

1 [Administrative Code - Minimum Compensation Ordinance]

2

3 **Ordinance amending the Administrative Code to increase the minimum hourly**
 4 **compensation rate for employees of nonprofit City contractors incrementally to \$23.00**
 5 **per hour by January 1, 2026, with annual increases every July thereafter based on**
 6 **increases in the Consumer Price Index; to increase the minimum hourly compensation**
 7 **rate for employees of public entity City contractors incrementally to \$25.50 per hour by**
 8 **January 1, 2027, with annual increases every July thereafter based on increases in the**
 9 **regional Consumer Price Index for certain workers; and to modify the exemption to**
 10 **minimum compensation requirements for youth employees in summer and after-school**
 11 **programs.**

12

13 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
 14 **Additions to Codes** are in *single-underline italics Times New Roman font*.
 15 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
 16 **Board amendment additions** are in double-underlined Arial font.
 17 **Board amendment deletions** are in ~~strikethrough Arial font~~.
 18 **Asterisks (* * * *)** indicate the omission of unchanged Code
 19 subsections or parts of tables.

17

18 Be it ordained by the People of the City and County of San Francisco:

19

20 Section 1. Chapter 12P of the Administrative Code is hereby amended by revising
 21 Sections 12P.2 and 12P.3, to read as follows:

22 **SEC. 12P.2. DEFINITIONS.**

23 As used in this Chapter the following capitalized terms shall have the following
 24 meanings:

25 * * * *

1 (i) "Covered Employee" shall mean:

2 * * * *

3 (4) Notwithstanding the foregoing, the term "Covered Employee" shall exclude
4 the following Employees of a Contractor that is a Nonprofit Corporation:

5 (A) Any Employee who is either (i) under the age of 19 and is a participant
6 in a youth employment or training program employed as an after-school or summer Employee on or
7 after the effective date of the ordinance in Board of Supervisors File No. 230646; ~~eighteen (18) and is~~
8 claimed as a dependent for federal income tax purposes and is employed as an after-school or summer
9 Employee; or (ii) employed as a trainee in a bona fide training program consistent with Federal
10 law, which training program enables the Employee to advance into a permanent position;
11 provided, however, these exemptions only apply when the Employee does not replace,
12 displace, or lower the wage or benefits of any existing position or Employee; and,

13 (B) Any disabled Employee of a Contractor, which disabled Employee: is
14 covered by a current sub-minimum wage certificate issued to the Contractor by the U.S.
15 Department of Labor; or would be covered by such a certificate but for the fact that the
16 Contractor is paying a wage equal to or higher than the minimum wage.

17 * * * *

18
19 **SEC. 12P.3. MINIMUM COMPENSATION COMPONENTS.**

20 (a) Minimum Compensation shall consist of the following:

21 (1) (A) For Contracts and Contract Amendments with parties other than
22 Nonprofit Corporations or public entities, hourly gross compensation shall be as follows:-

23 (i) Beginning on November 3, 2018 or the effective date of the
24 ordinance in Board File No. 170297, whichever is later, an hourly gross compensation of
25 \$17.00.

1 (ii) In order to prevent inflation from eroding the value of this rate,
2 on July 1, 2019, the the1 hourly gross compensation rate shall increase by an amount
3 corresponding to the prior year's increase, if any, in the Consumer Price Index. Annually
4 thereafter on July 1, the hourly gross compensation in effect for the prior calendar year shall
5 increase by an amount corresponding to the prior year's increase, if any, in the Consumer
6 Price Index.

7 (B) For Contracts and Contract Amendments with Nonprofit
8 Corporations, hourly gross compensation shall be ~~\$16.50 as of July 1, 2019. In order to prevent~~
9 ~~inflation from eroding the value of this rate, on July 1, 2020 \$18.93 as of July 1, 2023, \$20.25 as of~~
10 ~~July 1, 2024, \$21.55 as of July 1, 2025, \$23.00 as of January 1, 2026,~~ and annually thereafter on
11 July 1, the hourly gross compensation in effect for the prior ~~calendar~~fiscal year shall increase
12 by an amount corresponding to the prior calendar year's increase, if any, in the Consumer
13 Price Index. For the purpose of the annual adjustment on July 1, 2026, the gross compensation rate in
14 effect for the prior fiscal year shall be \$23.00.

