

BUDGET AND APPROPRIATIONS COMMITTEE CITY AND COUNTY OF SAN FRANCISCO

MEETING MINUTES - DRAFT

Wednesday, June 14, 2023 - 10:00 AM

City Hall, Legislative Chamber, Room 250

Rescheduled Meeting

Members: Connie Chan, Rafael Mandelman, Ahsha Safai, Hillary Ronen, Shamann Walton

Clerk: Brent Jalipa

(415) 554-7712 ~ brent.jalipa@sfgov.org

Angela Calvillo, Clerk of the Board

BOARD COMMITTEES

Committee Membership

Budget and Appropriations Committee

Supervisors Chan, Mandelman, Safai, Ronen, Walton

Budget and Finance Committee

Supervisors Chan, Mandelman, Safai

Government Audit and Oversight Committee

Supervisors Preston, Stefani, Chan

Homelessness and Behavioral Health Select Committee

Supervisors Ronen, Mandelman, Walton

Land Use and Transportation Committee

Supervisors Melgar, Preston, Peskin

Public Safety and Neighborhood Services Committee

Supervisors Stefani, Engardio, Dorsey

Rules Committee

Supervisors Dorsey, Walton, Safai

Meeting Days

Wednesday

1:30 PM

Wednesday

10:00 AM

1st and 3rd Thursday

10:00 AM

2nd and 4th Friday

10:00 AM

Monday

1:30 PM

2nd and 4th Thursday

10:00 AM

Monday

10:00 AM

First-named Supervisor is Chair, Second-named Supervisor is Vice-Chair of the Committee.

Members Present: Connie Chan, Rafael Mandelman, Ahsha Safai, Hillary Ronen, and Shamann Walton

The Budget and Appropriations Committee met in a rescheduled session, in-person with remote access and public comment via telephone, on Wednesday, June 14, 2023, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:06 a.m.

Remote Access to Information and Participation

The Board of Supervisors (www.sfbos.org) and its committees convene hybrid meetings that allow in-person attendance, in-person public comment (prioritized before remote public comment), remote access (watch: www.sfgovtv.org), and remote public comment via teleconference (<https://sfbos.org/remote-meeting-call>).

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan, Vice Chair Mandelman, and Members Safai and Ronen were noted present. Member Walton was noted not present. A quorum of the Committee was present.

COMMUNICATIONS

Brent Jalipa, Budget and Appropriations Committee Clerk, instructed members of the public, that when general public comment is called, to contribute live comments in-person or by dialing the telephone number published on the agenda and scrolling across the screen. Clerk Jalipa further announced that in-person public comment will be taken before remote public comment is called.

*(Those who are providing public comment remotely must dial *3 to be added to the remote queue to speak. Written comments may be submitted through email (brent.jalipa@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.)*

AGENDA CHANGES

There were no agenda changes.

Supervisor Walton Excused from Attendance

Chair Chan, seconded by Member Safai, moved to excuse Supervisor Walton from attending the Budget and Appropriations Committee meeting on June 14, 2023, until their arrival. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Safai, Ronen

Excused: 1 - Walton

REGULAR AGENDA

Supervisor Walton was noted present at 10:21 a.m.

230720 [Hearing - Controller's FYs 2023-2024 and 2024-2025 Revenue Letter]

Sponsor: Chan

Hearing to discuss the Controller's Fiscal Years (FYs) 2023-2024 and 2024-2025 Revenue Letter and Controller's Discussion of the Mayor's Proposed Budget; and requesting the Controller to report.

Heard in Committee. Speakers: Ben Rosenfield, City Controller, Carol Lu (Office of the Controller); provided an overview and responded to questions raised throughout the discussion. David Pilpel; shared various concerns relating to the hearing matter.

Chair Chan, seconded by Vice Chair Mandelman moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

Chair Chan requested File Nos. 230644 and 230645 be called together.

Chair Chan recessed the meeting at 12:56 p.m. and reconvened at 1:47 p.m.

Vice Chair Mandelman and Member Safai were noted not present at 1:47 p.m.

Vice Chair Mandelman was noted present at 1:58 p.m.

