

FILE NO. 160766

Petitions and Communications received from June 20, 2016, through July 1, 2016, for reference by the President to Committee considering related matters, or to be ordered filed by the Clerk on July 12, 2016.

Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information will not be redacted.

From Controller, regarding audit of San Francisco Municipal Transportation Authority: AutoReturn's compliance, reporting and recordkeeping. Copy: Each Supervisor. (1)

From Controller, regarding Quarterly Reviews of the Treasurer's Schedule of Cash, Investments, and Accrued Interest Receivable as of September 30 and December 31, 2015. Copy: Each Supervisor. (2)

From Controller, regarding Airport Commission's compliance audit: American Airlines, Inc. Copy: Each Supervisor. (3)

From Clerk of the Board, reporting that the following departments have submitted their reports regarding Sole Source Contracts for FY 2015-2016: (4)

- Board of Appeals
- Board of Supervisors
- Department of Children, Youth & Their Families
- Civil Service Commission
- Controller's Office
- Office of Contract Administration
- Grants for the Arts
- Mayor's Office of Housing and Community Development
- Planning Department
- Office of the Public Defender
- San Francisco Police Department
- San Francisco Public Health

From Clerk of the Board, submitting Quarterly Report on Departmental Spending for Quarter ending March 31, 2016. Copy: Each Supervisor. (5)

From Department of Children, Youth and Their Families, regarding Application for Edward Byrne Memorial Justice Assistance Grant, FY 2016-2017. Copy: Each Supervisor. (6)

From Department of Elections, submitting Statement of the Results, Consolidated Presidential Primary Election - June 7, 2016. Copy: Each Supervisor. (7)

From Civil Grand Jury, submitting report titled, "Maintenance Budgeting and Accounting Challenges For General Fund Departments: Maintenance Economics Versus Maintenance Politics: Pay Now or Pay More Later." Copy: Each Supervisor. (8)

From Mayor Lee, regarding the following Charter Section 4.106 nominations to the Board of Appeals. Copy: Each Supervisor. (9)

Darryl Honda, for a four-year term ending July 1, 2020.

Frank Fung, for a four-year term ending July 1, 2020.

From San Francisco Public Utilities Commission, regarding WSIP San Francisco Westside Recycled Water Project CUW30201 Release of Reserve, \$120,827,000. Copy: Each Supervisor. (10)

From California Public Utilities Commission, regarding notice of Pacific Gas and Electric Company's request to change rates for electricity production in 2017 and return revenues from the sale of Greenhouse Gas Allowances. Copy: Each Supervisor. (11)

From Christine Blomley, regarding Formula Retail in Polk Street Neighborhood Commercial District. File No. 160102. Copy: Each Supervisor. (12)

From concerned citizens, regarding settlement of lawsuit - David Zeller. 6 letters. File No. 160187. Copy: Each Supervisor. (13)

From Supervisor Aaron Peskin, regarding pending Citywide Accessory Dwelling Units ("ADUs"). File No. 160252. Copy: Each Supervisor. (14)

From concerned citizens, regarding food service and packaging waste reduction. 2 letters. File No. 160383. Copy: Each Supervisor. (15)

From Tenderloin Neighborhood Development Corporation (TNDC), regarding Conditional Use Authorization Appeal for 1066 Market Street. File Nos. 160400, 160401, 160402, and 160403. Copy: Each Supervisor. (16)

From Jon Golinger, regarding "Protect Coit Tower". File No. 160499. Copy: Each Supervisor. (17)

From various organizations, regarding Assembly Bill 650 (Low), "Public Utilities Commission: Regulation of Taxicabs". 2 letters. File No. 160696. Copy: Each Supervisor. (18)

From concerned citizens, regarding police reform budget reserve proposal. 3 letters. Copy: Each Supervisor. (19)

From Mari Eliza, regarding request for policy changes by SFMTA. Copy: Each Supervisor. (20)

From Jason Galisatus, regarding Sit/Lie ordinance. Copy: Each Supervisor. (21)

From Linda Adler, regarding housing for people displaced by recent fire in Bernal/Mission. Copy: Each Supervisor. (22)

From Ben Lin, regarding Fleet Week. Copy: Each Supervisor. (23)

From concerned citizens, regarding ban on plastic bags. 3 signatures. Copy: Each Supervisor. (24)

From concerned citizens, regarding "Support at Home" program. 4 letters. (25)

From San Francisco Animal Care and Control, regarding Animal Care and Control's FY 2016-17 S.F. Admin Code 12B Waiver Requests. Copy: Each Supervisor. (26)

From Controller, issuing Field Follow-up of 2013 Audit of the Department of Public Health's Purchasing Structure. Copy: Each Supervisor. (27)

From San Francisco Juvenile Probation Department, regarding Annual Report on Civil Immigration Detainers - 2016 pursuant to S.F. Admin Code Chapter 12I. Copy: Each Supervisor. (28)

From Office of the Sheriff, submitting First Quarter 2016 Report pursuant to Law Enforcement Reporting Requirements, San Francisco Administrative Code Chapter 96A. Copy: Each Supervisor. (29)

From Sunshine Ordinance Task Force, submitting 2014-2016 Annual Report. Copy: Each Supervisor. (30)

From Friends of Golden Gateway, regarding Teatro ZinZanni. File No. 160541. Copy: Each Supervisor. (31)

From concerned citizens, regarding Charter Amendment to create Housing and Development Commission. 4 letters. File No. 160588. Copy: Each Supervisor. (32)

From Peninsula Corridor Joint Powers Board, regarding transportation revenues for Caltrain improvement projects. Copy: Each Supervisor. (33)

From James Ludwig, regarding Lower Stockton Improvement Project "bike lane expansion." Copy: Each Supervisor. (34)

From Mark Grossman, regarding climate risk disclosure labels. Copy: Each Supervisor. (35)

From Daisy Jimenez, regarding parcel taxes. Copy: Each Supervisor. (36)

From Lisa Stanziano, regarding payroll tax on technology companies. Copy: Each Supervisor. (37)

From Randy Miller, regarding taxi medallion sales. Copy: Each Supervisor. (38)

From David Folmar, regarding 2016-17 City College of San Francisco CMD S.F. Admin Code 12B Waiver Request. Copy: Each Supervisor. (39)

From concerned citizens, submitting signatures for petition titled, 'Stop SFMTA.' 4,289th signer. Copy: Each Supervisor. (40)

From San Francisco Bay Area Rapid Transit District, regarding Board of Directors Order for a Special District Bond Election on November 8, 2016. Copy: Each Supervisor. (41)

From: Reports, Controller (CON)
Sent: Thursday, June 23, 2016 10:34 AM
To: Calvillo, Angela (BOS); Gosiengfiao, Rachel (BOS); Kawa, Steve (MYR); Howard, Kate (MYR); Steeves, Asja (CON); Campbell, Severin (BUD); Newman, Debra (BUD); Rose, Harvey (BUD); CON-EVERYONE; SF Docs (LIB); Reiskin, Ed (MTA); Boomer, Roberta (MTA); Sakelaris, Kathleen (MTA); Bose, Sonali (MTA); Lee, Steven (MTA); Rosales, David (MTA); lien@secteam.com; rkrouse@autoreturn.com; jwicker@autoreturn.com; BOS-Supervisors; BOS-Legislative Aides
Subject: Issued: SFMTA: AutoReturn Complied With Key Contract Provisions and a Few Enhancements Can Further Strengthen AutoReturn's Reporting and Recordkeeping

The Office of the Controller's City Services Auditor Division (CSA) today issued a report on its audit of TEGSCO, LLC dba San Francisco AutoReturn (AutoReturn). The San Francisco Municipal Transportation Agency (SFMTA) administers the agreement between AutoReturn and the City and County of San Francisco (City), which requires AutoReturn to tow, store, and dispose of abandoned or illegally parked vehicles in the City. The audit found that AutoReturn correctly remitted all fees due to SFMTA and has adequate controls to ensure that financial and towing operational activities are properly performed. Although AutoReturn performed nearly all operational activities as contractually required, it can improve in the areas of opposition holds, vehicle inventory, and subcontractor monitoring.

To view the full report, please visit our website at: <http://openbook.sfgov.org/webreports/details3.aspx?id=2318>

This is a send-only e-mail address. For questions about the report, please contact Director of City Audits Tonia Lediju at Tonia.Lediju@sfgov.org or 415-554-5393 or the CSA Audits Unit at 415-554-7469.

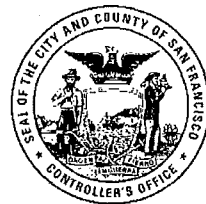
Follow us on Twitter @SFController

City and County of San Francisco

Office of the Controller – City Services Auditor

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY:

AutoReturn Complied With Key
Contract Provisions and a Few
Enhancements Can Further
Strengthen AutoReturn's Reporting
and Recordkeeping



June 23, 2016

**OFFICE OF THE CONTROLLER
CITY SERVICES AUDITOR**

The City Services Auditor (CSA) was created in the Office of the Controller through an amendment to the Charter of the City and County of San Francisco (City) that was approved by voters in November 2003. Charter Appendix F grants CSA broad authority to:

- Report on the level and effectiveness of San Francisco's public services and benchmark the City to other public agencies and jurisdictions.
- Conduct financial and performance audits of city departments, contractors, and functions to assess efficiency and effectiveness of processes and services.
- Operate a whistleblower hotline and website and investigate reports of waste, fraud, and abuse of city resources.
- Ensure the financial integrity and improve the overall performance and efficiency of city government.

CSA may conduct financial audits, attestation engagements, and performance audits. Financial audits address the financial integrity of both city departments and contractors and provide reasonable assurance about whether financial statements are presented fairly in all material aspects in conformity with generally accepted accounting principles. Attestation engagements examine, review, or perform procedures on a broad range of subjects such as internal controls; compliance with requirements of specified laws, regulations, rules, contracts, or grants; and the reliability of performance measures. Performance audits focus primarily on assessment of city services and processes, providing recommendations to improve department operations.

CSA conducts its audits in accordance with the Government Auditing Standards published by the U.S. Government Accountability Office (GAO). These standards require:

- Independence of audit staff and the audit organization.
- Objectivity of the auditors performing the work.
- Competent staff, including continuing professional education.
- Quality control procedures to provide reasonable assurance of compliance with the auditing standards.

For questions about the report, please contact Director of City Audits Tonia Lediju at Tonia.Lediju@sfgov.org or 415-554-5393 or CSA at 415-554-7469.

CSA Audit Team: Winnie Woo, Associate Auditor

Audit Consultants: Sjoberg Evashenk Consulting, Inc.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

June 23, 2016

Board of Directors
San Francisco Municipal Transportation Agency
1 South Van Ness, Avenue, 7th Floor
San Francisco, CA 94103

Mr. Edward D. Reiskin
Director of Transportation
San Francisco Municipal Transportation Agency
1 South Van Ness, Avenue, 7th Floor
San Francisco, CA 94103

Dear Board Chairman, Board Members, and Mr. Reiskin:

The Office of the Controller's City Services Auditor Division (CSA) engaged Sjoberg Evashenk Consulting, Inc. (SEC) to audit the agreement between TEGSCO, LLC dba San Francisco AutoReturn (AutoReturn) and the City and County of San Francisco (City). The San Francisco Municipal Transportation Agency (SFMTA) administers this agreement, which requires AutoReturn to tow, store, and dispose of abandoned or illegally parked vehicles in the City. SEC also reviewed the management and oversight of the agreement by SFMTA.

Reporting Period: August 1, 2010, through March 31, 2016

Towing Revenue: \$59,439,674

Results:

AutoReturn correctly remitted all fees due to SFMTA and has adequate controls to ensure that financial and towing operational activities are properly performed. Although AutoReturn performed nearly all operational activities as contractually required, it can improve in the areas of opposition holds, vehicle inventory, and subcontractor monitoring.

CSA appreciates the assistance and cooperation of SFMTA and AutoReturn staff during the audit. For questions about the report, please contact me at Tonia.Lediju@sfgov.org or 415-554-5393 or CSA at 415-554-7469.

Respectfully,

Tonia Lediju
Director of City Audits

Attachment

cc: Board of Supervisors
Budget Analyst
Citizens Audit Review Board
City Attorney
Civil Grand Jury
Mayor
Public Library

City and County of San Francisco
Office of the Controller – City Services Auditor

AutoReturn Complied With Key Contract Provisions
and a Few Enhancements Can Further Strengthen
AutoReturn's Reporting and Recordkeeping

June 2016



EXECUTIVE SUMMARY

Purpose of the Audit

The City Services Auditor (CSA) hired Sjoberg Evashenk Consulting, Inc. (SEC) to conduct a contract compliance audit of the San Francisco Municipal Transportation Agency's (SFMTA) agreement with Tegsco, LLC, dba AutoReturn (AutoReturn) for towing services to determine whether AutoReturn has complied with key requirements of the agreement.

Highlights

AutoReturn tows more than 40,000 vehicles and remits nearly \$11 million in towing related fees and royalty payments to SFMTA per year.

The audit found that AutoReturn paid all fees due to SFMTA and has adequate controls in place for ensuring that financial and operational activities are properly performed. However, while AutoReturn performed nearly all operational activities as contractually required, the audit noted some areas surrounding opposition holds, vehicle inventory, and subcontractor monitoring that can be improved. Specifically:

- Opposition holds arise when a vehicle owner objects the sale of the vehicle towed by AutoReturn after the owner failed to claim the vehicle by paying all fees and fines due. By law, AutoReturn is required to negotiate with opposition hold vehicle owners for the vehicle's release unless it files a claim in small claims court within specific prescribed timeframes. A judgment in favor of AutoReturn will lift the opposition hold and allow AutoReturn to sell the vehicle at auction.

Because most activity related to opposition holds is tracked manually, 51 opposition hold vehicles accrued over the past few years are still unresolved. This has placed AutoReturn in an unfavorable position of having to negotiate vehicle releases with owners and store those vehicles for an indefinite term.

- AutoReturn is able to store approximately 1,410 vehicles at any given point in time at both its long term and short term storage lots and performs weekly and annual full inventories at its long term storage lot to account for all vehicles in its possession.

However, the long term storage lot inventories could benefit from a full vehicle count during the annual inventory and more current storage reports generated for the weekly inventory. In addition, no inventories are performed at the short term lot.

- Of the many reporting and records requirements, AutoReturn complied with all areas we reviewed except it has lapsed in submitting quarterly towing subcontractor performance reports since 2013. More importantly, by not monitoring subcontractors for compliance with specific administrative requirements such as valid tow permits, or business licenses, AutoReturn was not aware that 3 of 11 subcontractors active as of December 31, 2015 did not maintain valid tow permits.

Recommendations

The report contains eight recommendations to further strengthen certain operational processes and monitoring of key contract requirements. Key recommendations include:

- Formalize a protocol for handling incoming opposition holds to ensure all opposition holds are filed in small claims court within the timeframes required under California Law.
- Research existing, unresolved opposition holds and explore new avenues for negotiating the release with owners.
- Consider performing more frequent full inventories at the long term storage lot that include vehicle counts.
- Begin conducting inventories at the short term lot and research vehicles identified by the audit as possible duplicate entries.
- Continue researching vehicles marked as "vehicle-not-found" and "stored at Pier 70".
- Ensure expiration dates for all required subcontractor permits and licenses are tracked.
- Formally review and approve the Operations Plan and all its elements on a go-forward basis.

TABLE OF CONTENTS

GLOSSARY OF TERMS	IV
INTRODUCTION	1
Background.....	1
Objectives	3
Scope and Methodology	3
Statement of Auditing Standards	4
AUDIT RESULTS	5
Chapter I AutoReturn Correctly Remitted All Fees to the City and Implemented Controls in Key Operational Areas; However, Minor Additions Could Increase Effectiveness	5
Opposition Holds Need Closer Tracking to Maximize the Number of Vehicles Eligible for Lien Sale	6
Recommendations	10
A Few Enhancements Can Further Strengthen AutoReturn's Current Management and Accounting of Vehicle Inventory.....	11
Recommendations	13
Chapter II AutoReturn Complied with All But One of the Reporting and Records Requirements	14
Reporting on Subcontractor Performance and Monitoring of Compliance with Licenses and Permits Requires Closer Attention.....	15
Recommendations	16
APPENDIX A – SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY RESPONSE ..	17
APPENDIX B – TEGSCO, LLC DBA AUTORETURN RESPONSE.....	20

GLOSSARY OF TERMS

ARIES

The AutoReturn Integrated Enterprise System, or ARIES, is a proprietary cloud-based case management software system used by AutoReturn to manage the dispatch, towing, impound, and release of vehicles towed in the City and County of San Francisco on behalf of the San Francisco Police Department (SFPD) and the San Francisco Municipal Transportation Agency (SFMTA).

Auction

There are three types of auctions held by AutoReturn:

- 1) **Public Auctions:** Live public auctions held every other Wednesday for vehicles classified as Lien 2 or Lien 3. Auctions are conducted by an auctioneering service.
- 2) **Dismantler Auctions:** Online auctions are held weekly through Ibbidmart.com for vehicles classified as Lien 1. Under California Vehicle Code Section 22851.3 (j), Lien 1 vehicles can only be sold to licensed dismantlers or scrap iron processors.
- 3) **Title Auctions:** Once towed, AutoReturn offers vehicle owners a deal: in exchange for signing over the vehicle title, AutoReturn will stop charging the customer for vehicle storage and will not hold the customer responsible for additional charges if the vehicle sells for less than the customer owes for towing and storage services. If the owner signs over the vehicle title, the vehicle is sold through a weekly online title auction. Title auctions are limited to licensed dealers and wholesalers.

DTS

The third party software system used by AutoReturn to manage the dispatch, towing, impound, and release of vehicles until it was replaced by ARIES in August of 2011.

Investigative Holds

Investigative holds are placed by SFPD on vehicles because the vehicle owner or operator may have used the vehicle to commit a crime, been a victim of a crime, or the vehicle may contain evidence relating to a crime. Vehicles under investigative holds cannot be released or sold, or otherwise disposed of.

Lien 1 Vehicle

A vehicle with an estimated value of \$500 or less. Lien 1 vehicles can only be sold to licensed dismantlers or scrap iron processors pursuant to California Vehicle Code Section 22851.3.

Lien 2 Vehicle

A vehicle with an estimated value \$501 to \$4000. Lien 2 vehicles can be sold through public auction.

Lien 3 Vehicle

A vehicle with an estimated value of \$4,001 or more. Lien 3 vehicles can be sold through public auction. Lien 3 vehicles must be held for 10 days after the date of sale pursuant to California Civil Code 3071.

Operations Plan

The operational policies and procedures created and updated by AutoReturn and approved by SFMTA. Pursuant to the 2010 Statement of Work; the Operations Plan includes sections such as the Public Auction Plan, Customer Service Manual, and Tow Service Plan.

Opposition Holds

A vehicle hold, which indicates that the registered owner has filed a Declaration of Opposition to Lien Sale with the DMV (for Lien 2/Lien 3 vehicles) or with AutoReturn (for Lien 1 vehicles). Once the owner has filed a Declaration of Opposition to Lien Sale, the vehicle cannot be sold or disposed of unless AutoReturn obtains a judgment in court against the registered owner OR the owner signs a release of interest form.

Pier 70 Storage Lot

Former long term storage lot utilized by AutoReturn from August 2005 to May 2014. In May 2014 the SFMTA Board of Supervisors approved transferring the long-term storage facility from Pier 70 to property at 2650 Bayshore Boulevard.

Scope of Work

Appendix A of the 2010 Amended and Restated Service Agreement between the City and County of San Francisco and AutoReturn which details the scope of services that AutoReturn is to provide.

Tow Permit

Per San Francisco Police Code Section 3050 "No person shall engage in or conduct business as a tow car firm within the City and County of San Francisco without first obtaining a permit from the Chief of Police." The tow permit process enables the City to regulate the towing operations. Part of the permit process is proof of insurance.

INTRODUCTION

Audit Authority

The agreement between Tegsco, LLC dba San Francisco AutoReturn (AutoReturn) and the City and County of San Francisco (City) requires that AutoReturn pay for an annual compliance audit by the Office of the Controller (Controller), City Services Auditor Division (CSA). In addition, the City Charter provides the Controller, CSA, with broad authority to conduct audits. This audit was conducted under these authorities and pursuant to an audit plan agreed to by the Controller and the San Francisco Municipal Transportation Agency (SFMTA). CSA engaged Sjoberg Evashenk Consulting, Inc. to conduct the compliance audit of AutoReturn, as well as an assessment of SFMTA's management of the agreement.

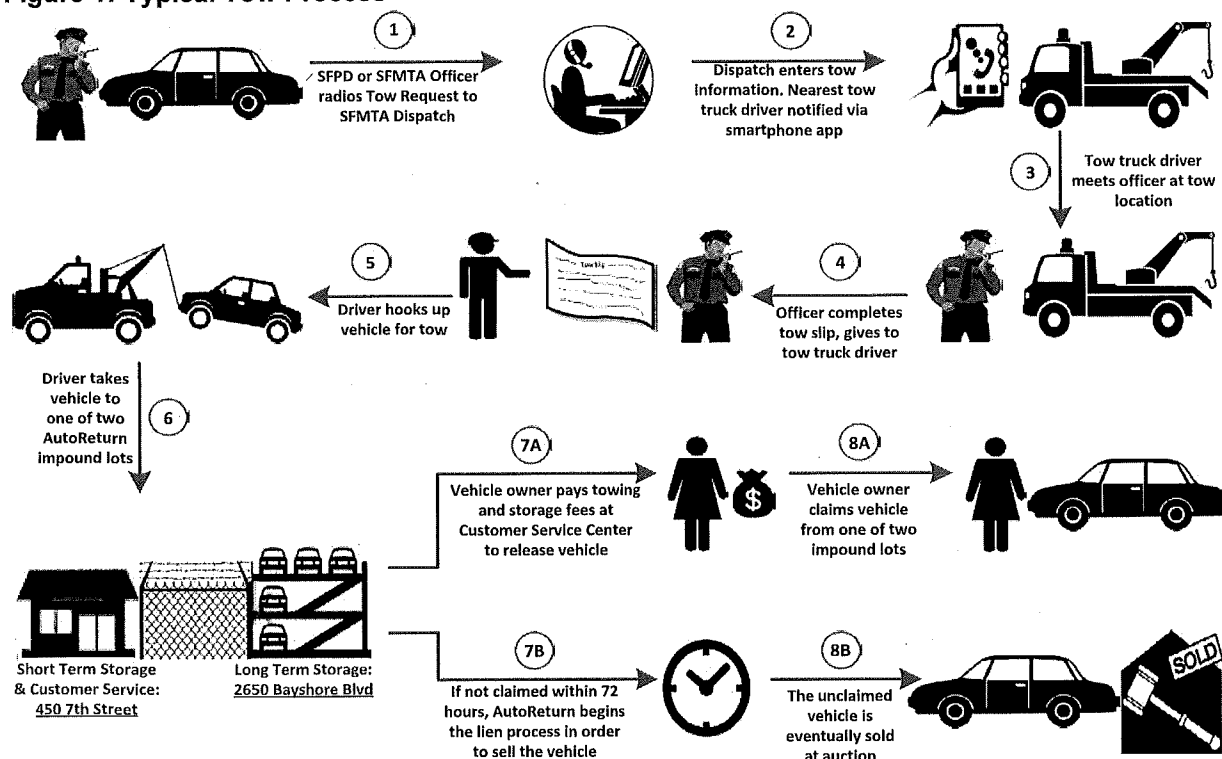
Background

In July 2005, SFMTA entered in an agreement with AutoReturn for towing, storage, and disposal of abandoned and illegally parked vehicles in San Francisco. The agreement was amended in July 2010 and extended in August 2015 to expire on March 31, 2016.

With the agreement expiring, SFMTA initiated a competitive bid process in 2015, from which AutoReturn emerged as the highest-ranked proposer. The new contract became effective on April 1, 2016 and expires on March 31, 2021.

It is important to note that while AutoReturn manages the entire impound process, there are other participants involved such as city parking enforcement officers (SFMTA and SFPD) and independent towing providers. Together, they are responsible for ensuring illegally parked vehicles are expeditiously and efficiently towed as illustrated in Figure 1.

Figure 1: Typical Tow Process



Towing costs are recovered by a series of fees assessed for each tow and are required to be paid in full prior to any vehicles being released back to the owner. Table 1 summarizes the fees due on a typical tow of a passenger vehicle that has been stored for 48 hours.

Table 1: Vehicle Tow Fees Example

San Francisco Administrative Fee	\$266.00
Tow Passenger Vehicle ¹	\$225.25
Base Tow Fee:	\$491.25
First 4 Hours	Free
After 4 Hours up to 24 Hours	\$58.50
2 nd Day Storage	\$68.25
Storage Fee:	\$126.75
Total Due for Release:	\$618.00

Note: Fee amounts shown are for Fiscal Year 2015/16

If applicable, some vehicles will also be assessed a dolly/flatbed fee of \$50.50 per tow.

¹ Tow fee for large vehicles such as heavy duty trucks or buses were \$265.00 or \$419.50 at the time of the audit depending on the non-passenger vehicle type.

Objectives

The objective of the audit was to determine if AutoReturn has complied with key requirements of its agreement with the City. Specifically, to assess if AutoReturn:

- Paid all fees due to the City, and whether the City adequately monitors these payments;
- Properly performed operational activities in accordance with the agreement; and
- Has adequate controls for ensuring that financial and operational activities are properly performed.

Scope and Methodology

Sjoberg Evashenk Consulting (SEC) was hired by the San Francisco City Services Auditor (CSA) to perform a contract compliance audit covering the period from August 1, 2010 through March 31, 2016.

To achieve the audit's objectives and scope, SEC performed tasks and tests including but not limited to:

- Interviewing AutoReturn and SFMTA staff to gain an understanding of existing processes, practices, and controls surrounding the tow process from dispatch to storage to release; fee assessment, collection, and waivers; vehicle lien sales, holds, inventory management; revenue sharing calculations; as well as various other operational areas.
- Observing public vehicle auctions and collection of customer payments from winning bidders.
- Reviewing AutoReturn policies, procedures, and practices for compliance with select contract requirements as well as general internal controls over safeguarding assets.
- Assessing AutoReturn's compliance with recording and submitting data and reports pursuant to section 13 of the agreement.
- Verifying processes for royalty, administrative, and referral fee remittances are appropriate and reconciling amounts to underlying source data such as ARIES², auction cash reports, collection agency reports, or fee waivers for the month of December 2015.
- Confirming auction sale prices for 360 vehicles over five auctions reconciled to ARIES receipt records for in-person public auctions, and online dismantler and title auctions.
- Examining the timeliness of processing lien vehicles for sale in accordance with California Vehicle Code and Civil Code.

² ARIES (AutoReturn Integrated Enterprise System) is a proprietary cloud-based case management software system used to AutoReturn to manage the dispatch, towing, impound, and release of vehicles towed.

- Performing physical “mini-inventories” at both the short term storage lot and long term storage lot.
- Assessing whether fee reductions for 71 transactions from August 2011 and December 2015 were adequately supported by fee waivers or otherwise explained. For only one of the 71 transactions, AutoReturn was unable to provide a fee waiver; however, it asserted that the original fee waiver form was submitted to the Office of the Controller as part of the August 2011 reimbursement request packet.
- Reviewing ARIES user access levels for appropriateness given assigned job duties.
- Determining for a sample of 30 vehicles that no data was lost during the transition from DTS to ARIES in August 2011.

**Statement of
Auditing Standards**

We conducted this audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

CHAPTER I: AUTORETURN CORRECTLY REMITTED ALL FEES TO THE CITY AND IMPLEMENTED CONTROLS IN KEY OPERATIONAL AREAS; HOWEVER, MINOR IMPROVEMENTS COULD INCREASE EFFECTIVENESS

Since 2005, AutoReturn has towed, stored, and disposed of thousands of vehicles in the City and County of San Francisco, and collected from towing customers and remitted to the San Francisco Municipal Transportation Authority (SFMTA), millions in fees, fines, and sales revenues.

Aside from concentrating efforts in ensuring an effective and efficient tow process and AutoReturn's mission of courteous service for customers retrieving their vehicles, AutoReturn is also responsible for safeguarding towed vehicles held in its possession. This includes vehicles in temporary storage awaiting owner bailout, vehicles held for SFPD for investigative purposes or for the DMV due to owner opposition holds³, as well as unclaimed vehicles stored for auction sales.

Our review found that AutoReturn has established adequate controls over key operational areas including appropriate segregation of duties over cash handling and financial reporting, proper user system access levels, physical security over vehicle storage lots, and vehicle auction sales.

However, as further discussed in this chapter, we also noted instances where oversight over opposition holds and inventory practices could be improved. Specifically, with vehicles stored for a variety of reasons and often over an extended period of time, adequate vehicle inventory management is critical to ensure all stored vehicles are at all times accounted for and those vehicles eligible for lien sale are efficiently processed.

AutoReturn Correctly Remitted over \$59 Million in Towing Revenues to the City

For the period under our review, between August 1, 2010 and March 31, 2016, AutoReturn assessed all fees correctly and submitted to SFMTA over \$58.5 million in administrative and referral fees. In addition, AutoReturn paid SFMTA \$956,874 in royalty payments which equals one percent of gross revenues it generated from San Francisco towing operations and includes items such as enhanced collections, auction sales, storage, and towing revenues as shown in Table 2⁴.

³ Refer to Glossary for Opposition Hold definition.

⁴ Storage and towing fees mentioned here are AutoReturn's revenues, which are separate from SFMTA's storage and towing fees that are remitted to SFMTA in their entirety.

**Table 2: Towing Revenue AutoReturn Remitted to the SFMTA
August 2010 to March 2016**

Type	Amount
Referral Fee ⁵	\$6,034,951
Administrative Fee ⁶	\$52,447,848
Royalty	\$956,875
Total:	\$59,439,674

Opposition Holds Need Closer Tracking to Maximize the Number of Vehicles Eligible for Lien Sale

In general, AutoReturn releases towed vehicles when the owner pays all outstanding fees. However, there are instances where a hold is placed on a vehicle by either the SFPD, the DMV, or AutoReturn for investigative or administrative reasons such as expired registrations, excessive citations, unlicensed drivers, or the vehicle is part of a police investigation.

Under these circumstances, AutoReturn is required to store the vehicle until the party placing the hold on the vehicle removes the hold, or the owner is able to satisfy the hold release requirements.

Nevertheless, for “administrative” holds, AutoReturn is allowed to sell vehicles through the lien sale process if owners do not satisfy the hold conditions and claim the vehicle within 72 hours of it being stored. By contrast, AutoReturn must store vehicles under police investigative holds or those under DMV holds for as long as the hold is not removed by SFPD or DMV, respectively.

AutoReturn Can Control the Outcome of Opposition Holds

Thus, while vehicle holds are for most part outside of AutoReturn’s control, there is one type of holds, opposition holds, where AutoReturn can have the hold removed by a court judgment and subsequently sell the vehicles if specific timeframes as stipulated in California Law are met.

Specifically, an opposition hold arises when a vehicle owner, after receiving a notice of lien sale for a towed vehicle, files a ‘Declaration of Opposition’ with the DMV⁷, and thus legally

⁵ Referral Fee is a flat fee of \$25.25 in FY2015/16 AutoReturn pays SFMTA per tow. This fee is not charged to the customer.

⁶ Administrative Fee includes administrative storage fees and administrative towing fee. Administrative storage fee is \$3 for 1st day and \$3.50 for each additional day in FY2015/16. This is part of the \$58.50 1st day and \$68.25 each extra day charged to the customer. Administrative towing fee is a flat fee of \$266 in FY2015/16 per tow charged upon vehicle release.

⁷ For Lien 1 vehicles, the opposition hold notification is mailed directly to AutoReturn by the owner. For Lien 2 and Lien 3 vehicles, the owner files the opposition with the DMV who then notifies AutoReturn.

prevents AutoReturn from selling or disposing the vehicle. As soon as AutoReturn receives the notice of opposition, it has up to 30 days to pursue a judgment against the opposition in small claims court pursuant to California Vehicle Code 22851.

Since opposition holds can only be lifted if AutoReturn obtains a court judgment or the owner opposing the lien sale voluntarily withdraws the opposition, it is imperative that AutoReturn files a claim within the required 20 to 30-day timeframe.

If that deadline is missed, the only legal resolution for AutoReturn is to negotiate release conditions with the owners. This however, poses a problem because often, owners who have filed opposition holds do not have the financial capacity or are simply unwilling to reach a reasonable settlement.

While the number of opposition holds and those that are still unresolved is de minimis in comparison to the 40,000+ vehicles that AutoReturn tows on an annual basis, opposition holds that go unsettled result in these vehicles taking up valuable storage space, causing additional administrative burden on AutoReturn employees trying to contact and negotiate with owners, and more importantly, result in a potential loss of revenues to the city because the vehicles cannot be sold.

Since 2010, approximately 142 opposition holds have been filed with AutoReturn, of which 51 were not resolved as of the time of our review as illustrated in Table 3.

51 Opposition Hold Vehicles Are Still Unresolved

Table 3: Unresolved Opposition Holds as of February 2016

Year	Lien 1	Lien 2/3	Total
2015	4	6	10
2014	6	11	17
2013	3	3	6
2012	1	2	3
2011	0	4	4
2010 or prior	3	8	11
Total:	17	34	51

Source: Auditor-Generated from ARIES Opposition Holds Reports

Based on our detailed review of nine opposition hold case files and discussion with AutoReturn management, it appears that the main reason for these cases still being unresolved is lack of oversight by AutoReturn management in ensuring that all opposition holds are addressed in a timely manner. Specifically, after an opposition hold is filed, AutoReturn flags the vehicles in ARIES as "under opposition". But any subsequent steps such as filing in small claims court, capturing judgment information, DMV

releases or negotiations with owners are, if at all, tracked on a series of spreadsheets and in a paper case file.

Because most activities related to opposition holds are tracked manually, we found the following instances where required deadlines and necessary follow-ups with owners or the DMV were missed:

- Missed the small claims court filing deadlines twice and therefore is now legally bound to negotiate with owners until a settlement is reached;
- Won twice in small claims court, filed the DMV petition to have the opposition removed but then never followed-up with the DMV when no authorization was received;
- Reached a deal with two owners, but did not follow-up with the owners when no payment was received;
- Successfully negotiated a release with two owners, but then again, failed to follow-up with the DMV after it filed the petition to remove the hold; or
- Could not provide any detailed information or supporting documents for six cases, even though the cases were flagged in ARIES as opposition holds.

AutoReturn Should Take All Opposition Holds to Court

According to AutoReturn, for those opposition holds that AutoReturn did take to court, it prevailed in almost all instances, which allowed AutoReturn to petition with the DMV to remove the hold, and ultimately sell the vehicles through its lien sale channels. Given AutoReturn's success when taking opposition holds to court, it should pursue legal actions on all opposition holds.

At the moment, AutoReturn only files Lien 2 and Lien 3 opposition holds in small claims court because vehicle auction sales for these lien categories typically yield a couple hundred to a few thousand dollars per vehicle. By contrast, for Lien 1 vehicles, which per California VC 22851.3(j) can only be sold to dismantlers and scrap iron processors, and AutoReturn made a business decision to not take the owners to court but rather pursue release negotiations directly with the owners. According to AutoReturn, Lien 1 vehicle owners often have personal and financial hardships and thus, taking them to court could reflect negatively on AutoReturn's image by public perception that AutoReturn is punishing or causing undue burden for the already distressed vehicle owner while AutoReturn's main objective is to achieve a resolution to the opposition hold. AutoReturn staff also stated that it tries not to file any claims around holidays.

AutoReturn currently sends a letter to the vehicle owner upon receiving notice of opposition. The letter informs the owner that

**By not Filing
Opposition Holds
In a Timely Manner
or At All, AutoReturn
Puts Itself and the
City in an
Unfavorable
Position where
Vehicles Must be
Stored for an
Indefinite Term**

AutoReturn would like the opportunity to discuss the opposition further, that AutoReturn is required to take legal action within a given time period, and that AutoReturn will agree not to pursue a deficiency claim if the owner releases their interest in the vehicle.

However, to ensure that opposition hold vehicles are not stored at AutoReturn locations for extended period of times, take up valuable storage space, and increase the city's storage costs, AutoReturn should file all opposition holds immediately in small claims court and while waiting for the court hearing (normally scheduled 8 weeks after the claim is filed), AutoReturn should begin negotiations with the owner.

Using this approach, AutoReturn will meet the timeframe required by law and has both a bargaining tool and a means for resolving the opposition holds. Because a small claims judgement has consequences for the vehicle owner, including negative impact on credit scores, an owner may be more inclined to negotiate once a case has been filed. If a vehicle owner remains unwilling to resolve the opposition, small claims court provides a means to resolve the opposition hold in a timely manner.

Absent the ability to secure a legal decision, AutoReturn is in a position where they must negotiate with owners who may or may not do so in good faith. For example, 10 of the 21 unresolved Lien 1 vehicles are owned by one homeless individual who appears to have no interest in releasing interest in the vehicles. For these cases, dating as far back as 2008 AutoReturn is required to store the vehicles for an indefinite term, until the owner decides to negotiate.

Given the consequences mentioned above, AutoReturn needs to formalize and implement policies to ensure:

- a) Incoming opposition holds are immediately logged and linked to a calendar or other deadline tracking mechanism in ARIES to make sure cases are filed in small claims court within the legally required timeframe.
- b) Action is taken when negotiations fail between the vehicle owner and AutoReturn.
- c) DMV follow-up occurs when no response is received after release requests have been submitted.

Recommendations

The San Francisco Municipal Transportation Agency should address both the current inventory of opposition hold vehicles and improve controls related to the handling and processing of future opposition hold vehicles by requiring and working with AutoReturn to:

1. Formalize procedures for handling incoming opposition holds to ensure:
 - a. All opposition holds are filed in small claims court within the 20-day (Lien 1) or 30-day (Lien 2 or 3) timeframe required under California Law by creating a tickler in ARIES that notifies AutoReturn staff of pending due dates.
 - b. Necessary follow-ups are performed by staff by recording milestones such as judgment dates, DMV release request sent date, and other pertinent dates in a checklist or similar format.
2. Research the 51 existing, unresolved opposition holds and explore new avenues for negotiating the release with the owners beyond current offers to waive all tow fees or not pursue a deficiency claim. For instance, as an incentive for vehicle owners, SFMTA may consider waiving associated citations or AutoReturn could waive tow fees and offer not to pursue deficiency claims but vehicle owners are still responsible for citations, which represent a significant barrier to the negotiation process.

A Few Enhancements Can Further Strengthen AutoReturn's Current Management and Accounting of Vehicle Inventory

Towed vehicles are stored at one of two storage lots, either the short term storage lot or the long term storage lot, which have a combined storage capacity of approximately 1,410 vehicles. Vehicles are typically towed to the short term storage lot first from which they are transferred to the long term storage lot, if the vehicle is not being claimed by the owner after 72 hours.

According to AutoReturn, on average 88 percent of towed vehicles are claimed by owners while the remaining 12 percent are auctioned off to the highest bidder. AutoReturn must ensure all stored vehicles under its possession are accounted for at all times. AutoReturn performs the following two types of inventories at its long term storage lot, which requires periodic comparisons of all vehicles on storage lots to storage records maintained in ARIES, its towing management system:

1. Weekly Vehicle Inventory Count
2. Annual Full Vehicle Inventory

Weekly Vehicle Inventory

During the weekly inventory at the long term storage lot, AutoReturn performs a physical count of all vehicles as of Saturday afternoon, which is compared to a stored vehicle report generated from ARIES as of Monday morning. While the weekly inventory achieves the purpose of validating the number of vehicles stored at a given point in time, the count is more accurate if the storage report is generated at the same time the weekly inventory is performed. Because physical vehicle inventory figures change constantly due to vehicles being claimed by owners and new vehicles being towed 24/7, a storage report generated on Monday will not reflect the actual storage count from Saturday.

Same Point in Time Should be Used for Weekly Inventory and Storage Report

The current weekly inventory process at the long term storage lot only provides approximate certainty over the number of vehicle stored. However, this can easily be remedied by generating the storage report at the same time the inventory is performed. For example, if AutoReturn conducts the weekly inventory every Saturday at 4pm, then a storage report should be generated as of the same time. Until the inventory is completed, typically within two hours, no new vehicles should be moved onto the storage area. The physical vehicle count should then be matched to the storage report with any differences noted. Subsequent to our review, AutoReturn indicated that it is now generating the storage report at the same time the inventory is performed.

**Full Inventory
Should Include a
Complete Vehicle
Count and
Reconciliation
to the Recorded
Inventory in ARIES**

Full Annual Inventory

In addition to the weekly vehicle inventory count, AutoReturn performs an annual long term storage lot full inventory, where staff verifies that each vehicle listed on the ARIES storage report is not only found but the vehicle's information (make, model, VIN, license plate, lot storage section, etc.) matches ARIES records as well. However, during the full inventory, AutoReturn does not count the physical vehicles on the lot. This means that if a vehicle is stored on the lot but not recorded as stored in ARIES, the vehicle will not be accounted for during the annual inventory. AutoReturn can easily assure inventory records are complete by adding the vehicle count step to its annual inventory.

Inventory Testing Results

When we performed ad-hoc mini inventories and reverse inventory counts at both the long term and short term storage lots, we found records matched for most part. Specifically, for a sample of 52 vehicles, we were able to verify physical storage and ARIES records for 46 vehicles. But we also noted that ARIES storage reports recorded 29 vehicles stored at the no longer utilized Pier 70 storage lot as well as 82 vehicles marked as "vehicle-not-found" as discussed in the next sections.

**Auditor Performed
Physical Mini-
Inventories
Revealed no Issues
for 46 of 52
Vehicles**

Of the 52 records examined during the mini-inventories, we could not locate six vehicles listed as "stored" at the short term lot in ARIES. According to AutoReturn, the missing vehicles listed are duplicate entries of vehicles that have already been released to owners, sold at auction, or were cancelled tows. Duplicate records for the same vehicle towed may occur when new vehicles records are created in ARIES⁸ rather than correcting an existing vehicle record with the incorrect information (e.g. resulting from incomplete/unreadable VIN numbers or missing license plates) and not linking the two entries. By creating new entries, ARIES will show two separate tow entries for the same vehicle/tow—one listing the vehicle as stored and another showing the status as released, sold, or cancelled. However, while AutoReturn's explanation seems reasonable, until AutoReturn researches these records further and is able to document a link to a second duplicate tow record, we cannot confirm this assertion.

Moreover, since AutoReturn does not perform any inventories (no reconciliation of weekly count or full inventories) at the short term lot, these duplicate entries can go undetected for years. In fact, the oldest record from our sample dated from 2011.

⁸ A second record may be created by AutoReturn when vehicle is towed to the storage lot and staff cannot reconcile the vehicle in the lot to records in ARIES.

**AutoReturn is
Making Progress
with Researching
Records for
Vehicles Identified
as Not Found**

Further, when reviewing an ARIES storage report generated on February 5, 2016, we found 29 vehicles recorded in ARIES as stored at AutoReturn's "LT" lot, which is the Pier 70 storage lot that AutoReturn stopped using in 2014. Thus, these vehicles should have been sold, released, or transferred to the current long term storage lot. In addition, an ARIES storage report generated on February 23, 2016 revealed 82 vehicles marked as "vehicle-not-found" (VNF) of which 79 vehicles were towed prior to 2010. VNF is a category used by AutoReturn to identify vehicles shown as stored but that did not turn up on inventories performed.

Again, similarly to the vehicles not found during our mini-inventory at the short term storage lot, AutoReturn explains that for some Pier 70 and VNF vehicles, they were duplicate record; however this cannot be asserted until AutoReturn researches the data.

When we informed AutoReturn of the issues in late March 2016, it began researching and clearing the Pier 70 and VNF vehicle records. Actions taken were recorded in the vehicle's history and notes section in ARIES. As of April 15, 2016, this effort resulted in only one vehicle shown as stored at Pier 70 and 39 VNF vehicles.

Recommendations

To further strengthen inventory management and control practices, the San Francisco Municipal Transportation Agency should require and work with AutoReturn to:

3. Generate an ARIES storage report on the same day as the inventory count at the long term storage lot and use this report to verify the vehicle count as part of the weekly inventory.
4. Consider performing more frequent full inventories at the long term storage lot, especially when two or three consecutive weekly inventories reveal repeated vehicle count discrepancies. The full inventory should also incorporate a vehicle count.
5. Conduct inventory counts at the short term lot and research the vehicles identified by the audit as possible duplicate entries.
6. Continue researching the vehicles marked in ARIES as "vehicle-not-found" and "stored at Pier 70" and determine vehicle status or validity of the entries.

CHAPTER II: AUTORETURN COMPLIED WITH ALL BUT ONE OF THE REPORTING AND RECORDS REQUIREMENTS

Records of Operations Plan Approval Do Not Exist

To enable SFMTA to monitor AutoReturn's performance in carrying out towing and fee collection activities, the agreement set forth a series of requirements regarding data records AutoReturn needs to capture in ARIES as well as reports it must submit to SFMTA on a regular basis.

The agreement requirements are all-encompassing covering a variety of operational areas such as tow equipment dispatch, tow request response time, vehicle intake and handling, customer service, vehicle recovery and lien sales, and fee sharing provisions. SFMTA further required AutoReturn to summarize AutoReturn's standards, practices, and policies for those areas into a formal Operations Plan document, which was to be submitted to SFMTA at the onset of the original agreement in 2005. However, as discussed in a prior City Services Auditor report issued in 2010, while AutoReturn submitted all operations plan elements to SFMTA as contractually required, SFMTA did not approve the Operations Plan at the time of the 2010 audit. When following up with SFMTA on the current status, SFMTA was still unable to locate any records of SFMTA approving the Operations Plan. Since the Operations Plan defines the service standards AutoReturn is to follow, SFMTA may not be able to enforce any plan elements as opined by the City Attorney in 2010, if the plan is not formally approved.

Nevertheless, SFMTA informed us and as evidenced in communications between SFMTA and AutoReturn, both parties have established an excellent working relationship with AutoReturn being very responsive and thorough to any SFMTA requests or questions. As such, while the lack of formal approval of the Operations Plan has not negatively impacted services provided, it does make it challenging to establish criteria when any issues arise.

Specifically, of the numerous records and reports AutoReturn is required to submit, it complied with all requirements except for the quarterly subcontractor report, which it stopped preparing in early 2013. The agreement specified that AutoReturn define subcontractor performance standards for all tow car operators and once approved and adopted by SFMTA as part of the Operations Plan, AutoReturn should audit compliance quarterly and provide written results to the City⁹.

⁹ Statement of Work Section 8.2(c) and Operations Plan Element #3 – Tow Service Plan.

Reporting of Subcontractor Performance and Monitoring of Compliance with Licenses and Permits Requires Closer Attention

While AutoReturn incorporated most elements it suggested in the Operations Plan on the quarterly subcontractor performance reports and there was evidence that timeliness standards were monitored outside of the formal report, there were requirements that were not monitored such as tow truck training, customer service training, drug-free workplace policy, and required permits.

Toward that end, since the last subcontractor quarterly report submitted was for the 4th Quarter of 2013 due to turnover in staff responsible for preparing the reports, we performed a brief analysis of subcontractor performance and compliance with minimum contract requirements for all active subcontractors as of December 31, 2015.

Subcontractors Outperformed Required Response Times

First, we assessed subcontractors' timeliness in completing tows for August 2011 and December 2015 and found that on average subcontractors completed tows on-time. Specifically, 98 percent of 1,988 completed tows in August 2011 and 96 percent of 1,753 completed tows in December 2015 were completed on-time and actually exceeded the contractually required minimum of 94 percent.

3 of 11 Towing Subcontractors Did not Maintain Valid Tow Permits

Next, we reviewed 11 subcontractors providing towing services as of December 31, 2015 for compliance with minimum requirements and found no evidence of a valid permit for three subcontractors as shown in Table 4.

Table 4: Towing Subcontractor Compliance with Key Administrative Requirements as of 12/31/2015

Subcontractor Name	Tow Permit	Business License	Insurance
Abrams & Sons Towing	Expired 03/19/15	✓	✓
Charles Tow Service	Expired 11/12/15	✓	✓
Lombard Towing	Existence Unknown	✓	✓

- Abrams & Sons Towing: We were told that the physical permit was misplaced during the subcontractor's office painting in October 2015 and that a renewal was applied for but was still pending as of the time of our review.

Instead of a physical permit, the subcontractor provided copies of checks payable to the SFPD and a SFPD manual

receipt acknowledging the payment. The receipt for the 2016 renewal was issued on March 25, 2016—within days of the auditors informing AutoReturn about the issue.

- Charles Tow Service: While the permit expired on November 12, 2015, the subcontractor did not apply for a permit renewal until December 28, 2015, which was not granted until January 27, 2016. This resulted in a period of over one month where the subcontractor operated without a valid tow permit.
- Lombard Towing: This subcontractor failed to produce a valid permit as of December 31, 2015 or any prior periods. According to AutoReturn, it suspended this subcontractor on April 1, 2016.

Business licenses and especially tow permits are an important piece to validate a company as a legitimate towing operator business as authorized by the SFPD. Without these required documents, AutoReturn and SFMTA cannot be assured of the firm's business legitimacy, fitness to provide towing services, and financial ability to respond to any claims.

If AutoReturn had continued its quarterly subcontractor performance reporting, these issues would have surfaced sooner and could have been dealt with more effectively.

Recommendations

With the new agreement between San Francisco Municipal Transportation Agency and AutoReturn still containing provisions for an Operations Plan and annual audits of towing subcontractors validity of all licenses and permits, SFMTA should:

7. Require AutoReturn to ensure expiration dates for all required permits and licenses are tracked and subcontractors are notified ahead of time to apply for renewals.
8. Formally review and approve all Operations Plan elements including subcontractor performance reporting to avoid any potential enforcement issues.

APPENDIX A – SFMTA Response



SFMTA
Municipal
Transportation
Agency

Edwin M. Lee, Mayor

Tom Nolan, Chairman

Cheryl Brinkman, Vice-Chairman

Gwyneth Borden, Director

Edward D. Reiskin, Director of Transportation

Malcolm Hainicke, Director

Joel Ramos, Director

Cristina Rubke, Director

June 7, 2016

Tonia Lediju, Audit Director
Office of the Controller, City Services Auditor Division
1 Dr. Carlton B. Goodlett Place, Room 476
San Francisco, CA 94102

Subject: *SFMTA Response to CSA Compliance Audit of the "San Francisco Municipal Transportation Agency's (SFMTA) agreement with Tegsco, LLC, dba AutoReturn (AutoReturn)"*

Dear Ms. Lediju:

Thank you for providing us the opportunity to review your findings and respond to the recommendations related to the compliance audit of the SFMTA's agreement with AutoReturn for the period of August 1, 2010 through March 31, 2016.

Attached is the required "AutoReturn Recommendations and Response Form". The SFMTA concurs with the eight Controller's Office recommendations and have either implemented or provided a response with a specific action. We appreciate the thorough review and are satisfied with the overall statement "AutoReturn Complied with Key Contract Provisions and a Few Enhancements Can Further Strengthen AutoReturn's Reporting and Recordkeeping".

If you have any questions or need additional information, please contact Steven Lee at (415) 701-4592.

Sincerely,

Edward D. Reiskin
Director of Transportation

Enclosure: Recommendation and Response Form

cc: Sonali Bose, Chief Financial Officer/Director of Finance and Information Technology
Kathleen Sakelaris, Regulatory Affairs Manager

Recommendation and Response

For each recommendation, the responsible agency should indicate whether it concurs, does not concur, or partially concurs. If it concurs with the recommendation, it should indicate the expected implementation date and implementation plan. If the responsible agency does not concur or partially concurs, it should provide an explanation and an alternate plan of action to address the identified issue.

Recommendation	Response
San Francisco Municipal Transportation Agency should require and work with AutoReturn to:	
<p>1. Formalize procedures for handling incoming opposition holds to ensure:</p> <ul style="list-style-type: none"> a. All opposition holds are filed in small claims court within the 20-day (Lien 1) or 30-day (Lien 2 or 3) timeframe required under California Law by creating a tickler in ARIES that notifies AutoReturn staff of pending due dates. b. Necessary follow-ups are performed by staff by recording milestones such as judgment dates, DMV release request sent date, and other pertinent dates in a checklist or similar format. 	<p><input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur</p> <ul style="list-style-type: none"> a. Within 30 days (July 6, 2016), AutoReturn will implement a tickler system that will automatically notify AutoReturn staff of pending due dates to ensure oppositions holds are filed in small claims court within the allowed timeframe. b. Concurrent with a. above, AutoReturn will log and follow-up on each milestone related to each case.
<p>2. Research the 51 existing, unresolved opposition holds and explore new avenues for negotiating the release with the owners beyond current offers to waive all tow fees or not pursue a deficiency claim.</p> <p>For instance, one incentive could be for SFMTA to waive all associated citations since presently, AutoReturn could waive all tow fees and offer not to pursue deficiency claims but vehicle owners are still responsible for citations, which represent a significant barrier to the negotiation process.</p>	<p><input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur</p> <p>AutoReturn will continue to pursue resolution of the 51 existing opposition holds until resolved and will explore the possibility of waiving tow fees, citations, consulting with experts on this particular process and explore legal statutes.</p>

Recommendation	Response
3. Generate an ARIES storage report on the same day as the inventory count at the long term storage lot and use this report to verify the vehicle count as part of the weekly inventory.	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur Implemented – on June 1, 2016, AutoReturn enhanced their ARIES storage report to include the recommendation.
4. Consider performing more frequent full inventories at the long term storage lot, especially when for instance, two or three consecutive weekly inventories reveal repeat vehicle count discrepancies. The full inventory should also incorporate a vehicle count.	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur AutoReturn will conduct full inventories on a quarterly basis beginning in the first quarter of FY 2016.
5. Conduct inventory counts at the short term lot and research the vehicles identified by the audit as possible duplicate entries.	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur Implemented – On June 1, 2016, AutoReturn implemented the recommendation to identify possible duplicate entries.
6. Continue researching the vehicles marked in ARIES as “vehicle-not-found” and “stored at Pier 70” and determine vehicle status or validity of the entries.	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur AutoReturn will complete within 30-days (July 6, 2016).
7. Require AutoReturn to ensure expiration dates for all required permits and licenses are tracked and subcontractors are notified ahead of time to apply for renewals.	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur Implemented – On June 1, 2016, AutoReturn created a tracking system log for notification as recommended.
8. Formally review and approve all Operations Plan elements including subcontractor performance reporting to avoid any potential enforcement issues.	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur <input type="checkbox"/> Partially Concur SFMTA will formally review and approve, when required, all Operation Plans elements including subcontractor performance reports as outlined in the current agreement.

APPENDIX B – TEGSCO, LLC dba AutoReturn Response



AutoReturn

TEGSCO, LLC ("AutoReturn")

450 7th Street

San Francisco, CA 94103

June 3, 2016

Tonia Lediju

Director of City Audits

City Hall, Room 476

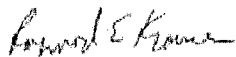
1 Dr. Carlton B. Goodlett Place

San Francisco, CA 94102

Dear Ms. Lediju:

TEGSCO, LLC ("AutoReturn") has reviewed the audit report for the period from August 1, 2010 through March 31, 2016. This letter is to confirm that we agree with the recommendation sections of the audit.

Sincerely,



Ray Krouse

CFO

From: Reports, Controller (CON)
Sent: Wednesday, June 22, 2016 11:47 AM
To: Calvillo, Angela (BOS); Gosiengfiao, Rachel (BOS); Kawa, Steve (MYR); Howard, Kate (MYR); Falvey, Christine (MYR); Elliott, Jason (MYR); Steeves, Asja (CON); Campbell, Severin (BUD); Newman, Debra (BUD); Rose, Harvey (BUD); SF Docs (LIB); CON-
EVERYONE; MYR-ALL Department Heads; CON-Finance Officers; Cisneros, Jose (TTX); Marx, Pauline (TTX); Durgy, Michelle (TTX); alouie@mgocpa.com
Subject: Issued: Quarterly Reviews of the Treasurer's Schedule of Cash, Investments, and Accrued Interest Receivable as of September 30 and December 31, 2015

The City and County of San Francisco (City), Office of the Treasurer and Tax Collector (Treasurer), coordinates with the Office of the Controller's City Services Auditor Division (CSA) to conduct quarterly reviews and an annual audit of the City's investment fund.

CSA today issued two reports on the quarterly reviews of the Schedule of Cash, Investments, and Accrued Interest Receivable, one as of September 30, 2015, and the other as of December 31, 2015.

CSA engaged Macias Gini & O'Connell LLP (Macias) to perform these services. Based on its review, Macias is not aware of any material modifications that should be made to the schedules in order for them to be in conformity with generally accepted accounting principles.

To view the full reports, please visit our Web site at:
<http://openbook.sfgov.org/webreports/details3.aspx?id=2316> and
<http://openbook.sfgov.org/webreports/details3.aspx?id=2317>

This is a send-only e-mail address.

For questions about the report, please contact Director of City Audits Tonia Lediju at Tonia.Lediju@sfgov.org or 415-554-5393 or the CSA Audits Unit at 415-554-7469.

Follow us on Twitter @SFController

City and County of San Francisco

Office of the Controller – City Services Auditor

OFFICE OF THE TREASURER AND TAX COLLECTOR:

**Quarterly Review of the Schedule
of Cash, Investments, and Accrued
Interest Receivable as of
September 30, 2015**



June 22, 2016

**OFFICE OF THE CONTROLLER
CITY SERVICES AUDITOR**

The City Services Auditor Division (CSA) was created in the Office of the Controller through an amendment to the Charter of the City and County of San Francisco (City) that was approved by voters in November 2003. Charter Appendix F grants CSA broad authority to:

- Report on the level and effectiveness of San Francisco's public services and benchmarking the city to other public agencies and jurisdictions.
- Conduct financial and performance audits of city departments, contractors, and functions to assess efficiency and effectiveness of processes and services.
- Operate a whistleblower hotline and Web site and investigating reports of waste, fraud, and abuse of city resources.
- Ensure the financial integrity and improve the overall performance and efficiency of city government.

CSA may conduct financial audits, attestation engagements, and performance audits. Financial audits address the financial integrity of both city departments and contractors and provide reasonable assurance about whether financial statements are presented fairly in all material aspects in conformity with generally accepted accounting principles. Attestation engagements examine, review, or perform procedures on a broad range of subjects such as internal controls; compliance with requirements of specified laws, regulations, rules, contracts, or grants; and the reliability of performance measures. Performance audits focus primarily on assessment of city services and processes, providing recommendations to improve department operations.

CSA conducts its audits in accordance with the Government Auditing Standards published by the U.S. Government Accountability Office (GAO). These standards require:

- Independence of audit staff and the audit organization.
- Objectivity of the auditors performing the work.
- Competent staff, including continuing professional education.
- Quality control procedures to provide reasonable assurance of compliance with the auditing standards.

For questions regarding the report, please contact Director of City Audits Tonia Lediju at Tonia.Lediju@sfgov.org or 415-554-5393 or CSA at 415-554-7469.

CSA Team: Kate Chalk, Audit Manager
 Joseph Towner, Associate Auditor

Review Consultants: Macias Gini & O'Connell LLP



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

June 22, 2016

Mr. José Cisneros
Treasurer
Office of the Treasurer and Tax Collector
City Hall, Room 140
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4638

Dear Mr. Cisneros:

The Office of the Controller's City Services Auditor Division (CSA) presents the review report of the Schedule of Cash, Investments, and Accrued Interest Receivable of the Office of the Treasurer and Tax Collector (Treasurer) of the City and County of San Francisco (City) as of September 30, 2015. The schedule presents the total cash, investments, and accrued interest receivable under the control and accountability of the City's Treasurer.

Results:

	<u>September 30, 2015</u>
Cash and Investments	
Cash in Bank	\$308,076,105
Investments and Accrued Interest Receivable	<u>6,370,032,752</u>
Total Cash and Investments	\$6,678,108,857

This review was performed under contract by Macias Gini & O'Connell LLP. For this contract, CSA performs the department liaison duties of project management and invoice approval.

Based on this review, Macias Gini & O'Connell LLP is not aware of any material modifications that should be made to the Schedule of Cash, Investments, and Accrued Interest Receivable as of September 30, 2015, in order for it to be in conformity with generally accepted accounting principles. However, as explained in Note II.B. to the schedule, investments are recorded as of the settlement date and management has not presented the risk disclosures required under Governmental Accounting Standards Board (GASB) Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*.

CSA appreciates the assistance and cooperation of Treasurer staff during the review. For questions regarding the report, please contact me at Tonia.Lediju@sfgov.org or 415-554-5393 or CSA at 415-554-7469.

Respectfully,

Tonia Lediju
Director of City Audits

cc: Board of Supervisors
Budget Analyst
Citizens Audit Review Board
City Attorney
Civil Grand Jury
Mayor
Public Library

**CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE TREASURER
AND TAX COLLECTOR**

Independent Accountant's Review Report and
Schedule of Cash, Investments, and
Accrued Interest Receivable

September 30, 2015



Certified
Public
Accountants



Certified
Public
Accountants

Sacramento
Walnut Creek
San Francisco
Oakland
Los Angeles
Century City
Newport Beach
San Diego

Independent Accountant's Review Report

The Honorable Mayor Edwin M. Lee
The Honorable Members of the Board of Supervisors
San Francisco, California

We have reviewed the accompanying Schedule of Cash, Investments, and Accrued Interest Receivable (Schedule) of the City and County of San Francisco's (City) Office of the Treasurer and Tax Collector (Treasurer) as of September 30, 2015. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Treasurer's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the Schedule as a whole. Accordingly, we do not express such an opinion.

The Treasurer's management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Schedule.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the Schedule. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, with the exception of the matter described in the following paragraph, we are not aware of any material modifications that should be made to the Schedule as of September 30, 2015 in order for it to be in conformity with accounting principles generally accepted in the United States of America.

As explained in Note II.B. to the Schedule, the Treasurer's management has recorded investments as of the settlement date rather than the trade date and has not presented the risk disclosures required under Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures—an amendment of GASB Statement No. 3* and Statement No 72, *Fair Value Measurement and Application*. The amount by which this departure would affect the Schedule is not reasonably determinable.

Macias Gini & O'Connell LLP

Walnut Creek, California
June 3, 2016

**CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE TREASURER AND TAX COLLECTOR**

**SCHEDULE OF CASH, INVESTMENTS, AND ACCRUED INTEREST RECEIVABLE
SEPTEMBER 30, 2015**

Cash:

Cash in Bank - Investment Pool	\$ 308,076,105
--------------------------------	----------------

Pooled Investments:

U.S. Treasury Notes	477,084,250
Federal Agencies	3,741,639,646
Commercial Paper	414,933,500
Negotiable Certificates of Deposit	774,939,186
Public Time Deposits	1,200,000
Corporate Medium Term Notes	636,256,889
State and Local Government Agencies	210,032,566
Money Market Funds	110,126,652
Subtotal Pooled Investments	<u>6,366,212,689</u>

Investment from Separately Managed Account:

SFRDA South Beach Harbor Refunding Bond	1,995,000
---	-----------

Interest Receivable - Investment Pool, Net

<u>1,825,063</u>

Total Cash, Investments, and Interest Receivable

<u><u>\$ 6,678,108,857</u></u>

See Independent Accountant's Review Report and
accompanying Notes to Schedule of Cash, Investments, and Accrued Interest Receivable.

**CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE TREASURER AND TAX COLLECTOR**

**NOTES TO THE SCHEDULE OF CASH, INVESTMENTS,
AND ACCRUED INTEREST RECEIVABLE
SEPTEMBER 30, 2015**

I. General

The Schedule of Cash, Investments, and Accrued Interest Receivable (Schedule) presents only the cash on hand, cash in bank, investments, and related accrued interest receivable under the control and accountability of the Office of the Treasurer and Tax Collector (Treasurer) of the City and County of San Francisco (City). The Schedule is not intended to present fairly the financial position of the Treasurer or of the City.

The Treasurer is responsible for the custody and investment of a majority of the public funds held by the City and funds deposited by external entities that are either required to or voluntarily deposit funds with the Treasurer. The Treasurer is authorized to conduct these functions by the California Government Code Section 53600 et seq. and the San Francisco Administrative Code, Chapter 10, under investment policies established by the Treasurer and filed with the City's Board of Supervisors. The Treasurer also provides a safekeeping service for the City, where City departments may deposit securities and other assets in the Treasurer's vault.