15 (C) For Contracts and Contract Amendments with public entities, hourly
16 gross compensation shall be ~~\$16.00 as of February 1, 2019, \$16.50 as of July 1, 2019, \$17.50 as of~~
17 ~~July 1, 2020, \$18.00 as of July 1, 2021, and \$18.75 as of July 1, 2022. In order to prevent inflation~~
18 ~~from eroding the value of this rate, on July 1, 2023, \$19.25 as of July 1, 2023, \$20.25 as of September~~
19 ~~1, 2023, \$20.75 as of January 1, 2024, \$21.50 as of July 1, 2024, \$22.00 as of January 1, 2025, \$22.50~~
20 ~~as of July 1, 2025, \$23.00 as of January 1, 2026, \$25.00 as of September 1, 2026, \$25.50 as of January~~
21 ~~1, 2027,~~ and annually thereafter on July 1, the hourly gross compensation rate in effect for the
22 prior fiscal year shall increase by an amount corresponding to the prior calendar year's
23 increase, if any, in the Consumer Price Index for urban wage earners and clerical workers for the
24 San Francisco-Oakland-Hayward metropolitan statistical area. For the purpose of the annual
25

1 adjustment on July 1, 2027, the gross compensation rate in effect for the prior fiscal year shall be
2 \$25.00.

3 (D) The increases in hourly gross compensation, and Consumer Price
4 Index increases, specified in subsections (a)(1)(B)-(C), shall go into effect only if the City
5 appropriates funds for the increases under the fiscal and budgetary provisions of the Charter,
6 and the Controller certifies that such funds are sufficient to pay for the increased hourly gross
7 compensation. If the Controller certifies that the appropriated funds are sufficient to support a
8 proportion of the increased hourly gross compensation rate and Consumer Price Index
9 increase, then the hourly gross compensation rate shall increase by that proportion only.

10 (E) For Contracts and Contract Amendments covered by Section 12P.4
11 of this Chapter 12P, hourly gross compensation shall be, as of November 3, 2018 or the
12 effective date of the ordinance in Board File No. 170297, whichever is later, \$17.00. In order
13 to prevent inflation from eroding the value of this rate, on July 1, 2019, the hourly gross
14 compensation rate shall increase by an amount corresponding to the prior year's increase, if
15 any, in the Consumer Price Index. Annually thereafter on July 1, the hourly gross
16 compensation in effect for the prior calendar year shall increase by an amount corresponding
17 to the prior year's increase, if any, in the Consumer Price Index.

18 * * * *

19
20 Section 2. Effective Date; Retroactivity.

21 (a) This ordinance shall become effective 30 days after enactment. Enactment
22 occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or
23 does not sign the ordinance within ten days of receiving it, or the Board of Supervisors
24 overrides the Mayor's veto of the ordinance.

LEGISLATIVE DIGEST

[Administrative Code - Minimum Compensation Ordinance]

Ordinance amending the Administrative Code to increase the minimum hourly compensation rate for employees of nonprofit City contractors incrementally to \$23.00 per hour by January 1, 2026, with annual increases every July thereafter based on increases in the Consumer Price Index; to increase the minimum hourly compensation rate for employees of public entity City contractors incrementally to \$25.50 per hour by January 1, 2027, with annual increases every July thereafter based on increases in the regional Consumer Price Index for certain workers; and to modify the exemption to minimum compensation requirements for youth employees in summer and after-school programs.

Existing Law

The Minimum Compensation Ordinance (“MCO”) generally requires City contractors to provide their covered employees with no less than the MCO hourly compensation rate. The MCO covers most City service contractors, including nonprofit organizations and public entities.

For employees of nonprofit organizations under a contract with the City, the MCO hourly gross compensation is currently \$17.90 per hour as of July 1, 2023.

