



**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*

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Thursday, July 26, 2018

10:00 AM

City Hall, Legislative Chamber, Room 250

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**Regular Meeting**

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**Present:** 3 - Malia Cohen, Sandra Lee Fewer, and Catherine Stefani

*The Budget and Finance Sub-Committee met in a regular session on Thursday, July 26, 2018, with Chair Malia Cohen presiding.*

## **ROLL CALL AND ANNOUNCEMENTS**

*Chair Cohen called the meeting to order at 10:07 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**

### **180710 [Contract Amendment - URS Corporation - Engineering Support Services - Not to Exceed \$30,808,028]**

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute Amendment No. 5 to an agreement with URS Corporation, increasing the length of the agreement by up to 13 months for a total term of September 11, 2003, through July 10, 2020, and increasing the agreement by \$2,415,000 adjusting the estimated cumulative contract amount from \$28,500,000 to \$30,915,000 for engineering support services for the Water Enterprise Water System Improvement Program-funded Agreement No. CS-716, Calaveras Dam Replacement, pursuant to Charter, Section 9.118(b). (Public Utilities Commission)  
(Fiscal Impact)

06/29/18; RECEIVED FROM DEPARTMENT.

07/10/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

*Heard in Committee. Speakers: Susan Hou (Public Utilities Commission); Dan Goncher (Office of the Budget and Legislative Analyst); and provided an overview and responded to questions raised throughout the discussion.*

**Chair Cohen moved that this Resolution be AMENDED to reduce the contract amendment amount to \$2,308,028. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute amendment No. 5 to an agreement with URS Corporation, increasing the length of the agreement by up to 13 months for a total term of September 11, 2003, through July 10, 2020, and increasing the agreement by \$2,308,028, adjusting the estimated cumulative contract amount from \$28,500,000 to \$30,808,028 for engineering support services for the Water Enterprise Water System Improvement Program-funded Agreement No. CS-716, Calaveras Dam Replacement, pursuant to Charter, Section 9.118(b). (Public Utilities Commission)  
(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

**180690 [Lease Amendment - Boudin Properties Inc. - 160 Jefferson Street - Two Ten-Year Extension Options]**

**Sponsor: Peskin**

Resolution approving the First Amendment to Lease L-13550 between Boudin Properties, Inc., located at 160 Jefferson Street, and the City and County of San Francisco, acting by and through the Port Commission, to provide for two extension options of ten years each, for an aggregate term until June 30, 2065, each subject to specific performance and capital improvement conditions, as defined herein; with no change to existing lease terms of July 1, 2005, through June 30, 2045.

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

*Heard in Committee. Speakers: Jay Edwards (Port of San Francisco); Dan Goncher (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 Resolution be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

*Chair Cohen requested File Nos. 180714 and 180715 be called together.*

**180714 [Agreement Amendment - California Department of Health Care Services - Change Effective End Date of Agreement - Mental Health Plan - Not to Exceed \$238,581,122]**

Resolution authorizing the San Francisco Department of Public Health, Community Behavioral Health Services, to retroactively enter into an amended Agreement No. 12-89390 with the California Department of Health Care Services to change the end date of the agreement from April 30, 2018, to June 30, 2017, with no change to the amount not to exceed \$238,581,122. (Public Health Department)

06/29/18; RECEIVED FROM DEPARTMENT.

07/10/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

*Heard in Committee. Speaker: Marlo Simmons (Department of Public Health); and 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

**180715 [Agreement - California Department of Health Care Services - Mental Health Plan - \$0]**

Resolution retroactively approving Agreement No. 17-94609, between Department of Public Health, Community Behavioral Health Services, and the California Department of Health Care Services, for the San Francisco Mental Health Plan, for a five year term of July 1, 2017, through June 30, 2022, in the amount of \$0. (Public Health Department)

06/29/18; RECEIVED FROM DEPARTMENT.

