

City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689



MEETING MINUTES
Wednesday, February 18, 2009
11:00 AM
Legislative Chamber, City Hall, Room 250
Regular Meeting

Budget and Finance Committee

Members: John Avalos, Ross Mirkarimi, Carmen Chu

Clerk: Gail Johnson (415) 554-4445

Members Present: *John Avalos, Ross Mirkarimi, Carmen Chu.*

Members Excused: *None.*

Members Absent: *None.*

MEETING CONVENED

The meeting convened at 11:13 a.m.

AGENDA CHANGES

Chair Avalos announced that Items 8 through 10 (File Nos. 090183, 090184 and 090187) would be considered first out of order.

REGULAR AGENDA

081603 [Redevelopment Agency Budget] Mayor, Supervisor Mirkarimi

Resolution approving an amendment to the budget of the Redevelopment Agency of the City and County of San Francisco for fiscal year 2008-09 to reprogram \$3,392,000 of funds budgeted for the Western Addition A2 Plan Area from the Muni Substation line item to the Western Addition A2 Revolving Loan Program line item in the amount of \$2,492,000 to the Fillmore Jazz Preservation District Development Revolving Loan Program in the amount \$500,000 and to a new Western Addition A2 property management line item in the amount of \$400,000.

(Fiscal Impact.)

12/16/08, RECEIVED AND ASSIGNED to Budget and Finance Committee.

2/11/09, CONTINUED. Heard in Committee. Speakers: Stephen Maduli-Williams, Deputy Executive Director, Community and Economic Development, Redevelopment Agency; Harvey Rose, Budget

Analyst; Amy Neches, Manager, Project Area Planning and Development, Redevelopment Agency; Arnold Townsend, Chair, Western Addition City Advisory Committee; Kaz Kajimura, Owner, Yoshi's San Francisco; Walter Paulsen; Michael Johnson, Fillmore Development Associates; Debra Newman, Budget Analyst's Office. Continued to February 18, 2009.

Heard in Committee. Speakers: Tom Owen, Deputy City Attorney; Stephen Maduli-Williams, Deputy Executive Director, Community and Economic Development, Redevelopment Agency; Fred Blackwell, Executive Director, Redevelopment Agency; Amy Neches, Manager, Project Area Planning and Development, Redevelopment Agency.
Continued to March 4, 2009.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

Resolution approving an amendment to the budget of the Redevelopment Agency of the City and County of San Francisco for fiscal year 2008-09 to reprogram \$3,301,225 of funds budgeted for the Western Addition A2 Plan Area from the Muni Substation line item to the Fillmore Jazz Preservation District Revolving Loan Program line item in the amount of \$2,366,000, to the Office of Economic and Workforce Development for marketing and economic development activities within the Fillmore Jazz Preservation District including predevelopment planning for the Muni Substation in the amount \$535,225, and to a new Western Addition A2 property management line item in the amount of \$400,000.

(Fiscal Impact.)

CONTINUED AS AMENDED by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

090108 [De-appropriating \$11,617,063 of Water System Improvement Program funding at the San Francisco Public Utilities Commission]

Ordinance de-appropriating \$11,617,063 of Water System Improvement Program funding based on actions taken by the Budget and Finance Committee on Ordinance number 311-08 at the San Francisco Public Utilities Commission. (Public Utilities Commission)

1/28/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Monique Zmuda, Deputy Controller.

RECOMMENDED by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

081394 [Adoption of the Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) Three Year Program and Expenditure Plan and Accept and Expend additional PEI Allocation- \$874,700]

Resolution authorizing the adoption of the Mental Health Services Act Prevention and Early Intervention (PEI) Three Year Program and Expenditure Plan and authorizing the Department of Public Health to accept and expend the additional PEI allocation totaling \$874,700. (Public Health Department)

11/21/08, RECEIVED AND ASSIGNED to Budget and Finance Committee.

2/10/09, SUBSTITUTED. Supervisor Avalos submitted a substitute resolution bearing new title.

