



London N. Breed, Mayor
Philip A. Ginsburg, General Manager

Date: January 8, 2019
To: PROSAC
From: Toks Ajike, Director of Capital & Planning Division
Subject: Proposed Capital Expenditure Plan for Fiscal Year 2019-2020 and assessment of progress for prior year Capital Expenditure Plan for Fiscal Year 2018-2019

Agenda Wording

Discussion and possible action to approve, and to recommend that the Board of Supervisors approve, the annual Capital Expenditure Plan as required by Charter Section 16.107(h)(3).

Strategic Plan

This Capital Plan is consistent with multiple Strategic Plan strategies, objectives and initiatives. Attachment A, Capital Plan Initiatives for FY19-20, provides all the Strategic Plan Initiatives related to capital efforts from the FY19-23 Strategic Plan.

Background

With passage of Proposition B in June 2016, Section 16.107 of the City Charter was revised. The changes include establishing a baseline of General Fund support for the Department; mandate formal consideration of equity measures in the allocation of resources; and require additional planning and reporting documents including an annual Capital Expenditure Plan and annual Operations Plan.

This report describes the Department's Capital Expenditure Plan per Section 16.107(h)3 for FY19-20. The Capital Expenditure Plan is comprised of three tables attached to this report. Consistent with the Department's Operations Plan, this Capital Plan is designed to follow the budget cycle by providing a road map for the next two fiscal years. The Initiatives and capital projects within the Capital Expenditure Plan align with the projects in the annual appropriation process undertaken by the Department and City as a whole every spring.

In addition, the Department already provides several reports describing the status and financing of RPD capital projects (available online: <http://sfrecpark.org/park-improvements/capital-publications/>):

1. Monthly Financial Report submitted to the Commission
2. Quarterly General Obligation (GO) Bond reports submitted to the GO Bond Oversight Committee ("GOBOC reports")
3. The City's Ten-Year Capital Plan submitted to the BOS
4. Annual budget requests and status updates to the Capital Planning Committee



Progress Assessed

Assessment of progress-to-date in achieving FY18-22 Strategic Plan Initiatives was provided to the commission on November 15, 2018 along with the updated FY19-23 Strategic Plan. Eleven projects were completed from the prior year's Capital Expenditure Plan as shown with strike-out text in Attachment C, Capital Projects for FY18-19, FY19-20, and FY20-21. Attachment D, Mid-Year Progress Assessment of Capital Initiatives for FY18-19 provides an assessment of the status of the FY18-19 Capital Initiatives as of December 2018.

Capital highlights include:

- Significant progress has been made on the Let's Play SF! initiative with the first playground opening at Washington Square Park and concept design approval of all five of the remaining Tier 1 Let's Play SF! playgrounds. Four of the six Tier 2 Let's Play SF! playgrounds have begun their planning process or are in the design phase. All the Tier 1 playgrounds will be under construction by the close of FY18-19.
- Several projects have an approved concept plan and are nearing the bid and award or construction phase, including Alice Chalmers Playground, and Panhandle Playground.
- Helen Diller Civic Center Playgrounds and the Bi-Rite Café Kiosk opened.
- Randall Museum renovation and the Alta Plaza water conservation project completed.
- Garfield Pool, Margaret Hayward, the Geneva Car Barn, and Potrero Rec Center renovations are under construction.
- The third and final bond sale from the 2012 GO bond was conducted to fund the remaining bond projects. Of the \$160M for 2012 Bond projects, 100% of the funds for Neighborhood Park Projects are allocated with 83% expended or encumbered and 69% of the funds for Citywide Parks and Projects has been allocated to active projects with 29% expended or encumbered.
- The Department has made strides with its acquisition program with an approved concept design for a new park at Francisco Reservoir in partnership with the Francisco Park Conservancy; the construction of the new park at Guy Place that will be fully financed by development impact fees; and the acquisition of 11th & Natoma to deliver meaningful open space in SoMa.
- In 2018 the Department hired three additional project managers and one PM assistant allowing the Division to begin 15 new projects in FY18-19.
- The Department is wrapping up condition site assessments as part of the Lifecycle project to support bond planning and prioritization of capital investments.

In addition to larger capital projects, the Department has also dedicated General Fund dollars to deferred maintenance and improvements throughout the city. Specifically, over the past three years of baseline funding, projects have included resurfacing and repainting over 30 basketball, tennis and volleyball courts; creating 6 pickleball courts; replacing fencing around children's play areas, ball fields, and courts and adding or improving paving or irrigation at more than 20 parks. These funds also installed new wayfinding signs, a ropes course at Camp Mather, drinking fountains, improved kiosks, and bear-saver trash cans. These improvements have been throughout the park system, including 19 Equity Zone parks, John McLaren Park, Golden Gate Park and Camp Mather.