07/10/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

*Heard in Committee. Speaker: Marlo Simmons (Department of Public Health); and 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

**180716 [Contract Agreement - Regents of the University of California - Behavioral Health Services for Adults and Older Adults - Not to Exceed \$22,811,510]**

Resolution approving a contract agreement between the Department of Public Health and The Regents of the University of California, for behavioral health services for adults and older adults for a contract term of five years, from July 1, 2018, through June 30, 2022, in an amount not to exceed \$22,811,510. (Public Health Department)  
(Fiscal Impact)

07/02/18; RECEIVED FROM DEPARTMENT.

07/10/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

*Heard in Committee. Speaker: Ann Okubo (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.*

**Chair Cohen moved that this Resolution be AMENDED to specify that the approval is retroactive to July 1, 2018, and to clarify that that the contract term is for four years rather than five years. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution retroactively approving a contract agreement between the Department of Public Health and The Regents of the University of California, for behavioral health services for adults and older adults for a contract term of four years, from July 1, 2018, through June 30, 2022, in an amount not to exceed \$22,811,510. (Public Health Department)  
(Fiscal Impact)

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

Ayes: 3 - Cohen, Fewer, Stefani

*Chair Cohen requested File Nos. 180687 and 180688 be called together.*

**180687 [Multifamily Housing Revenue Note - 490 South Van Ness Avenue - Not to Exceed \$35,712,500]****Sponsors: Mayor; Ronen**

Resolution authorizing the execution and delivery of a multifamily housing revenue note in one or more series in an aggregate principal amount not to exceed \$35,715,500 for the purpose of providing financing for the construction of an 81-unit multifamily rental housing project known as "490 South Van Ness Avenue"; approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the loan from the funding lender to the City and the execution and delivery of the note; approving the form of and authorizing the execution of a borrower loan agreement providing the terms and conditions of the loan from the City to the borrower; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; authorizing the collection of certain fees; approving modifications, changes and additions to the documents; ratifying and approving any action heretofore taken in connection with the back-to-back loans, the note and the project; granting general authority to City officials to take actions necessary to implement this Resolution and related matters, as defined herein.

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

07/19/18; CONTINUED. Heard in Committee. Speakers: None.

*Heard in Committee. Speakers: Amy Chan (Mayor's Office of Housing and Community Development); Andrico Penick, Acting Director (Real Estate Division); Dan Goncher (Office of the Budget and Legislative Analyst); and 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

**180688 [Ground Lease - 490 South Van Ness Avenue - 490 SVN Housing Associates, LP - \$15,000 Annual Base Rent]****Sponsors: Mayor; Ronen**

Resolution approving and authorizing a long term Ground Lease with 490 SVN Housing Associates, LP, on City owned land at 490 South Van Ness Avenue ("Property") for a term of 75 years, to commence following Board approval, with one 24-year extension option, and with an annual based rent of \$15,000 in order to construct a 100% affordable, 80-unit multifamily rental housing development (plus one manager unit) for low-income persons ("Project"); adopting findings that the Ground Lease is consistent with the California Environmental Quality Act, the General Plan, and the priority policies of Planning Code, Section 101.1; and authorizing the Acting Director of Property and Director of Mayor's Office of Housing and Community Development to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution, as defined herein. (Fiscal Impact)

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

07/19/18; CONTINUED. Heard in Committee. Speakers: None.

*Heard in Committee. Speakers: Amy Chan (Mayor's Office of Housing and Community Development); Andrico Penick, Acting Director (Real Estate Division); Dan Goncher (Office of the Budget and Legislative Analyst); and provided an overview and responded to questions raised throughout the discussion.*

**Chair Cohen moved that this Resolution be AMENDED to include language stating that the purpose of this lease is solely to implement the mission of the Mayor's Office of Housing and Community Development, and the Board of Supervisors' approval of this resolution furthers the public purpose of providing affordable housing for low-income households in need, thus obviating the need for a market rent lease appraisal described in San Francisco Administrative Code Section 23.30. 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

**180738 [Multifamily Housing Revenue Bonds - 691 China Basin Street (Mission Bay South Block 6 West) - Not to Exceed \$80,000,000]**

**Sponsor: Kim**

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 \$80,000,000 for 691 China Basin 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 \$80,000,000; 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.

