

BUDGET AND APPROPRIATIONS COMMITTEE CITY AND COUNTY OF SAN FRANCISCO

MEETING MINUTES - DRAFT

Wednesday, June 18, 2025 - 10:00 AM

City Hall, Legislative Chamber, Room 250

Recheduled Meeting

Members: Connie Chan, Matt Dorsey, Joel Engardio, Shamann Walton, Rafael Mandelman

Clerk: Brent Jalipa

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Angela Calvillo, Clerk of the Board

BOARD COMMITTEES

Committee Membership

Budget and Appropriations Committee

Supervisors Chan, Dorsey, Engardio, Walton, Mandelman

Budget and Finance Committee

Supervisors Chan, Dorsey, Engardio

Government Audit and Oversight Committee

Supervisors Fielder, Sauter, Sherrill

Land Use and Transportation Committee

Supervisors Melgar, Chen, Mahmood

Public Safety and Neighborhood Services Committee

Supervisors Dorsey, Mahmood, Sauter

Rules Committee

Supervisors Walton, Sherrill, Mandelman

Meeting Days

Wednesday

1:30 PM

Wednesday

10:00 AM

1st and 3rd Thursday

10:00 AM

Monday

1:30 PM

2nd and 4th Thursday

10:00 AM

Monday

10:00 AM

First-named Supervisor is Chair, Second-named Supervisor is Vice-Chair of the Committee.

Members Present: Connie Chan, Matt Dorsey, Joel Engardio, Shamann Walton, and Rafael Mandelman

The Budget and Appropriations Committee met in rescheduled session on Wednesday, June 18, 2025, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:01 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan, Vice Chair Dorsey, and Members Engardio and Walton were noted present. Member Mandelman was noted not present.

A quorum was present.

COMMUNICATIONS

Brent Jalipa, Budget and Appropriations Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (brent.jalipa@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Member Mandelman was noted present at 10:07 a.m.

Chair Chan recessed the meeting at 12:20 p.m., and reconvened at 1:06 p.m.

SPECIAL MEETING OF THE BOARD OF SUPERVISORS

Supervisor Sauter was noted present at 1:06 p.m., thereby constituting a quorum of the Board of Supervisors. A special meeting of the Board of Supervisors was convened at 1:06 p.m., although the meeting was conducted in all respects as a committee meeting for items on the agenda and any substantive decisions constitute a recommendation of the committee and not action taken by the board.

Present: Supervisors Chan, Dorsey, Engardio, Walton, Mandelman, and Sauter

Chair Chan requested File Nos. 250624, 250589, and 250590 be called together.

250624 [Hearing - Mayor's Proposed Budget for Departments - FYs 2025-2026 and 2026-2027]

Sponsor: Mayor

Hearing to consider the Mayor's Proposed Budget for the Departments of the City and County of San Francisco for Fiscal Years (FYs) 2025-2026 and 2026-2027.

Heard in Committee. Speaker(s): Dan Goncher and Christine Martin (Office of the Budget and Legislative Analyst); David Chiu, City Attorney (Office of the City Attorney); José Cisneros, City Treasurer (Office of the Treasurer and Tax Collector); Joaquín Torres, Assessor-Recorder (Office of the Assessor-Recorder); Carol Isen, Director (Department of Human Resources); Michael Makstman, Director (Department of Technology); Katie Petrucione and Carmen Chu, City Administrator (Office of the City Administrator); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Carla Short, Director (Public Works); Daniel Tsai, Director (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Mandelman, moved that this Hearing be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250589 [Budget and Appropriation Ordinance for Departments - FYs 2025-2026 and 2026-2027]

Sponsor: Mayor

Budget and Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Departments of the City and County of San Francisco as of May 30, 2025, for the Fiscal Years (FYs) ending June 30, 2026, and June 30, 2027.
(Fiscal Impact)

Heard in Committee. Speaker(s): Dan Goncher and Christine Martin (Office of the Budget and Legislative Analyst); David Chiu, City Attorney (Office of the City Attorney); José Cisneros, City Treasurer (Office of the Treasurer and Tax Collector); Joaquín Torres, Assessor-Recorder (Office of the Assessor-Recorder); Carol Isen, Director (Department of Human Resources); Michael Makstman, Director (Department of Technology); Katie Petrucione and Carmen Chu, City Administrator (Office of the City Administrator); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Carla Short, Director (Public Works); Daniel Tsai, Director (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250590 [Annual Salary Ordinance - FYs 2025-2026 and 2026-2027]

Sponsor: Mayor

Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the Fiscal Years (FYs) ending June 30, 2026, and June 30, 2027, continuing, creating, or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments or continuation of appointments thereto; specifying and fixing the compensations and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefore.
(Fiscal Impact)

