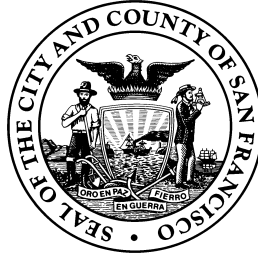


BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

January 15, 2016

File No. 150940

Sarah Jones
Environmental Review Officer
Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Dear Ms. Jones:

On September 22, 2015, Supervisor Farrell introduced, and the Rules Committee amended on November 12, 2015, the following proposed Charter Amendment for the June 7, 2016, Election:

File No. 150940 Charter Amendment - Park, Recreation and Open Space Fund

Charter Amendment (Third Draft) to amend the Charter of the City and County of San Francisco to require an annual baseline appropriation for the Park, Recreation and Open Space Fund based on City spending for park and recreation purposes in FY2015-2016, and modify the Recreation and Park Department's planning obligations to include equity analysis, at an election to be held on June 7, 2016.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

By: Derek Evans, Committee Clerk
Rules Committee

Attachment

c: Joy Navarrete, Environmental Planner
Jeanie Poling, Environmental Planner

1 [Charter Amendment - Park, Recreation and Open Space Fund]

2
3 **Describing and setting forth a proposal to the voters to amend the Charter of the City and**
4 **County of San Francisco to require an annual baseline appropriation for the Park,**
5 **Recreation and Open Space Fund based on City spending for park and recreation purposes**
6 **in fiscal year 2015-2016, and modify the Recreation and Park Department’s planning**
7 **obligations to include equity analysis, at an election to be held on June 7, 2016.**

8
9 Section 1. The Board of Supervisors hereby submits to the qualified voters of the City
10 and County, at an election to be held on June 7, 2016, a proposal to amend the Charter of the
11 City and County by revising Section 16.107, to read as follows:

12 NOTE: **Unchanged Charter text and uncodified text** are in plain font.
13 **Additions** are *single-underline italics Times New Roman font.*
14 **Deletions** are ~~*strike-through italics Times New Roman font.*~~
15 **Asterisks (* * * *)** indicate the omission of unchanged Charter
16 subsections.

17 **SEC. 16.107. PARK, RECREATION AND OPEN SPACE FUND.**

18 (a) Establishment of Fund. There is hereby established the Park, Recreation and Open
19 Space Fund ("Fund") to be administered by the Recreation and Park Department ("Department")
20 as directed by the Recreation and Park Commission ("Commission"). Monies *in the Fund*
21 ~~*therein*~~ shall be expended or used solely by the Department, subject to the budgetary and fiscal
22 provisions of the Charter, to provide ~~*enhanced*~~ park and recreational services and facilities. *The*
23 *Department embraces socio-economic and geographic equity as a guiding principle and*
24 *commits to expending the funds across its open space and recreational programs to provide park*
25 *and recreational access to all of San Francisco’s diverse neighborhoods and communities.*

1 (b) Annual Set-aside. The City will continue to set aside from the annual tax levy, for a
2 period of thirty years starting with the fiscal year 2000-2001, an amount equivalent to an annual
3 tax of two and one-half cents (\$0.025) for each ~~one hundred dollars (\$100)~~ assessed valuation.
4 Beginning in fiscal year 2016-2017, revenues from the set-aside, together with interest, shall be
5 deposited into the Park, Recreation and Open Space Fund. Revenues ~~obtained thereby~~ from the
6 set-aside shall be in addition to the baseline appropriation required by subsection (c), and not in
7 place of, any sums normally budgeted for the Department and, together with interest, shall be
8 deposited into the Park, Recreation and Open Space Fund.

9 The Controller shall set aside and maintain such an amount, together with any interest
10 earned thereon, in the Fund, and any amount unspent or uncommitted at the end of the fiscal year
11 shall be carried forward to the next fiscal year and, subject to the budgetary and fiscal limitations
12 of this Charter, shall be appropriated then or thereafter for the purposes specified in this
13 Section 16.107.