Supervisor Engardio was noted present at 2:06 p.m.

SPECIAL MEETING OF THE BOARD OF SUPERVISORS

Member Safai was noted present at 2:19 p.m. and Supervisor Preston was noted present at 2:58 p.m.; thereby constituting a quorum of the Board of Supervisors. A special meeting of the Board of Supervisors was convened at 2:19 p.m.; although, the meeting was conducted in all respects as a committee meeting for items on the agenda and any substantive decisions constitute a recommendation of the committee and not action taken by the board.

Present: Supervisors Chan, Mandelman, Safai, Ronen, Walton, Engardio, and Preston.

ADJOURNMENT OF THE BOARD OF SUPERVISORS

At the hour of 4:55 p.m., Supervisor Engardio was noted not present, and Supervisor Preston was noted not present at 5:59 p.m., thereby adjourning the Special Meeting of the Board of Supervisors.

Member Safai was noted not present at 6:21 p.m., and for the remainder of the meeting.

230644 [Budget and Appropriation Ordinance for Departments - FYs 2023-2024 and 2024-2025]

Sponsor: Mayor

Budget and Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Departments of the City and County of San Francisco as of June 1, 2023, for the Fiscal Years (FYs) ending June 30, 2024, and June 30, 2025.
(Fiscal Impact; No Budget and Legislative Analyst Report)

Heard in Committee. Speakers: Jose Cisneros, Treasurer and Tax Collector (Office of Treasurer and Tax Collector); Linda Gerull, Executive Director (Department of Technology); Joaquin Torres, Assessor-Recorder (Office of the Assessor-Recorder); Abbie Yant, Executive Director, and Iftikhar Hussein (Health Service System); Carmen Chu, City Administrator, and Katie Petrucione (Office of the City Administrator); Carol Isen, Director (Department of Human Resources); Gayathri Thaikkendiyil, Acting Executive Director (Ethics Commission); John Arntz, Director (Department of Elections); Supervisor Joel Engardio (Board of Supervisors); Alison Romano, Chief Executive Officer (Retirement Board); Benjamin McCloskey and Eric Shaw, Director, Brian Cheu (Mayor's Office of Housing and Community Development); Supervisor Dean Preston (Board of Supervisors); Ben Rosenfield, City Controller, and Michelle Allersma (Office of the Controller); Rich Hillis, Director (Planning Department); Carla Short, Interim Director, Bruce Robertson (Public Works); Patrick O' Riordan, Director, and Alex Lewis-Koskinen (Department of Building Inspection); Angela Calvillo, Clerk of the Board of Supervisors (Office of the Clerk of the Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Yen Yu Ling; Aracelli Lara; Luis Prado (Latino Task Force); Marcia Gomez; Aragon; Amy Dai; Yong Yu Fan; Li Qing Ho; Feng Xin Lu; Ya Jie Lu; Yang So Pan; Hui Qiu Wu; Ana Ying; Feng Jing Wu; Speaker; Yong Yu Lei; Chun Ping Wung; Wu Lin Maw; Yong Yu Szeto; Rachel Ho; Penny Hwan; Jackie; Lisa; Claire Lau (Chinatown Progressive Society); Eric Wu (Chinatown CDC); PJ Eugenio, Ramon Bonafacio, and Angelica Cabande, Director (SOMCAN); Jericho Sinamang; Becky (Causa Justa Just Cause); Sarah "Fred" Schirmer Zimmer (Housing Rights Committee); spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Member Walton, moved that this Ordinance be CONTINUED to the Budget and Appropriations Committee meeting of June 15, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230645 [Annual Salary Ordinance - FYs 2023-2024 and 2024-2025]

Sponsor: Mayor

Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the Fiscal Years (FYs) ending June 30, 2024, and June 30, 2025, continuing, creating, or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments or continuation of appointments thereto; specifying and fixing the compensations and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefore.

