



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, Eric Mar, John Avalos, London Breed, Scott Wiener

Clerk: Linda Wong (415) 554-7719

Wednesday, July 16, 2014

10:00 AM

City Hall, Legislative Chamber, Room 250

Rescheduled Meeting

Present: 5 - Mark Farrell, Eric Mar, John Avalos, London Breed, and Scott Wiener

MEETING CONVENED

The meeting convened at 10:07 a.m.

REGULAR AGENDA

140780 [Real Property Acquisition - 900 Innes Avenue - Not to Exceed \$2,975,000]

Sponsor: Cohen

Resolution authorizing: 1) the acquisition of real property at 900 Innes Avenue (Lot Nos. 1-5 and 24, Assessor's Block No. 4605, Lot No. 10, Assessor's Block No. 4629A, Lot No. 2, Assessor's Block No. 4630, and Lot Nos. 1-3, 3A, 19 and 20, Assessor's Block No. 4646) from the Tenderloin Housing Clinic, Inc.; 2) the issuance of Commercial Paper (CP) Notes in an aggregate principal amount not to exceed \$2,975,000; 3) the subsequent jurisdictional transfer of the Property to the Recreation and Park Department upon repayment of the CP Notes; and 4) finding the proposed transaction in conformance with the City's General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

07/08/14; RECEIVED AND ASSIGNED to Land Use and Economic Development Committee.

07/11/14; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Holly Pearson (Recreation and Park Department); Harvey Rose (Office of the Budget & Legislative Analyst); Phil Ginsburg, General Manager (Recreation and Park Department); Mawuli Tugbenyoh (Office of Supervisor Malia Cohen); Randy Shaw (Tenderloin Housing Clinic); provided an overview and responded to questions raised throughout the discussion. Male Speaker; spoke neither in support nor opposition to the hearing matter. Matt Orgrady, Kelly Nice, and Kaitlin Fitzmahan (San Francisco Parks Alliance); Female Speaker; spoke in support of the hearing matter.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140782 [Conditional Jurisdictional Transfer of City Property - Francisco Reservoir - \$9,900,000]**Sponsors: Farrell; Chiu, Breed, Campos, Tang, Wiener and Yee**

Resolution approving the jurisdictional transfer of Assessor's Block No. 0046, Lot No. 001, consisting of 3.29 acres and 143,344 square feet, and a portion of Assessor's Block No. 0047, Lot No. 001, commonly known as Francisco Reservoir, and surrounding area currently under the jurisdiction of the San Francisco Public Utilities Commission (SFPUC), to the Recreation and Park Department (RPD) as to subject to the terms and conditions of a Memorandum of Understanding between SFPUC and RPD; approving the transfer price of \$9,900,000; and making environmental findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1. (Fiscal Impact)

07/08/14; RECEIVED AND ASSIGNED to Land Use and Economic Development Committee.

07/11/14; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Judson True (Office of Supervisor David Chiu); Stacey Bradley and Phil Ginsburg, General Manager (Recreation and Park Department); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Abraham Simmons; Connie Tang (Self Help for the Elderly); Judy Irving; Jan Blum; Jan Copa; Nancy Lim Yee; Todd Macadori; Dede Tisone; George Tacticos; Andre Aikins; Male Speaker; Tina Moylan; John Loughran; Female Speaker; Lynn Jefferson; Penelope Clark; Matt O'Grady; Kaitlin Fitzmahan; Jain Thapa; Kelly Nice; Dawn Trenner; Frank Dawkins; Bruce Skin; Lyla Arum; Andy Chu; spoke in support of the hearing matter. Male Speaker; spoke neither in support nor opposition to the hearing matter.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140732 [Accept In-Kind Gift - James R. Herman Cruise Terminal - Art Installation - \$250,000]**Sponsors: Mayor; Chiu and Avalos**

Resolution authorizing the Port of San Francisco to accept a gift of art referred to as the James R. Herman Tribute valued at \$250,000 from the James R. Herman Memorial Committee for display at the new James R. Herman Cruise Terminal at Pier 27.

06/24/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Megan Wallace (Port of San Francisco); Sean Farley; provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

File Nos. 140749 and 140750 were heard together.

Supervisor Farrell was noted absent at 12:17 p.m.

140749 [License Agreement - Pacific Gas and Electric Company - Embarcadero-Potrero 230kV Transmission Project - Initial Term License Fee of \$15,275,205.35]

Resolution approving License No. 15762 between the Port Commission and Pacific Gas and Electric Company for the ZA-1 Embarcadero-Potrero 230kV Transmission Project for approximately 435,600 square feet of submerged land between Pier 28½ and the 23rd Street, 52,272 square feet of underground access for horizontal directional drilling, and 21,120 square feet of land along 23rd Street with an Initial Term License Fee of \$15,275,205.35 for a 40 year term, to commence following Board approval, with a 26 year option. (Port)
(Fiscal Impact)

06/30/14; RECEIVED FROM DEPARTMENT.

