



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, Sandra Lee Fewer, Catherine Stefani

Clerk: Linda Wong (415) 554-7719

Thursday, July 12, 2018

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 4 - Malia Cohen, Sandra Lee Fewer, Catherine Stefani, and Rafael Mandelman

The Budget and Finance Sub-Committee met in a regular session on Thursday, July 12, 2018, with Chair Malia Cohen presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Cohen called the meeting to order at 10:14 a.m. On the call of the roll, Chair Cohen, Vice Chair Fewer, and Member Stefani were noted present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

180356 [Contract Amendment - Western Area Power Administration - Low-Cost Power and Scheduling Coordinator Services - Treasure Island and Yerba Buena Island - Not to Exceed \$28,370,000]

Ordinance approving the third amendment to the contract between the City and County of San Francisco through its Public Utilities Commission (PUC) and the United States, through the Department of Energy Western Area Power Administration, for delivery of low-cost power and scheduling coordinator services to Treasure Island and Yerba Buena Island to extend the term by four years and three months from October 1, 2020, through December 31, 2024, and increasing the maximum amount of the agreement to \$28,370,000; approving the City indemnifying and holding the United States harmless against claims arising from the activities of the City under the contract; waiving Administrative Code requirements, as defined herein, that a City contract contain a statement of guaranteed maximum costs, and contain a statement regarding liability of claimants for submitting false claims; and waiving certain other Administrative Code and Environment Code requirements, as defined herein, upon findings made by the General Manager of the PUC. (Public Utilities Commission)

(Fiscal Impact)

04/06/18; RECEIVED FROM DEPARTMENT.

04/17/18; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 5/17/2018.

Heard in Committee. Speakers: Randall Smith (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); and provided an overview and responded to questions raised throughout the discussion.

Vice Chair Fewer moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani

180571 [General Obligation Bond Election - Seawall and Other Critical Infrastructure - Ballot Question]**Sponsors: Mayor; Cohen, Kim, Peskin and Yee**

Ordinance adopting a question to appear on the November 6, 2018 ballot regarding the proposed ordinance to incur \$425,000,000 of bonded debt of the City and County to finance the construction, reconstruction, acquisition, improvement, demolition, seismic strengthening and repair of the Embarcadero Seawall and other critical infrastructure, and related costs necessary or convenient for the foregoing purposes.

(Economic Impact)

(Pursuant to California Government Code, Sections 43607 and 43608, this matter shall require a vote of two-thirds (8 votes) of all members of the Board of Supervisors to approve passage of this Ordinance.)

05/31/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Naomi Kelly, City Administrator (Office of the City Administrator); Director Elaine Forbes (Port of San Francisco); Jon Givner (Office of the City Attorney); Sunny Angulo (Office of Supervisor Aaron Peskin); Severin Campbell (Office of the Budget and Legislative Analyst); presented information and answered questions raised throughout the discussion. Bruce Agid; Laura Zander (Exploratorium); Alex Mitra (San Francisco Chamber of Commerce); Thea Selby; Lt. Tom O'Connor, President (San Francisco Firefighters Local 798); Corinne Woods; Timothy Reiff (Carpenters Local 22); Alice Rogers (Neighborhood Association); Charles Lavery (Operating Engineers, Local 3); spoke in support of the hearing matter. Ace Washington; Speaker; spoke neither in support nor against the hearing matter.

05/31/18; CONTINUED TO CALL OF THE CHAIR AS AMENDED. Duplicated from File No. 180454.

06/06/18; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Office of the Controller for financial analysis report; and Mayor's Office, Office of the City Attorney, Department of Elections, Ethics Commission, Office of the City Administrator, Port of San Francisco, Bay Area Rapid Transit, Municipal Transportation Agency, Rent Board, and Recreation and Parks Department for reports and/or comments, pursuant to Rules of Order 2.22.4.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Brad Benson (Port of San Francisco); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITL, to include a new ballot question to meet State law requirement. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani
(Economic Impact)

(Pursuant to California Government Code, Sections 43607 and 43608, this matter shall require a vote of two-thirds (8 votes) of all members of the Board of Supervisors to approve passage of this Ordinance.)

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

Ayes: 3 - Cohen, Fewer, Stefani

180328 [Application Approval - California Natural Resources Agency - Grant Funds for California Climate Investments Urban Greening Program]

Sponsor: Cohen

Resolution approving the application for grant funds for California Climate Investments Urban Greening Program administered by the California Natural Resources Agency.