07/10/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-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.*

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

Ayes: 3 - Cohen, Fewer, Stefani

Chair Cohen requested File Nos. 180208, 180209, 180210, and 180211 be called together.

**180208 [Lease Amendment - Airport Concession Lease - Bay Area Restaurant Group, JV - Minimum Annual Guarantee \$168,840]**

Resolution approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0204, between Bay Area Restaurant Group, JV, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for five years for a total term of August 30, 2004, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$168,840. (Airport Commission)

03/02/18; RECEIVED FROM DEPARTMENT.

03/13/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

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

**Chair moved that this Resolution be AMENDED to provide for retroactive approval. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution retroactively approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0204, between Bay Area Restaurant Group, JV, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for five years for a total term of August 30, 2004, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$168,840. (Airport Commission)

**Vice Chair Fewer moved that this Resolution be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

**180209 [Lease Amendment - Airport Concession Lease - D-Lew Enterprises, LLC - Minimum Annual Guarantee \$146,300]**

Resolution approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0203, between D-Lew Enterprises, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for five years for a total term of May 12, 2004, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$146,300. (Airport Commission)

03/02/18; RECEIVED FROM DEPARTMENT.

03/13/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

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

**Chair moved that this Resolution be AMENDED to provide for retroactive approval. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution retroactively approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0203, between D-Lew Enterprises, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for five years for a total term of May 12, 2004, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$146,300. (Airport Commission)

**Vice Chair Fewer moved that this Resolution be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

**180210 [Lease Amendment - Airport Concession Lease - InMotion Entertainment Group, LLC - Minimum Annual Guarantee \$412,485]**

Resolution approving Amendment No. 2 to the Electronics and Technology Stores in Terminal 2 and Terminal 3 Lease No. 10-0038, between InMotion Entertainment Group, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for two years for a total term of May 19, 2010, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$401,690. (Airport Commission)

03/02/18; RECEIVED FROM DEPARTMENT.

03/13/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

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

**Chair Cohen moved that this Resolution be AMENDED to provide for retroactive approval and to state that the current minimum annual guarantee rent is \$412,485. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution retroactively approving Amendment No. 2 to the Electronics and Technology Stores in Terminal 2 and Terminal 3 Lease No. 10-0038, between InMotion Entertainment Group, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for two years for a total term of May 19, 2010, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$412,485. (Airport Commission)

**Vice Chair Fewer moved that this Resolution be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

**180211 [Lease Amendment - Airport Concession Lease - Gotham Enterprises, LLC - Minimum Annual Guarantee 152,104]**

Resolution approving Amendment No. 2 to the Specialty Coffee Facilities Lease No. 03-0069, between Gotham Enterprises, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for three years for a total term of November 10, 2003, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$154,482. (Airport Commission)

03/02/18; RECEIVED FROM DEPARTMENT.

03/13/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

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

**Chair Cohen moved that this Resolution be AMENDED to provide for retroactive approval and to state that the current minimum annual guarantee rent is \$152,104. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution retroactively approving Amendment No. 2 to the Specialty Coffee Facilities Lease No. 03-0069, between Gotham Enterprises, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for three years for a total term of November 10, 2003, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$152,104. (Airport Commission)

**Vice Chair Fewer moved that this Resolution be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

*Chair Cohen requested File Nos. 180420 and 180421 be called together.*

**180420 [Lease Amendment - Airport Concession Lease - Bay Area Restaurant Group Joint Venture - Minimum Annual Guarantee of \$86,875]**

Resolution retroactively approving Amendment No. 2 to the Domestic Terminal Food and Beverage Program Lease No. 03-0184, between Bay Area Restaurant Group Joint Venture, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term by two years and six months, for a total term of September 2, 2004, through September 30, 2019, and no change to the minimum annual guarantee of \$84,920. (Airport Commission)

04/20/18; RECEIVED FROM DEPARTMENT.