(Fiscal Impact; No Budget and Legislative Analyst Report)

Heard in Committee. Speakers: Jose Cisneros, Treasurer and Tax Collector (Office of Treasurer and Tax Collector); Linda Gerull, Executive Director (Department of Technology); Joaquin Torres, Assessor-Recorder (Office of the Assessor-Recorder); Abbie Yant, Executive Director, and Iftikhar Hussein (Health Service System); Carmen Chu, City Administrator, and Katie Petrucione (Office of the City Administrator); Carol Isen, Director (Department of Human Resources); Gayathri Thaikkendiyil, Acting Executive Director (Ethics Commission); John Arntz, Director (Department of Elections); Supervisor Joel Engardio (Board of Supervisors); Alison Romano, Chief Executive Officer (Retirement Board); Benjamin McCloskey and Eric Shaw, Director, Brian Cheu (Mayor's Office of Housing and Community Development); Supervisor Dean Preston (Board of Supervisors); Ben Rosenfield, City Controller, and Michelle Allersma (Office of the Controller); Rich Hillis, Director (Planning Department); Carla Short, Interim Director, Bruce Robertson (Public Works); Patrick O' Riordan, Director, and Alex Lewis-Koskinen (Department of Building Inspection); Angela Calvillo, Clerk of the Board of Supervisors (Office of the Clerk of the Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Yen Yu Ling; Aracelli Lara; Luis Prado (Latino Task Force); Marcia Gomez; Aragon; Amy Dai; Yong Yu Fan; Li Qing Ho; Feng Xin Lu; Ya Jie Lu; Yang So Pan; Hui Qiu Wu; Ana Ying; Feng Jing Wu; Speaker; Yong Yu Lei; Chun Ping Wung; Wu Lin Maw; Yong Yu Szeto; Rachel Ho; Penny Hwan; Jackie; Lisa; Claire Lau (Chinatown Progressive Society); Eric Wu (Chinatown CDC); PJ Eugenio, Ramon Bonafacio, and Angelica Cabande, Director (SOMCAN); Jericho Sinamang; Becky (Causa Justa Just Cause); Sarah "Fred" Schirmer Zimmer (Housing Rights Committee); spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Member Walton, moved that this Ordinance be CONTINUED to the Budget and Appropriations Committee meeting of June 15, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230664 [Business and Tax Regulations Code - Waiver of Permit, License, and Business Registration Fees for Certain Small Businesses]

Sponsors: Mayor; Ronen, Engardio, Dorsey and Mandelman

Ordinance amending the Business and Tax Regulations Code to waive, retroactively to July 1, 2023, certain first-year permit, license, and business registration fees for specified small businesses that newly form or that open a new location; and refunding any waived fees that have been paid to the City.

(Fiscal Impact)

Heard in Committee. Speakers: Jose Cisneros, Treasurer and Tax Collector (Office of Treasurer and Tax Collector); Dan Goncher (Office of the Budget and Legislative Analyst); Anna Duning, Budget Director (Mayor's Office of Public Policy and Finance); provided an overview and responded to questions raised throughout the discussion. Speaker; spoke on various concerns relating to the hearing matter.

Member Ronen, seconded by Vice Chair Mandelman, moved that this Ordinance be CONTINUED to the Budget and Appropriations Committee meeting of June 21, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

Chair Chan requested File Nos. 230647, 230648, and 230649 be called together.

230647 [Administrative and Environment Codes - Reducing Reporting Burdens]

Sponsor: Mayor

Ordinance amending the Administrative and Environment Codes to reduce administrative costs by requiring the Risk Manager to review and update insurance requirements only as necessary to protect the interests of the City, instead of annually; and eliminating the requirement that the Office of Contracts Administration regularly report on the implementation of City laws relating to select employment practices and the use of tropical hardwood by City contractors.

Heard in Committee. Speakers: Katie Petrucione and Carmen Chu, City Administrator (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be CONTINUED to the Budget and Appropriations Committee meeting of June 21, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230648 [Administrative Code - Eliminating Annual Joint Fundraising Drive]

Sponsor: Mayor

Ordinance amending the Administrative Code to eliminate the City's annual joint fundraising drive.

