

Public Health and Safety Bond*

Digest by the Ballot Simplification Committee

Status: Final Digest

On: Monday, February 29, 2016

Members: Packard, Fasick, Fraps, Jorgensen

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Deadline to Request Reconsideration: 12:45 p.m. on Tuesday, March 1, 2016

The Way It Is Now: The San Francisco Department of Public Health (Department) has operated San Francisco General Hospital on Potrero Avenue for 100 years. The campus was renamed the Priscilla Chan and Mark Zuckerberg San Francisco General Hospital and Trauma Center in 2015.

As the City's public hospital and trauma center, it treats more than 100,000 patients a year. Some of the buildings on this campus do not meet seismic safety standards for hospitals and are not expected to remain functional in the event of a major earthquake.

The Department's 10 high-demand neighborhood health clinics are outdated and unable to meet current needs for families seeking medical and mental health care, urgent care, substance abuse, dental care and social services.

Many City neighborhood fire stations are in need of repair and modernization. The facility that houses City-owned ambulances does not meet seismic standards and is inadequate to ensure the most timely emergency response.

City-owned homeless shelters and service sites are inadequate and need repair.

To pay for capital projects such as these, the City borrows money by selling general obligation bonds in accordance with its 10-year Capital Plan. The City uses property tax revenues to pay the principal and interest on those bonds. The spending of bond revenue is overseen by the Citizens' General Obligation Bond Oversight Committee.

The Proposal: Proposition A is an ordinance that would allow the City to borrow up to \$350 million by issuing general obligation bonds. The City would use this money to build, acquire, and improve facilities for health care, emergency response and safety, and homeless services. The use of the funds would be as follows:

- \$272 million to fund seismic improvements and upgrades to fire safety systems at the City's public hospital and trauma center; and renovate and expand the Southeast Health Center and other high-demand neighborhood health clinics to improve and expand access to mental health, urgent care, substance abuse, dental care, and social services;
- \$58 million to build a higher-capacity, more efficient and seismically safer facility for City-owned ambulances to improve emergency medical response, and to repair and modernize neighborhood fire stations; and
- \$20 million to build, acquire, and improve facilities to better serve homeless individuals and families at homeless shelters and homeless service sites.

Proposition A would allow an increase in the property tax to pay for the bonds, if needed. However it is City policy to limit the amount of money it borrows by issuing new bonds only as prior bonds are paid off. Landlords would be permitted to pass through up to 50% of any resulting property tax increase to tenants.

Proposition A also would require the Citizens' General Obligation Bond Oversight Committee to review the spending of bond funds. One-tenth of one percent (0.1%) of the bond funds would pay for the committee's audit and oversight functions.

**Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings.*

Approval of this measure requires two-thirds of votes cast.

A "YES" Vote Means: If you vote "yes," you want the City to issue \$350 million in general obligation bonds to:

- fund seismic improvements and upgraded fire safety systems at the City's public hospital and trauma center;
- renovate and expand the Southeast Health Center and other high-demand neighborhood health clinics operated by the City's Department of Public Health;
- construct a higher-capacity, more efficient and seismically safer San Francisco Fire Department Ambulance Facility;
- repair and modernize neighborhood fire stations; and
- build, acquire, and improve facilities to better serve homeless individuals and families at homeless shelters and homeless service sites.

A "NO" Vote Means: If you vote "no," you do not want the City to issue these bonds.