



Edwin M. Lee, Mayor
Philip A. Ginsburg, General Manager

Date: November 30, 2016
To: PROSAC
From: Dawn Kamalanathan, Director of Planning and Capital Division
Subject: DRAFT Recreation and Park Department Annual Capital Plan

Agenda Item for SFRPD Commission

Discussion and possible action to approve the Recreation and Park Department Annual Capital Plan for FY 2018, as required Charter Section 16.107 (h) 3.

Background

Charter Section 16.107(h)3 states that:

By January 15, 2017 ... the Department shall prepare, for Commission consideration and approval, an annual Capital Expenditure Plan that addresses the development, renovation, replacement and maintenance of capital assets, and the acquisition of real property projected during the life of the Department's five year Strategic Plan. The Capital Expenditure Plan shall include an equity analysis of Recreation and Park capital expenditures, using the equity metrics adopted under subsection (h)(1), and shall include strategies to mitigate any equity deficiencies identified in the Plan...

This staff report will serve as the basis for a more formal publication that will be designed and developed after the Commission has provided direction and feedback on the content of the final report.

To obtain more in depth financial and schedule reporting information, PROSAC members are encouraged to review the SFRPD Planning and Capital Division's most recent Monthly Financial Report and quarterly report to the Citizen's General Obligation Bond Oversight Committee, included here as Attachment A and Attachment B.

FY 2018: The Year Ahead

The Division has been **assigned 88 active projects** in FY 2018. Active projects are grouped into two categories: Current projects in planning, design, or construction at this moment, and Pipeline projects scheduled for initiation and fully funded in the coming year.



The Division's highest priority is to continue to make substantive progress on the delivery of 2012 San Francisco Clean and Safe Neighborhood

TABLE 1: 88 Active Projects assigned in FY 2018

Category	Current	Pipeline	Total
Clean & Safe Neighborhood Parks GO Bonds	36	12	48
General Fund	13	5	18
Partnership	10		10
Special Fund	6	6	12
Total	65	23	88

Parks GO Bond projects in FY 2018. Accordingly, **GO Bond projects comprise 54% of the total workload**, and the Division has hired two additional Project Managers and a Project Manager Assistant to ensure that appropriate staffing resources are dedicated to Bond projects. All of the park projects specifically named in the 2012 Bond are completed, in design, or in construction as of this date. In contrast to the neighborhood park projects, the Water Conservation, Urban Forestry, and Irrigation programs progress on a “rolling” basis over the duration of the Bond program. Schedules for all active projects are included in Attachments C and D of this report. To continue an aggressive pace of progress in FY 2018, **the Department will pursue our third, and final, bond sale in late spring 2017**. By that date, 54% of the total 2012 Bond funds will have been expended or encumbered. The Department’s goal is to expend or encumber 85% of funds prior to the next parks GO Bond, slated by the City’s Ten Year Capital Plan to occur in November 2018.

With the successful passage of Proposition B, the Department has an annual General Fund allocation of \$15 million to dedicate to addressing the Department’s backlog of deferred maintenance needs. The proposed budget is before the Commission as a separate item for approval prior to submission to the Capital Planning Committee and Mayor’s Office. The majority of these Deferred Maintenance projects will be managed and delivered by the Operations Division.

Equity Metrics

Section 16.107(a) states that the Department “embraces socio-economic and geographic equity as a guiding principle and commits to expending the funds ... to provide park and recreational access to all of San Francisco’s diverse neighborhoods and communities.”

Of the 77 parks identified by the Department’s Equity Metrics as Equity Zone Parks, the SFRPD Planning and Capital Division has improved in part, or in whole, 44 parks over the past decade.

TABLE 2: Over 50% of Equity Zone Parks have received capital improvements from SFRPD

Note: Parks in bold have received capital investment over past ten years.

