



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: Malia Cohen, Norman Yee, Katy Tang, Jane Kim, Jeff Sheehy

Clerk: Linda Wong (415) 554-7719

Thursday, June 1, 2017

1:00 PM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 5 - Malia Cohen, Norman Yee, Katy Tang, Jane Kim, and Jeff Sheehy

The Budget and Finance Committee met in regular session on Thursday, June 1, 2017, with Chair Malia Cohen presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Cohen called the meeting to order at 1:02 p.m. On the call of the roll, Chair Cohen, Vice Chair Yee, Member Tang, and Member Sheehy were noted present. Member Kim was noted absent. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Member Kim was noted present at 1:04 p.m.

170606 [Accept and Expend Grant - Rim Fire Alternate Project - \$377,115]

Sponsor: Farrell

Resolution authorizing the San Francisco Public Utilities Commission to accept and expend a Federal Emergency Management Agency grant administered through the California Governor's Office of Emergency Services in the amount of \$377,115 for a Rim Fire Alternate Project.

05/16/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Dan Wade (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

Chair Cohen requested File Nos. 170609 and 170605 be called together.

170609 [Multifamily Housing Revenue Bonds - 54 McAllister Street (also known as Dorothy Day Community) - Not to Exceed \$111,000,000]

Sponsor: Kim

Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds or notes by the City in an aggregate principal amount not to exceed \$111,000,000 for the purpose of providing financing for the acquisition and rehabilitation of a 100-unit multifamily rental housing project for low or very low income persons or households, located at 54 McAllister Street; authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein.

05/16/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/23/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Adam Cray (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

Member Kim, seconded by Member Sheehy, moved that this Resolution be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170605 [Multifamily Housing Revenue Bonds - 171 Loehr Street and 1250 Sunnydale Avenue (also known as Britton Court) - Not to Exceed \$76,000,000]

Sponsor: Cohen

Resolution approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds or notes by the City in an aggregate principal amount not to exceed \$76,000,000 for the purpose of providing financing for the acquisition and rehabilitation of a 92-unit multifamily rental housing project for low or very low income persons or households, located at 171 Loehr Street and 1250 Sunnydale Avenue; authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein.

05/16/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/23/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Adam Cray (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

Member Kim, seconded by Member Sheehy, moved that this Resolution be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170409 [Professional Services Agreement Modification - New South Parking-California - Management and Operation of the Airport's Public and Employee Parking Facilities - Not to Exceed \$116,925,468]

Resolution approving Modification No. 2 to the Professional Services Agreement, Contract No. 9121, between New South Parking-California and the City and County of San Francisco, acting by and through its Airport Commission, extending the term for an additional 12 months to commence on July 1, 2017, through June 30, 2018, for the management and operation of the Airport's public and employee parking, in an amount not to exceed \$20,955,485 during the extension term, for a new total amount not to exceed \$116,925,468. (Airport Commission)
(Fiscal Impact)

04/07/17; RECEIVED FROM DEPARTMENT.

04/18/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/23/17; TRANSFERRED to Budget and Finance Committee.

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

Vice Chair Yee, seconded by Member Tang, moved that this Resolution be AMENDED to reduce the proposed increase in the contract not-to-exceed amount to \$20,390,711, thereby, reducing the total contract not-to-exceed amount to \$116,630,694. The motion carried by the following vote:

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

Resolution approving Modification No. 2 to the Professional Services Agreement, Contract No. 9121, between New South Parking-California and the City and County of San Francisco, acting by and through its Airport Commission, extending the term for an additional 12 months to commence on July 1, 2017, through June 30, 2018, for the management and operation of the Airport's public and employee parking, in an amount not to exceed \$20,390,711 during the extension term, for a new total amount not to exceed \$116,630,694. (Airport Commission)
(Fiscal Impact)

Member Tang, seconded by Member Sheehy, moved that this Resolution be RECOMMENDED AS AMENDED. The motion carried by the following vote:

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170432 [Lease Amendment - Airport Concession Lease - WDFG North America, LLC]

Resolution approving Amendment No. 1 to the International Terminal and Terminal 3 Newsstands / Café Lease No. 12-0085 between WDFG North America, LLC, and the City and County of San Francisco, acting by and through its Airport Commission. (Airport Commission)

04/12/17; RECEIVED FROM DEPARTMENT.

04/25/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/23/17; TRANSFERRED to Budget and Finance Committee.