05/01/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/20/18; TRANSFERRED to Budget and Finance Sub-Committee.

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

**Chair Cohen moved that this Resolution be AMENDED to correctly state that the minimum annual guarantee is \$86,875. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution retroactively approving Amendment No. 2 to the Domestic Terminal Food and Beverage Program Lease No. 03-0184, between Bay Area Restaurant Group Joint Venture, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term by two years and six months, for a total term of September 2, 2004, through September 30, 2019, and no change to the minimum annual guarantee of \$86,875. (Airport Commission)

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

Ayes: 3 - Cohen, Fewer, Stefani



**180421 [Lease Amendment - Airport Concession Lease - Lady Luck, LLC - Minimum Annual Guarantee of \$96,648]**

Resolution retroactively approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0196, between Lady Luck, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term by one year and eight months, for a total term of September 29, 2003, through September 30, 2019, and no change to the minimum annual guarantee of \$65,960. (Airport Commission)

04/20/18; RECEIVED FROM DEPARTMENT.

05/01/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/20/18; TRANSFERRED to Budget and Finance Sub-Committee.

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

**Chair Cohen moved that this Resolution be AMENDED to correctly state that the minimum annual guarantee is \$96,648. The motion carried by the following vote:**

Ayes: 3 - Cohen, Fewer, Stefani

Resolution retroactively approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0196, between Lady Luck, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term by one year and eight months, for a total term of September 29, 2003, through September 30, 2019, and no change to the minimum annual guarantee of \$96,648. (Airport Commission)

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

Ayes: 3 - Cohen, Fewer, Stefani

*Chair Cohen requested File Nos. 180629 and 180765 be called together.*

**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, 2021, 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 to be between 1% and 5% depending on the type of cannabis business activity and amount of gross receipts, but 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.

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.

07/12/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. 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.

07/12/18; CONTINUED AS AMENDED.

07/18/18; 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, Treasurer and Tax Collector, and Office of Cannabis for reports and/or comments, pursuant to Rules of Order 2.22.4.

07/19/18; AMENDED. Heard in Committee. Speakers: Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Goldman; Jessica Sharp; Cythnia; Rob King; Sara Rodriguez; Kenneth Michael Cohen; Speaker; Brandon Brown; Jim Lazarus; Mr. Wright; Speaker; spoke on the hearing matter.

07/19/18; DUPLICATED AND AMENDED.

07/19/18; CONTINUED AS AMENDED. See duplicated File No. 180765.

*Heard in Committee. Speakers: J.J. Handleing; Jim Lazarus; John Delepine; Brandon Brown; Jolin Anns; Dr. Chris Emerson; Elaine Brown; Danielle Carpenter; William Dolan; Ryan Indigo Warm; Speaker; spoke on the hearing matter.*

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

Ayes: 3 - Cohen, Fewer, Stefani

**180765 [Initiative Ordinance - Business and Tax Regulations Code - Additional Gross Receipts Tax on Cannabis; Additional Conditions Subjecting Persons to Business Taxes]****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, 2021, 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 to be between 1% and 5% depending on the type of cannabis business activity and amount of gross receipts, but 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; starting January 1, 2019, to expand the conditions 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 by the increase in the amount of those business taxes collected compared to the prior year and by the amount collected under the new Cannabis Business Tax, for four years from November 6, 2018.

07/19/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

07/19/18; CONTINUED AS AMENDED.

07/19/18; DUPLICATED. Duplicated from File No. 180629.

*Heard in Committee. Speakers: J.J. Handleing; Jim Lazarus; John Delepine; Brandon Brown; Jolin Anns; Dr. Chris Emerson; Elaine Brown; Danielle Carpenter; William Dolan; Ryan Indigo Warm; Speaker; spoke on the hearing matter.*

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

Ayes: 3 - Cohen, Fewer, Stefani

## ADJOURNMENT

*There being no further business, the Budget and Finance Sub-Committee adjourned at the hour of 11:28 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.*