04/03/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Jerad Weiner (Public Works); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Cohen, Fewer, Stefani

180582 [Park Code - Golf Course Fees]**Sponsor: Mayor**

Ordinance amending the Park Code to permit the Recreation and Park Department General Manager to set all golf course fees and charges other than resident rates and certain tournament rates by flexible pricing based on certain factors; increase the allowable flexible pricing discount that is available to residents; establish a resident rate for the Gleneagles Golf Course equal to the current rate plus \$2 per nine holes; authorize automatic annual cost of living increases for all resident rates and tournament rates; create a \$2 per nine hole fee for each golf course except Gleneagles Golf Course to fund special maintenance repairs or course improvements; expand the Harding Park advance booking fee to all other golf courses; and, further, affirming the Planning Department's determination under the California Environmental Quality Act.

06/01/18; RECEIVED.

06/04/18; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review.

06/05/18; ASSIGNED to Budget and Finance Committee. President Breed waived the 30-day rule, per Board Rule 3.22.

06/10/18; NOTICED. First 10-Day Fee Ad for 6/21/2018 Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

06/13/18; RESPONSE RECEIVED. Response received from the Planning Department stating that the matter is not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

06/17/18; NOTICED. Second 10-Day Fee Ad for 6/21/2018 Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

06/21/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Phil Ginsburg, General Manager and Speaker (Recreation and Park Department); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

06/21/18; CONTINUED AS AMENDED.

07/01/18; NOTICED. First 10-Day Fee Ad for 7/12/2018 Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

07/08/18; NOTICED. Second 10-Day Fee Ad for 7/12/2018 Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

Heard in Committee. Speaker: Dana Ketcham (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Cohen, Fewer, Stefani

Chair Cohen requested File Nos. 170878, 170879, 170880, 170881, and 170882 be called together.

170878 [Resolution of Intention to Form Sub-Project Area G-2, Sub-Project Area G-3, and Sub-Project Area G-4 - Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70)]

Sponsors: Mayor; Cohen

Resolution of Intention to establish Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4 of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70); to call a public hearing on April 17, 2018, on the establishment and to provide public notice thereof; and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

(Fiscal Impact)

07/25/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

11/09/17; RECOMMENDED. Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

11/28/17; CONTINUED.

12/05/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

12/05/17; RE-REFERRED AS AMENDED to Budget and Finance Committee.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED to correct the public hearing date on the formation of the district from April 17, 2018, to September 11, 2018, and to make other clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani

Resolution of Intention to establish Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4 of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70); to call a public hearing on September 11, 2018, on the establishment and to provide public notice thereof; and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

170879 [Resolution of Intention to Issue Bonds - Not To Exceed \$273,900,000 for Sub-Project Area G-2, \$196,100,000 for Sub-Project Area G-3, and \$323,300,000 for Sub-Project Area G-4 - Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70)]

Sponsors: Mayor; Cohen

Resolution of Intention to Issue Bonds in an Amount Not to Exceed \$273,900,000, \$196,100,000 and \$323,300,000 for Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4, respectively, City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70); and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

(Fiscal Impact)

07/25/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

11/09/17; RECOMMENDED. Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

11/28/17; CONTINUED.

12/05/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

12/05/17; RE-REFERRED AS AMENDED to Budget and Finance Committee.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED to correct the public hearing date on the proposed issuance of Bonds from April 17, 2018, September 11, 2018.

Ayes: 3 - Cohen, Fewer, Stefani
(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

170880 [Resolution of Intention to Establish Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70)]**Sponsors: Mayor; Cohen**

Resolution of Intention to establish City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70) on land within the City and County of San Francisco commonly known as the Hoedown Yard to finance the construction of affordable housing within Pier 70 and Parcel K South; to provide for future annexation; to call a public hearing on April 17, 2018, on the formation of the district and to provide public notice thereof; determining other matters in connection therewith; and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

(Fiscal Impact)

07/25/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

11/09/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

11/09/17; RECOMMENDED AS AMENDED.

11/28/17; CONTINUED.

12/05/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

12/05/17; RE-REFERRED AS AMENDED to Budget and Finance Committee.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED to correct the public hearing date on the proposed establishment of the IRFD and the proposed future annexation of territory to the IRFD from April 17, 2018, September 11, 2018.

