



**City and County of San Francisco**  
**Meeting Minutes**  
**Budget and Finance Committee**

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

*Members: Mark Farrell, Katy Tang, Norman Yee, Jane Kim, Scott Wiener*

*Clerk: Linda Wong (415) 554-7719*

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Wednesday, May 25, 2016

10:00 AM

City Hall, Legislative Chamber, Room 250

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**Rescheduled Meeting**

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**Present:** 4 - Mark Farrell, Katy Tang, Norman Yee, and Jane Kim

**Excused:** 1 - Scott Wiener

*The Budget and Finance Committee met in regular session on Wednesday, May 25, 2016, with Chair Mark Farrell presiding.*

## **ROLL CALL AND ANNOUNCEMENTS**

*Chair Farrell called the meeting to order at 10:16 a.m. On the call of the roll, Chair Farrell, Vice Chair Tang, Member Yee, and Member Kim were noted present. Member Wiener was not present. There was a quorum.*

## **AGENDA CHANGES**

*There were no agenda changes.*

## **REGULAR AGENDA**

### **160559 [Cooperative Agreement - Caltrans - 19th Avenue Combined City Project]**

**Sponsors: Tang; Yee**

Resolution approving a cooperative agreement between the City and County of San Francisco and the State of California Department of Transportation concerning the design and construction of the 19th Avenue combined City project including pedestrian safety, transit improvements, and utility upgrades along 19th Avenue between Junipero Serra Boulevard and Lincoln Way.

05/17/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker: Shannon Cairns (Public Works); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160348 [Real Property Sale - Easement to JWG McHenry, LLC, and City of Modesto - Portion of San Francisco Public Utilities Commission Parcel 656, Modesto, Stanislaus County - \$35,000]**

Resolution approving and authorizing the conveyance of one permanent easement to the City of Modesto, for \$35,000 to be paid by JWG McHenry, LLC, a California limited liability company, to allow JWG McHenry, LLC, to widen a portion of McHenry Avenue, including installing street, curb, gutter, driveway, and sidewalk improvements within an approximately 3,627 square foot portion of property owned by the City under the jurisdiction of the San Francisco Public Utilities Commission, identified as SFPUC Parcel 656; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; adopting findings under the California Environmental Quality Act (CEQA), CEQA Guidelines, and Administrative Code, Chapter 31; adopting findings under Administrative Code, Section 23.3, that offering the easement for sale through competitive bidding would be impractical; and authorizing the Director of Property and/or the SFPUC General Manager to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution. (Real Estate Department)

04/05/16; RECEIVED FROM DEPARTMENT.

04/19/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Tony Bardo (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion.*

**Member Yee, seconded by Vice Chair Tang, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested File Nos. 160516 and 160517 be heard together.*

**160516 [Multifamily Housing Revenue Bonds - Central Freeway Parcel O - 455 Fell Street - Not to Exceed \$50,000,000]****Sponsor: Breed**

Resolution declaring the intent of the City and County of San Francisco (the "City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development (the "Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$50,000,000 for 455 Fell Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$50,000,000; authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project as defined herein, and the Application as defined herein. (Mayor's Office of Housing and Community Development)

05/10/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Don Lusty (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160517 [Option to Ground Lease - 455 Fell Street - 455 Fell, L.P. - For No Cost]****Sponsor: Breed**

Resolution authorizing the execution and performance of an Option to Ground Lease in connection with the parcel located at 455 Fell Street (Assessor's Parcel Block No. 831, Lot No. 24) (the "Property") for no cost, and which expires on June 30, 2017, with an extension option of six months until December 31, 2017, between the City and County of San Francisco and 455 Fell, L.P., a California limited partnership; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein. (Recreation and Park Commission)

(Fiscal Impact; No Budget and Legislative Analyst Report)

05/10/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested File Nos. 160518 and 160519 be heard together.*

**160518 [Multifamily Housing Revenue Bonds - 2060 and 2070 Folsom Street (also known as "17th and Folsom") - Not to Exceed \$140,000,000]****Sponsor: Campos**

