



Mayor Mark Farrell  
Phil Ginsburg, General Manager

**Date:** April 5, 2018  
**To:** Recreation and Park Commission  
**Through:** Philip A. Ginsburg, General Manager  
Derek L. Chu, Director of Administration and Finance  
**From:** Antonio Guerra  
**Subject:** Refunding Outstanding Open Space Fund Bonds

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## Agenda Wording

Discussion and possible action to adopt resolution requesting that the Board of Supervisors approve the issuance of Lease Revenue Bonds for the purpose of refunding outstanding bonds secured by the Park, Recreation and Open Space Fund

## Strategic Plan

**Strategy 1: Inspire Public Space:** Develop more open space to address population growth in high needs areas and emerging neighborhoods.

**Objective: 1.2.:** Strengthen the quality of existing Parks & Facilities

**Strategy 3: Inspire Investment:** Through community engagement, advocacy, and partnerships, cultivate more financial resources to keep San Francisco's parks and programs accessible for all.

**Objective: 3.1:** Increase public investment to better align with infrastructure needs and service expectations.

## Background

To bolster the completion of the voter approved 2000 Neighborhood Park Improvement Bond projects, the Recreation and Parks Department issued two separate series of Open Space Fund lease revenue bonds in 2006 and 2007. Combining the two issuances, the Department received \$67 million for capital projects and used dedicated Open Space annual revenue as the source for the debt service payments.

The Office of Public Finance and the Office of the City Attorney have proposed to refund three series of City and County of San Francisco Finance Corporation lease revenue bonds: Open Space Fund, 2006 and 2007, and Branch Library Improvement Program, 2009A. Combining the refunding of the Library and Recreation and Parks bonds will result in lower financing costs. The refunding of these bonds at a lower rate will result in estimated savings to the Open Space Fund of up to \$500,000 a year over ten years.

**Estimated Debt Service Refunding**

	Debt Service Remaining	Refunded Debt Service	Total Savings
Series 2006	17,968,821	15,831,711	2,137,110
Series 2007	33,478,292	30,572,219	2,906,073
	<b>51,447,113</b>	<b>46,403,930</b>	<b>5,043,183</b>

**Estimated Savings for FY 2018-19**

	Debt Service Remaining	Refunded Debt Service	Total Savings
Series 2006	1,995,181	1,757,686	237,495
Series 2007	3,043,188	2,777,194	265,994
	<b>5,038,369</b>	<b>4,534,880</b>	<b>503,489</b>

**Staff Recommendation / Next Steps**

Adopt resolution requesting that the Board of Supervisors approve the issuance of Lease Revenue Bonds for the purpose of refunding outstanding bonds secured by the Park, Recreation and Open Space Fund.

**Supported By**

Capital and Planning Division, Administration and Finance Division, Operations Division

**Opposed By**

None

**Attachments**

San Francisco Recreation and Park Commission Resolution No.