II. Summary of Significant Accounting Policies

A. Cash and Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's deposits not covered by federal deposit insurance by pledging government securities, letters of credit or first deed mortgage notes as collateral. The fair value of pledged securities will range between 105 and 150 percent of the City's deposits, depending on the type of security pledged. Pledging letters of credit issued by the Federal Home Loan Bank of San Francisco must have a fair value of at least 105 percent of the secured public deposits. Pledging first deed mortgage notes must have a fair value of at least 150 percent of the secured public deposits. Government securities must equal at least 110 percent of the City's deposits. The collateral must be held at the pledging bank's trust department or another bank, acting as the pledging bank's agent, in the City's name. For deposits not covered by federal deposit insurance, all of the banks with funds deposited by the Treasurer secure deposits with sufficient collateral.

B. Investments

The Treasurer makes investments in securities for a pooled money investment account and for individual investment accounts that are not invested through the pooled money investment account. The Schedule is prepared using the economic resources measurement focus and the accrual basis of accounting. Investment transactions are recorded on the settlement date. However, generally accepted accounting principles in the United States of America require investments to be recorded on the trade date. Deposits and investments with the Treasurer are exposed to risks such as credit risk, concentration of credit risk, and interest rate risk. Disclosures related to such risks as required under Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures—an amendment of GASB Statement No. 3*, and disclosures about fair value measurements, the level of fair value hierarchy, and valuation techniques required under Statement No 72, *Fair Value Measurement and Application* are not presented in this report as the Treasurer does not believe that these disclosures are necessary to meet the objectives of the users of the Schedule.

**CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE TREASURER AND TAX COLLECTOR**

**NOTES TO THE SCHEDULE OF CASH, INVESTMENTS,
AND ACCRUED INTEREST RECEIVABLE
SEPTEMBER 30, 2015**

II. Summary of Significant Accounting Policies (continued)

The securities in the accompanying Schedule are reported at fair value in accordance with Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. The following table summarizes the investments stated at cost and fair value, which is based on current market prices.

Investment Type	Cost	Fair Value
Investments from investment pool:		
U.S. Treasury Notes	\$ 472,153,320	\$ 477,084,250
Federal Agencies	3,744,010,988	3,741,639,646
Commercial Paper	414,886,786	414,933,500
Negotiable Certificates of Deposit	774,989,525	774,939,186
Public Time Deposits	1,200,000	1,200,000
Corporate Medium Term Notes	638,532,997	636,256,889
State and Local Government Agencies	211,903,591	210,032,566
Money Market Funds	110,126,652	110,126,652
Total investments from investment pool	6,367,803,859	6,366,212,689
Investments from separately managed account:		
SFRDA South Beach Harbor Refunding Bond	1,995,000	1,995,000
Total investments	\$ 6,369,798,859	\$ 6,368,207,689

From: Reports, Controller (CON)
Sent: Tuesday, June 28, 2016 12:35 PM
To: Calvillo, Angela (BOS); Gosiengfiao, Rachel (BOS); BOS-Supervisors; BOS-Legislative Aides; Kawa, Steve (MYR); Howard, Kate (MYR); Steeves, Asja (CON); SF Docs (LIB); CON-EVERYONE; John Martin (AIR); Jean Caramatti (AIR); Ivar Satero (AIR); Leo Fermin (AIR); Wallace Tang (AIR); Kevin Kone (AIR); Dan Ravina (AIR); sjohnson@mgocpa.com; jzaragoza@mgocpa.com; denise.marrs@aa.com
Subject: Issued: Airport Commission: American Airlines, Inc., Correctly Paid Its Landing Fees for 2013 and 2014

The City and County of San Francisco's Airport Commission (Airport) coordinates with the Office of the Controller's City Services Auditor Division (CSA) to conduct periodic compliance audits of the Airport's tenants and airlines. CSA engaged Macias Gini & O'Connell LLP (MGO) to audit tenants and airlines at San Francisco International Airport to determine whether they complied with the reporting, payment, and selected other provisions of their agreements with the Airport.

CSA presents the report of MGO's audit of American Airlines, Inc. (American). The audit found that American correctly reported 21,457 revenue aircraft landings and correctly paid \$15,972,815 in landing fees due to the Airport for the audit period.

To view the full report, please visit our website
at: <http://openbook.sfgov.org/webreports/details3.aspx?id=2321>

This is a send-only e-mail address. For questions about the report, please contact Director of City Audits Tonia Lediju at Tonia.Lediju@sfgov.org or 415-554-5393 or the CSA Audits Unit at 415-554-7469.

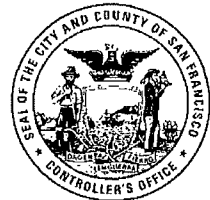
Follow us on Twitter @SFController

City and County of San Francisco

Office of the Controller – City Services Auditor

AIRPORT COMMISSION:

**American Airlines, Inc.,
Correctly Paid Its Landing
Fees for 2013 and 2014**



June 28, 2016

**OFFICE OF THE CONTROLLER
CITY SERVICES AUDITOR**

The City Services Auditor (CSA) was created in the Office of the Controller through an amendment to the Charter of the City and County of San Francisco (City) that was approved by voters in November 2003. Charter Appendix F grants CSA broad authority to:

- Report on the level and effectiveness of San Francisco's public services and benchmark the City to other public agencies and jurisdictions.
- Conduct financial and performance audits of city departments, contractors, and functions to assess efficiency and effectiveness of processes and services.
- Operate a whistleblower hotline and website and investigate reports of waste, fraud, and abuse of city resources.
- Ensure the financial integrity and improve the overall performance and efficiency of city government.

CSA may conduct financial audits, attestation engagements, and performance audits. Financial audits address the financial integrity of both city departments and contractors and provide reasonable assurance about whether financial statements are presented fairly in all material aspects in conformity with generally accepted accounting principles. Attestation engagements examine, review, or perform procedures on a broad range of subjects such as internal controls; compliance with requirements of specified laws, regulations, rules, contracts, or grants; and the reliability of performance measures. Performance audits focus primarily on assessment of city services and processes, providing recommendations to improve department operations.

CSA conducts its audits in accordance with the Government Auditing Standards published by the U.S. Government Accountability Office (GAO). These standards require:

- Independence of audit staff and the audit organization.
- Objectivity of the auditors performing the work.
- Competent staff, including continuing professional education.
- Quality control procedures to provide reasonable assurance of compliance with the auditing standards.

For questions about the report, please contact Director of City Audits Tonia Lediju at Tonia.Lediju@sfgov.org or 415-554-5393 or CSA at 415-554-7469.

CSA Audit Team: Winnie Woo, Associate Auditor

Audit Consultants: Macias Gini & O'Connell LLP (MGO)



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

June 28, 2016

San Francisco Airport Commission
San Francisco International Airport
P.O. Box 8097
San Francisco, CA 94128-8097

John L. Martin, Airport Director
San Francisco International Airport
P.O. Box 8097
San Francisco, CA 94128-8097

Dear Commission President, Commissioners, and Mr. Martin:

The City and County of San Francisco's Airport Commission (Airport) coordinates with the Office of the Controller's City Services Auditor Division (CSA) to conduct periodic compliance audits of Airport tenants and airlines. CSA engaged Macias Gini & O'Connell LLP (MGO) to audit airlines that do business with the Airport to ensure that they comply with the landing fee provisions of their agreements.

CSA presents the attached report for the compliance audit of American Airlines, Inc., (American) prepared by MGO.

Reporting Period: January 1, 2013, through December 31, 2014

Landing Fees Paid: \$15,972,815

Results:

American correctly reported 21,457 revenue aircraft landings and correctly paid the landing fees due to the Airport.

The responses of the Airport and American are attached to this report.

CSA appreciates the assistance and cooperation of Airport and airline staff during the audit. For questions about the report, please contact me at Tonia.Lediju@sfgov.org or 415-554-5393 or CSA at 415-554-7469.

Respectfully,

Tonia Lediju
Director of City Audits

Attachment

cc: Board of Supervisors
Budget Analyst
Citizens Audit Review Board
City Attorney
Civil Grand Jury
Mayor
Public Library

**CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER**

**PERFORMANCE AUDIT REPORT
American Airlines, Inc.**

Janaury 1, 2013 through December 31, 2014



Certified
Public
Accountants



Certified
Public
Accountants

Sacramento

Walnut Creek

San Francisco

Oakland

Los Angeles

Century City

Encino

Newport Beach

San Diego

Performance Audit Report

Director of City Audits
City and County of San Francisco, California

Macias Gini & O'Connell LLP (MGO) presents its report concerning the performance audit of American Airlines, Inc. (Airline) as follows:

Background

The Airline operates under a lease and use agreement (agreement) with the Airport Commission of the City and County of San Francisco (Commission) to use the landing field facilities at the San Francisco International Airport (SFO) for its air transportation business. During the audit period, the Airline operated under agreement No. L10-0078 entered into on March 1, 2010 with an effective date of July 1, 2011 and an expiration date of June 30, 2021, with provisions that allows for an earlier termination. The agreement requires the Airline to submit to the Airport Department (Airport) a monthly report showing its actual revenue aircraft landings by type of aircraft and other landing data necessary to calculate the landing fees.

The Airport charges the Airline a landing fee based on the maximum landing weight of aircraft making revenue landings at the SFO. For every 1,000 pounds of aircraft landed, the Commission sets a fee that it may change annually.

<u>For the Period</u>	<u>Landing Fee Rate</u>
January 1, 2013 to June 30, 2013	\$ 4.01
July 1, 2013 to June 30, 2014	\$ 4.29
July 1, 2014 to December 31, 2014	\$ 4.57

Reporting Period(s):	January 1, 2013 through December 31, 2014
Lease and Use Agreement(s):	No. L10-0078

Objective and Scope

The objective of this performance audit was to determine whether the Airline was in substantial compliance with the reporting, payment, and other rent related provisions of its lease with the Commission. To meet the objective of our performance audit and based upon the provisions of the City and County of San Francisco contract number P-500 (5-10) dated March 1, 2013, between MGO and the City and County of San Francisco, and per Appendix A therein, we verified that revenues for the audit period were reported to the Airport in accordance with the lease provisions, and that such amounts agreed with the underlying accounting records; identified and reported the amount and cause of any significant error (over or under) in reporting together with the impact on rent payable to the Airport; and identified and reported any recommendations to improve record keeping and reporting processes of the Tenant relative to its ability to comply with lease provisions.

The scope of our audit included the landing fees reported and paid or payable by the Airline to the Airport for the period from January 1, 2013 through December 31, 2014.

This audit and the resulting report relates only to the landing fees reported by the Airline, and does not extend to any other performance or financial audits of either the Commission or the Airline taken as a whole.

Methodology

To meet the objectives of our performance audit, we performed the following procedures: reviewed the applicable terms of the agreement and the adequacy of the Airline's procedures and internal controls for collecting, recording, summarizing and reporting its revenue aircraft landings; selected and tested 4 sample months for each contract year and 3 sample days for each sample months selected per guidelines provided by the City; recalculated monthly landing fees due; and verified the timeliness of reporting landing fees to the Airport.

We conducted this performance audit in accordance with *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and recommendations based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our audit results based on our audit objective.

Audit Results

Based on the results of our performance audit for the period from January 1, 2013 through December 31, 2014, the Airline correctly reported 21,457 revenue passenger aircraft landings and paid \$15,972,815 in landing fees to the Airport in accordance with its agreement. Those amounts agreed to the underlying records.

The table below shows the Airline's reported total revenue aircraft landings and landing fees paid to the Airport.

**Revenue Passenger Aircraft Landings and Fees Paid
January 1, 2013 through December 31, 2014**

For the Period	Number of Landings	Landing Fees Paid
January 1, 2013 through December 31, 2013	10,642	\$ 7,922,592
January 1, 2014 through December 31, 2014	10,815	8,050,223
Total	21,457	\$ 15,972,815

Conclusion

Based upon the performance audit procedures performed and the results obtained, we have met our audit objective. We conclude that the Airline was in substantial compliance with the reporting, payment, and other rent-related provisions of its lease #L10-0078 with the Airport.

This performance audit did not constitute an audit of financial statements in accordance with *Government Auditing Standards* or auditing standards generally accepted in the United States of America. MGO was not engaged to, and did not, render an opinion on the Airline's internal controls over financial reporting or over the Airline's financial management systems.

This report is intended solely for the information and use of the Airline, the Commission and the City and County of San Francisco, and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP

Walnut Creek, California
June 15, 2016



San Francisco International Airport

June 22, 2016

Tonia Ledijs
Director of City Audits
City Hall, Room 476
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Subject: American Airlines, Inc.

Dear Tonia:

Thank you for the report on the audit on American Airlines, Inc. which covered the period January 1, 2013 through December 31, 2014. We accept your findings and will implement your recommendations, if any, upon receipt of the final report.

If you have any questions, please feel free to call me at (650) 821-4525.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Ravina", is positioned below the word "Sincerely,".

Dan Ravina
Senior Property Manager
Aviation Management

cc: Juan Zaragoza, Macias Gini & O'Connell LLP

June 23, 2016

Tonia Lediju
Director of City Audits
City Hall, Room 475
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Subject: American Airlines, Inc.

Dear Tonia:

Thank you for the report on the audit on American Airlines, Inc. which covered the period January 1, 2013 through December 31, 2014. We accept your findings.

If you have any questions, please feel free to call me at (650)877-6000.

Sincerely,



Denise Marrs
Director
American Airlines

July 12, 2016 – Communications Page

From the Clerk of the Board, the following departments have submitted their reports regarding Sole Source Contracts for FY 2015-2016.

Board of Appeals
Board of Supervisors
Department of Children, Youth & Their Families
Civil Service Commission
Controllers Office
Grants for the Arts
Office of Contract Administration
Mayor's Office of Housing and Community Development
Planning Department
Office of the Public Defender
San Francisco Police Department
San Francisco Public Health

From: Goldstein, Cynthia (PAB)
Sent: Friday, June 24, 2016 3:22 PM
To: Board of Supervisors, (BOS)
Subject: Board of Appeals Sole Source Contracts Report

The Board of Appeals did not enter into any sole source contracts during fiscal year 2015-16.

Cynthia G. Goldstein
Executive Director
San Francisco Board of Appeals
1650 Mission Street, Suite 304
San Francisco, CA 94103
Phone: 415-575-6881
Fax: 415-575-6885
Email: cynthia.goldstein@sfgov.org

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

BOS-11, CPAG
ac RU

MEMORANDUM

Date: June 30, 2016
To: Board of Supervisors
From: ~~ASC~~ Angela Calvillo, Clerk of the Board
Subject: Sole Source Contracts for Fiscal Year 2015-16

Pursuant to Administrative Code Section 67.24(e)(3)(iii), at the end of each fiscal year, each City department is required to provide to the Board of Supervisors a list of all sole source contracts entered into during the past fiscal year.

The Board of Supervisors/Office of the Clerk of the Board did not enter into any sole source contracts during Fiscal Year 2015-16.

Cc: Jaci Fong, Director, Office of Contract Administration

From: Conner, Brett (CHF)
Sent: Tuesday, June 28, 2016 4:25 PM
To: Board of Supervisors, (BOS)
Cc: Su, Maria (CHF)
Subject: Sole Source Contract Report -- FY 15/16

Dear Ms. Calvillo,

In response to your memo of June 24, 2016, and in compliance with Sunshine Ordinance Section 67.24(e), the Department of Children, Youth and Their Families is happy to provide the following report on our current sole source contracts.

DCYF maintains one sole source contract, with the following details:

Vendor:	CitySpan Technologies, Inc.
Contract Term:	July 1, 2015 to June 30, 2018
Contract Amount:	\$1,049,488
Amount Paid in FY 15/16:	\$292,867

Please let me know if I can provide any additional information.

Sincerely,

Brett Conner

Grants Manager
City and County of San Francisco
Department of Children, Youth & Their Families
1390 Market Street, Suite 900
San Francisco, CA 94102
brett.conner@dcyf.org
(415) 554-8427
www.dcyf.org

From: Eng, Sandra (CSC)
Sent: Friday, June 24, 2016 3:35 PM
To: Board of Supervisors, (BOS)
Cc: Brown, Michael (CSC)
Subject: RE: 2015- 2016 Sole Source Contracts Memo - Response Required
Attachments: Sole Source.pdf

Board of Supervisors,

Attached is the response from the Civil Service Commission to the reporting requirement (Sunshine Ordinance Section 67.24(e)) of Sole Source Contracts.

Sincerely,

Sandra Eng

*Sandra Eng
Assistant Executive Officer
Civil Service Commission
City and County of San Francisco
25 Van Ness Avenue, Suite 720
San Francisco, CA 94102
Direct (415) 252-3254
Main (415) 252-3247
Fax (415) 252-3260*

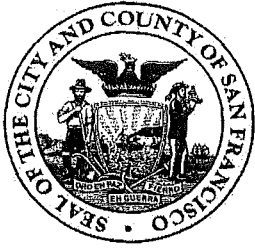
From: Board of Supervisors, (BOS)
Sent: Friday, June 24, 2016 10:17 AM
To: MYR-ALL Department Heads
Cc: MYR-All Department Head Assistant
Subject: 2015- 2016 Sole Source Contracts Memo - Response Required

Dear Department Heads:

Please see the attached memo regarding Sunshine Ordinance Section 67.24(e) reporting requirement of Sole Source Contracts.

Regards,

Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-5184
(415) 554-5163 fax
Board.of.Supervisors@sfgov.org



CIVIL SERVICE COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE
MAYOR

Date: June 24, 2016

To: Angela Calvillo
Clerk of the Board
Board of Supervisors

From: Michael L. Brown *MLB*
Executive Officer

Subject: Sole Source Contracts

In compliance with Sunshine Ordinance Section 67.24(e), the Civil Service Commission did not enter into any Sole Source Contracts in Fiscal Year 2015-16.

DOUGLAS S. CHAN
PRESIDENT

GINA M. ROCCANOVA
VICE PRESIDENT

KATE FAVETTI
COMMISSIONER

SCOTT R. HELDFOND
COMMISSIONER

MICHAEL L. BROWN
EXECUTIVE OFFICER

From: Kimotsuki, Joyce (CON)
Sent: Friday, July 01, 2016 1:44 PM
To: Board of Supervisors, (BOS)
Cc: Rydstrom, Todd (CON)
Subject: 2015- 2016 Sole Source Contracts Memo - Response Required
Attachments: 2016 Sole Source Report to BOS.PDF

Dear Angela,

I would like to submit the attached Sole Source Contracts Report for FY 15/16 from the Controller's Office. Please let me know if you have questions. Thank you.

Sincerely,

Joyce Kimotsuki

Contracts Manager
Office of the Controller
1 Dr. Carlton B. Goodlett Place
City Hall, Room 306
San Francisco, CA 94102
(415) 554-6562


From: Board of Supervisors, (BOS)
Sent: Friday, June 24, 2016 10:17 AM
To: MYR-ALL Department Heads
Cc: MYR-All Department Head Assistant
Subject: 2015- 2016 Sole Source Contracts Memo - Response Required

Dear Department Heads:

Please see the attached memo regarding Sunshine Ordinance Section 67.24(e) reporting requirement of Sole Source Contracts.

Regards,

Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-5184
(415) 554-5163 fax
Board.of.Supervisors@sfgov.org

**MEMORANDUM****TO:** Clerk of the Board, Board of Supervisors**FROM:** Todd Rydstrom, Deputy Controller **DATE:** 7/01/2016**SUBJECT:** Sole Source Contract Reporting Requirement for FY 15/16

In accordance with Sunshine Ordinance Section 67.24 (e), the Controller's Office is submitting a list of all sole source contracts, active or entered into during FY 15-16, including the reason a sole source contract was used.

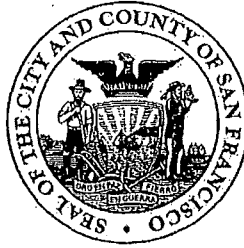
Vendor Name	Service	Contract Start Date	Contract End Date	Additional Amount Authorized in FY15/16	Total Authorized Balance as of End of FY15/16	Reason
ACL Services Ltd	ACL Software Maintenance	1/1/2015	12/31/2015	\$0.00	\$0.00	No amount increase. Proprietary software.
California Institute for Behavioral Health Solution, Inc.	Foster Care Mental Health System Facilitation & Implementation Services	10/1/2013	11/30/2015	\$0.00	\$0.00	No amount increase. Only vendor that can provide needed professional services.
Canaudit, Inc.	IT Audit Program: Network Penetration	5/6/2014	12/31/2015	\$0.00	\$0.00	No amount increase. Only vendor that can provide needed technical services.
Canaudit, Inc.	Network Security Evaluation Service	7/1/2015	6/30/2018	\$171,617.00	\$0.00	Only vendor that can provide needed technical services.

Vendor Name	Service	Contract Start Date	Contract End Date	Additional Amount Authorized in FY15/16	Total Authorized Balance as of End of FY15/16	Reason
Cardon Solutions, LLC	Executive Information System Upgrade Services	8/1/2010	12/31/2015	\$0.00	\$48,086.48	No amount increase. Only vendor that can provide needed technical services.
Cheiron, Inc.	GASB 45 Valuation Services	4/30/2012	6/30/2016	\$0.00	\$1,624.75	No amount increase. Only vendor that can provide needed professional services.
Cogsdale Corporation	Maintenance Agreement	7/1/2006	6/30/2016	\$0.00	\$72,502.37	No amount increase. Only vendor that can provide needed professional services.
DocuLynx, Inc.	Hosting Services for Historical Payroll Reports	9/1/2012	8/31/2017	\$235,250.00	\$940.29	Only vendor that can provide needed technical services.
FIS AvantGard, LLC	PayNet Exchange - Emergency Check Printing	4/15/2013	4/14/2019	\$33,300.00	\$14,441.45	Only vendor that can provide needed professional services.
Hostbridge Technology, LLC	Process Automation Module	1/15/2010	1/15/2018	\$0.00	\$16,800.00	No amount increase. Proprietary software and related services.
Hostbridge Technology, LLC	Software Maintenance Agreement	3/2/2009	3/1/2019	\$0.00	\$0.00	No amount increase. Proprietary software and related services.
JobAps, Inc.	Professional Services, Software & Support	11/27/2006	11/26/2016	\$0.00	\$0.00	No amount increase. Proprietary software and related services.
Oracle America, Inc.	Oracle Database License (Amendment 13, 14)	11/28/2007	11/29/2017	\$408,425.13	\$204,301.71	Proprietary software and related services.

Vendor Name	Service	Contract Start Date	Contract End Date	Additional Amount Authorized in FY15/16	Total Authorized Balance as of End of FY15/16	Reason
Oracle America, Inc.	Oracle Applications PeopleSoft HCM 9.0 (Amendment 10)	11/28/2007	4/22/2021	\$4,300,892.00	\$221,840.64	Proprietary software and related services.
Smart ERP Solutions, Inc.	PeopleSoft Integration Software & Solutions	2/1/2013	12/31/2017	\$387,725.00	\$514,775.00	Proprietary software and related services.
The Martinet Group, LLC	Disaster Consulting Services	8/1/2013	7/31/2018	\$0.00	\$34,065.00	No amount increase. Vendor provided needed professional services and expertise to allow continuity of CCSF disaster protocols to support immediate response to FEMA for Rim Fire cost recovery efforts.


Please contact Joyce Kimotsuki at (415) 554-6562 or Joyce.Kimotsuki@sfgov.org if you have any questions.

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

MEMORANDUM

Date: June 24, 2016
To: Department Heads & Persons Responsible for
Sole Source Contracts
From:  Angela Calvillo, Clerk of the Board
Subject: Sole Source Contracts for Fiscal Year 2015-2016

Please respond by July 22, 2016

SOLE SOURCE CONTRACTS

Sunshine Ordinance Section 67.24(e) requires that at the end of each fiscal year each City Department provide the Board of Supervisors with a list of all sole source contracts entered into during the past fiscal year. Please list all existing sole source contracts, adding those entered into during Fiscal Year 2015-2016. Please report if your department did not enter into any sole source contracts during the past fiscal year. The list shall be made available for inspection and copying. In addition, Sunshine Ordinance Section 67.29-2 encourages departments to post this information on their websites.

Submit sole source contract information by:

- Inter-departmental mail:
Clerk of the Board of Supervisors
City Hall Room 244
Attn: Rachel Gosiengfiao

OR

- Email: board.of.supervisors@sfgov.org.

From: Wong, Khan (ADM)
Sent: Thursday, June 30, 2016 12:14 PM
To: Board of Supervisors, (BOS)
Subject: Sole Source contracts for Grants for the Arts

Hello:

In FY 15/16 we entered into one sole source contract:

Vendor: Cultural Data Project (recently changed their name to Data Arts)

Vendor Number: 9578401

Amount: \$40,375 for three-year subscription to financial and programmatic data submitted by our constituents as part of our annual application process, as well as customized reports

Purchase Order: DPAD16000645

We have no other existing sole source contracts. Please let me know if you need further information.

Khan Wong, Senior Program Manager
Grants for the Arts
401 Van Ness Avenue, Suite 321
San Francisco, CA 94102
415.554.6710



From: Bali, Nishil (ADM)
Sent: Monday, June 27, 2016 10:00 AM
To: Board of Supervisors, (BOS)
Cc: Domingo, Kofo (ADM)
Subject: Sole source contracts in FY 15-16

Dear Ms. Gosiengfiao,

In response to the memorandum about providing a list of sole source contracts entered by our department, the Office of Contract Administration did not enter into any sole source contracts in fiscal year 2015-16.

Thank you,
Nishil

Nishil Bali
Office of Contract Administration
City Hall - Room 430, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102
City & County of San Francisco
Phone: 415-554-6963 | Email: nishil.bali@sfgov.org

From: Catapang, Rally (MYR)
Sent: Monday, June 27, 2016 2:28 PM
To: Board of Supervisors, (BOS)
Cc: McCloskey, Benjamin (MYR)
Subject: MOHCD Sole Source Contracts FY 15-16
Attachments: MOHCD Sole Source Contracts FY 15-16.xlsx

Hello,

Please see attached list of Sole Source Contracts. Thanks

Rally

Rally Catapang
Finance Manager
Mayor's Office of Housing and Community Development
1 South Van Ness, 5th Floor
San Francisco, CA 94103
tel: 415.701.5562 fax: 415.701.5502
rally.catapang@sfgov.org

Document Number	Vendor	Vendor Number	Amount
RQMO16000011	Designing Success	93902	\$ 74,000.00
BPMO15000010	Ross Financial	47797	\$ 37,000.00
BPMO15000015	California Housing Partnerhip	84205	<u>\$ 100,000.00</u>
		Total	\$ 211,000.00

Effective Date	Expiration Date
9/8/2015	9/7/2017
4/1/2015	12/1/2015
3/30/2015	12/31/2015

From: DiSanto, Thomas (CPC)
Sent: Monday, June 27, 2016 4:00 PM
To: Board of Supervisors, (BOS)
Cc: Rahaim, John (CPC)
Subject: RE: 2015- 2016 Sole Source Contracts Memo - Response Required

The Planning Department did not enter into any sole source contracts in FY 2015-16.

Let me know if you need additional information or have any questions.

Thomas DiSanto
Director, Administration

Planning Department, City and County of San Francisco
1650 Mission Street, Suite 400, San Francisco, CA 94103
Direct: 415-575-9113 **Fax:** 415-575-9005
Email: thomas.disanto@sfgov.org
Web: www.sfplanning.org

From: Board of Supervisors, (BOS)
Sent: Friday, June 24, 2016 10:17 AM
To: MYR-ALL Department Heads
Cc: MYR-All Department Head Assistant
Subject: 2015- 2016 Sole Source Contracts Memo - Response Required

Dear Department Heads:

Please see the attached memo regarding Sunshine Ordinance Section 67.24(e) reporting requirement of Sole Source Contracts.

Regards,

Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-5184
(415) 554-5163 fax
Board.of.Supervisors@sfgov.org

From: Angela.Auyong@sfgov.org
Sent: Monday, June 27, 2016 11:13 AM
To: Board of Supervisors, (BOS)
Cc: Adachi, Jeff (PDR)
Subject: PDR 2015- 2016 Sole Source Contract List
Attachments: PDR Sole Source Contract List 15-16.pdf

Dear Madam Clerk,

Attached please find the sole source contract annual report from the Office of the Public Defender. Please let me know if you have any questions.

Best regards,

Angela Auyong
Office Manager
Office of the Public Defender
555 Seventh Street
San Francisco CA 94103
Tel: 415-553-1677
Fax: 415-553-1607

From: "Board of Supervisors, (BOS)" <board.of.supervisors@sfgov.org>
To: MYR-ALL Department Heads <MYR-All.DepartmentHeads@sfgov.org>
Cc: MYR-All Department Head Assistant <MYR-All.DepartmentHeadAssistant@sfgov.org>
Date: 06/24/2016 10:16 AM
Subject: 2015- 2016 Sole Source Contracts Memo - Response Required

Dear Department Heads:

Please see the attached memo regarding Sunshine Ordinance Section 67.24(e) reporting requirement of Sole Source Contracts.

Regards,

Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-5184
(415) 554-5163 fax
Board.of.Supervisors@sfgov.org

[attachment "Sole Source Contracts 2015-2016.pdf" deleted by Angela Auyong/PUBDEF/SFGOV]

SAN FRANCISCO PUBLIC DEFENDER

JEFF ADACHI – PUBLIC DEFENDER
MATT GONZALEZ – CHIEF ATTORNEY



June 27, 2016

Board of Supervisors
C/o Clerk of the Board
City Hall, Room 244

RE: Sole Source Contract for FY 2015-2016

Dear Madam Clerk:

The Public Defender's office had following sole source contract for the fiscal year 2015/2016.

<u>Term</u>	<u>Vendor</u>	<u>Amount</u>	<u>Reason</u>
7/1/2015-6/30/2016	Chevron	6,000	No potential contractors comply

Please feel free to contact me at 553-1677 if you have any questions. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Angela Auyong".

Angela Auyong
Executive Assistant

From: Wong, Genie (POL)
Sent: Tuesday, June 28, 2016 3:45 PM
To: Board of Supervisors, (BOS)
Cc: Gosiengfiao, Rachel (BOS); Calvillo, Angela (BOS); McGuire, Catherine (POL); Carr, Rowena (POL); Fountain, Christine (POL)
Subject: SFPD 2015- 2016 Sole Source Contracts
Attachments: Sole Source Contracts June 282016.pdf

Please find attached the SFPD's list of sole source contracts.

Best Regards,

Genie Wong
Contracts Analyst
Fiscal Division
San Francisco Police Department
1245-3rd Street, 6th Floor
San Francisco, CA 94158
(415) 837-7208
Genie.Wong@sfgov.org

From: Board of Supervisors, (BOS)
Sent: Friday, June 24, 2016 10:17 AM
To: MYR-ALL Department Heads
Cc: MYR-All Department Head Assistant
Subject: 2015- 2016 Sole Source Contracts Memo - Response Required

Dear Department Heads:

Please see the attached memo regarding Sunshine Ordinance Section 67.24(e) reporting requirement of Sole Source Contracts.

Regards,

Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
(415) 554-5184
(415) 554-5163 fax
Board.of.Supervisors@sfgov.org

San Francisco Police Department
Sole Source Contracts
June 28, 2016

Vendor Name	Current Expiration	Service/Scope
**Applied Biosystem	6/30/16	Maintenance on crime lab DNA genetic analyzers
Data Works Plus	6/30/17	Maintenance agreement for digital photo manager and crime scene software & hardware support/ mugshot system
JEOL	12/31/16	Maintenance on crime lab scanning microscope
Level II Inc.	3/9/20	MAGNUS & Journal software
**LexisNexis	6/30/16	on-line legal resource service for investigations
*Millipore Corporation	5/31/19	Crime Lab water filter system parts and service
Oxford Instruments	6/30/17	software maintenance for crime lab scanning microscope
Qiagen	8/22/20	maintenance of L122A0768 and L123A0771 genetic analyzers
SF SPCA/Pets Unlimited	6/30/17	24/7/365 veterinarian and emergency care for police service dogs
Tecan US, Inc.	1/31/20	maintenance on crime lab "Freedom EVO 150" instrument

* Awarded in Fiscal Year 2015-2016

** In contract negotiations for renewal



City and County of San Francisco

San Francisco Department of Public Health

Barbara A. Garcia, MPA
Director of Health

MEMORANDUM

DATE: June 30, 2016

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Jacquie Hale, Director
Office of Contracts Management and Compliance, DPH Business Office

RE: Sole Source Contracts for Fiscal Year 2015-16

Please find enclosed our annual list of sole source contracts during the 2015-16 fiscal year.

If you have any questions on this report, please contact me at (415) 554-2609.

Thank you.

Attachment

cc: Greg Wagner, Chief Administrative Officer, DPH
Michelle Ruggels, Director, DPH Business Office

2016 JUN 30 AM 10:47
RECEIVED
SAN FRANCISCO
OFFICE OF THE
DIRECTOR OF
PUBLIC HEALTH

The mission of the San Francisco Department of Public Health is to protect and promote the health of all San Franciscans.

We shall ~ Assess and research the health of the community ~ Develop and enforce health policy ~ Prevent disease and injury ~
~ Educate the public and train health care providers ~ Provide quality, comprehensive, culturally-proficient health services ~ Ensure equal access to all ~

Jacquie.hale@sfdph.org – office 415-554-2609 fax 415 554-2555

101 Grove Street, Room 307, San Francisco, CA 94102

DPH Sole Source Report FY 15-15
Sunshine Ordinance Report

SS (21.5), SSPS (21.3) or DPH SS (21.42)	Full Contract or Program Within Contract	DPH Section	NP, FP, Gov	Justification	Contractor/Agency	Description of Service	Start Date	End Date	Total Sole Source Amount
Sole Sources under SF Admin. Code Ch. 21.5 ("regular" sole sources)									
SS (21.5)	All	DPH	FP	Provide time to conduct an RFP for specialized service provided by unique and high performing vendor.	Addiction Research and Treatment dba Bay Area Addiction, Research and Treatment (ART-BAART)	Specialized Substance abuse treatment for heroin addiction—methadone maintenance, counseling and ancillary medical services for clients with conditions including HIV, TB, Hepatitis and mental illness	7/1/2015	12/31/2017	\$7,788,820
SSPS (21.30)	All	DPH	FP	Maintenance of equipment	Aesynt, Inc.	24/7 maintenance and support for the new i.v.STATION® ONCO (pharmacy robot) from Aesynt Inc. installed at San Francisco General Hospital	11/1/2015	10/31/2024	\$962,800
SS (21.5)	All	SFGH	NP	Sole regulatory agency for air quality	Bay Area Air Quality Management District	Three Yr. Project to Improve Air Quality in MIRANT Homes (receiving air filtration)	7/1/2015	6/30/2016	\$40,000
SS (21.5)	All	SFGH	FP	Sole vendor with proprietary access to system and data	Catalyst	Study to evaluate San Francisco General Hospital's patient classification system	11/1/2015	10/31/2018	\$495,000
SS (21.5)	All	LHH	NP	Sole vendor with proprietary access to system and data	Community Music Center San Francisco	Choir for older adults	11/1/2015	10/31/2016	\$10,800
SS (21.5)	All	SFGH	NP	Sole Source in terms of scope, quality and cost for services	Hardenbergh	Medical Staff Credentialing and Transcription of Meetings	7/1/2015	6/30/2016	\$360,000
SS (21.5)	All	PHD	NP	Sole Source in terms of scope, quality and cost for services	Larkin Street Youth Center	STD Eval Screening and Testing	1/1/2016	12/31/2016	\$49,152
SS (21.5)	All	BHS	FP	Grant requires use of vendor for services	Learning for Action	evaluation of regional clearing house and resources for the treatment of trauma (7 Bay Area counties lead by DPH)	4/1/2015	9/29/2018	\$600,000
SS (21.5)	All	SFGH	FP	Maintenance of equipment	Moberg Research, Inc.	Moberg Research, Inc.'s proprietary Component Neuromonitoring System requires the purchase of equipment maintenance.	3/21/2016	2/28/2022	\$250,000
SS (21.5)	All	SFGH	FP	Anthem Blue Cross requires use of vendor for services at SFGH	Pre Check, Inc.	Background Check and Review of medical practitioners	9/10/2015	6/30/2018	\$25,000

**DPH Sole Source Report FY 15-16
Sunshine Ordinance Report**

SS (21.5), SSPS (21.3) or DPH SS (21.42)	Full Contract or Program Within Contract	DPH Section	NP, FP, Gov	Justification	Contractor/Agency	Description of Service	Start Date	End Date	Total Sole Source Amount
SS (21.5)		SFGH	FP	Sole Source who meets Title 22 licensing requirements for a 24/7 Intensive Care Newborn Nursery	Regents of the University of California on Behalf of UCSF Medical Center/Group	24/7 On Call Perinatal, Neonatal and Pediatric Consultation in Support of San Francisco General Hospital's Neonatal Intensive Care Unit (NICU); Maternal and Neonatal Transport Services; Continuing Education, Development of Policies Procedures in Perinatal/Neonatal Patient Care, Planning and Evaluation of NICU	7/1/2015	12/31/2020	\$6,472,717
SS (21.5)	All	SFGH	NP	unique services and expertise for SFGH	UCSF Benioff Children's Hospital San Francisco	24/7 On Call Perinatal, Neonatal and Pediatric Consultation in Support	7/1/2015	6/30/2016	\$673,231

Sole Sources under SF Admin. Code Ch. 21.3 (proprietary software sole sources)									
SSPS (21.30)	Part	DPH	FP	Developer of software	Baxter Healthcare Corp.	system helps pharmacists identify compounding errors and can assist with pharmacy productivity (equipment, implementation and first year license provided fee)	5 years	5 years	\$450,000
SSPS (21.30)	Part	DPH	FP	Developer of software	Baxter Healthcare Corp.	system helps pharmacists identify compounding errors and can assist with pharmacy productivity (maintenance and upgrades)	5 years	5 years	\$120,000
SSPS (21.30)	All	SFGH	FP	Sole agency with proprietary access to software maintenance	Catalyst	PCS Classification System Maintenance: Maintenance & Support services for Catalyst Software	4/1/2015	3/31/2018	\$58,050
SSPS (21.30)	All	BHS, PC	FP	Sole agency with proprietary access to software maintenance	Claim Remedi	Claim Scrubbing and Management Services	3/1/2016	6/30/2020	\$364,299
SSPS (21.30)	All	DPH	FP	unmatched expertise of DPH Network and IT infrastructure	Dataway	security infrastructure for the current DPH Enterprise network	7/1/2015	6/30/2016	\$2,560,235
SSPS (21.30)	All	DPH	FP	Developer of software	eClinicalWorks (eCW)	provide maintenance and support services and upgrades to the proprietary eCW ambulatory electronic medical record system	10/1/2015	10/31/2018	\$9,934,400
SSPS (21.30)	All	DPH	FP	Developer of software	Fiscal Experts	Time Study Buddy (Medi-Cal Administrative Activities Software)	7/1/2015	6/30/2020	\$175,000
SSPS (21.30)	All	SFHN	FP	Sole agency with proprietary access to software maintenance	Four Rivers Software (Accruent LLC)	Maintenance of the TMS Onsite application for facilities	8/1/2015	7/31/2020	\$150,000
SSPS (21.30)	All	PC	FP	Developer of software	i2i	i2i tracks maintenance	12/1/2015	11/30/2018	\$78,000

**DPH Sole Source Report FY 15-16
Sunshine Ordinance Report**

SS (21.5), SSPS (21.3) or DPH SS (21.42)	Full Contract or Program Within Contract	DPH Section	NP, FP, Gov	Justification	Contractor/Agency	Description of Service	Start Date	End Date	Total Sole Source Amount
SSPS (21.30)	All	JHS	FP	Developer of software	Legacy Systems Solutions, Inc.	Software maintenance services for JHS. Legacy Systems Correctional Health Assessment and Record Tracking (CHART) system used by Jail Health Services	7/1/2015	6/30/2020	\$928,307
SSPS (21.30)	All	SFHN	FP	Developer of software	Materials Management Microsystems, Inc. / AKA Microsystems	Maintenance for the OR at SFGH Instrument Tracking System	12/1/2015	09/30/2020	\$200,000
SSPS (21.30)	All	SFGH	FP	Developer of software	Materials Management Microsystems, Inc. / AKA Microsystems	License for the OR at SFGH Instrument Tracking System	12/1/2015	Perpetual	\$200,000
SSPS (21.30)	All	SFGH	FP	Developer of software	Nuance	Clintegrity license	9/15/2015	6/30/2020	\$5,105,957
SSPS (21.30)	All	DPH	FP	Sole agency with proprietary access to software maintenance	San Francisco Community Clinic Consortium	Administers AmeriCorps Interns	10/1/2015	9/30/2020	\$520,000

Sole Sources under SF Admin. Code Ch. 21.42 ("DPH sole sources")									
SS (21.42)	All	HHS	NP	planning RFP	Asian Pacific Islander Wellness Center	Integrated case management and TACE	3/1/2015	2/28/2018	\$2,797,310
SS (21.42)	All	Housing	NP	linked to facility	Community Housing Partnership	Permanent supportive housing (MHSA)	7/1/2015	6/30/2020	\$2,163,348
SS (21.42)	All	Housing	NP	linked to facility	Glide Community Housing	149 Mason Street Housing Project	7/1/2015	6/30/2020	\$1,932,031
SS (21.42)	All	HHS	NP	planning RFP	Larkin Street	HIV Specialty Medical Services for HIV youth	7/1/2015	6/30/2018	\$1,427,345
SS (21.42)	All	Housing	NP	linked to facility	Mercy Housing California XL	Overflow from Arlington Hotel at Dudley Hotel	7/1/2015	6/30/2020	\$3,030,171
SS (21.42)	All	PHD	NP	planning RFP	Mission Neighborhood Health Center	Mission centers of excellence	1/1/2015	6/30/2018	\$181,690
SS (21.42)	All	PHD	NP	planning RFP	Native American Health Center	HIV Testing & PwP for Native American MSM	7/1/2015	6/30/2018	\$322,077
SS (21.42)	All	HHS	NP	planning RFP	Native American Health Center	HIV Dental services	3/1/2015	2/28/2018	\$195,756
SS (21.42)	All	HHS	NP	planning RFP	Native American Health Center	Native American Center of Excellence	3/1/2015	2/28/2018	\$532,722
SS (21.42)	All	Housing	NP	linked to facility	Providence Foundation of SF	Armstrong Place Senior Housing	7/1/2015	6/30/2020	\$531,561
SS (21.42)	All	HHS	NP	planning RFP	Shanti	Integrated case management	3/1/2015	2/28/2017	\$281,084
SS (21.42)	All	LHH	Gov	planning RFP	UC Regents - UCSF Dental School	LHH dental services	8/17/2015	8/31/2016	\$408,840
SS (21.42)	All	PHD	NP	planning RFP	UCSF School of Pharmacy	Pharmacy HCV and linkage to care	2/8/2016	6/30/2016	\$30,314

**DPH Sole Source Report FY 15-16
Sunshine Ordinance Report**

SS (21.5), SSPS (21.3) or DPH SS (21.42)	Full Contract or Program Within Contract	DPH Section	NP, FP, Gov	Justification	Contractor/Agency	Description of Service	Start Date	End Date	Total Sole Source Amount
Sole Sources to continue RFP Behavioral Health Services									
<i>Time to conduct planning process for a RFP that will address the requirements of the Affordable Care Act (integrate community based services into DPH SF Health Network) and comply with State Department of Healthcare Services 1115 (new substance abuse delivery models)</i>									
SS (21.42)	All	BHS	NP	planning RFP	A Better Way	Mental Health Outpatient Services	1/1/2016	12/31/2017	\$4,252,867
SS (21.42)	All	BHS	NP	planning RFP	Alternative Family Service	Behavioral Health Outpatient Mental Health Services	1/1/2016	12/31/2017	\$7,175,039
SS (21.42)	All	BHS	NP	planning RFP	Baker Places CMHS-CSAS	Housing Services: Ferguson Place, supportive living, and rental subsidies.	1/1/2016	12/31/2017	\$15,981,652
SS (21.42)	Part	BHS	NP	planning RFP	Bayview YMCA - MHSA	Behavioral Health Outpatient Mental Health Services	1/1/2016	12/31/2017	\$907,192
SS (21.42)	All	BHS	NP	planning RFP	California Institute of Integral Studies (CIIS)	Work re-entry training & placement	7/1/2015	12/31/2017	\$506,610
SS (21.42)	All	BHS	NP	planning RFP	Center on Juvenile & Criminal Justice	Early periodic screening, Dx & Tx/Behavioral Health Outpatient - Mental Health	1/1/2016	12/31/2017	\$128,023
SS (21.42)	All	BHS	NP	planning RFP	Central City Hospitality House	Behavioral health services for homeless/low-income	1/1/2016	12/31/2017	\$3,636,666
SS (21.42)	Part	BHS	NP	planning RFP	City College of San Francisco	Substance Abuse Certificate program	1/1/2016	6/30/2016	\$343,283
SS (21.42)	All	BHS	NP	planning RFP	Community Awareness & Treatment Services (CATS)	Support SF Homeless Outreach Team	1/1/2016	12/31/2017	\$6,454,201
SS (21.42)	All	BHS	NP	planning RFP	Community Housing Partnership	DPH contract for Behavioral Health Services	1/1/2016	12/31/2017	\$193,296
SS (21.42)	All	BHS	NP	planning RFP	Community Youth Center	development and prevention/intervention for our youth; increasing awareness in the Asian community	1/1/2016	12/31/2017	\$1,400,068
SS (21.42)	All	BHS	NP	planning RFP	Conard House	Supportive Housing	1/1/2016	12/31/2017	\$16,867,780
SS (21.42)	All	BHS	NP	planning RFP	Edgewood Center for Children and Families	Mental Health Services for children and families	1/1/2016	12/31/2017	\$19,276,057
SS (21.42)	All	BHS	NP	planning RFP	Episcopal Services	Behavioral Health-Integrated Full-Service (IFSO) Outpatient Program (with Homeless Case Mgt.)	1/1/2016	12/31/2017	\$3,457,809
SS (21.42)	All	BHS	NP	planning RFP	Family Service Agency of San Francisco	Behavioral Health Outpatient for the Deaf and Hard of Hearing in the community	1/1/2016	12/31/2017	\$14,976,909
SS (21.42)	All	BHS	NP	planning RFP	Family Service Agency of San Francisco	Behavioral Health Services for children and families	1/1/2016	12/31/2017	\$985,584
SS (21.42)	All	BHS	NP	planning RFP	Fort Help	Substance abuse - Methadone maintenance	1/1/2016	12/31/2017	\$3,958,422
SS (21.42)	All	BHS	NP	planning RFP	Friendship House Association of American Indians	Substance abuse services for the American Indian community	1/1/2016	12/31/2017	\$964,951

DPH Sole Source Report FY 15-16
Sunshine Ordinance Report

SS (21.5), SSPS (21.3) or DPH SS (21.42)	Full Contract or Program Within Contract	DPH Section	NP, FP, Gov	Justification	Contractor/Agency	Description of Service	Start Date	End Date	Total Sole Source Amount
SS (21.42)	All	BHS	NP	planning RFP	HealthRIGHT 360	Behavioral Health Services and Substance Abuse services for adults	1/1/2016	12/31/2017	\$973,221
SS (21.42)	All	BHS	NP	planning RFP	HealthRIGHT 360 (was Haight Ashbury Free Clinics/Walden House)	Residential and outpatient Behavioral Health Services for adults	1/1/2016	12/31/2017	\$26,963,103
SS (21.42)	All	BHS	NP	planning RFP	HealthRIGHT 360 JPS	Jail Health Services behavioral health services for adults	1/1/2016	12/31/2017	\$8,459,436
SS (21.42)	All	BHS	NP	planning RFP	HealthRIGHT 360 SOC	Behavioral Health Services and Substance Abuse services for adults (System Of Care/SOC)	1/1/2016	12/31/2017	\$4,020,665
SS (21.42)	All	BHS	NP	planning RFP	Homeless Children's Network	Early periodic screening, diagnosis/treatment for children	7/1/2015	12/31/2017	\$2,996,006
SS (21.42)	All	BHS	NP	planning RFP	Homeless Prenatal Program	New Beginnings Project and Dependency Drug Court Program	7/1/2015	12/31/2017	\$839,933
SS (21.42)	All	BHS	NP	planning RFP	Horizons Unlimited	Youth prevention services	1/1/2016	12/31/2017	\$2,482,815
SS (21.42)	All	BHS	NP	planning RFP	Huckleberry Youth Programs	Transitional Adolescent Youth Multi-Service Center	7/1/2015	12/31/2017	\$1,613,413
SS (21.42)	All	BHS	NP	planning RFP	Hyde Street Community Services	Full Service Partnership Behavioral Health Services	1/1/2016	12/31/2017	\$5,968,409
SS (21.42)	All	BHS	NP	planning RFP	Institute on Aging	Older Adult Behavioral Health Screening and Response Program	7/1/2015	12/31/2017	\$765,005
SS (21.42)	Part	BHS	NP	planning RFP	Instituto Familiar de la Raza (IFR)	Behavioral Health Services targeting Latino community	1/1/2016	12/31/2017	\$11,917,749
SS (21.42)	All	BHS	NP	planning RFP	Japanese Community Youth Council (JCYC)	services to cultivate and enrich the lives of our youth from diverse, multi-cultural communities in SF	1/1/2016	12/31/2017	\$1,482,201
SS (21.42)	All	BHS	NP	planning RFP	Jelani	Jelani Transitional House	10/1/2015	12/31/2017	\$2,541,623
SS (21.42)	All	BHS	NP	planning RFP	Jewish Family and Children's Services	Adult Mental Health	1/1/2016	12/31/2017	\$421,228
SS (21.42)	All	BHS	NP	planning RFP	John Muir Behavioral Health Center	Inpatient Mental Health serving children and adolescents	1/1/2016	12/31/2017	\$291,203
SS (21.42)	All	BHS	NP	planning RFP	Justice And Diversity of the Bar Association of San Francisco	Homeless Advocacy Project	7/1/2015	12/31/2017	\$1,178,002
SS (21.42)	All	BHS	NP	planning RFP	Larkin Street Youth Center	Transitional Aged Youth (TAY) Supportive Housing	1/1/2016	12/31/2017	\$1,871,834
SS (21.42)	All	BHS	NP	planning RFP	Larkin Street Youth Center	HIV Specialty Medical Services to HIV Youth	7/1/2015	6/30/2018	\$1,427,345
SS (21.42)	All	BHS	NP	planning RFP	Latino Commission	Adult Male Residential Services	1/1/2016	12/31/2017	\$2,885,314

**DPH Sole Source Report FY 15-16
Sunshine Ordinance Report**

SS (21.5), SSPS (21.3) or DPH SS (21.42)	Full Contract or Program Within Contract	DPH Section	NP, FP, Gov	Justification	Contractor/Agency	Description of Service	Start Date	End Date	Total Sole Source Amount
SS (21.42)	All	BHS	NP	planning RFP	Mental Health Association San Francisco	Mental Health Peer Response Team	1/1/2016	12/31/2017	\$3,538,132
SS (21.42)	All	BHS	NP	planning RFP	Mount St. Joseph - St. Elizabeth	Child and Adult Outpatient Services	7/1/2015	12/31/2017	\$1,764,116
SS (21.42)	All	BHS	NP	planning RFP	National Council on Alcoholism (NCA)	DPH contract for Behavioral Health Services	1/1/2016	12/31/2017	\$296,032
SS (21.42)	All	BHS	NP	planning RFP	Native American Health Center (NAHC)	Urban Trains, Behavioral Health Outpatient Mental Health Services	7/1/2015	12/31/2017	\$50,234
SS (21.42)	All	BHS	NP	planning RFP	NICOS Chinese Health Coalition	Chinese Community Program Gambling Prevention	1/1/2016	12/31/2017	\$829,259
SS (21.42)	All	BHS	NP	planning RFP	Oakes Children's Center	Behavioral Health Outpatient Mental Health Services for Children	1/1/2016	12/31/2017	\$4,370,003
SS (21.42)	All	BHS	NP	planning RFP	Occupational Therapy Training Program-Special Services for Groups (OTTP-SSG)	DPH contract for Behavioral Health Services	1/1/2016	12/31/2017	\$2,812,269
SS (21.42)	All	BHS	NP	planning RFP	Progress Foundation	Crisis Residential	1/1/2016	12/31/2017	\$28,972,744
SS (21.42)	All	BHS	NP	planning RFP	Richmond Area Multiservices, Inc. (RAMS) Adult	Adult Outpatient Services Clinic for Adult	1/1/2016	12/31/2017	\$10,989,524
SS (21.42)	All	BHS	NP	planning RFP	Richmond Area Multiservices, Inc. (RAMS) Adult	Adult Outpatient Services Clinic for Children	1/1/2016	12/31/2017	\$9,721,109
SS (21.42)	All	BHS	NP	planning RFP	Saint Francis Memorial Hospital	Supervised Visitation and safe exchange	7/1/2015	12/31/2017	\$1,865,808
SS (21.42)	All	BHS	NP	planning RFP	Saint Vincent School for Boys	DPH contract for Behavioral Health Services	7/1/2015	12/31/2017	\$4,028,372
SS (21.42)	All	BHS	NP	planning RFP	San Francisco AIDS Foundation	Stonewall Project - Behavioral Health Integrated and Full Service Outpatient	7/1/2015	12/31/2017	\$2,424,800
SS (21.42)	All	BHS	NP	planning RFP	San Francisco Child Abuse Prevention Center	Behavioral Health Outpatient Services	1/1/2016	12/31/2017	\$260,608
SS (21.42)	All	BHS	NP	planning RFP	San Francisco Mental Health Education Funds	DPH contract for Behavioral Health Services	1/1/2016	12/31/2017	\$432,787
SS (21.42)	All	BHS	NP	planning RFP	San Francisco Public Health Foundation (SFPHF)	Fiscal Intermediary Administrative Support	1/1/2016	12/31/2017	\$79,731
SS (21.42)	All	BHS	NP	planning RFP	San Francisco Suicide Prevention	Mental Health Services - Suicide Prevention	1/1/2016	12/31/2017	\$1,103,971

**DPH Sole Source Report FY 15-16
Sunshine Ordinance Report**

SS (21.5), SSPS (21.3) or DPH SS (21.42)	Full Contract or Program Within Contract	DPH Section	NP, FP, Gov	Justification	Contractor/Agency	Description of Service	Start Date	End Date	Total Sole Source Amount
SS (21.42)	All	BHS	NP	planning RFP	Seneca Center	Capacity Building at San Francisco schools (working with students who pose behavioral problems and/or Risk of Dropping Out)	1/1/2016	12/31/2017	\$6,134,854
SS (21.42)	All	BHS	NP	planning RFP	St Marys' Medical Center	DPH contract for Behavioral Health Services	1/1/2016	12/31/2017	\$1,276,074
SS (21.42)	All	BHS	NP	planning RFP	Swords to Plowshare	Health & Social Services Program and Cover Program	1/1/2016	12/31/2017	\$1,180,699
SS (21.42)	All	BHS	NP	planning RFP	Thunder Road	DPH contract for Behavioral Health Services	7/1/2015	12/31/2017	\$923,486
SS (21.42)	All	BHS	NP	planning RFP	UC Alliance Health Project	AIDS Health Project	1/1/2016	12/31/2017	\$47,244
SS (21.42)	All	BHS	NP	planning RFP	UC Division of Substance Abuse and Addiction Medication (DSAAM)	Methadone Detox Services	1/1/2016	12/31/2017	\$27,552,154
SS (21.42)	All	BHS	NP	planning RFP	UCSF Child and Adolescent Services	Child and Adolescent Services	1/1/2016	12/31/2017	\$673,231
SS (21.42)	All	BHS	NP	planning RFP	UCSF Child Trauma Research Program	Trauma Research Program	1/1/2016	12/31/2017	\$193,817
SS (21.42)	Part	BHS	NP	planning RFP	UCSF Citywide	Behavioral Health Services Citywide case management	1/1/2016	12/31/2017	\$9,367,197
SS (21.42)	All	BHS	NP	planning RFP	UCSF Infant Parent Program	Infant-parent programs	1/1/2016	12/31/2017	\$3,010,777
SS (21.42)	All	BHS	NP	planning RFP	UCSF Langley Porter	Adolescent Community Psychiatry Training Program	1/1/2016	12/31/2017	\$92,092
SS (21.42)	All	BHS	NP	planning RFP	UCSF SPR	Single Point of Responsibility program	1/1/2016	12/31/2017	\$22,521,671
SS (21.42)	All	BHS	NP	planning RFP	Victor Treatment Center	Behavioral Health Services Residential Day Treatment	7/1/2015	12/31/2017	\$612,608
SS (21.42)	All	BHS	NP	planning RFP	West Coast Childrens Clinic	Behavioral Health Outpatient Mental Health Services	7/1/2015	12/31/2017	\$1,586,528
SS (21.42)	Part	BHS	NP	planning RFP	Westside Community	HIV Services	1/1/2016	12/31/2017	\$12,741,326
SS (21.42)	All	BHS	NP	planning RFP	Womens Community Clinic	Western Addition Health Training - Primary Care	7/1/2015	12/31/2017	\$430,795
SS (21.42)	Part	BHS	NP	planning RFP	YMCA	SF Urban Services	1/1/2016	12/31/2017	\$3,488,488
SS (21.42)	All	BHS	NP	planning RFP	Youth Leadership	Youth Community Action Coalition	1/1/2016	12/31/2017	\$816,500

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

MEMORANDUM

Date: May 26, 2016
To: Board of Supervisors
From: *ACC* Angela Calvillo, Clerk of The Board
Subject: Quarterly Report on Departmental Spending
Quarter Ending March 31, 2016

Section 10.19-5 of the Administrative Code requires that all City departments submit a report to the Board of Supervisors identifying any areas, by appropriations item, where the department's rate of spending, if continued for the rest of the fiscal year, would exceed the total appropriation for the fiscal year for that item.

For the second quarter of FY 2015-16, the department's expenditure rate, across all line items, if continued for the rest of the fiscal year, would not exceed the total appropriation for those items. Year-to-month-end expenditure rates, by appropriation item, for the quarter ending March 31, 2016 are as follows:

- 001 Salaries – 68.9%
- 013 Mandatory Fringe Benefits – 67.4%
- 021 Non Personnel Services – 74.0%
- 040 Materials & Supplies – 37.8%
- 060 Capital Outlay – 0%
- 06P Programmatic Projects – 0%
- 081 Services of Other Departments – 58.0%
- 086 Expenditure Recovery – 19.6%

The department expects to stay within the appropriated budget for the fiscal year.

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: CCSF's Application for Edward Byrne Memorial Justice Assistance Grant FY 16-17
Attachments: FJAG FY16-17_BOS Packet_DCYF.pdf

From: Fox, Emily (CHF)
Sent: Tuesday, June 28, 2016 12:13 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: CCSF's Application for Edward Byrne Memorial Justice Assistance Grant FY 16-17

Hi Rachel,

Attached please find the Local Solicitation for the FY 16-17 Edward Byrne Memorial Justice Assistance Grant and the CCSF's application for these funds for review by the Board of Supervisors.

Could you let me know the date that this will make it onto the BOS meeting agenda?

Please let me know if you require anything else.

Thank you for your assistance,

Emily

Emily Fox
Data & Evaluation Analyst
Department of Children, Youth & Their Families
1390 Market Street, Suite 900 | San Francisco, CA 94102
Tel: (415) 934-4841 | Fax: (415) 554-8965
www.DCYF.org



Maria Su, Psy.D.
DIRECTOR

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2016 JUN 28 PM 12:40

BY JB



Edwin M. Lee
MAYOR

June 28, 2016

Ms. Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlet Place
San Francisco, CA 94102-4689

Dear Ms. Calvillo,

The U.S. Department of Justice, Office of Justice Programs' Bureau of Justice Assistance is seeking applications for funding under the Edward Byrne Memorial Justice Assistance Grant Program FY 2016 Local Solicitation. Department of Children, Youth and Their Families is leading in partnership with Adult Probation Department, the District Attorney's Office, the Police Department, the Public Defender's Office, and the Sheriff's Department, and intend to apply for these Federal grant funds to support San Francisco's Continuum of Alternative Responses to Drug Offenses which is a multidisciplinary partnership that focuses on adopting a continuum of alternative responses with a harm reduction, recovery-centered approach for appropriate low-level drug offenders that seeks to not only improve their lives but to also increase the quality of life and public safety for all San Franciscans.

The Bureau of Justice Assistance requires the applicant agency to make the grant application available for review by the governing body not fewer than 30 days before the application is submitted. We have been advised that while this requirement cannot be met at the time the application is submitted, BJA will add a withholding special condition to our award. The withholding of funds special condition can be cleared once we confirm the governing body review requirement has been satisfied by being listed on the City's Petitions and Communications.

In accordance with this requirement, we respectfully request that you disseminate a copy of this correspondence along with the attached Edward Byrne Memorial Justice Assistance Grant Program FY 2016 Local Solicitation and CCSF's application to each member of the Board of Supervisors for review.

Thank you in advance for your assistance with this matter. Department of Children, Youth and Their Families and all of our City partners are committed to complying with all applicable requirements pertaining to the Edward Byrne Memorial Justice Assistance Grant. If you have any questions, please contact me at (415) 934-4841 or at emily.fox@dcyf.org.

Emily Fox
Department of Children Youth and Their Families

U.S. Department of Justice
Office of Justice Programs
Bureau of Justice Assistance



The U.S. Department of Justice (DOJ), Office of Justice Programs (OJP) Bureau of Justice Assistance (BJA) is seeking applications for funding under the Edward Byrne Memorial Justice Assistance Grant (JAG) Program. This program furthers the Department's mission by assisting state, local, and tribal efforts to prevent or reduce crime and violence.

Edward Byrne Memorial Justice Assistance Grant (JAG) Program
Fiscal Year (FY) 2016 Local Solicitation
Applications Due: June 30, 2016

Eligibility

Eligible applicants are limited to units of local government appearing on the FY 2016 JAG Allocations List. To view this list, go to www.bja.gov/programs/jag/16jagallocations.html. For JAG Program purposes, a unit of local government is a town, township, village, parish, city, county, borough, or other general purpose political subdivision of a state; or, it may also be a federally recognized Indian tribal government that perform law enforcement functions (as determined by the Secretary of the Interior). Otherwise a unit of local government may be any law enforcement district or judicial enforcement district established under applicable state law with authority to independently establish a budget and impose taxes. In Louisiana, a unit of local government means a district attorney or parish sheriff.

Deadline

Applicants must register in the OJP Grants Management System (GMS) prior to submitting an application for this funding opportunity. Registration is required for all applicants, even those previously registered in GMS. Select the "Apply Online" button associated with the solicitation title. All registrations and applications are due by **due by 5:00 p.m. eastern time on June 30, 2016**.

For additional information, see How to Apply in Section D. Application and Submission Information.

Contact Information

For technical assistance with submitting an application, contact the Grants Management System Support Hotline at 888-549-9901, option 3 or via email at GMS.HelpDesk@usdoj.gov. The GMS Support Hotline hours of operation are Monday – Friday from 6:00 a.m. to midnight eastern time, except federal holidays.

Applicants that experience unforeseen GMS technical issues beyond their control that prevent them from submitting their application by the deadline must email the contact identified below **within 24 hours after the application deadline** and request approval to submit their application. Additional information on reporting technical issues is found under “Experiencing Unforeseen GMS Technical Issues” in the How to Apply section.

For assistance with any other requirement of this solicitation, contact the National Criminal Justice Reference Service (NCJRS) Response Center: toll-free at 1-800-851-3420; via TTY at 301-240-6310 (hearing impaired only); email grants@ncjrs.gov; fax to 301-240-5830; or web chat at <https://webcontact.ncjrs.gov/ncjchat/chat.jsp>. The NCJRS Response Center hours of operation are 10:00 a.m. to 6:00 p.m. eastern time, Monday through Friday. You may also contact your State Policy Advisor.

