



City and County of San Francisco
Meeting Minutes
Budget and Finance Committee

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Members: Mark Farrell, Katy Tang, Norman Yee

Clerk: Linda Wong (415) 554-7719

Wednesday, December 7, 2016

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Mark Farrell, Katy Tang, and Norman Yee

The Budget and Finance Committee met in regular session on Wednesday, December 7, 2016, with Chair Mark Farrell presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Farrell called the meeting to order at 10:10 a.m. On the call of the roll, Chair Farrell and Member Yee were noted present. Vice Chair Tang was noted not present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

161247 [Accept and Expend Grant - Association of Bay Area Governments - Bay Area Regional Energy Network Program Activities - \$201,000]

Sponsor: Mayor

Resolution retroactively authorizing the Department of the Environment to accept and expend grant funds from the Association of Bay Area Governments in the amount of \$201,000 for a portion of 2015 and calendar year 2016, to perform various activities as part of a Bay Area Regional Energy Network program, an energy efficiency program for the term of July 31, 2015, through December 31, 2016. (Environment)

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Guillermo Rodriguez (Department of the Environment); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Farrell, Yee

Absent: 1 - Tang

161293 [Accept and Expend Grant - United States Department of Energy - Advancing Fuel Cell Vehicles - \$249,970]**Sponsors: Mayor; Tang**

Resolution retroactively authorizing the Department of the Environment to accept and expend a grant in the amount of \$249,970 from the United States Department of Energy to harmonize local regulations and building codes to ease the siting and construction of hydrogen fueling stations for zero-emission Fuel Cell Electric Vehicles in San Francisco and the greater San Francisco Bay Area for the term of October 1, 2016, through September 30, 2018. (Environment)

11/29/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Guillermo Rodriguez (Department of the Environment); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Farrell, Yee

Absent: 1 - Tang

161294 [Accept and Expend Grant - California Public Utilities Commission - Energy Efficiency Program - \$20,790,000]**Sponsor: Mayor**

Resolution authorizing the Department of the Environment to accept and expend a grant in the amount of \$20,790,000 from the California Public Utilities Commission, through Pacific Gas and Electric Company, to continue an Energy Use and Demand Reduction Through Energy Efficiency Program in the City and County of San Francisco for the term of January 1, 2017, through December 31, 2019. (Environment)

11/29/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Guillermo Rodriguez (Department of the Environment); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Farrell, Yee

Absent: 1 - Tang

161244 [Accept and Expend Grant - Water Research Foundation; Water Environment and Reuse Foundation; U.S. Bureau of Reclamation - Implementation of a Decentralized Purified Water Pilot - \$400,000]

Sponsor: Mayor

Resolution authorizing the San Francisco Public Utilities Commission General Manager to accept and expend grants in the amounts of \$100,000 from the Water Research Foundation, \$100,000 from the Water Environment and Reuse Foundation, and \$200,000 from the U.S. Bureau of Reclamation for a total of \$400,000 toward the implementation of a decentralized purified water pilot project in San Francisco. (Public Utilities Commission)

(Fiscal Impact)

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Manisha Kothari (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Farrell, Yee

Absent: 1 - Tang

Vice Chair Tang was noted present at 10:24 a.m.

161186 [Master License Agreement for Use of Concrete Poles - ExteNet Systems, LLC, New Cingular Wireless PCS, LLC, dba AT&T, and GTE Mobilnet of California, LP, dba Verizon Wireless]

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute a Master License Agreement for Use of Concrete Poles between the City and County of San Francisco and ExteNet Systems, LLC, New Cingular Wireless PCS, LLC, dba AT&T, and GTE Mobilnet of California, LP, dba Verizon Wireless for a term of 12 years to commence following Board approval. (Public Utilities Commission)

10/28/16; RECEIVED FROM DEPARTMENT.

