,475,389.26	\$2,228,011.62	\$7,703,400.88	\$7,920,373.12	49%	49%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$5,846,251.00	\$5,846,251.00	\$5,846,251.00	\$0.00	\$5,846,251.00	\$0.00	100%	100%

Bond Program/Component	Revised Budget	Issued	Expended	Encumbered	Expended + Encumbered	Remaining of Budget ⁴⁷	% of Budget Expended/ Encumbered	% of Issued Expended/ Encumbered
2012 Clean and Safe Neighborhood Parks	\$199,240,610.76	\$192,756,244.40	\$184,654,524.02	\$2,118,235.09	\$186,772,759.11	\$12,467,851.65	94%	97%
Neighborhood Parks	\$100,180,836.70	\$97,361,434.92	\$99,989,284.54	\$493,518.97	\$100,482,803.51	-\$301,966.81	100%	103%
Citywide Programs	\$41,850,000.00	\$41,850,000.00	\$34,395,225.24	\$947,541.29	\$35,342,766.53	\$6,507,233.47	84%	84%
Waterfront Parks	\$34,801,621.00	\$34,500,000.00	\$32,223,659.00	\$286,311.00	\$32,509,970.00	\$2,291,651.00	93%	94%
Citywide Parks	\$21,100,000.00	\$17,803,533.11	\$16,989,001.86	\$390,863.83	\$17,379,865.69	\$3,720,134.31	82%	98%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$1,308,153.06	\$1,241,276.37	\$1,057,353.38	\$0.00	\$1,057,353.38	\$250,799.68	81%	85%
2015 Affordable Housing⁴⁸	\$310,000,000	\$310,000,000	\$287,051,727	\$19,291,735	\$306,343,462	\$3,656,538	99%	99%
Low-Income Housing	\$98,911,887	\$98,862,429	\$98,781,248	\$10,847	\$98,792,095	\$119,792	100%	100%
Middle-Income Housing	\$79,188,394	\$79,188,394	\$62,604,968	\$14,387,504	\$76,992,472	\$2,195,922	97%	97%
Public Housing	\$79,088,366	\$79,049,357	\$73,675,241	\$4,893,384	\$78,568,625	\$519,741	99%	99%
Mission Area Plan	\$49,438,201	\$49,426,736	\$49,162,932	\$0.00	\$49,162,932	\$275,269	99%	99%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$3,373,152	\$3,473,084	\$2,827,338	\$0.00	\$2,827,338	\$545,814	84%	81%
2014 Earthquake Safety and Emergency Response⁴⁹	\$400,000,001	\$400,000,001	\$382,846,075	\$2,353,932	\$385,200,007	\$14,799,994	96%	96%
Traffic Company & Forensic Services Division	\$174,495,790	\$174,495,790	\$171,276,889	\$214,650	\$171,491,539	\$3,004,251	98%	98%
Neighborhood Fire Stations	\$72,030,741	\$72,030,741	\$63,365,121	\$577,367	\$63,942,488	\$8,088,253	89%	89%
Office of the Chief Medical Examiner	\$67,533,024	\$67,533,024	\$67,470,731	\$0.00	\$67,470,731	\$62,293	100%	100%
Emergency Firefighting Water Systems	\$54,347,209	\$54,347,209	\$51,011,813	\$1,561,915	\$52,573,728	\$1,773,481	97%	97%
Police Facilities	\$26,845,661	\$26,845,661	\$26,031,590	\$0.00	\$26,031,590	\$814,071	97%	97%
Oversight, Accountability & Cost of Issuance (OA&COI)	\$4,296,388	\$4,296,388	\$3,689,931	\$0.00	\$3,689,931	\$606,457	86%	86%
Program reserves (if applicable)	\$451,188	\$451,188	\$0.00	\$0.00	\$0.00	\$451,188	0%	0%

48 The 2015 Affordable Housing Bond is functionally complete as of June 30, 2023.

49 The 2014 Earthquake Safety and Emergency Response Bond is functionally complete as of June 30, 2023.

APPENDIX B: FINANCIAL SUMMARY OF COP PROGRAMS

(as of September 6, 2023)