Release date: May 16, 2016

Contents

A. Program Description	4
Overview	4
Program-Specific Information	4
Goals, Objectives, and Deliverables	7
Evidence-Based Programs or Practices	7
B. Federal Award Information	8
Type of Award	8
Financial Management and System of Internal Controls	9
Budget Information	10
Cost Sharing or Matching Requirement	11
Pre-Agreement Cost (also known as Pre-award Cost) Approvals	11
Prior Approval, Planning, and Reporting of Conference/Meeting/Training Costs	11
Costs Associated with Language Assistance (if applicable)	12
C. Eligibility Information	14
Limit on Number of Application Submissions	14
D. Application and Submission Information	14
What an Application Should Include	14
How to Apply	22
E. Application Review Information	24
Review Process	24
F. Federal Award Administration Information	25
Federal Award Notices	25
Administrative, National Policy, and other Legal Requirements	25
General Information about Post-Federal Award Reporting Requirements	26
G. Federal Awarding Agency Contact(s)	26
H. Other Information	26
Provide Feedback to OJP	26
Application Checklist	28

Edward Byrne Memorial Justice Assistance Grant (JAG) Program: FY 2016 Local Solicitation (CFDA #16.738)

A. Program Description

Overview

The Edward Byrne Memorial Justice Assistance Grant (JAG) Program (42 U.S.C. § 3751(a)) is the primary provider of federal criminal justice funding to state and local jurisdictions. The JAG Program provides states and units of local governments with critical funding necessary to support a range of program areas including law enforcement; prosecution and court programs; prevention and education programs; corrections and community corrections; drug treatment and enforcement; crime victim and witness initiatives; and planning, evaluation, and technology improvement programs.

Program-Specific Information

JAG funds may be used for state and local initiatives, technical assistance, strategic planning, research and evaluation (including forensics), data collection, training, personnel, equipment, forensic laboratories, supplies, contractual support, and criminal justice information systems that will improve or enhance such areas as:

- Law enforcement programs.
- Prosecution and court programs, including indigent defense.
- Prevention and education programs.
- Corrections, community corrections and reentry programs.
- Drug treatment and enforcement programs.
- Planning, evaluation, and technology improvement programs.
- Crime victim and witness programs (other than compensation).

Additionally, BJA reminds applicants that the JAG program allows funding for broadband deployment and adoption activities as they relate to criminal justice activities.

JAG Priority Areas

BJA recognizes that there are significant pressures on state and local criminal justice systems. In these challenging times, shared priorities and leveraged resources can make a significant impact. In light of this, it is important to make State Administering Agencies (SAAs) and local JAG recipients aware of several areas of priority that may be of help in maximizing the effectiveness of JAG funding at the state and local level. The following priorities represent key areas where BJA will be focusing nationally and encourages each state and local JAG recipient to join us in addressing these challenges as a part of our JAG partnership:

Reducing Gun Violence

Gun violence has touched nearly every state, local, and tribal government in America. BJA continues to encourage states and localities to invest valuable JAG funds in programs to combat gun violence, enforce existing firearms laws, and improve the process for ensuring that persons prohibited from purchasing or owning guns are prevented from doing so by enhancing reporting to the FBI's National Instant Criminal Background Check System (NICS).

While our nation has made great strides in reducing violent crime, some municipalities and regions continue to experience unacceptable levels of violent crime at rates far in excess of the national average. In 2014, as part of BJA's longstanding commitment to support effective strategies to reduce violent crime, BJA launched the Violence Reduction Network (VRN). By the end of FY 2016, 10 VRN sites, working with a broad network of federal, state, and local partners, will be implementing data-driven evidence-based strategies to reduce deeply entrenched violent crime in their communities. States and localities can support VRN sites by investing JAG funds in technology, crime analysis, training, and community-based crime reduction programs in VRN communities. For information on VRN, see www.bja.gov/Programs/VRN.html.

Body-Worn Cameras, Storage, and Policies

Law enforcement agencies across the country are equipping their officers with body-worn cameras (BWCs) to increase transparency and build community trust. The important benefits of BWCs, and the challenges in implementing BWC programs, are highlighted in several recent publications: see the Office of Justice Programs' Diagnostic Center report *Police Officer Body-Worn Cameras: Assessing the Evidence*, and the COPS Office and Police Executive Research Forum paper, *Implementing A Body-Worn Camera Program: Recommendations and Lessons Learned*.

JAG funding is an important potential source of funding for law enforcement agencies implementing new BWC programs or enhancing existing programs. JAG funds may be used to purchase BWCs and for costs associated with the BWC program, such as storage and policy development. Similarly, SAAs are encouraged to use either their Variable Pass-Through (VPT) or their "less than \$10,000" funding that is added into the state award to set aside funds to assist small departments in implementing BWC programs. Grantees who wish to use JAG funds to purchase BWC equipment, or to implement or enhance BWC programs, must certify that they or the law enforcement agency receiving the BWC funding have policies and procedures in place related to equipment usage, data storage, privacy, victims, access, disclosure, training, etc. A copy of the required BWC certification can be found at www.bja.gov/Funding/BodyWornCameraCert.pdf.

The BJA BWC Toolkit provides model BWC policies, resources, and best practices to assist departments in implementing BWC programs.

National Incident-Based Reporting System (NIBRS)

The FBI has formally announced its intentions to establish NIBRS as the law enforcement (LE) crime data reporting standard for the nation. The transition to NIBRS will provide a more complete and accurate picture of crime at the national, state, and local level. Once this transition is complete, the FBI will no longer collect summary data and will only accept data in the NIBRS format and JAG awards will be based on submitted NIBRS data. Transitioning all law enforcement agencies to NIBRS is the first step in gathering more comprehensive crime data. State and local JAG grantees are encouraged to use JAG funds to expedite the transition to NIBRS in their jurisdictions.

Justice System Reform and Reentry

There is growing bipartisan support for Justice Systems Reform and Reentry. A promising approach to justice systems reform is the Justice Reinvestment Initiative (JRI), a public-private partnership between BJA and the PEW Public Safety Performance Project. Currently, 30 states have used the justice reinvestment process to control spiraling incarceration costs and reinvest

in evidence-based criminal justice programs and strategies. Strategic investments of JAG funds to implement JRI legislation and policy changes in JRI states can augment federal funds and achieve greater cost savings and reinvestments in programs to promote public safety. For state-by-state information on JRI, please visit the [JRI Sites web page](#).

Over the past seven years, DOJ has partnered with state, local, and tribal agencies and national organizations to support hundreds of reentry programs across the country to provide job training, healthcare, housing, treatment, and other services to individuals returning to our communities from prisons and jails. The demand for effective reentry services remains high. More than 600,000 men and women leave our prisons every year and more than 11 million people cycle through our jails. Investments of JAG funds to support reentry efforts at the state and local level will pay dividends for returning citizens and for public safety in America. A summary of research-based reentry strategies is available on the [National Reentry Resource Center's What Works in Reentry Clearinghouse](#) along with a map identifying federally funded Second Chance Act Reentry programs at the state and local level. (See <https://csgjusticecenter.org/nrrc>).

Public Defense

Another key priority area is support for improving public defense delivery systems. To support this priority in November 2015, BJA established the Right to Counsel National Consortium (www.rtcnationalcampaign.org) to spearhead a national conversation on how to ensure the Sixth Amendment Right to Counsel for every individual. BJA continues to encourage states and SAAs to use JAG funds to ensure that no person faces the loss of liberty without first having the aid of a lawyer with the time, ability, and resources to present an effective defense. Currently, across the nation public defense reform is being supported by governors, state legislators, chief judges and local communities. Research shows that early appointment of counsel can decrease jail and prison stays and produce better outcomes for defendants and communities. Many of these successes are guided by the American Bar Association's Ten Principles of a Public Defense Delivery System, which are recommendations for government officials and other parties who are charged with improving public defense delivery systems (http://www.americanbar.org/content/dam/aba/administrative/legal_aid_indigent_defendants/ls_sclaid_def_tenprinciplesbooklet.authcheckdam.pdf).

Improving Mental Health Services

Many people with mental illness enter the criminal justice system without a diagnosis or with untreated mental illness. Screening and assessment is critical to identify and provide appropriate referrals to treatment. This is an issue that impacts numerous facets of the criminal justice system. BJA encourages states to utilize JAG funding in support of programs and policy changes aimed at identifying and treating people with severe mental illness to divert when appropriate, treat during incarceration, and engage in appropriate pre-release planning for the provision of community treatment (see [JMHCP Resources](#)). BJA provides training and technical assistance (TTA) to grantees and non-grantees (states, jurisdictions) to increase enrollment in health care plans (increase linkages to health care providers) that can increase access to treatment for improved mental health outcomes. Information can be found at www.bjatraining.org.

DOJ Universal Accreditation w/Forensic Service Providers

In 2015, the National Commission on Forensic Science (NCFS) announced recommendations on strengthening the field of forensic science. There are a number of key principles, which include promoting universal accreditation and finding ways to improve upon medical-legal

investigative processes. For additional information on these recommendations, please review the New Accreditation Policies to Advance Forensic Science. The JAG program provides broad-based support to states and local jurisdictions across the nation in order to strengthen our criminal justice system, including the forensic sciences. As such, BJA encourages investments of JAG funds for programs and activities related to forensic work, including accreditation of forensic labs.

Goals, Objectives, and Deliverables

The Chief Executive Officer (CEO) of an eligible unit of local government or other officer designated by the CEO must submit the application for JAG funds. A unit of local government receiving a JAG award will be responsible for the administration of the funds including: distributing the funds; monitoring the award; submitting quarterly financial status (SF-425), performance metrics reports, and semi-annual programmatic reports; and providing ongoing oversight and assistance to any subrecipients of the funds.

Evidence-Based Programs or Practices

OJP strongly emphasizes the use of data and evidence in policy making, program development, and program implementation in criminal justice, juvenile justice, and crime victim services. OJP is committed to:

- Improving the quantity and quality of evidence OJP generates
- Integrating evidence into program, practice, and policy decisions within OJP and the field
- Improving the translation of evidence into practice

OJP considers programs and practices to be evidence-based when their effectiveness has been demonstrated by causal evidence, generally obtained through one or more outcome evaluations. Causal evidence documents a relationship between an activity or intervention (including technology) and its intended outcome, including measuring the direction and size of a change, and the extent to which a change may be attributed to the activity or intervention. Causal evidence depends on the use of scientific methods to rule out, to the extent possible, alternative explanations for the documented change. The strength of causal evidence, based on the factors described above, will influence the degree to which OJP considers a program or practice to be evidence-based. The OJP CrimeSolutions.gov website is one resource that applicants may use to find information about evidence-based programs in criminal justice, juvenile justice, and crime victim services.

1. A useful matrix of evidence-based policing programs and strategies is available through the Center for Evidence-Based Crime Policy at George Mason University. BJA offers a number of program models designed to effectively implement promising and evidence-based strategies through the BJA “Smart Suite” of programs including Smart Policing, Smart Supervision, Smart Pretrial, Smart Defense, Smart Prosecution, Smart Reentry and others (see <https://www.bja.gov/programs/crppe/smartsuite.htm>). BJA encourages states to use JAG funds to support these “smart on crime” strategies, including effective partnerships with universities and research partners and with non-traditional criminal justice partners.

BJA Success Stories

The BJA Success Story web page was designed to identify and highlight projects that have demonstrated success or shown promise in reducing crime and positively impacting communities. This web page will be a valuable resource for states, localities, territories, tribes,

and criminal justice professionals who seek to identify and learn about JAG and other successful BJA-funded projects linked to innovation, crime reduction, and evidence-based practices. **BJA strongly encourages the recipient to submit annual (or more frequent) success stories.**

If you have a Success Story you would like to submit, sign in to your [My BJA account](#) to access the Success Story Submission form. If you do not have a [My BJA account](#), please [register](#). Once you register, one of the available areas on your *My BJA* page will be "*My Success Stories*." Within this box, you will see an option to add a Success Story. Once reviewed and approved by BJA, all success stories will appear on the [BJA Success Story web page](#).

B. Federal Award Information

BJA estimates that it will make up to 1,161 local awards totaling an estimated \$86.4 million.

Awards of at least \$25,000 are four years in length, and award periods will be from October 1, 2015 through September 30, 2019. Extensions beyond this period may be made on a case-by-case basis at the discretion of BJA and must be requested via GMS no less than 30 days prior to the grant end date.

Awards of less than \$25,000 are two years in length, and award periods will be from October 1, 2015 through September 30, 2017. Extensions of up to two years can be requested for these awards via GMS no less than 30 days prior to the grant end date, and will be automatically granted upon request.

All awards are subject to the availability of appropriated funds and to any modifications or additional requirements that may be imposed by law.

Eligible allocations under JAG are posted annually on BJA's JAG web page: www.bja.gov/ProgramDetails.aspx?Program_ID=59.

Type of Award¹

BJA expects that it will make any award from this solicitation in the form of a grant.

JAG awards are based on a statutory formula as described below:

Once each fiscal year's overall JAG Program funding level is determined, BJA partners with the Bureau of Justice Statistics (BJS) to begin a four-step grant award calculation process which consists of:

1. Computing an initial JAG allocation for each state and territory, based on their share of violent crime and population (weighted equally).
2. Reviewing the initial JAG allocation amount to determine if the state or territory allocation is less than the minimum ("de minimus") award amount defined in the JAG legislation (0.25 percent of the total). If this is the case, the state or territory is funded at the minimum level, and the funds required for this are deducted from the overall pool of JAG

¹ See generally 31 U.S.C. §§ 6301-6305 (defines and describes various forms of federal assistance relationships, including grants and cooperative agreements [a type of grant]).

funds. Each of the remaining states receives the minimum award plus an additional amount based on their share of violent crime and population.

3. Dividing each state's final award amount (except for the territories and District of Columbia) between state and local governments at a rate of 60 and 40 percent, respectively.
4. Determining local unit of government award allocations, which are based on their proportion of the state's 3-year violent crime average. If a local eligible award amount is less than \$10,000, the funds are returned to the state to be awarded to these local units of government through the state agency. If the eligible award amount is \$10,000 or more, then the local government is eligible to apply for a JAG award directly from BJA.

Financial Management and System of Internal Controls

Award recipients and subrecipients (including any recipient or subrecipient funded in response to this solicitation that is a pass-through entity²) must, as described in the Part 200 Uniform Requirements set out at 2 C.F.R. 200.303:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the recipient (and any subrecipient) is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (c) Evaluate and monitor the recipient's (and any subrecipient's) compliance with statutes, regulations, and the terms and conditions of Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
- (e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the recipient (or any subrecipient) considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

In order to better understand administrative requirements and cost principles, applicants are encouraged to enroll, at no charge, in the Department of Justice Grants Financial Management Online Training available [here](#).

² For purposes of this solicitation (or program announcement), "pass-through entity" includes any entity eligible to receive funding as a recipient or subrecipient under this solicitation (or program announcement) that, if funded, may make a subaward(s) to a subrecipient(s) to carry out part of the funded program.

Budget Information

Administrative Funds – Grant recipients may use up to 10 percent of the JAG award, including up to 10 percent of any earned interest, for costs associated with administering funds. Administrative funds (when utilized) must be tracked separately and recipients must report on SF-425s those expenditures that specifically relate to each grant number and established grant period. Additionally, recipients and subrecipients are prohibited from commingling funds on a program-by-program or project-by-project basis. More specifically, administrative funds under JAG are utilized for the same purpose each year (i.e., the administration of JAG funding) and therefore not considered separate programs/projects (commingling is not occurring) when utilized across all active JAG awards.

Disparate Certification – A disparate allocation occurs when a city or municipality is allocated one-and-one-half times (150 percent) more than the county, while the county bears more than 50 percent of the costs associated with prosecution or incarceration of the municipality's Part 1 violent crimes. A disparate allocation also occurs when multiple cities or municipalities are collectively allocated four times (400 percent) more than the county, and the county bears more than 50 percent of the collective costs associated with prosecution or incarceration of each municipality's Part 1 violent crimes.

Jurisdictions certified as disparate must identify a fiscal agent that will submit a joint application for the aggregate eligible allocation to all disparate municipalities. The joint application must determine and specify the award distribution to each unit of local government and the purposes for which the funds will be used. When beginning the JAG application process, a Memorandum of Understanding (MOU) that identifies which jurisdiction will serve as the applicant/fiscal agent for joint funds must be completed and signed by the Authorized Representative for each participating jurisdiction. The signed MOU should be attached to the application. For a sample MOU, go to www.bja.gov/Funding/JAGMOU.pdf.

Supplanting – Supplanting is prohibited under JAG. Applicants cannot replace or supplant non-federal funds that have been appropriated for the same purpose. See the JAG FAQs on BJA's JAG web page for examples of supplanting.

Leveraging of Grant Funds – Although supplanting is prohibited, the leveraging of federal funding is encouraged. For example, a city may utilize JAG and Homeland Security Grant Program (HSGP) money to fund different portions of a fusion center project. In instances where leveraging occurs, all federal grant funds must be tracked and reported separately and may not be used to fund the same line items. Additionally, federal funds cannot be used as match for other federal awards.

Trust Fund – Units of Local Government may draw down JAG funds in advance. To do so, a trust fund must be established in which to deposit the funds. The trust fund may or may not be an interest-bearing account. If subrecipients draw down JAG funds in advance, they also must establish a trust fund in which to deposit funds. This trust fund requirement does not apply to direct JAG award recipients or subrecipients that draw down on a reimbursement basis rather than in advance.

Prohibited and Controlled Uses – The JAG Prohibited and Controlled Expenditures Guidance represents a combination of BJA-controlled items and those controlled under the Executive Order on “Federal Support for Local Law Enforcement Equipment Acquisition” that was signed on January 16, 2015. The guidance contains:

1. Table of all prohibited expenditures (strictly unallowable expenditures under JAG).
2. Table of all controlled expenditures (expenditures which require prior written approval from BJA under JAG; including UAV guidance checklist).
3. Controlled Expenditures Justification Template (must be completed and submitted for any JAG controlled expenditures request to be considered for approval by BJA).
4. Overall Controlled Expenditure/Equipment Guidance (should be reviewed in conjunction with the template prior to controlled expenditures request(s) being submitted to BJA).
5. Standards for State, Local and Tribal Law Enforcement Agencies for the Acquisition of Controlled Equipment with Federal Resources.

Additional information on JAG controlled and prohibited expenditures, along with the process for requesting prior approval from BJA to expend funds on controlled items, can be found within the JAG FAQs.

Cost Sharing or Matching Requirement

This solicitation does not require a match. However, if a successful application proposes a voluntary match amount, and OJP approves the budget, the total match amount incorporated into the approved budget becomes mandatory and subject to audit.

Pre-Agreement Cost (also known as Pre-award Cost) Approvals

Pre-agreement costs are costs incurred by the applicant prior to the start date of the period of performance of the grant award.

OJP does not typically approve pre-agreement costs; an applicant must request and obtain the prior written approval of OJP for all such costs. If approved, pre-agreement costs could be paid from grant funds consistent with a grantee's approved budget, and under applicable cost standards. However, all such costs prior to award and prior to approval of the costs are incurred at the sole risk of an applicant. Generally, no applicant should incur project costs before submitting an application requesting federal funding for those costs. Should there be extenuating circumstances that appear to be appropriate for OJP's consideration as pre-agreement costs, the applicant should contact the point of contact listed on the title page of this announcement for details on the requirements for submitting a written request for approval. See the section on Costs Requiring Prior Approval in the Financial Guide, for more information.

Prior Approval, Planning, and Reporting of Conference/Meeting/Training Costs

OJP strongly encourages applicants that propose to use award funds for any conference-, meeting-, or training-related activity to review carefully—before submitting an application—the OJP policy and guidance on conference approval, planning, and reporting available at www.ojp.gov/financialguide/DOJ/PostawardRequirements/chapter3.10a.htm. OJP policy and guidance (1) encourage minimization of conference, meeting, and training costs; (2) require prior written approval (which may affect project timelines) of most conference, meeting, and training costs for cooperative agreement recipients and of some conference, meeting, and training costs for grant recipients; and (3) set cost limits, including a general prohibition of all food and beverage costs.

Costs Associated with Language Assistance (if applicable)

If an applicant proposes a program or activity that would deliver services or benefits to individuals, the costs of taking reasonable steps to provide meaningful access to those services or benefits for individuals with limited English proficiency may be allowable. Reasonable steps to provide meaningful access to services or benefits may include interpretation or translation services where appropriate.

For additional information, see the "Civil Rights Compliance" section under "Solicitation Requirements" in OJP's Funding Resource Center.

Other JAG Requirements

Compliance with Applicable Federal Laws

Applicants for state and local JAG formula grants are required to certify compliance with all applicable federal laws at the time of application. In that regard, Members of Congress have asked the Department of Justice to examine whether jurisdictions with "sanctuary policies" (i.e., policies that either prevent law enforcement from releasing persons without lawful immigration status into federal custody for deportation, or that prevent state or local law enforcement from sharing certain information with Department of Homeland Security [DHS] officials), are in violation of 8 U.S.C. section 1373.

All applicants should understand that if OJP receives information that indicates that an applicant may be in violation of any applicable federal law, that applicant may be referred to the DOJ Office of Inspector General (OIG) for investigation; if the applicant is found to be in violation of an applicable federal law by the OIG, the applicant may be subject to criminal and civil penalties, in addition to relevant OJP programmatic penalties, including suspension or termination of funds, inclusion on the high risk list, repayment of funds, or suspension and debarment.

Law Enforcement Agency Training Information

Any law enforcement agency receiving direct or subawarded JAG funding must submit quarterly accountability metrics data related to training on use of force, racial and ethnic bias, de-escalation of conflict, and constructive engagement with the public that officers have received.

Any grantees that fail to submit this data will have their grant funds frozen.

Accountability metrics reports must be submitted through BJA's PMT, available at www.bjaperformancetools.org. The accountability measures can be found at: <http://www.bjaperformancetools.org/help/jagdocs.html>.

Body-Worn Camera (BWC) purchases

Grantees who wish to use JAG funds to purchase BWC equipment, or to implement or enhance BWC programs, must certify that they or the law enforcement agency receiving the BWC funding have policies and procedures in place related to equipment usage, data storage, privacy, victims, access, disclosure, training, etc. A copy of the required BWC certification can be found at www.bja.gov/Funding/BodyWornCameraCert.pdf.

Any grantees that wish to use JAG funds for BWC-related expenses who do not have BWC policies and procedures in place will have funds withheld until a certification is submitted and approved by BJA.

The BJA BWC Toolkit provides model BWC policies, resources, and best practices to assist departments in implementing BWC programs.

Body Armor

Ballistic-resistant and stab-resistant body armor can be funded through two BJA-administered programs: the JAG Program and the Bulletproof Vest Partnership (BVP) Program. The BVP Program is designed to provide a critical resource to state and local law enforcement through the purchase of ballistic-resistant and stab-resistant body armor. A jurisdiction is able to request up to 50 percent of the cost of a vest with BVP funds. For more information on the BVP Program, including eligibility and application, refer to the BVP web page.

JAG funds may also be used to purchase vests for an agency, but they may not be used to pay for that portion of the ballistic-resistant vest (50 percent) that is not covered by BVP funds. Unlike BVP, JAG funds used to purchase vests do not require a 50 percent match. Vests purchased with JAG funds may be purchased at any threat level, make, or model from any distributor or manufacturer, as long as the vests have been tested and found to comply with the latest applicable National Institute of Justice (NIJ) ballistic or stab standards. In addition, vests purchased must be American-made. Information on the latest NIJ standards can be found at: www.nij.gov/topics/technology/body-armor/safety-initiative.htm.

As is the case in BVP, grantees who wish to purchase vests with JAG funds must certify that law enforcement agencies receiving vests have a written "mandatory wear" policy in effect. FAQs related to the mandatory wear policy and certifications can be found at www.bja.gov/Funding/JAGFAQ.pdf. This policy must be in place for at least all uniformed officers before any FY 2016 funding can be used by the agency for vests. There are no requirements regarding the nature of the policy other than it being a mandatory wear policy for all uniformed officers while on duty. The certification **must** be signed by the Authorized Representative and **must** be attached to the application. If the grantee proposes to change project activities to utilize JAG funds to purchase bulletproof vests after the application period (during the project period), the grantee must submit the signed certification to BJA at that time. A mandatory wear concept and issues paper and a model policy are available by contacting the BVP Customer Support Center vests@usdoj.gov or toll free at 1-877-758-3787.

A copy of the certification related to the mandatory wear can be found at: www.bja.gov/Funding/BodyArmorMandatoryWearCert.pdf.

DNA Testing of Evidentiary Materials and Upload of DNA Profiles to a Database

If JAG Program funds will be used for DNA testing of evidentiary materials, any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System (CODIS, the national DNA database operated by the FBI) by a government DNA lab with access to CODIS. No profiles generated with JAG funding may be entered into any other non-governmental DNA database without prior express written approval from BJA. For more information, refer to the NIJ DNA Backlog Reduction Program, available at www.nij.gov/topics/forensics/lab-operations/evidence-backlogs/Pages/backlog-reduction-program.aspx.

In addition, funds may not be used for purchase of DNA equipment and supplies when the resulting DNA profiles from such technology are not accepted for entry into CODIS.

Interoperable Communications

Grantees (including subgrantees) that are using FY 2016 JAG Program funds to support emergency communications activities (including the purchase of interoperable communications equipment and technologies such as voice-over-internet protocol bridging or gateway devices, or equipment to support the build out of wireless broadband networks in the 700 MHz public safety band under the Federal Communications Commission (FCC) Waiver Order) should review FY 2016 SAFECOM Guidance. The SAFECOM Guidance is updated annually to provide current information on emergency communications policies, eligible costs, best practices, and technical standards for state, local, tribal, and territorial grantees investing federal funds in emergency communications projects. Additionally, emergency communications projects should support the Statewide Communication Interoperability Plan (SCIP) and be coordinated with the full-time Statewide Interoperability Coordinator (SWIC) in the state of the project. As the central coordination point for their state's interoperability effort, the SWIC plays a critical role, and can serve as a valuable resource. SWICs are responsible for the implementation of the SCIP through coordination and collaboration with the emergency response community. The U.S. Department of Homeland Security Office of Emergency Communications maintains a list of SWICs for each of the 56 states and territories. Contact OEC@hq.dhs.gov. All communications equipment purchased with grant award funding should be identified during quarterly performance metrics reporting.

In order to promote information sharing and enable interoperability among disparate systems across the justice and public safety community, OJP requires the grantee to comply with DOJ's Global Justice Information Sharing Initiative guidelines and recommendations for this particular grant. Grantee shall conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: www.it.ojp.gov/gsp_grantcondition. Grantees shall document planned approaches to information sharing and describe compliance to the GSP and appropriate privacy policy that protects shared information, or provide detailed justification for why an alternative approach is recommended.

C. Eligibility Information

For eligibility information, see the title page.

For additional information on cost sharing or matching requirements, see Section B. Federal Award Information.

Limit on Number of Application Submissions

If an applicant submits multiple versions of the same application, BJA will review only the most recent system-validated version submitted. For more information on system-validated versions, see How to Apply.

D. Application and Submission Information

What an Application Should Include

Applicants should anticipate that if they fail to submit an application that contains all of the specified elements, it may negatively affect the review of their application; and, should a decision be made to make an award, it may result in the inclusion of special conditions that

preclude the recipient from accessing or using award funds pending satisfaction of the conditions.

Applicants may combine the Budget Narrative and the Budget Detail Worksheet in one document. However, if an applicant submits only one budget document, it must contain **both** narrative and detail information. Please review the “Note on File Names and File Types” under How to Apply to be sure applications are submitted in permitted formats.

OJP strongly recommends that applicants use appropriately descriptive file names (e.g., “Program Narrative,” “JAG Budget and Budget Narrative,” “Timelines,” “Memoranda of Understanding,” “Résumés”) for all attachments. Also, OJP recommends that applicants include résumés in a single file.

Failure to submit the required information will result in an application being returned in the Grants Management System (GMS) for inclusion of the missing information OR the attachment of a withholding of funds special condition at the time of award.

1. Information to Complete the Application for Federal Assistance (SF-424)

The SF-424 is a required standard form used as a cover sheet for submission of pre-applications, applications, and related information. GMS takes information from the applicant’s profile to populate the fields on this form.

Intergovernmental Review: This funding opportunity is subject to Executive Order 12372. Applicants may find the names and addresses of their state’s Single Point of Contact (SPOC) at the following website: www.whitehouse.gov/omb/grants_spoc/. Applicants whose state appears on the SPOC list must contact their state’s SPOC to find out about, and comply with, the state’s process under Executive Order 12372. In completing the SF-424, applicants whose state appears on the SPOC list are to make the appropriate selection in response to question 19 once the applicant has complied with their state’s E.O. 12372 process. (Applicants whose state does not appear on the SPOC list are to make the appropriate selection in response to question 19 to indicate that the “Program is subject to E.O. 12372 but has not been selected by the State for review.”)

2. Project Abstract

Applications should include a high-quality project abstract that summarizes the proposed project in 400 words or less. Project abstracts should be:

- Written for a general public audience and submitted as a separate attachment with “Project Abstract” as part of its file name.
- Single-spaced, using a standard 12-point font (Times New Roman) with 1-inch margins
- Include applicant name, title of the project, a brief description of the problem to be addressed and the targeted area/population, project goals and objectives, a description of the project strategy, any significant partnerships, and anticipated outcomes.
- Identify up to 5 project identifiers that would be associated with proposed project activities. The list of identifiers can be found at www.bja.gov/funding/JAGIdentifiers.pdf.

As a separate attachment, the project abstract will **not** count against the page limit for the program narrative.

3. Program Narrative

Applicants must submit a program narrative that generally describes the proposed program activities for the two or four year grant period. The narrative must outline the type of programs to be funded by the JAG award and provide a brief analysis of the need for the programs. Narratives must also identify anticipated coordination efforts involving JAG and related justice funds. Certified disparate jurisdictions submitting a joint application must specify the funding distribution to each disparate unit of local government and the purposes for which the funds will be used.

A plan for collecting the data required for this solicitation's performance measures should also be included. To demonstrate program progress and success, as well as to assist the Department with fulfilling its responsibilities under the Government Performance and Results Act of 1993 (GPRA), Public Law 103-62, and the GPRA Modernization Act of 2010, Public Law 111-352, applicants that receive funding under this solicitation must provide data that measure the results of their work done under this solicitation. **Quarterly accountability metrics reports must be submitted through BJA's PMT, available at www.bjaperformancetools.org. The accountability measures can be found at:**

<http://www.bjaperformancetools.org/help/jagdocs.html>.

BJA does not require applicants to submit performance measures data with their application. Performance measures are included as an alert that BJA will require successful applicants to submit specific data as part of their reporting requirements. For the application, applicants should indicate an understanding of these requirements and discuss how they will gather the required data, should they receive funding.

Note on Project Evaluations

Applicants that propose to use funds awarded through this solicitation to conduct project evaluations should be aware that certain project evaluations (such as systematic investigations designed to develop or contribute to generalizable knowledge) may constitute "research" for purposes of applicable DOJ human subjects protection regulations. However, project evaluations that are intended only to generate internal improvements to a program or service, or are conducted only to meet OJP's performance measure data reporting requirements likely do not constitute "research." Applicants should provide sufficient information for OJP to determine whether the particular project they propose would either intentionally or unintentionally collect and/or use information in such a way that it meets the DOJ regulatory definition of research.

Research, for the purposes of human subjects protections for OJP-funded programs, is defined as, "a systematic investigation, including research development, testing, and evaluation, designed to develop or contribute to generalizable knowledge" 28 C.F.R. § 46.102(d). For additional information on determining whether a proposed activity would constitute research, see the decision tree to assist applicants on the "[Research and the Protection of Human Subjects](#)" section of the [OJP's Funding Resource Center](#). Applicants whose proposals may involve a research or statistical component also should review the "Data Privacy and Confidentiality Requirements" section on that web page.

4. Budget Detail Worksheet and Budget Narrative

Applicants must submit a budget detail worksheet and budget narrative outlining how JAG funds, including administrative funds (up to 10% of the grant award) if applicable, will be used to

support and implement the program. Please note that if an applicant submits only one budget document, it must contain **both** narrative and detail information.

a. Budget Detail Worksheet

A sample Budget Detail Worksheet can be found at www.ojp.gov/funding/Apply/Resources/BudgetDetailWorksheet.pdf. Applicants that submit their budget in a different format should include the budget categories listed in the sample budget worksheet. The Budget Detail Worksheet should be broken down by year.

b. Budget Narrative

The budget narrative should thoroughly and clearly describe every category of expense listed in the Budget Detail Worksheet. OJP expects proposed budgets to be complete, cost effective, and allowable (e.g., reasonable, allocable, and necessary for project activities). **This narrative should include a full description of all costs, including administrative costs (if applicable) and how funds will be allocated across the seven allowable JAG program areas** (law enforcement, prosecution, indigent defense, courts, crime prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation, technology improvement, and crime victim and witness initiatives).

Applicants should demonstrate in their budget narratives how they will maximize cost effectiveness of grant expenditures. Budget narratives should generally describe cost effectiveness in relation to potential alternatives and the goals of the project. For example, a budget narrative should detail why planned in-person meetings are necessary, or how technology and collaboration with outside organizations could be used to reduce costs, without compromising quality.

The narrative should be mathematically sound and correspond with the information and figures provided in the Budget Detail Worksheet. The narrative should explain how the applicant estimated and calculated all costs, and how they are relevant to the completion of the proposed project. The narrative may include tables for clarification purposes but need not be in a spreadsheet format. As with the Budget Detail Worksheet, the Budget Narrative should be broken down by year.

For questions pertaining to budget and examples of allowable and unallowable costs, see the DOJ Grants Financial Guide at www.ojp.gov/financialguide/index.htm.

c. Non-Competitive Procurement Contracts In Excess of Simplified Acquisition Threshold

If an applicant proposes to make one or more non-competitive procurements of products or services, where the non-competitive procurement will exceed the simplified acquisition threshold (also known as the small purchase threshold), which is currently set at \$150,000, the application should address the considerations outlined in the [Financial Guide](#).

d. Pre-Agreement Costs

For information on pre-agreement costs, see “Pre-Agreement Cost Approvals” under [Section B. Federal Award Information](#).

5. Indirect Cost Rate Agreement (if applicable)

Indirect costs are allowed only under the following circumstances:

- (a) The applicant has a current, federally approved indirect cost rate; or
- (b) The applicant is eligible to use and elects to use the “de minimis” indirect cost rate described in the Part 200 Uniform Requirements as set out at 2 C.F.R. 200.414(f).

Attach a copy of the federally approved indirect cost rate agreement to the application. Applicants that do not have an approved rate may request one through their cognizant federal agency, which will review all documentation and approve a rate for the applicant organization, or, if the applicant’s accounting system permits, costs may be allocated in the direct cost categories. For the definition of Cognizant Federal Agency, see the “Glossary of Terms” in the Financial Guide. For assistance with identifying your cognizant agency, please contact the Customer Service Center at 1-800-458-0786 or at ask.ocfo@usdoj.gov. If DOJ is the cognizant federal agency, applicants may obtain information needed to submit an indirect cost rate proposal at www.ojp.gov/funding/Apply/Resources/IndirectCosts.pdf.

In order to use the “de minimis” indirect rate, attach written documentation to the application that advises OJP of both the applicant’s eligibility (to use the “de minimis” rate) and its election. If the applicant elects the “de minimis” method, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. In addition, if this method is chosen then it must be used consistently for all federal awards until such time as you choose to negotiate a federally approved indirect cost rate.³

6. Tribal Authorizing Resolution (if applicable)

Tribes, tribal organizations, or third parties proposing to provide direct services or assistance to residents on tribal lands should include in their applications a resolution, a letter, affidavit, or other documentation, as appropriate, that certifies that the applicant has the legal authority from the tribe(s) to implement the proposed project on tribal lands. In those instances when an organization or consortium of tribes applies for a grant on behalf of a tribe or multiple specific tribes, the application should include appropriate legal documentation, as described above, from all tribes that would receive services or assistance under the grant. A consortium of tribes for which existing consortium bylaws allow action without support from all tribes in the consortium (i.e., without an authorizing resolution or comparable legal documentation from each tribal governing body) may submit, instead, a copy of its consortium bylaws with the application.

Applicants unable to submit an application that includes a fully-executed (i.e., signed) copy of appropriate legal documentation, as described above, consistent with the applicable tribe’s governance structure, should, at a minimum, submit an unsigned, draft version of such legal documentation as part of its application (except for cases in which, with respect to a tribal consortium applicant, consortium bylaws allow action without the support of all consortium member tribes). If selected for funding, BJA will make use of and access to funds contingent on receipt of the fully-executed legal documentation.

7. Applicant Disclosure of High Risk Status

Applicants that are currently designated high risk by another federal grant making agency must disclose that status. This includes any status requiring additional oversight by the federal agency due to past programmatic or financial concerns. If an applicant is designated

³ See 2 C.F.R. § 200.414(f).

high risk by another federal grant making agency, the applicant must email the following information to OJPComplianceReporting@usdoj.gov at the time of application submission:

- The federal agency that currently designated the applicant as high risk
- Date the applicant was designated high risk
- The high risk point of contact name, phone number, and email address, from that federal agency
- Reasons for the high risk status

OJP seeks this information to ensure appropriate federal oversight of any grant award. Disclosing this high risk information does not disqualify any organization from receiving an OJP award. However, additional grant oversight may be included, if necessary, in award documentation.

8. Additional Attachments

a. Review Narrative

Applicants **must** submit information documenting that the date the JAG application was made available for review by the governing body of the state, or to an organization designated by that governing body, was not less than 30 days before the application was submitted to BJA. If the 30 governing body requirement cannot be met before the application deadline, a withholding special condition will be placed on the award until the governing body requirement can be met. The attachment must also specify that an opportunity to comment was provided to citizens prior to application submission to the extent applicable law or established procedures make such opportunity available.

Below are notification language templates that can be utilized in completing this section of the application.

The (provide name of State/Territory) made its Fiscal Year 2015 JAG application available to the (provide name of governing body) for its review and comment on (provide date); or intends to do so on (provide date).

The (provide name of State/Territory) made its Fiscal Year 2015 JAG application available to citizens for comment prior to application submission by (provide means of notification); or the application has not yet been made available for public review/comment.

b. Memorandum of Understanding (if applicable)

Jurisdictions certified as disparate must identify a fiscal agent that will submit a joint application for the aggregate eligible allocation to all disparate municipalities. The joint application must determine and specify the award distribution to each unit of local government and the purposes for which the funds will be used. When beginning the JAG application process, a Memorandum of Understanding (MOU) that identifies which jurisdiction will serve as the applicant/fiscal agent for joint funds must be completed and signed by the Authorized Representative for each participating jurisdiction. The signed MOU must be attached to the application. For a sample MOU, go to www.bja.gov/Funding/JAGMOU.pdf.

c. Applicant Disclosure of Pending Applications

Applicants are to disclose whether they have pending applications for federally funded grants or subgrants (including cooperative agreements) that include requests for funding to support the same project being proposed under this solicitation and will cover the identical cost items outlined in the budget narrative and worksheet in the application under this solicitation. The disclosure should include both direct applications for federal funding (e.g., applications to federal agencies) and indirect applications for such funding (e.g., applications to state agencies that will subaward federal funds).

OJP seeks this information to help avoid any inappropriate duplication of funding. Leveraging multiple funding sources in a complementary manner to implement comprehensive programs or projects is encouraged and is not seen as inappropriate duplication.

Applicants that have pending applications as described above are to provide the following information about pending applications submitted within the last 12 months:

- The federal or state funding agency
- The solicitation name/project name
- The point of contact information at the applicable funding agency

Federal or State Funding Agency	Solicitation Name/Project Name	Name/Phone/Email for Point of Contact at Funding Agency
DOJ/COPS	COPS Hiring Program	Jane Doe, 202/000-0000; jane.doe@usdoj.gov
HHS/ Substance Abuse & Mental Health Services Administration	Drug Free Communities Mentoring Program/ North County Youth Mentoring Program	John Doe, 202/000-0000; john.doe@hhs.gov

Applicants should include the table as a separate attachment to their application. The file should be named "Disclosure of Pending Applications."

Applicants that do not have pending applications as described above are to include a statement to this effect in the separate attachment page (e.g., "[Applicant Name on SF-424] does not have pending applications submitted within the last 12 months for federally funded grants or subgrants (including cooperative agreements) that include requests for funding to support the same project being proposed under this solicitation and will cover the identical cost items outlined in the budget narrative and worksheet in the application under this solicitation.").

d. Research and Evaluation Independence and Integrity

If a proposal involves research and/or evaluation, regardless of the proposal's other merits, in order to receive funds, the applicant must demonstrate research/evaluation independence, including appropriate safeguards to ensure research/evaluation objectivity and integrity, both in this proposal and as it may relate to the applicant's other current or prior related projects. This documentation may be included as an attachment to the application which addresses BOTH i. and ii. below.

- i. For purposes of this solicitation, applicants must document research and evaluation independence and integrity by including, at a minimum, one of the following two items:
 - a. A specific assurance that the applicant has reviewed its proposal to identify any research integrity issues (including all principal investigators and subrecipients) and it has concluded that the design, conduct, or reporting of research and evaluation funded by BJA grants, cooperative agreements, or contracts will not be biased by any personal or financial conflict of interest on the part of part of its staff, consultants, and/or subrecipients responsible for the research and evaluation or on the part of the applicant organization;

OR

- b. A specific listing of actual or perceived conflicts of interest that the applicant has identified in relation to this proposal. These conflicts could be either personal (related to specific staff, consultants, and/or subrecipients) or organizational (related to the applicant or any subgrantee organization). Examples of potential investigator (or other personal) conflict situations may include, but are not limited to, those in which an investigator would be in a position to evaluate a spouse's work product (actual conflict), or an investigator would be in a position to evaluate the work of a former or current colleague (potential apparent conflict). With regard to potential organizational conflicts of interest, as one example, generally an organization could not be given a grant to evaluate a project if that organization had itself provided substantial prior technical assistance to that specific project or a location implementing the project (whether funded by OJP or other sources), as the organization in such an instance would appear to be evaluating the effectiveness of its own prior work. The key is whether a reasonable person understanding all of the facts would be able to have confidence that the results of any research or evaluation project are objective and reliable. Any outside personal or financial interest that casts doubt on that objectivity and reliability of an evaluation or research product is a problem and must be disclosed.
- ii. In addition, for purposes of this solicitation applicants must address the issue of possible mitigation of research integrity concerns by including, at a minimum, one of the following two items:
 - a. If an applicant reasonably believes that no potential personal or organizational conflicts of interest exist, then the applicant should provide a brief narrative explanation of how and why it reached that conclusion. Applicants MUST also include an explanation of the specific processes and

procedures that the applicant will put in place to identify and eliminate (or, at the very least, mitigate) potential personal or financial conflicts of interest on the part of its staff, consultants, and/or subrecipients for this particular project, should that be necessary during the grant period. Documentation that may be helpful in this regard could include organizational codes of ethics/conduct or policies regarding organizational, personal, and financial conflicts of interest.

OR

- b. If the applicant has identified specific personal or organizational conflicts of interest in its proposal during this review, the applicant must propose a specific and robust mitigation plan to address conflicts noted above. At a minimum, the plan must include specific processes and procedures that the applicant will put in place to eliminate (or, at the very least, mitigate) potential personal or financial conflicts of interest on the part of its staff, consultants, and/or subrecipients for this particular project, should that be necessary during the grant period. Documentation that may be helpful in this regard could include organizational codes of ethics/conduct or policies regarding organizational, personal, and financial conflicts of interest. There is no guarantee that the plan, if any, will be accepted as proposed.

Considerations in assessing research and evaluation independence and integrity will include, but are not limited to, the adequacy of the applicant's efforts to identify factors that could affect the objectivity or integrity of the proposed staff and/or the organization in carrying out the research, development, or evaluation activity; and the adequacy of the applicant's existing or proposed remedies to control any such factors.

9. Financial Management and System of Internal Controls Questionnaire

In accordance with the Part 200 Uniform Requirements as set out at 2 C.F.R. 200.205, federal agencies must have in place a framework for evaluating the risks posed by applicants before they receive a federal award. To facilitate part of this risk evaluation, **all** applicants (other than an individual) are to download, complete, and submit this form.

10. Disclosure of Lobbying Activities

Any applicant that expends any funds for lobbying activities is to provide the detailed information requested on the form, Disclosure of Lobbying Activities (SF-LLL).

How to Apply

Applicants must submit applications through the Grants Management System (GMS), which provides support for the application, award, and management of awards at OJP. Applicants **must register in GMS for each specific funding opportunity**. Although the registration and submission deadlines are the same, OJP urges applicants to **register immediately**, especially if this is their first time using the system. Find complete instructions on how to register and submit an application in GMS at www.ojp.gov/gmscbt/. Applicants that experience technical difficulties during this process should email GMS.HelpDesk@usdoj.gov or call 888-549-9901 (option 3), Monday–Friday from 6:00 a.m. to midnight, Eastern Time, except federal holidays. OJP recommends that applicants **register promptly** to prevent delays in submitting an application package by the deadline.

Note on File Types: GMS does not accept executable file types as application attachments. These disallowed file types include, but are not limited to, the following extensions: “.com,” “.bat,” “.exe,” “.vbs,” “.cfg,” “.dat,” “.db,” “.dbf,” “.dll,” “.ini,” “.log,” “.ora,” “.sys,” and “.zip.”

OJP may not make a federal award to an applicant organization until the applicant organization has complied with all applicable DUNS and SAM requirements. Individual applicants must comply with all Grants.gov requirements. If an applicant has not fully complied with the requirements by the time the federal awarding agency is ready to make a federal award, the federal awarding agency may determine that the applicant is not qualified to receive a federal award and use that determination as a basis for making a federal award to another applicant.

All applicants should complete the following steps:

1. **Acquire a Data Universal Numbering System (DUNS) number.** In general, the Office of Management and Budget (OMB) requires that all applicants (other than individuals) for federal funds include a DUNS number in their application for a new award or a supplement to an existing award. A DUNS number is a unique nine-digit sequence recognized as the universal standard for identifying and differentiating entities receiving Federal funds. The identifier is used for tracking purposes and to validate address and point of contact information for federal assistance applicants, recipients, and subrecipients. The DUNS number will be used throughout the grant life cycle. Obtaining a DUNS number is a free, one-time activity. Call Dun and Bradstreet at 866-705-5711 to obtain a DUNS number or apply online at www.dnb.com. A DUNS number is usually received within 1-2 business days.
2. **Acquire registration with the System for Award Management (SAM).** SAM is the repository for standard information about federal financial assistance applicants, recipients, and subrecipients. OJP requires that all applicants (other than individuals) for federal financial assistance maintain current registrations in the SAM database. Applicants must **update or renew their SAM registration annually** to maintain an active status. SAM registration and renewal can take as long as 10 business days to complete.

Information about SAM registration procedures can be accessed at www.sam.gov.
3. **Acquire a GMS username and password.** New users must create a GMS profile by selecting the “First Time User” link under the sign-in box of the [GMS](#) home page. For more information on how to register in GMS, go to www.ojp.gov/gmscbt.
4. **Verify the SAM (formerly CCR) registration in GMS.** OJP requests that all applicants verify their SAM registration in GMS. Once logged into GMS, click the “CCR Claim” link on the left side of the default screen. Click the submit button to verify the SAM (formerly CCR) registration.
5. **Search for the funding opportunity on GMS.** After logging into GMS or completing the GMS profile for username and password, go to the “Funding Opportunities” link on the left side of the page. Select BJA and the **FY 16 Edward Byrne Memorial Local Justice Assistance Grant (JAG) Program**.
6. **Register by selecting the “Apply Online” button associated with the funding opportunity title.** The search results from step 5 will display the funding opportunity title

along with the registration and application deadlines for this funding opportunity. Select the “Apply Online” button in the “Action” column to register for this funding opportunity and create an application in the system.

7. **Follow the directions in GMS to submit an application consistent with this solicitation.** Once submitted, GMS will display a confirmation screen stating the submission was successful. **Important:** In some instances, applicants must wait for GMS approval before submitting an application. OJP urges applicants to submit the application **at least 72 hours prior** to the application due date.

Note: Duplicate Applications

If an applicant submits multiple versions of the same application, BJA will review only the most recent system-validated version submitted. See Note on “File Names and File Types” under How to Apply.

Experiencing Unforeseen GMS Technical Issues

Applicants that experience unforeseen GMS technical issues beyond their control that prevent them from submitting their application by the deadline must contact the GMS Help Desk or the SAM Help Desk (Federal Service Desk) to report the technical issue and receive a tracking number. Then the applicant must email the BJA contact identified in the Contact Information section on page 2 **within 24 hours after the application deadline** and request approval to submit their application. The email must describe the technical difficulties and include a timeline of the applicant’s submission efforts, the complete grant application, the applicant’s DUNS number, and any GMS Help Desk or SAM tracking number(s). **Note: BJA does not approve requests automatically.** After the program office reviews the submission, and contacts the GMS Help Desk to validate the reported technical issues, OJP will inform the applicant whether the request to submit a late application has been approved or denied. If OJP determines that the applicant failed to follow all required procedures, which resulted in an untimely application submission, OJP will deny the applicant’s request to submit their application.

The following conditions are generally insufficient to justify late submissions:

- Failure to register in SAM or GMS in sufficient time (SAM registration and renewal can take as long as 10 business days to complete)
- Failure to follow GMS instructions on how to register and apply as posted on the GMS website
- Failure to follow each instruction in the OJP solicitation
- Technical issues with the applicant’s computer or information technology environment, including firewalls, browser incompatibility, etc.

Notifications regarding known technical problems with GMS, if any, are posted at the top of the OJP funding web page at <http://ojp.gov/funding/index.htm>.

E. Application Review Information

Review Process

OJP is committed to ensuring a fair and open process for awarding grants. BJA reviews the application to make sure that the information presented is reasonable, understandable,

measurable, and achievable, as well as consistent with the solicitation. BJA will also review applications to ensure statutory requirements have been met.

OJP reviews applications for potential awards to evaluate the risks posed by applicants before they receive an award. This review may include but is not limited to the following:

1. Financial stability and fiscal integrity
2. Quality of management systems and ability to meet the management standards prescribed in the Financial Guide
3. History of performance
4. Reports and findings from audits
5. The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on award recipients

Absent explicit statutory authorization or written delegation of authority to the contrary, the Assistant Attorney General will make all final award decisions.

F. Federal Award Administration Information

Federal Award Notices

OJP sends award notification by email through GMS to the individuals listed in the application as the point of contact and the authorizing official. The email notification includes detailed instructions on how to access and view the award documents, and how to accept the award in GMS. GMS automatically issues the notifications at 9:00 p.m. eastern time on the award date (by September 30, 2016). Recipients will be required to login; accept any outstanding assurances and certifications on the award; designate a financial point of contact; and review, sign, and accept the award. The award acceptance process involves physical signature of the award document by the authorized representative and the scanning of the fully-executed award document to OJP.

Administrative, National Policy, and other Legal Requirements

If selected for funding, in addition to implementing the funded project consistent with the agency-approved project proposal and budget, the recipient must comply with award terms and conditions, and other legal requirements, including but not limited to OMB, DOJ, or other federal regulations which will be included in the award, incorporated into the award by reference, or are otherwise applicable to the award. OJP strongly encourages prospective applicants to review the information pertaining to these requirements **prior** to submitting an application. To assist applicants and recipients in accessing and reviewing this information, OJP has placed pertinent information on its Solicitation Requirements page of OJP's Funding Resource Center website.

Please note in particular the following two forms, which applicants must accept in GMS prior to the receipt of any award funds, as each details legal requirements with which applicants must provide specific assurances and certifications of compliance. Applicants may view these forms in the Apply section of OJP's Funding Resource Center and are strongly encouraged to review and consider them carefully prior to making an application for OJP grant funds.

- Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements

- Standard Assurances

Upon grant approval, OJP electronically transmits (via GMS) the award document to the prospective award recipient. In addition to other award information, the award document contains award terms and conditions that specify national policy requirements⁴ with which recipients of federal funding must comply; uniform administrative requirements, cost principles, and audit requirements; and program-specific terms and conditions required based on applicable program (statutory) authority or requirements set forth in OJP solicitations and program announcements, and other requirements which may be attached to appropriated funding. For example, certain efforts may call for special requirements, terms, or conditions relating to intellectual property, data/information-sharing or -access, or information security; or audit requirements, expenditures and milestones; or publications and/or press releases. OJP also may place additional terms and conditions on an award based on its risk assessment of the applicant, or for other reasons it determines necessary to fulfill the goals and objectives of the program.

Prospective applicants may access and review the text of mandatory conditions OJP includes in all OJP awards, as well as the text of certain other conditions, such as administrative conditions, via OJP's Mandatory Award Terms and Conditions page of OJP's Funding Resource Center.

General Information about Post-Federal Award Reporting Requirements

Recipients must submit quarterly financial reports, semi-annual progress reports, final financial and progress reports, an annual audit report in accordance with the Part 200 Uniform Requirements, if applicable, and Federal Funding Accountability and Transparency Act (FFATA) reports through the FFATA Sub-award Reporting System (FSRS) as necessary. Future awards and fund drawdowns may be withheld if reports are delinquent.

Special Reporting requirements may be required by OJP depending on the statutory, legislative or administrative requirements of the recipient or the program.

G. Federal Awarding Agency Contact(s)

For Federal Awarding Agency Contact(s), see title page.

For contact information for GMS, see title page.

H. Other Information

Provide Feedback to OJP

To assist OJP in improving its application and award processes, we encourage applicants to provide feedback on this solicitation, the application submission process, and/or the application review process. Provide feedback to OJPSolicitationFeedback@usdoj.gov.

⁴ See generally 2 C.F.R. 200.300 (provides a general description of national policy requirements typically applicable to recipients of federal awards, including the Federal Funding Accountability and Transparency Act of 2006 [FFATA]).

IMPORTANT: This email is for feedback and suggestions only. Replies are **not** sent from this mailbox. If you have specific questions on any program or technical aspect of the solicitation, **you must** directly contact the appropriate number or email listed on the front of this solicitation document. These contacts are provided to help ensure that you can directly reach an individual who can address your specific questions in a timely manner.

If you are interested in being a reviewer for other OJP grant applications, please email your resume to ojppeerreview@lmsolas.com. The OJP Solicitation Feedback email account will not forward your resume. **Note:** Neither you nor anyone else from your organization can be a peer reviewer in a competition in which you or your organization have submitted an application.

Application Checklist
Edward Byrne Memorial Justice Assistance Grant (JAG) Program:
FY 2016 Local Solicitation

This application checklist has been created to assist in developing an application.

What an Applicant Should Do:

Prior to Registering in GMS:

- _____ Acquire a DUNS Number (see page 23)
- _____ Acquire or renew registration with SAM (see page 23)

To Register with GMS:

- _____ For new users, acquire a GMS username and password* (see page 23)
- _____ For existing users, check GMS username and password* to ensure account access (see page 23)
- _____ Verify SAM registration in GMS (see page 23)
- _____ Search for correct funding opportunity in GMS (see page 23)
- _____ Select correct funding opportunity in GMS (see page 23)
- _____ Register by selecting the "Apply Online" button associated with the funding opportunity title (see page 23)
- _____ Read OJP policy and guidance on conference approval, planning, and reporting available at Post Award Requirements (see page 11)
- _____ If experiencing technical difficulties in GMS, contact the NCJRS Response Center (see page 24)

*Password Reset Notice – GMS users are reminded that while password reset capabilities exist, this function is only associated with points of contacts designated within GMS at the time the account was established. Neither OJP nor the GMS Help Desk will initiate a password reset unless requested by the authorized official or a designated point of contact associated with an award or application.

General Requirements:

- _____ Review Solicitation Requirements web page in the OJP Funding Resource Center.

Scope Requirement:

- _____ The federal amount requested is within the allowable limit(s) of the FY 2016 JAG Allocations List as listed on BJA's JAG web page

Eligibility Requirement:

- _____ State/Territory listed as the legal name on the application corresponds with the eligible State/Territory listed on BJA's JAG web page

What an Application Should Include:

- _____ Application for Federal Assistance (SF-424) (see page 15)
- _____ Intergovernmental Review (see page 15)
- _____ Project Abstract (see page 15)
- _____ Program Narrative (see page 16)
- _____ Budget (see page 17)
- _____ Budget Narrative (see page 17)
- _____ Indirect Cost Rate Agreement (if applicable) (see page 18)
- _____ Tribal Authorizing Resolution (if applicable) (see page 18)
- _____ Applicant Disclosure of High Risk Status (If applicable see page 18)
- _____ Additional Attachments (see page 19)
 - _____ Review Narrative (see page 19)
 - _____ Applicant Disclosure of Pending Applications (see page 20)
 - _____ Research and Evaluation Independence and Integrity (see page 20)
- _____ Disclosure of Lobbying Activities (SF-LLL) (if applicable) (see page 22)
- _____ Financial Management and System of Internal Controls Questionnaire (see page 22)

Applicant: City and County of San Francisco
Department of Children, Youth and Their Families
Title: The CCSF's Continuum of Alternative Responses to Drug Offenses
Attachment 1: PROGRAM NARRATIVE

❖ PROBLEM STATEMENT

The City and County of San Francisco (CCSF) is an urban environment spanning approximately 49 square miles with approximately 864,816 (U.S. Census Bureau 2015) culturally, ethnically, and linguistically diverse residents (17,649 residents per square mile). San Francisco's ethnic diversity includes approximately 41% White, 35% Asian/Pacific Islander, 15% Hispanic/Latino, and 6% African American residents. Like many urban cities, low-income African American and Latinos disproportionately live in segmented neighborhoods that are impacted by violent crime.

In 2008, the San Francisco Police Department (SFPD) completed a comprehensive performance evaluation of the department's violent crime trends and tactical operations efficiencies. The department's data showed that crime and service calls were primarily concentrated in five "hot-zone" neighborhoods which total only 2.1% of San Francisco's 49 square miles. The five zones included: Zone 1: Tenderloin/SOMA, Zone 2: Western Addition, Zone 3: Mission, Zone 4: Bayview/Hunters Point, and Zone 5: Visitation Valley. These zones are the areas with the greatest percentage of total crime incident reports from 2002-2009. To address the geographic concentration of crime, the SFPD initiated a commensurate "Zone Strategy" that aligned resources and staffing with hotzone neighborhoods to address issues of violence and crime. Zone Strategy tactics include intensive and sustained street level narcotics enforcement, fugitive apprehension, strict enforcement of court orders, probation compliance checks, 10-35 search teams, zone enforcement units and multi-agency law enforcement

partnership with federal investigators. Since the Zone Strategy was implemented, homicides and non-fatal shootings decreased in all of the designated zones in San Francisco:

Zone 1 (Tenderloin/SOMA) Homicides decreased 22%; Non-fatal shootings decreased 58%

Zone 2 (Western Addition) Homicides decreased 29%; Non-fatal shootings decreased 73%

Zone 3 (Mission) Homicides decreased 38%; Non-fatal shootings decreased 26%

Zone 4 (Bayview) Homicides decreased 30%; Non-fatal shooting decreased 4%

Zone 5 (Visitacion Valley) Homicides decreased 50%; Non-fatal shootings decreased 33%.

Additionally, in 2008 SFPD conducted 412 parole and probation searches; 325 parolees and probationers were arrested as a result of these searches; and, 80% of these arrests occurred in a designated zone. One of the most successful “zone tactics” initiated was the coordination and calendaring of an intensive “buy/bust” street level narcotics enforcement program in the Tenderloin area of San Francisco, (Zone #1). Station level personnel, the Narcotics Division and the Gang Task force scheduled continuous narcotics enforcement at all times of the day and night resulting in a significant number of arrests. SFPD data continues to show a co-location of drug proliferation in the same hotzone neighborhoods where poverty and violence are more widespread. Drug abuse and addiction continue to be a major problem for the criminal justice system in San Francisco. The main drugs of choice for the offender population continue to be crack cocaine, heroin and methamphetamine.

Trend analysis of San Francisco’s violent crime rates indicate that there continues to be a clear need for intervention strategies and techniques to reduce the harm caused by drug proliferation and street violence in the CCSF. The homicide rate in San Francisco rose steadily from 2005 to 2008, with a peak of 100 homicides in 2007. Table 1 illustrates the violent crime trends from 2007 to 2015. Prior to 2009 San Francisco experienced over 80 homicides a year.

Of the 98 homicides reported for 2008, approximately 38% were youth and young adults aged 14 to 25. Young adults represented 49% of victims of homicides, shootings and critical assaults tracked by the Mayor's Office of Violence Prevention Services between October 1, 2012 and December 31, 2013.¹

Table 1. San Francisco Violent Crime Trends 2007-2015.

Year	Population	Violent crime	% Change	Murder and non-negligent manslaughter	Forcible rape	Robbery	Aggravated assault
2007	733,799	6,414	-1.8%	100	125	3,771	2,418
2008	798,144	6,744	5.1%	98	166	4,108	2,372
2009	788,197	5,957	-11.7%	45	179	3,423	2,310
2010	818,594	5,747	-3.5%	48	133	3,180	2,386
2011	814,701	5,374	-6.5%	50	131	3,088	2,105
2012	820,363	5,779	7.5%	69	164	3,703	3,357
2013	841,138	7,064	22.2%	48	161	4,202	2,653
2014	852,469	6,761	-4.5%	45	355	3,224	3,137
2015	864,816	6,776	0.22%	52	344	3,610	2,703

Source: U.S Federal Bureau of Investigation. Uniform Crime Reports (2007-2014).
<https://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2014/crime-in-the-u.s.-2014/tables/table-6>

As evidenced above, through Zone Strategy activities San Francisco has demonstrated violence reduction success. We continue to evolve and address the most efficient ways of abating illegal drug use and trafficking in some of San Francisco's most vulnerable neighborhoods. Historically, this Zone Strategy is what San Francisco has used the Edward Byrne Memorial Grant funding from the DOJ to support. But what has also become increasingly clear in San

¹ Mayor's Office of Violence Prevention Services Street Violence Response Team Data Brief. October 1, 2012 - December 31, 2013.

San Francisco is that though Zone Strategy activities have worked well to help address the violent crime rate, there continues to be a need to contend with rampant substance abuse, especially among those with mental health issues and San Francisco's homeless population. According to the San Francisco Local Homeless Coordinating Board's "2015 San Francisco Point-In-Time Homeless Count & Survey"², on any given day in San Francisco there are nearly 7,000 people in San Francisco who are living on the street or in shelters across the city. Of those, 18% of homeless individuals report that alcohol or drug use is their primary cause of homelessness, 37% report drug or alcohol abuse as a chronic health condition. Among those who experience chronic homelessness, defined by HUD as a person who has experienced homelessness for longer than a year, 32% report alcohol and drug use as their primary cause of homelessness and 62% report drug or alcohol abuse as a chronic health condition. Many of these people, along with other low-level drug offenders with substantial substance abuse issues, cycle through the criminal justice system because of their substance abuse only to come back into the community without having their most basic underlying need addressed.

Though the number of arrests for drug offenses in San Francisco have declined dramatically over the last ten years due to statewide legislative shifts in penalties for drug offenses paired with an evolving local perspective toward what works for people with substance abuse issues, the city has never made a concerted effort to ensure that there is a full continuum of alternative responses along all decision points of the criminal justice system for people struggling with substance abuse and addiction. There have been a variety of alternative strategies implemented by different justice-involved agencies and departments that have all seen great

² San Francisco Local Homeless Coordinating Board. (2015). *2015 San Francisco Homeless Point-In-Time Count & Survey Comprehensive Report*. San Jose, CA: Applied Survey Research.

measures of success. The City and County of San Francisco hopes to build on these successes by adopting a continuum of alternative responses with a harm reduction, recovery-centered approach for appropriate low-level drug offenders that seeks to not only improve their lives but to also increase the quality of life and public safety for all San Franciscans.