07/08/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Harvey Rose (Office of the Budget & Legislative Analyst); presented information and answered questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 4 - Mar, Avalos, Breed, Wiener

Absent: 1 - Farrell

140750 [Option Agreement - Purchase the Hoedown Yard - Illinois and 22nd Streets - \$8,283,726]

Resolution approving an option agreement to purchase the Hoedown Yard at the northeast corner of Illinois and 22nd Streets from Pacific Gas and Electric Company for \$63.37 per square foot or approximately \$8,283,726. (Port)
(Fiscal Impact)

06/30/14; RECEIVED FROM DEPARTMENT.

07/08/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Harvey Rose (Office of the Budget & Legislative Analyst); presented information and answered questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 4 - Mar, Avalos, Breed, Wiener

Absent: 1 - Farrell

File Nos. 140727, 140728, and 140729 were heard together.

Supervisor Farrell was noted present at 12:29 p.m.

Supervisor Breed was noted absent at 12:35 p.m.

140727 [General Obligation Bonds - Seismic Safety Loan Program - Not to Exceed \$24,000,000]

Sponsor: Mayor

Resolution authorizing and directing the sale of not to exceed \$24,000,000 aggregate principal amount of City and County of San Francisco Taxable General Obligation Bonds (Seismic Safety Loan Program, 1992), Series 2014C in one or more series; prescribing the form and terms of said bonds; authorizing the execution, authentication, and registration of said bonds; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of accounts related to said bonds; providing for the manner of sale of said bonds by competitive sale or negotiated sale; approving the forms of official notice of sale, a notice of intention to sell bonds, and a bond purchase contract; directing the publication of the notice of intention to sell bonds in the event of a competitive sale; authorizing the selection of underwriters in the event of a negotiated sale; approving the form of the preliminary official statement and authorizing the execution of the official statement relating to the sale of said bonds; approving the form of the continuing disclosure certificate; authorizing and approving modifications to documents; ratifying certain actions previously taken; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds.

(Fiscal Impact)

06/24/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jonathon Stern (Port of San Francisco); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Corrine Woods; spoke in support of the hearing matter.

RECOMMENDED by the following vote:

Ayes: 4 - Farrell, Mar, Avalos, Wiener

Absent: 1 - Breed

140728 [Appropriation - Proceeds from San Francisco Taxable General Obligation Bonds - Seismic Safety Loan Program - \$24,000,000 - FY2014-2015]

Sponsor: Mayor

Ordinance appropriating \$24,000,000 of City and County of San Francisco Taxable General Obligation Bonds, Series 2014, for the Seismic Safety Loan Program in the Mayor's Office of Housing in FY2014-2015.

(Fiscal Impact)

06/24/14; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jonathon Stern (Port of San Francisco); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Corrine Woods; spoke in support of the hearing matter.

RECOMMENDED by the following vote:

Ayes: 4 - Farrell, Mar, Avalos, Wiener

Absent: 1 - Breed

140729 [Lease Agreement - Historic Buildings at 400-600 20th Street - Orton Development, Inc. - Historic Pier 70, LLC]**Sponsors: Mayor; Cohen**

Resolution approving and authorizing a lease for the historic buildings having an address at 400-600 20th Street east of Illinois Streets at Pier 70 between the Port Commission and Orton Development, Inc., or its affiliate, Historic Pier 70, LLC, a California limited liability company, for a term of 66 years to commence following Board approval.

(Fiscal Impact)

06/24/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/09/14; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review.

Heard in Committee. Speakers: Jonathon Stern (Port of San Francisco); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Corrine Woods; spoke in support of the hearing matter.

RECOMMENDED by the following vote:

Ayes: 4 - Farrell, Mar, Avalos, Wiener

Absent: 1 - Breed

Supervisor Breed was noted present at 12:38 p.m.

140596 [Administrative Code - Leasing of Equipment]

Ordinance amending the Administrative Code to authorize the Department of Public Health to enter into operating leases for equipment. (Public Health Department)

05/30/14; RECEIVED FROM DEPARTMENT.

06/10/14; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 7/10/2014.

07/09/14; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Greg Wagner (Department of Public Health); presented information and answered questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140408 [Emergency Contract - Amending Resolution No. 265-13 - Repair Public Utilities Commission Southeast Water Pollution Control Plant Digesters - Not to Exceed \$14,545,427]

Resolution amending Resolution No. 265-13 to revise the scope of work for an emergency contract from six to five digesters at the Southeast Water Pollution Control Plant, and increase the contract not-to-exceed amount to \$14,535,427. (Public Utilities Commission)
(Fiscal Impact)

04/21/14; RECEIVED FROM DEPARTMENT.