FY	Department	Project	Project Type: Critical Repairs, Recovery Stimulus, Other	COP Contribution	Total Budget	CP % Spent	Total % Spent	Estimated Completion Date
FY22	ADM	City Hall HVAC and Elevator	Critical Repairs	\$8,270,000	\$13,470,000	0%	35%	12/1/2024
FY22	ADM	1 S. Van Ness Bathrooms and Elevators	Critical Repairs	\$2,100,000	\$5,687,000	5%	35%	7/1/2025
FY22	ADM	Hall of Justice HVAC	Critical Repairs	\$4,800,000	\$5,300,000	1%	1%	3/1/2026
FY22	DPH	Laguna Honda Hospital Emergency Power	Critical Repairs	\$7,600,000	\$8,244,388	0%	3%	2/1/2025
FY22	DPW	Curb Ramps with Basements	Critical Repairs	\$4,000,000	\$4,000,000	8%	25%	12/1/2024
FY22	DPW	Infill Sidewalks in Bayview	Critical Repairs	\$2,000,000	\$2,000,000	17%	27%	12/1/2024
FY22	DT	Fiber Backbone	Critical Repairs	\$2,500,000	\$2,500,000	70%	70%	4/1/2024
FY22	REC	Stow Lake ADA Improvements	Critical Repairs	\$900,000	\$2,825,000	92%	63%	10/1/2023
FY22	SHF	County Jail 2 Elevators	Critical Repairs	\$4,400,000	\$4,000,000	0%	0%	3/1/2025
FY22	SHF	County Jail 5 Security Electronics & Fire Safety Systems	Critical Repairs	\$4,450,000	\$4,450,000	0%	0%	3/1/2025
FY22	WAR	Davies Hall Elevators	Critical Repairs	\$2,200,000	\$2,200,000	0%	2%	12/1/2024
FY22	DEM	Dispatch Floor Remodel	Critical Repairs	\$1,570,701	\$12,370,701	0%	44%	7/1/2024
FY22	OEWD	SF Wholesale Produce Market (operations yard improvements, etc.)	Recovery Stimulus	\$3,000,000	\$3,500,000	0%	29%	11/1/2024
FY22	DPW	Better Market Street (pedestrian and streetscape improvements)	Recovery Stimulus	\$3,000,000	\$63,987,806	0%	1%	12/1/2024
FY23	MOD	Golden Gate Park Barrier Removals - Public RoW - JFK Drive & Stanyan Curb	Critical Repairs	\$900,000	\$2,250,000	8%	3%	9/1/2024
FY23	ADM	1 SVN Fire Detection System Emergency Equipment	Critical Repairs	\$1,000,000	\$1,000,000	0%	0%	7/1/2025
FY23	ADM	1650M-Chiller/Cooling Tower	Critical Repairs	\$500,000	\$500,000	0%	0%	12/1/2024
FY23	ADM	25 VN - Elevator Controls	Critical Repairs	\$1,000,000	\$3,000,000	0%	1%	6/1/2026
FY23	ADM	50 Raymond-Exterior Siding Replacement	Critical Repairs	\$500,000	\$1,000,000	0%	2%	8/1/2024
FY23	ADM	555 7th Street Elevator Project and Exterior Improvements	Critical Repairs	\$2,250,000	\$2,750,000	38%	61%	6/1/2026
FY23	ADM	City Hall - Flat Roof - Waterproofing	Critical Repairs	\$2,500,000	\$2,500,000	0%	0%	12/1/2026
FY23	ADM	Civic Center - Steam Loop Renewal	Critical Repairs	\$3,738,000	\$3,738,000	0%	7%	6/1/2024
FY23	ADM	Underground Fuel Tank Replacements	Critical Repairs	\$9,225,727	\$9,500,000	2%	2%	1/1/2026
FY23	DPH	Clinical Lab Automation System	Critical Repairs	\$4,000,000	\$8,500,000	28%	43%	5/1/2024
FY23	DPH	ZSFG Improvements (Kitchen Upgrade and HVAC Upgrade) (Fire alarm Backbone and infrastructure) (Freight Elevator Modernization)	Critical Repairs	\$7,000,000	\$9,912,497	0%	3%	2/1/2025
FY23	DPW	Curb Ramps with Basements	Critical Repairs	\$3,000,000	\$3,000,000	0%	0%	12/1/2025
FY23	JUV	Youth Guidance Center Elevator Modernization	Critical Repairs	\$1,000,000	\$1,476,000	0%	0%	6/1/2026
FY23	REC	RP ADA TPC Harding Park	Critical Repairs	\$900,000	\$1,800,000	9%	9%	9/1/2024
FY23	SHF	425 7th Street – Roof Replacement and Building Management System	Critical Repairs	\$4,825,000	\$4,825,000	0%	0%	3/1/2025
FY23	WAR	Davies Hall Elevator Modernization	Critical Repairs	\$2,200,000	\$2,200,000	0%	0%	12/1/2024

