



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

Clerk: Linda Wong (415) 554-7719

Thursday, January 11, 2018

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 2 - Norman Yee, and Katy Tang

Excused: 1 - Malia Cohen

The Budget and Finance Committee met in regular session on Thursday, January 11, 2018, with Vice Chair Norman Yee presiding.

ROLL CALL AND ANNOUNCEMENTS

Vice Chair Yee called the meeting to order at 10:04 a.m. On the call of the roll, Vice Chair Yee and Member Tang were noted present. Chair Cohen was noted not present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

Supervisor Cohen Excused from Attendance

Member Tang moved that Supervisor Cohen be Excused from the Budget and Finance Committee meeting of January 11, 2018. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

REGULAR AGENDA

171195 [Second Amendment to Ground Lease - Mission Bay Affordable Housing, L.P. - 150 Berry Street, 201, 207, 213, 215, 217, 219, 221, 223, 225, and 227 King Streets - Rich Sorro Commons]

Sponsor: Mayor

Resolution authorizing the execution and performance of a Second Amendment to the Ground Lease between the City and County of San Francisco and Mission Bay Affordable Housing, L.P., for real property located at 150 Berry Street, 201, 207, 213, 215, 217, 219, 221, 223, 225 and 227 King Streets, in connection with the loan refinancing and minor rehabilitation of community space at Rich Sorro Commons, a 100-unit affordable housing development for very low income individuals and families, with no change to the length of term or amount.

11/14/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

12/07/17; CONTINUED. 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.

12/13/17; CONTINUED TO CALL OF THE CHAIR. 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.

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.

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

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171177 [Prevailing Wage Rates - Various Workers Performing Work Under City Contracts]

Resolution fixing prevailing wage rates for 1) workers performing work under City contracts for public work and improvement; 2) workers performing work under City contracts for janitorial services; 3) workers performing work in public off-street parking lots, garages, or storage facilities for automobiles on property owned or leased by the City; 4) workers engaged in theatrical or technical services for shows on property owned by the City; 5) workers engaged in the hauling of solid waste generated by the City in the course of City operations, pursuant to a contract with the City; 6) workers performing moving services under City contracts at facilities owned or leased by the City; 7) workers engaged in exhibit, display, or trade show work at special events on property owned by the City; 8) workers engaged in broadcast services on property owned by the City; 9) workers engaged in loading or unloading into or from a commercial vehicle on City property of materials, goods, or products in connection with a show or special event, or engaged in driving a commercial vehicle into which or from which materials, goods, or products are loaded or unloaded on City property in connection with a show or special event, or engaged in driving a commercial vehicle into which or from which materials, goods, or products are loaded or unloaded on City property in connection with a show or special event; 10) workers engaged in security guard services under City contracts or at facilities or on property owned or leased by the City; and 11) motor bus service contracts. (Civil Service Commission)

(Fiscal Impact)

10/25/17; RECEIVED FROM DEPARTMENT.

11/14/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Patrick Mulligan, Director (Office of Labor Standards Enforcement); 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 RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171163 [Accept and Expend Grant - San Francisco General Hospital Foundation - Department of Public Health - Zuckerberg Patient Care Quality Improvement Fund - \$7,346,756]

Sponsor: Cohen

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$7,346,756 from San Francisco General Hospital Foundation to participate in a program entitled Zuckerberg Patient Care Quality Improvement Fund for the period of October 23, 2017, through June 30, 2020, and waiving indirect costs. (Public Health Department)

10/31/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Dr. Susan Ehrlich (Department of Public Health); 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: 2 - Yee, Tang

Excused: 1 - Cohen

171114 [Accept and Expend Grant - San Francisco Parks Alliance - Let'sPlaySF! Playground Renovation Initiative - \$15,000,000]

Sponsor: Mayor

Resolution retroactively authorizing the Recreation and Park Department to accept and expend a grant from the San Francisco Parks Alliance for the renovation of San Francisco playgrounds, to partner on the Let'sPlaySF! Playground Renovation Initiative, for \$15,000,000. (Recreation and Park Department)

10/17/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Lisa Bransten (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Drew Becher, CEO (San Francisco Parks Alliance); spoke in support of the hearing matter.

Member Tang moved that this Resolution be AMENDED on Page 1, Line 3, by striking 'retroactively' and adding the term dates of January 2018, through January 2026. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

Resolution authorizing the Recreation and Park Department to accept and expend a grant from the San Francisco Parks Alliance for the renovation of San Francisco playgrounds, to partner on the Let'sPlaySF! Playground Renovation Initiative, for \$15,000,000, for the period of January 2018, through January 2026. (Recreation and Park Department)

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

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171282 [Appropriation - Cigarette Litter Abatement Fees - Public Works Street Cleaning Program - \$300,000 - FY2017-2018]

Sponsors: Mayor; Peskin

Ordinance appropriating \$300,000 of cigarette litter abatement fees to Public Works for street cleaning program in FY2017-2018.
(Fiscal Impact)

12/05/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 1/4/2018.