For employees of public entities under a contract with the City, the MCO hourly gross compensation is currently \$19.25 per hour as of July 1, 2023.

Employees of after-school or summer programs funded by City contracts are not subject to the MCO if they are under 18 years old and are claimed as a dependent for federal income tax purposes.

Amendments to Current Law

For employees of nonprofit organizations under a contract with the City, the ordinance would increase the wage rate to \$18.93 beginning July 1, 2023, then increase it incrementally to \$23.00 per hour by January 1, 2026, and increase it every July thereafter based on increases in the Consumer Price Index.

For employees of public entities under a contract with the City, the ordinance would increase the wage rate to \$20.25 beginning September 1, 2023, then increase it incrementally to \$25.50 per hour by July 1, 2027, and increase it every July thereafter based on increases in the Consumer Price Index for urban wage earners and clerical workers for the San Francisco-Oakland-Hayward metropolitan statistical area.

FILE NO. 230646

The ordinance would modify the exemption for employees participating in after-school or summer programs. Under the ordinance, those employees would be exempt if they are under 19 years old.

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To: Aaron Peskin, President of the Board of Supervisors
From: Anna Duning, Mayor's Budget Director
Date: June 1, 2023
Re: 30-Day Waiver Requests

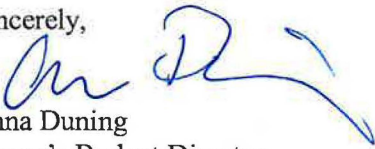
President Peskin,


The Mayor's Office Respectfully requests 30-day hold waivers for the following pieces of trailing legislation:

- Administrative Code – Annual Joint Fundraising Drive
- Administrative and Environment Code – Reporting Requirements
- Administrative Code – Technology Commodities and Procurement
- Resolution Adjusting the Access Line Tax with the Consumer Price Index of 2023
- Neighborhood Beautification and Graffiti Clean-up Fund Tax Designation Ceiling
- Building Code – Permitting and Inspection Fees
- Business and Tax Regulations Code – Early Care and Education Commercial Rents Tax Sublessor Deduction
- Business and Tax Regulations Code – Early Care and Education Commercial Rents Tax Baseline
- Business and Tax Regulations Code – Emergency Medical Services Fees
- Health Code – Patient Rates
- Accept and Expend Grants – Recurring State Grant Funds – Department of Public Health – FY 2023-2024
- Health Code – Managed Care Rates
- Administrative Code – Filming Fees for the SF Film Commission
- Homelessness and Supportive Housing Fund – FYs 2023-2023 and 2024-2025 Expenditure Plan
- Accept and Expend Grants – Recurring Grant Funds – San Francisco Public Library Friends of the Library Fund – FY 2023-2024
- Office of Community Investment and Infrastructure, operating as a Successor Agency to the San Francisco Redevelopment Agency, Fiscal Year 2023-2024 Interim Budget
- Municipal Elections Code – Ballot Arguments Opt-Out
- Business and Tax Regulations Code – Waiving first-year permit, license, and business registration fees
- Business and Tax Regulations Code – Our City, Our Home Homelessness Gross Receipts Tax
- Administrative Code – Minimum Compensation Ordinance

Should you have any questions, please contact Tom Paulino at 415-554-6153.

Sincerely,


Anna Duning
Mayor's Budget Director

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2023 JUN -1 PM 3:01
BY 

OFFICE OF THE MAYOR
SAN FRANCISCO



RECEIVED
LONDON N. BREED
SAN FRANCISCO MAYOR
2023 MAY 32 9:05 AM
PH 2:31
BY *[Signature]*

To: Angela Calvillo, Clerk of the Board of Supervisors
From: Anna Duning, Mayor's Budget Director
Date: June 1, 2023
Re: Mayor's FY 2023-24 and FY 2024-25 Budget Submission

Madam Clerk,

In accordance with City and County of San Francisco Charter, Article IX, Section 9.100, the Mayor's Office hereby submits the Mayor's proposed budget by June 1st, corresponding legislation, and related materials for Fiscal Year (FY) 2023-24 and FY 2024-25.

