

File No. 260694

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date July 13, 2026

Board of Supervisors Meeting

Date _____

Cmte Board

- | | | |
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| ☐ | ☐ | Resolution |
| XX ☐ | ☐ | Ordinance |
| ☒ | ☐ | Legislative Digest |
| ☐ | ☐ | Budget and Legislative Analyst Report |
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OTHER (Use back side if additional space is needed)

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Completed by: Victor Young Date July 9, 2026

Completed by: _____ Date _____

1 [Initiative Ordinance - Administrative Code - Affordable Grocery Fund]

2
3 **Motion ordering submitted to the voters at an election to be held on November 3, 2026,**
4 **an Ordinance amending the Administrative Code to create a fund to receive and**
5 **expend monies appropriated and any gifts, grants, or donations to be used to expand**
6 **access to affordable, nutritious food for City residents.**

7
8 MOVED, That the Board of Supervisors hereby submits the following ordinance to the
9 voters of the City and County of San Francisco, at an election to be held on November 3,
10 2026.

11
12 **Ordinance amending the Administrative Code to create a fund to receive and expend**
13 **monies appropriated and any gifts, grants, or donations to be used to expand access**
14 **to affordable, nutritious food for City residents.**

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

21
22 Be it ordained by the People of the City and County of San Francisco:

23
24 Section 1. Findings.

25 (a) San Francisco has experienced a significant and accelerating loss of chain grocery
stores and pharmacies in recent years, leaving neighborhoods without essential food and
pharmacy access and exacerbating food insecurity across the City.

1 (b) Rising food costs have made it increasingly difficult for residents at all income
2 levels to access affordable, nutritious food. The City does not currently have a dedicated
3 revenue source to address this Citywide challenge.

4 (c) It is the intent of the voters in adopting this Ordinance to establish the Affordable
5 Grocery Fund as the dedicated vehicle through which public resources are deployed to
6 expand access to affordable, nutritious food for all San Franciscans.

7 (d) It is further the intent of the voters that the Affordable Grocery Fund be funded
8 primarily through revenues generated by the Abandoned Pharmacy and Grocery Tax, if the
9 voters approve such tax, which is being submitted to the voters concurrently with this
10 measure. Nothing in this Ordinance shall be construed to limit the sources of revenue
11 available to the Fund or to require the Board of Supervisors to appropriate any of the
12 Abandoned Pharmacy and Grocery Tax or any other specific funds or minimum amount to the
13 Fund in any fiscal year.

14
15 Section 2. Article XIII of Chapter 10 of the Administrative Code is hereby amended by
16 adding Section 10.100-9.5, to read as follows:

17
18 **SEC. 10.100-9.5. AFFORDABLE GROCERY FUND.**

19 (a) Establishment of Fund. The Affordable Grocery Fund ("Fund") is established as a
20 category four fund to receive all monies appropriated, and any gifts, grants, or donations from any
21 public or private source to be used to expand access to affordable, nutritious food for all City residents.

22 (b) Use of Fund. Moneys in the Fund shall be used for grants, loans, contracts, and other
23 expenditures that expand access to affordable and nutritious food. This includes, but is not limited to:

24 (1) Establishment and operation of grocery stores or food retail programs, including
25 costs for capital improvements, leases, property acquisition, staffing, inventory, and operations;

1 (2) Grants, subsidies, forgivable loans, or contracts with nonprofit organizations,
2 community land trusts, and worker-owned cooperatives to establish or maintain affordable grocery
3 stores;

4 (3) Acquisition by the City of real property for the purpose of leasing at below-market
5 rates to grocery operators committed to pricing that is affordable to City residents;

6 (4) Capital improvements, equipment grants, or technical assistance to support the
7 establishment or rehabilitation of affordable grocery stores and food retail programs; and

8 (5) Other programs, initiatives, or investments that advance affordable food access, as
9 determined by the administering department in accordance with guidelines established by ordinance.

