

# BUDGET AND FINANCE COMMITTEE CITY AND COUNTY OF SAN FRANCISCO

## MEETING MINUTES

Thursday, May 11, 2017 - 1:00 PM

City Hall, Legislative Chamber, Room 250

### Regular Meeting

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Members: Malia Cohen, Norman Yee, Katy Tang, Jane Kim, Jeff Sheehy

Clerk: Linda Wong (415) 554-7719

*Angela Calvillo, Clerk of the Board*

### BOARD COMMITTEES

#### Committee Membership

##### **Budget and Finance Committee**

Supervisors Cohen, Yee, Tang, Kim, Sheehy

##### **Budget and Finance Federal Select Committee**

Supervisors Cohen, Sheehy, Fewer

##### **Budget and Finance Sub-Committee**

Supervisors Cohen, Yee, Tang

##### **Government Audit and Oversight Committee**

Supervisors Kim, Peskin, Breed

##### **Land Use and Transportation Committee**

Supervisors Farrell, Peskin, Tang

##### **Public Safety and Neighborhood Services Committee**

Supervisors Ronen, Sheehy, Fewer

##### **Rules Committee**

Supervisors Safai, Fewer, Yee

#### Meeting Days

Thursday

1:00 PM

2nd and 4th Thursday

1:05 PM

Thursday

10:00 AM

1st and 3rd Wednesday

10:00 AM

Monday

1:30 PM

2nd and 4th Wednesday

10:00 AM

2nd and 4th Wednesday

1:00 PM

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

**Members Present:** Malia Cohen, Norman Yee, Katy Tang, Jane Kim, and Jeff Sheehy

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*The Budget and Finance Committee met in regular session on Thursday, May 11, 2017, with Chair Malia Cohen presiding.*

## ROLL CALL AND ANNOUNCEMENTS

*Chair Cohen called the meeting to order at 1:06 p.m. On the call of the roll, Chair Cohen, Vice Chair Yee, and Member Sheehy were noted present. Member Tang and Member Kim were noted not present. There was a quorum.*

## AGENDA CHANGES

*There were no agenda changes.*

## REGULAR AGENDA

### **170538 [Administrative Code - Increasing the Minimum Compensation Hourly Rate]**

**Sponsors: Sheehy; Kim**

Ordinance amending the Administrative Code to increase the minimum hourly compensation rate for employees of City contractors to \$15.86 per hour on July 1, 2017, \$16.86 per hour on July 1, 2018, and followed thereafter by annual cost-of-living increases; and to require that City contractors pay the minimum hourly compensation rate to employees who perform any work funded under an applicable contract with the City.

(Fiscal Impact)

*Supervisor Kim requested to be added as a co-sponsor.*

*Heard in Committee. Speakers: Tim Paulson; Julie Lind; Greg Brown; Jane Martin; Kevin Prasad; Mahmoud Mohamed; Juliana Liu; MJ; Ian Lewis; Karl Kramer; Xavier Aubuchon-Mendoza; John Medina; Roger Scott; Anah Sul Rama; Alysabeth Alexander Tut; Claudia Aresolo; Daisy McArthur; Jennifer Root; Peter M.; Erlinda Serrano; Debbie Lerman; Kris Morales; spoke in support of the hearing matter.*

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

Ayes: 5 - Cohen, Yee, Tang, Kim, Sheehy

Chair Cohen requested File Nos. 170457 and 170469 be called together.

**170457 [Hearing - Release of Reserved Funds - Police Department - Overtime Funding - \$1,100,000]**

Hearing to consider the release of reserved funds to the Police Department, placed on Budget and Finance Committee reserve in the Annual Budget and Appropriation Ordinance for FY2016-2017 (Ordinance No. 145-16), in the amount of \$1,100,000 to fund the department's overtime funding. (Police Department)

*Heard in Committee. Speakers: Hector Sainez, Assistant Chief, and Catherine McGuire (Police Department); Melissa Whitehouse (Mayor's Office); Harvey Rose and Severin Campbell (Office of the Budget and Legislative Analyst); Ben Rosenfield, City Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Yee, seconded by Chair Cohen, moved that this Hearing be CONTINUED to the Budget and Finance Committee meeting of May 18, 2017. The motion carried by the following vote:**