2/10/09, ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Dr. Alice Gleghorn, Deputy Director, Community Behavioral Health Services, Department of Public Health; Harvey Rose, Budget Analyst.

RECOMMENDED by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

081337 [Pre-Tax Bicycle Commuting Benefits] Supervisor Mirkarimi

Ordinance amending the San Francisco Environment Code by amending Section 421 to add the option of qualified bicycle commuting reimbursements to the tax free commuter benefits San Francisco employers are required to offer under existing law; and making environmental findings.

10/21/08, ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 11/20/2008. 11/5/08 - Referred to Planning for determination of environmental impact. 11/25/08 - Response received from Planning, exempt from CEQA.

Heard in Committee. Speaker: David Assmann, Acting Director, Department of the Environment.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

081604 [Amending FY 2008-2009 Annual Salary Ordinance] Mayor

Ordinance amending Ordinance No. 141-08 (Annual Salary Ordinance 2008-2009) to reflect the addition of the following four positions: one 5642 Senior Environmental Specialist (0.40 FTE); two 5640 Environmental Specialists (0.40 FTE each); and one 5638 Environmental Assistant (0.40 FTE) at the Department of the Environment.

(Fiscal Impact.)

12/16/08, RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: David Assmann, Acting Director, Department of the Environment; Harvey Rose, Budget Analyst; Ann Kelly, Energy Efficiency Manager, Department of the Environment; Monique Zmuda, Deputy Controller.

Amended on page 1, lines 5, 6, 22 and 24; and on page 2, lines 1 and 2, by replacing "0.40" with "0.30." New title.

AMENDED.

Ordinance amending Ordinance No. 141-08 (Annual Salary Ordinance 2008-2009) to reflect the addition of the following four positions: one 5642 Senior Environmental Specialist (0.30 FTE); two 5640 Environmental Specialists (0.30 FTE each); and one 5638 Environmental Assistant (0.30 FTE) at the Department of the Environment.

(Fiscal Impact.)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

090097 [Administrative Code Revision: Health Service System] Supervisor Elsbernd

Ordinance amending Chapter 16, Article XV, of Part 1 of the San Francisco Municipal (Administrative) Code by amending Section 16.703 regarding Board approval of Health Service System Plans and Contribution Rates.

(Fiscal Impact.)

1/27/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Bart Duncan, Executive Director, Health Service System; Monique Zmuda, Deputy Controller; Harvey Rose, Budget Analyst; Karen Breslin, Health Service Board.

RECOMMENDED by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

090098 [Establishing Monthly Contribution Amount to Health Service Trust Fund] Supervisor Elsbernd

Resolution establishing monthly contribution amount to Health Service Trust Fund.

(Fiscal Impact.)

1/27/08, RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Bart Duncan, Executive Director, Health Service System; Monique Zmuda, Deputy Controller; Harvey Rose, Budget Analyst; Karen Breslin, Health Service Board.

RECOMMENDED by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

090183 [Declaring an emergency and authorizing submission of gross receipts tax] Supervisor Avalos

Resolution declaring an emergency under California Constitution Article XIIC, Section 2(b) and authorizing submission of Ordinance amending the Business and Tax Regulations Code to: (1) enact a new Article 12-A-1 (Gross Receipts Tax Ordinance), Sections 951 through 958, to impose a gross receipts tax on persons engaging in business activities in San Francisco; (2) amend Article 12 (Business Registration Ordinance) to conform business registration requirements with the enactment of Article 12-A-1 (Gross Receipts Tax Ordinance); and (3) amend Article 6 (Common Administrative Provisions) to conform them with the enactment of Article 12-A-1 (Gross Receipts Tax Ordinance); and (4) amend Article 12-A (Payroll Expense Tax Ordinance) to conform it with the enactment of Article 12-A-1 (Gross Receipts Tax Ordinance), as a general tax measure to the voters at a special election.

2/10/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.