10 (c) **Funding Conditions.** All programs, operators, and entities receiving monies from the Fund
11 shall satisfy the following conditions:

12 (1) **Affordability.** Programs, operators, and entities shall offer food and grocery
13 products at prices that are affordable to all City residents.

14 (2) **Labor Peace.** Programs, operators, and entities shall maintain a Labor Peace
15 Agreement with any bona fide labor organization that represents, or is actively seeking to represent,
16 employees of the program, operator, or entity. This requirement shall apply only at program, operator,
17 and entity locations within the City that provide services using Fund monies, and only during the time
18 period that such services are being paid for, in whole or in part, by Fund monies. For purposes of this
19 subsection (c)(2), “Labor Peace Agreement” includes any agreement that demonstrates a commitment
20 to avoid the interruption by either employers or labor organizations of the services being provided
21 using Fund monies.

22 (3) **Prevailing Wage.** Any monies expended from the Fund shall comply with
23 applicable prevailing wage requirements under state and local law.

24 (d) **Administration of Fund.** The Board of Supervisors shall, by ordinance, designate a
25 department or departments to administer the Fund. The designated department or departments shall

1 have authority to promulgate rules or regulations concerning the use of monies from the Fund
2 consistent with this Section 10.100-9.5, including the criteria, priorities, and procedures for use of
3 Fund monies.

4 (e) **Amendment.** The Board of Supervisors may amend or repeal this Section 10.100-9.5 by
5 majority vote.

6 APPROVED AS TO FORM:

7 DAVID CHIU, City Attorney

8
9 By: /s/ Bradley A. Russi
10 BRADLEY A. RUSSI
Deputy City Attorney

11 4914-4441-5411 v.1.docx

LEGISLATIVE DIGEST

[Initiative Ordinance - Administrative Code - Affordable Grocery Fund]

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Administrative Code to create a fund to receive and expend monies appropriated and any gifts, grants, or donations to be used to expand access to affordable, nutritious food for City residents.

Existing Law

The City does not currently have a specific fund into which the Board of Supervisors and the Mayor can appropriate money, or receive gifts, grants, or donations for purposes of expanding access to affordable, nutritious food.

Amendments to Current Law

The proposed initiative ordinance would establish the Affordable Grocery Fund. The Board of Supervisors and Mayor could appropriate money into the Fund in the future, and the City could accept gifts, grants, or donations to the Fund. The Fund would be used for grants, loans, contracts, and other expenditures that expand access to affordable and nutritious food, including establishment and operation of affordable grocery stores or retail food programs. Recipients of moneys from the Fund would be required to maintain a labor peace agreement under certain circumstances and comply with applicable prevailing wage requirements. The City would designate a department or departments to administer the Fund by future legislation.



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller

ChiaYu Ma
Deputy Controller

Ms. Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco, CA 94102-4689

July 2, 2026

RE: File 260694 – Initiative Ordinance – Affordable Grocery Fund

Dear Ms. Calvillo,

The cost of the proposed ordinance would be dependent on decisions that the Mayor and Board of Supervisors make in future budgets, as an ordinance cannot bind future Mayors and Boards of Supervisors to provide funding for this or any other purpose. Should the proposed ordinance be approved by the voters, in my opinion, it would have a minimal impact on the cost of government, although at a level that cannot be determined at this time.

The proposed ordinance would establish the Affordable Grocery Fund (the Fund). The Fund could receive money appropriated by the Mayor and Board of Supervisors or private donations, gifts or grants to expand access to affordable, nutritious food for City residents.

The proposed ordinance creates the Fund which may only be used for its stated purpose but does not appropriate or identify sources of revenue for the Fund. Unless future Mayors and Boards of Supervisors appropriate funds or revenue or accept donations, this Fund will be empty. Additionally, there is no requirement that such a Fund must be approved by the voters; the Mayor and Board of Supervisors can establish this fund at any time through the normal legislative process.