14 (c) Baseline Maintenance of Effort. The annual set-aside shall be used exclusively to
15 increase the aggregate City appropriations to and expenditures by the Recreation and Park
16 Department for Department purposes. To this end, beginning in fiscal year 2016-2017 and
17 thereafter through fiscal year 2030-2031, the City shall not reduce the baseline general fund
18 support amount appropriated to the Department below the amount appropriated in fiscal
19 year 2015-2016, as calculated by the Controller, except that the baseline amount shall be
20 adjusted as follows:

21 (1) Each year in fiscal years 2016-2017 through 2025-2026, the City shall
22 increase the baseline appropriation by \$3 million over the prior year.

23 (2) Each year in fiscal years 2026-2027 through 2030-2031, the City shall adjust
24 the baseline by the percentage increase or decrease in aggregate City discretionary revenues, as
25 determined by the Controller, based on calculations consistent from year to year. In determining

1 aggregate City discretionary revenues, the Controller shall only include revenues received by
2 the City which are unrestricted and may be used at the option of the Mayor and the Board of
3 Supervisors for any lawful City purpose. The Controller is authorized to increase or reduce
4 budgetary appropriations as required by this subsection (c) to align the baseline amount to the
5 amount required by formula based on actual revenues received during the fiscal year.

6 (3) The City may suspend growth in the baseline funding pursuant to
7 subsection (c)(1) in fiscal year 2016-2017 if the City's projected budget deficit for that year at
8 the time of the Joint Report or Update to the Five Year Financial Plan as prepared jointly by the
9 Controller, the Mayor's Budget Director, and the Board of Supervisors' Budget Analyst exceeds
10 \$200 million. For fiscal year 2017-2018 through fiscal year 2030-2031, the City may suspend
11 growth in baseline funding pursuant to subsections (c)(1) and (c)(2) when the projected budget
12 deficit for the upcoming fiscal year at the time of the Joint Report or Update to the Five Year
13 Financial Plan as prepared jointly by the Controller, the Mayor's Budget Director, and the
14 Board of Supervisors' Budget Analyst exceeds \$200 million adjusted annually by changes in
15 aggregate City discretionary revenues.

16 (4) Monies from the baseline appropriation required by this subsection (c) shall
17 not be appropriated or expended for services provided to the Recreation and Park Department
18 by other City departments and agencies unless: (A) the City department or agency charged the
19 Recreation and Park Department for that service in fiscal year 2015-2016 and the amount the
20 Recreation and Park Department paid the City department or agency for that service was
21 included in the baseline amount for fiscal year 2015-2016, although increases in the cost of such
22 services may be paid out of the baseline appropriation, or (B) the Recreation and Park
23 Department requests or agrees to a new service from a City department or agency.

24 (5) At the end of the fiscal year 2015-2016 and every year thereafter, any excess
25 general fund Departmental revenue, including any Department expenditure savings or revenue

1 surpluses deposited prior to fiscal year 2015-2016, shall be reserved to be used for one-time
2 Departmental expenditures. "General fund Departmental revenue" is defined as all revenues
3 credited to the Department's general fund budget other than the baseline contribution defined in
4 subsection (c).

5 ~~(e) Enhanced Revenue and Efficiency Incentives for the Department. It is the policy of~~
6 ~~the City and County of San Francisco to give the Department greater incentives to improve~~
7 ~~operational efficiencies and to increase revenue. Increases in revenues and savings shall be~~
8 ~~dedicated as follows:~~

9 ~~1. Actual net increases in Department-generated revenues, compared to the~~
10 ~~previous fiscal year, shall be dedicated to capital and/or facility maintenance improvements to~~
11 ~~park and recreational facilities; and,~~

12 ~~2. New revenues from outside sources, such as grant or foundation support, shall~~
13 ~~be used only for enhancement of park and recreational programs, including, but not limited to,~~
14 ~~capital and/or facility maintenance improvements ; and~~

15 ~~3. Overall Department expenditure savings shall be retained by the Department~~
16 ~~to be dedicated to one-time expenditures.~~

17 (d) The City shall implement its efforts to increase revenues in a manner consistent with
18 the City's policy of charging City residents a lower fee than that charged nonresidents for the use
19 and enjoyment of Department property.

