



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: Carmen Chu, John Avalos, Jane Kim

Clerk: Victor Young (415) 554-7723

Wednesday, February 22, 2012

1:00 PM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Carmen Chu, John Avalos, and Jane Kim

MEETING CONVENED

The meeting convened at 1:23 p.m.

REGULAR AGENDA

120076 [Airport Concession Lease - Paradies-SFO, LLC]

Resolution approving the Terminal 3, Boarding Area F Newsstand Lease, between Paradies-SFO, LLC, and the City and County of San Francisco, acting by and through its Airport Commission. (Airport Commission)

01/27/12; RECEIVED FROM DEPARTMENT.

02/07/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco Airport); Harvey Rose (Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Chu, Avalos, Kim

120088 [Revocable Permit - Union Sanitary District - Bay Division Pipeline Nos. 3 and 4 Seismic Upgrade Project]

Sponsor: Elsbernd

Resolution authorizing issuance of a revocable permit by the San Francisco Public Utilities Commission to Union Sanitary District for the improvements to the regional water supply system, otherwise known as Project No. CUW35302 Seismic Upgrade of Bay Division Pipeline Nos. 3 and 4 for a term in excess of ten years, pursuant to Charter Section 9.118, and adopting findings pursuant to the California Environmental Quality Act.

01/31/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

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

RECOMMENDED by the following vote:

Ayes: 3 - Chu, Avalos, Kim

111255 [Hearing - Budget Update for FY2012-2013]**Sponsor: Chu**

Hearing to include financial update and information on budget instructions and process for FY2012-2013.

11/15/11; RECEIVED AND ASSIGNED to Budget and Finance Committee.

12/07/11; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Supervisor David Campos (Board of Supervisors); Rick Wilson (Mayor's Office); Ed Harrington, General Manager (SF Public Utilities Commission); Todd Rystrom (SF Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion. Eric Brooks; Joshua Arce; Walter Paulson; spoke on the matter.

Heard in Committee. Speakers: Monique Zmuda (Controller's Office); Kate Howard (Mayor's Office); provided an overview and responded to questions raised throughout the discussion. Douglas Yep; Ernestine Weiss; spoke on the hearing.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Chu, Avalos, Kim

120127 [Approving the 34th America's Cup Project and Related Transactions]**Sponsor: Mayor**

Resolution adopting California Environmental Quality Act Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (MMRP) for the 34th America's Cup events and approving the America's Cup project; waiving certain termination rights by the City under the 34th America's Cup Host and Venue Agreement (Host Agreement); approving the Development and Disposition Agreement between the City, through its Port Commission, and the America's Cup Event Authority, LLC (Event Authority), which also amends the Host Agreement; approving a Memorandum of Agreement regarding the City's and the Event Authority's respective obligations for certain mitigation measures in the MMRP and other project-related activities; and authorizing further actions and ratifying prior actions consistent with the terms of this Resolution. (Fiscal Impact)

02/07/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/15/12; CONTINUED. Heard in Committee. Speakers: President David Chiu and Supervisor David Campos (SF Board of Supervisors); Quintin Mecke (Aide to State Assemblymember Tom Ammiano); Mike Martin (OEWD); Jonathan Stern and Brad Benson (SF Port); Kyri McClellan (SF America's Cup Organizing Committee); Ben Rosenfield, Controller; Severin Campbell (Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Mark Buell and Steve Barkley (SF America's Cup Organizing Committee); Peter Stoneberg; Jim Lazarus; Andrea Tolberg; Paul Erickson; Greg Carrasca; Paul Oliva; Valarie Santori; Christine Maley-Gruble; Fernanda Castello; spoke in support of the matter. Male Speaker; Former City Attorney, Louise Renne; Gary Near; Tony Kelly; spoke in opposition of the matter. David Fasio; Jason Santana; Hunter Cutting; Andrew Wood; Kindra Stanley; Jill Skinner; Antoinette Mobley; L. Chavez; Eddy Ong; Female Speaker; Jackie Flinn; Mick Penn; Joshua Arce; Jennifer Clary; Willie Ratcliff; spoke neither in support nor opposition on the matter.