Resolution declaring the intent of the City and County of San Francisco (the "City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development (the "Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$140,000,000 for 2060 and 2070 Folsom Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein; and ratifying and approving any action heretofore taken in connection with the Project as defined herein, and the Application as defined herein. (Mayor's Office of Housing and Community Development)

05/10/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Anne Romero (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.*

**Member Yee, seconded by Vice Chair Tang, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160519 [Option to Ground Lease - 2070 Folsom Street - 2060 Folsom Housing, L.P. - For No Cost]****Sponsor: Campos**

Resolution authorizing the execution and performance of an Option to Ground Lease in connection with a parcel located at 2070 Folsom Street (Assessor's Parcel Block No. 3571, Lot No. 031) for no cost, and which expires on June 30, 2018, between the City and County of San Francisco and 2060 Folsom Housing, L.P., a California limited partnership; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein. (Mayor's Office of Housing and Community Development)

(Fiscal Impact; No Budget and Legislative Analyst Report)

05/10/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Anne Romero (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.*

**Member Yee, seconded by Vice Chair Tang, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested File Nos. 160521 and 160520 be heard together.*

**160521 [Multifamily Housing Revenue Bonds - 909 and 921 Howard Street, 206-228 5th Street, and 414 Tehama Street (also known as "5th and Howard") - Not to Exceed \$225,000,000]**

**Sponsor: Kim**

Resolution declaring the intent of the City and County of San Francisco (the "City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development (the "Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$225,000,000 for 909 and 921 Howard Street, 206-228 5th Street, and 414 Tehama Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein; and ratifying and approving any action heretofore taken in connection with the Project as defined herein, and the Application as defined herein. (Mayor's Office of Housing and Community Development)

05/10/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Adam Cray (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160520 [Multifamily Housing Revenue Bonds - 1601 and 1677 Mariposa Street, 485-497 Carolina Street, 395 and 420 Wisconsin Street, and 210 Arkansas Street (also known as "1601 Mariposa") - Not to Exceed \$240,000,000]**

**Sponsor: Cohen**

Resolution declaring the intent of the City and County of San Francisco (the "City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development (the "Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$240,000,000 for 1601 and 1677 Mariposa Street, 485-497 Carolina Street, 395 and 420 Wisconsin Street, and 210 Arkansas Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; authorizing and directing the execution of any documents necessary to implement this Resolution as defined herein; and ratifying and approving any action heretofore taken in connection with the Project as defined herein, and the Application as defined herein. (Mayor's Office of Housing and Community Development)

05/10/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Adam Cray (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160526 [Hearing - The City's Financial Position]**

**Sponsor: Farrell**

Hearing on the City's financial position; and requesting the Mayor's Budget Director, the Budget and Legislative Analyst, and the Controller to report.

05/10/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

05/18/16; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Michelle Allersma (Controller's Office); provided an overview and responded to questions raised throughout the discussion.

*Heard in Committee. Speakers: None.*

**Vice Chair Tang, seconded by Member Yee, moved that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested File Nos. 160462 and 160463 be heard together.*

**160462 [Proposed Budget and Appropriation Ordinance for Selected Departments, as of May 2, 2016, for FYs 2016-2017 and 2017-2018]****Sponsor: Mayor**

Proposed Budget and Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for the Airport Commission, Board of Appeals, Department of Building Inspection, Child Support Services, County Education Office, Department of the Environment, Law Library, Municipal Transportation Agency, Port, Public Library, San Francisco Public Utilities Commission, the Residential Rent Stabilization and Arbitration Board, and Retirement System as of May 2, 2016, for FYs 2016-2017 and 2017-2018.

(Fiscal Impact.)

05/03/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

05/18/16; CONTINUED. Heard in Committee. Speakers: Ben Rosenfield, City Controller, and Michelle Allersma (Controller's Office); Cynthia Goldstein, Executive Director (Board of Appeals); Marcia Bell, Director (Law Library); Robert Collins, Acting Executive Director (Rent Board); Karen Roye, Director (Child Support Services); Deborah Raphael, Director (Department of the Environment); Jay Huish, Executive Director (Employees' Retirement System); Tom Hui, Director (Department of Building Inspection); Elaine Forbes, Director (Port of San Francisco); Luis Herrera, City Librarian (Public Library); John Marin, Director (San Francisco International Airport); Harlan Kelly, General Manager (Public Utilities Commission); Ed Reiskin, Director (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; Gilbert F. Griswell; spoke on the hearing matter.