Heard in Committee. Speaker(s): Dan Goncher and Christine Martin (Office of the Budget and Legislative Analyst); David Chiu, City Attorney (Office of the City Attorney); José Cisneros, City Treasurer (Office of the Treasurer and Tax Collector); Joaquín Torres, Assessor-Recorder (Office of the Assessor-Recorder); Carol Isen, Director (Department of Human Resources); Michael Makstman, Director (Department of Technology); Katie Petrucione and Carmen Chu, City Administrator (Office of the City Administrator); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Carla Short, Director (Public Works); Daniel Tsai, Director (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250259 [Business and Tax Regulations Code - Extending Waiver of Permit, License, and Business Registration Fees for Certain Small Businesses]

Sponsors: Mayor; Sherrill, Mandelman, Chen, Sauter, Fielder and Engardio

Ordinance amending the Business and Tax Regulations Code to extend, through June 30, 2026, the waiver of certain first-year permit, license, and business registration fees for specified small businesses that newly form or that open a new location.
(Fiscal Impact)

Heard in Committee. Speaker(s): Jose Cisneros, City Treasurer (Office of the Treasurer and Tax Collector); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

Chair Chan requested File Nos. 250593, 250594, and 250591 be called together.

250593 [Administrative Code - Transferring Data Collection Oversight Duties from the City Administrator to the Human Rights Commission]

Sponsor: Mayor

Ordinance amending the Administrative Code to transfer responsibilities for oversight of the collection of sexual orientation and gender identity data from the City Administrator to the Human Rights Commission and removing obsolete reporting requirements.

Heard in Committee. Speaker(s): Katie Petrucione (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 8, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250594 [Administrative Code - Treasure Island Development Authority]

Sponsor: Mayor

Ordinance amending the Administrative Code to clarify the status of the Treasure Island Development Authority ("TIDA") as a City department.

Heard in Committee. Speaker(s): Katie Petrucione (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be RECOMMENDED to the Board of Supervisors meeting of July 8, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250591 [Administrative Code - City Hall Short Term License Fees]

Sponsor: Mayor

Ordinance amending the Administrative Code to modify the short term license fees for the use of City Hall.

Heard in Committee. Speaker(s): Katie Petrucione (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250608 [Public Works, Subdivision Codes - Fee Modification and Waiver]

Sponsor: Mayor

Ordinance amending the Public Works and Subdivision Codes to modify certain permit fees, including waiving fees for café tables and chairs and display merchandise registrants and certain minor sidewalk encroachments that are appurtenant building features, and affirming the Planning Department's determination under the California Environmental Quality Act.

Heard in Committee. Speaker(s): Jennifer Marquez (Public Works); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250606 [Various Codes - Environmental Health Permit, Fee, and Penalties Revisions]

Sponsor: Mayor

Ordinance amending the Business and Tax Regulations Code, Health Code, Administrative Code, and Public Works Code to: 1) eliminate Department of Public Health permit requirement for veterinary hospitals and laundry facilities; 2) eliminate the food facility surcharge and certain fees for agricultural inspections; 3) establish fees for regulatory compliance activities for solid waste facilities, refuse service for commercial and residential properties, and licensing of refuse collectors; 4) establish regulatory fee for food safety classes and food safety examinations; 5) increase existing regulatory fees for agricultural inspections, certified farmers' market permits, and hazardous waste management; and 6) increase penalties for violations of tobacco sales ordinances by tobacco retailers.

Heard in Committee. Speaker(s): Jennifer Callewaert (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250518 [Real Property Lease Amendment - LAWRENCE B. STONE PROPERTIES #08, LLC - 2177 Jerrold Avenue - Temporary Shelter - Additional Improvements Up to \$3,055,982]

Sponsor: Mayor

Resolution approving the First Amendment and authorizing the Director of Property, on behalf of the Department of Homelessness and Supportive Housing, to amend the lease with LAWRENCE B. STONE PROPERTIES #08, LLC, as landlord of the real property located at 2177 Jerrold Avenue ("Property"), for continued use as a temporary shelter program, submitted under Chapter 21B of the Administrative Code as a Core Initiative Lease; authorizing the City's contribution of up to \$3,055,982 for additional improvements, including any pre-development costs incurred, to add approximately 82 shelter beds through a dorm buildout to an existing building on the Property, and a utilities upgrade at the property to support the expanded footprint of the temporary shelter program, effective upon approval of this Resolution, with no changes to the term of January 2, 2024, through January 1, 2039; affirming the Planning Department's determination under the California Environmental Quality Act, and adopting the Planning Department's findings of consistency with the General Plan, and the eight priority policies of the Planning Code, Section 101.1; and authorizing the Director of Property to execute any amendments, make certain modifications and take certain actions that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the lease agreement or this Resolution. (Note: This Resolution is subject to the provisions of Administrative Code, Section 21B.3(c); specifically, the Board delegates their authority to the Mayor to approve the contract and/or lease if the Board fails to act within 45 days of publication. Date Published: May 15, 2025.)

(Fiscal Impact)

Heard in Committee. Speaker(s): Brad Russi (Office of the City Attorney); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); provided an overview and responded to questions raised throughout the discussion.

Member Walton, seconded by Chair Chan, moved that this Resolution be REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

Chair Chan, moved to RESCIND the motion to refer without recommendation to open public comment. The motion passed without objection.