20 (e) ~~(d)~~ Revenue Bond Authority. Notwithstanding the limitations set forth in
21 Sections 9.107, 9.108, and 9.109 of this Charter, the Commission may request, and upon
22 recommendation of the Mayor the Board of Supervisors may authorize, the issuance of revenue
23 bonds or other evidences of indebtedness, or the incurrence of other obligations, secured by the
24 Park, Recreation and Open Space Fund for acquisition, construction, reconstruction,
25

1 rehabilitation and/or improvement of real property and/or facilities and for the purchase of
2 equipment.

3 ~~(f)~~ ~~(e)~~ Fund Expenditures on Commission Property. Any real property acquired with
4 monies from the Fund, including the proceeds of obligations issued pursuant to subsection ~~(e)~~
5 ~~(d)~~, above, shall be placed under the jurisdiction of the Commission within the meaning of
6 Section 4.113. Fund expenditures to improve, construct, reconstruct or rehabilitate real property
7 shall be limited to property under the jurisdiction of the Commission or property under the
8 jurisdiction of another City department or public agency and subject to an agreement with the
9 Department for its use, management and maintenance.

10 ~~(g)~~ ~~(f)~~ Use and Allocation of the Fund. Each year, the Commission shall adopt a budget
11 for the allocation and expenditure of the Fund in compliance with the budget and fiscal
12 provisions of the Charter; ~~which shall be adopted by the Commission only after a written~~
13 ~~determination by the Planning Department of conformity with the City's General Plan.~~

14 The annual budget for allocation of the Fund that is adopted by the Commission and
15 submitted by the Mayor to the Board of Supervisors shall include:

16 ~~(1-)~~ Allocations for after-school recreation programs, urban forestry, community
17 gardens, volunteer programs, and a significant natural areas management program in the amounts
18 allocated for each of those programs from the Park and Open Space Fund in the Department's
19 fiscal year 2015-2016 ~~1999-2000~~ budget, to the extent that such programs are not so funded in
20 the Department's operating budget or in the budget of another City department.

21 ~~(2-)~~ An allocation necessary to ensure that 3% of the monies to be deposited in
22 the Fund during the upcoming fiscal year pursuant to subsection (b), above, be available at the
23 start of the fiscal year as an undesignated contingency reserve. No later than September 1, 2017,
24 the Commission shall adopt a policy for expenditures from the contingency reserve. Thereafter,
25 the Commission shall submit a report to the Mayor and the Board of Supervisors on any

1 expenditures from the contingency reserve during the previous budget cycle along with its
2 proposed budget for allocation of the Fund.

3 (3-) An allocation of not less than 5% of the monies to be deposited in the Fund
4 during the upcoming fiscal year pursuant to subsection (b), above. These monies shall be
5 dedicated to the acquisition of real property identified in the Capital Plan discussed in
6 subsection (h)(2) (g), below. Any portion of these monies that remains unspent or uncommitted
7 at the end of any fiscal year shall be carried forward, with interest thereon, to the next fiscal year
8 for the purposes set forth herein. ~~The 5% allocation need not be included in the budget~~
9 ~~submitted to the Board of Supervisors for an upcoming fiscal year to the extent that the total City~~
10 ~~expenditure for acquisition of property to be placed under the jurisdiction of the Commission for~~
11 ~~the period commencing with fiscal year 2000-2001 2000-01 and ending with the close of the~~
12 ~~immediately preceding fiscal year exceeds an amount equal to 5% of the total amount~~
13 ~~appropriated, or to be appropriated, to the Fund for the period commencing with fiscal~~
14 ~~year 2000-2001 2000-01 and ending with the close of the upcoming fiscal year.~~

15 (4) An allocation, as a separate line item, of funds required for preparation,
16 monitoring, and evaluation of the plans required under subsection (h).