❖ **CCSF OVERVIEW OF 2016-17 ACTIVITIES**

The City and County of San Francisco will use 2016 JAG funds to provide early stage diversion, focused drug deterrence activities, efficient prosecution, intensive probation supervision, recidivism reduction and system-involvement prevention efforts. JAG funding will be used specifically to support evidence based programs, including:

- **Law Enforcement Assisted Diversion (LEAD SF)**, a new approach that seeks to accomplish the goals of reduced criminal behavior and improved public safety by connecting appropriate low-level drug offenders with services,
- **Focused Drug Deterrence**, short and long-term proactive activities including targeted investigations and enforcement and social network analysis to increase the identification of individuals involved in high-level drug markets,
- **Drug Court Prosecution**, seeks to connect criminal defendants who suffer from a substantial substance abuse problem to treatment services in the community in order to enhance public safety, reduce recidivism, and to find appropriate dispositions to the criminal charges that take into consideration the individual's substance abuse problem, mental and physical health, and the seriousness of the offense,
- **Targeted Drug Treatment for Underserved Population**, a treatment intervention conducted by the San Francisco Sheriff's Department (SFSD) for individuals in-custody

unable to be moved to a program facility due to classification level,

- **Intensive Probation Supervision**, a targeted caseload of probationers with substance abuse and/or mental health issues handled exclusively by one probation officer at Adult Probation (APD),
- **Reentry Social Work** through the San Francisco Public Defender's Office that provides efficacious legal and wrap around support to help indigent clients charged with felony drug cases and other felony offenses successfully exit the criminal justice system, and
- **Citywide Justice-Involved Youth Planning** that will examine current criminal justice trends impacting youth and young adults and strengthen partnerships and collaboration at various levels to create a continuum of supports for youth and young adults.

These strategies represent a comprehensive and coordinated approach by the CCSF's justice partners to provide alternative responses to people caught in the criminal justice system because of their struggles with substance abuse while simultaneously ensuring mechanisms are in place to address criminal conduct and link individuals to appropriate services.

Strengthening San Francisco's Criminal Justice System

Three-quarters of individuals involved in California's criminal justice system cycle through the criminal justice system within three years of release. CCSF realizes that we cannot incarcerate our way towards public safety and that while we need to suppress violence and crime to preserve the safety and vitality of San Francisco, we also need to attend to the mental and behavioral health and substance abuse issues that perpetuate an individual's connection to the criminal justice system. This recognition is why San Francisco will soon begin implementing the LEAD SF model, based off of Seattle's successful Law Enforcement Assisted Diversion (LEAD) model, while still including a Focused Drug Deterrence component. We will also continue to

implement our successful Drug Court Model, support our in-custody treatment programs, ensure a targeted intensive supervision probation caseload, and assist indigent clients upon reentry into our community.

CCSF public safety investments will continue to build and strengthen our criminal justice resolve through smart policing and appropriate alternatives to incarceration and system involvement. This updated and targeted multidisciplinary effort with a focus on leveraging resources to efficiently address emerging and chronic crime and substance abuse problems allows San Francisco to respond appropriately to these issues both with a traditional criminal justice approach as well as with an alternative set of evidence-based responses. CCSF looks forward to directing federal, state and local dollars towards this continuum of alternative responses to substance abuse and focused drug deterrence and will also commit funds for promising collaborative courts, upgraded justice technology and community-based interventions and programs that address individual-level resiliency and skills building tactics that help at-risk and reentering individuals permanently exit the criminal justice system, and become productive members of our San Francisco community.

Competitive stimulus JAG, federal and state formula stimulus JAG funds has provided CCSF criminal justice partners an opportunity to strengthen collaboration and to think critically about how we conduct public safety business. These collective funds will continue to help CCSF improve communication, coordination and information sharing amongst criminal justice partners, expand strategies that strengthen public safety system efficacy, and support San Francisco in constantly reflecting upon our successes and challenges in reducing recidivism and increasing public safety. JAG funds will offer CCSF the ability to balance strategic suppression and system enhancements with pragmatic individual level interventions that will move us

towards reaching holistic violence and crime reduction goals and improving quality of life for all San Franciscans.

❖ **CCSF 2016-17 JAG STRATEGIES**

Strategy 1: Continuum of Strategic Responses, Interventions, Treatment, and Enforcement for Drug Offenses throughout the Justice System

Goals of Strategy 1: Program areas addressed include Law Enforcement, Prosecution, Corrections, Community Corrections, Reentry, and Drug Treatment and Enforcement

- 1) To reduce incarceration and recidivism and increase public safety by ensuring that there are a continuum of alternative responses throughout the criminal justice system process (pre-arrest through reentry) to address the needs of people with substantial substance abuse issues.
- 2) To reduce the narcotic trade and associated violence in affected San Francisco neighborhoods through focused and proactive law enforcement, prosecution and probation efforts.
- 3) To reduce the negative impact of street drug trafficking, drug-related crime, violence and addiction through a coordinated multidisciplinary partnership between San Francisco's law enforcement, criminal justice, and substance abuse treatment agencies.

While there will continue to be the traditional routes by which many drug offenders will enter the criminal justice system in San Francisco, the City and County is committed to providing additional, alternative responses for appropriate drug offenders along all points of the criminal justice system as described below.

Law Enforcement Assisted Diversion (LEAD SF) (*Pre-Booking*)

In accordance with updates to the JAG Priority Areas identified in the Fiscal Year 2016

Local Solicitation, the City and County of San Francisco proposal includes expanded evidence-based criminal justice programs and strategies emphasizing early diversion to treatment for those with substance use challenges and/or serious mental illness.

San Francisco currently operates several innovative strategies for substance dependent individuals who come into contact with the criminal justice system. Despite these exemplary programs San Francisco has no formalized pre-booking diversion program. The City and County of San Francisco has generated a robust portfolio of diversion programs and now seeks to expand those to the earliest possible stage of diversion-at point of arrest.

Law Enforcement Assisted Diversion (LEAD SF) is a new approach that seeks to accomplish the goals of reduced criminal behavior and improved public safety by connecting appropriate low-level drug offenders, as determined by SFPD officers at point of contact, with services. LEAD SF will incorporate San Francisco's standards for harm reduction practice into program planning and implementation. This approach to diversion has been proven to cost less and be more successful at reducing future criminal behavior than processing low-level drug offenders through the traditional criminal justice system.

The LEAD SF pilot is modeled after Seattle's Law Enforcement Assisted Diversion program (LEAD) which is a proven example of a pre-booking diversion program that identifies low-level drug and prostitution offenders for whom probable cause exists for an arrest, and redirects them from jail and prosecution by providing linkages to community-based treatment and support services.

The San Francisco Sentencing Commission is a collaborative body made up of representatives from the District Attorney's Office, Public Defender's Office, Sheriff's Department, Adult Probation, Juvenile Probation, Department of Public Health, San Francisco

Police Department, BART Police Department, and other appointed members from other criminal justice organizations. Over the last four years the San Francisco Sentencing Commission has heard expert testimony on LEAD program design, implementation and the feasibility of replicating this model program in San Francisco. Formalized law enforcement assisted pre-arrest diversion is an evidence based and fiscally prudent alternative. Two recently released University of Washington studies on the LEAD Program found statistically significant reductions in recidivism, most notably LEAD participants showed significant reductions in new felony cases. The evaluation team also found that the program resulted in reduced participant jail bookings, on average 39 fewer jail bed days per participant, an 87% decrease in subsequent state prison incarceration and overall substantial reductions in criminal justice costs. Additionally, a 2014 UC Berkeley analysis completed for the San Francisco Sentencing Commission explored the feasibility, benefits, and cost of replicating the LEAD program in San Francisco. The researchers concluded that, "San Francisco has the necessary tools and systems to meet the challenge of successfully implementing such a program." Ultimately the research team recommended that San Francisco pursue the adoption of a pre-arrest diversion program.

Focused Drug Deterrence *(Upon Arrest)*

The San Francisco Police Department (SFPD) regularly conducts ongoing, proactive investigations into high-rate drug sellers in an effort to reduce the narcotic trade and associated violence in affected San Francisco neighborhoods. These investigations allow SFPD and CCSF to reduce the negative impact of street drug trafficking, drug-related crime, violence and addiction through a coordinated multidisciplinary partnership between San Francisco's law enforcement, criminal justice, and substance abuse treatment agencies. This strategy entails first, the coordination of SFPD with other city agencies in an effort against chronic violence, then

talking directly to those individuals identified as chronically criminally violent and creating the presence that a coordinated law enforcement team will respond to their violence. An on-going goal is to create awareness for drug dealers and users that the police are committed to eliminating street drug trafficking and violence and that police have support from residents and businesses in these communities.

Periodically, after identifying high rate drug sellers in the targeted area, offenders are invited to a call-in meeting, where, like in gang-based approaches, they are told continued offending will not be tolerated. Call-in participants are frequently offered access to services, such as drug treatment and job training that can assist in compliance with the law. If offenders do continue to engage in drug activity, pending banked cases from the surveillance period are pursued.

Drug Court Prosecution *(Upon Prosecution)*

The San Francisco Drug Court (SFDC) was established in 1995 as an alternative to traditional sentencing options for drug offenders. SFDC is a collaborative effort among the Superior Court, the Office of the District Attorney, the Office of the Public Defender, the Adult Probation Department, the Department of Public Health, the Sheriff's Department, and the Police Department.

SFDC has its own treatment clinic located one block from the Hall of Justice and is supported by local funding through the Department of Public Health. After enrollment, the defendants' treatment is monitored by the Court. A series of sanctions and incentives are used to encourage compliance with treatment. Those who are non-compliant receive graduated sanctions such as writing an essay, community service or jail time - to encourage adherence with treatment. Upon successful program completion, probation is terminated or charges are

dismissed.

In addition to the legal benefits, the program is designed so that participants can acquire the tools necessary to live a clean and sober lifestyle. Resources are also provided to help further their education and/or obtain vocational training and maintain stable employment allowing them to become contributing members of society.

Since its launch in 1995, San Francisco's Drug Court has worked with over 5,000 drug offenders with an estimated cost savings of over \$48 million accrued from both operating and recidivism costs³. An evaluation by an independent evaluator found that over a two year period 43% of Drug Court graduates were re-arrested compared to 67% of comparable offenders⁴. This substantial decrease in re-arrest was true regardless of graduation from the program, with a decline of 37% in the average number of arrests in the three years after drug court entry even for non-graduates. For graduates, the difference was even greater with 73% fewer arrests after Drug Court⁵.

Targeted Drug Treatment for Underserved Population *(In Custody)*

The San Francisco Sheriff's Department (SFSD) manages three housing jails. Two of these facilities offer extensive substance abuse counseling, classes, and support. SFSD provides substance use disorder treatment services to inmates in the way of two innovative programs: the SISTER Project (Sisters in Sober Treatment Empowered by Recovery) and Roads to Recovery.

The SISTER program, serves up to 56 substance abusing women in the San Francisco County Jail daily. The goal is to prevent relapse and recidivism by helping participants develop

³ Superior Court of California, County of San Francisco. "Adult Drug Court Fact Sheet: 2015. (2015) Retrieved from: <http://www.sfsuperiorcourt.org/divisions/collaborative/drug-court>.

⁴ Ibid.

⁵ Ibid.

the tools needed to live healthy, drug free lives. Program activities include group and individual substance abuse counseling, and classes ranging from Parenting to Life Skills to Healthy Relationships, among others. This program provides post-release opportunities for women to continue treatment following release from jail.

Roads to Recovery educates male inmates about the recovery process while introducing the fundamental components of drug treatment. Roads offers classes and training in substance abuse, life skills, group and individual counseling, as well as specialized topics including parenting and conflict resolution. The third facility, County Jail # 4 at 850 Bryant Street, is a linear style jail built in 1958. Because of this jail's architectural limitations, the facility offers minimal programming in the form of 5 Keys Charter High School Independent Study, parent/child visitation and twelve-step groups. Approximately 30% of male inmates in the San Francisco County Jail are housed in this facility. In order to ensure that all incarcerated individuals receive access to treatment the Care Coordinator position was created to facilitate treatment groups in custody for inmates not eligible to be placed into a housing unit dedicated to programming, and post release at the Community Programs site. The Care Coordinator utilizes the Living in Balance curriculum published by Hazelden Publishing. In order for offenders to recover from substance use disorders, they must be able to understand it in the context of their life experiences. Completing the Living in Balance worksheets, exercises, and activities helps participants to build that understanding. The Core Program is made up of twelve unique sessions to help clients address life issues that are central to achieving successful recovery. In addition to the curriculum, staff working in the program will use motivation enhancement and cognitive-behavioral therapeutic approaches when working with participants.

Intensive Probation Supervision (*Post-Adjudication*)

San Francisco's Adult Probation Department (APD) has several specialized units and often assigns targeted cases to probation officers across the department. Probationers with significant substance abuse and mental health issues, especially if these disorders are co-occurring, can be challenging to supervise, often reoffend and/or continue to use which can lead to non-compliance with their term of probation. Assessing probationers and then assigning them to officers equipped to address their acute issues, allows for an effective officer-probationer dyad in which the assigned probation officer is able to supervise his or her clients, connect them to needed services, and support them in staying in compliance with their probationary terms.

Direct referrals of high-rate sellers for whom cases are pursued by SFPD and SFDA (as previously mentioned in the Focused Drug Deterrence Section) as well as Drug Court participants who are current probationers or who will have a term of probation if they refuse to participate or unsuccessfully terminate Drug Court may fall under this probationer officer's caseload along with all other probationers deemed appropriate by APD.

Reentry Social Work (*Upon Reentry*)

As CCSF linkage to services and targeted arrest strategies like the LEAD SF and Focused Drug Deterrence strategies effectively mitigate drug and violence proliferation and the SFDA's Office establishes grounds on which to charge arrested individuals and the most appropriate venue (i.e. Drug Court) through which to prosecute them, there is a commensurate impact on the Public Defender's Office. The Public Defender's Office Reentry Unit provides the Office's adult indigent clients with an innovative blend of legal, social, and practical support through its social work and Clean Slate programs.

The Reentry Social Work services are a cornerstone of the holistic legal defense team approach employed by the Office of the Public Defender. The Reentry Social Workers work

hand in hand with the Public Defender Attorneys in order to provide vigorous legal defense by addressing underlying and contributing social and behavioral health needs for their indigent clients. A large proportion of the clients in the Social Work program are facing drug-related charges. The Reentry Unit's Social Workers provide the high quality clinical work and advocacy these clients need, effectively placing hundreds of individuals in drug treatment and other service programs each year with limited staff.

While client needs are varied and they gain access to an array of social services, an evaluation conducted in the Spring of 2009 showed that the Reentry Unit's Social Work Program largest proportion of clients sought and enrolled in housing and substance abuse treatment programs, medical services and vocational trainings. Through these connections to services and interventions with clients, Reentry Social Workers facilitate a more organized reentry of previously incarcerated people back into their communities and help keep reentering individuals focused on treatment plan program and services.

Strategy 2: Citywide Justice System-Involved Youth Planning

Goals of Strategy 2: Program area addressed is Planning, Evaluation, and Technology Improvement

- 1) To facilitate criminal justice partner convenings to review and discuss current trends impacting young adults.
- 2) To facilitate and direct juvenile justice partner strategies to address barriers to success for system-involved youth.

In 2008, CCSF completed the San Francisco Violence Prevention Planning Initiative with the goal of creating a 3-5 year strategic plan to serve as a framework for a comprehensive citywide

approach for violence prevention. The process aimed to connect existing violence prevention strategies, fill gaps where needed, and guide violence prevention policy priorities for San Francisco moving forward. The plan was to result in the identification of policy priorities across city agencies and local communities, create an infrastructure for collaboration between agencies and with the community, increase accountability for violence prevention outcomes and to serve as a guide for violence prevention programming and funding decisions. After publishing the CCSF Violence Prevention Plan for 2008-2013 the product of a city and community partnership focused on coordination, accountability, outcomes, and sustainability, partners realized that the violence prevention plan was far too robust to effectively implement the identified recommendations for violence prevention systems' and program improvements. Subsequently, then-Mayor Gavin Newsom charged The Department of Children, Youth and their Families (DCYF) with coordinating the revision of the CCSF Violence Prevention Plan (2008-2013). DCYF developed strong partnerships with multiple City Departments and community-based organizations to work collaboratively in developing and implementing a unified City and community vision to reduce violence and victimization in San Francisco.

In 2011, DCYF, DPH and Juvenile Probation Department released the Violence Prevention and Intervention (VPI) Request for Funding Proposals (RFP) and selected 66 community-based agency programs to work with youth and young adults ages 10 to 25. DCYF quickly began working with Mission Analytics Group, Inc. (MAG) an independent evaluator, to understand the referral process for youth and young adults who had formal contact with the juvenile or criminal justice system. DCYF's VPI and Youth Workforce Development for Justice System Involved funded programs were evaluated and five service areas were examined. In 2013, MAG's evaluation report examined juvenile justice system involved youth and young adults who

participated in these programs. The report analyzed contact with JPD and community-based program's capacity to serve youth and young who were system-involved. In early 2014 MAG released their draft process referral report which combined detailed analysis of linked data from the Juvenile Justice System (JJIS) and DCYF's Contract Management System with qualitative findings from interviews, focus groups and written reports by DCYF program offers.

MAG's 2014 report illuminates trends that were highlighted from a Transitional Age Youth convening in 2012. DCYF led and convened this multidisciplinary panel discussion and successfully brought key community-based agency groups to better understand promising practices when working with adult criminal system partners. After the panel discussion many suggested the importance of continuing the dialogue and including juvenile justice system partners who also serve young adults.

CCSF has not revised its citywide strategy since the release of the last RFP in 2011. Armed with information from the Transitional Age Youth convening, MAG's 2014 report, and the various shifts around the city toward a comprehensive, systemic shift away from over-reliance on system-involvement for youth, CCSF will use this time to refocus, reexamine, and refine these planning efforts for justice-involved youth and young adults in San Francisco. To this end, CCSF is in the process of preparing a Local Action Plan for Justice System-Involved Youth which will ask justice partners, stakeholders, community members, youth, and young adults from across the city to assist in determining the City's direction and strategy in reducing barriers to success for system-involved youth. The strategy set by the Local Action Plan will guide DCYF in refining their current funding streams and strategy areas that target this population. Part of this refinement will include strengthening partnerships between city agencies as well as building stronger relationships between city agencies and CBOs. DCYF will oversee the implementation of these

recommended strategies. Simultaneously, DCYF will act as the program manager on all JAG grants and convene all partner departments as well as oversee federal reporting requirements.

❖ CCSF 2016-17 JAG PARTNER ROLES AND ACTIVITIES

Strategy 1: Partner Roles and Activities for Continuum of Alternative Responses for Drug

Offenders:

Law Enforcement Assisted Diversion (LEAD SF) and Focused Drug Deterrence–

San Francisco Police Department (SFPD)

SFPD will divide their time, 687 hours, between a series of LEAD SF planning and implementation activities and Focused Drug Deterrence activities and operations. SFPD personnel assigned to the Field Operations Bureau and Investigations Bureau will execute their roles in these programs. After policy and practice planning is completed for LEAD SF with all justice-involved agencies, CCSF will roll out a pilot program in one of the hot zones from the zone strategy (discussed above). SFPD officers will be the first point of contact for low-level drug offenders and will determine if someone is appropriate and eligible to be diverted pre-arrest for LEAD SF. The assumption is that the majority of arrests that result from Focused Drug Deterrence operations will be filed for prosecution by the SFDA's Office. The coordination of these agencies' resources and the diversion and targeted arrest efforts of the police allow investigators to move efficiently up the distribution hierarchy and identify and arrest larger distributors. When arrests are made, SFPD sends a list of arrestees to all authorized partners to ensure communication and "flagging" of arrestees.

The SFPD Narcotics Division will be tasked with the administrative duties of the programs enforcement component. These duties include in part, record keeping of all LEAD SF contacts

and diversions, all Focused Drug Deterrence arrests, date and number of operations, overtime days, hours and personnel worked, source document collection and retention, identification of assets seized with grant funds, data needed to complete the progress report forms and completion of progress report forms. If assets are seized in any contact, it will be reported. Assets will be reported to the Program Director who will make a determination of project expenditures.

LEAD SF Activities include but are not limited to:

1. Policy Coordinating Group Planning meetings with LEAD SF partners. Time devoted to the development of program eligibility criteria and referral process;
2. Training on Harm Reduction and LEAD SF Eligibility Criteria and Referral Process;
3. LEAD SF Operational Meetings with service providers, Department of Public Health and District Attorney's Office; and
4. Officer time devoted to pilot program implementation.

Focused Drug Deterrence activities include but are not limited to:

1. Officer time devoted to ongoing, proactive identification and investigation of individuals involved in high-level drug markets;
2. Targeted enforcement of individuals identified and coordination of partner agency resources and arrest efforts with police which allow investigators to move efficiently up the distribution hierarchy and identify and arrest larger distributors;
3. Provide direct information to APD related to known/observed probationers' behaviors associated to sale and/or drug use;
4. Notify APD of arrests made during focused drug deterrence operations, including those of people already under probation supervision;
5. Respond to APD's request for support during special operations; and

6. Planning and implementation for call-in meeting policy and procedure for individuals identified as appropriate for this intervention by SFPD.

Drug Court Prosecution – San Francisco District Attorney’s Office (SFDA)

SFDA will dedicate a 0.61 FTE **Attorney**, directed by the Head Attorney of the Collaborative Courts team to work on the Drug Court caseload. The role of the District Attorney assigned to Drug Court includes but is not limited to the following:

1. Consistent charging of all narcotics cases;
2. Assessment of eligibility and suitability for felony and/or misdemeanor Drug Court, hereafter referred to simply as Drug Court;
3. Handling grant identified probation revocations in collaboration with the Drug Court Team;
4. Work closely with collaborative drug court team to ensure that suitable defendants are efficiently connected with drug court support and services;
5. Notify SFPAD of any probationer admitted to Drug Court or any participant in Drug Court who has been terminated from the program and carries a term of probation; and
6. Community education and community-based problem solving through regular participation at community meetings in target neighborhoods.

Targeted Drug Treatment for Underserved Population – San Francisco Sheriff’s Department (SFSD)

SFSD will expand its in-custody substance abuse services to reach an underserved high risk population by:

1. Partially dedicating **Care Coordinator** (0.25 FTE) to provide treatment groups in custody at County Jail #4 and post release at the Community Programs site who will:

- Complete intake assessments for clients referred by SFSD Rehabilitation Service Coordinators and/or Jail Behavioral Health and approved by SFSD Classification for group participation;
 - Conduct a minimum of six hours per week of group time using Living in Balance curriculum; and
 - Refer group participants to SFSD intensive case management for post-release support and transitional housing;
2. Partially dedicating a **Transitional Age Youth Services Manager** (0.05 FTE) to provide clinical oversight over all Care Coordinator activities who will
- Oversee recruitment and assessment for clients;
 - Meet with Facility Commander to determine logistics;
 - Work with SFSD staff to determine group capacity and prioritization method; and
 - Provide information to all “General Population” inmates who are eligible to participate, describe the groups and recruit volunteers.
3. Engaging staff in professional development and training to better support this population of individuals in custody.

Staff working in the program will use motivation enhancement and cognitive-behavioral therapeutic approaches when working with participants:

Motivational Enhancement Therapy or MET is a counseling approach that helps participants resolve their ambivalence about engaging in treatment and quitting their drug use. This approach, which is based on a technique called motivational interviewing, typically includes an initial assessment of the participant’s motivation to participate in treatment, followed by interactions designed to help the participant develop a desire to engage in treatment by providing

non-confrontational feedback. Being empathic yet directive, the therapist discusses the need for treatment and tries to elicit self-motivational statements from the participant to strengthen his or her motivation and build a plan for change.

Cognitive-Behavioral Therapy or CBT, strategies are based on the theory that learning processes play a critical role in the development of problem behaviors like drug abuse. A core element of CBT is teaching participants how to anticipate problems and helping them develop effective coping strategies. In CBT, participants explore the positive and negative consequences of using drugs. They learn to monitor their feelings and thoughts and recognize distorted thinking patterns and cues that trigger their substance abuse; identify and anticipate high-risk situations; and apply an array of self-control skills, including emotional regulation and anger management, practical problem solving, and substance refusal.

Intensive Probation Supervision –Adult Probation Department (APD)

APD will dedicate 0.60 FTE **Probation Officer** time to exclusively handle cases resulting from Focused Drug Deterrence operations and/or Drug Court, when the participant is terminated unsuccessfully. The Probation Officer will also work with any other probationers who present with underlying substance abuse and/or mental health issues and would be appropriate for the intensive supervision caseload. The Probation Officer will work closely with the SFPD and SFDA to utilize “Motions to Revoke” (MTRs) to encourage probationers to cooperate with investigators in exchange for immediate entry into treatment and the opportunity to avoid prosecution. Additionally, the Probation Officer will closely monitor compliance with the terms of probation by conducting field and address visits, actively enforcing stay away orders, conducting warrantless searches, and utilizing licensed community-based treatment services. Caseload ratios will be 1 to 60. The Probation Officer will primarily operate in the community.

Immediate access to a range of treatment alternatives provides individuals with the supervision and treatment they need to extricate themselves from their addiction.

APD Intensive Supervision activities will include:

1. Receive notification from SFDA of any probationers refusing to participate in Drug Court, as well as any participant in Drug Court who is terminated unsuccessfully and will likely be granted probation;
2. Receive direct information from Focused Drug Deterrence police officers including SFPD officers in District Stations related to known/observed probationers' behaviors associated to sale and/or drug use;
3. Receive notification from SFPD related to Focused Drug Deterrence operations regarding probationers actively involved in narcotics activities in the targeted neighborhoods;
4. Interview, assess, and inform each probationer of treatment modalities;
5. Refer each probationer to a substance abuse treatment program when appropriate;
6. Upon re-offense, increase legal sanctions and treatment interventions or if necessary pursue probation revocation proceedings;
7. Conduct probation supervision activities to ensure compliance of probation terms; and
8. Request support to SFPD when necessary during special operations; and
9. Engage in professional development and training around supporting this population of probationers.

Reentry Social Work – San Francisco Public Defender's Office

Reentry Social Workers facilitate a more organized reentry of previously incarcerated people back into their communities and help keep reentering individuals focused on treatment plan program and services. The Reentry Social Workers have extensive knowledge of San

Francisco social services and treatment networks as well as deep relationships with the social services staff and directors to which they connect their clients. The Reentry Unit's ultimate goal is to decrease sentence length and severity of sentencing location (from state prison to jail to program placement) by providing alternatives to incarceration that promise better client, family, and community outcomes through decreased recidivism and healthier reentry into defendants' communities.

The 0.60 FTE **Reentry Social Worker** activities include but are not limited to:

1. Reviewing client referrals from Deputy Public Defenders. Clients are prioritized if a) they are charged with a felony and b) their probable sentence may likely include state prison time which could be avoided by placement into a treatment program or other alternative to incarceration.
2. Partnering with Deputy Public Defender to critically evaluate the best legal course of action for an indigent client.
3. Conducting a client assessment within 5 days of being assigned the case.
4. Administering a psychosocial assessment tool adapted to Reentry Social Worker's unique needs, incorporating aspects of instruments that local treatment providers use to ensure accuracy and consistency when making referrals to these local partners.
5. Creating a comprehensive reentry plan if the client is determined appropriate for social services and alternatives to likely incarceration.
6. Solidifying linkages with community-based education, employment, and mental health services detailed in the client's treatment plan.

Strategy 2: Partner Roles and Activities for Citywide Justice System-Involved Youth

Planning:

CCSF will use a portion of 2016 JAG funds to support 1.0 FTE **Violence Prevention Planning Analyst** in DCYF to track and implement the recommendations and work of the MAG findings as it relates to an integration with community based organizations, San Francisco Unified School District's Pupil Services Department (SFUSD), and justice systems partners to examine the school to prison pipeline. DCYF will oversee the implementation of MAG's recommendations which include strengthening partnerships between community-based agencies and criminal justice partners as well as SFUSD. The Analyst will also oversee the Local Action Plan process which will include interviews with over 15 justice system partner agencies, community-based organizations, community members, and system-involved youth and their families. The **JAG Program Manager** (0.25 FTE) will monitor all JAG activities and convene partner departments as well as oversee federal reporting requirements. The **JAG Fiscal Analyst** (Admin 0.10 FTE) will monitor fiscal compliance, submit federally required fiscal reports and process all grant related financial transitions in the CCSF's financial management system. DCYF's Citywide Planning efforts and activities include but are not limited to:

1. Refining the System-Involved Youth Strategy with a particular focus on strengthening partnerships between city agencies, community based organizations, justice system partners and San Francisco Unified School District (SFUSD);
2. Working collaboratively with partners to design and pilot programs which can significantly reduce the phenomena known as the school to prison pipeline;
3. Convening community-based agencies, SFUSD and criminal justice partners to discuss current trends impacting youth and young adults in order to promote awareness, create solutions, reduce suspensions and reduce incidents of violence; and

4. Leveraging existing partnerships with community-based agencies that work with all JAG partner agencies to help strengthen and align efforts in order to create a continuum of supports for young adults impacted by drug abuse, addiction and homicide.

❖ CCSF 2016-17 JAG GOALS, OBJECTIVES, AND OUTCOMES

Strategy 1: Continuum of Alternative Responses to Drug Offenses

Goal 1: To reduce incarceration and recidivism and increase public safety by ensuring that there are a continuum of alternative responses throughout the criminal justice system process (pre-arrest through reentry) to address the needs of people with substantial substance abuse issues through a coordinated multidisciplinary partnership between San Francisco's law enforcement, criminal justice, and substance abuse treatment agencies.

Objective 1: SFPD will plan and implement LEAD SF diversion program activities for eligible low-level drug offenders in target area.

Outcomes:

- Policy and practice memorialized for LEAD SF activities including eligibility criteria and process for referrals.
- At least 10 individuals will be assessed for eligibility for LEAD SF participation.

Objective 2: SFDA will ensure appropriate defendants are referred to Drug Court and collaborate with JAG innovation grant partners to ensure consistent charging and handling of narcotics cases (possession, possession-for-sale, and sale).

Outcomes:

- 100% of people will have a thorough individualized eligibility and suitability review.

- SFDA's office will participate in monthly collaborative Drug Court meetings to troubleshoot issues and strategize on how to continue to strengthen Drug Court operation and successes.
- SFDA's Office will report the number of participants that are referred to Drug Court during the reporting period.
- SFDA's Office will report the number of participants that successfully complete Drug Court during the reporting period.

Objective 3: SFSD will recruit and complete intake assessments for inmates interested in substance abuse treatment services who are ineligible to participate in other programming due to classification reasons, and will refer participants to SFSD treatment groups and other post-release services including intensive case management and transitional housing.

Outcomes:

- 100% of interested and eligible inmates will be offered an intake assessment and access to the treatment groups.
- 100% of group participants will be referred to SFSD post-release services.

Objective 4: APD will place clients in appropriate treatment programs, increase contact with probationers in the community, and increase coordination with other JAG partners.

Outcomes:

- A Deputy Probation Officer (0.60 FTE) will interview assess and refer probationers (those arrested through Focused Drug Deterrence activities and other probationers deemed appropriate for this caseload) to treatment programs when appropriate;

- 24 visits per month will be conducted by the Probation Office either to the probationers' homes or to the assigned treatment program;
- Once per month APD will provide the SFSD with an updated list of Bench Warrant Fugitives;
- At least once per month, more often as needed, APD will contact the SFDA's Office regarding all probationers, especially those involved with Drug Court.

Objective 5: To reduce re-incarceration and recidivism amongst clients within the Reentry Social Work program by addressing their social and behavioral needs, and efficiently connecting reentry clients to stabilizing support services including housing, substance abuse treatment, mental health, employment and education.

Objective 5a: Ensure critical evaluation and assessment of clients to determine appropriateness for Social Work services, and complete comprehensive intakes to determine legal advocacy and reentry needs.

Outcomes:

- 100% of referrals will be discussed with the Deputy Public Defender.
- 100% of eligible clients will receive an intake within 5 days, unless there is a valid reason for the assessment to be delayed.
- 100% of clients will exit jail or court sentencing with a pragmatic reentry treatment plan.

Objective 5b: Contingent on space availability, clients will enroll in mental/behavioral health, medical, housing and/or treatment services, education or employment services upon release.

Outcomes:

- 100% of clients will receive a direct referral from the Social Worker to the essential services.
- 65% of all clients will enroll in essential services, contingent on space availability.

Goal 2: To reduce the narcotic trade and associated violence in affected San Francisco neighborhoods through focused and proactive law enforcement, prosecution and probation efforts.

Objective 1: SFPD will plan and implement Focused Drug Deterrence activities and operations targeting high-level market drug sellers throughout the city.

Outcomes:

- Policy and practice memorialized for Focused Drug Deterrence call-in process.
- Total of 10 Focused Drug Deterrence operations will take place.
- Total of 10 individuals will be arrested as a result of Focused Drug Deterrence operations in the targeted zones.
- 100% (10 cases) of cases will include communication between SFPD and APD on arrestee information and status.

Objective 2: APD will analyze, track and classify all police incident reports generated from Focused Drug Deterrence operations or for defendants who were not deemed eligible for LEAD SF.

Outcomes:

- 10 police reports from the Focused Drug Deterrence operations will be evaluated by APD.

- One intensive probation supervision caseload with up to 60 clients will be supervised by APD.

Strategy 2: Citywide Justice System-Involved Youth Planning:

Goal 1: To convene community-based agencies, SFUSD and criminal justice partner agencies to discuss current trends impacting youth and young adults in order to promote awareness, create solutions, reduce suspensions and reduce incidents of violence.

Objective 1: DCYF will leverage existing partnerships with community-based agencies that work with justice partner agencies to help strengthen and align efforts in order to create a continuum of supports for young adults impacted by drug abuse, addiction and homicide.

Outcomes:

- Facilitate at least one convening with criminal justice partners and community-based agencies.
- Create a policy brief discussing current trends and disseminate to criminal justice partners and community-based agencies.

Goal 2: To facilitate and direct CCSF and juvenile justice partners' strategies to address barriers to success for system-involved youth, in part by refining the Violence Prevention and Intervention (VPI) Strategy (to be focused on System-Involved Youth) with a particular weight on strengthening partnerships between community based organizations, justice system partners and SFUSD.

Objective 2: Work collaboratively with partners to design and pilot programs which can significantly reduce the phenomena known as the school to prison pipeline.

Outcome: DCYF will produce a Local Action Plan for System-Involved Youth that will directly align with an RFP that address findings of Local Action plan, which will contain a refinement to the previous Request For Proposals (RFP).

This RFP will be based upon research and evaluations of the various service areas that have been implemented since 2011 and Local Action Plan information gathering process.

❖ **CCSF JAG DATA TRACKING AND DOCUMENTATION**

SFPD maintains an effective protocol for tracking individuals contacted and/or apprehended through all JAG activities. All JAG partners maintain open lines of communication to evaluate criminal history, current charges and department specific perspective on case matters. This level of coordination creates a variety of individual and system benefits and efficiencies – any SFPD arrests that result in detention receive information from SFSD regarding community-based drug treatment and other support services – this information is valuable to an individual whose case results in release and/or probation. While the Public Defender’s Reentry Social Work services are not inextricably woven into this process, any defendant who is custody and/or system involved and struggling with substance abuse may also benefit through the advocacy and community-based support provided by the Social Worker.

All JAG partners maintain internal electronic and hardcopy tracking procedures to measure progress towards JAG goals and maintain department specific records needed to regularly report on required JAG performance measures.

The Public Defender’s Office Reentry Unit, Social Work component will maintain department specific tracking protocols to measure the success of individuals served through social work interventions, and data required for reporting on performance measures.

DCYF will provide narrative documentation of the Violence Prevention Planning Analyst's progress towards the implementation of the planning efforts to strengthen partnerships and collaborations, as well as progress towards the VPI/System-Involved Youth Refinement and new RFP.

❖ **CCSF JAG COORDINATION**

The 2016 JAG funds will be administered by DCYF. CCSF has successfully overseen federal and state JAG funds for over a decade, and will continue to deliver on JAG activities under the administration of DCYF. The JAG Program Manager will lead CCSF's coordination of JAG partners and project activities. Once funds are available to CCSF, DCYF will convene the partners to discuss implementation of JAG-funded strategies, meeting schedules and review reporting protocols. The JAG Steering Committee will also convene to make recommendations for citywide planning that will include making future JAG applications reflective of innovative programming that the City is leading including specialized programs, innovative programs and a range of violence reduction strategies.

❖ **CLOSING**

These JAG funds provide CCSF criminal justice partners an opportunity to strengthen collaboration and to think critically about how we conduct our public safety business. To that end, CCSF looks forward to using 2016 JAG funds to adopt this innovative and comprehensive continuum of alternative responses with a harm reduction, recovery-centered approach for appropriate low-level drug offenders not only to keep them from a cycle of incarceration and improve their lives but to also move us towards reaching holistic violence and crime reduction goals to improve quality of life for all San Franciscans.

Acronym Table

Acronym	Term
LEAD SF	Law Enforcement Assisted Diversion San Francisco (CCSF Diversion Program)
APD	Adult Probation Department
CCSF	City and County of San Francisco
DCYF	The Department of Children Youth and Their Families
JPD	Juvenile Probation Department
LEAD	Law Enforcement Assisted Diversion (Seattle Diversion Program)
MAG	Mission Analytics Group
MTRs	Motions to Revoke Probations
PD	San Francisco Public Defender
R-NET	CCSF's Rotating Narcotic Enforcement Team
SFPD	San Francisco Police Department
SFDA	San Francisco District Attorney
SFSD	San Francisco Sheriff's Department
SFUSD	San Francisco Unified School District
SVRI	Street Violence Reduction Initiative
VPI	Violence Prevention and Intervention



City and County of San Francisco
Department of Elections

ORIG: Leg Clerk
C: Bos-11, ROB
cpage

John Arntz, Director

SAN FRANCISCO

June 24, 2016

2016 JUN 24 PM 4:41

BY: dh

Honorable Members
Board of Supervisors
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, California 94102

Statement of the Results
Consolidated Presidential Primary Election – June 7, 2016

I, John Arntz, Director of Elections, certify that I have canvassed the ballots cast at the Consolidated Presidential Primary Election held on Tuesday, June 7, 2016, within the City and County of San Francisco, in the manner required by Division 15 of the California Elections Code.

I certify that I began the canvass immediately upon the close of the polls on June 7, 2016, and as a result of the tabulation of all votes recorded, present a complete record entitled "Statement of the Results of the San Francisco Consolidated Presidential Primary Election – June 7, 2016." I also declare that the number of ballots cast in said election was 264,993, which signifies that 56.59 percent of San Francisco's 468,238 registered voters turned out to vote in this election.

In accordance with California Elections Code section 15400, I certify that the total number of votes cast for each candidate, and for and against each measure, is shown in this Statement of the Results and the precinct detail of all votes cast appears in the Statement of the Vote, which is posted on the Department of Elections' website at www.sfelections.org/20160607certresults, and is incorporated by reference to this Statement of the Results.

This Statement of the Results includes tables that present summarized totals of votes cast in each contest. The tables are organized in the following manner:

1. Party-Nominated Office
 - President of the United States
2. Voter-Nominated Offices
 - United States Senator
 - United States Representative, District 12
 - United States Representative, District 13
 - United States Representative, District 14
 - State Senator, District 11
 - Member of the State Assembly, District 17
 - Member of the State Assembly, District 19
3. Nonpartisan Office
 - Judge of the Superior Court, Office No. 7
4. State Proposition 50
5. City and County Propositions A—E
6. District Proposition AA
7. Political Party Contests: County Central Committees and County Council

⑦

In this Statement of the Results, the candidate (or candidates, for contests with multiple seats) or ballot measure position with the most votes is preceded by an arrow ("→"). Note that, for contests that were voted on in other counties in addition to San Francisco, the results shown are for San Francisco only; the overall results and outcome may differ.

For this election, each voter's ballot consisted of two separate cards, with content dependent on the voter's political party preference as well as residential address. Card 1 included the presidential primary contest on partisan ballots and, on all ballots, the voter-nominated offices of United States Senator, United States Representative to Congress, State Senator, and Member of the State Assembly. Card 2 included the political party contests for county central committee or county council, if applicable, as well as the nonpartisan contest for Judge of the Superior Court, and state, local, and district ballot measures.

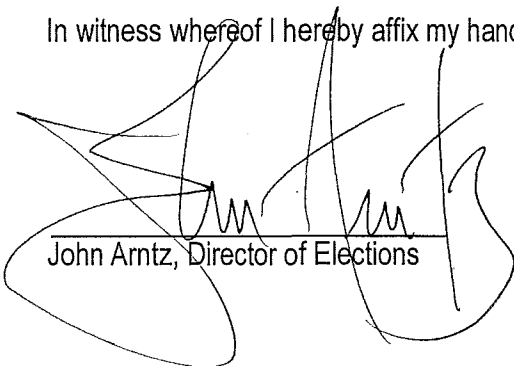
Voters who had registered with a political party preference were eligible to vote in their party's contests for President and county central committee or county council, if applicable (only certain parties had county committee or council contests). The American Independent, Democratic, and Libertarian parties also allowed voters with no party preference to request to vote for their party's presidential candidates. County central committee and county council contests were open only to voters who registered with a preference for that party.

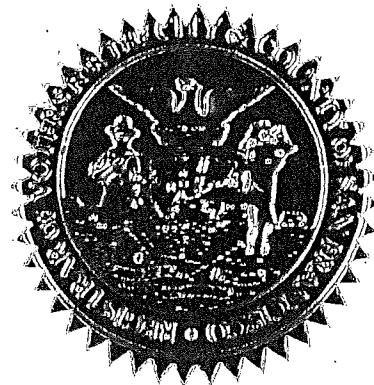
Since voters with no party preference had the choice to cast a nonpartisan ballot with no presidential primary contest or to vote in the presidential primary contest for one of the three parties allowing this, the Department formatted various versions of Card 1 for voters with no party preference. The vote totals in this statement for the presidential primary contests for the American Independent, Democratic, and Libertarian primary contests include all votes cast in these contests; votes cast by party-affiliated voters were not tabulated or reported separately from the votes cast by voters with no party preference.

This Statement of the Results includes the contest for United States Representative, District 13. The boundary that places this district within San Francisco extends across San Francisco Bay and crosses the extreme southwest corner of Alameda Island. Other than this uninhabited corner, the district lies entirely within Alameda County. This is why the table showing results for this contest indicates "0" votes and "0%" turnout.

The Department of Elections applied a SHA-512 cryptographic function to all results reports associated with this election. Information regarding the SHA-512 hash values for all electronic files associated with the final, certified results reports is listed in Attachment 1.

In witness whereof I hereby affix my hand and seal this 24th day of June, 2016.


John Arntz, Director of Elections



NOTE: The counts for all overvotes (which occur when voters mark more than the allowed number of candidates, or, mark both "yes" and "no" for ballot measures) and undervotes (which occur when voters mark fewer than the allowed number of candidates, or, leave blank the voting targets for both "yes" and "no") are included, although neither overvotes nor undervotes represent valid votes cast and are not added to the tallies determining total votes for a candidate or whether a measure passes.

1. PARTY-NOMINATED OFFICE

I certify the results for the following PARTY-NOMINATED OFFICE:

PRESIDENT OF THE UNITED STATES**AMERICAN INDEPENDENT PARTY**

Candidates	Vote Totals	% of Votes
→ INVALID WRITE-IN VOTES	1,136	56.04%
ALAN SPEARS	175	8.63%
ARTHUR HARRIS	168	8.29%
THOMAS HOEFLING	132	6.51%
ROBERT ORNELAS	127	6.27%
WILEY DRAKE	126	6.22%
JAMES HEDGES	90	4.44%
J.R. MYERS	73	3.60%
Total Votes	2,027	
Overvotes	9	
Undervotes	1,651	
Total Ballots Cast	3,687	

DEMOCRATIC PARTY

Candidates	Vote Totals	% of Votes
→ HILLARY CLINTON	116,362	53.53%
BERNIE SANDERS	99,595	45.81%
INVALID WRITE-IN VOTES	474	0.22%
WILLIE WILSON	278	0.13%
MICHAEL STEINBERG	219	0.10%
HENRY HEWES	200	0.09%
ROQUE DE LA FUENTE	194	0.09%
KEITH JUDD	67	0.03%
ANDREW D. BASIAGO*	3	0.00%
WILLIE FELIX CARTER*	0	0.00%
KEVIN M. MOREAU*	0	0.00%
IGNACIO LEÓN NUÑEZ*	0	0.00%
DOUG TERRY*	0	0.00%
Total Votes	217,392	
Overvotes	125	
Undervotes	1,851	
Total Ballots Cast	219,368	

*Qualified write-in candidate

GREEN PARTY

Candidates	Vote Totals	% of Votes
→ JILL STEIN	811	60.30%
INVALID WRITE-IN VOTES	315	23.42%
DARRYL CHERNEY	95	7.06%
SEDINAM MOYOWASIFSA-CURRY	72	5.35%
WILLIAM KREML	28	2.08%
KENT MESPLAY	24	1.78%
Total Votes	1,345	
Overvotes	3	
Undervotes	665	
Total Ballots Cast	2,013	

LIBERTARIAN PARTY

Candidates	Vote Totals	% of Votes
→ GARY JOHNSON	559	50.82%
INVALID WRITE-IN VOTES	194	17.64%
JOHN MCAFEE	117	10.64%
AUSTIN PETERSEN	40	3.64%
RHETT WHITE FEATHER SMITH	33	3.00%
JACK ROBINSON, JR.	27	2.45%
JOHN HALE	26	2.36%
STEVE KERBEL	24	2.18%
MARC FELDMAN	22	2.00%
DARRYL W. PERRY	16	1.45%
JOY WAYMIRE	16	1.45%
CECIL INCE	13	1.18%
DERRICK M. REID	13	1.18%
Total Votes	1,100	
Overvotes	1	
Undervotes	289	
Total Ballots Cast	1,390	

PEACE AND FREEDOM PARTY

Candidates	Vote Totals	% of Votes
→ GLORIA ESTELA LA RIVA	122	40.67%
INVALID WRITE-IN VOTES	78	26.00%
MONICA MOOREHEAD	62	20.67%
LYNN S. KAHN	38	12.67%
Total Votes	300	
Overvotes	2	
Undervotes	139	
Total Ballots Cast	441	

REPUBLICAN PARTY

Candidates	Vote Totals	% of Votes
→ DONALD TRUMP	9,226	55.66%
JOHN R. KASICH	4,058	24.48%
TED CRUZ	1,461	8.81%
INVALID WRITE-IN VOTES	1,117	6.74%
BEN CARSON	532	3.21%
JIM GILMORE	181	1.09%
JAMES ALEXANDER-PACE*	1	0.01%
JOANN BREIVOGEL *	0	0.00%
JOHN DOWELL*	0	0.00%
JAMES GERMALIO*	0	0.00%
DONALD J. GONZALES*	0	0.00%
JAMES ORLANDO OGLE III*	0	0.00%
TROY HUGH SOUTHERN*	0	0.00%
DAVID P. THOMSON*	0	0.00%
FREDERIC VIDAL*	0	0.00%
VICTOR WILLIAMS*	0	0.00%
Total Votes	16,576	
Overvotes	18	
Undervotes	1,702	
Total Ballots Cast	18,296	

*Qualified write-in candidate

2. VOTER-NOMINATED OFFICES

I certify the results for the following VOTER-NOMINATED OFFICES:

UNITED STATES SENATOR

Candidates	Vote Totals	% of Votes
→ KAMALA D. HARRIS	161,908	70.17%
LORETTA L. SANCHEZ	23,242	10.07%
GEORGE C. YANG	4,654	2.02%
DUF SUNDHEIM	3,355	1.45%
PAMELA ELIZONDO	3,041	1.32%
MASSIE MUNROE	2,816	1.22%
STEVE STOKES	2,590	1.12%
GREG CONLON	2,340	1.01%
THOMAS G. DEL BECCARO	2,178	0.94%
VON HOUGO	1,860	0.81%
GAIL K. LIGHTFOOT	1,754	0.76%
LING LING SHI	1,752	0.76%
PRESIDENT CRISTINA GRAPPO	1,656	0.72%
MARK MATTHEW HERD	1,506	0.65%
PHIL WYMAN	1,383	0.60%
ELEANOR GARCÍA	1,313	0.57%
JASON HANANIA	1,242	0.54%
DON KRAMPE	1,234	0.53%
JOHN THOMPSON PARKER	1,219	0.53%
TOM PALZER	1,213	0.53%
KAREN ROSEBERRY	1,036	0.45%
RON UNZ	994	0.43%
INVALID WRITE-IN VOTES	895	0.39%
HERBERT G. PETERS	774	0.34%
MIKE BEITIKS	724	0.31%
CLIVE GREY	665	0.29%
SCOTT A. VINEBERG	587	0.25%
PAUL MERRITT	474	0.21%
EMORY RODGERS	468	0.20%
JARRELL WILLIAMSON	414	0.18%
JERRY J. LAWS	373	0.16%
DON J. GRUNDMANN	288	0.12%
JASON KRAUS	272	0.12%
GAR MYERS	272	0.12%
TIM GILDERSLEEVE	233	0.10%
BILLY FALLING*	0	0.00%
RIC M. LLEWELLYN*	0	0.00%
ALEXIS STUART*	0	0.00%
Total Votes	230,725	
Overvotes	2,378	
Undervotes	31,890	
Total Ballots Cast	264,993	

*Qualified write-in candidate

UNITED STATES REPRESENTATIVE, DISTRICT 12

Candidates	Vote Totals	% of Votes
→ NANCY PELOSI	169,537	77.94%
PRESTON PICUS	16,633	7.65%
BOB MILLER	16,583	7.62%
BARRY HERMANSON	14,289	6.57%
INVALID WRITE-IN VOTES	484	0.22%
Total Votes	217,526	
Overvotes	226	
Undervotes	17,974	
Total Ballots Cast	235,726	

UNITED STATES REPRESENTATIVE, DISTRICT 13

Candidates	Vote Totals	% of Votes
SUE CARO	0	0
BARBARA LEE	0	0
INVALID WRITE-IN VOTES	0	0
Total Votes	0	
Overvotes	0	
Undervotes	0	
Total Ballots Cast	0	

UNITED STATES REPRESENTATIVE, DISTRICT 14

Candidates	Vote Totals	% of Votes
→ JACKIE SPEIER	22,078	97.65%
INVALID WRITE-IN VOTES	525	2.32%
ANGEL CARDENAS*	7	0.03%
Total Votes	22,610	
Overvotes	3	
Undervotes	6,654	
Total Ballots Cast	29,267	

*Qualified write-in candidate

STATE SENATOR, DISTRICT 11

Candidates	Vote Totals	% of Votes
→ JANE KIM	110,172	45.64%
SCOTT WIENER	108,656	45.01%
KEN LOO	21,957	9.10%
INVALID WRITE-IN VOTES	611	0.25%
MICHAEL A. PETRELIS*	4	0.00%
Total Votes	241,400	
Overvotes	379	
Undervotes	23,214	
Total Ballots Cast	264,993	

*Qualified write-in candidate

MEMBER OF THE STATE ASSEMBLY, DISTRICT 17

Candidates	Vote Totals	% of Votes
→ DAVID CHIU	114,907	87.56%
MATTHEW DEL CARLO	14,891	11.35%
INVALID WRITE-IN VOTES	1,435	1.09%
Total Votes	131,233	
Overvotes	56	
Undervotes	23,728	
Total Ballots Cast	155,017	

MEMBER OF THE STATE ASSEMBLY, DISTRICT 19

Candidates	Vote Totals	% of Votes
→ PHIL TING	78,424	83.99%
CARLOS "CHUCK" TAYLOR	14,335	15.35%
INVALID WRITE-IN VOTES	598	0.64%
DANIEL C. KAPPLER*	21	0.02%
Total Votes	93,378	
Overvotes	27	
Undervotes	16,571	
Total Ballots Cast	109,976	

*Qualified write-in candidate

3. NONPARTISAN OFFICE

I certify the results for the following **NONPARTISAN ELECTIVE OFFICE**:

If no candidate receives a majority of votes for a nonpartisan office, the candidates with the two highest vote totals will appear on the ballot for the general election. See California Elections Code section 8141. The Consolidated General Election is scheduled for November 8, 2016.

JUDGE OF THE SUPERIOR COURT, OFFICE NO. 7

	Candidates	Vote Totals	% of Votes
→	VICTOR HWANG	99,119	48.47%
→	PAUL HENDERSON	68,788	33.64%
	SIGRID ELIZABETH IRÍAS	35,288	17.26%
	INVALID WRITE-IN VOTES	1,313	0.64%
	Total Votes	204,508	
	Overvotes	540	
	Undervotes	57,431	
	Total Ballots Cast	262,479	

4. STATE PROPOSITION

I certify the results for the following **STATE PROPOSITION**:

PROPOSITION 50, Suspension of Legislators. Legislative Constitutional Amendment.

		Vote Totals	% of Votes		Number Cast
→	YES	185,875	84.12%	Overvotes	78
	NO	35,097	15.88%	Undervotes	41,429

5. CITY AND COUNTY PROPOSITIONS

I certify the results for the following CITY AND COUNTY PROPOSITIONS:

BOND**A, Public Health and Safety Bond**

	Vote Totals	% of Votes		Number Cast
→ YES	190,708	79.26%	Overvotes	143
NO	49,899	20.74%	Undervotes	21,729

CHARTER AMENDMENTS**B, Park, Recreation and Open Space Fund**

	Vote Totals	% of Votes		Number Cast
→ YES	143,113	60.05%	Overvotes	134
NO	95,223	39.95%	Undervotes	24,009

C, Affordable Housing Requirements

	Vote Totals	% of Votes		Number Cast
→ YES	161,324	67.92%	Overvotes	207
NO	76,207	32.08%	Undervotes	24,741

ORDINANCES**D, Office of Citizen Complaints Investigations**

	Vote Totals	% of Votes		Number Cast
→ YES	194,462	80.92%	Overvotes	208
NO	45,838	19.08%	Undervotes	21,971

E, Paid Sick Leave

	Vote Totals	% of Votes		Number Cast
→ YES	186,199	79.51%	Overvotes	103
NO	47,992	20.49%	Undervotes	28,185

6. DISTRICT PROPOSITIONS

I certify the results for the following DISTRICT PROPOSITION:

AA, San Francisco Bay Clean Water, Pollution Prevention and Habitat Restoration Program.

	Vote Totals	% of Votes		Number Cast
→ YES	186,674	77.64%	Overvotes	56
NO	53,766	22.36%	Undervotes	21,983

7. POLITICAL PARTY CONTESTS: COUNTY CENTRAL COMMITTEES AND COUNTY COUNCIL

I certify the results for the following POLITICAL PARTY COUNTY CENTRAL COMMITTEE AND COUNTY COUNCIL SEATS:

MEMBER, DEMOCRATIC PARTY COUNTY CENTRAL COMMITTEE, ASSEMBLY DISTRICT 17
VOTE FOR NO MORE THAN 14

	Candidates	Vote Totals	% of Votes
→ 1	JANE KIM	44,107	5.94%
→ 2	SCOTT WIENER	43,496	5.86%
→ 3	TOM AMMIANO	42,741	5.76%
→ 4	DAVID CAMPOS	40,085	5.40%
→ 5	BEVAN DUFTY	33,356	4.50%
→ 6	AARON PESKIN	30,287	4.08%
→ 7	LONDON BREED	28,254	3.81%
→ 8	SOPHIE MAXWELL	28,012	3.78%
→ 9	CINDY WU	26,150	3.52%
→ 10	PRATIMA GUPTA	25,920	3.49%
→ 11	MALIA COHEN	25,335	3.41%
→ 12	RAFAEL MANDELMAN	24,345	3.28%
→ 13	JOHN BURTON	24,208	3.26%
→ 14	PETRA DEJESUS	21,850	2.94%
	ALYSABETH ALEXANDER	21,137	2.85%
	JON GOLINGER	20,097	2.71%
	WADE WOODS	19,088	2.57%
	REBECCA PROZAN	18,697	2.52%
	FRANCES HSIEH	18,404	2.48%
	ALIX ROSENTHAL	18,385	2.48%
	ZOE DUNNING	17,744	2.39%
	JOSHUA ARCE	17,170	2.31%
	LEAH PIMENTEL	17,121	2.31%
	FRANCIS TSANG	16,525	2.23%
	JILL WYNNS	15,785	2.13%
	TOM HSIEH	13,607	1.83%
	ARLO HALE SMITH	12,952	1.75%
	GARY MCCOY	11,098	1.50%
	GLADYS SOTO	10,402	1.40%
	WENDY HA CHAU	9,549	1.29%
	SHAUN HAINES	8,821	1.19%
	MARLENE TRAN	8,771	1.18%
	MELISSA SAN MIGUEL	7,187	0.97%
	DAVID GIESEN	4,292	0.58%
	JO ELIAS-JACKSON	4,248	0.57%
	RICK HAUPTMAN	4,163	0.56%
	RODNEY HAUGE	3,975	0.54%
	MICHAEL E. GRAFTON	2,376	0.32%
	INVALID WRITE-IN VOTES	1,166	0.16%
	NICHOLAS PASQUARIELLO	1,122	0.15%
	Total Votes	742,028	
	Overvotes	9,674	
	Undervotes	759,696	
	Total Ballots Cast	107,957	

MEMBER, DEMOCRATIC PARTY COUNTY CENTRAL COMMITTEE, ASSEMBLY DISTRICT 19

VOTE FOR NO MORE THAN 10

	Candidates	Vote Totals	% of Votes
→ 1	ANGELA ALIOTO	24,827	7.89%
→ 2	NORMAN YEE	24,289	7.72%
→ 3	ERIC MAR	20,495	6.52%
→ 4	SANDRA LEE FEWER	19,164	6.09%
→ 5	MARK FARRELL	16,998	5.40%
→ 6	MARY JUNG	16,883	5.37%
→ 7	TOM A. HSIEH	16,640	5.29%
→ 8	KEITH BARAKA	15,557	4.95%
→ 9	LEAH LACROIX	15,047	4.78%
→ 10	RACHEL NORTON	14,273	4.54%
	KAT ANDERSON	14,239	4.53%
	BRIGITTE DAVILA	14,134	4.49%
	HENE KELLY	13,923	4.43%
	MYRNA MELGAR	13,760	4.37%
	EMILY MURASE	13,684	4.35%
	MARJAN PHILHOUR	13,681	4.35%
	TREVOR MCNEIL	13,044	4.15%
	BILL FAZIO	12,832	4.08%
	JOEL ENGARDIO	8,523	2.71%
	GABRIEL MEDINA	6,612	2.10%
	SAMUEL KWONG	4,720	1.50%
	INVALID WRITE-IN VOTES	1,191	0.38%
	Total Votes	314,516	
	Overvotes	1,760	
	Undervotes	384,264	
	Total Ballots Cast	70,054	

MEMBER, GREEN PARTY COUNTY COUNCIL

VOTE FOR NO MORE THAN 6

	Candidates	Vote Totals	% of Votes
→ 1	BARRY HERMANSON	765	36.39%
→ 2	MIKE MURPHY	535	25.45%
→ 3	JOHN-MARC CHANDONIA	405	19.27%
→ 4	RICHARD W. STONE	308	14.65%
	INVALID WRITE-IN VOTES	89	4.23%
	Total Votes	2,102	
	Overvotes	-	
	Undervotes	10,006	
	Total Ballots Cast	2,018	

MEMBER, REPUBLICAN PARTY COUNTY CENTRAL COMMITTEE, ASSEMBLY DISTRICT 17
VOTE FOR NO MORE THAN 11

	Candidates	Vote Totals	% of Votes
→ 1	MATTHEW DEL CARLO	2,577	10.90%
→ 2	MASON HARRISON	2,154	9.11%
→ 3	CHRIS CHENG	2,112	8.93%
→ 4	JASON P. CLARK	2,071	8.76%
→ 5	LISA REMMER	2,065	8.73%
→ 6	CHRISTINE HUGHES	1,981	8.38%
→ 7	HARMEET K. DHILLON	1,957	8.28%
→ 8	TROY BODNAR	1,820	7.70%
→ 9	CHANTAL ANDERSON	1,810	7.66%
→ 10	SARVJIT S. RANDHAWA	1,740	7.36%
→ 11	BARRY A. GRAYNOR	1,738	7.35%
	LAUREN R. AMMATUNA	1,242	5.25%
	INVALID WRITE-IN VOTES	376	1.59%
	Total Votes	23,643	
	Overvotes	121	
	Undervotes	62,784	
	Total Ballots Cast	7,868	

MEMBER, REPUBLICAN PARTY COUNTY CENTRAL COMMITTEE, ASSEMBLY DISTRICT 19
VOTE FOR NO MORE THAN 14

	Candidates	Vote Totals	% of Votes
→ 1	KEN LOO	4,209	11.99%
→ 2	JOHN DENNIS	2,725	7.77%
→ 3	RODNEY LEONG	2,572	7.33%
→ 4	TERENCE FAULKNER	2,548	7.26%
→ 5	STEPHANIE JEONG	2,498	7.12%
→ 6	HILARY W. HAGENBUCH	2,486	7.08%
→ 7	JOAN LEONE	2,403	6.85%
→ 8	RICHARD WORNER	2,233	6.36%
→ 9	ANDREW BENTON	2,062	5.88%
→ 10	GILBERT GONZALES	2,021	5.76%
→ 11	SARAH L. STORELLI	1,993	5.68%
→ 12	SCOTT WILLIAMS	1,947	5.55%
→ 13	JOHNNY D. KNADLER	1,815	5.17%
→ 14	RUDY ASERCION	1,714	4.88%
	EDWARD BATE	1,386	3.95%
	INVALID WRITE-IN VOTES	481	1.37%
	Total Votes	35,093	
	Overvotes	196	
	Undervotes	108,757	
	Total Ballots Cast	10,289	

Attachment 1

List of SHA512 hash values for Certified Results Reports Consolidated Presidential Primary Election, June 7, 2016

This list represents the various certified results reports the Department of Elections issued for the June 7, 2016, Consolidated Presidential Primary Election. The file names for each report are listed numerically, and underneath each file name is the SHA-512 cryptographic hash value applicable to each file. All reports are posted on the Department's website: www.sfelections.org/20160607certresults.

1. **"Summary – TXT,"** a summary of votes cast by contest, using a text file format.

Hash value:

02E65B9F43D9A6BB1C71D1875851CE8B34FC9FE4208C05B0FAF3C976685B6CAEF
9A0A74D3051A05CC3C2536C86D5D7A8E6450DD68C077A0C7959ED37D66D82BB

2. **"Summary – PDF,"** a summary of votes cast by contest, using a PDF format.

Hash value:

E393FC1F00308C6C542AF5555CE14709E1BA58AB85AB4EEBF8FBDB25BD0A2C46
4E35E1C384C961702878D9F1BBD321601BC7506625A2EC582E3832D12D7AB507

3. **"SOV – PDF,"** votes cast in each precinct and for each contest, using a PDF format.

Hash value:

3F9563F19A8CC097E253816D48E42B88CF81C6CE108087FD0180929220F317428015
20C4AB7EED5C3CDA3F0E92077622FCC1DE2306EBB69223E9FEA598F89D09

4. **"SOV – Excel,"** votes cast in each precinct and for each contest, using Microsoft Excel worksheets.

Hash value:

D55E76FF6EB322F0CF801EA70E4A93AB494A90393CE78C45EDA4811E23E0C8AE1
533359415B03FBE5B688A2CFD3FC05B3529FA6D47CD7F1B13026055A798B765

5. **"SOV – RAW,"** votes cast in each precinct and for each contest, using a text file format.

Hash value for ZIP file:

FA4C00A0ABA713A0A41BF69FD35CB81951714F79B7958E02B849FA262372A26595
73F88DAD11EF6304D155494C4CED748AEB3B5F7A4B47633C052F6304D67E4F

Attachment 1

List of SHA512 hash values for Certified Results Reports Consolidated Presidential Primary Election, June 7, 2016

6. **"District SOV – PDF,"** a summary of votes cast in each district and for each contest, using a PDF format.

Hash value:

7A31DCCDCE3724F5DCC07304A89BA69636DD13F40FFA54AC7881491A0DA14058
03C327F92843BACCF2ECDDA8E447CA47F240041BE02A627281F294208DBA8488

7. **"District SOV – Excel,"** a summary of votes cast in each Supervisorial district and for each contest, using Microsoft Excel worksheets.

Hash value:

703994832949582398B49DF2B4656A3D9A87969FB3B6421E409AFF4BB30DF4A1FE
98D474288BCD2FBC4A8BD8D98EC4B70684B941E1ECAC968086ED4DFCE560C

8. **"Precinct Turnout – TXT,"** the total number of votes cast in each precinct, using a text file format.

Hash value:

703AEC3B1C9563E68F4C31F887F9E2A311BFB32646022A15F56E4513AEC3DE4A82
E004A6C3C151B087749A3BC2B59C4BF2507888C43C62AEE22AEA96E0DBE9B1

9. **"Neighborhood Turnout – PDF,"** the total number of votes cast in each neighborhood, using a PDF format.