Ayes: 3 - Cohen, Fewer, Stefani

Resolution of Intention to establish City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70) on land within the City and County of San Francisco commonly known as the Hoedown Yard to finance the construction of affordable housing within Pier 70 and Parcel K South; to provide for future annexation; to call a public hearing on September 11, 2018, on the formation of the district and to provide public notice thereof; determining other matters in connection therewith; and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

170881 [Resolution Authorizing Executive Director of the Port of San Francisco to Prepare an Infrastructure Financing Plan - Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70)]

Sponsors: Mayor; Cohen

Resolution authorizing and directing the Executive Director of the Port of San Francisco, or designee thereof, to prepare an infrastructure financing plan for City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70); determining other matters in connection therewith; and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

(Fiscal Impact)

07/25/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

11/09/17; RECOMMENDED. Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

11/28/17; CONTINUED.

12/05/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

12/05/17; RE-REFERRED AS AMENDED to Budget and Finance Committee.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED to correct the public hearing date on the formation of the district from April 17, 2018, to September 11, 2018, and to make other clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani
(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

170882 [Resolution of Intention to Issue Bonds Related to Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70)]**Sponsors: Mayor; Cohen**

Resolution of intention to issue bonds for City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70); determining other matters in connection therewith; and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

(Fiscal Impact)

07/25/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

11/09/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE. Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

11/09/17; RECOMMENDED AS AMENDED.

11/28/17; CONTINUED.

12/05/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

12/05/17; RE-REFERRED AS AMENDED to Budget and Finance Committee.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Brad Benson (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED to correct the public hearing date on the formation of the district from April 17, 2018, to September 11, 2018, and to make other clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani
(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

171081 [2011 Airport Lease and Use Agreement - Air India Limited]

Resolution approving the terms of 2011 Lease and Use Agreement No. 17-0183 between the City and County of San Francisco, acting by and through its Airport Commission, and Air India Limited to conduct flight operations at San Francisco International Airport, for the lease term to commence following Board approval through June 30, 2021. (Airport Commission)

09/28/17; RECEIVED FROM DEPARTMENT.

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

11/02/17; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Anand Singh; spoke in opposition to the hearing matter.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Representatives (Air India Limited); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Speaker (Local, 21) spoke in opposition to the hearing matter.

(Supervisor Fewer dissented in Committee.)

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

Ayes: 2 - Cohen, Stefani

Noes: 1 - Fewer

180441 [Airport Professional Services Contract - Management and Operation of the Airport's Public and Employee Parking Facilities - Not to Exceed \$124,812,393]

Resolution retroactively approving Professional Services Contract No. 50107.01 for the Management and Operation of the Airport's Public and Employee Parking Facilities between New South Parking - California, GP, and the City and County of San Francisco, acting by and through its Airport Commission, in an amount not to exceed \$124,812,393 over a five year term from July 1, 2018, through June 30, 2023. (Airport Commission)

(Fiscal Impact)

04/27/18; RECEIVED FROM DEPARTMENT.

05/08/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Representatives (Air India Limited); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be REFERRED WITHOUT RECOMMENDATION AS COMMITTEE REPORT. The motion failed by the following vote:

Noes: 3 - Cohen, Fewer, Stefani

Chair Cohen moved to rescind the previous vote. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani

Chair Cohen moved that this Resolution be CONTINUED to the Budget and Finance Sub-Committee Meeting of July 19, 2018. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani

180588 [De-Appropriation and Re-Appropriation - Expenditures of \$6,174,381 Supporting Increased Workers' Compensation Expenditures - Police Department - FY2017-2018]

Sponsor: Mayor

Ordinance de-appropriating \$6,174,381 from permanent salaries, and appropriating \$6,174,381 to Police Department to support increases in Workers' Compensation expenditures for FY2017-2018. (Fiscal Impact)

06/01/18; RECEIVED.

06/05/18; ASSIGNED to Budget and Finance Committee. President Breed waived the 30-day rule, per Board Rule 3.22.

07/05/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Catherine McGuire (Police Department); Severin Campbell (Office of the Budget and Legislative Analyst); Peggy Sugarman (Department of Human Resources); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani

180661 [Health Service System Plans and Contribution Rates - Calendar Year 2019]

Sponsor: Cohen

Ordinance approving Health Service System plans and contribution rates for calendar year 2019. (Pursuant to Charter, Section A8.422, this matter shall require a vote of three-fourths (9 votes) of all members of the Board of Supervisors to approve passage of this Ordinance.)

06/19/18; ASSIGNED to Budget and Finance Sub-Committee. 7/5/18 - President Cohen submitted a Presidential Action Memo waiving the 30-day hold, per Board Rule 3.23.