In addition to the Mayor's Proposed FY 2023-24 and FY 2024-25 Budget Book, the following items are included in the Mayor's submission:

- The Annual Appropriation Ordinance and Annual Salary Ordinance, along with Administrative Provisions
- The proposed budget for the Office of Community Investment and Infrastructure for FY 2023-24
- The Airport Annual Salary Ordinance Supplemental for FY 2023-24
- The Port of San Francisco Annual Salary Ordinance Supplemental for FY 2023-24 and Annual Appropriation Ordinance Supplemental for FY 2023-24
- The Public Utilities Commission Capital Budget for FY 2023-24 and Annual Appropriation Ordinance Supplemental for FY 2023-24
- 34 separate pieces of trailing legislation (see list attached)
- A Transfer of Function letter detailing the transfer of positions from one City department to another
- An Interim Exception letter
- A letter addressing funding levels for nonprofit corporations or public entities for the coming two fiscal years
- Memo to the Board President requesting for 30-day rule waivers on ordinances

Please note the following:

- Technical adjustments to the June 1 budget are being prepared, but are not submitted with this set of materials.

Sincerely,

[Signature]
Anna Duning
Mayor's Budget Director

cc: Members of the Board of Supervisors
Budget & Legislative Analyst's Office
Controller

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2023 JUN - 1 PM 2:34
BY *[Signature]*

DEPT	Item	Description	Type of Legislation	File #
ADM	Code Amendment	Amending the Administrative Code to eliminate the Annual Joint Fundraising Drive	Ordinance	230648
ADM	Code Amendment	Amending the Administrative and Environment Codes to reduce reporting burdens, so as to update insurance manuals when requested or necessary, instead of on an annual basis, and eliminating some scheduled reports	Ordinance	230647
ADM	Code Amendment	Amending the Administrative Code relating to Technology Commodities and Services Procurements, to eliminate the Tech Marketplace fee	Ordinance	230649
ADM	Continuing Prop J	City Administrator's Office convention facility management services, Real Estate custodial services, and Fleet and Real Estate security services	Resolution	230672
BOS	Continuing Prop J	Board of Supervisors Budget and Legislative Analyst Services for FY 2023-24	Resolution	230672
CON	Access Line Tax (ALT) Tax Rates	Sets Access Line Tax in line with 2023 Consumer Price Index. Revenues assumed in budget.	Ordinance	230676
CON	Neighborhood Beautification Fund	Neighborhood Beautification and Graffiti Clean-Up Fund Option (now known as the Community Challenge Grant Program)	Ordinance	230668
DBI	Department of Building Inspection Fee Changes	Changing the fee structure for DBI fees that are charged for permitting and inspection	Ordinance	230658
DEC	Early Care and Education Commercial Rents Tax Baseline	Amending the baseline funding requirements for early care and education programs to enable the City to use Early Care and Education Commercial Rents Tax revenues for those programs	Ordinance	230661
DEC	Early Care and Education, Commercial Rents Tax Deductions	Amending the Business and Tax Regulations Code relating to the Early Care and Education Commercial Rents Tax Sublessor Deduction	Ordinance	230660
DEM	EMSA Fee Changes	Updating medical services fees due to annual adjustments for the purposes of funding trauma and pediatric centers. Fees also required for certain additional services.	Ordinance	230659