Hash value:

70CE29243D86135D45712773563A52B0F4D911AC37EB3BB935EC353C2AAF8CEC1
DEB24B71CA4C18B264616F53F35EA09C910AE76071EEE3EDA17282AC3EFDB5A

10. **"Neighborhood Turnout – Excel,"** the total number of votes cast in each neighborhood, using Microsoft Excel worksheets.

Hash value:

010CEBE63F245F301F4EC865FBD2CE9016D47E017703839C36E70A7EC306E4D85D
237B01A9EBF52BA1BC6DAB5391114B17105499334EE025987A059958E6F169

Attachment 1

List of SHA512 hash values for Certified Results Reports Consolidated Presidential Primary Election, June 7, 2016

11. **"Write-In Report – PDF,"** the total number of votes cast for qualified write-in candidates in each precinct.

Hash value:

A5DC74DA8FEDD56D547FA016F457C3E82981B96FB26B81A62A5F2FDA86D909D16
B3F82C250E0A94DCEB8F2CFDE45992CE0DB142FD21CBC484ACDED0C8FFE80DB

12. **"Vote-by-Mail Status Report,"** lists the disposition of the vote-by-mail ballots the Department received.

Hash value:

E4F0529714D9E9A8BDA27A5B680EA7D53D7FA92B3871373B4EFDCFE6A9C2D110
C047457B9DD9A16158974014486321EE888A73622ABED358A42F65B84C5846D3

13. **"Provisional Ballot Status Report,"** lists the disposition of the provisional ballots the Department received.

Hash value:

5829D719294E55EEA2BF164E83CFAF8504E65688750746EE0765D98C8035D53ECBE
5CFC6BDBE7304AA38A984766585B8479CEAB49EDF1B6A2E8A70BD88DB6A65

CITY AND COUNTY OF SAN FRANCISCO
CIVIL GRAND JURY

BOS-11
Orig: GAO clerk
c: COB
cpage



June 22, 2016

Angela Calvillo
Clerk of the Board
SF Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RECEIVED
SFPD OF SUPERVISORS
SAN FRANCISCO
2016 JUN 22 AM 10:00

Dear Ms. Calvillo,

The 2015 – 2016 Civil Grand Jury will release its report entitled, "Maintenance Budgeting and Accounting Challenges For General Fund Departments: Maintenance Economics Versus Maintenance Politics: Pay Now or Pay More Later" to the public on Monday, June 27, 2016. Enclosed is an advance copy of this report. Please note that by order of the Presiding Judge of the Superior Court, Hon. John K. Stewart, this report **is to be kept confidential until the date of release (June 27th)**.

California Penal Code §933 (c) requires a response to be submitted to the Presiding Judge no later than 90 days. California Penal Code §933.5 states that for each finding in the report, the responding person or entity shall indicate one of the following: (1) agree with the finding; or (2) disagree with it, wholly or partially, and explain why.

Further, as to each recommendation, your response must either indicate:

- 1) That the recommendation has been implemented, with a summary of how it was implemented;
- 2) That the recommendation has not been, but will be, implemented in the future, with a timeframe for implementation;
- 3) That the recommendation requires further analysis, with an explanation of the scope of that analysis and a timeframe for discussion, not more than six months from the release of the report; or
- 4) That the recommendation will not be implemented because it is not warranted or reasonable, with an explanation.

Please provide your response to Presiding Judge Stewart at the following address:
400 McAllister Street, Room 008
San Francisco, CA 94102-4512

Respectfully,


Jay Cunningham, Foreperson
2015 – 2016 Civil Grand Jury

City Hall, Room 482
1 Dr. Carlton B. Goodlett Pl, San Francisco, CA 94102
Phone: 415-554-6630

8

MAINTENANCE BUDGETING AND ACCOUNTING CHALLENGES FOR GENERAL FUND DEPARTMENTS

MAINTENANCE ECONOMICS VERSUS MAINTENANCE POLITICS:

Pay Now or Pay More Later



Photo: CampbellPM

June 2016



City and County of San Francisco

Civil Grand Jury, 2015-2016

Members of the Civil Grand Jury

Jay Cunningham, Foreperson

Alison Ileen Scott, Esq., Foreperson Pro Tem

Arti M. Sharma, M.S., Recording Secretary

Sheldon Bachus

Richard Baker-Lehne

Mary Lou Bartoletti, M.B.A.

Jean Bogiages

Catherine Covey, M.D.

Libby Dodd, M.B.A.

John Hoskins, Esq.

Margaret Kuo, M.S.

David Lal

Andrew Lynch

Wassim J. Nassif

Patti Schock

Michael Skahill, Ph.D.

David Stein

Charles Thompson

Eric S. Vanderpool, Esq.

THE CIVIL GRAND JURY

The Civil Grand Jury is a government oversight panel of volunteers who serve for one year. It makes findings and recommendations resulting from its investigations.

Reports of the Civil Grand Jury do not identify individuals by name.
Disclosure of information about individuals interviewed by the jury is prohibited.
California Penal Code, section 929

STATE LAW REQUIREMENT

California Penal Code, section 933.05

Each published report includes a list of those public entities that are required to respond to the Presiding Judge of the Superior Court within 60 to 90 days as specified.

A copy must be sent to the Board of Supervisors. All responses are made available to the public.

For each finding, the response must:

- 1) agree with the finding , or
- 2) disagree with it, wholly or partially, and explain why.

As to each recommendation the responding party must report that:

- 1) the recommendation has been implemented, with a summary explanation; or
- 2) the recommendation has not been implemented but will be within a set timeframe as provided; or
- 3) the recommendation requires further analysis. The officer or agency head must define what additional study is needed. The Grand Jury expects a progress report within six months; or
- 4) the recommendation will not be implemented because it is not warranted or reasonable, with an explanation.

TABLE OF CONTENTS

SUMMARY	4
INTRODUCTION	5
PART I: Why the Decade-long Decline in the Facilities Maintenance Budget?	9
PART II: Why Adequate Maintenance and Repair (M&R) Funding is Important to San Francisco's Residents	22
A. Adequately Funding M&R Saves Money and Protects Citizens	23
B. Inadequate Maintenance Means Taking Risks with the Facilities Citizens Rely Upon for Critical Public Health, Public Protection, and Services	25
C. Examples of M&R Underfunding Risks:	29
(1) Street Trees and the Urban Forest	
(2) San Francisco's "Structurally Deficient" Bridges	
PART III: Maintenance Funding Needs Increased Visibility	42
A. New Asset Management System for General Fund Departments	43
B. Ten-Year Capital Plan for Facilities and Infrastructure Investments	44
C. Condition Assessments: Key Parts of the Maintenance Needs Determination Process Are Not Being Updated	46
D. Real Estate Division Should Set Rental Rates for Tenant City Departments Sufficient to Cover M&R	51
PART IV: Maintenance Budget Requests Deserve Vigorous Advocacy	52
PART V: Voter Information Pamphlets on General Obligation Bonds Should Disclose Life-Cycle Maintenance Cost Projections	58
PART VI: Maintenance Policy Implications of Kicking the Can Down the Road: Higher Cost, Lower Quality and Lower Reliability of Service	62
PART VII: Improving Accounting and Reporting for Deferred Maintenance	67
CONCLUSION	72
REQUEST FOR RESPONSES	76
BIBLIOGRAPHY	99
GLOSSARY	106
APPENDICES	110

SUMMARY

San Francisco needs improved tracking and budgeting for maintenance and repair of vital assets.

The San Francisco Civil Grand Jury completed a ten-month investigation on problems with the City's budgeting for general fund dollars required to maintain buildings and infrastructure. Through more than 30 interviews with the heads and staff of General Fund departments and others and review of relevant documents and published reports, the Jury found opportunities to better identify maintenance funding needs so the Mayor and Supervisors will budget appropriately. Reliable data is the cornerstone of responsible maintenance management.

The report finds:

1. The "Facilities Maintenance" segment of the City's budget is both incomplete and inadequate.
2. Adequately funding maintenance would save money and protect City residents.
3. Maintenance funding for General Fund departments needs increased visibility.
4. Maintenance budget requests by General Fund departments deserve vigorous advocacy by department managers and staff.
5. Voter Information Pamphlets on General Obligation Bond propositions fail to disclose projected total interest costs and life-cycle maintenance needs.
6. Reduction of the City's growing deferred maintenance backlog should start NOW, not ten to fifteen years from now.
7. The City should adopt best accounting practices for tracking and reporting deferred maintenance.

Department managers and staff are very much aware of the consequences of underfunding maintenance. One manager said: "Routine maintenance is deferred until it becomes a capital replacement. The need becomes more visible. But it is excruciating watching unmaintained assets deteriorate. It's like watching a train wreck in slow motion."

INTRODUCTION

“Money to build; No money to fix.”

—A witness describing the dilemma of maintenance budgeting.

“Stuff” – Stand-up comic George Carlin riffed about it; We want to talk about it. We want the decision-makers who control the City’s purse strings to pay more attention to taking care of the City’s stuff.

Our report uses the official terms “Assets”, “Facilities” and “Infrastructure”, but what we are really talking about is the “Stuff” – the physical things – the City and County landmarks, the buildings and hospitals, the parks and playgrounds, the streets and sidewalks, the stuff that has to be in good working condition for our City to function; the stuff we take for granted and do not notice until something breaks or stops working. Then we complain.

This is what “maintenance” is all about – keeping the City’s stuff we take for granted running, so we can continue to take it for granted, and complain about other things.

This “stuff” we rely on does not just happen to be here – our forefathers paid for it through their taxes. We are still paying for much of it through our taxes. Our children and grandchildren will be paying for it through their taxes long after we are gone.

The City assets of today are not only our children’s inheritance -- if maintained --, they are our legacy and history. But because we – the collective “we” – are not getting the job done of paying to maintain this stuff, we are eating away at our children’s inheritance, and we are piling up debts for them to pay.

Anyone want to play the “blame game”? There is plenty of blame to go around.

- a) The department heads who don’t make the compelling case that the stuff they manage, and that we all depend on to keep working, needs more money to maintain each year than the budget deciders allocate;
- b) The officials – appointed and elected – who make the budget decisions allocating money to stuff and to services, who know how important maintaining the City’s stuff is, yet are overwhelmed by the persistent claims for more and more services; and ultimately
- c) We, the citizen taxpayers, who take the City’s stuff for granted and do not pressure our elected representatives to pay more attention to its maintenance. We were told that taxpayers only pay attention to the short-term: We want more stuff but we don’t want to pay more in taxes.

Cynics may say it will take a disaster -- or several disasters -- to mobilize public and political support for adequate maintenance funding. But, ideally, and with the help of the media, we can shine a light on the need to maintain the City’s stuff – for us and for those who will follow.

The guiding principles in this report are:

Stewardship: City officials manage City property on behalf of the citizens;

Interperiod Equity: Whether City government is deferring costs to the future or using accumulated resources to provide current period services;

Accountability: City officials are responsible for their actions, decisions, and policies, and must inform citizens about them; and

Transparency: Information should be disclosed in forms that the public can readily find and use.

Transparency is the best hope for getting adequate maintenance and repair funding. Attention must be paid.

OBJECTIVES, SCOPE AND METHODOLOGY

This report focuses on the challenge of budgeting to maintain facilities and infrastructure managed by the City's General Fund departments and the need for adoption of best accounting practices to track and report the full extent to which the City defers maintenance. The 2015 General Fund budget of \$4.7 billion was slightly more than half of the total City budget, with almost half of that spent for personnel and only 0.2% to maintain stuff. This causes a growing deferred maintenance backlog when the budgeted funds for maintenance do not meet the need. (When we refer to "departments" in this report, we mean General Fund departments, unless otherwise noted.)

We researched public-agency maintenance budgeting by reading books, journal articles, and Civil Grand Jury reports from other California counties. We examined City reports available to the public online at OneSanFrancisco and SFOpenBook. We spoke to many department managers and staff who gave their time and expertise to educate us about the City's budget and accounting processes generally and issues impacting General Fund departments maintenance needs specifically.

Our review was performed between August 2015 and May 2016.

BACKGROUND

San Francisco's economy depends on continuing investments to maintain the infrastructure and services that benefit City residents, workers, visitors, and businesses. (CAFR 2015, iv <http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=6984>; SPUR 2005 <http://www.spur.org/publications/spur-report/2005-01-03/big-fix>) [These abbreviated titles and others signify reference materials in the Bibliography at the back of this report. CAFR means the City's Comprehensive Annual Financial Report. SPUR refers to the San Francisco Bay Area Planning and Urban Research Association which published a very influential article, "The Big Fix", in

2005 that is frequently referred to in this report. We are indebted to the authors for their article and commend it to the reader.]

As is typical of most government entities, need exceeds funding availability forcing City officials to prioritize and make choices. Good information is a fundamental requirement for establishing priorities, including reliable information on the City's maintenance needs.

Historically, the City budgeted inadequate funds to General Fund departments for their maintenance needs. Even during times of fiscal health, mayors and boards of supervisors have not provided adequate annual funding for routine maintenance and repair. (SPUR 2005)

As noted in the SPUR article:

Political realities facing mayors and boards of supervisors make it difficult for them to consistently fund capital maintenance despite the best intentions.

There exists little political incentive, especially given term limits for elected officials, to make a priority of the long-term issue of maintenance.

The history of underinvestment provides ample evidence that the normal budget process does not provide adequate funding for capital and infrastructure maintenance.

Insufficient capital maintenance is fundamentally wasteful, leading to greater expenses for government over time and reducing the amount of public funds available to pay for important discretionary programs.

Adequate maintenance will lessen the dependence on costly bond financing thereby saving taxpayers millions of dollars over time.

Improvement in the financing of deferred maintenance will extend the life of the City's assets.

As a consequence of this funding deficit, the City has saddled itself with a very large (and growing) backlog of deferred maintenance liabilities. When maintenance is deferred, the City's infrastructure is allowed to deteriorate. This deterioration accelerates over time, increasing the amount of money the City must pay to restore infrastructure to its original condition. (Id.)

When critical facilities deteriorate past the point where further maintenance would be cost-effective, the City typically raises capital to replace those assets through General Obligation bonds. Borrowing money costs money. As the City fails to spend money to maintain its assets on an annual "pay-as-you-go" basis, there is a growing over-reliance on costly bond financing to address the consequences of deferred maintenance. (SPUR 2005)



Photo source:
<http://www.campbellpropertymanagement.com/blog/2014/08/06/word-wednesday-deferred-maintenance-wait/>

Operational Accountability and Interperiod Equity

Governments are required to provide information about operating costs, operating results, and *interperiod equity* information – i.e., whether the government is deferring costs to the future or using up accumulated resources to provide current-period services. (GASB 34, paragraph 221)

Many of the Findings and Recommendations in this Report are intended to focus attention on interperiod equity issues: i.e., whether by inadequately funding Maintenance and Repairs, the City government is deferring costs to the future and using up its accumulated resources – its facilities and infrastructure – to provide current period services.

As an influential and much-cited National Research Council report succinctly concluded: We are spending our assets and wasting our inheritance. (NRC 1990).

Parts of This Report

Part I: We analyze the decline in Facilities Maintenance funding for General Fund departments over the decade between 2005-2015, as stated in the respective Budget Ordinances (Appendix A and B). Other pieces of the maintenance funding puzzle may exist, but they are not transparently disclosed to the public.

Part II: We discuss how the City is wasting money and taking risks when it does not adequately maintain the physical assets of its General Fund departments. We discuss a few examples -- trees and bridges -- of the many underfunded risk areas.

Part III: We contend that funding necessary to meet the needs of General Fund departments should be made more visible. We discuss the Ten-Year Capital Plan and Condition Assessment methods. We note that the City Services Auditor is concurrently performing a citywide Facilities Maintenance Practices audit. We recommend that rental rates for tenant City departments be set by the Real Estate Division sufficient to cover M&R (maintenance and repair) needs.

Part IV: We offer suggestions to General Fund department managers and staff on recognized methods for advocating vigorously in the budget process for adequate maintenance and repair funding.

Part V: We contend transparency mandates that Voter Information Pamphlets on General Obligation Bond propositions disclose the life-cycle maintenance cost projections for the new facilities and infrastructure, the expected sources of support for those expenses, and the total expected amount of interest to be paid on the bond.

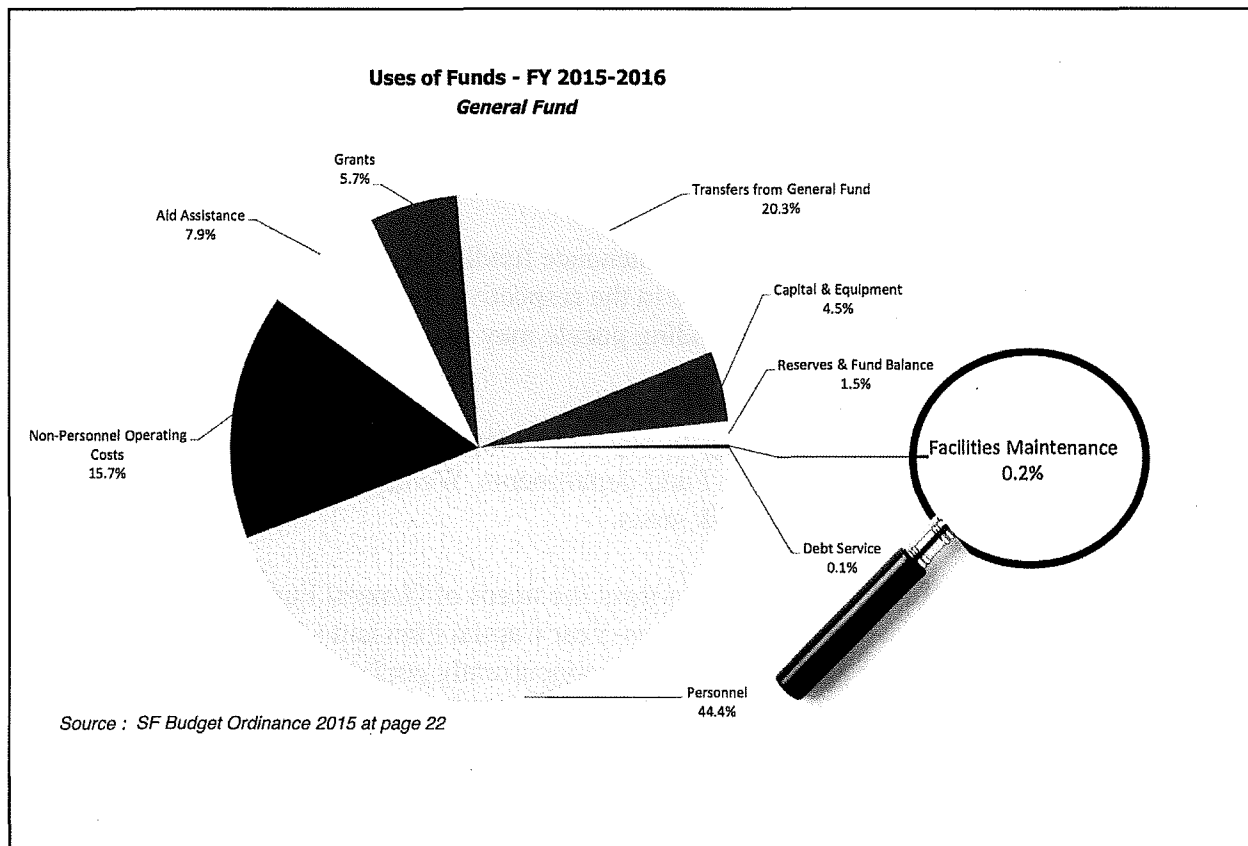
Part VI: We call attention to the City's Deferred Maintenance Backlog, which the Ten-Year Capital Plan acknowledges will continue growing at historic funding levels for the next 15 years.

Part VII: We discuss current best accounting practices for tracking and reporting deferred maintenance and recommend that the City follow these accounting practices.

PART I: WHY THE DECADE-LONG DECLINE IN THE FACILITIES MAINTENANCE BUDGET?

Where's Waldo?

"Facilities Maintenance" sliver of pie chart depicting General Fund departments' Use-of-Funds Budget. (See Figure 1 below)



DISCUSSION

Question asked: How much does the City budget on a yearly basis for maintenance in its General Fund Departments? An inquisitive citizen, curious about the City's maintenance budget for General Fund departments, might first look at page 22 of the "Blue Book" -- the City and

County of San Francisco Budget and Appropriation Ordinance 128-15 (reproduced here as Figure 1). (SF Budget Ordinance 2015, <http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances15/o0128-15.pdf>)

Under “Uses of Funds – FY 2015-2016 General Fund”, the “pie chart” shows a tiny slice for “Facilities Maintenance 0.2%”. See Figure 1 below.

In Appendix A, the “Type of Use” listing shows the Facilities Maintenance (gross and net) of \$7,925,826 as 0.2% of the General Fund Total. (SF Budget Ordinance 2015)

End of search. A miniscule slice of the budget goes to General Fund departments’ maintenance budgets. Question answered.

Or, maybe not. Is 0.2% the transparently obvious answer?

Simple questions sometimes have complex answers.

City officials told us that it is hard to know what the City actually spends on maintenance, and, at the General Fund level, the City does not have a handle on maintenance spending. Furthermore, City accountants told us that there is no “Facilities Maintenance” category in the City’s Comprehensive Annual Financial Report (CAFR).

Why isn’t San Francisco’s General Fund departments’ total maintenance data broken out and transparently available to the public? Improving transparency of spending is essential to improve accountability. (Data Transparency GAO 2013 <http://www.gao.gov/products/GAO-13-758>)

The City’s population is growing and at a historic high, the number of private sector jobs is at a historic high, and the General Fund departments’ asset value for Facilities, Infrastructure and Equipment grew more than 70% between 2005 and 2015. Yet “Facilities Maintenance” for General Fund departments has not shared in that growth. Instead, that portion of the City’s budget was cut by 17.5%, year to year (Appendix B -- from \$9.6 million to \$7.9 million). The City has fallen behind on asset maintenance spending, and its General Fund departments’ deferred maintenance backlog is growing. As shown in this report, it is not just a matter of how much needs to be spent on catching up, but how and where the money is spent.

Upon being questioned about the tiny segment in the General Fund budget representing the maintenance category, City staffers explained to us that “Facilities Maintenance” is a “legacy line item” in the City’s budget accounting system. It is not defined, so it is very unlikely that there would be consistency across City departments as to what is covered by this budget code. We were told that a lot of maintenance expenses are not broken out in the budget; for example, the salaries of employees who do the maintenance. Some departments have custodians or stationary engineers who may do some maintenance work. Most organizations do not track at this level. Because of the lack of a clear definition and the staff salary issues, “Facilities

Maintenance” probably does not now represent the complete maintenance budget for City departments (if it ever did).

The 10-year Capital Plan for 2016-2025 assumes that funding for General Fund departments’ “Routine Maintenance” will average \$14.4 million for FY 2016-2020 and \$18.4 million per year for FY 2021-2025. (<http://onesanfrancisco.org/wp-content/uploads/1-EXEC2.pdf>) If the approved FY 2016-17 budget actually funds routine maintenance at the \$14.4 million level, that will be a substantial increase over the FY 2015-2016 facilities maintenance level of approximately \$7.93 million.

The following items are normally *included* in a Facilities Maintenance budget: preventive maintenance, programmed major maintenance, predictive testing and inspection, routine repairs, service calls, and replacement of obsolete items if required for continued operation of the facility. The following items are normally *excluded*: Construction, operations, special event support, and alterations. (NRC 1996, <http://www.nap.edu/read/9226/chapter/1>)

The City Services Auditor’s performance unit provides analysis, problem solving and practical support to city departments to improve their service delivery. This unit is conducting a Citywide Facilities Maintenance Practices Audit, with a target completion date of September, 2016. We have discussed in general terms the progress of this Audit with City Services Auditor staff on several occasions. The audit team is looking at analyzing the availability of citywide data used for management decisions about maintenance, and to see if there are leading practices that could improve the City’s planning of facilities maintenance.

Facilities Maintenance is a subset of all necessary maintenance and repair of City assets. We were told the the CSA’s “Citywide Facilities Maintenance Audit” will be discussing what facilities maintenance means to various City departments and leading practices that require consideration of maintenance in design and construction.

We were told that City agencies currently are using five different systems for tracking maintenance needs, and that a common platform would provide better information to answer the question: What is the gap between need and funding?

Cautionary Note: Our investigation suggests the City does not have systems to define quantitatively the level of maintenance and deferred maintenance for General Fund departments. Section VII of this report identifies best practices to achieve better accounting and reporting of deferred maintenance.

Nevertheless, working with the limited maintenance data disclosed in the City budget, here are some observations about “Facilities Maintenance” as reported on Figure 1:

1. The Facilities Maintenance portion of the Fiscal Year 2015-2016 General Fund budget is approximately \$7.93 million, which is 0.17% of the entire General Fund budget of \$4.59 billion.

2. The Enterprise Departments (which essentially generate their own funds) budget \$59.8 million for their Facilities Maintenance (which is roughly 1.37% of the total Enterprise Departments' budget of \$4.35 billion).

This apparent imbalance is graphically depicted in Figure 2 and Figure 3.

Figure 2 shows that the total dollars in the Facilities Maintenance budgets for Enterprise Departments and General Fund Departments have gone in different ways over the past decade: Enterprise up (a lot); General Fund down.

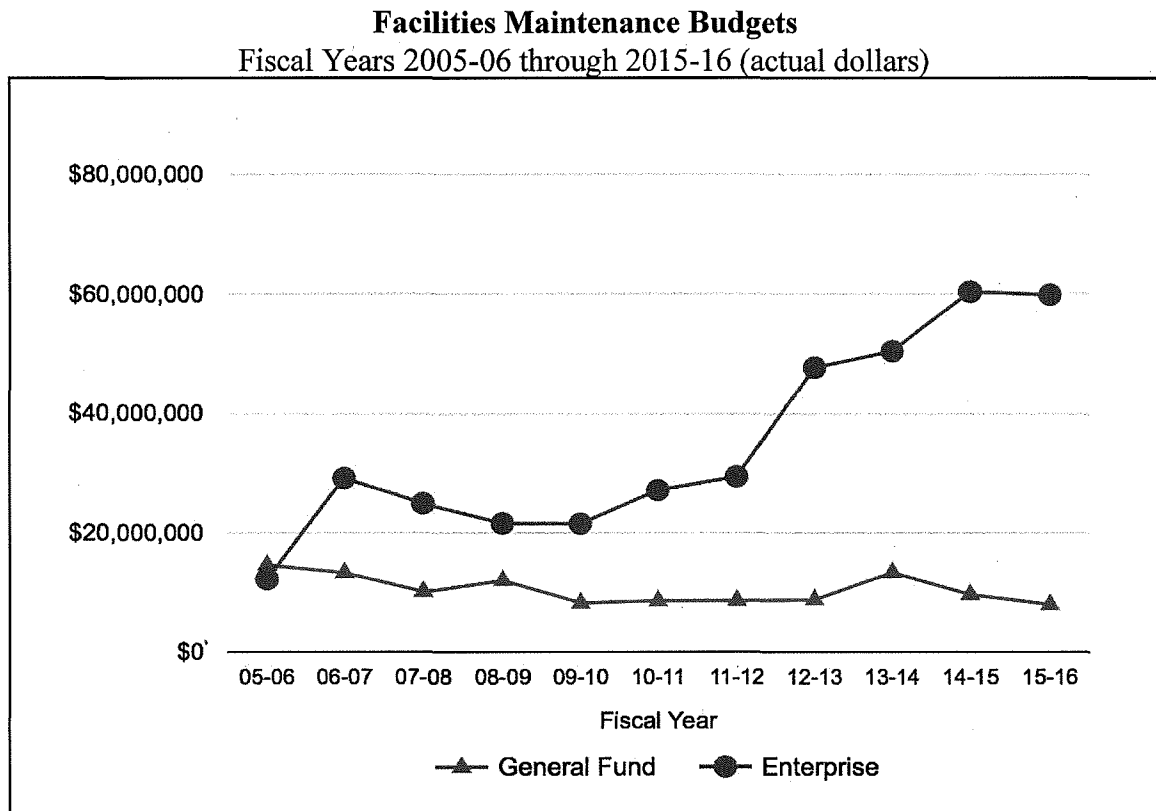


Figure 2

Source: City and County of San Francisco Budget and Appropriation Ordinances for Fiscal Years 2005-06 through 2015-16, Appendix B.

Figure 3 compares Facilities Maintenance as a percentage of total budget for the fiscal year 2015-2016. Enterprise Departments budget 8 times as much for this purpose. For every Enterprise \$1, General Fund Departments get 12½ cents. Why the difference?

Facilities Maintenance as Percentage of Total Budget
General Fund & Enterprise departments, Fiscal Year 2015-16

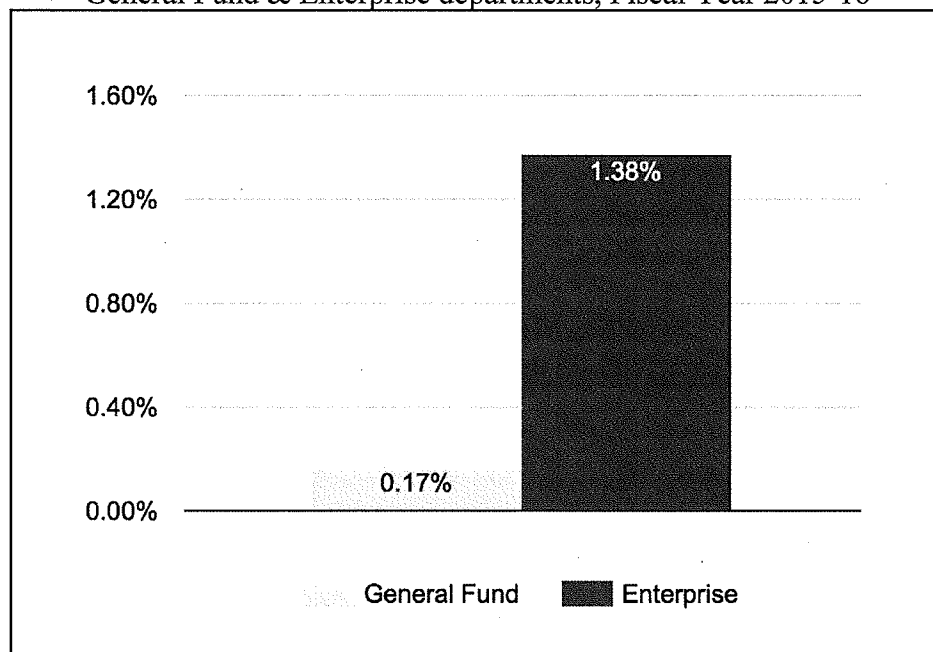


Figure 3

Source: City and County of San Francisco Budget and Appropriation Ordinance for Fiscal Year 2015-16, Appendix B.

12-½ cents versus \$1

As revenue-generators, Enterprise department directors effectively get to set their own budgets, subject to their commissions' and Board of Supervisors approval. They have an incentive to keep their departmental facilities in good condition in order to keep generating revenue. They can set their Facilities Maintenance budgets accordingly. For example, we learned that Enterprise department San Francisco Airport has no deferred maintenance backlog. Conversely, the deferred maintenance backlog for General Fund departments exceeds \$1 billion. See Appendix E.

As money consumers, General Fund department directors do not set their own departmental budgets -- they must request funding from other decision-makers.

A consequence of this municipal arrangement is that, for every \$1 that an Enterprise Department budgets for Facilities Maintenance, the General Fund departments must "make do" with 12-½ cents.

12½ cents.

General Fund departments weathered significant facilities maintenance budget cuts and restorations in the last decade. The high points were \$14.56 million in 2005, \$13.27 million in

2006, and \$13.35 million in 2013, with lows of \$7.93 million in 2015, \$8.19 million in 2009, and \$8.55 million in 2010. (Appendix B --Budget Blue Books for the respective years)

Allowing for 21.5% compounded inflation between 2005 and 2015 (www.usinflationcalculator.com), the 2005 high of \$14.56 million would be the equivalent of \$17.69 million in 2015 dollars. Thus the inflation-adjusted difference between the high and the low “facilities maintenance” budget is \$9.76 million, or a 55% decline.

Budget-deciders must recognize that variations in “facilities maintenance” funding of this magnitude are likely to make it very challenging for General Fund department managers to implement a comprehensive maintenance plan. It inevitably leads to an ever-increasing amount of deferred maintenance.

One plausible take-away from this exercise is that as General Fund departments’ “Facilities Maintenance “ budgets go down, other parts of the budget are going up, with adverse “inter-period equity” consequences.

A couple of factors appear to be at work here. For example, maintenance is not as glamorous as other hot-button policy issues. We were told that politicians don’t believe their constituents regard maintenance as “sexy”; in both good and bad economic times, funding for maintenance is often the first to be cut. It is relatively easy for decision-makers to defer maintenance, since the consequences are not apparent for many years. Political leadership recognizes that the crisis may not come on their watch. They also earn little praise for addressing infrastructure. (SPUR 2005; <http://www.spur.org/publications/spur-report/2005-01-03/big-fix>)

City staffers told us one of the political realities in setting the City budget is that, due to the crush of political pressure, services will not be cut. Politicians do not lack knowledge about the need for regular maintenance; but they are forced to make trade-offs over spending money for services. The City is a political organization.

The delivery of effective, high-quality services is frequently dependent on well-maintained public facilities. Yet, there are few advocates for increased spending on maintenance programs, whereas there are countless advocates demanding increased funding for social, health, and other important services. (SPUR 2005)

One veteran of City government told us that short-term focus is a fundamental fact of City politics: Leaders want their name on or picture in a new building now, and let the next guy worry about maintaining it when they have moved on to another office.

Government officials acknowledge up-front costs when they propose building a new structure, but they do NOT like to acknowledge the costs of maintenance for the life of the structure. (See Part V: Voter Information Pamphlets on General Obligation Bonds Should Disclose Life-Cycle Maintenance Cost Projections)

A department head told us that for any public official faced with hard choices, the easiest answer is “NO”.

Standards for Maintenance Budgeting

How much should the City be budgeting in “Facilities Maintenance” for its General Fund departments?

Maintenance as per cent of total budget?

San Francisco reports its Facilities Maintenance budget as a percentage of the whole budget -- See Figure 1. San Francisco is the only combined City and County in California. We began our inquiry into the adequacy of San Francisco’s facilities maintenance budgeting by looking for comparable governmental entities. How much are other City and County’s budgeting for maintenance? Using publicly available information, we found that the City and County of Honolulu, with roughly the same population, allocates more than 8 times as much for maintenance.

While this is an interesting (and disturbing) statistic, further research revealed that experts in the public agency maintenance budgeting field do not judge the adequacy of maintenance budgets by looking at the percent of total budget dollars. Instead, the standard in the public agency maintenance budgeting field is the maintenance budget as a percentage of asset current replacement value (CRV).

Maintenance as per cent of asset Current Replacement Value (CRV)

A widely-cited best practices benchmark for maintenance budgeting -- how much you should be spending to keep assets in good repair -- utilizes Current Replacement Value (CRV). A National Research Council (NRC) report recommends a range between two and four percent of CRV, (NRC 1990 <http://www.nap.edu/catalog/9807/committing-to-the-cost-of-ownership-maintenance-and-repair-of>). The San Jose auditor uses this formula for setting investment levels in maintaining assets. (San Jose 2014 <http://www.sanjoseca.gov/DocumentCenter/View/37382>).

San Francisco has a handle on the Current Replacement Value of its General Fund departments’ assets. All but one General Fund departments use an asset management program, Facilities Renewal Resource Model (FRRM), to calculate CRV. The Office of the City Administrator Capital Planning Division found in a 2009 three-year-lookback analysis that, overall, FRRM’s cost assumptions for calculating CRV were relatively close to actual construction cost increases and did not need to be adjusted. (Analysis of FRRM Cost Assumptions 2009 <http://www.sfgov2.org/ftp/uploadedfiles/cpp/documents/FRRM%20Cost%20Analysis%20Report%20FINAL.pdf>)

The Recreation and Parks Department uses COMET (Condition Management Estimation Technology) which can inflation-adjust an existing CRV engineering assessment.

Individual CRV estimates need not be precisely calculated for a particular facility because errors will tend to cancel out when the CRVs for several departmental facilities are combined, and any small cumulative errors become negligible when multiplied by two to four percent to get the requested overall M&R budget. (NRC 1996 <http://www.nap.edu/read/9226/chapter/1>)

The asset management program used by almost all the General Fund departments in San Francisco -- Facilities Renewal Resource Model (FRRM) -- generates for 18 departments an annual "target need" between zero and four percent of CRV. See Figure 4. This is not yet in the Capital Plan as a performance benchmark.

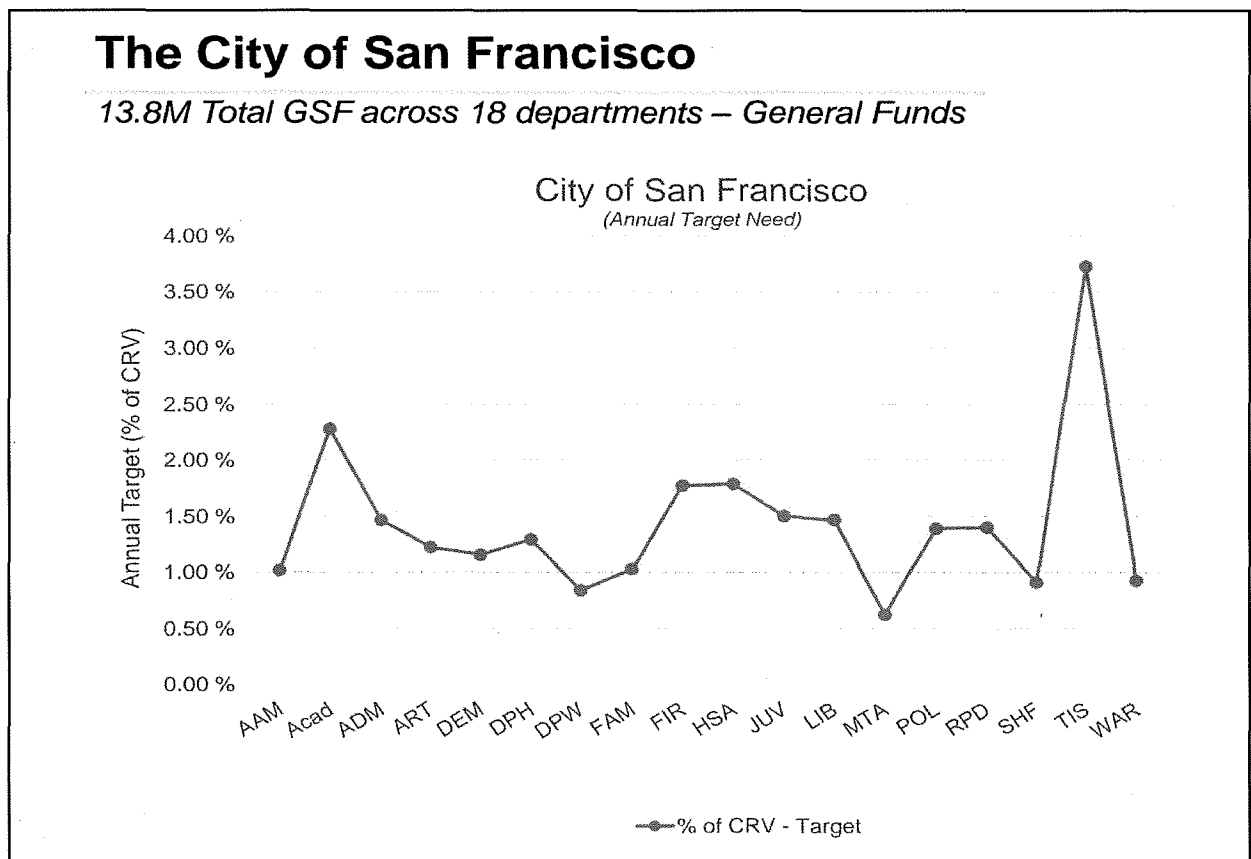


Figure 4

Source: OneSF, [onesanfrancisco.org] FRRM Training slides, September 22 and 24, 2015, page 20.

We were told that, nationally and internationally, two to three percent of CRV is recommended for maintenance by the Building Owners and Managers Association (BOMA) and the International Facilities Management Association (IFMA) and an additional two to four percent of CRV for renewals. Real estate management firms have similar guidelines.

The September, 2015 FRRM training materials charted the "Annual Target Need" for 18 General Fund departments (including Recreation and Parks Department) as a % of CRV. See Figure 4. The target needs ranged from 0.50% to 3.75% of departments' CRVs.

The Figure 4 chart of “target need” as a percent of CRV can be initially confusing. It is a snapshot in time for 18 departments, not a graph of target need changing over a period of years. (This comment does not rise to the level of a Civil Grand Jury “Recommendation”, but for clarity and transparency purposes, we suggest future “target needs” be shown as a bar chart, without a line along the tops of the individual department bars.)

What is the gap between need and funding?

The gap between “need” and funding is approximately \$114 million. As shown in Appendix D-5, the annual average total maintenance need as a percent of CRV is 1.7%.

The 2015 Facilities Maintenance \$8 million budget amount is 1/10th of 1% of General Fund CRV. In dollars, the total target need is \$122 million. Thus the gap between target need and Facilities Maintenance funding at ~\$8 million is \$114 million.

The challenges to adequately pay for maintenance of the City’s assets are not unique to San Francisco. Literature we reviewed acknowledged that even reaching two percent of CRV funding is a challenge for many cities. See Table 1 below. (NRC 2004

<http://www.nap.edu/catalog/11012/investments-in-federal-facilities-asset-management-strategies-for-the-21st>; IFMA 2009

<http://www.ifma.org/publications/books-reports/operations-and-maintenance-benchmarks-research-report-32>; NRC 2012

<http://www.nap.edu/catalog/13280/predicting-outcomes-from-investments-in-maintenance-and-repair-for-federal-facilities>)

Among the IFMA survey participants were Minneapolis (~400,000 population), Oklahoma City (~600,000 population) and Sacramento, San Bernardino, San Diego, and Ventura counties in California.

According to our calculations, there is an even larger gap between benchmark funding for maintenance and repairs at 2% (~\$139 million gap) and 4% (~\$285 million gap) of CRV levels and the facilities maintenance budget amount. See Appendix D3.

The Capital Planning Committee recommends an average \$14.4 million per year budget for General Fund Departments’ “Routine Maintenance: for fiscal years 2016-2020”. (Capital Plan 2015 http://onesanfrancisco.org/wp-content/uploads/Complete-CapitalPlan_Final2.) There will still be a very large gap between need and funding. See Appendix 5.

Thus, *if* the reported “Facilities Maintenance” \$8 million budget for General Fund departments was the total General Fund maintenance budget for 2015, San Francisco would be close to last on the IFMA survey. (The City would still be close to last at 0.2% of CRV if we use the “Routine Maintenance” budget of \$14.4 million as recommended by the CPC for FY 2016-17.)

Departments requesting maintenance appropriations in the next budget are told: “The amount allocated is based on the previous year’s appropriation.” (Instructions for Capital Budget Request Form 6; SF Budget Instructions 2015 <http://sfcontroller.org/modules/showdocument.aspx?documentid=1436>).

International Facilities Management Association CRV Index Survey

[54]A 2009 survey of 274 organizations conducted by the IFMA found that the average funded CRV Index of 1.55% demonstrated a continuing decline compared to previous reports:

<u>Percentile</u>	<u>CRV Index %</u>	
99	9.14%	
95	6.41%	
90	3.31%	
75	1.87%	
50	0.94%	← SF need 1.7%
25	0.49%	
10	0.26%	
5	0.16%	
		← SF funded 0.1%
1	0.04%	
Mean	1.55%	

N = 274

Table 1

Source: IFMA 2009; SF Need 1.7% from Figure 4; SF Funded 0.1% from calculating the 2015 Facilities Maintenance budget amount as a percentage of General Fund CRV (\$7,925,816 / \$7.337 billion = 0.108%, i.e. 1/10th of 1 percent). Appendix D1.

However, a division head told us there is no Charter provision, Administrative Code section, or other publicly-available requirement that would preclude the Controller from changing the basis of the maintenance allocation from an amount based on the previous year's appropriation to an amount based upon target need or as a percentage of the Current Replacement Value (CRV) of a department's asset portfolio.

The continued neglect of the City's infrastructure has huge implications for the City: deterioration of our public physical heritage harms our economy, limits the city's ability to function efficiently, exposes it to legal liability, endangers the public's health and safety, and threatens its fiscal stability. (Spur 2005)

FINDINGS

- I.A. For General Fund Departments, the City could (but does not) provide the public with transparent information concerning the stewardship of assets by disclosing:
- (1) the gap between industry maintenance standards and San Francisco's investment in General Fund Departments' "Facilities Maintenance" (measured as a percentage of Current Replacement Value and in dollars);
 - (2) the total General Fund Departments' maintenance and repair budget;
 - (3) the total General Fund Departments' maintenance and repair backlog, and
 - (4) benchmark comparisons with other cities and counties.
- F:I.A.1. The gap between the City's investment in General Fund Departments' "Facilities Maintenance" assets and industry guidelines measured as a percentage of Current Replacement Value (CRV):
- Recommended 4%,
 - Minimum 2%, or
 - Total General Fund Departments' "target need" of approximately 1.7% calculated by Facilities Renewal Resource Model (FRRM), (see Figure 4 and Appendix D-3) and in dollar amounts
- is not made available to citizens of San Francisco.
- F:I.A.2-a. Without transparent and complete information about the investment levels in the City's General Fund Departments' maintenance and repair budgets, the public does not have important information with which to assess the City's stewardship of public assets.
- F:I.A.2-b. The slice of the pie chart for General Fund departments labelled "Facilities Maintenance" in the Budget report is not the total maintenance budget for those departments.
- F:I.A.2-c. The total maintenance budget for General Fund departments is not disclosed in the Budget report.
- F:I.A.3. As a consequence of low investment levels in General Fund departments' asset maintenance and repair, the City has a large and growing deferred maintenance and repair backlog for General Fund departments. Without transparent and complete information about these deferred maintenance and repair backlogs, the public does not have important information with which to assess the City's stewardship of General Fund Departments' assets.
- F:I.A.4. San Francisco's comparison with benchmark comparable cities and counties in terms of

- (a) “Facilities Maintenance” investment in General Fund Departments’ assets, measured as a percentage of Current Replacement Value (CRV) and dollars;
- (b) General Fund Departments’ total maintenance and repair budgets, and
- (c) General Fund Departments’ deferred maintenance and repair backlog

would be useful for the public in assessing the City’s stewardship of these General Fund Departments’ assets.

RECOMMENDATIONS

Disclose FRRM Target maintenance and repair need in dollars, study CRV benchmarks and audit General Fund departments’ total maintenance funding and maintenance backlog

- R:I.A.1-a. To provide useful information for the public in assessing the City’s stewardship of public assets, the City Administrator and the Capital Planning Program Director should use the FRRM (Facilities Renewal Resource Model) to calculate the target need for General Fund departments’ facilities maintenance as a percentage of Current Replacement Value (CRV) and in dollar amounts, and disclose that information to the public;
- b. The City Administrator and the Director of the Capital Planning Program should determine the additional time and manpower cost to accomplish this additional calculating and reporting and include a line item for those costs in its budget requests;
- c. The Mayor should include in the proposed budget for fiscal year 2017-2018 and thereafter the amount requested by the City Administrator to accomplish this additional calculating and reporting; and
- d. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the City Administrator to accomplish this additional calculating and reporting in the approved budgets for fiscal year 2017-2018 and thereafter.
- R:I.A.2-a. This recommendation satisfies Findings F:I.A.2-a, -b, and -c:
- a. In order for the public to assess the City’s stewardship of General Fund Departments’ assets, the Controller should:
 - (1) disclose the total maintenance budget for General Fund departments; and
 - (2) periodically conduct an audit of investment levels in General Fund departments’ asset maintenance and repair.
- R:I.A.2-b. The Controller should determine the additional annual time and manpower cost to accomplish the compilation and disclosure of the total maintenance budget for General Fund departments, and periodic audits and include line item entries for those costs in its budget requests for fiscal year 2017-2018 and thereafter;

- R:l.A.2-c. The Mayor should include in the proposed budget for fiscal year 2017-2018 and thereafter the amounts requested by the Controller for the compilation and disclosure of the total maintenance budget for General Fund departments and periodic audits; and
- R:l.A.2-d. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the Controller for the compilation and disclosure of the total maintenance budget for General Fund departments and periodic audits in the approved budget for fiscal year 2017-2018 and thereafter.
- R:l.A.3-a. In order for the public to assess the City's stewardship of General Fund Departments' assets, the Controller should:
- (1) disclose the total deferred maintenance and repair backlog for General Fund departments; and
 - (2) periodically conduct an audit of General Fund departments' deferred maintenance and repair backlog.
- R:l.A.3-b. The Controller should determine the additional annual time and manpower cost to accomplish the compilation and disclosure of the total deferred maintenance and repair backlog for General Fund departments, and periodic audits and include line item entries for those costs in its budget requests for fiscal year 2017-2018 and thereafter;
- R:l.A.3-c. The Mayor should include in the proposed budget for fiscal year 2017-2018 and thereafter the amounts requested by the Controller for the compilation and disclosure of the total deferred maintenance and repair backlog for General Fund departments and periodic audits; and
- R:l.A.3-d. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the Controller for the compilation and disclosure of the total deferred maintenance and repair backlog for General Fund departments and periodic audits in the approved budget for fiscal year 2017-2018 and thereafter.
- R:l.A.4-a. To provide useful information for the public in assessing the City's stewardship of General Fund Departments' assets, the Controller should conduct a benchmark study of investment levels in General Fund departments' "Facilities Maintenance" measured as a percentage of Current Replacement Value, total maintenance and repair budgets and deferred maintenance and repair backlogs;
- R:l.A.4-b. The Controller should determine the additional time and manpower cost for the City Services Auditor staff to conduct this benchmark study and include a line item for those costs in its budget request for fiscal year 2017-2018;

- R:I.A.4-c. The Mayor should include in the proposed budget for fiscal year 2017-2018 the amount requested by the Controller for the benchmark study; and
- R:I.A.4-d. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the Controller to accomplish this benchmark study in the approved budget for fiscal year 2017-2018.

PART II: WHY ADEQUATE FUNDING FOR MAINTENANCE AND REPAIR IS IMPORTANT TO SAN FRANCISCO'S RESIDENTS

"When you are in a hole, stop digging."

—First Law of Holes (https://en.m.wikipedia.org/wiki/Law_of_holes)

When you buy a car for \$20,000, you are not done with expenses. You must figure on roughly \$1,000 a year for maintenance -- service, tires, etc. You must budget for that expense, to prevent breakdowns that would leave you stranded on the highway.

You need to think about how much to budget to keep the car running. Do the math, plot it out, anticipate, schedule. Have a plan. But this tends not to be the way the City operates.

Over the years, the City has invested billions of dollars in facilities and equipment needed to carry out its missions. Without sufficient maintenance, these assets deteriorate and eventually fall into disrepair. This poses threats to the health and safety of City staff and residents using the facilities; it also interrupts services, and causes wasteful expense.

Studies by the National Research Council, as well as our interviews with City officials, show that timely maintenance and repair (M&R) is essential to effective use of taxpayers' dollars.

The NRC highlighted potential beneficial consequences of adequate maintenance funding:

- a. *Mission-Related outcomes*: improved reliability, improved productivity, functionality, and efficient space utilization;
 - b. *Compliance-Related outcomes*: fewer accidents and injuries, fewer building-related illnesses, and fewer injury claims, lawsuits, and regulatory violations;
 - c. *Condition-Related outcomes*: improved condition, reduced backlog of deferred maintenance and repairs;
 - d. *Efficient Operations outcomes*: less reactive, unplanned maintenance and repair, lower operating costs, lower life-cycle costs, cost avoidance, reduced energy use, reduced water use, reduced greenhouse gas emissions; and
 - e. *Stakeholder-Driven outcomes*: customer satisfaction and improved public image.
- (NRC 2012

<http://www.nap.edu/catalog/13280/predicting-outcomes-from-investments-in-maintenance-and-repair-for-federal-facilities>)

Conversely, potential adverse consequences from underfunding maintenance were also compiled by the NRC:

- a. System failures that will disrupt agencies' operations;
- b. Higher operating and life cycle costs;
- c. Hazards that lead to injuries and illnesses or loss of life and property;
- d. Waste of water, energy, and other resources;
- e. Operation inefficiencies;
- f. Continued greenhouse gas emissions;
- g. Greater fiscal exposure related to facilities ownership; and
- h. Even greater deferred maintenance backlogs. (Id.)

Persistent inadequacy of money for maintenance leads to more deferred maintenance. Pay now – or pay more later?

A. Adequately Funding M&R Saves Money and Protects Citizens

Trying to Do Maintenance on the Cheap Wastes Money

“If you build it, they will come.”
—Field of Dreams

Maybe.

If the City builds it, and then fails to maintain it, taxpayers' money will be wasted. Definitely.

When repairs to key buildings and infrastructure components are put off, facilities can eventually require more expensive investments, such as:

- emergency repairs (when systems break down),
- capital improvements (such as major rehabilitation or replacement).

While deferring annual maintenance lowers costs in the short run, it often results in substantial costs in the long run. (LAO Deferred Maintenance 2015 <http://www.lao.ca.gov/Publications/Detail/3216>; Improved Transparency GAO 2014 <http://www.gao.gov/products/GAO-14-188>; SPUR 2005 <http://www.spur.org/publications/spur-report/2005-01-03/big-fix>)

We were told that letting the condition of assets slide until they qualify for bond money is an expensive way to pay for them.

City officials understand the benefits of timely maintenance. The Mayor's Office in 2011 stated delaying [street] repairs will only make them more expensive in the future, costing up to five times more than fixing now. [Mayor's Office 2011 Safe Streets Bond <http://www.sfmayor.org/index.aspx?page=437>] It is the current strategy to keep the City's roads and streets in

good shape, once achieved: Maintain the streets and keep them from deteriorating to the point where costly reconstruction is needed.

As another example, a recent City Services Auditor report on the Recreation and Parks Department observed that lack of comprehensive citywide facilities maintenance planning has resulted in under investment in preventative maintenance work which has depreciated the value and useful life of park facilities and assets. Regular preventative maintenance is necessary for realizing the expected useful life of an asset, and for mitigating the need to continuously repair broken or deteriorating assets. [CSA RPD

http://sfcontroller.org/sites/default/files/FileCenter/Documents/6811-Maintenance%20Memo_FINAL.pdf]

The current General Fund departments' maintenance and repair budget is NOT sufficient to address current maintenance issues. (See Part I) When the little amount of money in that account runs out, the department must wait until the next year to fix things.

Various officials have acknowledged it is cheaper to maintain facilities and infrastructure, but decision-makers still are not willing to sustain funding for maintenance and repair. In hard times, the maintenance budget goes first.

Pay-as-you-go program and stable funding sources

The Five-Year Financial Plan for fiscal years 2015-16 through 2019-20 states the Mayor has made street funding a top priority to counteract the decline in Paving Condition Index scores that started two decades ago from underinvestment. The report assumes full-funding of the street repaving program in every year through the Capital Planning General Fund pay-as-you-go program. (SF Five Year Financial Plan 2015 <http://sfcontroller.org/modules/showdocument.aspx?documentid=6056>)

The Mayor is budgeting \$98 million for street resurfacing, and \$28.5 million for improvements to curbs, sidewalks, streetscapes, and street trees across the City. Smoother streets save drivers on average \$800 per year in vehicle maintenance costs, and mean safer streets for all users -- pedestrians, bicyclists, and motorists. (Mayor's Budget Letter 2015

http://sfmayor.org/ftp/uploadedfiles/mayor/budget/SF_Budget_Book_FY_2015_16_and_2016_17_Final_WEB.pdf)

The Civil Grand Jury notes the announced intention to use pay-as-you-go program for funding on-going maintenance and repair, but recognizes that this may not be a complete solution to the funding challenges described in this report.

FINDINGS

Adequately funding M&R has beneficial consequences; underfunding has adverse consequences

F:II.A.1-a. Adequately funding maintenance and repair of General Fund departments' facilities and infrastructure has potential beneficial consequences, such as those noted in a National Research Council report (NRC 2012).

- F:II.A.1-b. Underfunding maintenance and repair of General Fund departments' facilities and infrastructure creates potential adverse consequences, such as those noted in the same National Research Council report (NRC 2012).
- F:II.A.1-c. The City saves money over the long term by using pay-as-you-go financing for high-priority maintenance and repairs.
- F:II.A.1-d. Total reliance on annually budgeted pay-as-you-go funding can result in maintenance and repairs being deferred in lean budget years. It will be a challenge for policy makers to develop a range of stable "pay-as-you-go" annual funding mechanisms for maintenance and repairs.

RECOMMENDATIONS

Mayor and Board of Supervisors should adequately fund General Fund departments Maintenance and Repair to achieve beneficial consequences, avoid adverse consequences and save money

- R:II.A.1-1. In order to achieve beneficial consequences and avoid the potential adverse consequences from underfunding maintenance and repair of General Fund departments' facilities and infrastructure, and to save money over the long term:
 - a. The City Administrator and the Director of the Capital Planning Program should identify a range of stable funding sources for pay-as-you-go maintenance and repair of the City's facilities and infrastructure;
 - b. The Mayor should propose sufficient funding in the Fiscal Year 2017-2018 budget and thereafter from stable funding sources for all General Fund departments' high-priority pay-as-you-go maintenance and repair projects; and
 - c. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve sufficient funding in the Fiscal Year 2017-2018 budget and thereafter from stable funding sources for all General Fund departments' high-priority maintenance and repair projects.

B. Inadequate Maintenance means taking risks with the facilities citizens rely upon for critical public health, public protection, and other basic services.

DISCUSSION

"Risk: If it can happen, it will happen."
—City official

Adequate maintenance and repair funding pays dividends by minimizing interruptions in programs and services, and reducing health and safety risks to the public and staff.

The goal of any maintenance organization is to minimize the amount of corrective maintenance so as not to interrupt City programs and services. Corrective maintenance is inefficient and costly in nature compared to routine preventive maintenance. (San Jose Auditor 2014 <http://www.sanjoseca.gov/DocumentCenter/View/37382>) As found by a neighboring Civil Grand Jury: Compounding the monetary implications of the County's decision to inadequately fund maintenance and repair is the related health and safety exposure to the public and employees. (Contra Costa CGJ 2012 http://www.cc-courts.org/_data/n_0038/resources/live/rpt1203.pdf)

With respect to the health, safety and productivity of building occupants, cause-effect relationships have been scientifically documented

- between waterborne pathogens in water systems and Legionnaire's disease and Pontiac fever;
- between microorganisms growing in contaminated ventilation and humidification systems and hypersensitivity pneumonia and humidifier fever;
- between the release of carbon monoxide and carbon monoxide poisoning;
- between the presence of radon, secondhand smoke, and asbestos in buildings and lung cancer; and
- in connection with nonspecific symptoms – including eye, nose, and throat irritations – sometimes referred to as “sick-building syndrome”. (NRC 2012 <http://www.nap.edu/catalog/13280/predicting-outcomes-from-investments-in-maintenance-and-repair-for-federal-facilities>)

Risk Assessments

Risk assessments play an important role in maintenance and repair funding decisions.

A risk assessment poses an initial series of questions:

1. What can go wrong?
2. What are the chances that something with serious consequences will go wrong?
3. What are the consequences if something does go wrong?

Then there are follow-up questions:

- a. How can the consequences be prevented or reduced?
- b. How can recovery be enhanced if the scenario occurs?
- c. What are the associated tradeoffs in terms of all costs, benefits, and risks?
- d. What are the impacts of current management decisions on future options?
- e. How can key local officials, expert staff, and the public be informed to reduce concern and increase trust and confidence? (NRC 2012)

We were told the Mayor's Office did not know of any Risk Assessments for personal injury or property damage claims arising from unmaintained or poorly maintained City property. A seismic risk assessment set priorities (including which facilities were not worth repairing). A City official told us that it can be challenging to monetize risk.

The City has” estimated claims payable” (see definition in Glossary) arising from government activities (i.e., General Fund departments) of \$157.7 million: \$52.8 million current portion and \$104.8 million long-term. (CAFR 2015 at 147 <http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=6984>) The share due to allegedly poorly maintained capital assets is not stated.

The City Attorney’s Office provided us with an actual “Settlements & Judgments” paid summary including ten types of alleged (by claimant on the claim form) premises liability maintenance-related causes for fiscal years 2011-2015. The amounts paid ranged from \$1.9 million to \$4.4 million per year, and averaged \$3.4 million per year for the five year period. This \$3.4 million is roughly 8 percent of the average annual “estimated claims payable” for all claims against the City. (CAFR 2011-2015)

The City Attorney’s Office provides claim reports to department head periodically depending on claim volume and meets with them at their request to discuss problem areas.

The City is self-insured for Workers’ Compensation. As of June 30, 2015, the Governmental Activities accrued workers’ compensation liability for General Fund departments was \$223.7 million. (CAFR 2015 at 148)

The City spent more than \$46 million on Workers’ Compensation in 2015. Because of the way in which claims information is gathered, the Workers’ Compensation Division was unable to tell us what portion (if any) of this liability arises out of poorly maintained capital assets.

Cal OSHA requires all managers and supervisors to maintain “Hazard Logs” as part of an organization’s injury analysis and prevention program. But the City’s current General Services Agency -- Environmental Health and Safety procedures do not report the risk and cost of hazards created by deferred maintenance up the line to inform budget decision-makers.

FINDINGS

The City could do a better job of assessing maintenance-related risks by a Controller’s audit of Workers Compensation claim causes and review of Hazard Logs

- F:II.B.1-a. The City does not know what portion (if any) of its Workers’ Compensation liabilities arise out of poorly maintained General Fund department capital assets.
- F:II.B.1-b. If the City’s budget decision-makers knew how much (if any) of the City’s Workers Compensation liabilities arose out of poorly maintained General Fund department capital assets, they would have useful information in making budget trade-off decisions.
- F:II.B.2-a. Hazard Logs in City General Fund departments are not being compiled and analyzed in a manner which identifies and quantifies risks of injury resulting from deferred maintenance.

- F:II.B.2-b. If the Hazard Logs in General Fund departments were compiled and analyzed in a manner which identified and quantified risks of injury resulting from deferred maintenance, that information could be provided to budget decision-makers for use in making budget trade-offs.

RECOMMENDATIONS

The Controller should audit Workers Compensation Division data gathering procedures and General Services Agency -- Environmental Health and Safety Hazard Logs and other records to ascertain whether deferred maintenance and repair (DM&R) contributes to City employee injuries and Workers Compensation liabilities

- R:II.B.1-a. The Controller should:

- conduct an audit of the Workers' Compensation Division of the Department of Human Resources data gathering policies and procedures,
- report to budget decision-makers its findings of identified and quantified risks of injury created by deferred maintenance and repairs, and recommend appropriate modifications.

So as budget funding trade-off decisions are made, the Mayor and Board of Supervisors will know what portion of the City's Workers Compensation liabilities (if any) arise from poorly maintained General Fund department capital assets.

- R:II.B.1-b. The Controller should determine the additional time and manpower cost for the City Services Auditor staff to accomplish this audit and report and include a line item for this cost in its budget request for fiscal year 2017-2018.

- R:II.B.1-c. To reduce the risk of injury to City employees, the Mayor should include in the proposed budget for fiscal year 2017-2018 this line item in the Controller's budget request for an audit of Workers Compensation Division data gathering policies and procedures.

- R:II.B.1-d. To reduce the risk of injury to City employees, and after review by the Budget and Legislative Analyst, the Board of Supervisors should approve this line item in the Controller's budget request for an audit of Workers Compensation Division data gathering policies and procedures and include it in the approved budget ordinance for fiscal year 2017-2018.

- R:II.B.2-a. The Controller should assist the City Administrator and the General Services Agency --Environmental Health and Safety in developing procedures for periodic analysis of Hazard Logs to identify and quantify risks of injury created by deferred maintenance and repairs.

