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

Members: Sandra Lee Fewer, Shamann Walton, Rafael Mandelman

Clerk: Linda Wong  (415) 554-7719

Tuesday, July 21, 2020  11:00 AM
Special Meeting

Present: 3 - Sandra Lee Fewer, Shamann Walton, and Rafael Mandelman

The Budget and Finance Committee met in special session through videoconferencing, and provided public comment through teleconferencing, on Tuesday, July 21, 2020, with Chair Sandra Lee Fewer presiding. Chair Fewer called the meeting to order at 11:02 a.m.

Remote Access to Information and Participation

In accordance with Governor Newsom’s Executive Order No. N-33-20 declaring a State of Emergency regarding the COVID-19 outbreak and Mayor London N. Breed’s Proclamation declaring a Local Emergency issued on February 25, 2020, including the guidance for gatherings issued by the San Francisco Department of Public Health Officer, aggressive directives were issued to reduce the spread of COVID-19. On March 17, 2020, the Board of Supervisors authorized their Board and Committee meetings to convene remotely (via Microsoft Teams) and will allow remote public comment via teleconference. Visit the SFGovTV website at (www.sfgovtv.org) to stream the live meetings, or to watch meetings on demand. Members of the public are encouraged to participate remotely via detailed instructions on participating via teleconference available at: https://sfbos.org/remote-meeting-call.

Members of the public may participate by phone or may submit their comments by email to: linda.wong@sfgov.org; all comments received will be made a part of the official record. Regularly-scheduled Budget and Finance Committee Meetings begin at 10:30 a.m. every Wednesday of each month. Committee agendas and their associated documents are available at https://sfbos.org/committees.

As the COVID-19 disease progresses, please visit the Board’s website (www.sfbos.org) regularly to be updated on the current situation as it affects the legislative process. For more information contact Assistant Clerk Linda Wong at (415) 554-7719.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Fewer, Vice Chair Walton, and Member Mandelman were noted present. A quorum was present.

AGENDA CHANGES

There were no agenda changes.
REGULAR AGENDA
200648 [Charter Amendment and Initiative Ordinance - Business and Tax Regulations Code - Adjustment of Baseline Funding and Business Tax Changes]

Sponsors: Yee; Peskin, Haney, Fewer, Safai and Mandelman

Charter Amendment (Second Draft) to amend the Charter of the City and County of San Francisco to provide that future annual adjustments in baseline funding for the following Charter-mandated funds will not take into account certain changes in City revenue resulting from voter-approved business taxes on the November 3, 2020 ballot: the Municipal Transportation Fund, the Park, Recreation and Open Space Fund, the Children and Youth Fund, the Library Preservation Fund, the Housing Trust Fund, the Public Education Enrichment Fund, the Dignity Fund, and the Street Tree Maintenance Fund; an Initiative Ordinance to amend the Business and Tax Regulations Code to: 1) reduce the annual Business Registration Fee for businesses with $1,000,000 or less in San Francisco gross receipts; 2) increase the small business exemption ceiling for the Gross Receipts Tax to $2,000,000 and increase the annual Business Registration Fee on businesses benefiting from this increased exemption ceiling; 3) modify the Gross Receipts Tax rates; 4) repeal the Payroll Expense Tax; 5) increase the Gross Receipts Tax on certain taxpayers for 20 years if a final judicial decision has the effect of invalidating the Homelessness Gross Receipts Tax Ordinance; 6) impose a new general tax on the gross receipts from the lease of certain commercial space for 20 years if a final judicial decision has the effect of invalidating the Early Care and Education Commercial Rents Tax Ordinance; and 7) make other changes to the City’s business taxes; and to increase the City’s appropriations limit by the total revenues collected under Articles 12-A-1 and 36 of the Business and Tax Regulations Code for four years from November 3, 2020; at an election to be held on November 3, 2020.

(Economic Impact)

06/16/20; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 7/16/2020.

06/24/20; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Office of the Controller for financial analysis report; Office of Small Business for review/report, and Mayor’s Office, Office of the City Attorney, Department of Elections, Ethics Commission, and the Office of the Treasurer and Tax Collector for reports and/or comments, pursuant to Rules of Order 2.22.4.

07/02/20; RESPONSE RECEIVED. CEQA does not apply to a measure submitted to the

07/16/20; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee.
Speakers: President Norman Yee, Supervisor Aaron Peskin, and Supervisor Matt Haney (Board of Supervisors); Sophia Kittler (Office of the Mayor); Ben Rosenfield, City Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion. Malia; Lily Marquez; Emily Abraham; Ms. Sonny; Lourdes A.; Amelia Linde (San Francisco Chamber of Commerce); Cindy Mendez; Naima; Rachel Herbert; David Branchel; Kevin Carroll (Hotel Council of San Francisco); April Lee; Matt Law; Carol Louise; Speaker; Maria Rondez; Jong Yang Wong; spoke on various concerns relating to the hearing matter.

07/16/20; CONTINUED AS AMENDED.

07/16/20; RESPONSE RECEIVED.

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07/17/20; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Office of the Controller for financial analysis report; Office of Small Business for review/report, and Mayor’s Office, Office of the City Attorney, Department of Elections, Ethics Commission, Municipal Transportation Agency, Recreation and Parks Department, Department of Children Youth and Their Families, Library Department, Public Works and the Office of the Treasurer and Tax Collector for reports and/or comments, pursuant to Rules of Order 2.22.4.

Heard in Committee. Speakers: President Norman Yee (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Maria L.; Naemah Charles (Children Council of San Francisco); spoke in support of the hearing matter.

Chair Fewer moved that this Charter Amendment and Initiative Ordinance be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:
ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 11:19 a.m.

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