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Mary Tienken and Barbara Hale (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved to AMEND the Resolution to specify that the revenues generated by the licenses will be appropriated to the Streetlight Program in the Annual Appropriation Ordinance. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161108 [Administrative Code - Library Fines and Fees]**Sponsor: Mayor**

Ordinance amending the Administrative Code to modify the fines and fees of the Public Library. 10/18/16; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 11/17/2016.

11/03/16; REFERRED TO DEPARTMENT. Referred to Youth Commission for comment and recommendation, pursuant to Charter Section 4.124.

11/09/16; RESPONSE RECEIVED. The Youth Commission voted unanimously support the legislative matter.

11/27/16; NOTICED. Public Notice published in the San Francisco Examiner.

12/02/16; NOTICED. Public Notice published in the San Francisco Examiner.

Heard in Committee. Speaker: Michael Lambert (Public Library); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161243 [Accept and Expend Grant - State of California Department of Parks and Recreation, Division of Boating and Waterways, Surrendered and Abandoned Vessel Exchange Grant - \$100,600]**Sponsor: Mayor**

Resolution authorizing the Recreation and Park Department to accept and expend a grant of up to \$100,600 from the Surrendered and Abandoned Vessel Exchange (SAVE) grant program administered by the State of California Department of Parks and Recreation, Division of Boating and Waterways, to abate costs for hauling out and disposal of potential future abandoned vessels in the San Francisco Marina Small Craft Harbor and approving a grant agreement with the State of California Department of Parks and Recreation for acceptance and performance of the grant services for the project term of January 1, 2017, through September 30, 2018. (Recreation and Park Department)

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Scott Grindy (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161245 [Accept and Expend Grant - National Institutes of Health - Mid-Career Award in Patient-Oriented Substance Use Research Addressing Opioids, Chronic Pain, and HIV - \$157,235]

Sponsor: Mayor

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$157,235 from National Institutes of Health to participate in a program entitled Mid-Career Award in Patient-Oriented Substance Use Research Addressing Opioids, Chronic Pain, and HIV for the period of September 1, 2016, through August 31, 2017. (Public Health Department)

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Henry Raymond (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161246 [Accept and Expend Grant - State Water Resources Control Board, Division of Water Quality Beach Safety Program - Public Beach Safety Grant Program - \$30,000]

Sponsor: Mayor

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$30,000 from the State Water Resources Control Board, Division of Water Quality Beach Safety Program, to participate in a program entitled "Public Beach Safety Grant Program" for the period of July 1, 2016, through June 30, 2017. (Public Health Department)

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: June Weintraub (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161296 [Accept and Expend Grant - Centers for Disease Control and Prevention - National HIV Behavioral Surveillance - San Francisco - Total Amount of \$558,933]

Sponsor: Farrell

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant increase of \$71,047 for a total amount of \$558,933 from Centers for Disease Control and Prevention to participate in a program entitled National HIV Behavioral Surveillance - San Francisco for the period of January 1, 2016, through December 31, 2016. (Public Health Department)

11/29/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Henry Raymond (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161292 [Accept and Expend Grant - Centers for Disease Control and Prevention - Enhancing Health Resilience to Climate Change Through Adaptation - \$213,713]

Sponsor: Mayor

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$213,713 from Centers for Disease Control and Prevention to participate in a program entitled, Enhancing Health Resilience to Climate Change Through Adaptation for the period of September 1, 2016, through August 31, 2017. (Public Health Department)

11/29/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Cynthia Comerford (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161167 [Accept and Expend Gift - Pastor Revocable Trust - Firefighting Equipment Purchase - \$72,400]

Sponsor: Farrell

Resolution authorizing the Fire Department to accept and expend a donation of \$72,400 to purchase firefighting equipment, pursuant to the terms of the administration of the Pastor Revocable Trust and the estate of Russell Pastor.