- R:II.B.2.b. To provide budget decision-makers with pertinent information for making trade-off decisions, the Controller should determine the additional time and manpower cost to develop procedures for periodic analysis of Hazard Logs to identify and quantify

risks of injury created by deferred maintenance and repairs and include a line item for this cost in its budget request for fiscal year 2017-2018.

- R:II.B.2.c. To reduce the risk of injury to City employees, the Mayor should include in the proposed budget for 2017-2018 this line item in the Controller's budget request to develop procedures for periodic analysis of Hazard Logs to identify and quantify risks of injury created by deferred maintenance and repairs.
- R:II.B.2.d. To reduce the risk of injury to City employees, and after review by the Budget and Legislative Analyst, the Board of Supervisors should approve this line item in the Controller's budget request to develop procedures for periodic analysis of Hazard Logs to identify and quantify risks of injury created by deferred maintenance and repairs and include it in the approved budget ordinance for fiscal year 2017-2018.

C. Examples of M&R Underfunding Risks

(1) Street Trees and Urban Forest

DISCUSSION

Trees along the City streets and in our parks are valuable assets which need secure funding sources for maintenance.

Budget cuts led the Department of Public Works to start a street tree maintenance transfer plan whereby the City retains ownership but adjacent property owners became responsible for the cost of maintaining the tree. Results have not been good for the trees.

The Urban Forest Plan (Phase 1: Street Trees;

http://default.sfplanning.org/plans-and-programs/planning-for-the-city/urban-forest-plan/Urban_Forest_Plan_Final-092314WEB.pdf) recommends the Department of Public Works should take responsibility for ALL street trees, with secure funding. The Supervisors adopted this Forest Plan Phase 1 by Ordinance No. 23-15. (Ordinance No. 23-15 Street Trees, <http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances15/o0023-15.pdf>) If the funding proposal is placed on the November ballot and approved by the voters, street tree maintenance will be securely funded and 50,000 more trees will be planted throughout the City over the next 20 years.

Trees in City parks also need secure maintenance and risk assessment funding for the safety of park users.

Trees are City assets that the public can see. When tree maintenance is deferred, the adverse consequences are visible – uplifted sidewalks become trip hazards, falling limbs and trees can damage property and hurt people. (Figures 5, 6 and 9) Thus the challenges of maintaining the



Chronicle / Lacy Atkins

Figure 5

In District 4, falling tree limb kills woman in Stern Grove parking lot, April 14, 2008. The City settled the resulting Dangerous Condition of Public Property claim for \$650,000.

Credit: Lacy Atkins-San Francisco Chronicle

City's trees represents in microcosm the challenges the City faces in adequately maintaining other important but less-visible City assets.

San Francisco was once a largely treeless landscape of grassy hills and sand dunes. Almost all of the 670,000 trees on public and private land in the City have been planted by humans and need care. (Forest Plan Phase 1; Eldon, Hoodline 2015

<http://hoodline.com/2015/01/san-francisco-street-tree-problems-to-get-worse-before-they-get-better>) Trees perform valuable environmental, economic, and social functions and make San Francisco a better place to live and work. Trees in cities can contribute significantly to human health and environmental quality by reducing air temperature, directly removing pollutants from the air, and reducing energy consumption in buildings. (Forest Plan Phase 1) The U.S. Forest Service estimated the 2007 replacement value of the trees in San Francisco as \$1.7 billion. (SF Urban Forest Values

<http://hoodline.com/2015/01/san-francisco-street-tree-problems-to-get-worse-before-they-get-better>)

There are roughly 105,000 street trees and 131,000 trees growing in city parks and open spaces. For every \$1 spent on public street trees, San Francisco receives \$4.37 in benefits – a tremendous return on investment. (Forest Plan Phase 1)

Decreases in funding over the years restricted DPW and Rec & Park's ability to sustain urban forestry staffing and programs. (Forest Plan Phase 1) The Urban Forestry Council noted in its annual Urban Forest Reports that San Francisco's urban forest managers consistently identify their highest priority issue as the lack of adequate resources to effectively maintain the city's trees. The Rec & Parks Department and DPW both are significantly underfunded to do tree maintenance work.

At 13.7% canopy cover (the amount of land covered by trees when viewed from above), the City lags far behind other major cities (Los Angeles has 21%; New York City 24%). The city's canopy cover also varies widely between neighborhoods with some traditionally underrepresented communities having less greenery. (Forest Plan Phase 1)

One reason so few trees are currently planted in San Francisco is because no maintenance program exists to care for them afterwards. (Forest Plan Phase 1) Property owners are reluctant to plant new trees because of ongoing maintenance responsibilities and potential costs associated with liabilities such as sidewalk repair. (AECOS 2013 http://www.sf-planning.org/ftp/files/plans-and-programs/planning-for-the-city/urban-forest-plan/UFP_Financing_Study_Exec_Sum_131216.pdf)

(a) Street Trees Should Be Maintained By DPW

The Planning Department, DPW, Urban Forestry Council and the non-profit Friends of the Urban Forest developed the Urban Forest Plan (Phase 1: Street Trees). The Street Trees Plan grew out of the need to create a long-term strategy to ensure the ongoing health and sustainability of the city's street trees. (Urban Forest Plan transmittal 2014 http://www.sf-planning.org/ftp/files/plans-and-programs/planning-for-the-city/urban-forest-plan/UFP_Board_Transmittal-120814.pdf)

Street trees are the most visible component of the urban forest. Fragmented maintenance is a serious maintenance challenge: DPW maintains only about 40% of street trees, while responsibility for 60% falls to adjacent private property owners. Some property owners pay to maintain the adjacent street trees; others try to maintain the trees themselves or hire untrained individuals; while others do no maintenance because they are unaware that it is their responsibility or are unwilling to pay for it.

Substandard maintenance increases the risks to safety and property (e.g., from sidewalk damage and tree or limb failure). The consequence is not only risk of damage or injury but also costly removal and replacement and a loss or reduction in the environmental benefits provided by a mature tree.

As long as San Francisco's urban forestry program is a discretionary expenditure, its funding will remain unstable and continue to fluctuate. (AECOS 2013)

DPW's 2011 Tree Maintenance Transfer Plan Should Stop

DPW has partially implemented its plan to transfer maintenance responsibility for approximately 22,000 street trees from the City to adjacent property owners, while the City retains ownership. (Forest Plan Phase 1) So far, maintenance responsibility and legal liability for about 7,600 street trees have been transferred to property owners. (Johnson, Chronicle 4/18/16

<http://www.sfchronicle.com/bayarea/article/SF-Supervisor-Wiener-proposes-parcel-tax-to-pay-725902.php>) DPW plans to transfer 14,000 more trees within the next few years. (Id.) This approach is a last resort and will not result in a better standard of care for trees. (Forest Plan Phase 1)

This program is costly, as DPW must first assess the health of each tree to be transferred. (AECOS 2013) The transfer plan not only places an additional burden on property owners but also compromises tree health and stability, risking public safety, and diminishes the social and environmental benefits that street trees provide. (Id.)

DPW must “hopscotch” across the city maintaining only small numbers of trees over long time periods. This discontinuous maintenance patchwork creates an inefficient and costly maintenance program. (Forest Plan Phase 1)

For the owners responsible for a tree, normal maintenance costs can run into the thousands of dollars, or require permitting and additional fees to remove. (Eldon, Hoodline 2015

<http://hoodline.com/2015/01/san-francisco-street-tree-problems-to-get-worse-before-they-get-better>). Tree stewards can also be held liable for the damage their street trees cause. (Id.) Residents often do not have the funds for professional pruning and associated sidewalk repairs, and legal liability for accidents and injuries increases property owner insurance rates. We learned that some street trees under the transfer program were being secretly killed to avoid the expense of tree care.

The City Should Take Back Responsibility For All Street Trees

How do other cities deal with this challenge? Cities recognized as leaders in urban forestry (e.g., Santa Monica, Sacramento, Minneapolis, New York) have responsibility for all street trees. These cities recognize both the benefits that street trees provide, as well as those associated with a comprehensive program for their care. (AECOS 2013)

The Forest Plan Phase 1 would be a net benefit to San Francisco residents:

- Property owners who currently care for street trees would no longer be required to maintain trees or repair sidewalks damaged as a result of a street tree.
- The City would cover the liability associated with tree-related sidewalk falls, which have averaged just over \$23,000 per claim.
- The program would expand San Francisco's urban forest by 50 percent over 20 years, benefiting residents citywide, with a substantial increase in the planting of new trees (2900 per year in addition to replacement trees) so that many additional residents would receive street trees in front of their homes.

- Property owners would save \$10-\$65 per tree annually compared to current costs (estimated at \$160-\$175 per year) incurred for maintenance, sidewalk repair, and claims associated with sidewalk falls. (AECOS 2013)

Routine street tree maintenance by DPW would potentially reduce DPW's per-tree maintenance costs by as much as 50 per cent by leveraging economies of scale from block pruning instead of the current approach of emergency and service request response. (*Id.*)

The incidence of injuries and damage claims would be expected to decline with routine maintenance. (*Id.*)



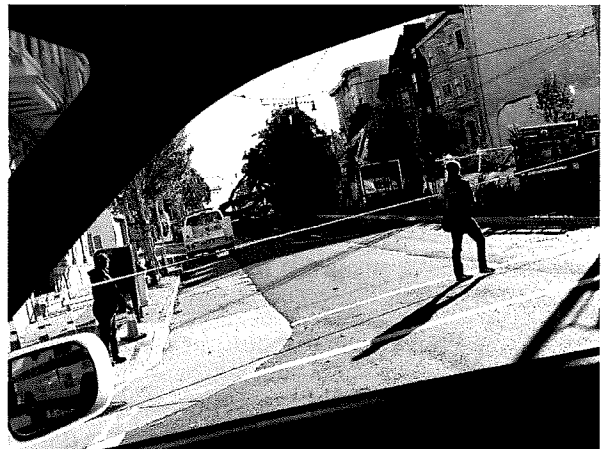
Alexander K / Twitter via Hoodline



Storm damage on Waller Street, December 2nd, 2014. Photo by Andrew Dudley / Hoodline



Fallen tree on Waller Street, December 24, 2014.
Photo by Paul W. / Hoodline



Fallen tree on Divisadero, December 30, 2014.
Photo by Cara K. / Hoodline

Fallen street trees in Districts 5 and 8.

Figure 6

Strategies The Forest Plan Phase 1 identified strategies to create a cohesive management program for the City's street trees:

- Adequately fund and establish the DPW as the primary maintenance provider of ALL street trees.
- Employ best management practices in street tree maintenance to create a more cost-efficient and effective program.
- Proactive pruning cycle
 - Block-pruning maintenance approach
 - Structural pruning & early tree care
 - Sidewalk repair to reduce risks and costs to private property owners and help reduce incidence of falls. (Forest Plan Phase 1)

Recommendations: The Plan includes four key recommendations:

- (1) Maximize the benefits of street trees;
- (2) Increase the street tree population with 50,000 new trees by 2035;
 - Create a more equitable distribution of tree canopy
- (3) Establish & fund a citywide street tree maintenance program;
 - Relieve homeowners from the responsibility of maintenance and repairing tree-related sidewalk damage
 - Centralize responsibility for 100% of the city's street trees under DPW
 - Establish a fully funded municipal street tree program;
- (4) Manage street trees throughout their entire life-cycle. (Forest Plan Phase 1)

A street tree census is underway, recording the exact location, species and condition of every street tree in the City, as well as identifying locations where new street trees could be planted. (The Urban Forest/PD) According to the Forest Plan Phase 1, aging or diseased trees near the end of their lifespan should be identified for removal to prevent potential hazards. (See Figure 9 at page 75)

Funding: The Plan noted that funding sources for tree *planting* have historically been more accessible than funds for tree *maintenance*. A division head told us the City proudly planted 25,000 trees during Mayor Brown's administration, but did not increase its arborist staff to maintain them. Therefore, different approaches are appropriate for planting and maintenance.

A Street Tree Working Group of neighborhood and small business organizations met with Supervisors to formulate a long-term funding solution for street tree maintenance. The group identified and made finance and policy recommendations. (Johnson, Chronicle 4/18/16)

On April 19, 2016, Supervisor Scott Wiener introduced a proposed Charter amendment (#160381 Charter Amendment and Business and Tax Regulations Code – City Responsibility and Parcel Tax for Street Trees) to implement and pay for Phase 1 of the Urban Forest Plan. (Johnson, Chronicle 4/18/16)

If approved by the voters on the November, 2016 ballot, the Proposition will mandate that the City take back maintenance and liability for all street trees. The mandate will be funded by a combination of a progressive parcel tax – one that increases with the property’s size – and an \$8 million annual budget set-aside.

(b) Park Trees Need Phase 2 Plan and Risk Assessment Funding

Phase 2 of the Urban Forest Plan will focus on a long-term policy vision and strategy for funding and staffing for maintenance of the trees in City parks and open space. (Urban Forest Plan/PD http://www.sf-planning.org/ftp/files/plans-and-programs/planning-for-the-city/urban-forest-plan/UFP_Board_Transmittal-120814.pdf)

The Strategic Plan 2016-2020 of the Recreation and Parks Department contains an objective to plant two trees for every tree removed and to implement a “programmatic tree maintenance and reforestation program” that sustains a 15-year tree maintenance cycle. (Rec and Park Strategic Plan 2016 <http://sfrecpark.org/strategic-plan-2016-2020/>)

The 2008 and 2012 Clean & Safe Neighborhood Parks Bonds included funds for tree risk assessment. (RPD Park Forestry) The Park Commission adopted a plan for risk assessment in Golden Gate Park to identify park properties with the highest priority for:

- Failure potential
- Size of the part of the tree that would fall
- The target that would be impacted should a failure occur.

Overall, 318 trees were recommended for removal out of 25,000 trees in Golden Gate Park. (HortScience GGP Memo 2012 (sfrecpark.org/wp-content/uploads/TreeRiskAssessmentMemoGoldenGatePark1.pdf))

Hazardous tree abatement was completed in Mission Dolores Park and McCoppin Square. Hazardous trees were pruned and removed in 4 areas, including Stern Grove (site of the 2008 fatality shown in Figure 5) Assessments were completed in 11 parks. (RPD Park Forestry <http://sfrecpark.org/park-improvements/2008-clean-safe-bond/park-forestry-program/>)

Hazardous trees in City Parks are a risk to public safety (Figures 5 and 9).

FINDINGS

Tree Maintenance Needs Stable Funding

Funding for Tree Maintenance

- F:II.C-1-a. Because trees perform valuable environmental, economic and social functions and make San Francisco a better place to live and work, stable funding sources for maintenance of the City’s urban forest is recognized as a goal in the budget process.
- F:II.C-1-b. San Francisco’s canopy cover at 13.7% lags far behind other major cities, and varies widely between neighborhoods.

- F:II.C-1-c. The Urban Forestry Council notes in its annual Urban Forest Reports that San Francisco's urban forest managers consistently identify their highest priority as the lack of adequate resources to effectively maintain the city's trees. Recreation and Parks Department and Department of Public Works face the same challenge: both are significantly underfunded to do their needed maintenance work.
- F:II.C-1-d. As long as San Francisco's urban forestry program is a discretionary expenditure, its funding will remain unstable and continue to fluctuate.

Street Tree Maintenance Needs Stable Funding

- F:II.C-2-a. Budget cuts for street tree maintenance led to DPW's plan to transfer maintenance responsibility for approximately 22,000 trees from the City to adjacent property owners.
- F:II.C-2-b. The maintenance-transfer program is costly to the City, as DPW must first assess the health of each tree to be transferred; and costly to property owners who are expected to bear the maintenance costs and liability risks.
- F:II.C-2-c. The maintenance-transfer program compromises tree health and stability, risks public safety and also diminishes the social and environmental benefits that street trees provide.
- F:II.C-2-d. Some property owners pay to maintain "their" street trees while others do no maintenance because they are unaware that it is their responsibility or are unwilling to pay for it.
- F:II.C-2-e. Deferred maintenance leads to a street tree program that is reactive, and ultimately increases the costs of street tree care, since trees in poor condition require greater care and contribute to emergencies and claims for personal injury and property damage.
- F:II.C-2-f. For every \$1 spent on public street trees, San Francisco receives an estimated \$4.37 in benefits.
- F:II.C-2-g. One major reason new plantings do not keep pace with tree removals is that no city maintenance program exists to care for them afterwards. There is reluctance among property owners to plant new trees because of ongoing maintenance responsibilities and potential costs associated with liabilities such as sidewalk repair.
- F:II.C-2-h. The Urban Forest Plan (Phase One: Street Trees) recommends reducing long-term costs of the urban forest by having Public Works take control of all street trees under a comprehensive street tree plan, allowing for routine block-pruning (instead of responding only to emergency calls on specific trees) which would drive down per tree maintenance costs and increase overall tree health.

- F:II.C-2-i. Routine maintenance of all street trees in the City under a comprehensive program of the Public Works Department, with stable funding, will increase overall tree health and reduce per-tree maintenance costs.
- F:II.C-2-j. The Urban Forest Plan (Phase One: Street Trees) recommending the Department of Public Works take on the maintenance of all street trees will be a net benefit to all San Francisco residents.
- F:II.C-2-k. The incidence of injuries to residents and visitors and damage claims against the City are expected to decline with routine street tree maintenance by the Department of Public Works.
- F:II.C-3-a. The Board of Supervisors adopted the Plan by Ordinance No. 23-15.
- F:II.C-3-b. On April 19, 2016, Supervisor Scott Wiener introduced a proposed Charter amendment (#160381 Charter Amendment and Business and Tax Regulations Code – City Responsibility and Parcel Tax for Street Trees) to implement and pay for Phase 1 of the Urban Forest Plan.

Park Trees Maintenance and Risk Assessments Need Funding

- F:II.C-4-a. The Urban Forestry Council urges completion of Phase 2 of the Urban Forest Plan related to Parks and Open Spaces.
- F:II.C-5-a. The Recreation and Park Department has a strategic reforestation plan to plant two trees for every tree removed.
- F:II.C-6.a. The Recreation and Park Department has a plan to implement a programmatic tree maintenance program that will sustain a 15-year tree maintenance cycle and seeks secure funding.
- F:II.C-7-a. Using funds from the 2008 and 2012 Clean & Safe Neighborhood Parks Bonds, RPD conducted risk assessments in many parks to identify trees with failure potential, the size of the part of the tree that would fall, and the target that would be impacted should a failure occur. Hazardous tree abatement was completed in several parks.
- F:II.C-7-b. Hazardous trees in City Parks are a risk to public safety (Figures 5 and 9).

RECOMMENDATIONS

Urban Forest; Street Trees; Park Trees

- R:II.C.1-1. **Maintain urban forest.** Because trees perform valuable environmental, economic and social functions and make San Francisco a better place to live and work:

- a. The City Administrator and the Director of the Capital Planning Program should identify stable funding sources for maintaining the urban forest;
- b. the Mayor should identify stable funding sources for maintaining the urban forest and include them in proposed budgets;
- c. after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve stable funding sources for maintaining the urban forest.

R:II.C.1.2. **DPW street trees:** Because it will increase overall street tree health and reduce per-street-tree maintenance costs as described in the Urban Forest Plan (Phase 1: Street Trees):

- a. The Department of Public Works should include line items in its budget requests for the routine maintenance of all street trees,
- b. the Mayor should include sufficient dedicated funding in the proposed budget for upcoming fiscal years 2017-2018 and thereafter to the Public Works Department for the routine maintenance of all street trees; and
- c. after Budget and Legislative Analyst's Office review, the Board of Supervisor should approve sufficient dedicated funding in the budget for upcoming fiscal years 2017-2018 and thereafter to the Public Works Department for the routine maintenance of all street trees.

R:II.C.1.3. **Proposition #160381** The Board of Supervisors should approve placing the Street Trees proposition (#160381 Charter Amendment and Business and Tax Regulations Code – City Responsibility and Parcel Tax for Street Trees) on the November 2016 ballot.

R:II.C.1.4. **The Urban Forest Plan Phase 2** Because it will increase overall tree health in the City's parks and open spaces and reduce per-tree maintenance costs:

- a. The Planning Department should include a line item in its budget requests for the cost of completing The Urban Forest Plan (Phase 2: Parks and Open Space);
- b. The Mayor should include sufficient funding in the proposed Budget for the upcoming fiscal years 2017-2018 and thereafter for the Planning Department to complete The Urban Forest Plan (Phase 2: Parks and Open Space); and
- c. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve sufficient funding in the approved budget for fiscal years 2017-2018 and thereafter for the Planning Department to complete The Urban Forest Plan (Phase 2: Parks and Open Space);
- d. After review by the Budget and Legislative Analyst Office, The Board of Supervisors should pass an Ordinance incorporating The Urban Forest (Phase 2: Parks and Open Space) by reference; and
- e. The Recreation and Park Commission should devise a creative dedicated funding plan to implement the Urban Forest Plan (Phase 2: Parks and Open Space).

R:II.C.1.5. **Rec & Park 2 for 1:** Because it will promote the strategic reforestation of the City, thereby improving quality of life for City residents and visitors:

- a. The Recreation and Parks Department should include a line item in its budget requests for fiscal year 2017-2018 and thereafter for sufficient funding to plant two trees for every tree removed;
- b. the Mayor should include sufficient funding in the proposed budget for upcoming fiscal year 2017-2018 and thereafter for the Recreation and Parks Department's plan to plant two trees for every tree removed; and
- c. after Budget and Legislative Analyst's Office review, the Board of Supervisors should approve sufficient funding in the budget for upcoming fiscal year 2017-2018 and thereafter for the Recreation and Parks Department's plan to plant two trees for every tree removed.

R:II.C.1.6 **Rec & Park 15 year maintenance cycle:** Because it will increase overall tree health and reduce overall per-tree maintenance costs:

- a. The Recreation and Parks Department should include a line item in its budget requests for fiscal year 2017-2018 and thereafter for sufficient funding to implement a programmatic tree maintenance program that will sustain a 15-year tree maintenance cycle
- b. the Mayor should include sufficient dedicated funding in the proposed budget for upcoming fiscal years 2017-2018 and thereafter to the Recreation and Parks Department for the sustained 15-year tree maintenance cycle; and
- c. after Budget and Legislative Analyst's Office review, the Board of Supervisors should approve sufficient dedicated funding in the approved budget for upcoming fiscal years 2017-2018 and thereafter to the Recreation and Parks Department for the sustained 15-year tree maintenance cycle.

R:II.C.1.7 **Rec & Park Tree Risk Assessments.** Because it will increase safety for all park users,

- a. The Recreation & Parks Department should seek a line item in its budget request to pay for completing tree risk assessments and hazardous tree abatement for trees in all remaining parks where that has not yet been accomplished.
- b. The Mayor should include sufficient dedicated funding in the proposed budget for upcoming fiscal years 2017-2018 and thereafter to the Recreation and Parks Department for completion of tree risk assessments and hazardous tree abatement; and
- c. After review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve sufficient dedicated funding in the approved budget for upcoming fiscal years 2017-2018 and thereafter to the Recreation and Parks Department for completion of tree risk assessments and hazardous tree abatement.

(2) San Francisco's "Structurally Deficient" Bridges

DISCUSSION

San Francisco has 88 bridges that cross water, railroad tracks or roadways. Both the City and CalTrans inspect these bridges frequently (every two years by the City). Fourteen of San Francisco's bridges are rated "Structurally Deficient". The City is responsible for maintaining three of them. (FHA Highway Bridges 2015 <https://www.fhwa.dot.gov/bridge/nbi.no10/county15.cfm#ca>)

Bridges are considered "Structurally Deficient" if significant load carrying elements are found to be in poor condition.

"Structurally Deficient" is numerically defined as a bridge component (deck, superstructure, substructure or culvert) having a National Bridge Inspection general condition rating of 4 or less (poor condition).

The fact that a bridge is "structurally deficient" does NOT imply that it is likely to collapse or that it is unsafe. (Bridge Inspection Definitions http://www.virginiadot.org/info/resources/bridge_defs.pdf) A deficient bridge typically requires maintenance and repair and eventual rehabilitation and replacement to address deficiencies. To remain open to traffic, structurally deficient bridges are often posted with reduced weight limits that restrict the gross weight of vehicles using the bridges. If unsafe conditions are identified during a physical inspection, the structure must be closed. (Bridge Inspection Definitions).

Bridges may require substantial repairs before reaching the "Structurally Deficient" stage. For example, the Department of Public Works plans to repair the existing deterioration and unsafe conditions on the Richland Avenue bridge pictured in Figure 7. The reader is invited to ponder whether earlier remediation might have delayed this visible deterioration and postponed the need for more costly repairs.

FINDINGS

Structurally Deficient Bridges and Other Deteriorated Bridges

F:II.C.2-1 The City is responsible for maintenance of three of the fourteen bridges in the City rated as "Structurally Deficient".

F:II.C.2-2 Bridges may require substantial repairs before reaching the "Structurally Deficient" stage; e.g., the Richland Avenue bridge pictured in Figure 7.



Figure 7

Photo: John Hoskins

Richland Avenue bridge (between Districts 8 and 9) over highway showing rusting rebar and spalling concrete. (Despite the risk of falling debris onto passersby beneath, this bridge is not rated “structurally deficient”.)

RECOMMENDATIONS

Structurally Deficient Bridges and Other Deteriorated Bridges

- R:II.C.2-1-a. To prevent further deterioration and unsafe conditions, the Department of Public Works should seek prioritized line item budget funding in the fiscal year 2017-2018 for the maintenance and repair of the “Structurally Deficient” rated bridges for which it is responsible.
- R:II.C.2-1-b. To prevent further deterioration and unsafe conditions, the Mayor should include in the Mayor’s proposed budget for fiscal year 2017-2018 and thereafter these line items in the Department of Public Works budget request for the maintenance and repair of “Structurally Deficient” bridges; and.
- R:II.C.2-1-c. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve adequate funding for the Department of Public Works for maintenance and repair of “Structurally Deficient” bridges in the fiscal year 2017-2018 approved budget and thereafter.

- R:II.C.2-2-a. We acknowledge the Department of Public Works plans to repair the existing deterioration and unsafe conditions on the Richland Avenue bridge and encourage the early completion of this important project.
- R:II.C.2-2-b. To prevent further deterioration and unsafe conditions, the Department of Public Works should determine the cost of repairing the Richland Avenue Bridge and other deteriorated but not yet “Structurally Deficient” bridges for which it is responsible and include these costs as line items in its budget request for fiscal year 2017-2018.
- R:II.C.2-2-c. To prevent further deterioration and unsafe conditions, the Mayor should include in the Mayor’s proposed budget in the fiscal year 2017-2018 and thereafter the items in the Department of Public Works budget request for the maintenance and repair of the Richland Avenue bridge and other deteriorated but not yet “Structurally deficient” bridges.
- R:II.C.2-2-d. To prevent further deterioration and unsafe conditions, and after review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the items in the Department of Public Works budget request for the maintenance and repair of the Richland Avenue bridge and other deteriorated but not yet “Structurally deficient” bridges and include them in the adopted budget in the fiscal year 2017-2018 and thereafter.

PART III: MAINTENANCE FUNDING NEEDS INCREASED VISIBILITY

City officials told us that “Maintenance” is easy for budget makers to ignore. Maintenance is not visible, thus is easy to put off – no one sees it.

An article published by SPUR (formerly known as the San Francisco Planning & Urban Renewal Association) in 2005, “The Big Fix”,(<http://www.spur.org/publications/spur-report/2005-01-03/big-fix>) written by Greg Wagner, Dick Merton and Jim Lazarus, focused attention on two interrelated problems in San Francisco government:

1. the lack of a coordinated approach to propose General Obligation bonds and
2. the inattention by decision makers to the need to maintain City assets.

City officials told us that the article was a factor in the City’s decision to form the Capital Planning Committee to deal with the first problem -- it now acts as the gatekeeper on bond issues. Getting decision makers to focus on General Fund departments’ need for maintenance remains an unsolved challenge.

A. New Asset Management System for General Fund Departments

DISCUSSION

Department managers and staff told us that the FRRM and COMET asset management programs are in the process of being replaced or supplemented by a PeopleSoft system. When a similar opportunity for development of new and revised performance metrics arose at the federal level, the GAO concluded that opportunity existed for [agencies] to revise requirements to collect and report (1) the costs agencies expend on annual maintenance and repair and (2) the annual costs incurred to address their deferred maintenance and repair backlogs. (Improving Transparency GAO 2014 <http://www.gao.gov/products/GAO-14-188>)

Having this information would further improve the City's reporting on its efforts to manage its real property portfolio and would enable an accounting of what funding resources have been spent in support of agencies' efforts to manage their backlogs. (Id.)

New or revised asset management programs can assist in leveraging the City's investment in maintenance spending -- not just how much should be spent, but how and where it should be spent. Getting that right is critical to getting the most out of public investment. (Khenna 2016 <http://www.nytimes.com/2016/04/17/opinion/sunday/a-new-map-for-america.html?src=trending&module=Ribbon&version=origin®ion=Header&action=click&contentCollection=Trending&pgtype=article> [

FINDING

New Asset Management Programs = Opportunity For M&R and DM&R Performance Metrics

- F:III.A.1-a. Lack of comprehensive and reliable data obscures the relationship between the amounts General Fund departments spend on annual maintenance and repair and the costs resulting from deferred maintenance backlogs.
- F:III.A.1-b. Replacement or revision of the current asset management programs used by General Fund departments provides an opportunity for development of new or revised performance metrics to collect and report:
 - (1) the dollars departments expend on annual maintenance and repair and
 - (2) the annual costs incurred in addressing their deferred maintenance and repair backlogs.

RECOMMENDATION

New Asset Management Programs = Opportunity For M&R and DM&R Performance Metrics

- R:III.A.1.a. To focus attention on the relationship between General Fund departments' annual Maintenance and repair expenditures and these departments' deferred maintenance and repair backlogs, the Controller should utilize the replacement or revision of the current asset management programs used by General Fund departments as an

opportunity for development of new or revised performance metrics to collect and report to City officials and the public:

- (1) the costs departments expend on annual maintenance and repair; and
- (2) the annual costs incurred in addressing their deferred maintenance and repair backlogs.

R:III.A.1.b. The Controller should determine the additional time and manpower cost to develop these new or revised performance metrics in asset management programs and include line item entries in its budget request for fiscal year 2017-2018.

R:III.A.1.c. To focus attention on the relationship between General Fund departments annual maintenance and repair expenditures and their deferred maintenance backlogs, the Mayor should include in the proposed budget for fiscal year 2017-2018.

these line item entries in the Controller's budget request to collect and report General Fund department costs expended on annual maintenance and repair and costs incurred in addressing their deferred maintenance and repair backlogs, and

R:III.A.1.d. To focus attention on the relationship between General Fund departments annual maintenance and repair expenditures and their deferred maintenance backlogs, and after review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve these line item entries in the Controller's budget request to collect and report General Fund department costs expended on annual maintenance and repair and costs incurred in addressing their deferred maintenance and repair backlogs, and include them in the approved budget for fiscal year 2017-2018.

B. Ten-Year Capital Plan for Facilities and Infrastructure Investments

Capital Planning Committee Maintenance and Renewal Funding

DISCUSSION

The City enacted the Capital Plan in 2005, "addressing decades of underfunded infrastructure"; recognizing that the City was systematically underfunding maintenance and capital planning. It was the first time the City thought comprehensively about its infrastructure and started down a road to recovery. OneSF >> The Plan, <http://onesanfrancisco.org/the-plan-2016/>. We learned the members of the Capital Planning Committee see themselves as stewards of the City's infrastructure.

The Capital Plan focuses on Renewal and Enhancement. The FY 2016-2025 Capital Plan anticipates nearly \$32 billion in funding across all service areas and department types:

General Fund Departments	\$5.1 billion
Enterprise Departments	\$18.3 billion
External Agencies	\$8.5 billion

City officials told us the Ten-Year Capital Plan was created to be objective so that decisions are based on transparent criteria and data as opposed to politics, and to be a counter-balance to the

“shiny new building” preference of department heads: “Who wants to be known for replacing a 20-year old roof?”

The Ten-Year Capital Planning Committee has five “Funding Principles”:

- Priority 1: Comply with federal, state and local legal mandates;
- Priority 2: Provide for the life, health, safety and security of occupants and the public and prevent the loss of use of the asset;
- Priority 3: Ensure timely maintenance and renewal of existing infrastructure;
- Priority 4: Support formal programs or objectives of an adopted plan or action by the Board or Mayor; and
- Priority 5: Enhance the City’s economic vitality. (2015 Ten-Year Plan
[http://onesanfrancisco.org/wp-content/uploads/Complete-CapitalPlan_Final2.\)](http://onesanfrancisco.org/wp-content/uploads/Complete-CapitalPlan_Final2.)

The “timely maintenance” criteria is further described: It is imperative to maintain the City’s infrastructure. However, the lack of maintenance at some facilities will have a greater effect on the asset’s value and/or future repair and replacement costs. (Id.)

The “Criteria Measurements” for timely maintenance are:

- When failure to implement project risks potential loss or reduces the useful life of a City asset.
- The facility provides government services that cannot be provided at another location.
(Id.)

However, we were told that the actual practice for prioritizing project requests differs somewhat from the Funding Principles: #1 is life-safety, while #2 is “critical political enhancements”, i.e., items important to the politicians.

The Capital Planning Committee website acknowledged that annual maintenance has been significantly underfunded in the past, leading to a large backlog, decreased service and increased operating costs. “State of good repair” renewal needs, (such as potholes and roof repairs) are only partially funded in the Capital Plan. (OneSanFrancisco.org)

FINDING

CPC Does Not Report DM&R Separately From Capital Renewal and Replacement

- F:III.B.1. The City's ability to determine the Deferred Maintenance and Repairs backlog is hampered by the aggregating of deferred maintenance expenses with capital renewal and replacement costs.

RECOMMENDATIONS

CPC Should Report DM&R Separately From Capital Renewal and Replacement

- R:III.B.1.a. For increased transparency and accountability, the City Administrator and the Director of the Capital Planning Program should report “Deferred Maintenance and Repair Backlog” separately from “projected capital renewal and replacement costs” in the Ten-Year Capital Plan.
- R:III.B.1.b. The City Administrator and the Capital Planning Program Director should determine the additional time and manpower cost to collect data and report “Deferred Maintenance and Repair Backlog” separately from “projected capital renewal and replacement costs” in the Ten-Year Capital Plan, and include a line item for this cost in its budget request for fiscal year 2017-2018 and thereafter.
- R:III.B.1.c. For increased transparency and accountability, the Mayor should include in the Mayor’s proposed budget for fiscal year 2017-2018, the Capital Planning Committee’s request for the cost to collect data and report “Deferred Maintenance and Repair Backlog” separately from “projected capital renewal and replacement costs” in the Ten-Year Capital Plan,
- R:III.B.1.d. For increased transparency and accountability, and after review by the Budget and Legislative Analyst, the Board of Supervisors should approve the Capital Planning Committee’s request for the cost to collect data and report “Deferred Maintenance and Repair Backlog” separately from “projected capital renewal and replacement costs” in the Ten-Year Capital Plan, and include this cost in the adopted Budget for fiscal year 2017-2018 and thereafter.

C. Condition Assessments: Key Parts of the Maintenance Needs Determination Process Are Not Being Updated

DISCUSSION

Condition assessment; life-cycle costing; residual life risk analysis

“State of good repair” means that an asset is safe, reliable and keeps the users satisfied. (TCRP 2011 http://www.tcrponline.org/PDFDocuments/TCRP_RRD_101.pdf) Maintaining a state of good repair involves a constant process of assessing an asset’s residual life and balancing that against costs of maintenance, upgrade or replacement. Three steps occur in the review:

A condition assessment is performed to determine the residual life of the asset.

The next step is *life costing* to determine the cost for the remaining life of the component and the entire asset. This includes labor and material costs for maintaining the component over the expected useful life of the entire asset.

The final step is a *risk analysis*, to determine whether the component will be maintained, replaced in kind, or upgraded. The results of residual life and life costing are compared with performance risks — measures such as user journey time, lost user hours, compliance, extraordinary maintenance, and safety factors. (TCRP 2011)

Regular General Fund department facility condition assessments should be done at least every five years. An example of best practices in this area is the facility condition assessment policy at Lawrence Berkeley National Laboratory. In LBL's program, required maintenance is identified through Condition Assessment Surveys conducted by an independent consultant. The consultant's findings, along with cost estimates, are prioritized and entered into five-year and ten-year maintenance plans. Maintenance that is not performed when scheduled is then categorized as Deferred Maintenance. (LBL 2002 www.lbl.gov/Publications/Institutional-Plan)

The condition assessment surveys for much of San Francisco's general fund facilities started ten years ago. A division manager told us that the Recreation and Parks department has support from the Park Commission and the Mayor for a new condition assessment survey. The department's "Open Space Fund" set-aside will be the source of funding.

In June 2016, City voters approved Proposition B, a Charter amendment extending the City's park fund — established in 2001 and set to expire in 2031 — for 15 years until 2046, requiring a minimum escalating allocation from the general fund, and providing means to ensure park fund revenue is used equally in all neighborhoods.

City departments use several condition assessment indexes:

- a. The DPW uses a Pavement Condition Index (PCI) to assess streets for ride quality, pavement defect and overall pavement condition. For PCI, a low score is bad and a high score is good. The Mayor's goal is to have all SF streets score above 70 which means that the streets are in good condition.
- b. The same program used to calculate Current Replacement Value (CRV) [see Part I] is also used to track Facilities Condition Index (FCI). For most General Fund departments, it is the Facilities Renewal Resource Model (FRRM) which makes this computation, while for Recreation and Parks Department it is the COMET (Condition Management Estimation Technology) asset tracking system. Rather confusingly, in these systems a low FCI score is good and a high score is bad.

The FRRM (Facilities Renewal Resource Model) provides an FCI rating for listed facilities. (Appendix D4) It is a means of identifying building condition to assist in making resource allocations, particularly with limited budgets that are not adequate to address the deferred maintenance in all the facilities. It may also be used to determine the annual reinvestment rates to prevent further accumulation of deferred maintenance. (FCI 2013

http://www.assetinsights.net/Glossary/G_Facility_Condition_Index.html)

The FCI provides a measure of the “catch-up” costs of a facility. (FCI 2013) Industry standards indicate that a facility with an FCI greater than 0.30 is considered to be in “fair” to “poor” condition. (CSA RPD 2015

http://sfcontroller.org/sites/default/files/FileCenter/Documents/6811-Maintenance%20Memo_FINAL.pdf)

Industry standards further indicate that a facility with an FCI of 0.65 or greater is more cost effective to replace than to repair. According to the 2006 assessment, 102 of San Francisco’s 190 neighborhood parks had an FCI of 0.30 or greater, with thirty-six of those having an FCI of 0.65 or greater. [CSA RPD 2015]

The Mayor has not announced a goal of having all General Fund departments’ Facilities Condition Index ratings at good condition or better.

As of December, 2015, the FRRM report “Backlog and 10-Yr Need by Facility” on General Fund departments (not including Recreation and Parks Department) showed that 106 (54%) out of 196 listed physical assets had an Facilities Condition Index of .30 or greater, indicating that those facilities were considered to be in “fair” or “poor” condition. (Appendix D4.)

Facilities Condition Index of 0.30 or greater

<u>Department</u>	<u># of facilities</u>	<u>%</u>
General Government/Administration	9/32	(28%)
General Government/Public Works	8/20	(40%)
General Government/Treasure Island [?]	1/1	(100%)
Health & Human Services/public health [all 7 at San Francisco General Hospital]	7/48	(15%)
Public Safety/Fire	47/54	(87%)
Public Safety/Juvenile	25/29	(86%)
Public Safety/Police	1/14	(7%)
Public Safety/Sheriff	9 /17	(53%)
Recreation, Culture, Education/Art	1/5	(20%)
Recreation, Culture, Education/Library	1/29	(3%)

(Appendix D4.)

FINDINGS

Updated Condition Assessment Surveys Will Provide Reliable Data for M&R Budgeting

F:III.C.1-a. Condition Assessment Surveys with cost estimates are an important factor in identifying required maintenance.

- F:III.C.1-b. Some old condition assessments, a key part of the maintenance needs determination process, have not been updated for ten years or longer.
- F:III.C.1-c. Updated Condition Assessment Surveys for capital assets maintained by the Real Estate Division, the Department of Public Works, and the Recreation and Parks Department will identify required maintenance needs.
- F:III.C.2. A new comprehensive condition assessment survey of Recreation and Parks department facilities and infrastructure is an important step toward getting adequate maintenance funding appropriated on a regular basis.
- F:III.C.3-a. The Mayor's announced goal of getting city streets to a Paving Condition Index rating of good condition, and keeping them there, is a good first step.
- F:III.C.3-b. The Facilities Conditions Index may be used as a means of identifying the condition of buildings and other non-street capital assets to assist in projecting and making resource allocations, and to determine the annual reinvestment needed to prevent further accumulation of deferred maintenance and repair.
- F:III.C.3-c. A Controller's Study of those physical assets with a Facilities Condition Index of 0.30 or greater will help determine whether a lack of comprehensive maintenance and repair planning resulted in underinvestment in preventive maintenance work that has depreciated the value and useful life of those physical assets.

RECOMMENDATIONS

Condition Assessment Surveys Should Be Updated and Controller Should Conduct A Study to Provide Reliable Data for M&R Budgeting

- R:III.C.1-1. To obtain updated relevant information as a basis for rational and informed budget decision making:
 - a. The City Administrator and the Director of Real Estate should request a line item in its budget request to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure;
 - b. The Director of Public Works should request a line item in its budget request to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure;
 - c. The Director of Recreation and Parks should request a line item in its budget request to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure;
 - d. Other General Fund departments responsible for maintaining capital assets should request a line item in their budget requests to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure;

- e. The Mayor should include amounts for the Real Estate Division, the Department of Public Works, the Recreation and Parks Department and other General Fund departments responsible for maintaining capital assets in the Mayor's proposed Budget for fiscal year 2017-2018 budget specifically for condition assessment surveys with cost estimates of General Fund Department facilities and infrastructure; and
- f. After review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve amounts in the fiscal year 2017-2018 Budget for:
 - (1) the Real Estate Division,
 - (2) the Department of Public Works,
 - (3) the Recreation and Parks Department and
 - (4) other General Fund departments responsible for maintaining capital assets
 specifically for Condition Assessment surveys with cost estimates of General Fund Department facilities and infrastructure.

R:III.C.2-a. As an important step toward getting adequate maintenance funding on a regular basis, the Director of Recreation and Parks should request the allocation of funds from the "Open Space Fund" for the purpose of conducting a comprehensive condition assessment of departmental facilities and infrastructure.

R:III.C.2-b. The Mayor should include the allocation of funds from the Recreation and Parks Department's "Open Space Fund" for the purpose of conducting a comprehensive condition assessment in the proposed fiscal year 2017-2018 budget.

R:III.C.2-c. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the allocation of funds from the Recreation and Parks Department's "Open Space Fund" for the purpose of conducting a comprehensive condition assessment.

R:III.C.3-a. As he has done for City streets' Pavement Condition Index, the Mayor should announce his goal of having the Facility Condition Index for all General Fund Departments' non-street capital assets at the level of "good" or better.

R:III.C.3-b. The Controller should conduct a study of the General Fund Departments listed on the December 2015 FRRM (Facilities Renewal Resource Model) report "Backlog and 10-Yr Need by Facility (or such updated reports as is appropriate) with a Facilities Condition Index of 0.30 or greater ("fair" or "poor") to determine:

- (1) Which of those physical assets (if any) are in "fair condition";
- (2) Which of those physical assets (if any) are in "poor condition";
- (3) Which of those physical assets (if any) are starting to approach or exceed their life expectancies;
- (4) Which of those physical assets (if any) should be considered high-priority for maintenance and repair funding;

- (5) Which of those physical assets (if any) require additional maintenance and repair funding to prevent further accumulation of deferred maintenance and repair;
- (6) Whether lack of comprehensive maintenance and repair planning resulted in underinvestment in preventive maintenance and repair work that has depreciated the value and useful life of these physical assets;

and present the report containing the Controller's findings on the above items to the Mayor and Board of Supervisors for use in the budget process.

- R:III.C.3-c. The Controller should determine the additional time and manpower cost to accomplish the additional reporting recommended in the preceding Recommendation 3(b) and include a line item entry for those costs in his budget requests for fiscal year 2017-2018.
- R:III.C.3-d. To provide useful information for the public in assessing the City's stewardship of public assets, the Mayor should approve these line item entries for a study of facilities with FCI of fair or poor condition in the Controller's budget requests and include them in the Mayor's Proposed Budget for fiscal year 2017-2018.
- R:III.C.3-e. To provide useful information for the public in assessing the City's stewardship of public assets, and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve these line item entries for a study of facilities with an FCI of fair or poor condition in the adopted Budget Ordinance for fiscal year 2017-2018.

D. The City Administrator and Director of Real Estate Should Set Rental Rates for Tenant City Departments Sufficient to Cover Maintenance and Repair Needs.

DISCUSSION

The Real Estate Division (RED) acts as the "landlord" of many General Fund departments located in city-owned properties. The rental charges to General Fund department tenants established by the City Administrator and Director of Real Estate are substantially below market rates. The rates were recently raised from \$22.56/square foot/year to \$23.16. The below-market rental rates do not cover the full cost of maintenance, repair and capital replacements for the City-owned property used by General Fund Departments.

The City Administrator and the Director of Real Estate should explore moving to a real estate management model where the true costs of capital maintenance are reflected in departmental budgets. (SPUR 2005 <http://www.spur.org/publications/spur-report/2005-01-03/big-fix>). Under San Francisco's current system, departments often are not conscious of the full costs of the facilities they occupy, and are not required to pay them. Requiring City departments to pay closer-to-market-rate lease expenses would make the "true" cost of program delivery visible. Property used by City General Fund departments could be maintained by the Real Estate Division. The lease terms would designate a portion of the rent paid by departments for ordinary, recurring and deferred

maintenance. A model of this nature would help make facility costs more visible as a regularly budgeted and important component of government service delivery. (SPUR 2005)

FINDING

Real Estate Division Rental Rates Do Not Cover M&R

F:III.D.1. Below-market rental rates charged to General Fund department tenants do not cover the annual Maintenance and Repair and capital replacements costs and conceal the true costs of program delivery.

RECOMMENDATION

Real Estate Division Rental Rates Should Be Adjusted to Cover M&R and Make the True Cost of Services Delivery Visible.

R:III.D.1. To make the true cost of program delivery visible,

- a. The City Administrator and the Director of Real Estate should charge rental rates sufficient to cover the full cost of maintenance, repair and capital replacements in the leased premises it manages(to make the true cost transparent).
- b. The Mayor should propose adjustments to tenant General Fund departments' budgets sufficient to cover rent increases.
- c. After review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve adjustments to tenant General Fund departments' budgets sufficient to cover rent increases.

PART IV: MAINTENANCE BUDGET REQUESTS DESERVE VIGOROUS ADVOCACY

"Make your needs known VIGOROUSLY."

—Advice to property managers

DISCUSSION

Outside of the General Fund departments themselves, there are few advocates for maintenance. It is up to each department to make its needs known vigorously in order to get funding for adequate maintenance personnel and equipment. Without this advocacy, the budget decision-makers can continue to claim with "plausible deniability" that they did the best they could when setting General Fund maintenance budgets, without knowing the true extent of unmet maintenance needs.

San Francisco's history of underinvestment provides ample evidence that the normal budget process does not allocate adequate funding for facilities and infrastructure maintenance. (SPUR 2005 <http://www.spur.org/publications/spur-report/2005-01-03/big-fix>) A City staffer with experience in the budget process told us, "There is one pot of City money; it is a matter of priorities."

General Fund departments' Facilities Maintenance budgets in 2015 were less than 50% of the Facilities Maintenance budget in 2005 (Part I). What maintenance budget procedures are not succeeding? What is not being maintained?

Department managers undoubtedly advocate for their entire department budgets, but evidently that advocacy has worked better for their programs than for facilities maintenance.

With their major focus on services, General Fund department heads face a challenging task in advocating equally as vigorously for needed increases in their maintenance and repair budgets:

- Maintenance is not sexy;
- The physical consequences of neglected maintenance may not be immediately visible;
- The increased risk of safety hazard and liability may be real but difficult to quantify.

However, the City's decision makers – those who control the purse strings – deserve complete, prioritized and candid information on current and future maintenance and repair needs.

“Money to build; no money to fix” and “make do” should no longer be tolerated as the result of short-term focused M&R budget decisions for General Fund departments.

Mission-driven budgeting, as described by Section 9.114 in the City Charter (<https://law.resource.org/pub/us/code/city/ca/SanFrancisco/Charter/article09.pdf>), requires departmental budget requests to include goals, programs, targeted clients and strategic plans. The requested budget must tie program funding proposals directly to specific goals.

In addition, legislation passed by the Board of Supervisors requires performance standards to increase accountability. (Mayor's Budget Letter 2015

http://sfmayor.org/ftp/uploadedfiles/mayor/budget/SF_Budget_Book_FY_2015_16_and_2016_17_Final_WEB.pdf) The Mayor's Budget Letter proudly describes some of the funded maintenance projects, but does not list projects requested by General Fund departments that were not funded.

The SPUR “Big Fix” article recommended that the City develop a program to track annual maintenance, repair and replacement needs and provide data to assist in allocating capital funds. The Capital Planning Committee now prepares Ten Year Capital Plans. But better information will not solve the City's maintenance problems if it is not also accompanied by adequate funding. (SPUR 2005)

Department heads, as stewards for their departments, are responsible for making sure that those who decide on funding levels fully recognize the impact of their decisions on the public's investment for assets in their care.

There are built-in components of the City's budget process that could tend to discourage vigorous advocacy such as:

- the culture that “Department heads are not rewarded for requesting additional funds; so they make do with what they are given”;

- reinforcement of a department's place in the budgeting pecking order as Capital Budget Request Form 6 comes preloaded with the amount allocated for maintenance based on the prior year's appropriation; and
- the inherent and relative dullness (i.e., lack of political sex appeal) of maintenance and repair relative to service programs.

Responsible stewardship mandates that General Fund department heads **not** make do with what they are given, until they have advocated for more maintenance and repair funding --- vigorously.

City departments are directed to prioritize needs and present balanced budgets for review and analysis by the Mayor's Office of Public Policy and Finance. It must be very challenging to present a "balanced budget" while at the same time advocating for substantial increases in M&R funding.

Even if the Mayor proposed substantial increases in M&R funding for General Fund departments, the Board of Supervisors has the ability to make expenditure reductions freeing up "unallocated monies" and then reallocate those monies for new public services set forth in its list of budget policy priorities. (Mayor's Budget Letter 2015)

General Fund departments need to quantify and communicate the adverse financial impact of deferred maintenance. "Unless you can communicate the consequences of deferred maintenance, your rationale for funding isn't likely to be very persuasive." (Madsen 2006

<http://www.buildings.com/article-details/articleid/3161/title/paying-for-deferred-maintenance.aspx>)

Among the recognized standards and best practices for maintenance budget advocacy which departments could use as appropriate are:

- Start with an explicit statement of the appropriate size of the routine maintenance and repair budget, which is part of the cost of asset ownership; e.g., the benchmark guideline of 2%-4% of Current Replacement Value of the assets; (NRC 1990
<http://www.nap.edu/catalog/9807/committing-to-the-cost-of-ownership-maintenance-and-repair-of>);
- Recognize that it is not intuitively obvious how a request for 2 to 4% of CRV will contribute to meeting an agency's mission -- and make the case explicitly; (NRC 2012);
- Make a business case to the people with the purse strings; (Madsen 2006);
- In developing budget submissions, consider Civil Grand Jury reports; (Controller's Technical Instructions #8 at page 18 -- SF Budget Instructions 2015
<http://sfcontroller.org/modules/showdocument.aspx?documentid=1436>);
- Have performance criteria and statistical bases to describe the maintenance and repair need;(NRC 1990);
- Demonstrate the immediately visible consequences of neglect; (SPUR 2005);
- Quantify and communicate the financial impact of deferring maintenance and repair; (SPUR 2005; SFFAS 42 http://www.fasab.gov/pdffiles/handbook_sffas_42.pdf);
- Explain the criteria used to prioritize maintenance and repair projects: e.g., currently critical (projects that require immediate action to return a facility to normal operation,

stop accelerated deterioration, or correct a critical safety hazard); potentially critical (projects that will become critical within 1 year if not corrected expeditiously); necessary-not yet critical (projects that require reasonably prompt attention to preclude predictable deterioration or potential downtime and the associated damage and higher costs if deferred further); (Madsen 2006

<http://www.buildings.com/article-details/articleid/3161/title/paving-for-deferred-maintenance.aspx>);

- Establish a risk-based process for setting priorities among annual M&R activities; (NRC 1996 <http://www.nap.edu/read/9226/chapter/1>);
- Best Practices organizations evaluate facilities investment proposals as mission enablers rather than solely as costs. (NRC 2012
<http://www.nap.edu/catalog/13280/predicting-outcomes-from-investments-in-maintenance-and-repair-for-federal-facilities>);
- Link priorities to the establishment of the department's mission and other public policies (NRC 1996);
- Identify the beneficial outcomes or adverse consequences of different investment strategies; (SPUR 2005);
- Quantify the adverse consequences of under-investing:
 - growing backlog;
 - increasingly expensive repairs;
 - more expensive premature replacements; (SPUR 2005)
- Achieve and report measurable results, small and large, short-term and long-term; (Kaiser 1993 <https://www.appa.org/membershipawards/documents/1994.pdf>);
- Communicating the basis for predictions of outcomes of a given level of investment in maintenance and repair should be transparent; and made available to decision makers. (NRC 2012);
- Department heads should know their actual maintenance spending, including labor and parts; and
- Plan for multiple communications -- no single message will suffice. (NRC 2012)

Submit “financially unconstrained” maintenance priority lists

The San Francisco MTA is a quasi-Enterprise department in that it has its own source of funding (fares), but also receives General Fund monies. It prepares a 20 Year Capital Plan, updated every two years, to advocate for the agency's funding needs. It contains a prioritized list of “financially unconstrained” capital needs, organized by Capital Program and “Investment types”:

- Restoration of existing assets (generally of higher priority);
- system enhancements; and
- expansion. (SFMTA 20 Year Plan 2015
<https://www.sfmta.com/sites/default/files/agendaitems/2015/7-15%20Draft%20FY2015-FY2034%20SFMTA%20Capital%20Plan.pdf>)

General Fund departments have opportunities to make their prioritized “financially unconstrained” maintenance needs known to budget decision-makers, as does the MTA.

Work creatively within the guidelines and limits of the Budget Process ordinance.

Section 3.5 (a) of the Budget Process Ordinance [

[http://library.amlegal.com/nxt/gateway.dll/California/administrative/administrativecode?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:sanfrancisco_ca\\$sync=1](http://library.amlegal.com/nxt/gateway.dll/California/administrative/administrativecode?f=templates$fn=default.htm$3.0$vid=amlegal:sanfrancisco_ca$sync=1)]

requires each City department to submit a budget containing documentation providing:

- information on the overall mission and goals of the department;
- strategic plans that provide direction towards achieving the department's mission and goals;
- identification of policy outcome measures that reflect the mission and goals of the department and which can be used to gauge progress towards attaining these goals;
- the specific programs and activities conducted by the department to accomplish its mission and goals and the customers or clients served;
- the total cost of carrying out each program or activity; and
- Certification by the department head of the extent to which the department achieved, exceeded, or failed to meet its missions, goals, productivity and service objectives, during the prior fiscal year.

Department heads have the opportunity to supplement the budget documentation called for in Section 3.5(a) and should utilize best practices as applicable.

Work creatively within the limits of the Capital Budget Request Form 6

The Budget instructions for Maintenance (subobject 06F00) in Capital Budget Request Form 6 state the amount allocated is based on the previous year's appropriation. Maintenance allocations for eligible departments are handled by CPP staff. Departments should budget additional funds to meet maintenance needs if applicable. (SF Budget Instructions 2015 at p. 33

<http://sfcontroller.org/modules/showdocument.aspx?documentid=1436>)

Utilize the “unless otherwise specifically noted” provision of the Section 3.14 letter

Section 3.14 of the Budget Process Ordinance provides that in conformance with Charter Section 9.115, the head of each agency shall, within 30 days of the adoption of the annual budget by the Board of Supervisors, by letter addressed to the Mayor, Board of Supervisors and Controller, agree that the funding provided is adequate for his or her department ..., **unless otherwise specifically noted by the appointing officer** and acknowledged in writing by the Board. (emphasis added) (Budget Process Ordinance

[http://library.amlegal.com/nxt/gateway.dll/California/administrative/administrativecode?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:sanfrancisco_ca\\$sync=1](http://library.amlegal.com/nxt/gateway.dll/California/administrative/administrativecode?f=templates$fn=default.htm$3.0$vid=amlegal:sanfrancisco_ca$sync=1)) The head of each agency should candidly note specifically when the proposed funding is NOT adequate for his or her department's maintenance needs.

Make supplemental appropriation requests as appropriate.

Supplemental appropriation requests are made when a department finds that it has inadequate resources to support operations through the end of the year. (Mayor's Budget Letter 2015 http://sfmayor.org/ftp/uploadedfiles/mayor/budget/SF_Budget_Book_FY_2015_16_and_2016_17_Final_WEB.pdf) Department heads should utilize this opportunity to fund their department's maintenance needs.

FINDINGS

Opportunities Exist for Vigorous Maintenance Budget Advocacy

- F:IV.1. The Mayor's Office of Public Policy and Finance reviews and analyzes prioritized General Fund departmental budget proposals.
- F:IV.2-a. Compliance with Section 3.5(a) of the Budget Process Ordinance provides City departments and department heads with an opportunity to make their maintenance needs known vigorously as part of the Budget Process.
- F:IV.2-b. Opportunities exist for General Fund Department managers to advocate for increased maintenance and repair funding within the strictures of Capital Budget Request Form 6.
- F:IV.2-c. Compliance with Section 3.14 of the Budget Ordinance provides City department heads with an opportunity to make their unfunded high-priority maintenance needs known.
- F:IV.2-d. General Fund department heads have the opportunity to make supplemental appropriation requests when they find that their department has inadequate resources to support M&R operations through the end of the fiscal year.
- F:IV.3. The Mayor's Budget Letter does not include a list with a description of the General Fund departments' high-priority maintenance and repair projects which did not get funded in the budget.
- F:IV.4. The Board of Supervisors generates a list of budget policy priorities to guide funding decisions on the unallocated pools of money resulting from expenditure reductions to the Mayor's proposed budget.

RECOMMENDATIONS

Vigorously Advocated Maintenance Budget Requests Should Result in More Maintenance

- R:IV.1. In recognition of maintenance of facilities and infrastructure as an important component in stewardship of City assets, the Mayor and the Office of Public Policy and Finance should encourage adequate Maintenance and Repair funding as one of the budget priorities for General Fund departments.

- R:IV.2. In recognition of maintenance of facilities and infrastructure as an important component of stewardship and in fulfillment of their stewardship obligations, the managers and staff of General Fund departments:
- should make their departmental maintenance needs known vigorously throughout the budget process and reallocation process;
 - should advocate vigorously in their submissions on Capital Budget Request Form 6 to demonstrate why the amount allocated for maintenance by the Capital Planning staff based on the prior year's appropriation may be insufficient, and if so, why additional funds to meet maintenance needs are required;
 - in their Section 3.14 letters, should make their unfunded high-priority maintenance needs known vigorously; and
 - should make supplemental appropriation requests when they find that they have inadequate resources to support Maintenance and Repair operations through the end of the fiscal year.
- R:IV.3. To further transparency and accountability in City government, the Mayor's Budget Letter should include a section listing and describing the General Fund departments' high-priority maintenance projects which did not get funded.
- R:IV.4. In recognition of maintenance of facilities and infrastructure as an important component in stewardship of City assets, and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should include adequate funding for General Fund departments maintenance and repair in the list of budget policy priorities for "unallocated monies".

PART V: VOTER INFORMATION PAMPHLETS ON GENERAL OBLIGATION BONDS SHOULD DISCLOSE INTEREST AND LIFE-CYCLE MAINTENANCE COST PROJECTIONS

"Leaving a legacy as a political figure often requires concrete." (Brown 2015)

DISCUSSION

Accountability requires governments to justify the raising of public resources and the purposes for which they are used (GASB 34, paragraph 197

<http://www.gasb.org/cs/BlobServer?blobkey=id&blobwhere=1175824063624&blobheader=application%2Fpdf&blobcol=urldata&blobtable=MungoBlobs>). Citizens have a "right to know", a right to receive openly declared facts that may lead to public debate by citizens and their elected representatives.(Id.)

A paramount objective of accountability in government is to enlighten public discussion of all aspects of governmental activities. (GASB 34, paragraph 198) Governmental financial reporting should provide information to users in making economic, social and political decisions. (Id.). Striking a consensus balance between borrowing money to build new capital assets, maintaining the existing and future public heritage of physical assets, and providing needed services to City

residents is an important economic, social and political decision for the Mayor, the Board of Supervisors and the public.

As of December 1, 2015, the City had \$1.9 billion in General Obligation bond debt outstanding. (<http://onesanfrancisco.org/wp-content/uploads/Agenda-Item-5-1-RecPark-Port-Bond-Sale-Memo1.pdf>)

Bonds do have a place in financing new city public works and significant capital improvements. However, they should not be a substitute for adequate annual appropriations for general capital improvements and timely maintenance. Too often, bond measures allocate 30% to 50% for deferred maintenance projects. In other words, taxpayers are paying for 20-year roof repairs with 30 years of interest payments. Some projects may well have been addressed through regular annual maintenance appropriations. (Also, the burden to repay bonds falls only on property taxpayers whereas annual funding is paid by all taxpayers.)

The Controller's Statement on General Obligation Bond Propositions in Voter Information Pamphlets does not explicitly disclose the projected interest cost of the proposed bond. For example, we were told that the 2011 "Safe Streets" bond for \$248 million (principal) will cost \$189 million in interest -- thus for every \$10,000 borrowed, the city must pay back roughly \$17,600. The \$189 million figure did not appear in the Voter Information Pamphlet.

Life-Cycle Cost Forecasts

The Controller's Statement does not include the projected life-cycle costs for maintaining and repairing the asset to be built with bond proceeds.

Life-cycle cost forecasts are important elements of government accountability and transparency. A division head told us the City should not build things it will not maintain: "If we build something -- anything -- think about maintenance." When maintenance considerations are incorporated in design, future risks and costs can be minimized. We were told: "If it can happen, it will happen. So anticipate; prepare."

Design and construction costs are a small part of total life-cycle costs for new projects, typically requiring up front large capital expenditures in the first few years and accounting for 5 to 10% of the total cost of ownership. In contrast, the operations and maintenance of facilities will require annual expenditures for 30 years or more and will account for as much as 80% of total cost of ownership. (NRC 2012

<http://www.nap.edu/catalog/13280/predicting-outcomes-from-investments-in-maintenance-and-repair-for-federal-facilities>) Thus an important part of the decision to design and build a new public facility is the commitment to maintain it for its projected life.

Considering life-cycle costs of proposed facilities up-front is a best practice for all levels of governments.

(Nash 2010, <https://www.gpo.gov/fdsys/pkg/CHRG-111hhrg55669/html/CHRG-111hhrg55669.htm>)

Using life-cycle costing makes the total cost of a project transparent. Federal agencies conduct life-cycle analyses for significant new facilities. In doing so, decision makers and the public have greater insight into the total commitment of resources that will be required over several decades, not just up-front costs. (Id.)

As noted by the FASAB, life-cycle cost forecasts of maintenance and repairs expense may serve as a basis against which to compare actual maintenance and repairs expense. (SFFAS 42, http://www.fasab.gov/pdffiles/handbook_sffas_42.pdf)

A department head told us that the Capital Planning Committee that vets proposals for General Obligation bonds needs to understand the cost of operating and maintaining new projects. Life-cycle cost information is needed to advise the Mayor. Thus the Capital Plan for FY 2016-2025 assumes \$71 million annually for “Critical Project Development” which “continues the City’s commitment to funding pre-development planning so that project costs and impacts are clearly understood before a decision is made to either fund or place a project before voters”. (page 6 of Executive Summary of Capital Plan 2016-2025

http://onesanfrancisco.org/wp-content/uploads/Complete-CapitalPlan_Final2.)