Heard in Committee. Speakers: Abbie Yant (Health Service System); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Cohen, Fewer, Stefani

Chair Cohen requested File Nos. 180682, 180683, 180684, 180685, and 180686 be called together.

180682 [Multifamily Housing Revenue Bonds - 88 Broadway Street - Not to Exceed \$60,000,000]

Sponsor: Mayor

Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$60,000,000 for 88 Broadway Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$60,000,000; 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, and the Application, as defined herein.

06/26/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Faith Kirkpatrick (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Cohen, Fewer, Stefani

180683 [Port Ground Lease and Port/Mayor's Office of Housing and Community Development Memorandum of Understanding - 88 Broadway Family, L.P. - 735 Davis Street - Seawall Lot 322-1 - \$20,000 Annual Base Rent]

Sponsor: Mayor

Resolution adopting the Mitigation Monitoring and Reporting Program under the California Environmental Quality Act for an affordable housing project at Seawall Lot 322-1 (the "Port Property" or the "Development") along with an affordable housing project on city-owned property at 735 Davis Street (collectively, the "Project"); affirming the Port Commission's Public Trust findings; adopting findings that the Project is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and approving and authorizing the execution of a Ground Lease for the Property with 88 Broadway Family, L.P. ("Lease") with annual base rent of \$20,000 for a term of 57 years with a 18-year extension option for the development and operation of 124 affordable rental housing units, one manager housing unit, and ancillary ground level uses, and a Memorandum of Understanding between the Port and the Mayor's Office of Housing and Community Development for payment of fair market value for the Port Property and other interdepartmental coordination; and authorizing and directing the Executive Director of Port of San Francisco and the Director of the Mayor's Office of Housing and Community Development to execute documents and take necessary actions to implement this Resolution.

(Fiscal Impact)

06/26/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Faith Kirkpatrick (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, to make clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani

(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

180684 [Multifamily Housing Revenue Bonds - 735 Davis Street - Not to Exceed \$30,000,000]**Sponsor: Mayor**

Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$30,000,000 for 735 Davis Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$30,000,000; 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, and the Application, as defined herein.

06/26/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Faith Kirkpatrick (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Cohen, Fewer, Stefani

180685 [Jurisdictional Transfer of City Property - Public Works Department - Mayor's Office of Housing and Community Development - 735 Davis Street - \$0]**Sponsor: Mayor**

Resolution approving the jurisdictional transfer of City property at 735 Davis Street, Assessor's Parcel Block No. 0140, Lot No. 008, from Public Works to the Mayor's Office of Housing and Community Development for affordable housing; approving the transfer price of \$0; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing other actions in furtherance of this Resolution, as defined herein.
(Fiscal Impact)

06/26/18; RECEIVED AND ASSIGNED to Land Use and Transportation Committee.

07/03/18; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Public Works and Mayor's Office of Housing and Community Development for informational purposes.

07/05/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Faith Kirkpatrick (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Cohen, Fewer, Stefani

180686 [Option to Ground Lease and Ground Lease - 735 Davis Senior, L.P. - 735 Davis Street - Ground Lease \$15,000 Annual Base Rent]**Sponsor: Mayor**

Resolution approving and authorizing the execution of an Option to Ground Lease for a term to commence following Board approval through June 30, 2019, with a 12-month option to extend, providing 735 Davis Senior, L.P. the right to ground lease the City owned parcel located at 735 Davis Street (Assessor's Parcel Block No. 0140, Lot No. 008) ("Property") with annual base rent of \$15,000 for a term of 75 years with one 24-year extension option, in order to construct a 100% affordable, 53-unit multifamily rental housing development for low-income to moderate-income seniors and formally homeless seniors; adopting findings that the Ground Lease is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; adopting the Mitigation Measures and Improvement Measures Monitoring and Reporting Program; and authorizing and directing the Acting Director of Property and Director of Mayor's Office of Housing and Community Development to execute any documents, make certain modifications, and take necessary actions to implement this Resolution, as defined herein.

(Fiscal Impact)

06/26/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Faith Kirkpatrick (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, to make clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Fewer, Stefani

(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

President Malia Cohen appointed Supervisor Rafael Mandelman, replacing herself, to the Budget and Finance Sub-Committee Meeting of July 12, 2018, at 11:45 a.m., until her return.

Member Mandelman was noted present at 11:45 a.m.

Chair Cohen was noted absent at 11:46 a.m.

