



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

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

Members: Malia Cohen, Norman Yee, Katy Tang

Clerk: Linda Wong (415) 554-7719

Thursday, April 20, 2017

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Malia Cohen, Norman Yee, and Katy Tang

ROLL CALL AND ANNOUNCEMENTS

Chair Cohen called the meeting to order at 10:05 a.m. On the call of the roll, Chair Cohen, Vice Chair Yee, and Member Tang were noted present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Chair Cohen requested Files Nos. 170200 and 170211 be heard together.

170200 [Appropriation - Capital Improvement Projects - \$4,832,455,418 - FY2016-2017]

Sponsor: Mayor

Ordinance appropriating \$4,832,455,418 of proceeds from the sale of revenue bonds or commercial paper for capital improvement projects to the Airport Commission for FY2016-2017, and placing the total appropriation of \$4,832,455,418 on Controller's Reserve pending receipt of proceeds of indebtedness.

(Fiscal Impact)

02/28/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 3/30/2017.

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

Ayes: 3 - Cohen, Yee, Tang

170211 [Airport Commission Capital Plan Bonds - \$4,358,694,227 - Airport Commission Commercial Paper Notes - \$100,000,000]**Sponsor: Mayor**

Resolution approving the issuance of up to an additional \$4,358,694,227 aggregate principal amount of San Francisco International Airport Second Series Revenue Bonds to finance and refinance Airport Capital Plan projects; approving the issuance and re-issuance from time to time of up to an additional \$100,000,000 aggregate principal amount of San Francisco International Airport Subordinate Commercial Paper Notes for any lawful Airport purpose; and ratifying and confirming certain Resolutions of the Board and the Airport Commission related to the foregoing.
(Fiscal Impact)

02/28/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-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 moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170264 [Agreement Amendment - Mott MacDonald - Construction Management Services - New Irvington Tunnel Project - Not to Exceed \$21,100,000]

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute Amendment No. 5 to Agreement No. CS-918, New Irvington Tunnel Project-Construction Management Services with Mott MacDonald, to continue providing construction management services for the final construction and closeout of the tunnel, increasing the agreement by \$350,000 for a total agreement amount not to exceed \$21,100,000 and with a time extension of 12 months, for a total agreement duration of seven years and three months from August 1, 2009, through April 14, 2018, pursuant to Charter, Section 9.118. (Public Utilities Commission)
(Fiscal Impact)

03/10/17; RECEIVED FROM DEPARTMENT.

03/21/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Dan Wade (Public Utilities Commission); Harvey Rose (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 RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170210 [Administrative, Environment Codes - Zero Emission Vehicle Requirements for City Fleet]**Sponsors: Tang; Farrell**

Ordinance amending the Administrative and Environment Codes to require that any new passenger vehicle procured for the City fleet be a Zero Emission Vehicle, absent a waiver, and that all passenger vehicles in the City fleet be Zero Emission Vehicles by December 31, 2020; and to encourage selection of Zero Emission Vehicles in other vehicle classes as technology improves. (Fiscal Impact)

02/28/17; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 3/30/2017.

03/07/17; REFERRED TO DEPARTMENT. Referred to the Office of the Controller, Office of the City Administrator, Sheriff's Department, Police Department, Fire Department, Department of the Environment, Office of the Medical Examiner, Department of Animal Care and Control, and the San Francisco Municipal Transportation Agency for informational purposes.

03/14/17; TRANSFERRED to Land Use and Transportation Committee. President Breed transferred this matter from the Government Audit and Oversight Committee to the Land Use and Transportation Committee.

03/28/17; TRANSFERRED to Budget and Finance Committee. President Breed transferred this matter from the Land Use and Transportation Committee to the Budget and Finance Committee.

04/12/17; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Harvey Rose (Office of the Budget and Legislative Analyst); Jessie Denver (Department of the Environment); Adam Nguyen (Office of the City Administrator); AnMarie Rodgers (Planning Department); provided an overview and responded to questions raised throughout the discussion. Spencer Crim; spoke neither in support nor opposition to the hearing matter.

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

Ayes: 3 - Cohen, Yee, Tang
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Chair Cohen requested File Nos. 170268 and 170267 be heard together.

170268 [Contract Agreement - State Department of Health Care Services - Substance Use Disorder Services - FYs 2017-2019 - \$128,849,925]

Resolution authorizing the Department of Public Health, Behavioral Health Services to enter into a multi-year organized delivery system intergovernmental agreement for substance use disorder services with the State Department of Health Care Services, in the amount of \$128,849,925 for the term of April 15, 2017, through June 30, 2019; and authorizing and designating the Department of Public Health County Alcohol and Drug Administrator to sign said Agreement and to approve amendments for less than 10% of the contracted amount. (Public Health Department)
(Fiscal Impact)

03/09/17; RECEIVED FROM DEPARTMENT.