10/25/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Mark Corso (Fire Department); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161242 [Successor Agency Affordable Housing Funding - Use of Redevelopment Property Tax Trust Fund to Secure Bonds - Funding Affordable Housing Development Enforceable Obligations]

Sponsors: Mayor; Cohen

Resolution consenting to the use of the Redevelopment Property Tax Trust Fund by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, to secure bonds approved in the FY2016-2017 budget and authorized under state law for enforceable obligations related to affordable housing developments in: the Candlestick Point-Hunters Point Shipyard Phases 1 and 2 under the Hunters Point Shipyard Phase 1 Disposition and Development Agreement and the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement; affordable housing in Mission Bay North and Mission Bay South under the Mission Bay North and South Owner Participation Agreements; and affordable housing along with associated public open space and streetscape infrastructure in the Transbay Project Area under the Transbay Implementation Agreement.

(Fiscal Impact)

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Bree Mawhorter (Office of Community Investment and Infrastructure); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Tang moved that this Resolution be AMENDED on Page 1, Lines 3-12, to state, "Resolution consenting to the use of outside increment deposited in the Redevelopment Property Tax Trust Fund for the exclusive purpose of funding affordable housing development that the Office of Community Investment and Infrastructure is required to build under its Enforceable Obligations." The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

Resolution consenting to the use of outside increment deposited in the Redevelopment Property Tax Trust Fund for the exclusive purpose of funding affordable housing development that the Office of Community Investment and Infrastructure is required to build under its Enforceable Obligations.
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161094 [Contract Amendment - Dominion Voting Systems, Inc. - Voting System - Not to Exceed \$21,980,691.25]

Ordinance authorizing the Department of Elections to enter into the Fourth Amendment to an agreement with Dominion Voting Systems, Inc., to extend the term of the agreement through December 31, 2018, and increase the total not-to-exceed amount by \$2,289,758 from \$19,690,933.25 to \$21,980,691.25. (Elections Department)

(Fiscal Impact)

10/17/16; RECEIVED FROM DEPARTMENT.

10/25/16; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 11/24/2016.

Heard in Committee. Speakers: John Arntz, Director (Department of Elections); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Brent Turner; spoke neither in support nor opposition to the hearing matter.

Member Yee moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, to make clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161180 [Lease Agreement - MRG San Francisco, LLC - Terminal 3 Retail Marketplace - \$1,350,000 Minimum Annual Guarantee]

Resolution approving Terminal 3 Retail Marketplace Lease No. 16-0256 between MRG San Francisco, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, for a seven year term to commence following Board approval, with two one-year options to extend, and a Minimum Annual Guarantee of \$1,350,000. (Airport Commission)

10/28/16; RECEIVED FROM DEPARTMENT.

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161181 [Airport Professional Services Contract - Hallmark Aviation Services, L.P. - Airport Information and Guest Assistance Services - Not to Exceed \$11,550,000]

Resolution approving Airport Professional Services Contract No. 50052 with Hallmark Aviation Services, L.P., to provide Airport information and guest assistance services, in an amount not to exceed \$11,550,000 during an initial 18 month term from January 1, 2017, to June 30, 2018, and with three two-year options to extend. (Airport Commission)

(Fiscal Impact)

10/28/16; RECEIVED FROM DEPARTMENT.

11/15/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

Chair Farrell recessed the meeting at 11:18 a.m. and reconvened at 11:25 a.m.

Vice Chair Tang was noted absent at 12:30 p.m. and for the remainder of the meeting.

160674 [Urging the Department of Homelessness and Supportive Housing to Adopt a Five Year Plan to Reduce Homelessness]**Sponsor: Farrell**

Resolution urging the San Francisco Department of Homelessness and Supportive Housing to adopt a five-year plan to reduce homelessness.

06/07/16; RECEIVED AND ASSIGNED to Public Safety and Neighborhood Services Committee.

06/14/16; REFERRED TO DEPARTMENT. Referred to the Department of Homelessness and Supportive Housing for informational purposes.

11/17/16; TRANSFERRED to Budget and Finance Committee. President Breed transferred File No. 160674 from PSNS to B&F Committee - 11/17/16.

Heard in Committee. Speakers: Jeff Kositsky, Director (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion. Gail Gilman; Jennifer Friedenbach; Devra Edelman; Richard Heasley; Kevin Carroll; Karin Flood; Margi English; Sherilyn Adames; Biran Baysing; spoke in support of the hearing matter. Male Speaker; spoke in opposition to the hearing matter.