Heard in Committee. Speakers: Bruce Robertson (Public Works); 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 Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171161 [Assignment and Assumption Agreement - California Housing Finance Agency - Department of Public Health and Rosa Parks II, L.P. - 1239 Turk Street (“Willie B. Kennedy Senior Housing Development”) - \$300,000 - FY2017-2018]

Sponsor: Mayor

Resolution accepting the Mental Health Services Act (MHSA) Assignment and Assumption Agreement Loan and related loan documents between the California Housing Finance Agency, a public instrumentality and political subdivision of the State of California (Assignor), and the San Francisco Department of Public Health (Assignee) for the benefit of the Willie B. Kennedy senior housing development, located at 1239 Turk Street (Project), with Rosa Parks II, L.P., a California limited partnership as owner; and authorizing the Mayor on behalf of the City and County of San Francisco, to accept the Assignment and Assumption Agreement from Assignor so that Assignee may monitor all ongoing oversight and service obligations for the Project under the MHSA Permanent Loan Documents and the MHSA Housing Program in accordance with the San Francisco Mental Health Services Act Integrated Plan in the loan amount of \$300,000 for FY2017-2018.

10/31/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Imo Momoh (Department of Public Health); 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: 2 - Yee, Tang

Excused: 1 - Cohen

Vice Chair Yee requested File Nos. 171253, 171248, 171254, and 171249 be called together.

171253 [Sale of General Obligation Bonds - Transportation and Road Improvement Bonds, 2014 - Not to Exceed \$177,000,000]

Sponsor: Mayor

Resolution authorizing and directing the sale of not to exceed \$177,000,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Transportation and Road Improvement Bonds, 2014), Series 2018B; 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 either competitive or negotiated sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and 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, as defined herein; declaring the City's official intent to reimburse certain expenditures; waiving the deadline for submission of Bond Accountability Reports; adopting findings under the California Environmental Quality Act (CEQA), CEQA Guidelines and Chapter 31 of the Administrative Code; ratifying certain actions previously taken as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds, as defined herein. (Controller)
(Fiscal Impact)

11/28/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Reiskin, Executive Director (Municipal Transportation Agency); Antonio Guerra (Recreation and Park Department); Vishal Trivedi (Office of the Controller); 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 RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang
Excused: 1 - Cohen

171248 [Appropriation - Proceeds from General Obligation Bonds - San Francisco Municipal Transportation Agency's Street and Transit Projects - \$177,000,000 - FY2017-2018]

Sponsor: Mayor

Ordinance appropriating \$177,000,000 of proceeds from General Obligation Bonds Transportation and Road Improvements, 2014 - Series 2018B to fund the San Francisco Municipal Transportation Agency's street and transit projects in FY2017-2018; and placing \$177,000,000 of appropriations on Controller's Reserve pending receipt of proceeds of indebtedness.
(Fiscal Impact)

11/28/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 12/28/2017.

Heard in Committee. Speakers: Ed Reiskin, Executive Director (Municipal Transportation Agency); Antonio Guerra (Recreation and Park Department); Vishal Trivedi (Office of the Controller); 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 Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang
Excused: 1 - Cohen

171254 [Sale of General Obligation Bonds - Clean and Safe Neighborhood Parks Bonds - Not to Exceed \$76,710,000]**Sponsor: Mayor**

Resolution authorizing and directing the sale of not to exceed \$76,710,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Clean and Safe Neighborhood Parks Bonds, 2012), Series 2018A; 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 or negotiated sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and 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, as defined herein; declaring the City's official intent to reimburse certain expenditures; waiving the deadline for submission of Bond Accountability Reports; adopting findings under the California Environmental Quality Act (CEQA), CEQA Guidelines and Chapter 31 of the Administrative Code; ratifying certain actions previously taken, as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds, as defined herein. (Controller)
(Fiscal Impact)

11/28/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Reiskin, Executive Director (Municipal Transportation Agency); Antonio Guerra (Recreation and Park Department); Vishal Trivedi (Office of the Controller); 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 RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171249 [Appropriation - Proceeds from General Obligation Bonds - Recreation and Park Department - Renovation, Repair, and Construction of Parks and Open Spaces - \$76,710,000 - FY2017-2018]**Sponsor: Mayor**

Ordinance appropriating \$76,710,000, consisting of proceeds from the third issuance of the 2012 Clean and Safe Neighborhood Parks General Obligation Bond, Series 2018A, to the Recreation and Park Department to support the renovation, repair, and construction of parks and open spaces; and placing \$76,710,000 on Controller's Reserve pending receipt of proceeds of indebtedness in FY2017-2018.

(Fiscal Impact)

11/28/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 12/28/2017.