Member Walton, seconded by Chair Chan, moved that this Resolution be REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250599 [Administrative Code - Vehicle Registration Fees and Police Fingerprint Identification Fund]

Sponsor: Mayor

Ordinance amending the Administrative Code to authorize fees for vehicles registered to a San Francisco address to fund law enforcement programs related to fingerprint identification of persons involved in crimes committed while operating motor vehicles, in accordance with California State law, and to establish the Police Fingerprint Identification Fund to receive the fee revenue.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250592 [Building, Subdivision, and Administrative Codes - Fee Adjustment and Building Inspection Fund Subfunds]

Sponsor: Mayor

Ordinance amending the Building, Subdivision, and Administrative Codes to adjust fees charged by the Department of Building Inspection and to establish Subfunds within the Building Inspection Fund; and affirming the Planning Department's determination under the California Environmental Quality Act.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250617 [Authorizing Paid Parking in Golden Gate Park]

Sponsor: Mayor

Resolution authorizing the Municipal Transportation Agency (SFMTA) to set parking rates in Golden Gate Park in accordance with Park Code provisions that authorize SFMTA rate-setting on park property; and affirming the Planning Department's determination under the California Environmental Quality Act.

Chair Chan, seconded by Member Mandelman, moved that this Resolution be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250603 [Park Code - Court Reservations]

Sponsor: Mayor

Ordinance amending the Park Code to authorize the Recreation and Park Department to charge fees for reserving tennis/pickleball courts at locations other than the Golden Gate Park Tennis Center; and affirming the Planning Department's determination under the California Environmental Quality Act.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250604 [Park Code - Cost Recovery for Use of Golf Courses, Outdoor Event Facilities, Picnic Areas, and Athletic Fields]

Sponsor: Mayor

Ordinance amending the Park Code to authorize the Recreation and Park Department to add a cost recovery surcharge to the fees for the use of City golf courses, outdoor event facilities, picnic areas, and athletic fields, to help cover stormwater and other costs related to maintaining those City properties; and affirming the Planning Department's determination under the California Environmental Quality Act.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250605 [Park Code - Recreation Program Fees]

Sponsor: Mayor

Ordinance amending the Park Code to allow the Recreation and Park Department to set fees for recreation programs based on the Department's operating costs for those programs and various other factors, including whether the program is designated for youth, seniors, or persons with disabilities, subject to approval of the Recreation and Park Commission; directing the Commission to update its scholarship policy to provide for further discounts for recreation programs based on financial need; making certain clarifying changes; and affirming the Planning Department's determination under the California Environmental Quality Act.

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250609 [Funding Reallocation - Homelessness Gross Receipts Tax - Our City, Our Home Fund - Services to Address Homelessness - \$88,495,000 Plus Future Revenue - Through FY2027-2028]

Sponsor: Mayor

Ordinance authorizing the City to reallocate approximately \$88,495,000 in prior appropriated revenue and unappropriated earned interest within the Our City, Our Home ("OCOH") Fund, to allow the City to use revenues from the Homelessness Gross Receipts Tax through Fiscal Year (FY) 2027-2028 for certain types of services to address homelessness, notwithstanding the expenditure percentages set forth in Business and Tax Regulations Code, Section 2810; authorizing the City to expend future revenues deposited in the OCOH Fund through Fiscal Year 2027-2028 on any programs to address homelessness as described in Business and Tax Regulations Code, Section 2810, without regard to the expenditure percentages in that section; temporarily suspending the limit on funding for short-term rental subsidies; and finding that these reallocations are necessary to achieve the purposes of the Our City, Our Home Fund pursuant to Business and Tax Regulations Code, Section 2811.

(Pursuant to Business and Tax Regulations Code, Section 2811, amendments of Article 28 of the Business and Tax Regulations Code, requires approval by a supermajority vote of at least eight members of the Board of Supervisors.)

(Fiscal Impact)

Chair Chan, seconded by Member Mandelman, moved that this Ordinance be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

250613 [Homelessness and Supportive Housing Fund - FYs 2025-2026 and 2026-2027 Expenditure Plan]

Sponsor: Mayor

Resolution approving the Fiscal Years (FYs) 2025-2026 and 2026-2027 Expenditure Plan for the Department of Homelessness and Supportive Housing Fund.

Chair Chan, seconded by Member Mandelman, moved that this Resolution be forwarded as an undecided matter for consideration at the Budget and Appropriations Committee's recessed meeting of June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

MEETING RECESSED

Chair Chan, seconded by Vice Chair Dorsey, moved that the undecided items, File Nos. 250624, 250589, 250590, 250259, 250591, 250608, 250606, 250599, 250592, 250617, 250603, 250604, 250605, 250609, and 250613, be considered at the recessed Budget and Appropriations Committee meeting on June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

Chair Chan, seconded by Vice Chair Dorsey, moved to recess this meeting to June 20, 2025. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Engardio, Walton, Mandelman

The Budget and Appropriations Committee recessed at the hour of 1:39 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Appropriations Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.