Member Yee moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Farrell, Yee

Absent: 1 - Tang

161208 [Hearing - Status of the Activation of 35 and 45 Onondaga Street, and the Geneva Car Barn and Powerhouse]**Sponsor: Avalos**

Hearing on the status of the activation of three publicly owned buildings in District 11, 35 and 45 Onondaga Street, and the Geneva Car Barn and Powerhouse, including activation and construction timeline, budget and sources of revenue, potential partners, and development options and contingencies; and requesting the Office of Economic and Workforce Development, Real Estate Division, and the Recreation and Park Department to report.

11/01/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

11/07/16; REFERRED TO DEPARTMENT. Referred to the Office of Economic and Workforce Development, Real Estate Division, and the Recreation and Park Department for informational purposes and requesting the various agencies to report.

11/11/16; TRANSFERRED to Budget and Finance Committee. President Breed transferred File No. 161208 from GAO to B&F Committee.

Heard in Committee. Speakers: None.

Member Yee moved to CONTINUED the Hearing to the December 14, 2016, Special Budget and Finance Committee Meeting. The motion carried by the following vote:

Ayes: 2 - Farrell, Yee

Absent: 1 - Tang

161132 [Urging City Departments to Sanction Wells Fargo]**Sponsors: Avalos; Kim and Campos**

Resolution setting policy to end all business with Wells Fargo, requesting the Controller to conduct an inventory of City business with Wells Fargo, urging the City Attorney and District Attorney to investigate the practices of Wells Fargo and the other big banks, urging the Treasurer-Tax Collector to provide advice on establishing a responsible banking ordinance, urging the Director of Health to report on the feasibility of revoking the renaming of "Wells Fargo Plaza" at San Francisco General Hospital, and urging the United States Office of the Comptroller of the Currency to explore if Wells Fargo's national banking charter should be revoked.

10/18/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

11/04/16; REFERRED TO DEPARTMENT. Referred to the Office of the City Attorney, Office of the District Attorney, Office of the Treasurer and Tax Collector, Department of Public Health, and Office of the City Controller for informational purposes.

Heard in Committee. Speakers: Jeremy Polluck (Office of Supervisor John Avalos); Ben Rosenfield, Controller (Office of the Controller); Amanda Fried (Office of the Treasurer and Tax Collector); provided an overview and responded to questions raised throughout the discussion. Charlene Partay; Grace Martinez; Leona Monia; spoke in support of the hearing matter. Jim Foely; Brenda Wright; Female Speaker; spoke neither in support nor opposition to the hearing matter.

Vice Chair Tang moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to make clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Yee

Resolution setting policy to sanction Wells Fargo consistent with recommendations from the Controller, urging City Departments to require Wells Fargo to provide a redress plan for San Francisco customers before engaging in future business with Wells Fargo, urging the Retirement Board to terminate all financial dealings with Wells Fargo, urging the City Attorney and District Attorney to investigate the practices of Wells Fargo and the other big banks, urging the Treasurer-Tax Collector to provide advice on establishing a responsible banking ordinance, and urging the United States Office of the Comptroller of the Currency to explore if Wells Fargo's national banking charter should be revoked.

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Yee

161303 [Hearing - Review and Approval of the Board of Supervisors/Clerk of the Board Annual Budget Guidelines - FYs 2016-2017 and 2017-2018]

Hearing to consider the review and approval of the Budget Guidelines for the Board of Supervisors/Clerk of the Board Annual Budget for FYs 2017-2018 and 2018-2019. (Clerk of the Board)

11/29/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Angela Calvillo, Clerk of the Board (Board of Supervisors); Jason Fried, Executive Director (San Francisco Local Agency Formation Commission); provided an overview and responded to questions raised throughout the discussion.

Member Yee moved that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 2 - Farrell, Yee

Absent: 1 - Tang

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 1:04 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Finance Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.