



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: Carmen Chu, John Avalos, Jane Kim

Clerk: Victor Young (415) 554-7723

Thursday, November 1, 2012

10:30 AM

City Hall, Legislative Chamber, Room 250

Special Meeting

The President appointed Supervisor Sean Elsbernd, in place of Supervisor Carmen Chu, to the Budget and Finance Committee for the meeting of November 1, 2012.

Present: 3 - John Avalos, Jane Kim, and Sean Elsbernd

Excused: 1 - Carmen Chu

MEETING CONVENED

The meeting convened at 10:40 a.m.

REGULAR AGENDA

121020 [Real Property Purchase Agreement - 1550 Evans Avenue and 330 Newhall Street - San Francisco Public Utilities Commission - \$15,000,000]

Sponsor: Cohen

Resolution approving and authorizing an agreement for the purchase of a parcel of real estate located at 1550 Evans Avenue and 330 Newhall Street (Assessor Block No. 5203, Lot No. 035), consisting of approximately 4.68 acres improved with 50,593 square feet of office/industrial buildings for the San Francisco Public Utilities Commission, for a purchase price of \$15,000,000; adopting findings under the California Environmental Quality Act; adopting findings that the conveyance is consistent with the City's General Plan and Eight Priority Policies of City Planning Code Section 101.1; and authorizing the Director of Property to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution.

(Fiscal Impact)

10/16/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: John Updike, Director (Real Estate); Michael Carlon (San Francisco Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED AS COMMITTEE REPORT by the following vote:

Ayes: 3 - Avalos, Kim, Elsbernd

Excused: 1 - Chu

121023 [Grant Agreement - Kelly Cullen Community - 220 Golden Gate Avenue - Not to Exceed \$18,475,118]**Sponsor: Mayor**

Resolution authorizing the Director of the Mayor's Office of Housing to execute a Local Operating Subsidy Program Grant Agreement with 220 Golden Gate Master Tenant, LP, to provide operating subsidies for formerly homeless single adults at Kelly Cullen Community, 220 Golden Gate Avenue, for the period of December 1, 2012, to November 30, 2027, in an amount not to exceed \$18,475,118. (Fiscal Impact)

10/16/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Olson Lee and Lydia Ely (Mayor's Office of Housing); Harvey Rose and Severin Campbell (Budget and Legislative Analyst's Office); Karen Bucannan (Public Health); provided an overview and responded to questions raised throughout the discussion. Don Parks; spoke in support of the matter.

RECOMMENDED AS COMMITTEE REPORT by the following vote:

Ayes: 3 - Avalos, Kim, Elsbernd

Excused: 1 - Chu

121041 [Accept and Expend Grant - Energy Efficiency Program - \$2,977,000]**Sponsor: Mar**

Resolution retroactively authorizing the Department of the Environment to accept and expend a grant in the amount of \$2,977,000 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 period of October 15, 2012, through December 31, 2012.

10/23/12; 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.

RECOMMENDED AS COMMITTEE REPORT by the following vote:

Ayes: 3 - Avalos, Kim, Elsbernd

Excused: 1 - Chu

120965 [Business and Tax Regulations Code - Prevent Termination of Payroll Expense Tax Exclusion for Small Business Net New Payroll if Voters Adopt Gross Receipts Tax]

Sponsors: Farrell; Campos, Elsbernd, Chu, Wiener and Cohen

Ordinance amending the San Francisco Business and Tax Regulations Code Article 12-A by amending Section 906.5 to prevent the Payroll Expense Tax Exclusion for Small Business Net New Payroll for years 2012 through 2015 from terminating in the event the voters of the City and County of San Francisco pass a gross receipts tax.

(Fiscal Impact)

09/25/12; ASSIGNED to Budget and Finance Committee. 10/4/12 - The President waived the 30 day rule.

Heard in Committee. Speakers: Catherine Stefani (Supervisor Mark Farrell's Office); Ted Egan (Controller's Office); Harvey Rose (Budget and Legislative Analyst's Office); provided an overview and responded to questions raised throughout the discussion.

11/1/12 - Amendment of the Whole bearing the same title on Page 2, Line 2, to replace 'first year that the person incurs Payroll Expense' with 'Base Year'; Page 2 Line 15-18, to replace '2012, 2013, 2014 or 2015 to less than the person's Base Year Payroll Expense Tax liability' with 'any year 2012, 2013, 2014, or 2015 to less than the following: the person's Base Year Payroll Expense Tax liability, multiplied by the Payroll Expense Tax rate in effect for the year being reported, divided by 1.5 percent'; and on Page 4, Lines 19-22, to insert a new section '(n) The Controller's Office of Economic Analysis shall issue a report to the Budget and Finance Committee of the Board of Supervisors at the end of the four-year term of the Net New Payroll Exclusion, assessing the effects of the Exclusion on incentivizing job creation and payroll growth among small businesses that applied for the Net New Payroll Exclusion.'

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE on Page 2, Line 2, to replace 'first year that the person incurs Payroll Expense' with 'Base Year'; Page 2 Line 15-18, to replace '2012, 2013, 2014 or 2015 to less than the person's Base Year Payroll Expense Tax liability' with 'any year 2012, 2013, 2014, or 2015 to less than the following: the person's Base Year Payroll Expense Tax liability, multiplied by the Payroll Expense Tax rate in effect for the year being reported, divided by 1.5 percent'; and on Page 4, Lines 19-22, to insert a new section '(n) The Controller's Office of Economic Analysis shall issue a report to the Budget and Finance Committee of the Board of Supervisors at the end of the four-year term of the Net New Payroll Exclusion, assessing the effects of the Exclusion on incentivizing job creation and payroll growth among small businesses that applied for the Net New Payroll Exclusion.'" by the following vote:

Ayes: 3 - Avalos, Kim, Elsbernd

Excused: 1 - Chu

Ordinance amending the San Francisco Business and Tax Regulations Code Article 12-A by amending Section 906.5 to prevent the Payroll Expense Tax Exclusion for Small Business Net New Payroll for years 2012 through 2015 from terminating in the event the voters of the City and County of San Francisco pass a gross receipts tax.

(Fiscal Impact)

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT by the following vote:

Ayes: 3 - Avalos, Kim, Elsbernd

Excused: 1 - Chu

ADJOURNMENT

The meeting adjourned at 11:30 a.m.