*Heard in Committee. Speaker: Jay Huish, Executive Director (Employees' Retirement System); Harvey Rose (Office of the Budget and Legislative Analyst); Deborah Raphael, Director (Department of the Environment); Tom Hui, Director (Department of Building Inspection); Megan Wallace (Port of San Francisco); Luis Herrera, City Librarian (Public Library); Cathy Widener (San Francisco International Airport); Harlan Kelly, General Manager (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion. Peter Warfield, Executive Director (Library Users Association); spoke on the hearing matter.*

**Vice Chair Tang, seconded by Member Yee, moved that this Proposed Ordinance be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160463 [Proposed Annual Salary Ordinance for Selected Departments, as of May 2, 2016, for FYs 2016-2017 and 2017-2018]****Sponsor: Mayor**

Proposed Annual Salary Ordinance enumerating positions in the Proposed Budget and Appropriation Ordinance for the Airport Commission, Board of Appeals, Department of Building Inspection, Child Support Services, Department of the Environment, Law Library, Municipal Transportation Agency, Port, Public Library, San Francisco Public Utilities Commission, the Residential Rent Stabilization and Arbitration Board, and Retirement System as of May 2, 2016, for FYs 2016-2017 and 2017-2018. (Fiscal Impact.)

05/03/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

05/18/16; CONTINUED. Heard in Committee. Speakers: Ben Rosenfield, City Controller, and Michelle Allersma (Controller's Office); Cynthia Goldstein, Executive Director (Board of Appeals); Marcia Bell, Director (Law Library); Robert Collins, Acting Executive Director (Rent Board); Karen Roye, Director (Child Support Services); Deborah Raphael, Director (Department of the Environment); Jay Huish, Executive Director (Employees' Retirement System); Tom Hui, Director (Department of Building Inspection); Elaine Forbes, Director (Port of San Francisco); Luis Herrera, City Librarian (Public Library); John Marin, Director (San Francisco International Airport); Harlan Kelly, General Manager (Public Utilities Commission); Ed Reiskin, Director (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; Gilbert F. Griswell; spoke on the hearing matter.

*Heard in Committee. Speaker: Jay Huish, Executive Director (Employees' Retirement System); Harvey Rose (Office of the Budget and Legislative Analyst); Deborah Raphael, Director (Department of the Environment); Tom Hui, Director (Department of Building Inspection); Megan Wallace (Port of San Francisco); Luis Herrera, City Librarian (Public Library); Cathy Widener (San Francisco International Airport); Harlan Kelly, General Manager (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion. Peter Warfield, Executive Director (Library Users Association); spoke on the hearing matter.*

**Vice Chair Tang, seconded by Member Yee, moved that this Proposed Ordinance be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested File Nos. 160464, 160465, and 160466 be heard together.*

**160464 [Appropriation - Municipal Transportation Agency Revenue Bond Proceeds - Transportation Capital Projects and Equipment - \$207,000,000 - FY2016-2017]****Sponsor: Mayor**

Ordinance appropriating \$207,000,000 of Revenue Bond proceeds to the Municipal Transportation Agency for transportation projects and equipment in FY2016-2017. (Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/5/2016 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

*Heard in Committee. Speakers: Sonali Bose (Municipal Transportation Agency); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Kim, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener



**160465 [Revenue Bonds - Municipal Transportation Agency - Not to Exceed \$207,000,000]****Sponsor: Mayor**

Resolution authorizing the sale, issuance, and execution of one or more series of San Francisco Municipal Transportation Agency Revenue Bonds, in an amount not to exceed \$207,000,000, which includes up to \$45,000,000 for the Mission Bay Component; and up to \$162,000,000 for other projects, such as the light rail vehicle procurement, the Van Ness Transit Improvement Project, and for various financing costs; approving the form of certain financing documents including the official statement, the bond purchase contract, the fourth supplement to indenture of trust, and continuing disclosure certificate; authorizing the taking of appropriate actions in connection therewith, as defined herein; and related matters approving the forms of documents relating thereto; approving the maximum interest thereon; and finding that a portion of the proposed revenue bond issuance is not a project under the California Environmental Quality Act ("CEQA"), and adopting findings under CEQA, CEQA Guidelines, and San Francisco Administrative Code, Chapter 31, for the remaining portion of the proposed bond issuance; and related matters.

