

File No. 170741

Committee Item No. 2

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date July 26, 2017

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

- |                                     |                          |  |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings)             |
| <input type="checkbox"/>            | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

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Completed by: Derek Evans

Date July 21, 2017

Completed by: \_\_\_\_\_

Date \_\_\_\_\_

An asterisked item represents the cover sheet to a document that exceeds 25 pages.  
The complete document can be found in the file.

1 [Business and Tax Regulations Code - Central Market Street and Tenderloin Area Citizen's  
2 Advisory Committee]

3 **Ordinance amending the Business and Tax Regulations Code to reduce the size of the**  
4 **Central Market Street and Tenderloin Area Citizen's Advisory Committee from eleven**  
5 **seats to five, set a sunset date for the Committee, prohibit the City Administrator from**  
6 **executing a Community Benefit Agreement subject to the Committee's review until the**  
7 **Committee has had an opportunity to review the proposed agreement and make**  
8 **recommendations; and make other administrative changes.**

9 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
10 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
11 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
12 **Board amendment additions** are in double-underlined Arial font.  
13 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
14 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
15 subsections or parts of tables.

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

17 Section 1. The Business and Tax Regulations Code is hereby amended by revising  
18 Section 906.3-1, to read as follows:

19 **SEC. 906.3-1. CENTRAL MARKET STREET AND TENDERLOIN AREA CITIZEN'S**  
20 **ADVISORY COMMITTEE.**

21 (a) There shall be a Central Market Street and Tenderloin Area Citizen's Advisory  
22 Committee (the "Citizen's Advisory Committee").

23 (b) The Citizen's Advisory Committee shall be an advisory body whose purpose is to  
24 make recommendations to the Mayor, Board of Supervisors, ~~and~~ City Administrator, and Office  
25 of Economic and Workforce Development on policies and programs that mitigate the effects of

1 development, bolster economic development, local employment, and community  
2 sustainability, and seek to stabilize and protect existing tenants, community based  
3 organizations, and small businesses in and around the Central Market Street and Tenderloin  
4 Area.

5 (c) Duties of the Citizen's Advisory Committee ~~may~~ shall include:

6 (1) Advise the City Administrator of community issues in order to better align  
7 the Community Benefit Agreements called for under the Central Market Street and Tenderloin  
8 Area Payroll Expense Tax Exclusion in Section 906.3 of this Code, with the community needs.

9 (2) Make recommendations to the City Administrator about terms and  
10 conditions in the Community Benefit Agreements called for under the Central Market Street  
11 and Tenderloin Area Payroll Expense Tax Exclusion.

12 (3) Provide a report ~~every six months~~ in March and October of each year to the  
13 Board of Supervisors regarding the implementation and execution of the Community Benefit  
14 Agreements called for under the Central Market Street and Tenderloin Area Payroll Expense  
15 Tax Exclusion. The report shall include, at minimum, a summary of the Citizen's Advisory  
16 Committee's recommendations and votes regarding proposed Community Benefit Agreements, a  
17 summary of actions taken by the City Administrator in response to the Citizen's Advisory Committee's  
18 recommendations, and a list of vacant seats on the Citizen's Advisory Committee.

19 (4) Make recommendations to the Board of Supervisors and the Office of  
20 Economic and Workforce Development on policies, initiatives, and programs that bolster  
21 economic development, local employment, and community sustainability and seek to stabilize  
22 and protect existing tenants, community based organizations, and small businesses in and  
23 around the Central Market Street and Tenderloin Area.

24 (5) Advise the Mayor, Board of Supervisors, and City Administrator on the  
25 creation of a community development fund that may support workforce development,



1 community infrastructure and programs to mitigate potential displacement of small  
2 businesses, community based organizations, and tenants.

3 (6) Help facilitate partnerships between persons claiming the Central Market  
4 Street and Tenderloin Area Payroll Expense Tax Exclusion and community organizations,  
5 local schools, and small businesses.