Adam Rogers Park	Hayes Valley Playground	Mission Recreation Center
Alamo Square	Head-Brotherhood Mini Park	Palega Recreation Center
Alice Chalmers Playground	Herz Playground	Palou-Phelps Mini Park
Alioto Mini Park	Hilltop Park	Parque Ninos Unidos
Balboa Park	Hooker Alley Community Garden	Patricia's Green in Hayes Valley
Bay View Park	Huntington Park	Portsmouth Square
Bay View Playground	Ina Coolbrith Park	Randolph-Bright Mini Park
Betty Ann Ong/Chinese Rec Center	India Basin Shoreline Park	Raymond Kimbell Playground
Boeddeker Park	Japantown Peace Plaza	Ridgetop Plaza
Brooks Park	Jefferson Square	Selby-Palou Mini Park
Buchanan Street Mall	Joe DiMaggio North Beach Playground	Sgt. John Macaulay Park
Cabrillo Playground	Jose Coronado Playground	Silver Terrace Playground
Cayuga Playground	Joseph Lee Recreation Center	South Park
Cayuga-Lamartine Mini Park	Justin Herman-Embarcadero Plaza	St. Mary's Square
Chesnut-Kearny Open Space	Kelloch Velasco Mini Park	Telegraph Hill/Pioneer Park
Civic Center Plaza	Kid Power Park	Tenderloin Recreation Center
Crocker Amazon Playground	Lakeview-Ashton Mini Park	Turk-Hyde Mini Park
DuPont Courts	LeConte Mini Park	Union Square
Excelsior Playground	Lessing-Sears Mini Park	Victoria Manalo Draves Park
Ferry Park	Louis Sutter Playground	Visitacion Valley Greenway
Fillmore-Turk Mini Park	Margaret S. Hayward Playground	Visitacion Valley Playground
Fulton Playground	Maritime Plaza	Washington Square
Gene Friend/SOMA Recreation Center	McLaren Park	Willie Woo Woo Wong Playground
Gilman Playground	Michelangelo Playground	Woh Hei Yuen Park
Golden Gate-Steiner Mini Park	Minnie & Lovie Ward Playground	Youngblood-Coleman Playground
Hamilton Recreation Center	Mission Playground	

By SFRPD's adopted equity metrics, capital investment in Equity Zones has been more than double of that of the city as a whole. Capital investment is calculated using the three-year average Annual Appropriation Ordinance (AAO) Capital Budgets from FY15, FY16, FY17 and appropriations of the 2012 Bond to date. The AAO typically includes General Fund, Open Space, Enterprise revenues, and developer fees allocated through IPIC, the Interagency Plan Implementation Committee.

TABLE 3: SFRPD Equity Zone park capital improvements are high

Metric	Equity Zone	Outside Equity Zone	City as a Whole
Capital Investment/1,000 people	\$124,298	\$30,598	\$49,600
% of Capital Investment	52%	48%	100%

The Five Year Planning Horizon: Acquisitions, Project Life Cycle and GO Bond Planning

In addition to the implementation of existing capital projects, SFRPD’s Planning and Capital Division will focus on the development of three major policy initiatives in the next five years:

- **Acquisitions.** As the city continues to project dramatic growth over the next twenty years, SFRPD, in collaboration with the public and other city agencies, must continue to prioritize and pursue the development of new open spaces to serve the city’s new and changing neighborhoods.
- **Project LifeCycle.** In 2016, policy makers directed the SFRPD to update and analyze the backlog of deferred maintenance capital needs. Named Project LifeCycle, this analysis will replace the aging COMET asset condition inventory from 2006, and provide guidance on the expenditure of existing and future capital resources.
- **General Obligation Bond.** SFRPD’s capital planning occurs within the context of the City’s Ten Year Capital Plan. The Ten Year Capital Plan (<http://onesanfrancisco.org/ten-year-capital-plan/>) organizes the sequence and sizing of General Obligation Bonds under the guidance of the Capital Planning Committee. Currently, the Ten Year Capital Plan has a GO Bond scheduled for SFRPD in 2018.

Acquisitions

In 2013, SFRPD pledged to pursue the acquisition and development of four new parks in San Francisco: Noe Valley Town Square, 900 Innes/India Basin, Francisco Reservoir, and a new park for the SOMA neighborhood. The first of these parks, Noe Valley Town Square, was completed in October 2016. Acquired in 2014, 900 Innes/India Basin and Francisco Reservoir are now in the midst of participatory design processes. After three years of research and outreach, staff identified 20,000 square feet of property at 11th and Natoma suitable for park development. A Phase 2 environmental assessment is underway for the 11th and Natoma property, and will be submitted to the Board of Supervisors for consideration in 2017. **If the purchase of 11th and Natoma is approved by the Board of Supervisors, SFRPD will have successfully fulfilled its public pledge.**

