

1 [Administrative Code - Special Funds for Cultural, Arts, and Publicity Programs]

2

3 **Ordinance amending the Administrative Code to establish the Arts Commission**
4 **Cultural Centers Fund and the City Administrator Grants for the Arts Fund; clarify**
5 **provisions of the Convention Facilities Fund, War Memorial Special Fund, and Cultural**
6 **Equity Endowment Fund; and conform other provisions of the Code to the new funding**
7 **structure.**

8 NOTE: Additions are *single-underline italics Times New Roman*;
9 deletions are ~~*strike-through italics Times New Roman*~~.
10 Board amendment additions are double-underlined;
Board amendment deletions are ~~strikethrough normal~~.

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

12 Section 1. **Purpose.** The purpose of this legislation is to promote the affected cultural
13 and arts programs by providing them with broader and more stable sources of funding. By
14 creating these special funds and providing for General Fund support for these programs, the
15 City would give the cultural and arts programs the benefit of access to a more consistent,
16 diverse and stable revenue stream. Creation of these special funds would also help the City
17 carry out its mandate for cultural, educational, and recreational appropriations under Charter
18 Section 16.106. And funding the programs through such special funds would better reflect the
19 City’s actual budgetary processes and practices, promoting transparency and accountability.

20

21 / / /

22 / / /

23 / / /

24 / / /

25 / / /

1 Section 2. The San Francisco Administrative Code is hereby amended by adding
2 Sections 10.100-26 and 10.100-48, to read as follows:

3 **SEC. 10.100-26. ARTS COMMISSION CULTURAL CENTERS FUND.**

4 *(a) Establishment of Fund. The Arts Commission Cultural Centers Fund is established as a*
5 *category four fund to receive any monies appropriated by the Mayor and the Board of Supervisors for*
6 *this purpose.*

7 *(b) Use of Fund. The Arts Commission shall use the fund to support the operation,*
8 *maintenance and programming of the City-owned community cultural centers to assure that these*
9 *cultural centers remain open and accessible and remain vital contributors to the cultural life of the*
10 *City.*

11
12 **SEC. 10.100-48. CITY ADMINISTRATOR GRANTS FOR THE ARTS FUND.**

13 *(a) Establishment of Fund. The City Administrator Grants for the Arts Fund is established as*
14 *a category four fund to receive any monies appropriated by the Mayor and the Board of Supervisors for*
15 *this purpose.*

16 *(b) Use of Fund. The City Administrator shall use the fund for the ongoing operations of the*
17 *Grants for the Arts Program.*

18
19 Section 3. The San Francisco Administrative Code is hereby amended by
20 re-numbering Section 10.100-5 as Section 10.100-47, by amending Sections 10.100-47,
21 10.100-361, 68.3, and 68.8, and by repealing Sections 24A.02 and 24A.04, to read as follows:

22 **SEC. ~~10.100-47~~ 10.100-5. CITY ADMINISTRATOR ADMINISTRATIVE SERVICES**
23 **CONVENTION FACILITIES FUND.**

24 (a) **Establishment of Fund.** The Administrative Services Convention Facilities Fund
25 is established as a category four fund for the purposes of receiving all *monies appropriated or*

1 received for the support of the City's convention facilities, and revenues accruing from the use of
2 Moscone Center, Brooks Hall and Civic Auditorium ~~and Hotel Room Tax Fund receipts as~~
3 ~~provided in Section 515(6), Part III, San Francisco Municipal Code, and any other funds transferred~~
4 ~~into the fund.~~

5 (b) **Use of Fund.** The fund shall be used exclusively for ~~the following purposes:~~

6 ~~(1) Operation, operation,~~ maintenance, management and improvement of the
7 City's convention facilities, including Moscone Center, Brooks Hall and Bill Graham Civic
8 Auditorium, and other expenses the City Administrator deems necessary and appropriate for the
9 promotion of San Francisco as a convention destination.

10 ~~(2) Funding for the San Francisco Convention and Visitors Bureau, which funding shall~~
11 ~~be limited to an amount equivalent to 8.5 percent of the Hotel Room Tax collected; provided, however,~~
12 ~~that the Director of Administrative Services may increase the amount of funding in excess of 8.5~~
13 ~~percent as revenues increase.~~

14 (c) Administration of Fund. ~~In administering this allocation~~ Subject to the requirements of
15 section 10.100-1, the City Administrator ~~Director of Administrative Services~~ shall have the
16 discretion to allocate, budget and control the monies in the fund hereby allocated.

18 **SEC. 10.100-361. WAR MEMORIAL SPECIAL FUND.**

19 (a) **Establishment of Fund.** The War Memorial Special Fund is established as a
20 category two fund to receive (1) ~~the~~ funds appropriated by the City to the Board of Trustees of
21 the War Memorial, ~~pursuant to Section 515.01 of the San Francisco Business and Tax Regulations~~
22 ~~Code (hotel tax) and~~ (2) revenues derived from the use of the buildings under the jurisdiction of
23 the War Memorial which are not appropriated to the War Memorial Reserve Fund, and (3) any
24 other funds received for these purposes.

1 (b) **Use of Fund.** The fund is to be used solely to defray the costs of maintaining,
2 operating and caring for the War Memorial buildings and grounds as described in 2A.165.2 of
3 the San Francisco Administrative Code, which shall include the payment of principal and
4 redemption price of, interest on, reserve fund deposits, if any, and/or financing costs for
5 general obligation bonds issued for improvements to the War Memorial buildings.