17 Prior to the adoption of the annual budget by the Recreation and Park Commission, the
18 Department, in conjunction with the ~~Citizens~~ Parks, Recreation, and Open Space Advisory
19 Committee ("Advisory Committee") discussed in subsection (i) (h), below, shall conduct two
20 public hearings in the evenings or on weekends to permit the public to comment on the
21 Department's full budget and programming allocations.

22 The Board of Supervisors shall consider and apply the Planning and Reporting
23 Measures, including equity metrics, required in subsection (h) when reviewing and approving
24 the Department's budget.

1
2 (h) ~~(g)~~ Planning and Reporting Measures. The Commission shall adopt several
3 long-term plans that include, but are not limited to, the following:

4 (1) Equity Metrics. The Department shall develop, and the Commission shall
5 adopt, a set of equity metrics to be used to establish a baseline of existing Recreation and Park
6 services and resources in low-income neighborhoods and disadvantaged communities, compared
7 to services and resources available in the City as a whole. Following Commission approval, the
8 Department shall submit its Equity Metrics to the Mayor and the Board of Supervisors.

9 (2) ~~1.~~ Strategic Plan. By February 1, 2017, and every five years thereafter
10 ~~December 1, 2000~~, the Department shall prepare, for Commission consideration and approval, a
11 five-year Strategic Plan, ~~to be updated annually~~, that establishes or reaffirms the mission, vision,
12 goals and objectives for the Department. The Strategic Plan shall include an equity analysis of
13 Recreation and Park services and resources, using the equity metrics adopted under
14 subsection (h)(1). The Department shall submit the proposed Strategic Plan to the Parks,
15 Recreation, and Open Space Advisory Committee for its review and comment before submitting
16 the Plan to the Commission for its approval.

17 Following Commission approval of the Strategic Plan, the Department shall
18 submit the Strategic Plan to the Mayor and the Board of Supervisors.

19 The Department will use the approved Strategic Plan to guide its work over each
20 five-year period. Every two years after the approval of a Strategic Plan, the Department shall
21 report to the Commission on the Department's progress under the Plan and, subject to the
22 Commission's approval, may amend the Plan as appropriate. Following Commission approval
23 of any amendments to the Strategic Plan, the Department may submit the amended Strategic
24 Plan to the Mayor and the Board of Supervisors. ~~This Strategic Plan will be used to guide the~~
25 ~~Department's work over the next five years.~~

1 (3) ~~2-~~ Capital Expenditure Plan. By January 15, 2017 and for each annual or
2 biennial budgetary cycle thereafter, as determined under Charter Section 9.101, the Department
3 shall prepare, for Commission consideration and approval, an annual Capital Expenditure Plan
4 that addresses the development, renovation, replacement and maintenance of capital assets, and
5 the acquisition of real property projected during the life of the Department's five-year Strategic
6 Plan. The Capital Expenditure Plan shall include an equity analysis of Recreation and Park
7 capital expenditures, using the equity metrics adopted under subsection (h)(1). The Capital
8 Expenditure Plan shall further address irrigation, water conservation, and urban forestry on
9 park lands.

10 The Department shall submit the proposed Capital Expenditure Plan to the Parks,
11 Recreation, and Open Space Advisory Committee for its review and comment before submitting
12 the Plan to the Commission for its approval. Following Commission approval, the Department
13 shall submit the Capital Expenditure Plan to the Mayor and the Board of Supervisors.

14 The Department shall further cooperate in the development of the City's Capital
15 Expenditure Plan under Administrative Code 3.20, as amended, or any successor legislation.