Continued to February 22, 2012.

Heard in Committee. Speakers: Supervisors David Chiu, Mark Farrell, and David Campos (San Francisco Board of Supervisors); Monique Moyer, Director; Brad Benson; Jonathan Stern; and Mike Martin (Port of San Francisco); Mark Buell, and Kyri McClellan (SF America's Cup Organizing Committee); Jennifer Matz (Office of Economic and Workforce Development); Severin Campbell (Budget and Legislative Analyst); Cheryl Adams and Joanne Saiki (City Attorney's Office); Steven Barkley; Laura Luster, Consultant (America's Cup Event Authority); provided an overview and responded to questions raised throughout the discussion. Michael Williams; Zack Burkowitz; Male Speaker; Rick Commador; John Platt; Paul McDonald; Mia Oak; Julie Smith; Shawn Patton; Ms. McGray; Kevin Carroll; Ms. Santori; Norman Pierce; Paul Oliva; James Brian; spoke in support of the matter. Former Supervisor Aaron Peskin; spoke in opposition of the matter. Jackie Flynn; Patrick Kim; Joshua Arce; Mr. Willis; Amy Ong; Female Speaker; Ms. Yoshida; Andrew Wood; Eric Brooks; Brake Powell; Fred Barnes; Terry Mackam; Christina; Manny Flores; spoke neither in support nor opposition on the matter. Carol Prince; provided information on the matter.

Supervisor Avalos moved to recess the Budget and Finance meeting to Tuesday, February 28, 2012, at 10:00 a.m.

Supervisor Avalos withdrew the motion.

Supervisor Avalos moved to amend the resolution to add a resolved clause stating that funds used to reimburse the America's Cup Authority will be limited to specific source.

The motion passed by the following vote:

Ayes: Chu, Avalos and Kim

Noes: None.

Supervisor Avalos moved to amend the resolution to add a resolved clause stating that no additional general funds will be used to reimburse the America Cup's Authority on investment value.

The motion failed by the following vote:

Ayes: Avalos
Noes: Chu and Kim

Supervisor Avalos moved to amend the resolution to add a resolved clause to insert language adding a one percent transfer fee on the second sale.

The motion failed by the following vote:
Ayes: Avalos
Noes: Chu and Kim

Supervisor Avalos moved to amend the resolution to add a resolved clause to re-insert 7.3h (II) to the Host and Venue Agreement approved by the Board of Supervisors on December 14, 2010, concerning the assignment of legacy leases with prior written notice without consent of the Port.

The motion failed by the following vote:
Ayes: Avalos
Noes: Chu and Kim

Supervisor Avalos moved to amend the resolution to amend the DDA to remove the Brannan Street Open Water Basin from the DDA.

The motion failed by the following vote:
Ayes: Avalos
Noes: Chu and Kim

Supervisor Avalos moved to amend the resolution to require that the DDA and the Work Force Development Plan comply with San Francisco Local Hiring. Supervisor Avalos withdrew the motion.

Supervisor Chu moved to amend the resolution to add a resolved clause directing the Executive Director of the Port to provide a progress report to the City Controller and the Budget and Finance Committee of San Francisco prior to the Event Authority's commencement of any deferred infrastructure work which shall include the finance status of the real estate transaction and the seismic upgrade of Piers 30 and 32.

The motion passed by the following vote:
Ayes: Chu, Avalos and Kim
Noes: None.

Supervisor Kim moved to amend the resolution to add a resolved clause as follows 'Further Resolved, That the approval of the DDA by the Board of Supervisors is given on condition that the DDA provide that the proceeds of transfer fees payable to the Port as provided in DDA Section 13.2(b)(v) be dedicated to assist in providing affordable housing built on land under Port jurisdiction, subject to the agreement of the California State Lands Commission'.