Heard in Committee. Speakers: Katie Petrucione and Carmen Chu, City Administrator (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230649 [Administrative Code - Technology Commodities and Services Procurements]

Sponsor: Mayor

Ordinance amending the Administrative Code to conform to current nomenclature the definition of the City's Technology Marketplace for procurement of technology commodities and services, and adjust associated fees paid by City departments.

Heard in Committee. Speakers: Katie Petrucione and Carmen Chu, City Administrator (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230663 [Municipal Elections Code - Supporters and Opponents in Ballot Questions for Local Measures]

Sponsor: Mayor

Ordinance amending the Municipal Elections Code to opt out of state law that would require the names of supporters and opponents of a local ballot measure to be listed in the ballot statement or question for the measure.

Heard in Committee. Speakers: John Arntz, Director (Department of Elections); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke in opposition to the Hearing matter. David Pilpel; spoke in support of the Hearing matter.

Chair Chan, seconded by Member Safai, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

Chair Chan requested File Nos. 230684, 230685, 230672, 230676, and 23668 be called together.

230684 [Hearing - Administrative Provisions - Contained in the Proposed Appropriation Ordinance for Departments - FYs 2023-2024 and 2024-2025]

Hearing on the Administrative Provisions contained in the proposed Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Departments of the City and County of San Francisco as of June 1, 2023, for the Fiscal Years (FYs) ending June 30, 2024, and June 30, 2025. (Clerk of the Board)

Heard in Committee. Speakers: Ben Rosenfield, City Controller, and Michelle Allersma (Office of the Controller); Dan Goncher (Office of the Budget and Legislative Analyst); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

The Committee requested the Controller amend Section 7.2 of the proposed administrative provisions of the AAO to change the control from 'under \$20,000' to 'over \$20,000.'

Chair Chan, seconded by Vice Chair Mandelman, moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230685 [Hearing - Administrative Provisions - Contained in the Proposed Annual Salary Ordinance - FYs 2023-2024 and 2024-2025]

Hearing on the Administrative Provisions contained in the proposed Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the Fiscal Years (FYs) ending June 30, 2024, and June 30, 2025, continuing, creating, or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments or continuation of appointments thereto; specifying and fixing the compensations and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefore. (Clerk of the Board)

Heard in Committee. Speakers: Ben Rosenfield, City Controller, and Michelle Allersma (Office of the Controller); Dan Goncher (Office of the Budget and Legislative Analyst); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Vice Chair Mandelman, moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230672 [Proposition J Contract Certification Contracted-Out Department Services Previously Approved]

Sponsor: Mayor

Resolution concurring with the Controller's certification that department services previously approved can be performed by a private contractor for a lower cost than similar work performed by City and County employees, for the following services: Budget and Legislative Analyst Services (Board of Supervisors); Fleet Security Services, Real Estate Division Custodial Services, Real Estate Division Security Services, and Convention Facilities Management (General Services Agency - Administrative Services); Security Services (Department of Public Works); Security Services (Homelessness and Supportive Housing); Security Services (Human Services Agency); Food Services at County Jails (Sheriff's Department); Assembly of Vote by Mail Services (Department of Elections); Security Services (Mayor's Office of Housing and Community Development); and Security Services (Department of Public Health).

Heard in Committee. Speakers: Ben Rosenfield, City Controller, and Michelle Allersma (Office of the Controller); Dan Goncher (Office of the Budget and Legislative Analyst); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Vice Chair Mandelman, moved that this Resolution be CONTINUED to the Budget and Appropriations Committee meeting of June 21, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230676 [Adjusting the Access Line Tax with the Consumer Price Index of 2023]

Sponsor: Mayor

Resolution concurring with the Controller's establishment of the Consumer Price Index for 2023, and adjusting the Access Line Tax by the same rate.

Heard in Committee. Speakers: Ben Rosenfield, City Controller, and Michelle Allersma (Office of the Controller); Dan Goncher (Office of the Budget and Legislative Analyst); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Vice Chair Mandelman, moved that this Resolution be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230668 [Neighborhood Beautification and Graffiti Clean-up Fund Tax Designation Ceiling]

Sponsor: Mayor

Ordinance adopting the Neighborhood Beautification and Graffiti Clean-up Fund Tax designation ceiling for tax year 2023.