DPH	Patient Rates	Amending the Health Code to set patient rates and rates for other services provided by the Department of Public Health.	Ordinance	230662
DPH	Recurring State Grants	Accept and expend for annual, recurring state grant funds.	Resolution	230677
DPH	Managed Care Rates	Amending the Health Code to set managed care rates provided by the Department of Public Health.	Ordinance	230650
DPH	Public Health Foundation MOU	MOU between DPH and San Francisco Public Health Foundation to establish roles and responsibilities for purposes of fundraising and capital projects	Resolution	230673
DPH	Hospital Foundation MOU	MOU between DPH and San Francisco General Hospital Foundation to establish roles and responsibilities for purposes of fundraising and capital projects	Resolution	230674
DPH	Mobile Crisis Grant	Grant agreement between DPH and Advocates for Human Potential Inc. for anticipated revenue that support behavioral health mobile crisis and non-mobile crisis services	Resolution	230679
DPH	Continuing Prop J	Department of Public Health Security Services	Resolution	230672
DPW	Continuing Prop J	Department of Public Works Security Services for FY 2023-24	Resolution	230672
ECN	Contract Amendment - MidMarket Foundation	Contract amendment to reflect budgeted funding levels for the Mid-Market Foundation - Mid-Market/Tenderloin Community-Based Safety Program	Resolution	230681
ECN	Contract Amendment – San Francisco Tourism Improvement District Management Corporation	Contract amendment to reflect budgeted funding levels for the San Francisco Tourism Improvement District Management Corporation – Downtown Welcome Ambassador Program	Resolution	230680
ECN	Film Commission Fee Changes	Increase of filming fees for the SF Film Commission	Ordinance	230651
HOM	CAAP Legislation	Annual legislation for CAAP housing, required if appropriations for HSH fund exceed \$11.9 million, including expenditure details and explanation of benefits provided	Resolution	230675
HOM	Continuing Prop J	Homelessness and Supportive Housing security services	Resolution	230672

HSA	Continuing Prop J	Human Services Agency Security Services for FY 2023-24	Resolution	230672
HSH/ DPH	Funding Reallocation - Our City, Our Home Homelessness Gross Receipts Tax	Ordinance reallocating approximately \$60,000,000 in unencumbered revenues from the Our City, Our Home Fund to allow the City to use revenues from the Homelessness Gross Receipts Tax to provide services to prevent homelessness.	Ordinance	230657
LIB	Friends of the Library A&E	Annual Accept & Expend legislation for the SFPL's Friends of the Library Fund	Resolution	230678
MOHCD	Continuing Prop J	Mayor's Office of Housing and Community Development security services for undeveloped real property	Resolution	230672
OCII	OCII Interim Budget Resolution	OCII Interim Budget Resolution	Resolution	230670
	Citywide Tax Changes	Gross Receipts Tax Rate Increase Postponement and Credits for Opening City Location	Ordinance (Introduced)	File No. 230155
REG	Continuing Prop J	Department of Elections Envelope Assembly Services for FY 2023-24	Resolution	230672
REG	Ballot Arguments Opt-Out	Legislation for CCSF opt out of arguments on ballots required in AB 1416	Ordinance	230663
SHF	Continuing Prop J	Sheriff's Department County Jails Food Services for FY 2023-24	Resolution	230672
TTX	First Year Free	Continues waiving certain small business first-year permit, license, and business registration fees	Ordinance	230664

President, District 3
BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. 554-7450
Fax No. 554-7454
TDD/TTY No. 544-6546

Aaron Peskin

PRESIDENTIAL ACTION

Date:

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,

Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No.

(Primary Sponsor)

Title.

Transferring (Board Rule No 3.3)

File No.

(Primary Sponsor)

Title.

From:

Committee

To:

Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor:

Replacing Supervisor:

For:

Meeting

(Date)

(Committee)

Start Time:

End Time:

Temporary Assignment: Partial

Full Meeting

Aaron Peskin, President
Board of Supervisors

**Board of Supervisors
Legislation Introduced**

Legislation Introductions - 6/6/23					
Number	Requests or IA	File No.	Sponsor	File Type	Description
	30-Day	230642	Mayor	O	Proposed Interim Budget and Annual Appropriation Ordinance (AAO)
	30-Day	230643	Mayor	O	Proposed Interim Annual Salary Ordinance (ASO)
	30-Day	230644	Mayor	O	Proposed Budget and Annual Appropriation Ordinance (AAO)
	30-Day	230645	Mayor	O	Proposed Annual Salary Ordinance (ASO)
	30 Day Waiver	230646	Mayor	O	Admin Code - Minimum Compensation Ordinance
	30 Day Waiver	230647	Mayor	O	Admin & Environment Codes - Reducing Reporting Burdens
	30 Day Waiver	230648	Mayor	O	Admin Code - Eliminating Annual Joint Fundraising Drive
	30 Day Waiver	230649	Mayor	O	Admin Code - Technology Commodities and Services Procurements
	30 Day Waiver	230650	Mayor	O	Admin Code - DPH Managed Care Contracts
	30 Day Waiver	230651	Mayor	O	Admin Code - Film Commission Programs
	30-Day	230652	Mayor	O	Appropriation - \$124,020,472 in Proceeds from Revenue Bonds, Hetch Hetchy Revenue, Cap and Trade Allowance - FY 2023-24
	30-Day	230653	Mayor	O	Appropriation - Proceeds from CleanPowerSF Revenue and CPUC Grant Funds for CleanPowerSF Capital Improvements - \$1,607,220 - FY2023-24
	30-Day	230654	Mayor	O	Appropriation - \$332,278,006 in Proceeds from Revenue Bonds, State Loan or Grant Funds, Water Revenues, and Water Capacity Fees - FY2023-24
	30-Day	230655	Mayor	O	Appropriation - Proceeds from Revenue Bonds, State Loans or Grant Funds, Wastewater Revenues, and Wastewater Capacity Fees for Wastewater Capital Improvements - \$1,142,597,402 - FY2023-24
	30-day	230656	Mayor	O	Appropriation - Port Commission - \$501,908 - PUC - \$97,057,341 - FY2023-24
	30 Day Waiver	230657	Mayor	O	Funding Reallocation - Our City, Our Home Homelessness Gross Receipts Tax
	30 Day Waiver	230658	Mayor	O	Building Code - Fees
	30 Day Waiver	230659	Mayor	O	Business & Tax Regulations, Health Codes - Emergency Medical Services Fees
	30 Day Waiver	230660	Mayor	O	Business & Tax Regulations Code - Early Care and Education Commerical Rents Tax Sublessor Deduction
	30 Day Waiver	230661	Mayor	O	Business & Tax Regulations Code - Early Care and Education Commerical Rents Tax Baseline
	30 Day Waiver	230662	Mayor	O	Health Code - Patient Rates for FY 2023-24 and 2024-25
	30 Day Waiver	230663	Mayor	O	Municipal Elections Code - Supporters and Opponents in Ballot Questions for Local Measures
	30 Day Waiver	230664	Mayor	O	Business & Tax Regulations Code - Waiver of Permit, License, and Business Registration Fees for Certain Small Businesses

**Board of Supervisors
Legislation Introduced**

Legislation Introductions - 6/6/23					
Number	Requests or IA	File No.	Sponsor	File Type	Description
	30-Day	230665	Mayor	O	SFPUC Water Revenue Bond and Other Forms of Indebtedness Issuance - NTE \$358,985,453
	30-Day	230666	Mayor	O	SFPUC Wastewater Revenue Bond Issuance - NTE \$1,047,288,286
	30-Day	230667	Mayor	O	SFPUC Power Revenue Bond and Other Forms of Indebtedness Issuance - NTE \$41,031,367
	30 Day Waiver	230668	Mayor	O	Neighborhood Beautification and Graffiti Clean-Up Fund Tax Designation Ceiling
	30-Day	230669	Mayor	O	Public Employment - Amendment to the Salary Ordinance for the Port Commission and the Airport Commission - FY2023-24

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Tom Paulino, Liaison to the Board of Supervisors
RE: Administrative Code - Minimum Compensation Ordinance
DATE: June 1, 2023

Ordinance amending the Administrative Code to increase the minimum hourly compensation rate for employees of nonprofit City contractors incrementally to \$23.00 per hour by January 1, 2026, with annual increases every July thereafter based on increases in the Consumer Price Index; to increase the minimum hourly compensation rate for employees of public entity City contractors incrementally to \$25.50 per hour by January 1, 2027, with annual increases every July thereafter based on increases in the regional Consumer Price Index for certain workers; and to modify the exemption to minimum compensation requirements for youth employees in summer and after-school programs.

Should you have any questions, please contact Tom Paulino at 415-554-6153.