The motion passed by the following vote:
Ayes: Chu, Avalos and Kim
Noes: None.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

(Fiscal Impact)
(Supervisor Avalos dissented in Committee)

REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors, by the following vote:

Ayes: 2 - Chu, Kim
Noes: 1 - Avalos

120128 [Resolution of Intention to Form Waterfront Infrastructure Financing District]**Sponsor: Mayor**

Resolution of Intention to establish Infrastructure Financing District No. 2 for the City and County of San Francisco at the Port of San Francisco.

(Fiscal Impact)

02/07/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/14/12; REFERRED TO DEPARTMENT. Referred to the Small Business Commission for review and comment.

02/15/12; AMENDED. Heard in Committee. Speakers: President David Chiu and Supervisor David Campos (SF Board of Supervisors); Quintin Mecke (Aide to State Assemblymember Tom Ammiano); Mike Martin (OEWD); Jonathan Stern and Brad Benson (SF Port); Kyri McClellan (SF America's Cup Organizing Committee); Ben Rosenfield, Controller; Severin Campbell (Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Mark Buell and Steve Barkley (SF America's Cup Organizing Committee); Peter Stoneberg; Jim Lazarus; Andrea Tolberg; Paul Erickson; Greg Carrasca; Paul Oliva; Valarie Santori; Christine Maley-Gruble; Fernanda Castello; spoke in support of the matter. L. Chavez; Male Speaker; Former City Attorney, Louise Renne; Gary Near; Tony Kelly; spoke in opposition of the matter. David Fasio; Jason Santana; Hunter Cutting; Andrew Wood; Kindra Stanley; Jill Skinner; Antoinette Mobley; L. Chavez; Eddy Ong; Female Speaker; Jackie Flinn; Mick Penn; Joshua Arce; Jennifer Clary; Willie Ratcliiff; spoke neither in support nor opposition on the matter.

2/15/12 - Amended on Page 2, Lines 18 and 19, to delete 'Project Area E (Seawall Lot 351), Project Area E shall be a waterfront district'.

02/15/12; CONTINUED AS AMENDED. Continued to February 22, 2012.

Heard in Committee. Speakers: Supervisors David Chiu, Mark Farrell, and David Campos (San Francisco Board of Supervisors); Monique Moyer, Director; Brad Benson; Jonathan Stern; and Mike Martin; (Port of San Francisco); Mark Buell, and Kyri McClellan (SF America's Cup Organizing Committee); Jennifer Matz (Office of Economic and Workforce Development); Severin Campbell (Budget and Legislative Analyst); Cheryl Adam and Joanne Saiki (City Attorney's Office); Steven Barkley; Laura Luster, Consultant (Event Authority); provided an overview and responded to questions raised throughout the discussion. Michael Williams; Zack Burkowitz; Male Speaker; Rick Commador; John Platt; Paul McDonald; Mia Oak; Julie Smith; Shawn Patton; Ms. McGray; Kevin Carroll; Ms. Santori; Norman Pierce; Paul Oliva; James Brian; spoke in support of the matter. Former Supervisor Aaron Peskin; spoke in opposition of the matter. Jackie Flynn; Patrick Kim; Joshua Arce; Mr. Willis; Any Ong; Female Speaker; Ms. Yoshida; Andrew Wood; Eric Brooks; Brake Powell; Fred Barnes; Terry Mackam; Christina; Manny Flores; spoke neither in support nor opposition on the matter. Carol Prince; provided information on the matter.

2/22/12 - Amendment of the whole bearing the same removing all reference to Seawall 337 from the legislation.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

(Fiscal Impact)

(Supervisor Avalos dissented in Committee)

REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors

Ayes: 2 - Chu, Kim

Noes: 1 - Avalos

ADJOURNMENT

The meeting adjourned at 7:12 p.m.