Heard in Committee. Speakers: Ben Rosenfield, City Controller, and Michelle Allersma (Office of the Controller); Dan Goncher (Office of the Budget and Legislative Analyst); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Vice Chair Mandelman, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230312 [Public Works, Administrative Codes - Curbside Shared Spaces Permit and License Fees]

Sponsor: Safai

Ordinance amending the Public Works and Administrative Code to eliminate permit fees for Curbside Shared Spaces and increase the gross receipts threshold from \$2,000,000 to \$2,500,000 for reductions to annual Curbside Shared Spaces license fees; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1. (Fiscal Impact)

Heard in Committee. Speakers: Dan Goncher (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Amy Cleary (Golden Gate Restaurant Association); spoke in support of the hearing matter.

Member Safai, seconded by Chair Chan, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Lines 7-8, by striking 'and making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1.'; on Page 1, Line 22, through Page 2, Line 2, by striking '(b) On _____, the Planning Department determined that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board adopts this determination as its own. A copy of said determination is on file with the Clerk of the Board of Supervisors in File No. _____, and is incorporated herein by reference.'; on Page 3, Line 6, replacing 'on' with 'beginning after', and Line 7, inserting 'within the City' after 'gross receipts'; and on Page 6, Lines 10-13, by replacing 'on or after the effective date of the ordinance' with 'without interest, upon request of the payor of the fee. Any refund request under this ordinance must be filed in writing with the Tax Collector within one year of payment of the fee.' The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

Ordinance amending the Public Works and Administrative Code to eliminate permit fees for Curbside Shared Spaces and increase the gross receipts threshold from \$2,000,000 to \$2,500,000 for reductions to annual Curbside Shared Spaces license fees; and affirming the Planning Department's determination under the California Environmental Quality Act.
(Fiscal Impact)

Chair Chan, seconded by Vice Chair Mandelman, moved that this Ordinance be CONTINUED AS AMENDED to the Budget and Appropriations Committee meeting of June 21, 2023. The motion carried by the following vote:

Ayes: 5 - Chan, Mandelman, Safai, Ronen, Walton

230658 [Building Code - Increase Fees]

Sponsor: Mayor

Ordinance amending the Building Code to increase fees charged by the Department of Building Inspection by 15%; and affirming the Planning Department's determination under the California Environmental Quality Act.

(6/9/23 - Pending further review for Economic Impact)

Heard in Committee. Speakers: Patrick O' Riordan, Director (Department of Building Inspection); provided an overview and responded to questions raised throughout the discussion. Matthias Mormino (Chinatown Community Development Center); spoke on various concerns relating to the hearing matter. Sarah "Fred" Sherburn-Zimmer, Executive Director (Housing Right Committee); Beck Hom (Causa Justa Just Cause); Theresa; spoke in support of the hearing matter.

Chair Chan, seconded by Member Safai, moved that this Ordinance be CONTINUED to the Budget and Appropriations Committee meeting of June 21, 2023. The motion carried by the following vote:

Chair Chan requested File Nos. 230652, 230653, 230654, 230655, 230665, 230666, and 230667 be called together.

230652 [Appropriation - \$124,020,472 in Proceeds from Revenue Bonds, Hetch Hetchy Revenue, Cap and Trade Allowance for Hetch Hetchy Water and Power Capital Improvements - FY2023-2024]

Sponsor: Mayor

Ordinance appropriating a total of \$124,020,472 of Hetch Hetchy revenue, Cap and Trade Revenue and Power and Water Revenue Bonds for the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy Capital Improvement Program for Fiscal Year (FY) 2023-2024; and placing \$41,031,367 of Power Bonds and \$77,084,105 of Water Bonds by project on Controller's Reserve subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects, following review and consideration of completed project related environmental analysis, where required, in Fiscal Year (FY) 2023-2024.
(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager, and Nancy Hom (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the hearing matter. David Pilpel; spoke in support of the hearing matter.