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

Member Tang, seconded by Member Kim, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170628 [Agreement - PCMG Inc. - Microsoft O365 Services and Enterprise Products - Not to Exceed \$30,328,541]**Sponsor: Cohen**

Resolution retroactively authorizing the Department of Technology and the Office of Contract Administration to enter an agreement between the City and PCMG Inc., for Microsoft Cloud Software and Enterprise Products, for a three year term from June 1, 2017, through May 31, 2020, in an amount not to exceed \$30,328,541.

(Fiscal Impact; No Budget and Legislative Analyst Report)

05/23/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/24/17; TRANSFERRED to Budget and Finance Committee.

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

(Supervisor Kim dissented in Committee.)

Chair Cohen, seconded by Member Tang, moved that this Resolution be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 4 - Cohen, Yee, Tang, Sheehy

Noes: 1 - Kim

Chair Cohen requested File Nos. 170517, 170518, 170519, and 170520 be called together.

170517 [Teeter Plan Extension - Community Facilities District No. 2014-1 (Transbay Transit Center)]**Sponsor: Mayor**

Resolution extending the Teeter Plan to special taxes levied for City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center). (Controller)

05/02/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/18/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Nadia Sesay, Director (Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

05/25/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance) provided an overview and responded to questions raised throughout the discussion.

05/25/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170518 [Annexation of Property - Community Facilities District No. 2014-1 (Transbay Transit Center)]**Sponsor: Mayor**

Resolution determining that property located at Assessor's Parcel Block No. 3740, Lot No. 029, and Block No. 3740, Lot Nos. 030-032, is annexed to the City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center); and directing the Clerk of the Board of Supervisors to Record Notice of the Annexation. (Controller)

05/02/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/18/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Nadia Sesay, Director (Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

05/25/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance) provided an overview and responded to questions raised throughout the discussion.

05/25/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170519 [Issuance of Special Tax Bonds - Community Facilities District No. 2014-1 (Transbay Transit Center) - Not to Exceed Aggregate Principal Amount of \$207,500,000]**Sponsor: Mayor**

Resolution authorizing the issuance and sale of two series of Special Tax Bonds for City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) in the aggregate principal amount not to exceed \$207,500,000; and approving related documents and determining other matters in connection therewith, as defined herein. (Controller)

05/02/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/18/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Nadia Sesay, Director (Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

05/25/17; AMENDED. Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance) provided an overview and responded to questions raised throughout the discussion.

05/25/17; CONTINUED TO CALL OF THE CHAIR AS AMENDED.

05/25/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170520 [Appropriation - Proceeds from Special Tax Bonds - Transbay Transit Center Project - FY2016-2017 - \$207,500,000]**Sponsor: Mayor**

Ordinance appropriating \$207,500,000 of Special Tax Bonds, Series 2017A and Series 2017B, to general City responsibility for financing related to the Transbay Transit Center Project and Transbay Plan infrastructure projects in FY2016-2017. (Controller)

05/02/17; ASSIGNED to Budget and Finance Sub-Committee. President Breed waived the 30-day rule pursuant to Board Rule No. 3.23)

05/18/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Nadia Sesay, Director (Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

05/25/17; AMENDED. Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance) provided an overview and responded to questions raised throughout the discussion.

05/25/17; CONTINUED TO CALL OF THE CHAIR AS AMENDED.

05/25/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

170631 [Debt Management Policy and Procedures - Controller's Office of Public Finance]**Sponsor: Cohen**

Resolution approving the Controller's Office of Public Finance's debt management policy and procedures to manage the debt issuance process, pursuant to California Government Code, Section 8855.

05/23/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/24/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker: Nadia Sesay, Director (Controller's Office of Public Finance); provided an overview and responded to questions raised throughout the discussion.

Member Kim, seconded by Vice Chair Yee, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

Chair Cohen recessed the meeting at 1:43 p.m., and reconvened the meeting at 4:30 p.m.

SPECIAL ORDER 4:30 P.M.

Member Kim was noted absent at 4:42 p.m.

170635 [Hearing - Youth Commission's Policy and Budget Priorities - FYs 2017-2018 and 2017-2019]

Sponsor: Cohen

Hearing to receive an update on the San Francisco Youth Commission's Policy and Budget Priorities - FYs 2017-2018 and 2018-2019; and requesting the Youth Commission to report.

05/23/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Commissioners Emma David, Joshua Park, Mary Claire Amable, Jonathan Mesler and William Juarez (Youth Commission); provided an overview and responded to questions raised throughout the discussion. Male Speaker; Ms. Alvia; Anastasia Luvin; spoke on the hearing matter.

Member Tang, seconded by Vice-Chair Yee, moved that this Hearing be FILED. The motion carried by the following vote:

Ayes: 4 - Cohen, Yee, Tang, Sheehy

Absent: 1 - Kim

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 5:13 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.