There are three components of the “Total Cost of Ownership”:

- a. non-recurring costs (e.g., planning and construction);
- b. annual recurring costs (e.g., maintenance, repairs, utilities); and
- c. periodic recurring costs (e.g., remodeling, replacement). (NRC 2012)

We were told that predicting maintenance costs for a new building is not easy, and may need adjustment after tenants move in. It is assumed that use of a new building will stay the same over time. But uses change, needing different levels of maintenance. Warranties on new buildings and equipment save maintenance money for a time; but, as the new items cycle off warranty, maintenance funding needs to pick up.

The Mayor’s Five Year Plan 2015

(http://sfmayor.org/ftp/uploadedfiles/mayor/budget/SF_Budget_Book_FY_2015_16_and_2016_17_Final_WEB.pdf) speaks of the on-going costs associated with large one-time investments as a significant departmental issue identified in the Plan. A department director told us that upcoming projects will include information on operating costs and maintenance.

One department representative told us that they seek to use General Obligation bond funds for things that cost a lot of money to renovate but that also serve a lot of people, and for things that generate the highest amount of deferred maintenance and failure. But once the bond money is used for these purposes, the department must continue to maintain the bond-funded replacements, or it will have the same deferred maintenance problems again in ten years. Tax-exempt General Obligation Bond proceeds cannot be used for maintenance expenses. (AAP 2014 at 10.6 <http://sfcontroller.org/Modules/showdocument.aspx?documentid=6828>) Normal maintenance and repair costs are to be expensed rather than capitalized. (Id.)

Voter Information pamphlets do not show life-cycle cost projections for maintenance and repair. We were told that it would be more transparent if the descriptive materials accompanying Bond propositions clearly set forth some indication of the projected life-cycle maintenance and repair costs. A division manager told us that while the language of the bond itself is legally technical, the accompanying bond report allows more flexibility.

The Citizen's General Obligation Bond Advisory Committee ("GOBAC") reviews and reports on how bond money is spent. Although General Obligation Bond proceeds may not be used for maintenance expenses, GOBAC does inquire about the life-cycle maintenance and repair costs for assets built with such funds.

FINDINGS

Voters are not being told the projected future interest expense and life-cycle costs associated with General Obligation Bonds

- F:V.1-a. As a basis against which to compare future actual M&R expenses, the Capital Planning Committee needs to understand the projected life-cycle cost of operating and maintaining proposed facilities to be built with General Obligation bond proceeds.
- F:V.1-b. The "Critical Project Development" program under the Capital Planning Committee continues the City's commitment to funding pre-development planning so that project costs and impacts are clearly understood before a decision is made to either fund or place a project before voters.
- F:V.2. The Mayor's Five Year Plans are starting to mention the long-term costs associated with one-time investments.
- F:V.3. Voters are asked to approve General Obligation bonds for a new facility but are not informed of the projected interest cost to borrow the funds and of life-cycle cost projections for maintaining the new facility.
- F:V.4. Life-cycle cost projections for operations and maintenance and repair are not visible to citizens when considering General Obligation Bond propositions, because this information is not included in the Voter Information Pamphlets.
- F:V.5. The Citizen's General Obligation Bond Advisory Committee properly inquires as to the life-cycle maintenance and repair costs for assets built with General Obligation Bond proceeds, because that is pertinent information relating to those assets.

RECOMMENDATIONS

Voter Information Pamphlets Should Disclose Anticipated Interest Costs and Life-cycle Cost Projections

- R:V.1. In accordance with best practices for governments and in the interest of transparency and accountability, the City Administrator and the Director of the Capital Planning Program should make projection of life-cycle costs of operation and maintenance a criteria for getting the Capital Planning Committee's approval to add General Obligation Bond propositions to the queue.
- R:V.2. We recommend in the interest of transparency and accountability that the Mayor carry forward plans to include information on projected life-cycle operating costs and maintenance costs in Five Year Plans.
- R:V.3. In the furtherance of transparency and accountability and best practices in government,
- a. the Controller's Statement on General Obligation Bond propositions in the Department of Elections Voter Information Pamphlet should include a Life-Cycle Cost estimate, containing the projected life-cycle Maintenance and Repair cost for the proposed Capital Project.
 - b. the Controller should instruct General Fund departments to report annually to GOBAC:
 - 1) the inflation-adjusted Life-Cycle Maintenance and Repair Cost estimate for each General Obligation Bond funded project;
 - 2) the amount budgeted for Operating Cost and Maintenance Cost of that asset;
 - 3) the reasons for any budgeted shortfall; and
 - 4) the immediate and long-term consequences of any budgeted shortfall.
- R:V.4. In furtherance of transparency, accountability and the public's right to know, GOBAC should prepare an annual report summarizing each General Fund department's life-cycle Maintenance and Repair cost estimates report and a consolidated report for all General Fund departments.

PART VI: MAINTENANCE POLICY IMPLICATIONS OF KICKING THE CAN DOWN THE ROAD: HIGHER COST, LOWER QUALITY, AND LESS RELIABILITY OF SERVICE

DISCUSSION

The Ten-Year Capital Plan is "financially constrained". "[W]e strive to make clear decisions on what should receive funding *given available resources*. As a result, over 4 billion in needs are deferred from the 10 year plan." <http://onesanfrancisco.org/the-plan-2016/deferred-and-emerging-needs/> (*italics added*)

Facilities maintenance is normally funded through the operating budget. City officials told us that when the Capital Planning Committee (CPC) started in 2006, it used the budget amount of \$12 million from the previous year to fund a centralized facility maintenance budget for General Fund facilities including several City-owned museums. The CPC continues to fund that as the base number, adjusted for inflation when possible. Several General Fund agencies that manage facilities receive a share of the inflation-adjusted \$12 million to be used for facility or regular ongoing maintenance. We learned that CPC knows the facility maintenance base number is a limited amount that should be supplemented with other funds when possible.

The CPC picked an initial pay-as-you-go funding level for facilities maintenance, renewals and other critical needs. Between 2006 and 2014, the Capital Plan recommended increasing this funding at 10% per year (5% growth and 5% inflation) in order to eventually meet renewal needs, explaining: These modest annual increases help extend the useful life of the City's facilities and roads, maximize the effective delivery of services, and keep repair or replacement needs from becoming more costly. (Capital Plan 2015

http://onesanfrancisco.org/wp-content/uploads/Complete-CapitalPlan_Final2.)

However, the 2015 Capital Plan cut the planned growth rate to 7%, thereby postponing backlog reduction by an additional six years from 2019 to 2025:

The Plan proposes \$1.66 billion into the Pay-as-you-go Program over the next ten years. After inflation, this is a *decrease* over the FY 2014-2023 Capital Plan primarily due to reducing the growth of the annual commitment from 10 percent to seven percent from FY 2017 to FY 2025.... [G]rowing the Pay-as-you-go program at seven percent means the budget will be unable to cover annual renewal needs until 2025. (Capital Plan 2015, emphasis added)

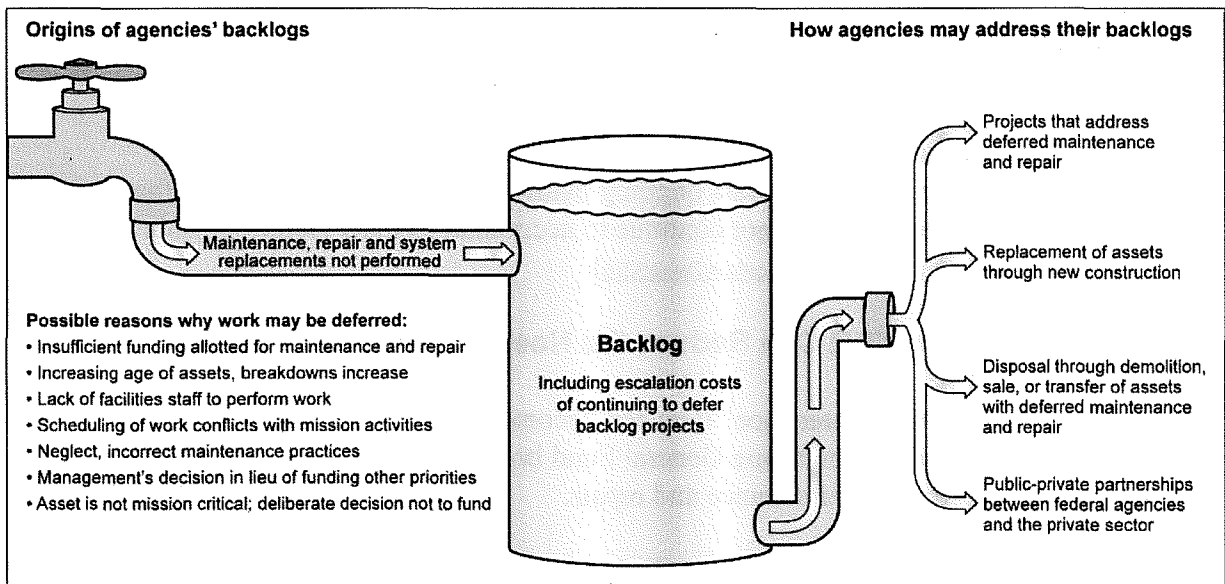
Even with full funding, the existing backlog is projected to grow by 44 percent as the result of the combination of backlog accumulated within the first six years of the Plan and cost escalation of today's existing backlog. Funding at lower "historical levels" means the City would not start seeing a reduction in its backlog until 2031. Id.

The expressed rationale for cutting the annual funding increase level from 10% to 7% was that in the final years of the Plan, the General Fund commitment would have more than doubled. (Capital Plan 2015). It is correct that "Doubling Times" are a function of the annual rate of increase: 7% per year doubles in 10 years; 10% per year doubles in 7 years.

(<http://www.cairco.org/reference/exponential-growth-doubling-time-rule-70>)

However, given the acknowledged historical underfunding of the City's General Fund departments' maintenance budgets, the compounding nature of the fiscal pressures year after year, and the knowledge that cost escalation will increase the future cost of reducing the backlog, was it a bad thing to fund at levels that would start to catch up in 2019 rather than 2025 or 2031?

Figure 1: Components of Agency Deferred Maintenance and Repair Backlogs



Source: GAO.

Figure 8

Source: Improved Transparency GAO 2014

Experts and witnesses we interviewed suggest several ways to focus attention on the DM&R backlog while reducing or delaying General Obligation bond costs.

Set-asides

We were told the City should earmark facilities maintenance money. There are two categories of set-asides:

Revenue-driven set-asides rise and fall based on the total tax revenues coming to the city. For example, a set-aside that is a percentage of the general fund typically is revenue-driven.

Expenditure-driven set-asides [based on a percent of all property values] mandate a minimum amount of spending regardless of economic condition and city tax revenue.

(SPUR 2009 <http://www.spur.org/publications/spur-report/2009-01-01/secrets-san-francisco>)

“Baseline funding” is a requirement to spend at least a certain amount on a service.

We were told that politicians do not like restrictions on discretionary funding.

Use Budget Hearings to Track the DM&R Backlog Factors

The California Legislative Analyst recommended that budget hearings be used to determine what factors led to the accumulation of deferred maintenance:

1. Use budget hearings to hear from individual departments on what factors led to the accumulation of deferred maintenance.
2. Craft policies to ensure that departments effectively manage their maintenance program on an ongoing basis.
3. Determine whether administration has a longer-term plan to:
 - Address accumulated deferred maintenance backlogs, and
 - Ensure that appropriate ongoing maintenance is SUSTAINED so that deferred maintenance does not continue to accumulate. (LAO Deferred Maintenance 2015 <http://www.lao.ca.gov/Publications/Detail/3216>)

Timely Attention to M&R Can Reduce the Need for General Obligation Bonds

A neglected “Facilities Maintenance” item can become a “Renewal” item which can become a General Obligation Bond item. Some General Fund bond propositions include funding for the consequences of deferred maintenance and repair.

The ultimate message is clear: if the City does not pay now to maintain its physical assets, it will have to pay more in the future to prematurely replace them.

FINDINGS

There Are Ways to Reduce the City’s DM&R Backlog

- F:VI.1. Cutting the growth rate for funding the Pay-as-you-go Program from ten percent to seven percent causes a projected six year delay-- from 2019 to 2025 -- before the City begins to address its deferred backlog. Cost escalation over that six year delay will significantly increase the future cost of reducing the backlog.
- F:VI.2-a. Funding the Pay-as-you-go Program at historical levels would cause a further delay to 2031 before the City begins to address its deferred backlog.
- F:VI.2-b. The City wastes taxpayer money when it uses general fund bonds to pay for renewal of assets that deteriorated prematurely because of deferred maintenance and repairs.
- F:VI.3. Budget hearings by the Board of Supervisors would be an opportunity to hear from General Fund departments on what factors led to the accumulation of deferred maintenance and lead to changes in funding policy to reduce those factors.

RECOMMENDATIONS

The City Should Focus More Attention on Reducing the DM&R Backlog

- R:VI.1-a. To avoid future growth and cost escalation that will result from pushing back the starting date for reducing the backlog from 2019 to 2025 (or 2031 under historical funding levels), the Mayor should include in the proposed budget to the Board of

Supervisors restoration of the annual ten percent growth rate to the Pay-as-you-go Program budget.

- R:VI.1-b. To avoid future growth and cost escalation that will result from pushing back the starting date for reducing the backlog from 2019 to 2025 (or 2031 under historical funding levels), and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve future budgets containing restoration of the annual ten percent growth rate to the Pay-as-you-go Program.
- R:VI.2-a. In furtherance of good stewardship, the Board of Supervisors should require General Fund departments during budget hearings to describe what factors led to the accumulation of deferred maintenance in individual departments.
- R:VI.2-b. In furtherance of good stewardship, the Mayor should propose in the Fiscal Year 2017-2018 Budget and thereafter sufficient funds for General Fund department maintenance and repair to prevent the Deferred Maintenance backlog from growing larger.
- R:VI.2-c. In furtherance of good stewardship, and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve sufficient maintenance and repair funding for General Fund departments in the Fiscal year 2017-2018 Budget to prevent the Deferred Maintenance backlog from growing larger.
- R:VI.3-a. In furtherance of transparency, accountability and stewardship, the Controller should track General Fund departments' maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds is needed.
- R:VI.3-b. The Controller should determine the additional time and manpower cost to accomplish the preceding Recommendation to track General Fund departments maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds will be needed, and include line item entries for those costs in its Budget Requests for the 2017-2018 Budget and thereafter.
- R:VI.3-c. In the interests of transparency and accountability, the Mayor should include in the Mayor's proposed budget for the 2017-2018 Budget and thereafter those line item entries in the Controller's Budget Request for tracking General Fund departments maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds will be needed.
- R:VI.3-d. In the interests of transparency and accountability, and after review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve those line item entries in the Controller's Budget Request for tracking General fund departments

maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds will be needed, and include them in the adopted Budget ordinance for the 2017-2018 Budget and thereafter.

PART VII: IMPROVING ACCOUNTING AND REPORTING FOR DEFERRED MAINTENANCE

“Define your terms.”

—The secret to success in life, whispered to graduating Oxford students.

To cost effectively manage its capital assets, San Francisco needs to know the condition of its assets and the extent to which maintenance on these assets has been performed or deferred. The cost benefits are clear—properly maintaining assets as they age is far cheaper than repairing them when they break. (See Part II supra .)

Using the available data on maintenance budgeting and our interviews, we show the serious backlog in General Fund departments maintenance activities involving billions of dollars. And, the backlog continues to increase. There is little doubt that maintenance is the stepchild to other City budget priorities and has been for a long time.

This section of the report focuses on how the City can improve its accounting and reporting on its maintenance program and, especially, on deferred maintenance. Its purpose is not to question the reasonableness of existing data, but to identify ways to make the data better so that City managers can more accurately account for and report on its maintenance activities to the City’s citizens.

Our investigation asked the question: Does the City have reliable information on the condition of its assets permitting it to adequately plan for their maintenance, and to report this information to the citizens of the City?

The answer is NO. Best accounting practices are available to do this and should be used. We conclude that the City needs more reliable information if it is to have what is needed to meet best standards and provide a sounder basis for making budgetary decisions.

Best Practices Exist to Better Identify and Report on Deferred Maintenance

Best accounting practices include:

- periodic condition assessment of City assets to serve as the foundation of its maintenance needs,
- a standard definition among City departments of what constitutes maintenance for use in accounting and budgeting,

- an accounting system that collects and compares both maintenance needs and maintenance budgets, and
- a financial reporting system that provides accurate information on the state of maintenance and the extent to which maintenance is being deferred.

Using these best practices will provide transparency on the current condition of the City's assets and the City's contingent liability for maintenance that has been deferred to future years.

Sound deferred maintenance reporting enables the government to be accountable to citizens for the proper administration and stewardship of public assets. Specifically, best accounting practices assist users by providing realistic estimates of needs and the effectiveness of asset maintenance practices.

At the Federal level, where accounting for deferred maintenance has been a long-standing problem, the Federal Accounting Standards Board (FASB) issued Federal Financial Accounting Standards 42: Deferred Maintenance and Repairs in April 2012. (SSFAS 42

http://www.fasab.gov/pdf/FILES/handbook_sffas_42.pdf) Its objective is to improve the measurement of deferred maintenance and repairs: federal entities are now required to:

- (1) describe their maintenance and repairs (M&R) policies and how they are applied,
- (2) discuss how they rank and prioritize M&R activities among other activities,
- (3) identify factors considered in determining acceptable condition standards,
- (4) provide beginning and ending DM&R balances by category of Property, Plant and Equipment, and
- (5) explain significant changes from the prior year.

Recognition of the need for improved accountability for deferred maintenance was also strengthened by a Government Accountability Office (GAO) report, dated October 2008 and titled *Federal Real Property. Government's Fiscal Exposure from Repair and Maintenance Backlogs is Unclear*. (GAO 2008 <http://www.gao.gov/assets/290/282802.pdf>) In that study, the GAO discusses the need for comparability and realistic estimates of deferred maintenance so that the government's fiscal exposure could be revealed. These goals and practices appear as applicable to state and local governments as they are to the Federal government.

Controller Does Not Require Use of Best Practices for Managing City's Deferred Maintenance Backlog

According to accounting officials, the City uses Governmental Accounting Standards Board (GASB) Standard 34 as the basis by which it develops its general accounting practices and financial reporting requirements. (GASB 34 <http://www.gasb.org/cs/BlobServer?blobkey=id&blobwhere=1175824063624&blobheader=application%2Fpdf&blobcol=urldata&blobtable=MungoBlobs>) This standard is intended to help users of the financial statements understand the extent to which the City has invested in capital assets and the condition of these assets.

In accounting for its capital assets (assets that are used in operations and that have initial useful lives extending beyond a single reporting period), GASB Standard 34 allows the City to use two

basic approaches. One is to record capital assets at historical cost and depreciate them over their estimated useful lives. They should be reported net of accumulated depreciation in the financial statements.

A second permitted approach is termed the “modified approach”. Under this approach, infrastructure assets are not required to be depreciated as long as two requirements are met. First, the City manages its infrastructure assets using an asset management system that has:

- An up-to-date inventory of eligible infrastructure assets,
- Condition assessments of the eligible infrastructure assets and a summary of the results using a measurement scale, and
- Estimates each year of the annual amount to maintain and preserve the assets at the condition level established and disclosed by the government.

The second requirement for using the “modified approach” is that the City document that it is preserving the assets approximately at or above an established and disclosed condition level.

According to accounting personnel, the City considered and decided not to use the “modified approach” in 2001 when first implementing GASB 34. Instead, it decided to go with the first accounting approach -- straight-line depreciation-based accounting. The estimated useful life of an infrastructure asset is established at the time of asset acquisition. But when the City does not fully maintain assets, their life will be less than originally estimated, actual depreciation will be understated, and the book value of assets overstated.

In our interviews with various departmental officials and staff, they acknowledged that there is no requirement to collect and report the extent of maintenance that is deferred from year to year. In fact, an official of a major City department told us that it does not keep track of deferred maintenance and does not know if it is increasing or not.

Another department official stated that the City is beginning to implement a new “Computer Maintenance Management System” that could provide some information on deferred maintenance. However, in our view, the reliability of any information depends on up-to-date comprehensive condition assessments, which do not appear to be happening across departments.

Other city managers also acknowledged that there are inconsistencies in the way departments view or define deferred maintenance and repair. We were told that some City departments use money allocated to facilities maintenance for other purposes, such as paying for project cost overruns and other emergency needs. At the same time, they agreed that using a consistent definition of “maintenance and repair” is necessary in any attempt to provide more reliable information across departments.

FINDINGS

City Not Using Best Practices to Account For and Report Deferred Maintenance

- F:VII.1-a. Leading or best practices exist on how to account for and report deferred maintenance and repair so that reliable information is provided to City managers and the general public. However, these practices are not being implemented by many, if not most, City departments.
- F:VII.1-b. Implementation of GASB Standard 34's "modified approach" can provide some improvement in accounting for capital assets, but the City has chosen not to implement that option.
- F:VII.1-c. Implementing GASB Standard 34's modified approach would be an improvement over the existing practices, but is not as robust as FASB 42.
- F:VII.2. The City does not have accounting and financial systems and processes in place to accurately determine and report the condition of its assets or the extent of its deferred maintenance.
- F:VII.3. The City's capital assets shown in its financial statements may be overstated because its use of straight line depreciation assumes a longer asset life span than is likely given the reduced-life impact of deferred maintenance.
- F:VII.4. Existing data show that maintaining assets extends asset life and is cheaper than prematurely replacing unmaintained assets.

RECOMMENDATIONS

City Should Use Best Practices to Account For and Report Deferred Maintenance

- R:VII.1-a. The Controller should require all city departments to implement existing best practices as provided in FASB 42 and other best practices sources to account for and report deferred maintenance.
- R:VII.1-b. The Controller should establish systems and procedures to establish clear maintenance and repair investment objectives and set priorities among outcomes to be achieved.
- R:VII.1-c. The Controller and Director of Public Works should establish systems and procedures to identify types of facilities or specific buildings (i.e., capital assets) that are mission-critical and mission supportive.
- R:VII.1-d. The Controller and Director of Public Works should establish systems and procedures to conduct condition assessments as a basis for establishing appropriate levels of funding required to reduce, if not eliminate, any deferred maintenance and repair backlog.

- R:VII.1-e. The Controller and Director of Public Works should establish systems and procedures to establish performance goals, baselines for outcomes, and performance measures.
- R:VII.1-f. The Controller and Director of Public Works should establish systems and procedures to identify the primary Methods to be used for delivering maintenance and repair activities.
- R:VII.1-g. The Controller and Director of Public Works should establish systems and procedures to employ models for predicting the outcome of investments, analyzing tradeoffs, and optimizing among competing investments.
- R:VII.1-h. The Controller and Director of Public Works should establish systems and procedures to align real property Portfolios with mission needs and dispose of unneeded assets.
- R:VII.1-i. The Controller should establish systems and procedures to identify the types of risks posed by lack of timely investment.
- R:VII.1-j. The Controller should determine the additional time and manpower cost to establish systems and procedures to accomplish the preceding items in Recommendation 1-a through 1-j and include a line item for those costs in its budget requests for fiscal year 2017-2018.
- R:VII.1-k. The Mayor should include in the Mayor's proposed Budget for fiscal year 2017-2018. the line item entries in the Controller's budget requests to establish systems and procedures to accomplish the items in Recommendation 1-a through 1-j; and
- R:VII.1-l. The Board of Supervisors, after review by the Budget and Legislative Analyst Office, should approve these line items in the Controller's budget requests to establish systems and procedures to accomplish the items in Recommendation 1-a through 1-j and include them in the approved budget for fiscal year 2017-2018.
- R:VII.2-a. The Controller should include a discussion in its annual financial statements to describe what constitutes deferred maintenance and repair and how it is being measured.
- R:VII.2-b. The Controller should include a discussion in its annual financial statements to include amounts of deferred maintenance and repair for each major category of Property, Plant, and Equipment.
- R:VII.2-c. The Controller should include a discussion in its annual financial statements to include a general reference to specific component entity reports for additional information.
- R:VII.3. The Controller should immediately reassess the reported value of capitalized assets in its financial statements given the impact of the high level of deferred maintenance on reducing the useable life of these assets.

- R:VII.4-a. Beginning in FY 2017-18, the City's Capital Planning Committee should include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance.
- R:VII.4-b. The City Administrator and Capital Planning Program Director should determine the additional time and manpower cost to accomplish the preceding Recommendation to include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance, and include a line item entry for those costs in its Budget Requests for 2017-2018 and thereafter.
- R:VII.4-c. The Mayor should include in the Mayor's Proposed Budget for 2017-2018 and thereafter the requested items in the Capital Planning Committee's Budget Requests to include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance.
- R:VII.4-d. The Board of Supervisors, after review by the Budget and Legislative Analyst Office, should approve these line item entries for the Capital Planning Committee to include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance, and include these line items in the adopted Budget ordinance for 2017-2018 and thereafter.

CONCLUSIONS

"There's only one San Francisco. Let's take care of it."

—One SF Building Our Future

The guiding principles in this Report are stewardship, interperiod equity, accountability, and transparency.

We began our investigation into City maintenance funding confident that we could quickly spot all the problems; come up with perfect solutions that would satisfy every stakeholder; report our findings and recommendations in a way that would result in the Mayor and Board of Supervisors adopting them in their entirety; and we could return to our former status as private citizens serene in the knowledge that we had accomplished everything we set out to do.

Many months later:

We are awed by the magnitude and complexity of managing City government;
Humbled by our audacity;
Impressed with the caliber of City employees; and
Prepared to make suggestions for incremental improvements here and there.

We have no silver bullets to solve the challenge of raising sufficient funds to ensure City assets are properly maintained. The recommendations in our report will not make perfect the City's

budgeting processes for maintenance of General Fund departments' assets-- but should make them more transparent and thus better.

The General Fund departments' "Facilities Maintenance" budget allocation trended downward over the past decade, while Enterprise departments' Facilities Maintenance" budgets increased substantially (Appendix B). Why do Enterprise departments, which generate their own funds, choose to spend more on maintenance than the Mayor and Board of Supervisors allocate in the budget for General Fund departments?

No one disputes the proposition that adequate maintenance funding is important. Trying to do maintenance on the cheap wastes money, and takes risks with public health, public protection, and basic services that the City's residents and visitors rely upon. We discussed a few specific examples of maintenance needs that tend to get overlooked: trees and bridges.

A foundational problem for General Fund department maintenance funding is its lack of visibility. Uniform definitions that focus solely on Maintenance and Repairs will help. The forthcoming City Services Auditor's "Citywide Facilities Maintenance Practices Audit" may focus attention on the availability of citywide data for maintenance budgeting decisions. By lumping maintenance with useful-life-extending "Renewals", the Ten-Year Capital Plan masks the underlying deferred maintenance backlog. To minimize the annual budget "beauty contest" between services and maintenance, we recommend that adequate maintenance funding be built into the Real Estate division's rental rates for tenant City departments.

As an antidote to the "edifice-complex" desire to build without maintaining, we recommend that life-cycle cost estimates be a regular part of the review of new building proposals, and that the voting public have this information (along with projected interest costs) when asked to approve General Obligation Bond propositions.

The growing deferred maintenance backlog is a major challenge for the City. Kicking the can down the road hardly seems like responsible stewardship. Attention must be paid.

Best accounting practices are available to more effectively manage the City's assets and provide accurate information on the extent to which needed maintenance is being deferred. The absence of publicly available information on the condition and cost of deferred maintenance hides the problem. The failure to address the maintenance spending gap will result in an ever-increasing backlog of deferred maintenance that will cost the City dearly.

It is time for the City to right the ship by making deferred maintenance more visible to City managers and the citizens. There will be resistance from those who are comfortable with the situation as it is.

There are structural pressures inherent in our term-limited system of City government. In the "fiscally constrained" real world, set-asides for adequate maintenance and repair funding for General Fund departments should be approved by voters. This would instill fiscal discipline to counter the short-term focus of term-limited politicians and their appointed decision makers.

Due to voter-approved minimum spending requirements, General Fund discretionary spending is limited to 56% of the General Fund Budget. Voters passed ballot measures that require minimum spending levels for certain operations, including the Children's Baseline, and the Public Library Baseline. These measures inserted external discipline in the budgeting process. We were told that no politician likes set-asides, except the set-aside for a favorite project or department. Set asides may be blunt instruments, but they do work.

Our public budgeting systems have a fundamental bias toward dealing with problems only after they happen, rather than spending up front to prevent their happening in the first place.

(Surowiecki 2014 www.newyorker.com/magazine/2014/09/22/home-free).

Our investigation revealed an unexpected Paradox of Public Infrastructure Funding: The "Worst" may be best; and the "Best" may be worst. The theoretical "Best" -- unanimously supported by all of the research authorities and interviews, is to pay for adequate maintenance out of current funds. That would be cheapest in the long run, but "worst" if the maintenance budget is constantly inadequate. There are many forces operating that keep the City's General Fund maintenance budget perpetually inadequate.

The theoretical "Worst" -- unanimously rejected by the authorities and interviews -- is to ignore deferred maintenance and replace prematurely aged facilities and infrastructure with General Obligation Bond money. This is considered the most expensive alternative. But in reality it may actually be the "least-bad", because the City does get new and improved facilities and infrastructure. The cost is greater, but the risks are reduced.

Were the City to adopt each of the recommendations set forth in this report, transparency would be greater than it is now. But it would still be a constant annual struggle to obtain adequate maintenance and repair budget levels, given the need to compete with ever-growing service level demands.

We anticipate push-back from the City employees whose maintenance budgeting practices we question. It is easy for us to tell the other guy that he should change his ways. As Charles Hitch, President of the University of California from 1967-1975 observed,

It is much easier to change policy than to change procedures. Perhaps the reason is that policy involves a relatively small group of people at the very top of an organization, whereas procedures involve many people throughout the entire establishment and the way they have been doing things day after day, year after year. (Hitch 1966

<http://www.amazon.com/Decision-Making-Defense-Charles-J-Hitch/dp/B000J0PV50>).

We recognize that to increase transparency it will be essential to obtain stakeholder (staff) involvement as our recommended reporting requirements are developed and implemented. Managers will need to conduct outreach to listen to staff concerns and make changes in response to help ensure that staff can meet the new requirements. Without outreach, reporting challenges

may not be addressed, potentially impairing the data's collection and completeness, and increasing burdens on those reporting. (Data Transparency GAO 2013

<http://www.gao.gov/products/GAO-13-758>)

We were told that General Fund departments will never get more money allocated for maintenance until the City has the data that shows the need for more money.

It may take a disaster due to inadequate maintenance -- or a series of disasters -- to arouse the public to demand adequate budgets for General Fund departments' M&R. As we were told by an elected City official, discussing another matter, "It was unfortunate that it took a death to get reforms."

As stewards of our public property, the City's elected officials and budget decision makers should be mindful of *interperiod equity*. Adequately fund General Fund departments' M&R. Do not defer costs to the future and use up the City's accumulated resources -- its facilities and infrastructure -- to provide current period services. By adopting the recommendations in this report, the City can provide a greater degree of visibility and transparency on its future liabilities for deferred maintenance.

The City should maintain the stuff that people use; maintain the stuff that keeps people safe, and maintain the stuff that otherwise may hurt people.

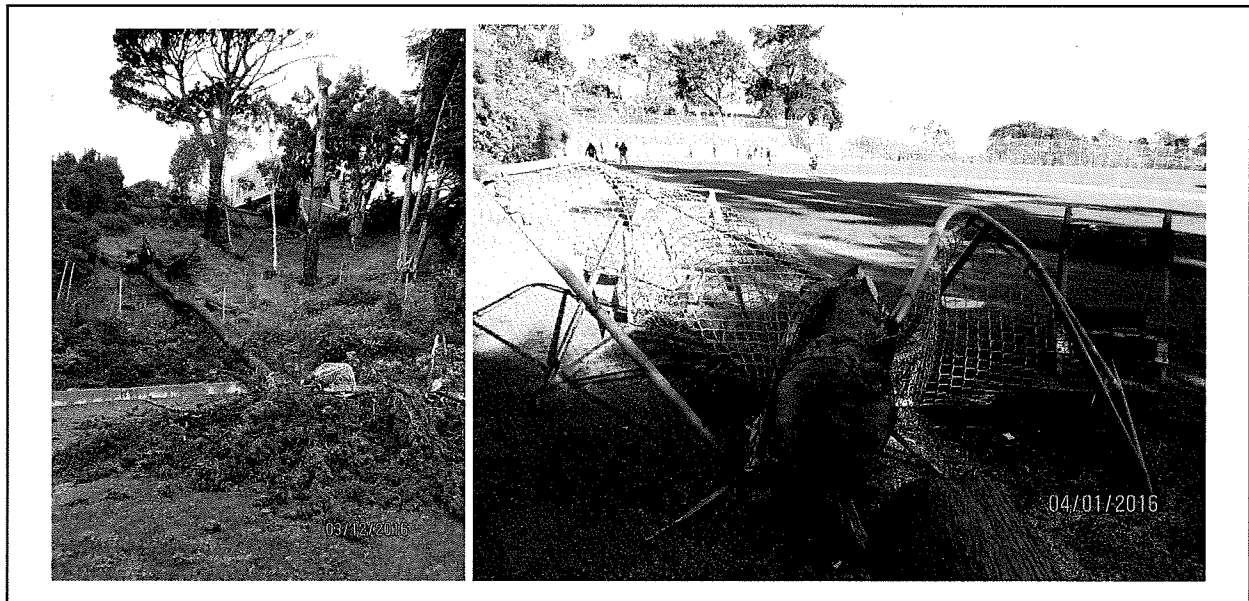


Figure 9

Photo: John Hoskins

In District 9, a falling tree crushed a baseball backstop in St. Mary's Park. Luckily no one was injured by this March 2016 event. When will the adjacent "snag" dead tree trunk fall?

REQUEST FOR RESPONSES

Findings	Respondents
<p>I.A.</p> <p>For General Fund Departments, the City could (but does not) provide the public with transparent information concerning the stewardship of assets by disclosing:</p> <ul style="list-style-type: none"> (1) the gap between industry maintenance standards and San Francisco’s investment in General Fund Departments’ “Facilities Maintenance” (measured as a percentage of Current Replacement Value and in dollars); (2) the total General Fund Departments’ maintenance and repair budget; (3) the total General Fund Departments’ maintenance and repair backlog, and (4) benchmark comparisons with other cities and counties. 	
<p>F:I.A.1.</p> <p>The gap between the City’s investment in General Fund Departments’ “Facilities Maintenance” assets and industry guidelines measured as a percentage of Current Replacement Value (CRV):</p> <ul style="list-style-type: none"> • Recommended 4%, • Minimum 2%, or • Total General Fund Departments’ “target need” of approximately 1.7% calculated by Facilities Renewal Resource Model (FRRM), (see Figure 4 and Appendix D-3) and in dollar amounts <p>is not made available to citizens of San Francisco.</p>	<p>Controller, City Administrator, Director of the Capital Planning Program</p>
<p>F:I.A.2-a.</p> <p>Without transparent and complete information about the investment levels in the City’s General Fund Departments’ maintenance and repair budgets, the public does not have important information with which to assess the City’s stewardship of public assets.</p>	<p>Controller, City Administrator, Director of the Capital Planning Program</p>
<p>F:I.A.2-b.</p> <p>The slice of the pie chart for General Fund departments labelled “Facilities Maintenance” in the Budget report is not the total maintenance budget for those departments.</p>	<p>Controller, City Administrator, Director of the Capital Planning Program</p>
<p>F:I.A.2-c.</p> <p>The total maintenance budget for General Fund departments is not disclosed in the Budget report.</p>	<p>Controller, City Administrator, Director of the Capital Planning Program</p>
<p>F:I.A.3.</p> <p>As a consequence of low investment levels in General Fund departments’ asset maintenance and repair, the City has a large and growing deferred maintenance and repair backlog for General Fund departments. Without transparent and complete information about these deferred maintenance and repair backlogs, the public does not have important information with which to assess the City’s stewardship of General Fund Departments’ assets.</p>	<p>Controller, City Administrator, Director of Capital Planning Program</p>

F:II.A.4.	San Francisco's comparison with benchmark comparable cities and counties in terms of (a) "Facilities Maintenance" investment in General Fund Departments' assets, measured as a percentage of Current Replacement Value (CRV) and dollars; (b) General Fund Departments' total maintenance and repair budgets, and (c) General Fund Departments' deferred maintenance and repair backlog would be useful for the public in assessing the City's stewardship of these General Fund Departments' assets.	Controller
F:II.A.1-a.	Adequately funding maintenance and repair of General Fund departments' facilities and infrastructure has potential beneficial consequences, such as those noted in a National Research Council report (NRC 2012).	Mayor, Mayor's Office of Public Policy and Finance
F:II.A.1-b.	Underfunding maintenance and repair of General Fund departments' facilities and infrastructure creates potential adverse consequences, such as those noted in the same National Research Council report (NRC 2012).	Mayor, Mayor's Office of Public Policy and Finance
F:II.A.1-c.	The City saves money over the long term by using pay-as-you-go financing for high-priority maintenance and repairs.	Mayor, Mayor's Office of Public Policy and Finance, Controller
F:II.A.1-d.	Total reliance on annually budgeted pay-as-you-go funding can result in maintenance and repairs being deferred in lean budget years. It will be a challenge for policy makers to develop a range of stable "pay-as-you-go" annual funding mechanisms for maintenance and repairs.	Mayor, Mayor's Office of Public Policy and Finance, Controller, Board of Supervisors
F:II.B.1-a.	The City does not know what portion (if any) of its Workers' Compensation liabilities arise out of poorly maintained General Fund department capital assets.	Human Resources Director, Workers Compensation Division Director Mayor
F:II.B.1-b.	If the City's budget decision-makers knew how much (if any) of the City's Workers Compensation liabilities arose out of poorly maintained General Fund department capital assets, they would have useful information in making budget trade-off decisions.	Mayor, Mayor's Office of Public Policy and Finance, Board of Supervisors

F:II.B.2-a.	Hazard Logs in City General Fund departments are not being compiled and analyzed in a manner which identifies and quantifies risks of injury resulting from deferred maintenance.	Mayor, Office of the City Administrator General Services Agency - Environmental Health and Safety
F:II.B.2-b.	If the Hazard Logs in General Fund departments were compiled and analyzed in a manner which identified and quantified risks of injury resulting from deferred maintenance, that information could be provided to budget decision-makers for use in making budget trade-offs.	Mayor, Mayor's Office of Public Policy and Finance, Board of Supervisors
F:II.C-1-a.	Because trees perform valuable environmental, economic and social functions and make San Francisco a better place to live and work, stable funding sources for maintenance of the City's urban forest is recognized as a goal in the budget process.	Director of Public Works, General Manager of Recreation and Parks
F:II.C-1-b.	San Francisco's canopy cover at 13.7% lags far behind other major cities, and varies widely between neighborhoods.	Urban Forestry Council, Planning Director
F:II.C-1-c.	The Urban Forestry Council notes in its annual Urban Forest Reports that San Francisco's urban forest managers consistently identify their highest priority as the lack of adequate resources to effectively maintain the city's trees. Recreation and Parks Department and Department of Public Works face the same challenge: both are significantly underfunded to do their needed maintenance work.	Director of Public Works, General Manager of Recreation and Parks, Urban Forestry Council
F:II.C-1-d.	As long as San Francisco's urban forestry program is a discretionary expenditure, its funding will remain unstable and continue to fluctuate.	Planning Director
F:II.C-2-a.	Budget cuts for street tree maintenance led to DPW's plan to transfer maintenance responsibility for approximately 22,000 trees from the City to adjacent property owners.	Director of Public Works, Planning Director
F:II.C-2-b.	The maintenance-transfer program is costly to the City, as DPW must first assess the health of each tree to be transferred; and costly to property owners who are expected to bear the maintenance costs and liability risks.	Director of Public Works, Planning Director
F:II.C-2-c.	The maintenance-transfer program compromises tree health and stability, risks public safety and also diminishes the social and environmental benefits that street trees provide.	Director of Public Works, Planning Director
F:II.C-2-d.	Some property owners pay to maintain "their" street trees while others do no maintenance because they are unaware that it is their responsibility or are unwilling to pay for it.	Planning Director

F:II.C-2-e.	Deferred maintenance leads to a street tree program that is reactive, and ultimately increases the costs of street tree care, since trees in poor condition require greater care and contribute to emergencies and claims for personal injury and property damage.	Director of Public Works, Planning Director
F:II.C-2-f.	For every \$1 spent on public street trees, San Francisco receives an estimated \$4.37 in benefits.	Planning Director
F:II.C-2-g.	One major reason new plantings do not keeping pace with tree removals is that no city maintenance program exists to care for them afterwards. There is reluctance among property owners to plant new trees because of ongoing maintenance responsibilities and potential costs associated with liabilities such as sidewalk repair.	Planning Director
F:II.C-2-h.	The Urban Forest Plan (Phase One: Street Trees) recommends reducing long-term costs of the urban forest by having Public Works take control of all street trees under a comprehensive street tree plan, allowing for routine block-pruning (instead of responding only to emergency calls on specific trees) which would drive down per tree maintenance costs and increase overall tree health.	Director of Public Works, Planning Director
F:II.C-2-i.	Routine maintenance of all street trees in the City under a comprehensive program of the Public Works Department, with stable funding, will increase overall tree health and reduce per-tree maintenance costs.	Director of Public Works, Planning Director
F:II.C-2-j.	The Urban Forest Plan (Phase One: Street Trees) recommending the Department of Public Works take on the maintenance of all street trees will be a net benefit to all San Francisco residents.	Director of Public Works, Planning Director
F:II.C-2-k.	The incidence of injuries to residents and visitors and damage claims against the City are expected to decline with routine street tree maintenance by the Department of Public Works.	Director of Public Works, Planning Director
F:II.C-3-a.	The Board of Supervisors adopted the Plan by Ordinance No. 23-15.	Board of Supervisors
F:II.C-3-b.	On April 19, 2016, Supervisor Scott Wiener introduced a proposed Charter amendment (#160381 Charter Amendment and Business and Tax Regulations Code – City Responsibility and Parcel Tax for Street Trees) to implement and pay for Phase 1 of the Urban Forest Plan. (paragraph 31)	Board of Supervisors
F:II.C-4-a.	The Urban Forestry Council urges completion of Phase 2 of the Urban Forest Plan related to Parks and Open Spaces.	General Manager of Recreation and Parks, Urban Forestry Council
F:II.C-5-a.	The Recreation and Park Department has a strategic reforestation plan to plant two trees for every tree removed.	General Manager of Recreation and Parks

F:II.C-6.a.	The Recreation and Park Department has a plan to implement a programmatic tree maintenance program that will sustain a 15-year tree maintenance cycle and seeks secure funding.	General Manager of Recreation and Parks
F:II.C-7-a.	Using funds from the 2008 and 2012 Clean & Safe Neighborhood Parks Bonds, RPD conducted risk assessments in many parks to identify trees with failure potential, the size of the part of the tree that would fall, and the target that would be impacted should a failure occur. Hazardous tree abatement was completed in several parks.	General Manager of Recreation and Parks
F:II.C-7-b.	Hazardous trees in City Parks are a risk to public safety (Figures 5 and 9).	General Manager of Recreation and Parks
F:II.C.2-1.	The City is responsible for maintenance of three of the fourteen bridges in the City rated as "Structurally Deficient".	Director of Public Works
F:II.C.2-2.	Bridges may require substantial repairs before reaching the "Structurally Deficient" stage; e.g., the Richland Avenue bridge pictured in Figure 7.	Director of Public Works
F:III.A.1-a..	Lack of comprehensive and reliable data obscures the relationship between the amounts General Fund departments spend on annual maintenance and repair and the costs resulting from deferred maintenance backlogs.	Controller
F:III.A.1-b.	Replacement or revision of the current asset management programs used by General Fund departments provides an opportunity for development of new or revised performance metrics to collect and report: (1) the dollars departments expend on annual maintenance and repair and (2) the annual costs incurred in addressing their deferred maintenance and repair backlogs.	Controller, General Manager of Recreation and Parks
F:III.B.1.	The City's ability to determine the Deferred Maintenance and Repairs backlog is hampered by the aggregating of deferred maintenance expenses with capital renewal and replacement costs.	Controller, City Administrator, Director of the Capital Planning Program
F:III.C.1-a.	Condition Assessment Surveys with cost estimates are an important factor in identifying required maintenance.	Director of Public Works, City Administrator, Director of Real Estate, General Manager of Recreation and Parks
F:III.C.1-b.	Some old condition assessments, a key part of the maintenance needs determination process, have not been updated for ten years or longer.	Director of Public Works, City Administrator, Director of Real Estate,,

		General Manager of Recreation and Parks
F:III.C.1-c.	Updated Condition Assessment Surveys for capital assets maintained by the Real Estate Division, the Department of Public Works, and the Recreation and Parks Department will identify required maintenance needs.	Director of Public Works, City Administrator, Director of Real Estate Division, General Manager of Recreation and Parks
F:III.C.2.	A new comprehensive condition assessment survey of Recreation and Parks department facilities and infrastructure is an important step toward getting adequate maintenance funding appropriated on a regular basis.	General Manager of Recreation and Parks
F:III.C.3-a.	The Mayor's announced goal of getting city streets to a Paving Condition Index rating of good condition, and keeping them there, is a good first step.	Director of Public Works, Mayor
F:III.C.3-b.	The Facilities Conditions Index may be used as a means of identifying the condition of buildings and other non-street capital assets to assist in projecting and making resource allocations, and to determine the annual reinvestment needed to prevent further accumulation of deferred maintenance and repair.	City Administrator, Director of the Capital Planning Program
F:III.C.3-c.	A Controller's Study of those physical assets with a Facilities Condition Index of 0.30 or greater will help determine whether a lack of comprehensive maintenance and repair planning resulted in underinvestment in preventive maintenance work that has depreciated the value and useful life of those physical assets.	Controller
F:III.D.1.	Below-market rental rates charged to General Fund department tenants do not cover the annual Maintenance and Repair and capital replacements costs and conceal the true costs of program delivery.	City Administrator, Director of Real Estate Division
F:IV.1.	The Mayor's Office of Public Policy and Finance reviews and analyzes prioritized General Fund departmental budget proposals.	Mayor's Office of Public Policy and Finance
F:IV.2-a.	Compliance with Section 3.5(a) of the Budget Process Ordinance provides City departments and department heads with an opportunity to make their maintenance needs known vigorously as part of the Budget Process.	Controller, Director of Public Works, City Administrator, Director of the Real Estate Division, General Manager of Recreation and Parks

F:IV.2-b.	Opportunities exist for General Fund Department managers to advocate for increased maintenance and repair funding within the strictures of Capital Budget Request Form 6.	Controller Director of Public Works, City Administrator, Director of the Capital Planning Program, Director of the Real Estate Division, General Manager of Recreation and Parks
F:IV.2-c.	Compliance with Section 3.14 of the Budget Ordinance provides City department heads with an opportunity to make their unfunded high-priority maintenance needs known.	Board of Supervisors, Controller Director of Public Works, City Administrator, Director of the Real Estate Division, General Manager of Recreation and Parks
F:IV.2-d.	General Fund department heads have the opportunity to make supplemental appropriation requests when they find that their department has inadequate resources to support M&R operations through the end of the fiscal year.	Director of Public Works, Mayor's Office of Public Policy and Finance, City Administrator, Director of the Real Estate Division, General Manager of Recreation and Parks
F:IV.3.	The Mayor's Budget Letter does not include a list with a description of the General Fund departments' high-priority maintenance and repair projects which did not get funded in the budget.	Mayor
F:IV.4.	The Board of Supervisors generates a list of budget policy priorities to guide funding decisions on the unallocated pools of money resulting from expenditure reductions to the Mayor's proposed budget.	Board of Supervisors
F:V.1-a.	As a basis against which to compare future actual M&R expenses, the Capital Planning Committee needs to understand the projected life-cycle cost of operating and maintaining proposed facilities to be built with General Obligation bond proceeds.	City Administrator, Director of the Capital Planning Program
F:V.1-b.	The "Critical Project Development" program under the Capital Planning Committee continues the City's commitment to funding pre-development planning so that project costs and impacts are clearly	City Administrator, Director of Capital

	understood before a decision is made to either fund or place a project before voters.	Planning Program
F:V.2.	The Mayor's Five Year Plans are starting to mention the long-term costs associated with one-time investments.	Mayor
F:V.3.	Voters are asked to approve General Obligation bonds for a new facility but are not informed of the projected interest cost to borrow the funds and of life-cycle cost projections for maintaining the new facility.	Department of Elections, Mayor, City Administrator, President of the San Francisco Election Commission
F:V.4.	Life-cycle cost projections for operations and maintenance and repair are not visible to citizens when considering General Obligation Bond propositions, because this information is not included in the Voter Information Pamphlets.	Department of Elections, Mayor, City Administrator, President of the San Francisco Election Commission
F:V.5.	The Citizen's General Obligation Bond Advisory Committee properly inquires as to the life-cycle maintenance and repair costs for assets built with General Obligation Bond proceeds, because that is pertinent information relating to those assets.	Citizen's General Obligation Bond Advisory Committee
F:VI.1.	Cutting the growth rate for funding the Pay-as-you-go Program from ten percent to seven percent causes a projected six year delay-- from 2019 to 2025 -- before the City begins to address its deferred backlog. Cost escalation over that six year delay will significantly increase the future cost of reducing the backlog.	Board of Supervisors, Mayor, Mayor's Office of Public Policy and Finance, City Administrator, Director of the Capital Planning Program
F:VI.2-a.	Funding the Pay-as-you-go Program at historical levels would cause a further delay to 2031 before the City begins to address its deferred backlog.	City Administrator, Director of the Capital Planning Program
F:VI.2-b.	The City wastes taxpayer money when it uses general fund bonds to pay for renewal of assets that deteriorated prematurely because of deferred maintenance and repairs.	Controller, Citizen's General Obligation Bond Advisory Committee
F:VI.3.	Budget hearings by the Board of Supervisors would be an opportunity to hear from General Fund departments on what factors led to the	Board of Supervisors

	accumulation of deferred maintenance and lead to changes in funding policy to reduce those factors.	
F:VII.1-a.	Leading or best practices exist on how to account for and report deferred maintenance and repair so that reliable information is provided to City managers and the general public. However, these practices are not being implemented by many, if not most, City departments.	Controller
F:VII.1-b.	Implementation of GASB Standard 34's "modified approach" can provide some improvement in accounting for capital assets, but the City has chosen not to implement that option.	Controller
F:VII.1-c.	Implementing GASB Standard 34's modified approach would be an improvement over the existing practices, but is not as robust as FASB 42.	Controller
F:VII.2.	The City does not have accounting and financial systems and processes in place to accurately determine and report the condition of its assets or the extent of its deferred maintenance.	Controller, Department of Public Works, City Administrator, Director of the Capital Planning Program, Director of the Real Estate Division, General Manager of Recreation and Parks
F:VII.3.	The City's capital assets shown in its financial statements may be overstated because its use of straight line depreciation assumes a longer asset life span than is likely given the reduced-life impact of deferred maintenance.	Controller
F:VII.4.	Existing data show that maintaining assets extends asset life and is cheaper than prematurely replacing unmaintained assets.	Controller, Director of Public Works, City Administrator, Director of the Capital Planning Program, Director of the Real Estate Division, General Manager of Recreation and Parks

Recommendations		Respondents
R:I.A.1-a.	<p>To provide useful information for the public in assessing the City's stewardship of public assets, the City Administrator and the Director of the Capital Planning Program should use the FRRM (Facilities Renewal Resource Model) to calculate the target need for General Fund departments' facilities maintenance as a percentage of Current Replacement Value (CRV) and in dollar amounts, and disclose that information to the public;</p> <p>b. The City Administrator and the Director of the Capital Planning Program should determine the additional time and manpower cost to accomplish this additional calculating and reporting and include a line item for those costs in their budget requests;</p> <p>c. The Mayor should include in the proposed budget for Fiscal year 2017-18 and thereafter the amount requested by the City Administrator and the Director of the Capital Planning Program to accomplish this additional calculating and reporting; and</p> <p>d. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the City Administrator and the Director of the Capital Planning Program to accomplish this additional calculating and reporting in the approved budgets for fiscal year 2017-2018 and thereafter.</p>	<p>a & b: City Administrator, Director of the Capital Planning Program,</p> <p>c: Mayor and Mayor's Office of Public Policy and Finance,</p> <p>d: Board of Supervisors</p>
R:I.A.2-a.	<p>This recommendation satisfies Findings F:I.A.2-a, -b, and -c:</p> <p>a. In order for the public to assess the City's stewardship of General Fund Departments' assets, the Controller should:</p> <p>(1) disclose the total maintenance budget for General Fund departments; and</p> <p>(2) periodically conduct an audit of investment levels in General Fund departments' asset maintenance and repair.</p>	Controller
R:I.A.2-b.	The Controller should determine the additional annual time and manpower cost to accomplish the compilation and disclosure of the total maintenance budget for General Fund departments, and periodic audits and include line item entries for those costs in its budget requests for fiscal year 2017-2018 and thereafter;	Controller
R:I.A.2-c.	The Mayor should include in the proposed budget for fiscal year 2017-2018 and thereafter the amounts requested by the Controller for the compilation and disclosure of the total maintenance budget for General Fund departments and periodic audits; and	Mayor, Mayor's Office of Public Policy and Finance
R:I.A.2-d.	After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the Controller for the compilation and disclosure of the total maintenance budget for General Fund departments and periodic audits in the approved budget for fiscal year 2017-2018 and thereafter.	Board of Supervisors
R:I.A.3-a.	<p>In order for the public to assess the City's stewardship of General Fund Departments' assets, the Controller should:</p> <p>(1) disclose the total deferred maintenance and repair backlog for General Fund departments; and</p>	Controller

	(2) periodically conduct an audit of General Fund departments' deferred maintenance and repair backlog.	
R:I.A.3-b.	The Controller should determine the additional annual time and manpower cost to accomplish the compilation and disclosure of the total deferred maintenance and repair backlog for General Fund departments, and periodic audits and include line item entries for those costs in its budget requests for fiscal year 2017-2018 and thereafter;	Controller
R:I.A.3-c.	The Mayor should include in the proposed budget for fiscal year 2017-2018 and thereafter the amounts requested by the Controller for the compilation and disclosure of the total deferred maintenance and repair backlog for General Fund departments and periodic audits; and	Mayor, Mayor's Office of Public Policy and Finance
R:I.A.3-d.	After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the Controller for the compilation and disclosure of the total deferred maintenance and repair backlog for General Fund departments and periodic audits in the approved budget for fiscal year 2017-2018 and thereafter.	Board of Supervisors
R:I.A.4-a.	To provide useful information for the public in assessing the City's stewardship of General Fund Departments' assets, the Controller should conduct a benchmark study of investment levels in General Fund departments' "Facilities Maintenance" measured as a percentage of Current Replacement Value, total maintenance and repair budgets and deferred maintenance and repair backlogs;	Controller, City Services Auditor
R:I.A.4-b.	The Controller should determine the additional time and manpower cost to conduct this benchmark study and include a line item for those costs in its budget request for fiscal year 2017-2018;	Controller, City Services Auditor
R:I.A.4-c.	The Mayor should include in the proposed budget for fiscal year 2017-2018 and the amount requested by the Controller for the benchmark study; and	Mayor, Mayor's Office of Public Policy and Finance
R:I.A.4-d.	After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the amount requested by the Controller to accomplish this benchmark study in the approved budget for fiscal year 2017-2018.	Board of Supervisors
R:II.A.1-1.	In order to achieve beneficial consequences and avoid the potential adverse consequences from underfunding maintenance and repair of General Fund departments' facilities and infrastructure, and to save money over the long term: a. The City Administrator and the Director of the Capital Planning Program should identify a range of stable funding sources for pay-as-you-go maintenance and repair of the City's facilities and infrastructure; b. The Mayor should propose sufficient funding in the Fiscal Year 2017-2018 budget and thereafter from stable funding sources for all	a: City Administrator and Director of the Capital Planning Program, b: Mayor, Mayor's Office of Public Policy and Finance, c: Board of Supervisors

	<p>General Fund departments' high-priority pay-as-you-go maintenance and repair projects; and</p> <p>c. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve sufficient funding in the Fiscal Year 2017-2018 budget and thereafter from stable funding sources for all General Fund departments' high-priority maintenance and repair projects.</p>	
R:II.B.1-a.	<p>The Controller should:</p> <ul style="list-style-type: none"> • conduct an audit of the Workers' Compensation Division of the Department of Human Resources data gathering policies and procedures, • report to budget decision-makers its findings of identified and quantified risks of injury created by deferred maintenance and repairs, and recommend appropriate modifications. <p>So as budget funding trade-off decisions are made, the Mayor and Board of Supervisors will know what portion of the City's Workers Compensation liabilities (if any) arise from poorly maintained General Fund department capital assets.</p>	Controller
R:II.B.1-b.	The Controller should determine the additional time and manpower cost to the City Services Auditor staff to accomplish this audit and report and include a line item for this cost in its budget request for fiscal year 2017-2018.	Controller
R:II.B.1-c.	To reduce the risk of injury to City employees, the Mayor should include in the proposed budget for fiscal year 2017-2018 this line item in the Controller's budget request for an audit of Workers Compensation Division data gathering policies and procedures.	Mayor, Mayor's Office of Public Policy and Finance
R:II.B.1-d.	To reduce the risk of injury to City employees, and after review by the Budget and Legislative Analyst, the Board of Supervisors should approve this line item in the Controller's budget request for an audit of Workers Compensation Division data gathering policies and procedures and include it in the approved budget ordinance for fiscal year 2017-2018.	Board of Supervisors
R:II.B.2-a.	The Controller should assist the General Services Agency -- Environmental Health and Safety in developing procedures for periodic analysis of Hazard Logs to identify and quantify risks of injury created by deferred maintenance and repairs.	Controller, City Administrator General Services Agency - Environmental Health and Safety
R:II.B.2.b.	To provide budget decision-makers with pertinent information for making trade-off decisions, the Controller should determine the additional time and manpower cost to develop procedures for periodic analysis of Hazard Logs to identify and quantify risks of injury created by deferred maintenance and repairs and include a line item for this cost in its budget request for fiscal year 2017-2018.	Controller

R:II.B.2.c.	To reduce the risk of injury to City employees, the Mayor should include in the proposed budget for fiscal year 2017-2018 this line item in the Controller's budget request to develop procedures for periodic analysis of Hazard Logs to identify and quantify risks of injury created by deferred maintenance and repairs.	Mayor, Mayor's Office of Public Policy and Finance
R:II.B.2.d.	To reduce the risk of injury to City employees, and after review by the Budget and Legislative Analyst, the Board of Supervisors should approve this line item in the Controller's budget request to develop procedures for periodic analysis of Hazard Logs to identify and quantify risks of injury created by deferred maintenance and repairs and include it in the approved budget ordinance for fiscal year 2017-2018.	Board of Supervisors
R:II.C.1-1.	Maintain urban forest. Because trees perform valuable environmental, economic and social functions and make San Francisco a better place to live and work: a. the City Administrator and the Director of the Capital Planning Program should identify stable funding sources for maintaining the urban forest; b. the Mayor should identify stable funding sources for maintaining the urban forest and include them in proposed budgets; c. after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve stable funding sources for maintaining the urban forest.	Planning Director, a: City Administrator, b: Mayor, Mayor's Office of Public Policy and Finance, c: Board of Supervisors
R:II.C.1.2.	DPW street trees: Because it will increase overall street tree health and reduce per-street-tree maintenance costs as described in the Urban Forest Plan (Phase 1: Street Trees): a. The Department of Public Works should include line items in its budget requests for the routine maintenance of all street trees, b. the Mayor should include sufficient dedicated funding in the proposed budget for upcoming fiscal years 2017-2018 and thereafter to the Public Works Department for the routine maintenance of all street trees; and c. after Budget and Legislative Analyst's Office review, the Board of Supervisor should approve sufficient dedicated funding in the budget for upcoming fiscal years 2017-2018 and thereafter to the Public Works Department for the routine maintenance of all street trees.	a: Director of Public Works, b: Mayor, Mayor's Office of Public Policy and Finance, c: Board of Supervisors
R:II.C.1.3.	Proposition #160381 The Board of Supervisors should approve placing the Street Trees proposition (#160381 Charter Amendment and Business and Tax Regulations Code – City Responsibility and Parcel Tax for Street Trees) on the November 2016 ballot.	Board of Supervisors
R:II.C.1.4.	The Urban Forest Plan Phase 2 Because it will increase overall tree health in the City's parks and open spaces and reduce per-tree maintenance costs: a. The Planning Department should include a line item in its budget requests for the cost of completing The Urban Forest Plan (Phase 2: Parks and Open Space); b. The Mayor should include sufficient funding in the proposed Budget for the upcoming fiscal years 2017-2018 and thereafter for the	a: Planning Director, b: Mayor, Mayor's Office of Public Policy and Finance, c: Board of Supervisors, d: Board of Supervisors,

	<p>Planning Department to complete The Urban Forest Plan (Phase 2: Parks and Open Space); and</p> <p>c. After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve sufficient funding in the approved budget for fiscal years 2017-2018 and thereafter for the Planning Department to complete The Urban Forest Plan (Phase 2: Parks and Open Space);</p> <p>d. After review by the Budget and Legislative Analyst Office, The Board of Supervisors should pass an Ordinance incorporating The Urban Forest (Phase 2: Parks and Open Space) by reference; and</p> <p>e. The Parks Commission should devise a creative dedicated funding plan to implement the Urban Forest Plan (Phase 2: Parks and Open Space).</p>	<p>e: President of the Recreation and Park Commission</p>
R:II.C.1-5.	<p>Rec & Park 2 for 1: Because it will promote the strategic reforestation of the City, thereby improving quality of life for City residents and visitors:</p> <p>a. The Recreation and Parks Department should include a line item in its budget requests for fiscal year 2017-2018 and thereafter for sufficient funding to plant two trees for every tree removed;</p> <p>b. the Mayor should include sufficient funding in the proposed budget for upcoming fiscal year 2017-2018 and thereafter for the Recreation and Parks Department's plan to plant two trees for every tree removed; and</p> <p>c. after Budget and Legislative Analyst's Office review, the Board of Supervisors should approve sufficient funding in the budget for upcoming fiscal year 2017-2018 and thereafter for the Recreation and Parks Department's plan to plant two trees for every tree removed.</p>	<p>a: General Manager of Recreation and Parks</p> <p>b: Mayor, Mayor's Office of Public Policy and Finance,</p> <p>c: Board of Supervisors</p>
R:II.C.1.6.	<p>Rec & Park 15 year maintenance cycle: Because it will increase overall tree health and reduce overall per-tree maintenance costs:</p> <p>a. The Recreation and Parks Department should include a line item in its budget requests for fiscal year 2017-2018 and thereafter for sufficient funding to implement a programmatic tree maintenance program that will sustain a 15-year tree maintenance cycle</p> <p>b. the Mayor should include sufficient dedicated funding in the proposed budget for upcoming fiscal years 2017-2018 and thereafter to the Recreation and Parks Department for the sustained 15-year tree maintenance cycle; and</p> <p>c. after Budget and Legislative Analyst's Office review, the Board of Supervisors should approve sufficient dedicated funding in the approved budget for upcoming fiscal years 2017-2018 and thereafter to the Recreation and Parks Department for the sustained 15-year tree maintenance cycle.</p>	<p>a: General Manager of Recreation and Parks</p> <p>b: Mayor, Mayor's Office of Public Policy and Finance,</p> <p>c: Board of Supervisors</p>
R:II.C.1.7.	<p>Rec & Park Tree Risk Assessments. Because it will increase safety for all park users,</p> <p>a. The Recreation & Parks Department should seek a line item in its budget request to pay for completing tree risk assessments and hazardous tree abatement for trees in all remaining parks where that has not yet been accomplished.</p> <p>b. The Mayor should include sufficient dedicated funding in the proposed budget for upcoming fiscal years 2017-2018 and thereafter</p>	<p>a: General Manager of Recreation and Parks</p> <p>b: Mayor, Mayor's Office of Public Policy and Finance,</p> <p>c: Board of Supervisors</p>