Ayes: 4 - Cohen, Yee, Tang, Kim

Noes: 1 - Sheehy

**170469 [Appropriation and De-Appropriation - Expenditures of \$6,500,000 - Supporting Increased Overtime Expenditures - FY2016-2017]**

**Sponsor: Mayor**

Ordinance appropriating \$300,000 Water Enterprise Fund Balance, de-appropriating \$25,182,258 from permanent salaries, fringe benefit expenses, and non-personnel services, and appropriating \$25,482,258 to overtime in the Sheriff's Department, Department of Emergency Management, Fire Department, Public Health Department, Public Utilities Commission, and the Police Department operating budgets in order to support the Departments projected increases in overtime as required per Ordinance No. 194-11 in FY2016-2017; this Ordinance requires a two-thirds vote of all members of the Board of Supervisors for approval of the Department of Public Health and Police Department overtime appropriations. (Fiscal Impact)

*Heard in Committee. Speakers: Hector Sainez, Assistant Chief, and Catherine McGuire (Police Department); Melissa Whitehouse (Mayor's Office); Harvey Rose and Severin Campbell (Office of the Budget and Legislative Analyst); Ben Rosenfield, City Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Yee requested that this Ordinance be DUPLICATED AND AMENDED.**

*Duplicated File No. 170581*

**Vice Chair Yee, seconded by Chair Cohen, that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to remove the projected increases in overtime for the Sheriff's Department, Department of Emergency Management, Fire Department, Public Health Department, and Public Utilities Commission from consideration. The motion carried by the following vote:**

Ayes: 4 - Cohen, Yee, Tang, Kim

Noes: 1 - Sheehy

Ordinance appropriating \$6,500,000 to overtime and de-appropriating \$6,500,000 of permanent salaries and training budget in the Police Department's operating budget in order to support the Department's increased overtime expense as required per Ordinance No. 194-11 in FY2016-2017; this Ordinance requires a two-thirds vote of all members of the Board of Supervisors for approval, pursuant to Charter, Section 9.113(c).  
(Fiscal Impact)

**Vice Chair Yee, seconded by Chair Cohen, moved that this Hearing be CONTINUED AS AMENDED to the Budget and Finance Committee meeting of May 18, 2017. The motion carried by the following vote:**

Ayes: 4 - Cohen, Yee, Tang, Kim

Noes: 1 - Sheehy

**170581 [Appropriation and De-Appropriation - Fund Balance and Expenditures of \$18,982,258 - Supporting Increased Overtime Expenditures - FY2016-2017]**

**Sponsor: Mayor**

Ordinance appropriating \$300,000 Water Enterprise Fund Balance, de-appropriating \$25,182,258 from permanent salaries, fringe benefit expenses, and non-personnel services, and appropriating \$25,482,258 to overtime in the Sheriff's Department, Department of Emergency Management, Fire Department, Public Health Department, Public Utilities Commission, and the Police Department operating budgets in order to support the Departments projected increases in overtime as required per Ordinance No. 194-11 in FY2016-2017; this Ordinance requires a two-thirds vote of all members of the Board of Supervisors for approval of the Department of Public Health and Police Department overtime appropriations.  
(Fiscal Impact)

*Duplicated File No. 170469*

*Heard in Committee. Speakers: Hector Sainez, Assistant Chief, and Catherine McGuire (Police Department); Melissa Whitehouse (Mayor's Office); Harvey Rose and Severin Campbell (Office of the Budget and Legislative Analyst); Ben Rosenfield, City Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.*

*(Supervisor Sheehy dissented in Committee.)*

**Vice Chair Yee, seconded by Chair Cohen, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to remove the projected increases in overtime for the Police Department from consideration. The motion carried by the following vote:**