6 (7) Hold public hearings regarding Community Benefit Agreements *as set forth*  
7 *in subsection 906.3-1(i).* ~~within four weeks from the time the parties to any such Agreements reach a~~  
8 ~~consensus on the terms to be included therein and prior to the execution of any Community Benefit~~  
9 ~~Agreement by the City Administrator. The City Administrator may, at his or her sole discretion, extend~~  
10 ~~this time in order to combine hearings and utilize staff time more efficiently.~~

11 ~~———— (8) The City Administrator shall convene the Citizen's Advisory Committee no less than~~  
12 ~~four times per calendar year yearly.~~

13 (d) The Citizen's Advisory Committee shall be composed of ~~eleven~~ five members  
14 appointed by the Board of Supervisors:

15 (1) ~~One member representing low-income families who lives with his or her family in~~  
16 ~~the Central Market Street and Tenderloin Area or Adjacent Area;~~

17 ~~———— (2) Two members who have Seat 1 shall be held by a person with expertise in job~~  
18 ~~creation and or workforce development, including one member who represents labor;~~

19 ~~(3) One member who is a senior or disabled resident of the Central Market Street and~~  
20 ~~Tenderloin Area or Adjacent Area;~~

21 ~~———— (4) One member who has expertise in affordable housing or tenant protection and anti-~~  
22 ~~displacement policies and strategies, and has familiarity with the Central Market Street and Tenderloin~~  
23 ~~Area;~~

1           (52) Seat 2 shall be held by a person ~~One member~~ who represents a community-  
2 based organization or provides direct services to the Central Market Street and Tenderloin  
3 Area or Adjacent Area;

4           ~~(6) One member who has small business expertise and familiarity with the Central~~  
5 ~~Market Street and Tenderloin Area;~~

6           (73) Seat 3 shall be held by a person ~~One member~~ with expertise on homelessness,  
7 transitional age youth, or supportive housing, and familiarity with the Central Market Street  
8 and Tenderloin Area or ~~the~~ Adjacent Area;

9           ~~(8) One member with expertise in commercial real estate and leasing within the~~  
10 ~~Central Market Street and Tenderloin Area; and~~

11           (94) Seats 4 and 5 shall be held by ~~Two members who are~~ residents of the Central  
12 Market Street and Tenderloin Area or Adjacent Area with expertise or life experience involving  
13 homelessness or affordable housing.

14           ~~(e) The Rules Committee of the Board of Supervisors shall nominate each Citizen's Advisory~~  
15 ~~Committee member.~~

16           ~~(f) The appointment of each nominee shall be confirmed by the full Board of Supervisors.~~

17           ~~(ge)~~ For purposes of this Section 906.3-1, "Adjacent Area" shall mean the area in  
18 District 6, bounded on the southern side by 13th Street and Townsend Street.

19           ~~(hf) The members of the Citizen's Advisory Committee shall be appointed for a term of four~~  
20 ~~years~~ The terms of members of the Citizen's Advisory Committee in office on the effective date of the  
21 ordinance in Board of Supervisors File No. \_\_\_\_\_ and whose seats were not eliminated by that  
22 ordinance shall continue; provided that the terms then in effect for members in renumbered Seats 1 and  
23 3 shall end at noon on August 2, 2017; and the terms then in effect for members in renumbered Seats 2,  
24 4, and 5 shall end at noon on August 2, 2019. The Board of Supervisors shall appoint members to new  
25 terms, which shall commence on the expiration of the previous terms. All of the new terms shall end on



1 January 31, 2021. All members shall serve at the pleasure of the Board of Supervisors and may be  
2 removed by the Board of Supervisors at any time.; ~~provided, however, that members first appointed~~  
3 ~~shall, by lot prior to February 1, 2012, classify their terms so that five shall serve for a term of two~~  
4 ~~years and six shall serve for a term of four years. At the initial meeting of the Citizen's Advisory~~  
5 ~~Committee and yearly thereafter~~

6 (g) Once each year, the Citizen's Advisory Committee members shall select such  
7 officer or officers as deemed necessary by the Citizen's Advisory Committee. The Citizen's  
8 Advisory Committee shall promulgate such rules and regulations as are necessary for the  
9 conduct of its business under this Section 906.3-1. In the event a vacancy occurs, a successor  
10 shall be appointed to fill the vacancy consistent with the process and requirements to appoint  
11 the previous appointee. When a vacancy occurs for a reason other than the expiration of a  
12 term of office, the appointee to fill such vacancy shall hold office for the unexpired term of his  
13 or her predecessor. Any ~~appointee member~~ who misses four meetings within a twelve-month  
14 period, without the approval of the Citizen's Advisory Committee at or before each missed  
15 meeting, shall be deemed to have resigned from the Citizen's Advisory Committee ten days after  
16 the fourth unapproved absence. The City Administrator shall inform the Clerk of the Board of any such  
17 resignation.