Speakers: None.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

090184 [Declaring emergency under California Constitution Article XIIC, Section 2(b) authorizing submission to voters of ordinance imposing a local assessment on all vehicles in San Francisco that] Supervisors Chiu, Dufty

Resolution declaring an emergency under California Constitution Article XIIC, Section 2(b) and authorizing submission of Ordinance adopting and submitting to the voters the ordinance amending the San Francisco Business and Tax Regulations Code to add Article 8 imposing a voter-approved local assessment on the privilege of a resident of the City and County to operate upon the public highways in the City and County a vehicle or trailer coach, the registrant of which is subject to tax under Part 5 (commencing with Section 10701) of the California Revenue and Taxation Code, at a rate not to exceed the difference between two percent of the market value of the vehicle or trailer coach and the rate imposed by the State of California pursuant to Section 10751 of the Revenue and Taxation Code, administered by the State Department of Motor Vehicles; acknowledging that state law has not yet been enacted authorizing the imposition of the assessment but approving imposition of such a charge at the specified rate when and if state law authorizes the City to impose it and directing submission of the measure for voter

2/10/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.

Speakers: None.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

- 090187** [Declaring an emergency and authorizing submission of payroll expense tax] **Supervisor Chiu**
Resolution declaring an emergency under California Constitution Article XIII C, Section 2(b) and authorizing submission of Ordinance amending (1) Section 903.1 to reduce the Payroll Expense Tax rate from 1.5% to 1.0%, for business whose taxable payroll expense exceeds \$300,000, but is less than or equal to \$400,000, beginning with the 2010 tax year; and (2) Section 905-A to increase the Small Business Tax Exemption to include all taxpayers whose taxable payroll expense is \$300,000 or less, beginning with the 2010 tax year, as a general tax measure, to the voters at a special election.

(Fiscal Impact.)
2/10/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.
Speakers: None.
CONTINUED TO CALL OF THE CHAIR by the following vote:
Ayes: 3 - Avalos, Mirkarimi, Chu
- 090121** [Controller's 6 Month Report] **Supervisor Avalos**
Hearing on the Controller's 6 Month Report.
2/3/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.
Heard in Committee. Speakers: Monique Zmuda, Deputy Controller; Nani Coloretti, Mayor's Budget Director.
FILED by the following vote:
Ayes: 3 - Avalos, Mirkarimi, Chu
- 090082** [Budget Updates] **Supervisor Avalos**
Hearing to consider budget updates from the Mayor's Budget Office, the Controller's Office, and various City Departments.
1/27/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.
2/4/09, CONTINUED. Heard in Committee: Greg Wagner, Mayor's Budget; Monique Zmuda, Deputy Controller; Robert Haaland; Walter; Frankie Barris; Jennifer Friedenback; Ms. Alexander; Peter Mazack; Alexandra Goldman; Michael Tom; Yolanda; Winchell Hillard. Continued to February 11, 2009.
2/11/09, CONTINUED. Heard in Committee. Speaker: Monique Zmuda, Deputy Controller. Continued to February 18, 2009.
Heard in Committee. Speakers: Nani Coloretti, Mayor's Budget Director; Monique Zmuda, Deputy Controller; Tom Owen, Deputy City Attorney; James Chionsini, Health Care Action Team; Dr. Phelan; Vickie Westlund; C. W. Johnson; Walter.
Continued to March 4, 2009.
CONTINUED by the following vote:
Ayes: 3 - Avalos, Mirkarimi, Chu
- 090122** [Update on labor negotiations concerning City workers from the Mayor's Office and the Department of Human Resources] **Supervisor Avalos**
Motion that the Board of Supervisors convene in closed session with the Mayor's Office and the Department of Human Resources concerning negotiations with Labor Unions representing City Workers.

This closed session is permitted by Government Code Section 54957.6 and San Francisco Administrative Code Section 67.10(e).

2/3/09, RECEIVED AND ASSIGNED to Budget and Finance Committee.

Speakers: None.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Avalos, Mirkarimi, Chu

ADJOURNMENT

The meeting adjourned at 1:50 p.m.