The Committee requested that the PUC provide to the Board of Supervisors within 30 days of each bond sale or other debt transaction a report detailing the: i) principal amount sold and method of sale, (ii) true interest cost, (iii) final maturity, (iv) the facilities constructed and/or improved, and (v) a statement about the remaining bonding authorization under the proposed ordinance and include the report in the legislative file for the bond authorization.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230653 [Appropriation - Proceeds from CleanPowerSF Revenue and California Public Utilities Commission Grant Funds for CleanPowerSF Capital Improvements - \$1,607,220 - FY2023-2024]

Sponsor: Mayor

Ordinance appropriating \$759,000 of CleanPowerSF revenue for CleanPowerSF Capital Improvements and \$848,220 in California Public Utilities Commission grant funds to implement the Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs for Fiscal Year (FY) 2023-2024.

(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager, and Nancy Hom (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the hearing matter. David Pilpel; spoke in support of the hearing matter.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230654 [Appropriation - \$332,278,006 in Proceeds from Revenue Bonds, State Loan or Grant Funds, Water Revenues, and Water Capacity Fees - FY2023-2024]

Sponsor: Mayor

Ordinance appropriating a total of \$332,278,006 of proceeds from Revenue Bonds, State of California Water Resources Control Board's revolving loan funds (State Loan Funds) or grant funds (State Grant Funds), water revenues, and water capacity fees for the San Francisco Public Utilities Commission (SFPUC) Water Enterprise's Capital Improvement Program for Fiscal Year (FY) 2023-2024; and placing \$281,901,348 of Revenue Bond and State Loan Funds or State Grant Funds proceeds by project on Controller's Reserve subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) findings for projects, following review and consideration of completed project related environmental analysis, where required, in FY2023-2024.

(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager, and Nancy Hom (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the hearing matter. David Pilpel; spoke in support of the hearing matter.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230655 [Appropriation - Proceeds from Revenue Bonds, State Loans or Grant Funds, Wastewater Revenues, and Wastewater Capacity Fees for Wastewater Capital Improvements - \$1,142,597,402 - FY2023-2024]

Sponsor: Mayor

Ordinance appropriating a total of \$1,142,597,402 of proceeds from revenue bonds, State of California Water Resources Control Board's revolving loan funds (State Loan Funds) or grant funds (State Grant Funds), wastewater revenue and capacity fees for the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise's Capital Improvement Program for Fiscal Year (FY) 2023-2024, and placing \$1,047,288,286 in Revenue Bonds or State Loan or Grant Funds by project on Controller's Reserve subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) findings for projects, following review and consideration of completed project related environmental analysis, where required in Fiscal Year (FY) 2023-2024.
(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager, and Nancy Hom (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the hearing matter. David Pilpel; spoke in support of the hearing matter.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230665 [San Francisco Public Utilities Commission Water Revenue Bond and Other Forms of Indebtedness Issuance - Not to Exceed \$358,985,453]

Sponsor: Mayor

Ordinance authorizing the issuance and sale of tax-exempt or taxable Water Revenue Bonds and other forms of indebtedness (as described below) by the San Francisco Public Utilities Commission ("Commission") in an aggregate principal amount not to exceed \$358,985,453 to finance the costs of various capital water projects benefitting the Water Enterprise pursuant to amendments to the Charter of the City and County of San Francisco enacted by the voters on November 5, 2002, as Proposition E; authorizing the issuance of Water Revenue Refunding Bonds and the retirement of outstanding Water Enterprise Commercial Paper; declaring the Official Intent of the Commission to reimburse itself with one or more issues of tax-exempt bonds or other forms of indebtedness; and ratifying previous actions taken in connection therewith, as defined herein.
(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager, and Nancy Hom (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the hearing matter. David Pilpel; spoke in support of the hearing matter.