18 (ih) The Citizen's Advisory Committee shall comply with all applicable public records  
19 and meetings laws and shall be subject to all applicable conflict-of-interest provisions in State and  
20 local law. ~~the Conflict of Interest provisions of the City's Charter and Administrative Code.~~  
21 ~~Specifically, during the twelve months prior to and during a member's tenure on the Citizen's Advisory~~  
22 ~~Committee, no member of the Citizen's Advisory Committee may receive any gift, income or have any~~  
23 ~~investment in any entity that foreseeably may be subject to or be the beneficiary of any Community~~  
24 ~~Benefit Agreement reviewed by the Citizen's Advisory Committee. For purposes of this Section,~~  
25 ~~"income," "gift" and "investment" shall have the same meanings as defined in the Political Reform Act~~

1 ~~of 1974 under California Government Code Section 81000 et seq. The initial meeting of the Citizen's~~  
2 ~~Advisory Committee shall be called within 30 days from the day the Board of Supervisors confirms its~~  
3 ~~initial appointments. The City Administrator shall provide administrative support to the Citizen's~~  
4 ~~Advisory Committee.~~

5 (i) Duties of the City Administrator.

6 (1) The City Administrator shall provide administrative support for the Citizen's  
7 Advisory Committee, and shall arrange for the Citizen's Advisory Committee to meet no less than four  
8 times each calendar year.

9 (2) Within five days of reaching tentative agreement regarding the terms of a  
10 Community Benefit Agreement, the City Administrator shall transmit copies of the proposed agreement  
11 to the Citizen's Advisory Committee, and shall coordinate with the members of the Citizen's Advisory  
12 Committee to convene a meeting to review the agreement. The City Administrator shall not execute any  
13 Community Benefit Agreement until after the Citizen's Advisory Committee has held at least one  
14 meeting to review and provide recommendations regarding the agreement; provided that the City  
15 Administrator may execute the agreement if the Citizen's Advisory Committee fails to meet within 45  
16 days after the transmission of the proposed agreement to the Citizen's Advisory Committee. Within five  
17 days after executing the agreement, the City Administrator shall transmit the agreement to the Citizen's  
18 Advisory Committee with a report describing the City Administrator's response to each of the Citizen's  
19 Advisory Committee's recommendations, if any.

20 (3) If the Citizen's Advisory Committee fails to provide a biannual report to the Board  
21 of Supervisors in March or October as required in subsection 906.3-1(c)(3), the City Administrator  
22 shall prepare and submit a report to the Board of Supervisors providing the same information by April  
23 15 or November 15, respectively.

24 ~~(j) The provisions of this ordinance and the operation of the Citizen's Advisory Committee~~  
25 ~~shall expire upon expiration of the Central Market Street and Tenderloin Area Payroll Expense Tax~~



1 Exclusion under Section 906.3 of this Article. Unless the Board of Supervisors by ordinance extends the  
2 term of the Citizen's Advisory Committee, this Section 906.3-1 shall expire by operation of law, and the  
3 Citizen's Advisory Committee shall terminate, on January 31, 2021. In that event, after that date, the  
4 City Attorney shall cause this Section 906.3-1 to be removed from the Business and Tax Regulations  
5 Code.

6  
7 Section 2. Effective Date. This ordinance shall become effective 30 days after  
8 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
9 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
10 of Supervisors overrides the Mayor's veto of the ordinance.

11  
12 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
13 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
14 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
15 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
16 additions, and Board amendment deletions in accordance with the "Note" that appears under  
17 the official title of the ordinance.