04/29/14; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

07/09/14; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Jignesh Desai (Public Utilities Commission); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140608 [Contract Amendment - URS Corporation - Engineering Support Services - \$28,500,000]

Resolution authorizing the General Manager of the Public Utilities Commission to execute amendment No. 4 to an agreement with URS Corporation, increasing the length of the agreement by up to two years, nine months, until May 24, 2019, for a total duration of fifteen years and nine months, and increasing the estimated cumulative contract amount from \$24,000,000 to \$28,500,000 for engineering support services for the Water Enterprise Water System Improvement Program-funded Agreement No. CS-716, Calaveras Dam Replacement, pursuant to Charter, Section 9.118(b). (Public Utilities Commission)
(Fiscal Impact)

06/02/14; RECEIVED FROM DEPARTMENT.

06/10/14; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

07/09/14; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: David Tsztoo (Public Utilities Commission); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140726 [De-Appropriation and Re-Appropriation Proceeds from Wastewater Revenue Bonds - North Shore to Channel Force Main Project and Amending Ordinance Nos. 201-09, 95-10, and 108-12 - \$23,000,000 - FY2014-2015]

Sponsor: Mayor

Ordinance de-appropriating and re-appropriating \$23,000,000 in Wastewater Revenue Bonds for the Wastewater Enterprises North Shore to Channel Force Main Project, placing \$8,470,000 on Controller's reserve, subject to Public Utilities Commission and Board of Supervisors' approval, following completion of project-related analysis pursuant to the California Environmental Quality Act, where required, receipt of proceeds of indebtedness, and amending adopted capital appropriation Ordinance Nos. 201-09, 95-10, and 108-12 in FY2014-2015.

(Fiscal Impact)

06/24/14; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Bessie Tam (Public Utilities Commission); Harvey Rose (Office of the Budget & Legislative Analyst); Jon Givner (City Attorney's Office); provided an overview and responded to questions raised throughout the discussion.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140779 [Apply for, Accept, and Expend Grant - Active Transportation Program - \$1,298,000]

Sponsor: Mayor

Resolution authorizing the filing of an application for funding assigned to the California Transportation Commission (CTC); filing of an application for funding assigned to the Metropolitan Transportation Commission (MTC); committing any necessary matching funds; stating assurance to complete the projects; and authorizing the Department of Public Works to accept and expend \$1,298,000 in Active Transportation Program grant funds awarded through CTC and/or MTC.

07/08/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Rachel Alonso (Department of Public Works); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140773 [Appropriation and De-Appropriation - Surplus Expenditures Supporting Increased Overtime Expenditures - FY2013-2014 - \$76,242]**Sponsor: Mayor**

Ordinance retroactively appropriating \$147,976 to overtime and de-appropriating \$147,976 consisting of \$115,313 in salaries and \$32,663 in contingency savings plan in the Department of Emergency Management's Operating Budget in order to support the Department's projected increases in overtime as required per Ordinance No.194-11 in FY2013-2014.

(Fiscal Impact)

07/08/14; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Rob Smutz (Department of Emergency Management); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Supervisor Wiener, seconded by Supervisor Mar, moved that this Ordinance be AMENDED, to reduce the requested supplemental appropriation by \$71,734 from \$147,976 to \$76,242 by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

Ordinance retroactively appropriating \$76,242 to overtime and de-appropriating \$76,242 consisting of \$43,609 in salaries and \$32,663 in contingency savings plan in the Department of Emergency Management's Operating Budget in order to support the Department's projected increases in overtime as required per Ordinance No.194-11 in FY2013-2014.

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

140772 [Appropriation and De-Appropriation - Surplus Expenditures Supporting Increased Overtime Expenditures - FY2013-2014 - \$653,283]**Sponsor: Mayor**

Ordinance retroactively appropriating \$677,587 to overtime and de-appropriating \$677,587 in salaries in the Fire Department's Operating Budget in order to support the Department's projected increases in overtime as required per Ordinance No. 194-11 in FY2013-2014.

(Fiscal Impact)

07/08/14; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Mark Corso (Fire Department); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Supervisor Avalos, seconded by Supervisor Mar, moved that this Ordinance be AMENDED, to reduce the requested supplemental appropriation by \$24,304 by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

Ordinance retroactively appropriating \$653,283 to overtime and de-appropriating \$653,283 in salaries in the Fire Department's Operating Budget in order to support the Department's projected increases in overtime as required per Ordinance No. 194-11 in FY2013-2014.