03/21/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Dr. Judith Martin (Department of Public Health); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Yee moved that this Resolution be AMENDED to state that the proposed new agreement between the Department of Public Health and the State Department of Health Care Services is effective as of June 15, 2017. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Resolution authorizing the Department of Public Health, Behavioral Health Services to enter into a multi-year organized delivery system intergovernmental agreement for substance use disorder services with the State Department of Health Care Services, in the amount of \$128,849,925 for the term of June 15, 2017, through June 30, 2019; and authorizing and designating the Department of Public Health County Alcohol and Drug Administrator to sign said Agreement and to approve amendments for less than 10% of the contracted amount. (Public Health Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170267 [Agreement Amendment - State Department of Health Care Services - Substance Use Disorder Services - FYs 2014-2017 - \$58,504,385]

Resolution retroactively authorizing the Department of Public Health, Behavioral Health Services to enter into Amendment No. A05 to a multi-year agreement for substance use disorder services with the State Department of Health Care Services, in the amount of \$58,504,385 for the term of July 1, 2014, through June 30, 2017; and authorizing and designating the Department of Public Health County Alcohol and Drug Administrator to sign said Agreement and to approve amendments for less than 10% of the contracted amount. (Public Health Department)
(Fiscal Impact)

03/09/17; RECEIVED FROM DEPARTMENT.

03/21/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Dr. Judith Martin (Department of Public Health); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Yee moved that this Resolution be AMENDED to state that the existing contract between the Department of Public Health and the State Department of Health Care Services terminates as of June 14, 2017, when the new agreement between Department of Public Health and State Department of Health Care Services becomes effective. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Resolution retroactively authorizing the Department of Public Health, Behavioral Health Services to enter into Amendment No. A05 to a multi-year agreement for substance use disorder services with the State Department of Health Care Services, in the amount of \$58,504,385 for the term of July 1, 2014, through June 14, 2017; and authorizing and designating the Department of Public Health County Alcohol and Drug Administrator to sign said Agreement and to approve amendments for less than 10% of the contracted amount. (Public Health Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170351 [Application to the California Debt Limit Allocation Committee - Mortgage Credit Certificates - Not to Exceed \$50,000,000]

Sponsor: Mayor

Resolution authorizing an application to the California Debt Limit Allocation Committee to permit the issuance of Mortgage Credit Certificates, for an amount not to exceed \$50,000,000 to assist low- and moderate-income, first-time homebuyers in San Francisco.

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

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

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

Ayes: 3 - Cohen, Yee, Tang

170201 [Appropriation - Sales Proceeds of City Property for \$122,000,000 to the General Service Agency - FY 2016-17]

Sponsor: Mayor

Ordinance appropriating \$122,000,000 sales proceeds of City property and \$321,765,000 of proceeds from Certificates of Participation to fund the retirement and defeasance of Series 2001A & 2007A Certificates of Participation, and to fund the development costs of the 1500 Mission Street office building development and related FF&E (furniture, fixture, or other equipment), technology, and moving costs in FY2016-2017, and placing a total \$443,765,000 of proceeds on Controller's Reserve pending sales of the buildings and sales of the Certificates of Participation.
(Fiscal Impact)

02/28/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 3/30/2017.

04/13/17; AMENDED. Heard in Committee. Speakers: John Updike (Real Estate Division); Harvey Rose (Office of the Budget and Legislative Analyst); Andrew Shen (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

04/13/17; CONTINUED AS AMENDED.

Heard in Committee. Speakers: Naomi Kelly (Office of the City Administrator); Ben Rosenfield, City Controller (Office of the City Controller); Harvey Rose (Office of the Budget and Legislative Analyst); Jon Givner (provided an overview and responded to questions raised throughout the discussion.

Vice Chair Yee requested this Ordinance be DUPLICATED AND AMENDED.

Duplicated File No. 170464.

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

Ayes: 3 - Cohen, Yee, Tang

Ordinance appropriating \$122,000,000 sales proceeds of City property to fund the retirement and defeasance of Series 2001A & 2007A Certificates of Participation, and to fund the development costs of the 1500 Mission Street office building development and placing \$122,000,000 of proceeds on Controller's Reserve pending receipt of sales proceeds.
(Fiscal Impact)

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

Ayes: 3 - Cohen, Yee, Tang

170464 [Appropriation - Proceeds from Certificates of Participation for \$321,765,000 to the General Service Agency - FY 2016-17]

Sponsor: Mayor

Ordinance appropriating \$122,000,000 sales proceeds of City property and \$321,765,000 of proceeds from Certificates of Participation to fund the retirement and defeasance of Series 2001A & 2007A Certificates of Participation, and to fund the development costs of the 1500 Mission Street office building development and related FF&E (furniture, fixture, or other equipment), technology, and moving costs in FY2016-2017, and placing a total \$443,765,000 of proceeds on Controller's Reserve pending sales of the buildings and sales of the Certificates of Participation.

Duplicated from File No. 170201.

Vice Chair Yee moved that this Ordinance AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Ordinance appropriating \$321,765,000 of proceeds from Certificates of Participation to fund the development costs of the 1500 Mission Street office building development and related FF&E (furniture, fixture, or other equipment), technology, and moving costs in Fiscal Year 2016-17, and placing total \$321,765,000 of proceeds on Controller's Reserve pending and sales of the Certificates of Participation.

CONTINUED TO CALL OF THE CHAIR AS AMENDED by the following vote:

Ayes: 3 - Cohen, Yee, Tang

ADJOURNMENT

There being no further business, the Budget and Finance Sub-Committee adjourned at the hour of 11:43 a.m.

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