Several other properties are poised to become parks as a result of interagency collaboration. As part of the larger Schlage Lock/Visitacion Valley housing development project, a private developer will build two new public parks on the former Schlage Lock site. After their construction, RPD will purchase and maintain the parks, with financial assistance for maintenance from the developer for 22 years. Shoreview Park is currently owned by the Office

of Community Investment and Infrastructure (OCII), formerly the Redevelopment Agency. In 1979, Shoreview Park was constructed as one of the multiple mini parks built to serve public housing residents. SFRPD will accept Shoreview Park from OCII at no cost with an additional \$2.1 million of funding from a Community Development Block Grant (CDBG) for capital improvements to the site. As part of the HOPE SF Project to revitalize Potrero Terrace and Potrero Annex public housing sites into a new mixed income housing development, the Department agreed to acquire the main open space in the plan, the Central Park at 24th Street between Missouri and Connecticut Streets. According to the agreement, RPD

TABLE 4: Acres of New Park in SF

Park	Acres
Noe Valley Town Square	.25
900 Innes/India Basin	2.4
Francisco Reservoir	3.29
Schlage	1.74
11 th and Natoma	0.44
Shoreview and Adam Rogers	0.8
Hope SF Rebuild Potrero	0.8
Total New Park Acres	9.72

would acquire, at no cost, the 0.75-acre “Central Park” after construction of the park. In addition, the developer would fund annual maintenance and capital renewals (major repairs or replacement of park equipment) for 25 years after acquisition of the park. Each of these properties will provide valuable open space in high needs areas of the city.

Project LifeCycle

An interdisciplinary work group comprised of representatives from Operations, the Structural Maintenance Yard, Administration and the Planning and Capital Division has met regularly over the past six months to develop a plan for implementing Project LifeCycle. Based on lessons learned from the implementation of the CLASS, COMET, and TMA systems, the working group has dedicated a significant effort to the following tasks:

- **Researching Best Practices.** All CCSF city departments with contracting authority were interviewed to understand their successes and challenges in addressing deferred maintenance needs.
- **Evaluating IT Products.** The group has participated in demonstrations of common asset condition inventory software packages.
- **Defining Core Business Processes.** The Planning and Capital Divisions has effective business processes in place for capital renewal and replacement projects; the Structural Maintenance Yard has business processes in place for responding to emergency repairs and deferred maintenance. SFRPD does not have any business process in place yet for allocating resources for and attending to preventative maintenance obligations.

From these discussions, the group has agreed **on the importance of outlining business processes for executing preventative maintenance responsibilities**, as well as strengthening the connection between the Planning and Capital Division’s renewal/replacement planning and the Structural Maintenance Yard’s deferred maintenance activities. Once the business process requirements are clearly identified, the group intends to release RFPs for consultant services to collect and organize condition assessment data on SFRPD assets.

GO Bond Planning

The current Ten Year Capital Plan calls for a **\$185 million Parks and Open Space General Obligation Bond in November 2018**. However, it is worth noting that the timing and the size of the City's GO Bonds shifts year to year. In recent years, the Capital Planning Committee has approved new themes for GO Bond investment, including SFMTA and Affordable Housing. As the Ten Year Capital Plan operates within a 2006 tax level constraints, with the introduction of new GO Bonds to the plan, the sequence and amount of other anticipated GO Bonds adjusts accordingly. The Capital Planning Committee, of which SFRPD is a participating member, will determine the GO Bond schedule in February 2017.

The planning process for a GO Bond requires a full year of project scoping and public deliberation. Project LifeCycle, when complete, will provide valuable data to shape that public process, in much the same way the COMET inventory shaped the development of the 2008 and 2012 bonds. SFRPD staff share the condition assessment data with neighborhood groups and stakeholders in a series of public workshops and meetings. Ultimately, this process culminates in a proposal for the Commission's consideration and recommendation to the Board of Supervisors for placement on the ballot.

Next Steps: Submission of Report to PROSAC and Board of Supervisors

The Charter requires that staff seek feedback from PROSAC prior to submission to the Commission. Staff will present the Annual Capital Plan to PROSAC on December 6th. Feedback will be incorporated into the staff presentation to the Commission on December 15th. Upon the Commission's approval, staff will finalize the Annual Capital Report into a publication format for submission to the Board of Supervisors by January 15th, as per the Charter. The final report submitted to the Board of Supervisors will include information from this staff report and the proposed General Fund deferred maintenance budget. Staff may modify the plan based on comments and requests from the Board of Supervisors.

Staff Recommendation

Approve the Department's submission of an Annual Capital Plan to the Board of Supervisors.

Supported By

Capital Division, Finance Division, Operations Division

Opposed By

None

Attachments

Attachment A: Monthly Financial Report

Attachment B: Quarterly Report to the Citizens General Obligation Bond Oversight Committee

Attachment C: Assigned Capital Projects 2017 - 2019

Attachment D: Schedules for 2012 SF Clean & Safe Neighborhood Parks Bond Projects