180122 [Initiative Ordinance - Business and Tax Regulations and Administrative Codes - Hotel Tax Allocations]**Sponsors: Tang; Peskin**

Motion ordering submitted to the voters at an election to be held on November 6, 2018, an Ordinance amending the Business and Tax Regulations Code and Administrative Code to allocate a portion of hotel tax revenues for arts and cultural purposes and remove obsolete provisions; and affirming the Planning Department's determination under the California Environmental Quality Act.

01/30/18; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 3/1/2018.

02/12/18; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Office of the Controller for financial analysis report; and Mayor's Office, Office of the City Attorney, Department of Elections, Ethics Commission, Office of the City Administrator, Office of the Treasurer and Tax Collector, and Arts Commission for reports and/or comments, pursuant to Rules of Order 2.22.4; Small Business Commission for comment and recommendation.

02/21/18; RESPONSE RECEIVED. CEQA Determination received from the Planning Department stating that the project is not defined under CEQA Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Supervisor Katy Tang (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Rodrigus; Kevin Seaman; Honey Mahogany; Marie Jackson; Susie McKennon; Rachel Ng; Speaker; Suzanne Harris; Sophie; Eric Raphael; Kelly Ground; Speaker; Jordan Amid; Sunshine Lampitoc Smith; Hanna Rachel Gerry; Alma Robinson; Vinny Patel; Mario DeMara; Speaker; Paul Herrera; Rachel Espinosa; Nina Parks; Steve Nikagio; spoke on the hearing matter.

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

Ayes: 3 - Fewer, Stefani, Mandelman

Absent: 1 - Cohen

Member Stefani moved that this Ordinance be CONTINUED AS AMENDED to the Budget and Finance Sub-Committee Meeting of July 19, 2018. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Mandelman

Absent: 1 - Cohen

Member Stefani was noted absent at 1:12 p.m., and for the remainder for the meeting.

180629 [Initiative Ordinance - Business and Tax Regulations Code - Additional Gross Receipts Tax on Cannabis]

Sponsor: Cohen

Motion ordering submitted to the voters, at an election to be held on November 6, 2018, an Ordinance amending the Business and Tax Regulations Code to impose an additional gross receipts tax, starting January 1, 2020, on gross receipts from cannabis business activities, but exempting the first \$500,000 of gross receipts and exempting retail sales of medicinal cannabis; said tax for 2020 to be set at a rate of 2%, which will increase in 2021 to between 2% and 5% depending on the type of cannabis business activity and amount of gross receipts, and which may be adjusted at any time within a range of 0% to 10% by Ordinance adopted by a two-thirds vote of the Board of Supervisors; and increasing the City's appropriations limit by the amount collected under the new tax for four years from November 6, 2018.

06/05/18; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 7/5/2018.

06/12/18; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Office of the Controller for financial analysis report; Small Business Commission for comment and recommendation; and Mayor's Office, Office of the City Attorney, Department of Elections, Ethics Commission, Office of the City Administrator, Treasurer and Tax Collector, and Office of Cannabis for reports and/or comments, pursuant to Rules of Order 2.22.4.

07/03/18; TRANSFERRED to Budget and Finance Sub-Committee.

07/03/18; RESPONSE RECEIVED. Response received from the Planning Department stating that this matter is not defined as a project under CEQA Guidelines Sections 15378 and 15060 (c) (2) because it does not result in a direct or reasonably foreseeable physical change in the environment.

Heard in Committee. Speakers: Jon Givner (Office of the City Attorney); Ted Egan, City Economist (Office of the Controller); provided an overview and responded to questions raised throughout the discussion. Michael Dillingham; Alan Flynn; Bruce Livingston; Brigitte May; Spencer Paquin; Jim Lazarus; Speaker; Johnny Delepine; Rob King; Daniel; David Goldman; Speaker (On behalf of David Goldman); Jim Fleeter; Speaker; Nicole; Speaker; Ross Gordan; Margaret Walburg; Speaker; spoke on the hearing matter.

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

Ayes: 2 - Cohen, Fewer

Absent: 1 - Stefani

Motion ordering submitted to the voters, at an election to be held on November 6, 2018, an ordinance amending the Business and Tax Regulations Code to impose an additional gross receipts tax, starting January 1, 2020, on gross receipts from cannabis business activities, but exempting the first \$500,000 of gross receipts and exempting retail sales of medicinal cannabis; said tax for 2020 to be set at a rate of 1%, which will increase in 2021 to between 1% and 5% depending on the type of cannabis business activity and amount of gross receipts, and which may be adjusted at any time within a range of 0% to 7% by an ordinance adopted by a two-thirds vote of the Board of Supervisors for any increase (which is limited to 1% annually) or an ordinance adopted by a majority vote of the Board of Supervisors for any decrease; and increasing the City's appropriations limit by the amount collected under the new tax for four years from November 6, 2018.