Assessment of Equity

On November 15, 2018 the Commission received an assessment of the Department's progress implementing the equity-based initiatives of the FY18-22 Strategic Plan as well as the Department's equity metrics. For FY18, 61% of the Department's total capital investments were in equity zones, and

increase from 53% last fiscal year. The Department invests \$239,040 per 1,000 people in the equity zones, compared to \$38,490 in non-equity zones and \$78,600 per 1,000 people in the city as a whole. The report is available online: <http://sfrecpark.org/about/recreation-park-commission/full-commission-documents/>.

Proposed Capital Expenditure Plan FY19-20

The proposed Capital Expenditure Plan for FY19-20 focuses on the Department's capital projects planned for the next two fiscal years to be consistent with the city's two-year budget cycle. The Capital Expenditure Plan provides a compilation of the ongoing and new capital initiatives and projects undertaken by the RPD Capital and Planning Division.

The Capital Plan for FY19-20 consists of three tables, attached to this report:

- A. **Capital Plan Initiatives for FY19-20** – a list of FY19-23 Strategic Plan Initiatives related to capital planning efforts
- B. **Planned RPD Acquisitions during FY19-23 Five-Year Strategic Plan** – a list of all known acquisitions planned during the FY19-23 Five-Year Strategic Plan
- C. **Capital Projects: FY18-19, FY19-20, FY20-21** – a list of the current and planned capital projects in the coming years

Linkages with the Strategic and Operational Plans

To provide clearer linkages between the Strategic, Operational, and Capital Plan through greater cross-referencing, the Capital Expenditure Plan includes 1) **Attachment A**, Capital Plan Initiatives for FY19-20 with a list Strategic Plan Initiatives related to capital planning efforts and 2) **Attachment C**, Capital Projects: FY18-19, FY19-20, FY20-21, which includes a cross-reference to the FY19-23 Strategic Plan Objective and/or Initiative that the capital project fulfills.

Highlights of the Capital Expenditure Plan

The City is currently working on its 10-year Capital Plan and the Department expects to have a Bond identified within the next two years. Once the date and amount are confirmed, the Department will begin working with the Commission, PROSAC and the community to identify Bond programming. As discussed in earlier Bond updates, project selection will be an iterative process with the community, PROSAC and the Rec & Park Commission, similar to the processes for the 2008 & 2012 Bond Measures. For instance, we anticipate using similar planning criteria for project selection: Conditions Assessment; Seismic Condition; High Needs, using our recently developed Equity Zones as well as Growth Areas determined by the Planning Department; and Multi-Use Sites/Community Hubs. As additional information is available, the General Manager and the Capital and Planning Division will continue to provide updates.

Plan highlights for the upcoming two years include:

- Complete the remaining 2012 bond-funded neighborhood park projects. Progress will continue on water conservation, irrigation improvements, and urban forestry projects over the duration of the bond program.
- Improvements to Margaret Hayward, which involves renovation of the playground, new athletic field and clubhouse;
- Revitalization of the Garfield pool complex, which involves the renovation of the pool building; ADA upgrades, and replacement of the clubhouse

- Renovation to Rossi pool, which includes a full renovation of the pool building and ADA upgrades;
- The playground renovations of the Let'sPlaySF! program.
- Implementation of the first phase of the Geneva Car Bar with seismic upgrades and creation of an arts programming space
- Brownfield remediation in preparation for a new park at 900 Innes and connection to the existing parks at India Basin
- Completion of the Lifecycle project, which will assess the condition of RPD assets and allow the department to proactively address maintenance and plan for the next GO Bond.

Next Steps

The Charter requires that staff seek feedback from PROSAC prior to submission to the Commission; the Capital Plan will be presented to the PROSAC on January 8, 2019. Feedback from the PROSAC will be presented to the RPC on January 17. Upon Commission review and approval, staff will submit the Capital Expenditure Plan along with the Operational Plan to the Board of Supervisors by February 1, 2018.

Attachments

- A. Capital Plan Initiatives for FY19-20 from the FY19-23 Five-Year Strategic Plan
- B. Planned RPD Acquisitions during FY19-23 Five-Year Strategic Plan
- C. Capital Projects for FY18-19, FY19-20, FY20-21
- D. Mid-Year Progress Assessment of Capital Initiatives for FY18-19