Heard in Committee. Speakers: Ed Reiskin, Executive Director (Municipal Transportation Agency); Antonio Guerra (Recreation and Park Department); Vishal Trivedi (Office of the Controller); 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 Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171319 [Real Property Acquisition - 700-730 Stanyan Street - McDonald's Corporation - \$15,500,000]**Sponsor: Mayor**

Resolution approving and authorizing the Real Estate Division, on behalf of the Mayor's Office of Housing and Community Development, to acquire Real Property, located at 700-730 Stanyan Street from McDonald's Corporation, for purchase at \$15,500,000; placing the property under the jurisdiction of the Mayor's Office of Housing and Community Development for use in constructing affordable housing for San Franciscans; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the purchase agreement and this Resolution, as defined herein. (Mayor's Office of Housing and Community Development)

(Fiscal Impact)

12/12/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Andrea Bruss (Office of President London Breed); John Upike, Director (Real Estate Division); 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 RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171311 [Health Code - License Fee for Cannabis Smoking Consumption Permit]**Sponsor: Mayor**

Ordinance amending the Health Code to impose an annual license fee of \$1,200 for a Cannabis Smoking Consumption permit.

12/12/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 1/11/2018.

12/31/17; NOTICED. First 10-Day Fee Ad for the 1/11/18 Budget and Finance Committee meeting published in the Examiner; per Government Code, Section 6062(a).

01/05/18; NOTICED. First 10-Day Fee Ad for the 1/11/18 Budget and Finance Committee meeting published in the Examiner; per Government Code, Section 6062(a).

Heard in Committee. Speakers: Stephanie Cushing (Department of Public Health); 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 Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171245 [Appropriation - State Grant, Private Funds, Tax Credits, and City Funds from CAST Powerhouse QALICB, LLC - Geneva Car Barn and Powerhouse Capital Improvements - \$11,048,767 - FY2017-2018]

Sponsor: Safai

Ordinance appropriating \$11,048,767 to the Recreation and Park Department for funding received from CAST Powerhouse QALICB, LLC (QALICB) consisting of a state grant, tax credit investments, private funding from Community Arts Stabilization Trust (CAST), and existing city appropriations for Geneva Car Barn and Powerhouse capital improvements in FY2017-2018; and placing \$11,048,767 on Controller's reserve pending receipt of a grant award from the state by the Recreation and Park Department, and written documentation of receipt of CAST equity and tax credit investments by QALICB.

(Fiscal Impact)

12/12/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 1/11/2018.

Heard in Committee. Speakers: Antonio Guerra (Recreation and Park Department); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Cathy Mulkey Meyer (Office of Supervisor Ahsha Safai); spoke in support of the hearing matter.

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

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171278 [Emergency Declaration - Repair and Servicing of the Tesla Treatment Facility Flywheel Uninterruptible Power Supply Units - Hetch Hetchy Regional Water System - Not to Exceed Cost of \$322,548]

Resolution approving an emergency declaration of the San Francisco Public Utilities Commission pursuant to Administrative Code, Section 6.60, for the repair and servicing of the Tesla Treatment Facility Flywheel Uninterruptible Power Supply Units of the Hetch Hetchy Regional Water System, with an estimated total cost not to exceed \$500,000. (Public Utilities Commission)

(Fiscal Impact)

12/04/17; RECEIVED FROM DEPARTMENT.

12/12/17; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

12/20/17; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Steve Ritchie (Public Utilities Commission); 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 to correctly state that the emergency work will cost approximately \$322,548 rather than \$500,000. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

Resolution approving an emergency declaration of the San Francisco Public Utilities Commission pursuant to Administrative Code, Section 6.60, for the repair and servicing of the Tesla Treatment Facility Flywheel Uninterruptible Power Supply Units of the Hetch Hetchy Regional Water System, with an estimated total cost not to exceed \$322,548. (Public Utilities Commission)
(Fiscal Impact)

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

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

171279 [Hearing - Release of Reserved Funds - Department of Homelessness and Supportive Housing - Furniture, Fixtures, and Equipment - 440 Turk Street Project - \$1,700,000]

Hearing to consider the release of reserved funds to the Department of Homelessness and Supportive Housing, placed on Budget and Finance Committee reserve by Ordinance No. 156-17, in the amount of \$1,700,000 for furniture, fixtures, and equipment including expenditures for IT and telephony costs, access point furnishings for clients, and washer/dryers for the 440 Turk Street project. (Department of Homelessness and Supportive Housing)

12/04/17; RECEIVED FROM DEPARTMENT.

12/04/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

12/13/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Gigi Whitley (Department of Homelessness and Supportive Housing); Severin Campbell (Office of the Budget and Legislative Analyst); Melissa Whitehouse (Office of the Mayor); provided an overview and responded to questions raised throughout the discussion. Mr. M.D.W; spoke on the hearing matter.

Heard in Committee. Speakers: Jeff Kositsky (Department of Homelessness and Supportive Housing); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Del Seymour; spoke in support of the hearing matter.

Member Tang moved that the requested release of \$1,700,000 on reserve be REDUCED to \$1,309,775, release of \$1,309,775 on reserve be APPROVED, and that the Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 2 - Yee, Tang

Excused: 1 - Cohen

ADJOURNMENT

There being no further business, the Budget and Finance 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 Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.