

File No. 260602

Committee Item No. 11

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Appropriations Committee Date June 17, 2026

Board of Supervisors Meeting Date _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|--|
| ☐ | ☐ | Motion |
| ☐ | ☐ | Resolution |
| ☒ | ☐ | Ordinance |
| ☐ | ☐ | Legislative Digest |
| ☐ | ☐ | Budget and Legislative Analyst Report |
| ☐ | ☐ | Youth Commission Report |
| ☐ | ☐ | Introduction Form |
| ☒ | ☐ | Department/Agency Cover Letter and/or Report |
| | | • MYR Transmittal Letter and Trailing Legislation 6/1/2026 |
| | | • MYR 30-Day Waiver Request 6/1/2026 |
| | | • MYR Memo 6/1/2026 |
| ☐ | ☐ | MOU |
| ☐ | ☐ | Grant Information Form |
| ☐ | ☐ | Grant Budget |
| ☐ | ☐ | Subcontract Budget |
| ☐ | ☐ | Contract/Agreement |
| ☐ | ☐ | Form 126 – Ethics Commission |
| ☐ | ☐ | Notice of Award/Award Letter |
| ☐ | ☐ | Application |
| ☐ | ☐ | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
|-------------------------------------|--------------------------|--|
| ☒ | ☐ | <u>Presidential Action Memo – 30-Day Waiver 6/4/2026</u> |
| ☐ | ☐ | _____ |
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Completed by: Brent Jalipa Date June 11, 2026

Completed by: Brent Jalipa Date _____

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

Ordinance adopting the Neighborhood Beautification and Graffiti Clean-up Fund Tax designation ceiling for tax year 2026.

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

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

Section 1. The Board of Supervisors hereby adopts the rate determined by the Controller, pursuant to Business and Tax Regulations Code Article 12B-1, Section 1032, as the percentage ceiling that a taxpayer may designate for deposit in the Neighborhood Beautification and Graffiti Clean-up Fund. Said determination is on file with the Clerk of the Board of Supervisors in File No. 260602, and is incorporated herein by reference. For the 2026 tax year, the designation ceiling shall be 6.2% of a taxpayer's gross receipts tax liability for the year.

The Treasurer and Tax Collector shall post the designation ceiling to the website of the Treasurer and Tax Collector.

Section 2. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

1 APPROVED AS TO FORM:
2 DAVID CHIU, City Attorney

3 By: /s/ Scott M. Reiber
4 SCOTT M. REIBER
5 Chief Tax Attorney
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OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller
ChiaYu Ma
Deputy Controller

MEMORANDUM

TO: Members, Board of Supervisors
Clerk of the Board

FROM: Greg Wagner 

DATE: May 15, 2026

SUBJECT: Notification of Gross Receipts Tax Designation Ceiling to the Neighborhood Beautification Fund

Article 12B-1 of the Business & Tax Regulations Code establishes the Neighborhood Beautification and Graffiti Clean-Up Fund Option (now known as the Community Challenge Grant Program), under which taxpayers subject to the gross receipts tax may elect to designate a portion of their tax liability to the Fund. Section 1032 requires the Controller to calculate the maximum percentage of their tax liability that taxpayers can elect to contribute to the Fund such that total contributions will be approximately \$1,000,000, adjusted for inflation.

To permit the Office of the Treasurer and Tax Collector to create the online filing forms necessary to collect the gross receipts taxes, our office calculated the tax year 2025 target contribution amount and resultant contribution rate. The inflationary increase for tax year 2025 was calculated with data from the US Department of Labor Bureau of Labor Statistics website using the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco–Oakland–Hayward CA Area, with annual factors from the end of the prior year.

Taxpayers designate their contribution to the Neighborhood Beautification Fund with their annual gross receipts tax filing. In previous years, the filing due date was February 28th, with extensions allowed until April 30th. With Proposition M (2024), extensions are now allowed until November 30th. As of May 1, 2026, the City has received contributions of \$2.0 million, with an additional \$400,000 projected to be received by November 30th, for a total of \$2.4 million. Given the expected tax year contributions, we estimate that a 6.2% contribution ceiling would result in

contributions equal to the inflation adjusted target amount of \$2.82 million for tax year 2026. When setting the ceiling for tax year 2027, we will adjust the ceiling to account for any variance between what we project to receive and receive by the new extended filing deadline, November 30th. Figures are provided in the table below.

Tax Year	CPI	Fiscal Year	Target Contributions (\$ millions)	Actual Contributions (\$ millions)	Contribution Rate
2022	3.21%	FY 2022-23	2.45	2.56	5.9%
2023	5.60%	FY 2023-24	2.59	2.89	5.7%
2024	3.67%	FY 2024-25	2.68	2.10	5.1%
2025	2.76%	FY 2025-26	2.76	2.43	5.5%
2026	2.18%	FY 2026-27	2.82	n/a	6.2%

Please contact me or Michelle Allersma, Director of the Controller's Office Budget and Analysis Division, at (628) 952-9785 if you have any questions regarding this information.

OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
RECEIVED MAYOR
BOARD OF SUPERVISORS
SAN FRANCISCO
2026 JUN 01 PM01:04
BAK

To: Rafael Mandelman, President of the Board of Supervisors
From: Sophia Kittler, Mayor's Budget Director
Date: June 1, 2026
Re: 30-Day Waiver Requests

President Mandelman,

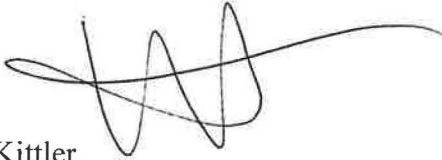
The Mayor's Office respectfully requests 30-day hold waivers for the following ordinances and trailing legislation introduced with the budget on Monday, June 1, 2026.

- Proposed Interim Budget and Annual Appropriation Ordinance (AAO)
- Proposed Interim Annual Salary Ordinance (ASO)
- Proposed Budget and Annual Appropriation Ordinance (AAO)
- Proposed Annual Salary Ordinance (ASO)
- City Administrator's Office:
 - Accept and Expend Grant – California Highway Patrol—Cannabis Tax Fund Grant Program -- \$846,952.62
 - Administrative Code - San Francisco Self-Insurance Surety Bond Fund
- Controller's Office:
 - Resolution Adjusting the Access Line Tax with the Consumer Price Index of 2026
 - Neighborhood Beautification and Graffiti Clean-up Fund Tax Designation Ceiling
- Department of Early Childhood:
 - Business and Tax Regulations Code - Early Care and Education Commercial Rents Tax Baseline - FY 2026-2027 and 2027-2028
- Department of Elections:
 - Municipal Elections Code - Ballot Argument Fees
 - Municipal Elections Code - Voter Information Pamphlets
- Department of Homelessness and Supportive Housing:
 - Homelessness and Supportive Housing Fund - FYs 2026-2027 and 2027-2028 Expenditure Plan
 - Funding Reallocation - Our City, Our Home Fund - Homelessness Gross Receipts Tax - Services to Address Homelessness
- Department of Public Health:
 - Accept and Expend Grants - Recurring State Grant Funds - Department of Public Health -FY2026-2027
 - Health and Administrative Codes - Patient Rates for Fiscal Years 2026-2027 and 2027-2028 and Weights and Measures Fees
- Office of Community Investment and Infrastructure:
 - Office of Community Investment and Infrastructure, Operating as Successor Agency to the Redevelopment Agency of the City and County of San Francisco, FY2026-2027 Budget -Issuance of Bonds - Not to Exceed \$275,000,000

- Proposed Interim Budget - Office of Community Investment and Infrastructure - Operating as Successor Agency to the San Francisco Redevelopment Agency - FY2026-2027
- The Public Library:
 - Accept and Expend Grant - Friends of San Francisco Public Library – Chinatown Branch Renovation Capital Project Grant Award, FYs 2026-2027 through 2029-2030 - Up to \$1,500,000 of In-Kind Gifts, Services, and Cash Monies
- The Recreation and Park Department:
 - Permit Amendment - Polo Field Concerts - Up To Nine Year Extension and Fee Increase

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org

Sincerely,

A handwritten signature in black ink, appearing to read 'Sophia Kittler', with a long horizontal line extending to the right.

Sophia Kittler
Mayor's Budget Director

President, District 8
BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. 554-6968
Fax No. 554-5163
TDD/TTY No. 544-5227

RAFAEL MANDELMAN

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)

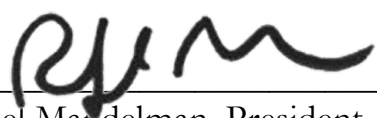
Start Time:

End Time:

Temporary Assignment:

Partial

Full Meeting



Rafael Mandelman, President
Board of Supervisors



To: Angela Calvillo, Clerk of the Board of Supervisors
From: Sophia Kittler, Mayor's Budget Director
Date: June 1, 2026
Re: Mayor's FY 2026-27 and FY 2027-28 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) 2026-27 and FY 2027-28.

In addition to the Mayor's Proposed FY 2026-27 and FY 2027-28 Budget Book, the following items are included in the Mayor's submission:

- Proposed *Interim* Budget and Annual Appropriation Ordinance (AAO)
- Proposed *Interim* Annual Salary Ordinance (ASO)
- Proposed Budget and Annual Appropriation Ordinance (AAO)
- Proposed Annual Salary Ordinance (ASO)
- Administrative Provisions for both, but separate documents of the AAO and ASO, in tracked changes, and on pleading paper
- Proposed Budget for the Office of Community Investment and Infrastructure
- A Transfer of Function letter detailing the transfer of positions from one City department to another
- An Interim Exception letter to the ASO
- Prop J Certification Letters
- A letter addressing funding levels for consumer price index increases for nonprofit corporations or public entities for the coming two fiscal years
- A letter on Technical Adjustments to the Mayor's Proposed May 1 Budget
- 29 pieces of trailing legislation
- 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,

A handwritten signature in black ink, appearing to be "SK", written over a horizontal line.