Chair Cohen moved that this Ordinance be CONTINUED AS AMENDED to the Budget and Finance Sub-Committee Meeting of July 19, 2018. The motion carried by the following vote:

Ayes: 2 - Cohen, Fewer

Absent: 1 - Stefani

Vice Chair Fewer recessed the meeting at 12:43 p.m., and Chair Cohen reconvened the meeting at 12:55 p.m.

Chair Cohen was noted present at 12:55 p.m., and for the remainder of the meeting.

180373 [Initiative Ordinance - Business and Tax Regulations Code - Gross Receipts Tax on Transportation Network Company Services, Private Transit Vehicle Services, and Autonomous Vehicle Passenger Services; Economic Nexus]

Sponsors: Peskin; Kim, Ronen and Yee

Motion ordering submitted to the voters at an election to be held on November 6, 2018 an Ordinance amending the Business and Tax Regulations Code to add a new gross receipts tax category for transportation network company services, private transit vehicle services, and autonomous vehicle passenger services, revise the application of the gross receipts tax for persons engaged in multiple business activities, and eliminate the payroll expense tax exclusion and the gross receipts tax limit for certain persons in the Central Market Street and Tenderloin Area; and increasing the City's appropriations limit by the amount collected under the new gross receipts tax category for four years from November 6, 2018.

(Economic Impact)

04/10/18; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 5/10/2018.

04/19/18; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Office of the Controller for financial analysis report; Small Business Commission for comment and recommendation; and Mayor's Office, Office of the City Attorney, Department of Elections, Ethics Commission, Office of the City Administrator, and Office of the Treasurer and Tax Collector for reports and/or comments, pursuant to Rules of Order 2.22.4.

05/01/18; RESPONSE RECEIVED. Response received from the Planning Department stating that this is not a project under CEQA Guidelines Sections 15378 and 15060 (c) (2) because it does not result in physical change in the environment.

05/17/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Sunny Angulo (Office of Supervisor Aaron Peskin); provided an overview and responded to questions raised throughout the discussion. Randy Shaw (Tenderloin Housing Associates); Emily Low (Bay Area Council); DeeDee Workman (San Francisco Chamber of Commerce); spoke in opposition of the matter.

05/17/18; CONTINUED TO CALL OF THE CHAIR AS AMENDED.

05/24/18; REFERRED TO DEPARTMENT. Referred (version 2) to Planning Department for environmental review; Office of the Controller for financial analysis report; Small Business Commission for comment and recommendation; and Mayor's Office, Office of the City Attorney, Department of Elections, Ethics Commission, Office of the City Administrator, and Office of the Treasurer and Tax Collector for reports and/or comments, pursuant to Rules of Order 2.22.4.

06/01/18; RESPONSE RECEIVED. Response received from the Planning Department stating that this is not a project under CEQA Guidelines Sections 15378 and 15060 (c) (2) because it does not result in physical change in the environment.

Heard in Committee. Speakers: Sunny Angulo (Office of Supervisor Aaron Peskin); provided an overview and responded to questions raised throughout the discussion. Janice Lee; Rachel Ridder; spoke in support of the hearing matter. Jim Lazarus; spoke in opposition to the hearing matter.

Member Fewer moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by making clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Mandelman

Absent: 1 - Cohen

Motion ordering submitted to the voters at an election to be held on November 6, 2018 an Ordinance amending the Business and Tax Regulations Code to add a new gross receipts tax category for transportation network company services, private transit vehicle services, and autonomous vehicle passenger services; revise the application of the gross receipts tax for persons engaged in multiple business activities; and expand the activities that subject a person to certain business taxes by including persons with more than \$500,000 in annual gross receipts in the City; and increasing the City's appropriations limit each year by the increase in the amount of those business taxes collected compared to the prior year for four years from November 6, 2018.

(Economic Impact)

Vice Chair Fewer moved that this Ordinance be CONTINUED AS AMENDED to the Budget and Finance Sub-Committee Meeting of July 19, 2018. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Mandelman

Absent: 1 - Cohen

ADJOURNMENT

There being no further business, the Budget and Finance Sub-Committee adjourned at the hour of 2:19 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.