(Fiscal Impact.)

05/03/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speakers: Sonali Bose (Municipal Transportation Agency); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Kim, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160466 [Appropriation - Mission Bay Improvement Fund - Warrior Arena Improvement Capital Projects - \$5,980,000 - FYs 2016-2017 and 2017-2018]****Sponsor: Mayor**

Ordinance appropriating \$5,980,000 to the Municipal Transportation Agency (MTA), consisting of \$3,050,000 General Fund Contribution and \$350,000 of MTA's operating fund in FY2016-2017, and \$2,310,000 General Fund Contribution and \$270,000 of MTA's operating fund in FY2017-2018 to support planning, design, and outreach for the transportation capital improvement projects in connection with the proposed Golden State Warriors Event Center and Mixed Use Development in Mission Bay.

(Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/5/2016 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

*Heard in Committee. Speakers: Sonali Bose (Municipal Transportation Agency); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Kim, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested File Nos. 160475, 160473, and 160470 be heard together.*

**160475 [Hearing - Reserved Funds - San Francisco Public Utilities Commission - Hetch Hetchy Power System Impact Mitigation Project - \$2,760,666]****Sponsor: Mayor**

Hearing to consider the release of reserved funds to the San Francisco Public Utilities Commission, placed on Budget and Finance Committee Reserve in Ordinance No. 4-13, in the amount of \$2,760,666 for the Hetch Hetchy Power System Impact Mitigation Project (CUH661), to fund the upgrade of auto transformers at the Warnerville Substation.

05/06/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/11/16; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speakers: Eric Sandler, Chief Financial Officer (San Francisco Public Utilities Commission); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved to RELEASE \$2,760,666 in funds from Budget and Finance Committee reserve and that the Hearing be HEARD AND FILED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160473 [Public Utilities Commission - Issuance Power Revenue Bonds - Not to Exceed \$32,483,088]****Sponsor: Mayor**

Ordinance authorizing the issuance and sale of tax-exempt or taxable Power Revenue Bonds and other forms of indebtedness by the San Francisco Public Utilities Commission (Commission) in an aggregate principal amount not to exceed \$32,483,088 to finance the costs of various capital projects benefitting the Power Enterprise pursuant to Charter, Sections 9.107(6) and 9.107(8); authorization to issue Refunding Power Revenue Bonds; declaring the official intent of the Commission to reimburse itself with one or more issues of tax-exempt or taxable bonds; and ratifying previous actions taken in connection therewith, as defined herein.

(Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/19/16 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

05/13/16; REFERRED TO DEPARTMENT. Referred to the Public Utilities Revenue Bond Oversight Committee for informational purposes.

*Heard in Committee. Speakers: Eric Sandler, Chief Financial Officer (San Francisco Public Utilities Commission); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be AMENDED to require the Public Utilities Commission to provide a report to the Board of Supervisors within 30 days of any bond sale. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

(Fiscal Impact.)

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED AS AMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160470 [Appropriation - Revenue Bonds, Hetch Hetchy Revenue, Cap, and Trade Allowance of \$158,125,530 - Re-Appropriation of \$11,332,750, and De-Appropriation of \$4,222,602 - Hetch Hetchy Water and Power Capital Improvements - FYs 2016-2017 and 2017-2018]**

**Sponsor: Mayor**

Ordinance appropriating a total of \$158,125,530 of Hetch Hetchy revenue, Cap and Trade Revenue and Power and Water Revenue Bonds for the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy Capital Improvement Program for FY2016-2017 at \$65,025,314 and for FY2017-2018 at \$93,100,216; and re-appropriation of \$11,332,750 in Power Revenue Bonds fund projects in FY2016-2017; de-appropriation of \$4,222,602 CEC loan and revenue funded projects; and placing \$32,483,088 of Power Bonds, \$44,234,848 of Water Bonds, and \$4,200,000 of Cap and Trade Revenue, by project on Controller's reserve subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects, following review and consideration of completed project related environmental analysis, where required.

(Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/19/16 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

*Heard in Committee. Speakers: Eric Sandler, Chief Financial Officer (San Francisco Public Utilities Commission); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested File Nos. 160468 and 160472 be heard together.*

**160468 [Appropriation - Proceeds from Revenue Bonds, State Loan or Grant Funds, Water Revenues and Water Capacity Fees of \$272,233,620 - Re-Appropriation of \$83,750,500 for Water Capital Improvements - FYs 2016-2017 and 2017-2018]**

**Sponsor: Mayor**

Ordinance appropriating a total of \$272,233,620 of proceeds from Revenue Bonds, State of California Water Resources Control Board's revolving loan funds (State Loan Funds) or grant funds (State Grant Funds), water revenues and water capacity fees for the San Francisco Public Utilities Commission (SFPUC) Water Enterprise's Capital Improvement Program for FY2016-2017 at \$149,910,090 and for FY2017-2018 at \$122,323,530; and re-appropriating Water Capital Project Appropriations of \$56,750,500 in FY2016-2017 and \$27,000,000 in FY2017-2018; and placing \$220,762,620 of Revenue Bond and State Loan Funds or State Grant Funds proceeds and \$5,300,000 of water capacity fee proceeds by project on Controller's reserve subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects, following review and consideration of completed project related environmental analysis, where required. (Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/19/16 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

*Heard in Committee. Speakers: Eric Sandler, Chief Financial Officer (San Francisco Public Utilities Commission); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160472 [Public Utilities Commission - Issuance Water Revenue Bonds - Not to Exceed \$264,997,468]**

**Sponsor: Mayor**

Ordinance authorizing the issuance and sale of tax-exempt or taxable Water Revenue Bonds and other forms of indebtedness by the San Francisco Public Utilities Commission (Commission) in an aggregate principal amount not to exceed \$264,997,468 to finance the costs of various capital water projects benefitting the Water Enterprise pursuant to amendments to the Charter of the City and County of San Francisco enacted by the voters on November 5, 2002, as Proposition E; authorizing the issuance of Water Revenue Refunding Bonds; declaring the Official Intent of the Commission to Reimburse Itself with one or more issues of tax-exempt or taxable bonds or other forms of indebtedness; and ratifying previous actions taken in connection therewith, as defined herein. (Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/19/16 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

05/13/16; REFERRED TO DEPARTMENT. Referred to the Public Utilities Revenue Bond Oversight Committee for informational purposes.

*Heard in Committee. Speakers: Eric Sandler, Chief Financial Officer (San Francisco Public Utilities Commission); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be AMENDED to require the Public Utilities Commission to provide a report to the Board of Supervisors within 30 days of any bond sale. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

(Fiscal Impact.)

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED AS AMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

*Chair Farrell requested file nos. 160469 and 160471 be heard together.*

**160469 [Appropriation - Revenue Bonds, State Loans or Grants, Wastewater Revenues and Capacity Fees of \$1,215,201,280 - Re-Appropriation of \$7,000,000, and De-Appropriation of \$10,750,000 - Wastewater Capital Improvements - FYs 2016-2017 and 2017-2018]**

**Sponsor: Mayor**

Ordinance appropriating a total of \$1,215,201,280 of proceeds from revenue bonds, State of California Water Resources Control Board's revolving loan funds (State Loan Funds) or grant funds (State Grant Funds), wastewater revenue and capacity fees for the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise's Capital Improvement Program for FY2016-2017 at \$312,852,320 and for FY2017-2018 at \$902,348,960; re-appropriation of \$7,000,000 and de-appropriation of \$10,750,000 Wastewater Revenue Bond projects in FY2016-2017; and placing \$1,112,601,280 in Revenue Bonds or State Loan or Grant Funds and \$14,600,000 in capacity fees by project on Controller's reserve subject to the Controller's certification of funds availability, including proceeds of indebtedness, and for construction related expenditures (excluding program management, planning, and design) for these projects, as applicable, is also subject to the prior occurrence of the SFPUC's and the Board of Supervisors' discretionary adoption of California Environmental Quality Act (CEQA) Findings for projects, following review and consideration of completed project related environmental analysis, where required.