Ayes: 4 - Cohen, Yee, Tang, Kim

Noes: 1 - Sheehy

Ordinance appropriating \$300,000 Water Enterprise Fund Balance, de-appropriating \$18,682,258 from permanent salaries, fringe benefit expenses, and non-personnel services, and appropriating \$18,982,258 to overtime in the Sheriff's Department, Department of Emergency Management, Fire Department, Department of Public Health, and the Public Utilities Commission operating budgets in order to support the Departments projected increases in overtime as required per Ordinance No. 194-11 in FY2016-2017; this Ordinance requires a two-thirds vote of all members of the Board of Supervisors for approval of the Department of Public Health overtime appropriations, pursuant to Charter, Section 9.113(c).  
(Fiscal Impact)

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

Ayes: 4 - Cohen, Yee, Tang, Kim

Noes: 1 - Sheehy

*Vice Chair Yee was noted absent at 3:04 p.m.*

**170375 [Hearing - Mid-Cycle Budget Update - Municipal Transportation Agency]****Sponsor: Cohen**

Hearing to receive a mid-cycle budget update from the Municipal Transportation Agency; and requesting the Municipal Transportation Agency to report.

*Heard in Committee. Speakers: Ed Reiskin, Executive Director (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Female Speaker; spoke on the hearing matter.*

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

Ayes: 4 - Cohen, Tang, Kim, Sheehy

Absent: 1 - Yee

*Vice Chair Yee was noted present at 3:08 p.m.*

*Member Kim was noted absent at 3:37 p.m.*

**170376 [Hearing - Budget Update - Mayor's Office of Housing and Community Development - FYs 2017-2018 and 2018-2019]****Sponsor: Cohen**

Hearing to receive a budget update from the Mayor's Office of Housing and Community Development for FYs 2017-2018 and 2018-2019; and requesting the Mayor's Office of Housing and Community Development to report.

*Heard in Committee. Speakers: Olson Lee, Director, Benjamin McCloskey, Brian Cheu, and Kate Hartley (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion. Ace Washington; spoke on the hearing matter.*

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

Ayes: 4 - Cohen, Yee, Tang, Sheehy

Absent: 1 - Kim

**170378 [Hearing - Budget Update - Planning Department - FYs 2017-2018 and 2018-2019]****Sponsor: Cohen**

Hearing to receive a budget update from the Planning Department for FYs 2017-2018 and 2018-2019; and requesting the Planning Department to report.

*Heard in Committee. Speakers: John Rahaim, Director (Planning Department); provided an overview and responded to questions raised throughout the discussion. Ace Washington; spoke on the hearing matter.*

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

Ayes: 4 - Cohen, Yee, Tang, Sheehy

Absent: 1 - Kim

Member Kim was noted present at 4:07 p.m.

#### SPECIAL MEETING OF THE BOARD OF SUPERVISORS

Supervisor Breed was noted present at 4:10 p.m., constituting a quorum of the Board of Supervisors. A Special Meeting of the Board of Supervisors was convened at 4:10 p.m. However, the meeting was conducted in all respects as a committee meeting and all substantive decisions were recommendations of the committee; no action was taken as the Board.

Present: Supervisors Breed, Cohen, Kim, Sheehy, Tang, and Yee

#### ADJOURNMENT OF THE BOARD OF SUPERVISORS

At the hour of 4:17 p.m., Supervisor Kim and Supervisor Yee were noted absent; thereby adjourning the Special Meeting of the Board of Supervisors.

### **170377 [Hearing - Budget Update - Mayor's Office of Economic and Workforce Development - FYs 2017-2018 and 2018-2019]**

#### **Sponsor: Cohen**

Hearing to receive a budget update from the Mayor's Office of Economic and Workforce Development for FYs 2017-2018 and 2018-2019; and requesting the Mayor's Office of Economic and Workforce Development to report.

*Heard in Committee. Speakers: Todd Rufo, Director (Office of Economic and Workforce Development); President London Breed (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Ace Washington; spoke on the hearing matter.*

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

Ayes: 3 - Cohen, Tang, Sheehy

Absent: 2 - Yee, Kim

## **ADJOURNMENT**

*There being no further business, the Budget and Finance Committee adjourned at the hour of 4:20 p.m.*

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

*Approved by the Board of Supervisors on June 20, 2017.*

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Angela Calvillo, Clerk of the Board