FY	Department	Project	Project Type: Critical Repairs, Recovery Stimulus, Other	COP Contribution	Total Budget	CP % Spent	Total % Spent	Estimated Completion Date
FY23	ART	Mission Cultural Center for Latino Arts Seismic Retrofit	Recovery Stimulus	\$18,418,751	\$20,355,000	0%	4%	2/1/2027
FY23	DPH	Laguna Honda Hospital Simon Cooling Center	Recovery Stimulus	\$975,000	\$1,550,000	0%	0%	10/1/2026
FY23	DPW	Innes Ave Rebuild in Bayview Hunters Point	Recovery Stimulus	\$5,000,000	\$25,000,000	0%	1%	Mid/Late 2027
FY23	DPW	Japantown Buchanan Mall Improvements Project	Recovery Stimulus	\$2,000,000	\$7,500,000	0%	2%	3/1/2026
FY23	DPW	Street Tree Planting and Establishment - Equity Priority Neighborhoods	Recovery Stimulus	\$2,000,000	\$2,000,000	0%	26%	6/1/2024
FY23	TIS	DT Fiber to Public Housing	Recovery Stimulus	\$2,500,000	\$49,000,000	0%	22%	6/1/2026
FY23	WAR	Opera House Roof Replacement	Recovery Stimulus	\$5,000,000	\$5,000,000	0%	0%	12/1/2026
FY23	DPW	Street Resurfacing and Reconstruction	Street Repaving	\$30,000,000	\$75,000,000	0%	58%	9/1/2025

APPENDIX C: GLOSSARY

Active Bond: Bonds issued by the City of San Francisco before June 30, 2023 with 5% or more of their voter authorized amount remaining unspent (i.e. a bond that is not functionally complete). A bond is not considered functionally complete if its budget increased above its authorized amount (due to the appropriation of earned interest) and there is still more than 5% of the revised budget remaining.

Actual Completion Date: Date the last project within a component reached substantial completion.

Appropriated Interest: Interest earned on held bond proceeds, minus any payments necessary to the Internal Revenue Service under federal arbitrage limitations. Upon review, the outstanding interest on bond proceeds may be added to the bond program budget.

Authorized Amount: The total amount voters approved for the bond program.

Bond Program: A set of capital improvements, including its components, authorized by the voters.

Certificates of Participation: A financing tool that allows government entities to use a lease structure to borrow money for capital projects.

CGOBOC: The Citizens' General Obligation Bond Oversight Committee.

Change Order: Work that is added, removed, or otherwise modified from a contract's original scope of work, which then alters the contract dollar amount and/or completion date. Change orders typically are categorized as being due to client requests, errors and omissions, unforeseen conditions, or code issues.

Commercial Paper: A short-term unsecured debt where the bondholder does not pay federal, state, or local taxes on the interest payments. Commercial paper is typically issued to finance short-term liabilities.

Component: A defined element of a bond program, which may either be a distinct capital project or a program of improvements and projects, and which is assigned to a lead department.

Cost of Issuance: Includes fees for services of rating agencies, Co-Municipal Advisors, Co-Bond Counsel, Disclosure Counsel, costs to the City, printing costs, other miscellaneous costs associated with the issuance of bonds, and rounding amounts.

Encumbered: Money set aside for designated future expenses (often through a contract with an entity working on the capital project). The money, therefore, cannot be used for any other purposes. This stage or designation generally immediately precedes funding being expended.

Expended: Money paid out to the firm, development team, or entity contracted with the City to complete the capital construction work.

Issuance Date: The date of issuance of debt to provide proceeds to bond programs for capital improvements. The date used is the “delivery date” from the Office of Public Finance’s Primary Market Disclosure/Final Official Statements page.⁵⁰

Issued to Date: The total amount of bond funds issued as of June 30, 2023.

Original Budget: Total bond funding anticipated to be spent as stated in the bond report issued prior to bond passage; if a component budget is not published in the bond report issued prior to bond passage, the first component budget reported to CGOBOC after bond passage is used as the original budget.

Original Completion Date: Estimated completion date of the last project within a component as stated in the bond report issued prior to bond passage; if a component end date is not published in the bond report issued prior to bond passage, the first component completion date reported to CGOBOC after bond passage is used as the original completion date for that component.

Oversight and Accountability: A provision in the City’s Administrative Code that requires 0.1% of the gross proceeds of all proposed bonds be used to fund the costs of the City’s independent CGOBOC and 0.2% will be used to pay the Controller’s Office audit fee.

Projected Completion Date: The estimated completion date of the last project within a component or bond program, as of June 30, 2023 (unless otherwise stated).

Revised Budget: Total bond funding anticipated to be spent by the bond program or a specific component, as of June 30, 2023 (unless otherwise stated).

Scope (Scope of Work): The extent or range of all the repairs, new construction, or renovations contemplated by and included in a project.

⁵⁰ <http://sfcontroller.org/primary-market-disclosurefinal-official-statements-upcoming-sales>