(Fiscal Impact)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/19/16 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

*Heard in Committee. Speakers: Eric Sandler, Chief Financial Officer (San Francisco Public Utilities Commission); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160471 [Public Utilities Commission - Issuance Wastewater Revenue Bonds - Not to Exceed \$1,112,601,280]****Sponsor: Mayor**

Ordinance authorizing the issuance and sale of tax-exempt or taxable Wastewater Revenue Bonds and other forms of indebtedness by the San Francisco Public Utilities Commission (Commission) in an aggregate principal amount not to exceed \$1,112,601,280 to finance the costs of various capital wastewater projects benefitting the Wastewater Enterprise pursuant to amendments to the Charter of the City and County of San Francisco enacted by the voters on November 5, 2002, as Proposition E; authorizing the issuance of Wastewater Revenue Refunding Bonds; declaring the Official Intent of the Commission to Reimburse Itself with one or more issues of tax-exempt or taxable bonds or other forms of indebtedness; and ratifying previous actions taken in connection therewith, as defined herein.

(Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/19/16 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

05/13/16; REFERRED TO DEPARTMENT. Referred to the Public Utilities Revenue Bond Oversight Committee for informational purposes.

*Heard in Committee. Speakers: Eric Sandler, Chief Financial Officer (San Francisco Public Utilities Commission); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be AMENDED to require the Public Utilities Commission to provide a report to the Board of Supervisors within 30 days of any bond sale. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

(Fiscal Impact.)

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED AS AMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**160467 [De-Appropriation and Re-Appropriation - General Reserve to Debt Service - \$7,566,391 - FY2015-2016]****Sponsor: Mayor**

Ordinance de-appropriating \$7,566,391 surplus revenue designated for General Reserve from the Public Library and re-appropriating as debt service payment in FY2015-2016.

(Fiscal Impact.)

05/03/16; ASSIGNED to Budget and Finance Committee. 5/19/16 - President Breed waived the 30-day hold on this matter pursuant to Board Rule 3.22.

*Heard in Committee. Speakers: Luis Herrera, City Librarian (Public Library); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Peter Warfield, Executive Director (Library Users Association); spoke neither in support nor opposition to the hearing matter.*

**Member Yee, seconded by Vice Chair Tang, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 4 - Farrell, Tang, Yee, Kim

Excused: 1 - Wiener

**Supervisor Wiener Excused from Attendance and Supervisor Yee Excused from Voting on File No. 160336**

Member Kim, seconded by Vice Chair Tang, moved to excuse Supervisor Wiener from the Budget and Finance Committee meeting of May 25, 2016, and Supervisor Yee from voting on File No. 160336. The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Kim

Excused: 2 - Yee, Wiener

**SPECIAL ORDER 4:30 P.M.****160336 [Hearing - Policy and Budget Priorities - Youth Commission - FYs 2016-2017 and 2017-2018]****Sponsor: Farrell**

Hearing to receive an update on the San Francisco Youth Commission's Policy and Budget Priorities for FYs 2016-2017 and 2017-2018.

04/05/16; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speakers: Commissioners Jillian Wu, Vice Chair; Stephanie Li; Cecilia Galeano; Giovanna Soto; Luis Avalos-Nuñez, Chair; and Anna Bernick (Youth Commission); provided an overview and responded to questions raised throughout the discussion. Walter Paulson; Jessica Rodriguez Williams; spoke on the hearing matter.*

**Member Kim, seconded by Vice Chair Tang, moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:**

Ayes: 3 - Farrell, Tang, Kim

Excused: 2 - Yee, Wiener

**ADJOURNMENT**

*There being no further business, the Committee adjourned at the hour of 5:04 p.m.*

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