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

SPECIAL ORDER 12:00 P.M.

Supervisor Farrell was noted abosent at 12:40 p.m. and present at 1:31 p.m.

140098 [Initiative Ordinance - Business and Tax Regulations Code - Tax on Sugar-Sweetened Beverages to Fund Food and Health Programs]**Sponsors: Mar, Wiener; Avalos, Cohen, Chiu and Campos**

Motion ordering submitted to the voters at an election to be held on November 4, 2014, an Ordinance amending the Business and Tax Regulations Code by adding a new Article 8, imposing a tax of two cents per ounce on the distribution of sugar-sweetened beverages, to fund City-operated programs and City grants for active recreation and improving food access, health, and nutrition, and to fund San Francisco Unified School District physical education, after-school physical activity, health, or nutrition programs, and school lunch and other school nutrition programs.

(Economic Impact)

02/04/14; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 3/6/2014.

02/18/14; REFERRED TO DEPARTMENT. Referred to the City Controller (per BOS Rule 2.22.3); and City Administrator, Treasurer/Tax Collector, Department of Public Health, San Francisco Unified School District, Public Utilities Commission, Recreation and Park Department, Department of Children, Youth and Their Families, Office of Small Business, and Youth Commission (per Board Rule 2.22.4).

03/03/14; RESPONSE RECEIVED. 3/3/2014 - The Youth Commission voted unanimously to support the Motion.

04/08/14; TRANSFERRED to Budget and Finance Committee.

04/16/14; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Christina Gota and Paula Jones (Department of Public Health); Greg Kato (Treasurer's Office); Lina Brook (San Francisco Unified School District); Superintendent Bob Bilasio (Department of Recreation and Park); Jill Wynns, Commissioner (San Francisco Unified School District); Chris Armentrout (San Francisco Unified School District); provided an overview and responded to questions raised throughout the discussion. Isioro Navarrete; Leah Pitmental; Cindy Choy; Angela Zhou; Mr. Suche; Roberto Sanchez; Nicholas Persky (Youth Commission); Lucia Colonel; Marianne Szeto; Shamann Walton; Beatrice; Sarah Fine; Debi Cohn; Rev. Aurelius Walker; Amor Santiago; Helen Lee; Brittany S.; Michelle Parker; Jessica Clarkson; Dr. Amy Beck; Nadia Conrad (on behalf of Assemblymember Tom Ammiano); Dan Keller; Robert Gould; John Ma; spoke in support of the matter. Lisa Katic; Paula Tejada; Female Speaker; Carlos Solorzado; Rudy Asercion; Miguel Gonzales; Miguel Gonzales; Kendra Blewitt; Eric Scott; Dan Koplowitz; Kevin Bard; Robert Defner; Male Speaker; Roberto Sanchez; spoke in opposition to the matter.

05/06/14; SUBSTITUTED AND ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee.

05/20/14; REFERRED TO DEPARTMENT. Referred to various departments for informational purposes.

05/20/14; RESPONSE RECEIVED.

06/09/14; RESPONSE RECEIVED.

07/09/14; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE. Heard in Committee. Speakers: Beatrice; Janna Cordiero; Laura LaBelle; John Louis; Male Speaker; Female Speaker; Ms. Kwan; Michael Tong; spoke in support of the hearing matter. Sandra Bacon; Marcio Jones; Jerry Greenstein; David Dippel; Kurt Clarin; Al Akinson; Ben Lin; Terrance Faulkner; Mr. Bargus; Willy Waggoner; Adela Lim; Kevin Bard; Carolyn Garrick; spoke in opposition to the hearing matter.

07/09/14; CONTINUED AS AMENDED.

Heard in Committee. Speakers: Ted Egan (Office of the Controller); Fred Russo (Office of the Budget & Legislative Analyst); Chris Armentrout and Zetta Reicher (SFUSD); provided an overview and responded to questions raised throughout the discussion. Nadia Conrad-Huayta (Office of the Assembly Member Tom Ammiano); Dr. John Ma; Rev. Auevelius Walker; Ava Toomey-Coriero; Janna Cordiero; Julissa Hernandez; Luisa Sicairos (Youth Commission); Roberto Vargas; Miguel Perez; Female Speaker; Paul Ash; Amor Santago; Jessica Buchsbaum.; Miguel Robbles; Alisa Messelle; Matt O'Grady; Michelle Parker; Brittni Chicuata; Laura Labelle;

Gail; spoke in support of the hearing matter. Reben Bustillos; spoke in opposition to the hearing matter.

RECOMMENDED by the following vote:

Ayes: 5 - Farrell, Mar, Avalos, Breed, Wiener

ADJOURNMENT

The meeting adjourned at 2:15 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.