The Committee requested that the required report to the Board of Supervisors detailing issuance of Water Revenue bonds will be included in the legislative file.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230666 [San Francisco Public Utilities Commission Wastewater Revenue Bond Issuance - Various Capital Wastewater Projects Benefitting the Wastewater Enterprise - Not to Exceed \$1,047,288,286]

Sponsor: Mayor

Ordinance authorizing the issuance and sale of tax-exempt or taxable Wastewater Revenue Bonds and other forms of indebtedness (as described below) by the San Francisco Public Utilities Commission ("Commission") in an aggregate principal amount not to exceed \$1,047,288,286 to finance the costs of various capital wastewater projects benefitting the Wastewater Enterprise pursuant to amendments to the Charter of the City and County of San Francisco enacted by the voters on November 5, 2002, as Proposition E; authorizing the issuance of Wastewater Revenue Refunding Bonds and the retirement of outstanding Wastewater Enterprise Commercial Paper; declaring the Official Intent of the Commission to reimburse itself with one or more issues of tax-exempt bonds or other forms of indebtedness; and ratifying previous actions taken in connection therewith, as defined herein.

(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager, and Nancy Hom (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the hearing matter. David Pilpel; spoke in support of the hearing matter.

The Committee requested that the required report to the Board of Supervisors detailing issuance of Water Revenue bonds will be included in the legislative file.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230667 [San Francisco Public Utilities Commission Power Revenue Bond and Other Forms of Indebtedness Issuance - Various Capital Projects Benefitting the Power Enterprise - Not to Exceed \$41,031,367]

Sponsor: Mayor

Ordinance authorizing the issuance and sale of tax-exempt or taxable Power Revenue Bonds and other forms of indebtedness (as described below) by the San Francisco Public Utilities Commission ("Commission") in an aggregate principal amount not to exceed \$41,031,367 to finance the costs of various capital projects benefitting the Power Enterprise under the Charter, including amendments to the Charter enacted by the voters on June 5, 2018, commonly referred to as Proposition A; authorizing the issuance of Power Revenue Refunding Bonds; declaring the Official Intent of the Commission to reimburse itself with one or more issues of tax-exempt or taxable bonds or other forms of indebtedness; and ratifying previous actions taken in connection therewith, as defined herein.

(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager, and Nancy Hom (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the hearing matter. David Pilpel; spoke in support of the hearing matter.

The Committee requested that the PUC provide to the Board of Supervisors within 30 days of each bond sale or other debt transaction a report detailing the: i) principal amount sold and method of sale, (ii) true interest cost, (iii) final maturity, (iv) the facilities constructed and/or improved, and (v) a statement about the remaining bonding authorization under the proposed ordinance and include the report in the legislative file for the bond authorization.

Chair Chan, seconded by Member Ronen, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230656 [Appropriation - Port Commission - \$501,908 - Public Utilities Commission - \$97,057,341 - FY2023-2024]

Sponsor: Mayor

Ordinance appropriating \$501,908 in the Port Commission and \$97,057,341 in the San Francisco Public Utilities Commission in Fiscal Year (FY) 2023-2024.

(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); Kevin Kone (Airport Department); Nate Cruz (Port Department); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Vice Chair Mandelman, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

230669 [Public Employment - Amendment to the Salary Ordinance for the Port Commission and the Airport Commission - FY2023-2024]

Sponsor: Mayor

Ordinance amending Ordinance No. 166-22 (Salary Ordinance Fiscal Years 2022-2023 and 2023-2024) to reflect the addition of four positions (3.16 FTEs) at the Port Commission; and the substitution of 31 positions (31.0 FTEs) and the addition of 128 positions (101.12 FTEs) at the Airport Commission in Fiscal Year (FY) 2023-2024.
(Fiscal Impact)

Heard in Committee. Speakers: Dennis Herrera, General Manager (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); Kevin Kone (Airport Department); Nate Cruz (Port Department); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan, seconded by Vice Chair Mandelman, that the Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 1, Line 16, by replacing '2024-2024' with '2023-2024.' The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

(Fiscal Impact)

Chair Chan, seconded by Vice Chair Mandelman, moved that this Ordinance be RECOMMENDED AS AMENDED to the Board of Supervisors meeting of July 11, 2023. The motion carried by the following vote:

Ayes: 4 - Chan, Mandelman, Ronen, Walton

Absent: 1 - Safai

ADJOURNMENT

There being no further business, the Budget and Appropriations Committee adjourned at the hour of 8:39 p.m.

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