The ordinance specifies that the Board of Supervisors will designate a department or departments to administer the Fund. Should policymakers choose to allocate funding, additional costs could range from minimal costs to several hundred thousand dollars in salaries to staff and administer the Fund.

Sincerely,

Greg Wagner
Controller

Note: This analysis reflects our understanding of the proposal as of the date shown. At times further information is provided to us which may result in revisions being made to this analysis before the final Controller's statement appears in the Voter Information Pamphlet.

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: June 18, 2026
To: Planning Department / Commission
From: Victor Young, Clerk of the Rules Committee *Victor Young*
Subject: Board of Supervisors Legislation Referral - File No. 260694
Initiative Ordinance - Administrative Code - Affordable Grocery Fund

- ☒ California Environmental Quality Act (CEQA) Determination *Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or reasonably foreseeable indirect physical change in the environment.*
(*California Public Resources Code, Sections 21000 et seq.*)
☐ Ordinance / Resolution
☒ Ballot Measure *6/24/2026 Joy Navarrete*
- ☐ Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
☐ General Plan ☐ Planning Code, Section 101.1 ☐ Planning Code, Section 302
- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- ☐ General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- ☐ Historic Preservation Commission
☐ Landmark (*Planning Code, Section 1004.3*)
☐ Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
☐ Mills Act Contract (*Government Code, Section 50280*)
☐ Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to Victor Young at Victor.Young@sfgov.org.

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MEMORANDUM

TO: Carol Isen, Director, Department of Human Resources

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

DATE: June 18, 2026

SUBJECT: LEGISLATION INTRODUCED – MEET AND CONFER DETERMINATION

The Board of Supervisors' Rules Committee has received the following Initiative Ordinance. This matter is being **referred** to you as it may require the Department of Human Resources to fulfill "**Meet and Confer**" requirements. Please review, assess the impact and provide proper noticing as required and report back to on the status of the "Meet and Confer" requirement.

File No. 260694 (ver1)

Initiative Ordinance - Administrative Code - Affordable Grocery Fund

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Administrative Code to create a fund to receive and expend monies appropriated and any gifts, grants, or donations to be used to expand access to affordable, nutritious food for City residents.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please email or forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

RESPONSE FROM THE DEPARTMENT OF HUMAN RESOURCES - Date: 06/30/26

- ☐ Meet and Confer/Noticing requirement has been fulfilled.
- ☒ Meet and Confer/Noticing requirement not applicable.
- ☐ Additional information attached.

A handwritten signature in cursive script that reads "Gigi Whitley".

Department of Human Resources

c: Gigi Whitley, Department of Human Resources
Aliya Chisti, Department of Human Resources
Ardis Graham, Department of Human Resources
Jonathan Wright, Department of Human Resources

BOARD of SUPERVISORS



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M E M O R A N D U M

TO: Adam Thongsavat, Liaison to the Board of Supervisors, Mayor's Office
Brad Russi, Deputy City Attorney, Office of the City Attorney
John Arntz, Director, Department of Elections
Patrick Ford, Executive Director, Ethics Commission
Jose Cisneros, Treasurer, Office of the Treasurer and Tax Collector

FROM: Victor Young, Assistant Clerk, Rules Committee *Victor Young*
Board of Supervisors

DATE: June 18, 2026

SUBJECT: INITIATIVE ORDINANCE INTRODUCED
November 3, 2026

The Board of Supervisors' Rules Committee has received the following Initiative Ordinance for the November 3, 2026, Election. This matter is being **referred** to you in accordance with Rules of Order 2.22.4.

File No. 260694 (ver1)

Initiative Ordinance - Administrative Code - Affordable Grocery Fund

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Administrative Code to create a fund to receive and expend monies appropriated and any gifts, grants, or donations to be used to expand access to affordable, nutritious food for City residents.

Please review and submit any reports or comments you wish to be included with the legislative file.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Michael Canning, Ethics Commission
Aly Bonde, Mayor's Office
Amanda Kahn Fried, Office of the Treasurer and Tax Collector