6
7 ~~**SEC. 24A.02. ALLOCATION OF FUNDS TO MAYOR.**~~

8 ~~*Pursuant to Section 515.01(b)(3) of San Francisco Business and Tax Regulation Code Article 7*~~
9 ~~*("Tax on Transient Occupancy of Hotel Rooms"), a portion of hotel tax revenues collected by the City*~~
10 ~~*are allocated to the Office of the Mayor for the local rent supplement program as provided in this*~~
11 ~~*Chapter.*~~

12
13 ~~**SEC. 24A.04. PROVIDING FOR ADMINISTRATION AND EXPENDITURES RELATING**~~
14 ~~**THERETO.**~~

15 ~~*The cost of administration of the allocation set aside pursuant to Section 515.01(b)(3)(E) of San*~~
16 ~~*Francisco Business and Tax Regulation Code Article 7 ("Tax on Transient Occupancy of Hotel*~~
17 ~~*Rooms") shall not exceed 8 percent.*~~

18
19 **SEC. 68.3. ESTABLISHMENT OF CULTURAL EQUITY ENDOWMENT FUND.**

20 There is hereby established a Cultural Equity Endowment Fund ~~*to be funded with monies*~~
21 ~~*collected and allocated pursuant to San Francisco Municipal Code, Part III, Section 515.*~~

22 (a) Any unexpended balances remaining in the allocation to the Fund at the close of
23 any fiscal year shall be deemed to be provided for a specific purpose within the meaning of
24 Charter Section 9.113 ~~6.306~~, shall earn interest on these balances, and shall be carried forward
25 and accumulated in the Fund for the purposes set forth in this Chapter 68.

1 (b) Subject to the budgetary and fiscal provisions of the Charter, the ~~The~~ San Francisco Art
2 Commission is hereby authorized and directed to expend the monies appropriated to or
3 received by ~~allocated to~~ the Fund and to implement and administer the Fund programs.

4 (c) The monies in the Fund shall be expended for the following four programs:

- 5 (1) Cultural Equity Initiatives Program;
- 6 (2) The Program for Commissions to Individual Artists;
- 7 (3) Project Grants to Small and Mid-size Organizations; and
- 8 (4) The Facilities Fund.

9 (d) The Art Commission may evaluate and review the demands for and by cultural and
10 artistic programs and the level of resources available for such programs, and may determine
11 the percentage of Fund monies allocated to each of the four programs. The Art Commission
12 shall not be required to fund all four programs every year if the Art Commission determines,
13 after review and evaluation, that demand for and by the program does not warrant
14 expenditure.

15
16 **SEC. 68.8. ADMINISTRATION OF THE FUND.**

17 (a) **Art Commission Administrative Costs.** The Art Commission shall be provided
18 monies necessary to pay for the costs of implementing and administering the Fund. ~~In the first~~
19 ~~year of implementation of the Fund programs, no more than 16 percent of the total monies allocated to~~
20 ~~the Fund pursuant to San Francisco Municipal Code, Part III, Section 515 shall be allocated to the Art~~
21 ~~Commission for administrative costs. In the second year of implementation of the Fund programs, no~~
22 ~~more than 14 percent of the total amount allocated to the Fund shall be used to cover administrative~~
23 ~~costs of the Art Commission. In the third and following years of implementation of the Fund programs,~~
24 ~~the Art Commission shall be allocated no more than 12.5 percent of the total monies allocated to the~~
25

1 ~~Fund.~~ Any unexpended balances remaining in the administrative allocations set forth in this
2 Section 68.8(a) shall be carried forward and accumulated for the purposes recited herein.

3 (b) **Authority of the Art Commission.** The Art Commission is hereby authorized to
4 implement and administer the Fund programs, subject to the budget and fiscal provisions of
5 the Charter. Such implementation and administration may include, but not be limited to, the
6 following actions by the Art Commission:

7 (1) Adoption of guidelines and regulations for implementation, review and
8 expenditure of the Fund in each of the four programs;

9 (2) Appointment of review panels and establish qualifications for members of
10 the review panels and procedures for the review panel to advise the Art Commission on such
11 expenditures;

12 (3) Determination of appropriate levels of funding each year for each of the
13 Fund programs;

14 (4) Establishment of criteria and eligibility standards for applicants of Fund
15 programs;

16 (5) Establishment of criteria for awarding, granting or lending monies from Fund
17 programs; and,

18 (6) Execution of loan agreements, approved as to form by the City Attorney,
19 made pursuant to Facilities Funds awards. The Art Commission may employ one or more
20 administrators of the Fund as necessary to administer and implement the Fund programs.

21 (c) **Appeals Process.** The Art Commission may, at its discretion, establish an
22 appeals process for any decisions regarding allocations of the fund.

23 (d) **Annual Review.** The Art Commission may appoint an Advisory Committee to
24 conduct an annual review of implementation of the Fund.
25

1 Section 4. Effective Date. This ordinance shall become effective 30 days from the
2 date of passage.

3
4 Section 5. This section is uncodified. In enacting this Ordinance, the Board intends to
5 amend only those words, phrases, paragraphs, subsections, sections, articles, numbers,
6 punctuation, charts, diagrams, or any other constituent part of the Administrative Code that
7 are explicitly shown in this legislation as additions, deletions, Board amendment additions,
8 and Board amendment deletions in accordance with the "Note" that appears under the official
9 title of the legislation.

10
11
12 APPROVED AS TO FORM:
13 DENNIS J. HERRERA, City Attorney

14
15 By: _____
16 THOMAS J. OWEN
17 Deputy City Attorney

18
19 n:\taxlit\li2013\130284\00848957.doc