16 ~~By December 1, 2000, the Department shall prepare, for Commission~~
17 ~~consideration and approval, a five-year Capital Plan, to be updated annually, for the~~
18 ~~development, renovation, replacement and maintenance of capital assets, and the acquisition of~~
19 ~~real property. In its Capital Plan the Department shall propose specific properties to be~~
20 ~~acquired for open space, recreation facilities, significant natural areas, and other recreational~~
21 ~~purposes and shall prioritize capital and maintenance improvements and provide budgets~~
22 ~~associated with such improvements. Capital and acquisition projects will be designated by the~~
23 ~~Department based upon needs identified by the Department and the community. Capital projects~~
24 ~~will include the planning, design and construction of projects that rehabilitate, restore or~~
25 ~~replace existing facilities or that develop new facilities. Acquisition projects will include, but~~

1 ~~will not be limited to, purchase, lease, exchange, eminent domain, license or any other vehicle~~
2 ~~giving the City a right, whether revocable or not, to use real property, or any interest therein, or~~
3 ~~any improvement or development rights thereon, for recreational purposes, including, but not~~
4 ~~limited to, protection of natural resources, development of community gardens and development~~
5 ~~of urban trails, provided that, notwithstanding anything herein to the contrary, no acquisition of~~
6 ~~less than fee simple title may be for a term of less than ten years.~~

7 (4) ~~3~~ Operational Plan. By February 1, 2017, and for each annual or biennial
8 budgetary cycle thereafter, as determined under Charter Section 9.101, the Department shall
9 prepare, for Commission consideration and approval, an Operational Plan. The Department
10 shall base the Operational Plan on the then-current Strategic Plan, and the Operational Plan
11 shall be in addition to the Department's budget. The Department shall include in the
12 Operational Plan a statement of the objectives and initiatives within the Strategic Plan that the
13 Department plans to undertake and/or accomplish during the next budgetary period, including
14 performance indicators and targets. The Operational Plan shall include an equity analysis of
15 Recreation and Park services and resources, using the equity metrics adopted under
16 subsection (h)(1). Each Operational Plan shall further include an assessment of the
17 Department's progress on the previous Operational Plan.

18 The Department shall submit the proposed Operational Plan to the Parks,
19 Recreation, and Open Space Advisory Committee for its review and comment before submitting
20 the Plan to the Commission for its approval. Following Commission approval, the Department
21 shall submit the Operational Plan to the Mayor and the Board of Supervisors.

22 ~~By December 1, 2001, the Department shall prepare, for Commission~~
23 ~~consideration and approval, a five-year Operational Plan, to be updated annually, detailing~~
24 ~~proposed improvements to the Department's services and responsiveness to customer needs. The~~
25 ~~annual Operational Plan will serve as a tool for improving the operational efficiency of the~~

1 ~~Department and will include measurable performance standards for the Department. The~~
2 ~~Department shall prepare the initial Operational Plan after conducting a performance audit of~~
3 ~~Departmental operations. Thereafter, the Department will conduct periodic performance audits.~~

4 The Commission shall establish a community input process, which ~~shall may~~ include the
5 Parks, Recreation, and Open Space Citizens Advisory Committee discussed in section (i) ~~(h)~~,
6 below, through which citizens of the City and County of San Francisco will provide assistance to
7 the Commission as it develops criteria and establishes the plans required by this subsection.

8 Prior to the adoption of any Strategic Plan each five-year plan, the Department shall conduct at
9 least five hearings in locations distributed geographically throughout the City to receive and to
10 consider the public's comments upon the plan. The Commission shall ensure that at least two of
11 these hearings are held in the evenings or on weekends for the public's convenience.