Sophia Kittler
Mayor's Budget Director

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

No	DEPT	Item	Description	Type of Legislation	File #
1	ADM	Code Amendment	Amending the Administrative Code to authorize the City Administrator to pause, reduce, or return the annual contributions by the departments that contract for public works under Administrative Code Chapter 6 to the San Francisco Self-Insurance Surety Bond Fund	Ordinance	260598
2	ADM	Cannabis Tax Fund Grant Program	Authorizing the Office of the Chief Medical Examiner to accept and expend a grant for the grant term of July 1, 2026 – June 30, 2028	Resolution	
3	ADM	Continuing Prop J	Fleet Security Services	Resolution	260612
4	ADM	Continuing Prop J	Real Estate Division Custodial Services	Resolution	260612
5	ADM	Continuing Prop J	Real Estate Division Security Services	Resolution	260612
6	ADM	Continuing Prop J	Convention Facilities Management	Resolution	260612
7	ADP	Prop J (Not Previously Approved)	Protective Services	Resolution	260613
8	BOS	Continuing Prop J	Budget and Legislative Analyst Services	Resolution	260612
9	CON	Access Line Tax	Resolution concurring with the Controller's establishment of the Consumer Price Index for 2026, and adjusting the Access Line Tax by the same rate	Resolution	260607
10	CON	Neighborhood Beautification and Graffiti Clean-up Fund Tax	Ordinance adopting the Neighborhood Beautification and Graffiti Clean-up Fund Tax designation ceiling for tax year 2026	Ordinance	260602
11	DEC	Early Care and Education Commercial Rents Tax Baseline	Ordinance modifying the baseline funding requirements for early care and education programs in Fiscal Years (FYs) 2026-2027 and 2027-2028	Ordinance	260599
12	DPH	Prop J (Not Previously Approved)	Security Services	Resolution	260613
13	DPH	Recurring State Grant Funds FY 2026-2027	Authorizing the acceptance and expenditure of Recurring State grant funds by the San Francisco Department of Public Health for Fiscal Year (FY) 2026-2027	Resolution	260610

14	DPH	Code Amendment	Amending the Health Code to set patient rates for services provided by the Department of Public Health for Fiscal Years 2026-2027 and 2027-2028	Ordinance	260600/ 260655
15	DPW	Continuing Prop J	Security Services	Resolution	260612
16	DPW	Prop J (Not Previously Approved)	Materials Testing and Inspection Services	Resolution	260613
17	HOM	Continuing Prop J	Security Services	Resolution	260612
18	HOM	Homelessness and Supportive Housing Fund - FYs 2026-2027 and 2027-2028 Expenditure Plan	Resolution approving the Fiscal Years (FYs) 2026-2027 and 2027-2028 Expenditure Plan for the Department of Homelessness and Supportive Housing Fund	Resolution	260611
19	HOM	Funding Reallocation - Our City, Our Home Fund - Homelessness Gross Receipts Tax - Services to Address Homelessness	Ordinance temporarily suspending the cap on the use of Homelessness Gross Receipts Tax revenues to fund short-term rental subsidies	Ordinance	260601
20	HSA	Continuing Prop J	Security Services	Resolution	260612
21	LIB	Friends of San Francisco Public Library A&E	Friends of San Francisco Public Library – Chinatown Branch Renovation Capital Project Grant Award, FYs 2026-2027 through 2029-2030	Resolution	260608
22	MYR (MOHCD)	Continuing Prop J	Security Services	Resolution	260612
23	OCII	OCII Budget Resolution	Office of Community Investment and Infrastructure, operating as Successor Agency to the San Francisco Redevelopment Agency, Fiscal Year 2026-27 Budget	Resolution	260606
24	OCII	OCII Interim Budget Resolution	Office of Community Investment and Infrastructure, operating as Successor Agency to the San Francisco Redevelopment Agency, Fiscal Year 2026-27 Interim Budget	Resolution	260605
25	REC	Permit Amendment	Permit Amendment - Polo Field Concerts - Up To Nine Year Extension and Fee Increase	Resolution	260614
26	REG	Continuing Prop J	Assembly of Vote by Mail Ballots	Resolution	260612

27	REG	Code Amendment	Amending the Municipal Elections Code to remove the requirement that the Department of Elections publish the legal text of ballot measures in the Voter Information Pamphlet	Ordinance	260604
28	REG	Code Amendment	Amending the Municipal Elections Code to increase the filing fee and per-word fee for paid ballot arguments	Ordinance	260603
29	SHF	Continuing Prop J	Food Services for Jail Inmates	Resolution	260612

OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
MAYOR

To: Angela Calvillo, Clerk of the Board of Supervisors
From: Sophia Kittler, Mayor's Budget Director
Date: June 1, 2026
Re: Neighborhood Beautification and Graffiti Clean-up Fund Tax Designation Ceiling

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2026 JUN 01 PM01:17

Ordinance adopting the Neighborhood Beautification and Graffiti Clean-up Fund Tax designation ceiling for tax year 2026.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org