18  
19  
20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA, City Attorney

22 By:

  
23 JON GIVNER  
Deputy City Attorney

24 n:\leganas2017\1700473\01174716.docx  
25



**LEGISLATIVE DIGEST**

[Business and Tax Regulations Code - Central Market Street and Tenderloin Area Citizen's Advisory Committee]

**Ordinance amending the Business and Tax Regulations Code to reduce the size of the Central Market Street and Tenderloin Area Citizen's Advisory Committee from eleven seats to five, set a sunset date for the Committee, prohibit the City Administrator from executing a Community Benefit Agreement subject to the Committee's review until the Committee has had an opportunity to review the proposed agreement and make recommendations; and make other administrative changes.**

Existing Law

The Central Market Street and Tenderloin Area Citizen's Advisory Committee advises the Mayor, City Administrator and Board of Supervisors about issues confronting the Central Market Street and Tenderloin Area Community. It also makes recommendations regarding terms of Community Benefit Agreements ("CBAs") that the City Administrator negotiates under the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion. The Committee has eleven members appointed by the Board of Supervisors.

Amendments to Current Law

Under the proposed ordinance, the composition of the Committee would change from eleven members to five. The five members would be appointed by the Board of Supervisors. The ordinance would set terms and qualifications for the five members, and would provide that the Committee will sunset and the terms of all members will expire on January 31, 2021.

The ordinance would clarify that all Committee members must comply with applicable conflict-of-interest laws, and would remove a more restrictive rule that members could not serve on the Committee if they received income from any entity that foreseeably could benefit from a CBA.

The ordinance would also provide that within five days of reaching a tentative agreement regarding the terms of a CBA, the City Administrator must give a copy of the proposed CBA to the Committee. The City Administrator would be prohibited from executing a CBA until either (1) the Committee has held a hearing on the proposed CBA or (2) 45 days have passed after the City Administrator provided the Committee a copy of the proposed agreement.

The ordinance would require the Committee to submit biannual reports to the Board of Supervisors, and would require the City Administrator to submit a report if the Committee fails to do so.

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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

TO: Naomi Kelly, City Administrator

FROM:  Derek Evans, Clerk, Rules Committee  
Board of Supervisors

DATE: June 21, 2017

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by the Supervisor Kim on June 13, 2017, and assigned under the 30-Day Rule, which is being referred to your department for informational purposes:

**File No. 170741**

**Ordinance amending the Business and Tax Regulations Code to reduce the size of the Central Market Street and Tenderloin Area Citizen's Advisory Committee from eleven seats to five, set a sunset date for the Committee, prohibit the City Administrator from executing a Community Benefit Agreement subject to the Committee's review until the Committee has had an opportunity to review the proposed agreement and make recommendations; and make other administrative changes.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [derek.evans@sfgov.org](mailto:derek.evans@sfgov.org).

c: Jack Gallagher, Office of the City Administrator  
Lynn Khaw, Office of the City Administrator  
Lihmeei Leu, Office of the City Administrator

## Evans, Derek

---

**From:** Evans, Derek  
**Sent:** Wednesday, June 21, 2017 11:58 AM  
**To:** Kelly, Naomi (ADM)  
**Cc:** Gallagher, Jack (ADM); Khaw, Lynn (ADM); Leu, Lihmeei (ADM)  
**Subject:** BOS Referral - File No. 170741 - Business-Tax Reg Code - Central Market St and Tenderloin Area Citizen's Advisory Committee (KIM)  
**Attachments:** 170741 FYI.pdf

Hello,

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### **File No. 170741**


**Ordinance amending the Business and Tax Regulations Code to reduce the size of the Central Market Street and Tenderloin Area Citizen's Advisory Committee from eleven seats to five, set a sunset date for the Committee, prohibit the City Administrator from executing a Community Benefit Agreement subject to the Committee's review until the Committee has had an opportunity to review the proposed agreement and make recommendations; and make other administrative changes.**

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Regards,

#### **Derek K. Evans**

Assistant Clerk, Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102  
Phone: (415) 554-7702 | Fax: (415) 554-5163  
[Derek.Evans@sfgov.org](mailto:Derek.Evans@sfgov.org) | [www.sfbos.org](http://www.sfbos.org)

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# Introduction Form

By a Member of the Board of Supervisors or Mayor

2017 JUN 13 PM 2:41

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one): 1

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [ ] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Kim

Subject:

Business and Tax Regulations Code - Central Market Street and Tenderloin Area Citizen's Advisory Committee

The text is listed:

See attached.

Signature of Sponsoring Supervisor:

For Clerk's Use Only