12 ~~The Department shall report regularly annually, as a part of the City's budget process, to~~
13 ~~the Mayor and to the Board of Supervisors, on the status of the plans and on the status of~~
14 ~~Department goals, objectives and capital project timelines for the current fiscal year, as well as~~
15 ~~provide reports on performance measures required by this Section.~~

16 In the fourth year of each Strategic Plan under subsection (h)(2), the Controller's City
17 Services Auditor shall conduct a performance audit of the Department to assess the
18 Department's progress under the Strategic Plan and to inform the development of the
19 Department's next Strategic Plan. The audit shall include an analysis of the Department's
20 compliance with the planning and reporting measures in this subsection (h). The costs of the
21 audit may be charged to the baseline established in subsection (c).

22 If the audit finds that the Department has not complied with the requirements in this
23 subsection (h), the Board of Supervisors may place up to 5% of the baseline appropriation under
24 subsection (c) for the next fiscal year on reserve, pending subsequent release of the reserve by
25 Board action upon finding progress toward these requirements. The preceding sentence is not

1 intended to modify the Board's authority under the fiscal and budgetary provisions of the
2 Charter.

3 The Commission may modify any deadlines contained in this subsection (h) by resolution
4 adopted by a two-thirds vote of its members, and a resolution adopted by the Board of
5 Supervisors and approved by the Mayor.

6 (i) (~~h~~) Parks, Recreation, and Open Space ~~Citizens~~ Advisory Committee. The Board of
7 Supervisors shall establish, by ordinance, a Parks, Recreation, and Open Space ~~Citizens~~
8 Advisory Committee, such as the committee established in Park Code Section 13.01, as
9 amended, or any successor legislation.

10 (j) Equity Fund. The City shall establish an Equity Fund to accept and expend private
11 gifts, grants, and donations received by the Department and intended to support initiatives and
12 programs addressing unmet program and capital needs identified in the equity analyses required
13 under subsection (h).

14 (k) (~~i~~) Environmental and Design Guidelines. The Department ~~Commission~~ shall
15 maintain ~~adopt~~ written environmental and design guidelines for new facilities, parks, and open
16 spaces and the renovation or rehabilitation of existing facilities, parks, and open spaces. These
17 guidelines shall be consistent with any applicable standards of the Art and Planning
18 Commissions.

19 (L) (~~j~~) Capital Projects. Notwithstanding the provisions of Section 3.104 of this Charter,
20 the Commission shall have the authority to prepare and approve the plans, specifications and
21 estimates for all contracts and orders, and to award, execute and manage all contracts and orders,
22 for capital projects on real property under its jurisdiction or management. Capital projects
23 supported by the Fund, other than those projects identified by the Department as long-term
24 projects, must be fully constructed within three years of the initial budget allocation for those
25 projects. Long-term projects must be fully constructed within five years of the initial budget

1 allocation. Any exceptions to this provision must be authorized by a two-thirds vote of the
2 Commission.

3 ~~The Recreation and Park Department and the Department of Public Works ("DPW")~~
4 ~~shall establish a committee to develop a written, capital implementation program, for the~~
5 ~~consideration of both Departments, that will govern DPW's involvement in capital projects~~
6 ~~undertaken by the Recreation and Park Department. In developing this program, the committee~~
7 ~~shall consider the Capital Plan discussed in subsection (g), above, staffing levels in both~~
8 ~~Departments, and the availability of other resources.~~

9 ~~(k) Unspent Funds. All unspent funds in the Park and Open Space Fund on June 30,~~
10 ~~2000 shall continue to be held for the use and benefit of the Department. These monies shall be~~
11 ~~expended in a manner consistent with the general purposes for which they were originally~~
12 ~~appropriated.~~

13 ~~(m)~~ In addition to the requirements set forth by this Section 16.10Z, all expenditures
14 from the Fund shall be subject to the budget and fiscal provisions of the Charter.

15
16 APPROVED AS TO FORM:
17 DENNIS J. HERRERA, City Attorney

18
19 By: _____
20 THOMAS J. OWEN
Deputy City Attorney

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