	<p>to the Recreation and Parks Department for completion of tree risk assessments and hazardous tree abatement; and</p> <p>c. After review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve sufficient dedicated funding in the approved budget for upcoming fiscal years 2017-2018 and thereafter to the Recreation and Parks Department for completion of tree risk assessments and hazardous tree abatement.</p>	
R:II.C.2-1-a.	To prevent further deterioration and unsafe conditions, the Department of Public Works should seek prioritized line item budget funding in the fiscal year 2017-2018 for the maintenance and repair of the "Structurally Deficient" rated bridges for which it is responsible.	Director of Public Works
R:II.C.2-1-b.	To prevent further deterioration and unsafe conditions, the Mayor should approve these line items in the Department of Public Works budget request for the maintenance and repair of "Structurally Deficient" bridges and include them in the Mayor's proposed budget for fiscal year 2017-2018 and thereafter.	Mayor, Mayor's Office of Public Policy and Finance
R:II.C.2-1-c.	After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve adequate funding for the Department of Public Works for maintenance and repair of "Structurally Deficient" bridges in the fiscal year 2017-2018 approved budget and thereafter.	Board of Supervisors
R:II.C.2-2-a.	We acknowledge the Department of Public Works plans to repair the existing deterioration and unsafe conditions on the Richland Avenue bridge and encourage the early completion of this important project.	Director of Public Works
R:II.C.2-2-b.	To prevent further deterioration and unsafe conditions, the Department of Public Works should determine the cost of repairing the Richland Avenue Bridge and other deteriorated but not yet "Structurally Deficient" bridges for which it is responsible and include these costs as line items in its budget request for fiscal year 2017-2018.	Director of Public Works
R:II.C.2-2-c.	To prevent further deterioration and unsafe conditions, the Mayor should approve the items in the Department of Public Works budget request for the maintenance and repair of the Richland Avenue bridge and other deteriorated but not yet "Structurally deficient" bridges and include them in the Mayor's proposed budget in the fiscal year 2017-2018 and thereafter.	Mayor, Mayor's Office of Public Policy and Finance
R:II.C.2-2-d.	To prevent further deterioration and unsafe conditions, and after review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the items in the Department of Public Works budget request for the maintenance and repair of the Richland Avenue bridge and other deteriorated but not yet "Structurally deficient" bridges and include them in the adopted budget in the fiscal year 2017-2018 and thereafter.	Board of Supervisors
R:III.A.1.a.	To focus attention on the relationship between General Fund departments' annual Maintenance and repair expenditures and these departments' deferred maintenance and repair backlogs, the Controller should utilize the replacement or revision of the current asset	Controller

	<p>management programs used by General Fund departments as an opportunity for development of new or revised performance metrics to collect and report to City officials and the public:</p> <p>(1) the costs departments expend on annual maintenance and repair; and</p> <p>(2) the annual costs incurred in addressing their deferred maintenance and repair backlogs.</p>	
R:III.A.1.b.	The Controller should determine the additional time and manpower cost to develop these new or revised performance metrics in asset management programs and include line item entries in its budget request for fiscal year 2017-2018.	Controller
R:III.A.1.c.	To focus attention on the relationship between General Fund departments annual maintenance and repair expenditures and their deferred maintenance backlogs, the Mayor should approve these line item entries in the Controller's budget request to collect and report General Fund department costs expended on annual maintenance and repair and costs incurred in addressing their deferred maintenance and repair backlogs, and include them in the Mayor's proposed budget for fiscal year 2017-2018.	Mayor, Mayor's Office of Public Policy and Finance
R:III.A.1.d.	To focus attention on the relationship between General Fund departments annual maintenance and repair expenditures and their deferred maintenance backlogs, and after review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve these line item entries in the Controller's budget request to collect and report General Fund department costs expended on annual maintenance and repair and costs incurred in addressing their deferred maintenance and repair backlogs, and include them in the approved budget for fiscal year 2017-2018.	Board of Supervisors
R:III.B.1.a.	For increased transparency and accountability, the City Administrator and the Director of the Capital Planning Program should report "Deferred Maintenance and Repair Backlog" separately from "projected capital renewal and replacement costs" in the Ten-Year Capital Plan.	City Administrator Director of the Capital Planning Program
R:III.B.1.b.	The City Administrator and the Director of the Capital Planning Program should determine the additional time and manpower cost to collect data and report "Deferred Maintenance and Repair Backlog" separately from "projected capital renewal and replacement costs" in the Ten-Year Capital Plan, and include a line item for this cost in its budget request for fiscal year 2017-2018 and thereafter.	City Administrator, Director of the Capital Planning Program
R:III.B.1.c.	For increased transparency and accountability, the Mayor should include in the proposed budget for fiscal year 2017-2018 and thereafter the City Administrator's and the Director of the Capital Planning Project's request for the cost to collect data and report "Deferred Maintenance and Repair Backlog" separately from "projected capital renewal and replacement costs" in the Ten-Year Capital Plan.	Mayor, Mayor's Office of Public Policy and Finance

R:III.B.1.d.	For increased transparency and accountability, and after review by the Budget and Legislative Analyst, the Board of Supervisors should approve the request for the cost to collect data and report “Deferred Maintenance and Repair Backlog” separately from “projected capital renewal and replacement costs” in the Ten-Year Capital Plan, and include this cost in the adopted Budget for fiscal year 2017-2018 and thereafter.	Board of Supervisors
R:III.C.1-1.	<p>To obtain updated relevant information as a basis for rational and informed budget decision making:</p> <ul style="list-style-type: none"> a. The Director of the Real Estate Division should request a line item in the budget request to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure; b. The Director of Public Works should request a line item in the budget request to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure; c. The General Manager of the Recreation and Parks Department should request a line item in the budget request to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure; d. Other General Fund departments responsible for maintaining capital assets should request a line item in their budget requests to the Mayor for fiscal year 2017-2018 for updated condition assessment surveys of departmental facilities and infrastructure; e. The Mayor should include amounts in the proposed budget for fiscal year 2017-2018 for : <ul style="list-style-type: none"> (1) the Real Estate Division, (2) the Department of Public Works, (3) the Recreation and Parks Department and (4) other General Fund departments responsible for maintaining capital assets specifically for condition assessment surveys with cost estimates of General Fund Department facilities and infrastructure; and f. after review by the Budget and Legislative Analyst’s Office, the Board of Supervisors should approve amounts in the fiscal year 2017-2018 Budget for: <ul style="list-style-type: none"> (1) the Real Estate Division, (2) the Department of Public Works, (3) the Recreation and Parks Department and (4) other General Fund departments responsible for maintaining capital assets specifically for Condition Assessment surveys with cost estimates of General Fund Department facilities and infrastructure. 	<ul style="list-style-type: none"> a. City Administrator, Director of the Real Estate Division, b: Director of Public Works, c: General Manager of Recreation and Parks, d: Mayor, e: Mayor, Mayor’s Office of Public Policy and Finance, f: Board of Supervisors
R:III.C.2-a.	As an important step toward getting adequate maintenance funding on a regular basis, the General Manager of the Recreation and Parks Department should request the allocation of funds from the “Open Space Fund” for the purpose of conducting a comprehensive condition assessment of departmental facilities and infrastructure.	General Manager of Recreation and Parks

R:III.C.2-b.	The Mayor should include the allocation of funds from the Recreation and Parks Department's "Open Space Fund" for the purpose of conducting a comprehensive condition assessment in the proposed fiscal year 2017-2018 budget.	Mayor, Mayor's Office of Public Policy and Finance
R:III.C.2-c.	After review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve the allocation of funds from the Recreation and Parks Department's "Open Space Fund" for the purpose of conducting a comprehensive condition assessment.	Board of Supervisors
R:III.C.3-a.	As he has done for City streets' Pavement Condition Index, the Mayor should announce his goal of having the Facility Condition Index for all General Fund Departments' non-street capital assets at the level of "good" or better.	Mayor
R:III.C.3-b.	<p>The Controller should conduct a study of the General Fund Departments listed on the December 2015 FRRM (Facilities Renewal Resource Model) report "Backlog and 10-Yr Need by Facility (or such updated reports as is appropriate) with a Facilities Condition Index of 0.30 or greater ("fair" or "poor") to determine:</p> <ol style="list-style-type: none"> (1) Which of those physical assets (if any) are in "fair condition"; (2) Which of those physical assets (if any) are in "poor condition"; (3) Which of those physical assets (if any) are starting to approach or exceed their life expectancies; (4) Which of those physical assets (if any) should be considered high-priority for maintenance and repair funding; (5) Which of those physical assets (if any) require additional maintenance and repair funding to prevent further accumulation of deferred maintenance and repair; (6) Whether lack of comprehensive maintenance and repair planning resulted in underinvestment in preventive maintenance and repair work that has depreciated the value and useful life of these physical assets; <p>and present the report containing the Controller's findings on the above items to the Mayor and Board of Supervisors for use in the budget process.</p>	Controller
R:III.C.3-c.	The Controller should determine the additional time and manpower cost to accomplish the additional reporting recommended in the preceding Recommendation 3(b) and include a line item entry for those costs in his budget requests for fiscal year 2017-2018.	Controller
R:III.C.3-d.	To provide useful information for the public in assessing the City's stewardship of public assets, the Mayor should include in the Mayor's Proposed Budget for fiscal year 2017-2018 these line item entries for a study of facilities with FCI of fair or poor condition in the Controller's budget requests.	Mayor, Mayor's Office of Public Policy and Finance
R:III.C.3-e.	To provide useful information for the public in assessing the City's stewardship of public assets, and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve	Board of Supervisors

	these line item entries for a study of facilities with an FCI of fair or poor condition in the adopted Budget Ordinance for fiscal year 2017-2018.	
R:III.D.1.	<p>To make the true cost of program delivery visible,</p> <ul style="list-style-type: none"> a. The City Administrator and the Director of the Real Estate Division should charge rental rates sufficient to cover the full cost of maintenance, repair and capital replacements in the leased premises it manages(to make the true cost transparent). b. the Mayor should propose adjustments to tenant General Fund departments' budgets sufficient to cover rent increases. c. after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve adjustments to tenant General Fund departments' budgets sufficient to cover rent increases. 	<ul style="list-style-type: none"> a: City Administrator, Director of the Real Estate Division b: Mayor, Mayor's Office of Public Policy and Finance, c: Board of Supervisors
R:IV.1.	In recognition of maintenance of facilities and infrastructure as an important component in stewardship of City assets, the Mayor and the Office of Public Policy and Finance should encourage adequate Maintenance and Repair funding as one of the budget priorities for General Fund departments.	Mayor, Mayor's Office of Public Policy and Finance
R:IV.2.	<p>In recognition of maintenance of facilities and infrastructure as an important component of stewardship and in fulfillment of their stewardship obligations , the managers and staff of General Fund departments:</p> <ul style="list-style-type: none"> a. should make their departmental maintenance needs known vigorously throughout the budget process and reallocation process; b. should advocate vigorously in their submissions on Capital Budget Request Form 6 to demonstrate why the amount allocated for maintenance by the Capital Planning staff based on the prior year's appropriation may be insufficient, and if so, why additional funds to meet maintenance needs are required; c. in their Section 3.14 letters, should make their unfunded high-priority maintenance needs known vigorously; and d. should make supplemental appropriation requests when they find that they have inadequate resources to support Maintenance and Repair operations through the end of the fiscal year. 	<p>Board of Supervisors, Director of Public Works, City Administrator, Director of the Real Estate Division, General Manager of Recreation and Parks</p>
R:IV.3.	To further transparency and accountability in City government, the Mayor's Budget Letter should include a section listing and describing the General Fund departments' high-priority maintenance projects which did not get funded.	Mayor
R:IV.4.	In recognition of maintenance of facilities and infrastructure as an important component in stewardship of City assets, and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should include adequate funding for General Fund departments maintenance and repair in the list of budget policy priorities for "unallocated monies".	Board of Supervisors
R:V.1.	In accordance with best practices for governments and in the interest of transparency and accountability, the City Administrator and the Director of the Capital Planning Program should make projection of life-cycle	City Administrator, Director of the Capital Planning Program

	costs of operation and maintenance a criteria for getting its approval to add General Obligation Bond propositions to the queue.	
R:V.2.	We recommend in the interest of transparency and accountability that the Mayor carry forward plans to include information on projected life-cycle operating costs and maintenance costs in Five Year Plans.	Mayor
R:V.3.	<p>In the furtherance of transparency and accountability and best practices in government,</p> <p>a. the Controller's Statement on General Obligation Bond propositions in the Department of Elections Voter Information Pamphlet should include a Life-Cycle Cost estimate, containing the projected life-cycle Maintenance and Repair cost for the proposed Capital Project.</p> <p>b. the Controller should instruct General Fund departments to report annually to GOBAC:</p> <ol style="list-style-type: none"> 1) the inflation-adjusted Life-Cycle Maintenance and Repair Cost estimate for each General Obligation Bond funded project; 2) the amount budgeted for Operating Cost and Maintenance Cost of that asset; 3) the reasons for any budgeted shortfall; and 4) the immediate and long-term consequences of any budgeted shortfall. 	<p>a: Controller, President of the San Francisco Election Commission</p> <p>b: Citizen's General Obligation Bond Advisory Committee, Controller</p>
R:V.4.	In furtherance of transparency, accountability and the public's right to know, GOBAC should prepare an annual report summarizing each General Fund department's life-cycle Maintenance and Repair cost estimates report and a consolidated report for all General Fund departments.	Citizen's General Obligation Bond Advisory Committee
R:VI.1-a.	To avoid future growth and cost escalation that will result from pushing back the starting date for reducing the backlog from 2019 to 2025 (or 2031 under historical funding levels), the Mayor should include in the proposed budget to the Board of Supervisors restoration of the annual ten percent growth rate to the Pay-as-you-go Program budget.	Mayor, Mayor's Office of Public Policy and Finance, City Administrator, Director of the Capital Planning Program
R:VI.1-b.	To avoid future growth and cost escalation that will result from pushing back the starting date for reducing the backlog from 2019 to 2025 (or 2031 under historical funding levels), and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve future budgets containing restoration of the annual ten percent growth rate to the Pay-as-you-go Program.	Board of Supervisors
R:VI.2-a.	In furtherance of good stewardship, the Board of Supervisors should require General Fund departments during budget hearings to describe what factors led to the accumulation of deferred maintenance in individual departments.	Board of Supervisors
R:VI.2-b.	In furtherance of good stewardship, the Mayor should propose in the Fiscal Year 2017-2018 Budget and thereafter sufficient funds for	Mayor,

	General Fund department maintenance and repair to prevent the Deferred Maintenance backlog from growing larger.	Mayor's Office of Public Policy and Finance City Administrator, Director of Capital Planning Program
R:VI.2-c.	In furtherance of good stewardship, and after review by the Budget and Legislative Analyst's Office, the Board of Supervisors should approve sufficient maintenance and repair funding for General Fund departments in the Fiscal year 2017-2018 Budget to prevent the Deferred Maintenance backlog from growing larger.	Board of Supervisors
R:VI.3-a.	In furtherance of transparency, accountability and stewardship, the Controller should track General Fund departments' maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds is needed.	Controller
R:VI.3-b.	The Controller should determine the additional time and manpower cost to accomplish the preceding Recommendation to track General Fund departments maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds will be needed, and include line item entries for those costs in its Budget Requests for the 2017-2018 Budget and thereafter.	Controller
R:VI.3-c.	In the interests of transparency and accountability, the Mayor should include in the Mayor's proposed budget for for fiscal year 2017-2018 and thereafter those line item entries in the Controller's Budget Request for tracking General Fund departments maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds will be needed.	Mayor, Mayor's Office of Public Policy and Finance
R:VI.3-d.	In the interests of transparency and accountability, and after review by the Budget and Legislative Analyst Office, the Board of Supervisors should approve those line item entries in the Controller's Budget Request for tracking General fund departments maintenance budgeting and spending to assure that assets are not deteriorating through lack of maintenance and repair to the point where premature replacement funded by General Obligation bonds will be needed, and include them in the adopted Budget ordinance for the 2017-2018 Budget and thereafter.	Board of Supervisors
R:VII.1-a.	The Controller should require all city departments to implement existing best practices as provided in FASB 42 and other best practices sources to account for and report deferred maintenance.	Controller
R:VII.1-b.	The Controller should establish systems and procedures to establish clear maintenance and repair investment objectives and set priorities among outcomes to be achieved.	Controller

R:VII.1-c.	The Controller and the Director of Public Works should establish systems and procedures to identify types of facilities or specific buildings (i.e., capital assets) that are mission-critical and mission supportive.	Controller Director of Public Works
R:VII.1-d.	The Controller should establish systems and procedures to conduct condition assessments as a basis for establishing appropriate levels of funding required to reduce, if not eliminate, any deferred maintenance and repair backlog.	Controller
R:VII.1-e.	The Controller should establish systems and procedures to establish performance goals, baselines for outcomes, and performance measures.	Controller
R:VII.1-f.	The Controller should establish systems and procedures to identify the primary Methods to be used for delivering maintenance and repair activities.	Controller
R:VII.1-g.	The Controller should establish systems and procedures to employ models for predicting the outcome of investments, analyzing tradeoffs, and optimizing among competing investments.	Controller
R:VII.1-h.	The Controller should establish systems and procedures to align real property Portfolios with mission needs and dispose of unneeded assets.	Controller
R:VII.1-i.	The Controller should establish systems and procedures to identify the types of risks posed by lack of timely investment.	Controller
R:VII.1-j.	The Controller should determine the additional time and manpower cost to establish systems and procedures to accomplish the preceding items in Recommendation 1-a through 1-j and include a line item for those costs in its budget requests for fiscal year 2017-2018.	Controller
R:VII.1-k.	The Mayor should approve these line item entries in the Controller's budget requests to establish systems and procedures to accomplish the items in Recommendation 1-a through 1-j and include them in the Mayor's proposed Budget for fiscal year 2017-2018.	Mayor, Mayor's Office of Public Policy and Finance
R:VII.1-l.	The Board of Supervisors, after review by the Budget and Legislative Auditor Office, should approve these line items in the Controller's budget requests to establish systems and procedures to accomplish the items in Recommendation 1-a through 1-j and include them in the approved budget for fiscal year 2017-2018.	Board of Supervisors
R:VII.2-a.	The Controller should include a discussion in its annual financial statements to describe what constitutes deferred maintenance and repair and how it is being measured.	Controller
R:VII.2-b.	The Controller should include a discussion in its annual financial statements to include amounts of deferred maintenance and repair for each major category of Property, Plant, and Equipment.	Controller

R:VII.2-c.	The Controller should include a discussion in its annual financial statements to include a general reference to specific component entity reports for additional information.	Controller
R:VII.3.	The Controller should immediately reassess the reported value of capitalized assets in its financial statements given the impact of the high level of deferred maintenance on reducing the useable life of these assets.	Controller
R:VII.4-a.	Beginning in FY 2017-18, the City's Capital Planning Committee should include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance.	City Administrator Director of the Capital Planning Program
R:VII.4-b.	The City Administrator and the Director of the Capital Planning Program should determine the additional time and manpower cost to accomplish the preceding Recommendation to include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance, and include a line item entry for those costs in its Budget Requests for 2017-2018 and thereafter.	City Administrator Director of the Capital Planning Program
R:VII.4-c.	The Mayor should include in the Mayor's Proposed Budget for 2017-2018 and thereafter the line item entries in the Capital Planning Committee's Budget Requests to include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance.	Mayor, Mayor's Office of Public Policy and Finance
R:VII.4-d.	The Board of Supervisors, after review by the Budget and Legislative Analyst Office, should approve these line item entries for the Capital Planning Committee to include in its annual report a complete and accurate update of the progress made in addressing deferred maintenance, and include these line items in the adopted Budget ordinance for 2017-2018 and thereafter.	Board of Supervisors

BIBLIOGRAPHY

(Editor's Note: All citation links to websites and online documents provided in this report were confirmed to be active at the time this report was published.)

AECOS 2013	AECOS, Financing San Francisco's Urban Forest: The Benefits + Costs of a Comprehensive Municipal Street Tree Program, December 2013 http://www.sf-planning.org/ftp/files/plans-and-programs/planning-for-the-city/urban-forest-plan/UFP_Financing_Study_Exec_Sum_131216.pdf (AECOS 2013)
Analysis of FRRM Cost Assumptions 2009	City and County of San Francisco (2009), Office of the City Administrator, Capital Planning Program Facilities Renewal Resource Model Analysis of Cost Assumptions October 19, 2009, Retrieved from: http://www.sfgov2.org/ftp/uploadedfiles/cpp/documents/FRRM%20Cost%20Analysis%20Report%20FINAL.pdf [Analysis of FRRM Cost Assumptions 2009]
APP 2014	City and County of San Francisco (2014), Accounting Policies and Procedures, Retrieved from http://sfcontroller.org/Modules/showdocument.aspx?documentid=6828 [APP 2014]
Bridge Inspection Definitions	Bridge Inspection Definitions, retrieved from http://www.virginiadot.org/info/resources/bridge_defs.pdf [Bridge Inspection Definitions]
Bridge Preservation Guide	U.S. Department of Transportation 2011, Federal Highway Administration Bridge Preservation Guide, retrieved from http://www.fhwa.dot.gov/bridge/preservation/guide/guide.pdf , [Bridge Preservation Guide]
Brown 2015	Edmund Gerald Brown, New York Times May 17, 2015; Retrieved from http://www.nytimes.com/2015/05/17/us/jerry-browns-arid-california-thanks-partly-to-his-father.html?_r=0 [Brown 2015]
Brown 2016	Edmund Gerald Brown, State of the State, January 21, 2016 Retrieved from https://www.gov.ca.gov/news.php?id=19280 [Brown 2016]
Budget Process Ordinance	City and County of San Francisco, Administrative Code, Chapter 3 The Budget Process Ordinance Retrieved from http://library.amlegal.com/nxt/gateway.dll/California/administrative/administrativecode?f=templates\$fn=default.htm\$3.0\$vid=amlegal:sanfrancisco_ca\$sync=1 [Budget Process Ordinance]

CAFR 2015	City and County of San Francisco (2015), <i>Comprehensive Annual Financial Report Year ended June 30, 2015</i> . Retrieved from http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=6984 [CAFR 2015]
Capital Plan 2013	City and County of San Francisco (2013), <i>Capital Plan 2014-2023</i> , Retrieved from Onesanfrancisco.org/wp-content/uploads/1-Executive-Summary1.pdf [Capital Plan 2013]
Capital Plan 2015	City and County of San Francisco (2015), <i>Final Capital Plan FY 2016-2025</i> , Retrieved from http://onesanfrancisco.org/wp-content/uploads/Complete-CapitalPlan_Final2 . [Capital Plan 2015]
Contra Costa CGJ 2012	Contra Costa County Grand Jury Report 1203: <i>Deferred Maintenance: How Much Longer Can It Be Deferred?</i> March 29, 2012 Retrieved from http://www.cc-courts.org/_data/n_0038/resources/live/rpt1203.pdf [Contra Costa CGJ 2012]
CSA Park Maintenance Standards Report 2015	City and County of San Francisco (2015), <i>Park Maintenance Standards: Fiscal Year 2014-15 Annual Report</i> Retrieved from http://sfcontroller.org/Modules/ShowDocument.aspx?.document.d=6956 , [CSA Park Maintenance Standards Report 2015]
CSA RPD 2015	City and County of San Francisco City Services Auditor (2015), <i>Rec Park Deferred Maintenance Review Memorandum</i> Retrieved from http://sfcontroller.org/sites/default/files/FileCenter/Documents/6811-Maintenance%20Memo_FINAL.pdf [CSA RPD 2015]
Data Transparency GAO 2013	Government Accountability Office, <i>FEDERAL DATA TRANSPARENCY: Opportunities Remain to Incorporate Lessons Learned as Availability of Spending Data Increases</i> , September 12, 2013, GAO-13-758 Retrieved from http://www.gao.gov/products/GAO-13-758 [Data Transparency GAO 2013]
DOE 2010	U.S. Department of Energy (2010), report entitled <i>Operations & Maintenance Best Practices</i> . Retrieved from http://www.pnnl.gov/main/publications/external/technical_reports/PNNL-19634.pdf [DOE 2010]
Eldon, Hoodline 2015	<i>San Francisco Street Tree Problems To Get Worse Before They Get Better</i> , January 18, 2015. Retrieved from http://hoodline.com/2015/01/san-francisco-street-tree-problems-to-get-worse-before-they-get-better [Eldon, Hoodline 2015]

FCI 2013	Asset Insights/Net, <i>Facility Condition Index (FCI)</i> , 2013. Retrieved from http://www.assetinsights.net/Glossary/G_Facility_Condition_Index.html [FCI 2013]
FHA Highway Bridges 2015	Federal Highway Administration, 2015, <i>Highway Bridges by State and County 2015</i> , retrieved from https://www.fhwa.dot.gov/bridge/nbi.no10/county15.cfm#ca [FHA Highway Bridges 2015]
Forest Plan Phase 1	City of San Francisco Planning Department, Urban Forest Plan (Phase 1: Street Trees), http://default.sfplanning.org/plans-and-programs/planning-for-the-city/urban-for-est-plan/Urban_Forest_Plan_Final-092314WEB.pdf , (Forest Plan Phase 1)
GAO 2008	United States Government Accountability Office, <i>Federal Real Property: Government's Fiscal Exposure from Repair and Maintenance Backlog is Unclear</i> , Report to the Committee on Oversight and Government Reform, House of Representatives, GAO-09-10, October 2008 , Retrieved from http://www.gao.gov/assets/290/282802.pdf . [GAO 2008]
GASB 34	GOVERNMENTAL ACCOUNTING STANDARDS BOARD OF THE FINANCIAL ACCOUNTING FOUNDATION; Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments NO. 171-A JUNE 1999 Governmental Accounting Standards Series, Retrieved from http://www.gasb.org/cs/BlobServer?blobkey=id&blobwhere=1175824063624&blobheader=application%2Fpdf&blobcol=urldata&blobtable=MungoBlobs [GASB 34]
Hitch 1966	Hitch, Charles J. , <i>Decision Making for Defense</i> , 1966 Retrieved from http://www.amazon.com/Decision-Making-Defense-Charles-J-Hitch/dp/B000J0PV50 [Hitch 1966]
HortScience GGP Memo 2012	HortScience, “Tree Risk Assessment Golden Gate Park”, September 13, 2012 , (sfrecpark.org/wp-content/uploads/TreeRiskAssessmentMemoGoldenGatePark1.pdf) (HortScience GGP Memo 2012)
IFMA 2009	International Facility Management Association (2009), <i>Operations and Maintenance Benchmarks Research Report #32</i> .Retrieved from http://www.ifma.org/publications/books-reports/operations-and-maintenance-benchmarks-research-report-32 [IFMA 2009]
Improved Transparency GAO 2014	Government Accountability Office, <i>FEDERAL REAL PROPERTY: Improved Transparency Could Help Efforts to Manage Agencies' Maintenance and Repair Backlogs</i> , Report to Chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate, January 2014 GAO-14-188 Retrieved from

	http://www.gao.gov/products/GAO-14-188 [Improved Transparency GAO 2014]
Johnson, Chronicle 4/18/16	Lizzie Johnson, "SF Supervisor Wiener proposes parcel tax to pay for tree care", San Francisco Chronicle, April 18, 2016 , http://www.sfchronicle.com/bayarea/article/SF-Supervisor-Wiener-proposes-parcel-tax-to-pay-725902.php (Johnson, Chronicle 4/18/16)
Kaiser 1993	Kaiser, Harvey H., <i>Putting the Facilities Audit to Work</i> , Facilities Manager, Spring 1993, pp. 18-21, Retrieved from https://www.appa.org/membershipawards/documents/1994.pdf [Kaiser 1993]
Khenna 2016	Khenna, Parag, <i>A New Map for America</i> , New York Times April 15, 2016. Retrieved from http://www.nytimes.com/2016/04/17/opinion/sunday/a-new-map-for-america.html?src=trending&module=Ribbon&version=origin&region=Header&action=click&contentCollection=Trending&pgtype=article [Khenna 2016]
LAO Deferred Maintenance 2014	State of California, Legislative Analyst Office, <i>Addressing Deferred Maintenance in State Office Buildings</i> , (2015), Retrieved from http://www.lao.ca.gov/Publications/Detail/3216 [LAO Deferred Maintenance 2015]
LAO GF Maintenance 2015	State of California, Legislative Analyst Office, <i>Governor's General Fund Maintenance proposal 2015-2016</i> (2015), Retrieved from http://www.lao.ca.gov/reports/2015/budget/deferred-maintenance/deferred-maintenance-020915.pdf [LAO GF Maintenance 2015]
LBL 2002	Lawrence Berkeley Laboratory, Institutional Plan FY 2003 – 2007, Dec. 2002, Retrieved from www.lbl.gov/Publications/Institutional-Plan (LBL 2002)
Madsen 2006	Madsen, Jana J., <i>Paying For Deferred Maintenance</i> , Buildings Magazine June 5, 2006 , Retrieved from http://www.buildings.com/article-details/articleid/3161/title/paying-for-deferred-maintenance.aspx [Madsen 2006]
Making Room 2003	Dowall, David E. and Jan Whittington, <i>Making Room For the Future: Rebuilding California's Infrastructure</i> , Public Policy Institute of California, 2003, retrieved from [http://www.ppic.org/content/pubs/report/R_303DDR.pdf] [Making Room 2003]
Mayor's 5 Year Plan	City and County of San Francisco (2015), <i>Mayor's Proposed Five Year Plan –FY 2015-2016 through 2019-20</i> , Retrieved from

	http://sfmayor.org/ftp/uploadedfiles/mayor/budget/SF_Budget_Book_FY_2015_16_and_2016_17_Final_WEB.pdf [Mayor's 5 year plan 2015)
Mayor's Budget Letter 2015	City and County of San Francisco (2015), <i>Mayor's Budget Letter June 1, 2015</i> Retrieved from http://sfmayor.org/ftp/uploadedfiles/mayor/budget/SF_Budget_Book_FY_2015_16_and_2016_17_Final_WEB.pdf [Mayor's Budget Letter 2015)
Mayor's Office 2011 Safe Street Bond	Office of the Mayor: Road Repaving & Street Safety Bond for November 2011 Ballot, Retrieved from http://www.sfmayor.org/index.aspx?page=437 ... [Mayor's Office 2011 Safe Streets Bond]
Nash 2010	David Nash, <i>Capital Assets Crisis: Maintaining Federal Real Estate with a Dwindling Federal Building Fund</i> , March 24 2010 testimony to Congress, Retrieved from https://www.gpo.gov/fdsys/pkg/CHRG-111hhrg55669/html/CHRG-111hhrg55669.htm [Nash 2010]
NRC 1990	National Research Council (1990), <i>Committing to the Cost of Ownership: Maintenance and Repair of Public Buildings</i> . Retrieved from http://www.nap.edu/catalog/9807/committing-to-the-cost-of-ownership-maintenance-and-repair-of [NRC 1990]
NRC 1996	National Research Council (1996), <i>Budgeting for Facilities Maintenance and Repair Activities</i> Retrieved from http://www.nap.edu/read/9226/chapter/1 [NRC 1996]
NRC 1998	National Research Council (1998), <i>Stewardship of Federal Facilities: A Proactive Strategy for Managing the Nation's Public Assets</i> Retrieved from http://www.nap.edu/catalog/6266.html [NRC 1998]
NRC 2004	National Research Council (2004), <i>Investments in Federal Facilities: Asset Management Strategies for the 21st Century</i> . Retrieved from http://www.nap.edu/catalog/11012/investments-in-federal-facilities-asset-management-strategies-for-the-21st [NRC 2004]
NRC 2012	National Research Council (2012), <i>Predicting Outcomes from Investments in Maintenance and Repair for Federal Facilities</i> Retrieved from http://www.nap.edu/catalog/13280/predicting-outcomes-from-investments-in-maintenance-and-repair-for-federal-facilities [NRC 2012]

Ordinance No. 23-15 Street Trees	San Francisco Board of Supervisors Ordinance No. 23-15, File No. 141264 [General Plan Amendments - Urban Forest Plan (Phase 1: Street Trees)]; Retrieved from http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances15/o0023-15.pdf [Ordinance No. 23-15 Street Trees]
Public Budgeting 1997	Charlie Tyler and Jennifer Willand, <i>Public Budgeting in America – A Twentieth Century Retrospective</i> ; Journal of Public Budgeting, Accounting and Financial Management, Vol 9, No. 2 (1997, Retrieved from) http://www.ipspr.sc.edu/publication/budgeting_in_america.htm [Public Budgeting 1997]
Rec and Park Strategic Plan 2016	City and County of San Francisco (2016), <i>Strategic Plan: San Francisco Recreation and Parks 2016-2020</i> , Retrieved from http://sfrecpark.org/strategic-plan-2016-2020/ [Rec and Park Strategic Plan 2016]
Ross 2001	Dennis Ross, <i>All Assets Are Not Alike Under GASB 34</i> , APWA Reporter, September,2001 Retrieved from https://www.apwa.net/Resources/Reporter/Articles/2001/9/All-assets-are-not-alike-under-GASB-34 [Ross 2001]
RPD Park Forestry	*City of San Francisco Recreation and Parks Department, “Park Forestry Improvement Program”, (http://sfrecpark.org/park-improvements/2008-clean-safe-bond/park-forestry-program/) (RPD Park Forestry)
San Jose Auditor 2014	City of San Jose, Office of the City Auditor Report 14-10 <i>Facilities Maintenance: Process Improvements Are Possible, But A Large Deferred Maintenance Backlog Remains</i> , November 2014 Retrieved from http://www.sanjoseca.gov/DocumentCenter/View/37382 [San Jose Auditor 2014]
SF Budget Instructions 2015	City and County of San Francisco (2015), <i>Mayor’s Office Instructions & Controller’s Technical Instructions for Fiscal Years 2016-17 and 2017-18</i> .Retrieved from http://sfcontroller.org/modules/showdocument.aspx?documentid=1436 [SF Budget Instructions 2015]
SF Budget Ordinance 2015	City and County of San Francisco (2015), <i>Budget and Appropriation Ordinance Fiscal Year ending June 30, 2016 and Fiscal Year ending June 30, 2017</i> . Retrieved from http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances15/o0128-15.pdf [SF Budget Ordinance 2015]

SF Charter Appendix F	City and County of San Francisco,(2003) Charter Appendix F: <i>Authority and Duties of City Services Auditor</i> , Retrieved from https://law.resource.org/pub/us/code/city/ca/SanFrancisco/Charter/appendixf.pdf , [SF Charter Appendix F]
SF Five Year Financial Plan 2015	City and County of San Francisco (2015), <i>Five-Year Financial Plan Fiscal Years 2015-16 through 2019-20</i> ; Retrieved from http://sfcontroller.org/modules/showdocument.aspx?documentid=6056 [SF Five Year Financial Plan 2015]
SF Urban Forest Values	U.S. Department of Agriculture, Forest Service Resources Bulletin NRS-8, Assessing Urban Forest Effects and Values: San Francisco's Urban forest, February 2007 , retrieved from http://www.nrs.fs.fed.us/pubs/rb/rb_nrs008.pdf [SF Urban Forest Values]
SFFAS 42	Statement of Federal Financial Accounting Standards 42: <i>Deferred Maintenance and Repairs</i> , FASAB Handbook, Version 14 (06/15), Retrieved from http://www.fasab.gov/pdffiles/handbook_sffas_42.pdf [SFFAS 42]
SFMTA 20 Year Plan 2015	City and County of San Francisco (2015), <i>Metropolitan Transit Authority 20 year Capital Plan</i> Retrieved from https://www.sfmta.com/sites/default/files/agendaitems/2015/7-15%20Draft%20FY2015-FY2034%20SFMTA%20Capital%20Plan.pdf [SFMTA 20 Year Plan 2015]
SFUSD 2nd Update	San Francisco Unified School District, Capital Plan 2010 to 2019 2010, Retrieved from http://www.sfusd.edu/en/assets/sfusd-staff/about-SFUSD/files/capital-plan-final-2010-2019.pdf [SFUSD 2 nd Update]
SPUR 2005	Wagner, Greg, et. al., (2005) The Big Fix, SPUR, Retrieved from http://www.spur.org/publications/spur-report/2005-01-03/big-fix [SPUR 2005]
SPUR 2009	SPUR Report , <i>Secrets of San Francisco</i> , January 1, 2009, Retrieved from http://www.spur.org/publications/spur-report/2009-01-01/secrets-san-francisco [SPUR 2009]
Surowiecki 2014	Surowiecki,James, Home Free?, The New Yorker,(September 22, 2014), Retrieved from www.newyorker.com/magazine/2014/09/22/home-free [Surowiecki 2014]

TCRP 2011	Transit Cooperative Research Program, <i>Funding for Infrastructure Maintenance: Achieving and Sustaining a State of Good Repair</i> (2011) Retrieved from http://www.tcrponline.org/PDFDocuments/TCRP_RRD_101.pdf [TCRP 2011)
Urban Forest Plan transmittal 2014	City of San Francisco Planning Department December 8, 2014 transmittal letter to Board of Supervisors, http://www.sf-planning.org/ftp/files/plans-and-programs/planning-for-the-city/urban-forest-plan/UFP_Board_Transmittal-120814.pdf (Urban Forest Plan transmittal 2014)
Urban Forest Plan/PD	Urban Forest Plan/Planning Department, http://sf-planning.org/urban-forest-plan , as of April 28, 2016 (Urban Forest Plan /PD)
Urban Forestry Council Resolution	Urban Forestry Council, Resolution Endorsing The Urban Forest Plan: Phase One, Street Trees, (http://sfenvironment.org/policy/resolution-endorsing-the-urban-forest-plan-phase-one-street-trees) (Urban Forestry Council Resolution)

GLOSSARY

Alterations: Work performed to change the interior arrangements or other physical characteristics of an existing facility or installed equipment so that it can be used more effectively for its currently designated purpose or adapted to a new use. Alterations may include work referred to as improvement, conversion, remodeling, and modernization but are NOT maintenance.

Arborist: A specialist in the care of woody plants, especially trees.

Best Practices: A set of guidelines, ethics or ideas that represent the most efficient or prudent course of action.

Cal OSHA: The California Occupational Safety and Health Program in the California Department of Industrial Relations.

Capital Project: A major construction and improvement project, including the planning and design phases. Examples include the resurfacing of a street and the construction of a new hospital, bridge, or community center.

Certificates of Participation (COPs): A commonly used form of lease financing for capital improvements projects or purchases of essential equipment in which the debt service on the financing is secured by an underlying lease structure.

Chart of Accounts: A listing of the accounts available in the accounting system in which to record entries.

City Services Auditor: A division of the Office of the Controller, consisting of two units: the Audits unit and the City Performance unit.

COMET (Condition Management Estimation Technology): An asset inventory and management system used by the Recreation and Parks department.

Cost of Ownership: The total of all expenditures a building owner will make over the course of the building's service lifetime.

Current Replacement Value (CRV): The total amount of expenditure in current dollars required to replace facilities to optimal condition. CRV does not include cost of contents.(Sometimes referred to as Calculated Replacement Value.)

Deferred Maintenance (aka Deferred Maintenance and Repair: DM&R): The maintenance and repairs that were not performed when they should have been or were scheduled to be and which are put off or delayed for a future period.

Deferred Project: A project not funded in the Capital Plan because of a lack of funding or because the timeline of the project falls outside the ten-year planning cycle. (Capital Plan 2015)

Eleventh Commandment – for public agency budget-deciders: Thou shalt not defer costs to the future nor use up accumulated resources to provide current-period services.(GASB 34)

Enhancement. Investment that increases an asset's value or useful life and/or changes its use. These typically result from the passage of new laws or mandates, functional changes, or technological advancements. Examples include: Purchasing or constructing a new facility or park; Major renovations of or additions to an existing facility; Accessibility improvements to comply with the Americans with Disabilities Act (ADA).

Enterprise Department: Enterprise departments are revenue-producing departments intended to recover all or a significant portion of their costs through user fees and other charges. San Francisco's Enterprise Departments are: SF Airport (SFO), SF Water Enterprise, Hetch Hetchy Water and Power, Port of SF, SF Wastewater Enterprise, SFMTA (6 funds), SF General Hospital Medical Center and Laguna Honda Hospital.

Facilities: Buildings and other types of structures (parking, storage, industrial) and the systems within them.

FAMIS: Financial Accounting and Management Information System.

FASAB: Federal Accounting Standards Advisory Board.

FRRM (Facilities Renewal Resource Model): an asset inventory and management program used by all General Fund departments, with the exception of Recreation and Parks department.

GASB: The Governmental Accounting Standards Board is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments, such as GASB 34.

General Fund: The chief operating fund of the City. In FY 2015-16, the General Fund was \$4.7 billion, or 50.7% of the total City budget of \$8.92 billion.

General Fund Department: A City department that relies primarily or entirely on the General Fund for funding. The General Fund departments are: California Academy of Sciences, Asian Art Museum, Art Commission, Department of Emergency Management, Department of Public Health, Department of Public Works, Department of Technology, District Attorney's Office, Fine Arts Museum, Fire Department, General Services Agency, Human Services Agency, Juvenile Probation, Police Department, Public Library, Recreation and Parks Department, Sheriff's Department, Superior Court of California, and the War Memorial and Performing Arts Center.

General Obligation Bonds (G.O. Bonds): A municipal bond secured by property tax revenues.

Infrastructure: facilities and systems required to deliver basic goods and services such as roads, sewers, water lines, bridges, transit rail, and open space.

Interperiod Equity: A government's obligation under GASB to disclose whether current-year revenues were sufficient to pay for current-year benefits (or did current citizens defer payments to future taxpayers).

ISFA (International Facilities Management Association): A professional facilities managers' association.

Life-cycle costing: An acquisition or procurement technique which considers operating, maintenance, and other costs in addition to the acquisition cost of assets.

Maintenance (aka Maintenance and Repair: **M&R**): The activity of keeping an asset in acceptable condition, so that it can continue to provide acceptable service and achieve its expected life. Maintenance *excludes* activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, those originally intended.

National Research Council: NRC, A body representing the U.S. National Academy of Sciences, National Academy of Engineering, and the Institute of Medicine, which was established to further knowledge and advise the U.S. government.

Operational Accountability: The obligation of an organization to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner.

Operations: Those activities related to a building's normal performance of the functions for which it is used. The cost of utilities, janitorial services, window cleaning, rodent and pest control, and waste management are generally included within the scope of operations and are NOT maintenance.

Pay-as-you-go: The funding of capital projects with current revenues on an annual basis rather than long-term debt.

Renewal: Investment that preserves **or extends** the useful life of facilities or infrastructure.

Repair: Work to restore damaged or worn-out property to a normal operating condition.

SPUR: San Francisco Bay Area Research and Urban Planning Association.

Steward: A person who manages another's property or financial affairs. The City and County of San Francisco is responsible for safeguarding taxpayers' money and making the best use of its financial resources.

Street Trees: Trees lining municipal streets.

Structurally Deficient Bridge: Bridges are considered structurally deficient if they have been restricted to light vehicles, closed to traffic or require rehabilitation. The condition of different parts of a bridge is rated on a scale of 0 to 9 (with 9 being "excellent" and zero being "failed"). A structurally deficient bridge is one for which the deck (riding surface), the superstructure (supports immediately beneath the driving surface) or the substructure (foundation and supporting posts and piers) are rated in condition 4 or less.

Transparency: The full, accurate, and timely disclosure of information; a government's obligation to share information with its citizens.

Tree canopy cover: the amount of land covered by trees when viewed from above.

Urban Forest: the collection of trees and other vegetation found along San Francisco's streets and within the built environment.

"We were told ... ": In this Report, used as a signal to the reader that we heard the item that follows from only one or two sources we interviewed. Under Civil Grand Jury Report rules, if three or more people said the same thing to us in our investigation, it may be stated without the qualifier.

APPENDICES

- Appendix A Use of Funds FY 2015-2016: General Fund
- Appendix B Adopted Budget Use of Funds Facilities Maintenance 2005-2015
- Appendix C Mixing of Maintenance and Non-Maintenance Budget Terms
- Appendix D1 Current Replacement Value by Category & Department (per FRRM Dec 2015)
- Appendix D2 Estimating Current Replacement Value (CRV) For Recreation and Parks Department
- Appendix D3 Best Practices Guidelines: Maintenance Budget Percent of Departmental CRV
- Appendix D4 CRV and FCI Data Based On Backlog and 10-Year Need by Department Facility (FRRM December 2015)
- Appendix D5 Annual Maintenance Target Need
- Appendix E What Would It Take To Eliminate the Backlog in Ten Years?

Appendix A Use of Funds FY 2015-2016 General Funds

Type of Use	Gross		Net of Recoveries	
	FY 2015 - 2016	% Total	FY 2015 - 2016	% Total
Personnel - Salaries & Wages	\$1,493,905,280	32.6%	\$1,457,856,185	32.6%
Personnel - Fringe Benefits	\$586,289,616	12.8%	\$572,141,992	12.8%a
Personnel - Subtotal	\$2,080,194,896	45.3%	\$2,029,998,177	45.3%
Non-Personnel Operating Costs	\$736,760,672	16.1%	\$718,982,065	16.1%
Aid Assistance	\$361,166,177	7.9%	\$361,166,177	7.9%
Grants	\$263,026,693	5.7%	\$263,026,693	5.7%
Transfers from General Fund	\$929,615,338	20.3%	\$929,615,338	20.3%
Capital & Equipment	\$207,478,205	4.5%	\$207,478,205	4.5%
Reserves & Fund Balance	\$66,987,198	1.5%	\$66,987,198	1.5%
Facilities Maintenance	\$7,925,826	0.2%	\$7,925,826	0.2%
Debt Services	\$2,372,347	0.1%	\$2,372,347	0.1%
Other Dept Services, Recoveries & Overhead	-\$67,975,326	-1.5%	\$0	-1.5%
Grand Total	\$4,587,552,026	100.00%	\$4,587,552,026	100.00%

Appendix B Adopted Budget Use of Funds Facilities Maintenance 2005 - 2015

Year	General Funds	Facilities	Pct.	All Funds	Facilities	Pct.
	Maintenance			Maintenance		
2005	2,453,294,411	14,559,057	0.6%	5,343,296,087	26,725,206	0.5%
2006	2,664,546,000	13,269,967	0.5%	5,749,169,447	42,390,967	0.7%
2007	2,921,556,552	10,060,602	0.3%	6,079,785,411	34,923,674	0.6%
2008	3,053,918,165	11,973,148	0.4%	6,531,467,931	33,498,781	0.5%
2009	3,052,107,528	8,193,707	0.3%	6,586,787,453	29,655,176	0.5%
2010	2,967,374,828	8,552,985	0.3%	6,562,658,343	35,632,238	0.5%

2011	3,261,908,817	8,576,235	0.3%	6,833,766,939	37,971,557	0.6%
2012	3,486,709,000	8,742,000	0.2%	7,354,311,000	56,409,000	0.7%
2013	3,949,764,316	13,347,716	0.3%	7,908,801,656	63,764,446	0.8%
2014	4,270,953,200	9,604,428	0.2%	8,581,831,912	69,998,324	0.8%
2015	4,587,552,026	7,925,826	0.2%	8,938,774,083	67,799,093	0.8%

Source: sfcontroller.org/consolidated-budget-and-annual-appropriations-ordinance (Adopted Budgets)

Appendix C Mixing of Maintenance and Non-Maintenance Budget Terms

In the 2015 Budget for General Fund departments there are many permutations and mixing of “Maintenance” and non-maintenance terms. For example:

#	Dept	Budg Code	Description
a.	AAM	CAA003	Emergency Leak Repair;
b.	AAM	CAAMRP	Museum Repair Projects
c.	ADM	FADFAV	Disability Access Maintenance & Renewal
d.	ADM	PSMDSR	Sidewalk Inspection & Repair
e.	ADM	60202	Fuel Sales & Maintenance Services
f.	DBI	PBIPTM	Permit Tracking System Maintenance
g.	DPW	PPCDVR	DVROS Development & Maintenance Fund
h.	DPH	CHLPNT	LHH Wards A B C & H Painting
i.	REC	CRPICP	Ina Coolbrith Path Repairs
j.	REC	REC12	Structure Maintenance – Overhead
k.	SHF	CSHITR	Interior Finish Repair
l.	SHF	CSHPFR	Perimeter Fence Repair
m.	SHF	PSH010	AB1109 Sheriff Vehicle Maintenance
n.	WAR	EEC	Oper & Main of Museums
SOURCE: SF Budget Ordinance 2015			

Appendix D1
Current Replacement Value by Category & Department (per FRRM Dec 2015)

#	Category and Department		CRV (\$000)
1.	Economic and Neighborhood Development/ADM		\$857,092
2.	General Government / ADM		1,446,696
3.	General Government / DEM		28,970
4.	General Government / DPW		337,514
5.	General Government / TIS		2,212
6.	Health & Human Services / DPH		2,131,462
	A. Laguna Honda Hospital	\$752,244	
	B. San Francisco General Hospital	1,152,931	
	Sub-total LH + SFGH	\$1,905,175	
7.	Health & Human Services / DPH		226,287
8.	Health & Human Services / HSA		196,026
9.	Public Safety / Fire		261,599
10.	Public Safety / Juvenile		124,735
11.	Public Safety / Police		82,531
12.	Public Safety / Sheriff		544,865
13.	Recreation, Culture & Education / AAM		186,048
14.	Recreation, Culture & Education / ART		46,260
15.	Recreation, Culture & Education / FAM		370,420
16.	Recreation, Culture & Education / Library		222,692
17.	Recreation, Culture & Education / Science		335,967
18.	Recreation, Culture & Education / War Memorial		694,698
	Total #1:		\$7,872,787
	Exclude LH and SFGH		- \$1,905,175
	Total #2:		\$5,967,612
19.	Recreation and Parks Department		1,369,200
	Total #3 (per Method D below):		\$7,336,812

Appendix D2
Estimating Current Replacement Value (CRV) for Recreation and Parks Department

Method A (no inflation adjustment)

1. Start with 2007 CRV calculated by COMET system: \$927.2 million
 2. Add portion of 2008 bond issue for Rec & Park 151.3
 3. Add 2012 bond issue for Rec & Park 195
- Total Method A: \$1,273.5 millions*

Method B (with inflation adjustment on 2007 CRV only)

1. Start with 2007 CRV calculated by COMET system: \$927.2 million
 2. Adjust for inflation 2007 – 2015 132.7
 3. Add 2008 + 2012 Bond \$\$ 346.3
- Total Method B: \$1,406.2 millions*

Method C (adjust 2007 CRV inflation + bond improvements):

1. Start with 2007 CRV calculated by COMET \$927.2 million

2. Adjust for inflation 2007-2015 132.7
3. Add 2008 bond \$\$ 151.3
4. Adjust #3 for inflation 2008-2015 15.26
5. Add 2012 bond \$\$ 195
6. Adjust #5 for inflation 2012-2015 6.3

Total Method C: \$1,427.76 millions

Method D (take average of Methods A + B + C divided by 3)

1. Method A total \$1,273.5
2. Method B total \$1,406.2
3. Method 3 total \$1,427.8
4. Sum and divide by 3: $\$4,107.5 / 3 = \$1,369.2$ million

Total Method D: \$1,369.2 millions

Appendix D3

Best Practices Guidelines: Maintenance Budget Percent of Departmental CRV

Definition: FCI = Facility Condition Index

A low score is good; a high score is bad. The ratio of the maintenance, repair, and replacement costs to replacement costs determines each asset's Facilities Condition Index (FCI); a lower FCI number indicates a lower need for maintenance funding relative to the facility's value.

^ = Industry standards indicate that a facility with an FCI greater than 0.30 is considered to be in "fair" to "poor" condition. (CSA RPD 2015)

^^ = Industry standards further indicate that a facility with an FCI of 0.65 or greater is more cost effective to replace than to repair.

2% Minimum Recommended; 4% Best Practice

#	Category & Department		CRV (\$000)	1%	2%	4%
1	Econ/NBR Dev / ADM		857,092	8,571	17,142	34,284
2	General Government / ADM		1,446,696	14,467	28,934	57,868
3	General Government / DEM		28,970	290	579	1,159
4	Gen Gov / DPW		337,514	3,375	6,750	13,501
5	Gen Gov / TIS		2,212	22	44	88
6	HHS / DPH		2,131,462			
	A) Laguna Honda Hosp	752,244				
	B) San Fran Gen Hosp	1,152,931				
	Sub-Total: LH + SFGH	1,905,175				
7	Net CRV: HHS / DPH		226,287	2,263	4,526	9,051
8	HHS / HSA		196,026	1,960	3,920	7,840
9	PS / Fire		261,599	2,616	5,232	10,464
10	PS / Juvenile		124,736	1,247	2,495	4,989
11	PS / Police		82,531	825	1,650	3,300

12	PS / Sheriff	544,865	5,449	10,898	21,796
13	RCE / AAM	186,048	1,860	3,720	7,440
14	RCE / ART	46,260	463	926	1,852
15	RCE / FAM	370,420	3,704	7,408	14,816
16	RCE/ Library	222,692	2,227	4,454	8,908
17	RCE / Science	335,967	3,360	6,720	13,440
18	RCE / War Memorial	694,698	6,947	3,894	27,788
19	Total #1:	7,642,928	76,429	152,859	305,717
	Exclude LH* and SFGH	- 1,905,175			
	Total #2	5,737,753	57,378	114,755	229,510
20	Rec & Park CRV (Method	\$1,369,200	13,692	27,384	54,768
	Total 3 = Total 2 + #17	\$7,106,953	70,617	141,233	282,467
	Total 4 = Total 3 x 1,000 =\$	\$7.107 billion	71.070 million	142.139 million	284.278 million

2015 General Fund budget for "Facilities Maintenance" as percentage of General Fund CRV = \$7,925,816 / \$7.062 billion = 0.112% - i.e. 1/10th of 1 percent.

Appendix D4

CRV and FCI Data Based on Backlog and 10-Year Need by Departmental Facility (FRRM December 2015)

D4-01.1: Economic and Neighborhood Development / Administration

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	Econ/Nbr Dev	ADM	Moscone (South)	1981	650,000	\$269,005	0.07
2	Econ/Nbr Dev	ADM	Moscone (ballrm)	1991	126,000	52,146	0.13
3	Econ/Nbr Dev	ADM	Moscone (North)	1992	520,000	215,204	0.15
4	Econ/Nbr Dev	ADM	Moscone (West)	2002	775,000	320,737	0.10
TOTAL: Economic & Neighborhood Development / Admin						\$857,092	

D4-01.2: Economic & Neighborhood Development / Aggregate Category Total

#	CATG	DEPT	\$ CRV (000)	
1	Econ/Nbr Dev	Administration	\$857,092	
TOTAL: Economic & Neighborhood Development			\$857,092	

D4-02.1: General Government / Administration

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	Gen Gov	ADM	So Van Ness	1960	560,000	\$254,934	0.13
2	Gen Gov	ADM	1650 Mission	1983	216,712	89,687	0.10
3	Gen Gov	ADM	1660 Mission	1990	72,000	32,777	0.41^
4	Gen Gov	ADM	240 Van Ness (EDP)	1907	15,950	6,601	0.04
5	Gen Gov	ADM	25 Van Ness OffBldg	1913	130,000	78,011	0.26
6	Gen Gov	ADM	30 Van Ness OffBldg	1965	180,939	74,882	0.34^
7	Gen Gov	ADM	3rd/Palou Op Rstrm (a)	1995	75	12	0.00
8	Gen Gov	ADM	555 7th St OffBldg	1985	32,000	13,243	0.30^
9	Gen Gov	ADM	Alemay Mkt #1	1951	9,720	1,609	0.00
10	Gen Gov	ADM	Alemay Mkt #2	1951	10,296	1,704	0.00
11	Gen Gov	ADM	Alemay Mkt Admin	1951	720	119	0.28
12	Gen Gov	ADM	Animal Control	1931	30,000	12,416	0.25
13	Gen Gov	ADM	BG Civic Auditorium (b)	1915	302,250	156,359	0.25
14	Gen Gov	ADM	Brooks Hall	1956	90,000	37,247	0.39^

15	Gen Gov	ADM	City Hall	1915	516,484	288,561	0.18
16	Gen Gov	ADM	Hall of Justice	1959	700,000	318,667	0.43^
17	Gen Gov	ADM	HofJ Gas Station	1959	4,360	722	0.50^
18	Gen Gov	ADM	Main Shop Bldg-Central	1959	49,976	20,683	0.31^
19	Gen Gov	ADM	Office and sub-shops	1960	17,401	7,201	0.40^
20	Gen Gov	ADM	Produce Bldg South	1963	13,500	2,235	0.12
21	Gen Gov	ADM	Produce North Bldg L	1963	41,800	6,920	0.04
22	Gen Gov	ADM	Produce North Bldg N	1963	50,600	8,376	0.04
23	Gen Gov	ADM	Produce Dock 1	1963	2,600	430	0.04
24	Gen Gov	ADM	Produce Dock 2	1963	5,200	861	0.01
25	Gen Gov	ADM	Produce Dock 3a	1963	2,600	430	0.04
26	Gen Gov	ADM	Produce Dock 3b	1991	2,600	430	0.50^
27	Gen Gov	ADM	Produce Bldg 2101	2000	53,755	8,899	0.03
28	Gen Gov	ADM	Produce Bldg K	1963	41,800	6,920	0.04
29	Gen Gov	ADM	Produce Bldg M	1963	62,200	10,297	0.04
30	Gen Gov	ADM	Shed Area	1960	13,200	5,463	0.16
Sub-Total General Government / Admin						\$1,446,696	
(s) Enterprise Funded (b) Leased							

D4-02.2: General Government / Department of Emergency Management

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	Gen Gov	DEM	Emergency Ops Center	1998	56,000	\$28,970	0.13
2	Sub-Total General Government /Dept Emergency Mgt					\$28,970	

D4-02.3: General Government / Department of Public Works

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	Gen Gov	ADM	1680 Mission	1923	3,800	\$1,573	0.23
2	Gen Gov	DPW	Conv/Visitors Bureau	1972	4,860	\$805	0.50^
3	Gen Gov	DPW	DPW-Bldg B	1949	14,756	6,107	0.25
4	Gen Gov	DPW	DPW-Bldg C	1949	14,601	6,647	0.26
5	Gen Gov	DPW	DPW-Bldg D	1949	17,000	7,036	0.24
6	Gen Gov	DPW	DPW-Carport 1-F	1949	4,022	666	0.50^
7	Gen Gov	DPW	DPW-Carport 2-E & 1	1949	7,990	3,307	0.28
8	Gen Gov	DPW	DPW-Carport 3-G,H,J	1949	6,674	2,762	0.28
9	Gen Gov	DPW	DPW-Carport 4	1949	7,279	3,020	0.28
10	Gen Gov	DPW	DPW-BUF Trailer	2006	3,375	1,397	0.06
11	Gen Gov	DPW	DPW-CNG Carport	1990	5,433	2,248	0.21
12	Gen Gov	DPW	DPW-CNG Gas Stn	1999	589	98	0.50^
13	Gen Gov	DPW	DPW EHS Trailer	1990	2,250	372	0.00
14	Gen Gov	DPW	DPW-Emp/Rsrce Ctr	2009	1,434	237	0.00
15	Gen Gov	DPW	DPW-Equip Trailer	1990	480	79	0.50^
16	Gen Gov	DPW	DPW-Frt Gate Grdshack	2009	24	4	0.00
17	Gen Gov	DPW	DPW-Gas Station	1949	2,191	363	0.50^
18	Gen Gov	DPW	DPW-Lwr Gate Grdshack	2009	24	33	0.00
19	Gen Gov	DPW	DPW-Pump Station	1990	321	53	0.50^
20	Gen Gov	DPW	DPW-Training Trlr	1990	2,250	372	0.50^
21	Gen Gov	DPW	Power House	1915	2,025	335	0.50^
Sub-Total General Government / Dept of Public Workst						\$37,514	

D4-02.4: General Government / TIS - Central Radio Station

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	Gen Gov	TIS	Central Radio Station	1950	5,344	\$2,212	0.68^^
Sub-Total General Government / TIS - Central Radio Station						\$2,212	

D4-02.5: General Government / Aggregate Category Total

#	CATG	DEPT	\$ CRV (000)	
1	Gen Gov	Administration	\$1,446,696	
2	Gen Gov	Department of Emergency Management	\$28,970	
3	Gen Gov	Department of Public Works	\$37,514	
		TIS - Central Radio Station	\$2,212	
TOTAL: General Government			\$1,515,392	

D4-03.1: Health & Human Services - Dept Public Health (Group A - Various)

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	HHS	DPH	Alemanys Emerg Hsptl	1932	5,247	3,909	0.17
2	HHS	DPH	Potrero Hill Health Ctr	1976	6,500	4,842	0.04
3	HHS	DPH	Child/Fam Health Ctr	1928	3,500	579	0.00
4	HHS	DPH	CHN HeadQtrs	1923	60,000	44,696	0.10
5	HHS	DPH	DPH Central Office	1932	104,000	58,105	0.12
6	HHS	DPH	Gas Station	1960	420	700	0.00
7	HHS	DPH	Health Ctr	1967	22,500	16,761	0.20
8	HHS	DPH	Health Ctr 5	1967	16,247	12,103	0.16
9	HHS	DPH	Health Ctr 1	1965	15,258	11,366	0.23
10	HHS	DPH	Health Ctr 3	1967	22,950	17,096	0.15
Sub-Total: DPH (Group - A)						\$169,527	

D4-03.2: Health & Human Services - Dept Public Health (Laguna Honda)

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	HHS	DPH	LH- Generator Bldg	2010	1,554	1,158	0.02
2	HHS	DPH	LH-Main Hosp #2	1930	60,000	49,166	0.15
3	HHS	DPH	LH-Main Hsp #3	1938	60,000	49,166	0.17
4	HHS	DPH	LH North Residence	2010	208,377	70,750	0.11
5	HHS	DPH	LH Pavilion Bldg	2010	148,039	112,485	0.13
6	HHS	DPH	LH South Residence	2010	156,993	130,984	0.11
7	HHS	DPH	LH Main Hosp #1 AB	1924	82,033	76,387	0.19
8	HHS	DPH	LH Main Hosp #1 C	1924	33,966	27,832	0.19
9	HHS	DPH	LH Main Hosp #1 D,E	1924	66,000	54,082	0.24
10	HHS	DPH	LH Main Hosp #1 H	1924	86,184	80,233	0.06
Sub-Total: DPH (Laguna Honda)						\$752,244	

D4-03.3: Health & Human Services - Dept Public Health (Group B - Various)

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	HHS	DPH	Maxine Hall Hlth Ctr	1966	20,590	15,338	0.18
2	HHS	DPH	N. Mkt Senior Ctr	1930	11,195	8,340	0.06
3	HHS	DPH	SF City Clinic 356 7th St	1930	8,000	5,959	0.21
Sub-Total: DPH (Group B)						\$29,637	

D4-03.4: Health & Human Services - Dept Public Health (S.F. General Hospital)

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	HHS	DPH	SFGH Bldg A	1986	2,084	345	0.50^
2	HHS	DPH	SFGH-Bldg D	1996	980	162	0.50^
3	HHS	DPH	SFGH-Bldg**	1999	2,880	477	0.50^
4	HHS	DPH	SFGH Bldg 1**	1915	63,488	59,118	0.18
5	HHS	DPH	SFGH-Bldg 10**	1915	56,130	56,448	0.28
6	HHS	DPH	SFGH Bldg 100	1915	89,159	83,022	0.30^
7	HHS	DPH	SFGH-Bldg 1A**	1915	6,600	6,146	0.22
8	HHS	DPH	SFGH Bldg 1B**	1915	9,900	9,219	0.22
9	HHS	DPH	SFGH Bldg 1C**	1915	4,400	4,097	0.20
10	HHS	DPH	SFGH Bldg 20**	1915	44,417	44,669	0.28
11	HHS	DPH	SFGH Bldg 30**	1915	53,417	53,720	0.30^
12	HHS	DPH	SFGH Bldg 4**	2004	5,500	4,097	0.15
13	HHS	DPH	SFGH Bldg 40	1915	44,740	44,993	0.14
14	HHS	DPH	SFGH Bldg 80	1935	66,832	67,211	0.23
15	HHS	DPH	SFGH Bldg 9**	1915	33,559	17,361	0.26
16	HHS	DPH	SFGH-Bldg 90	1935	39,159	21,878	0.31^
17	HHS	DPH	SFGH Main Bldg 5**	1974	617,400	561,107	0.33^
18	HHS	DPH	SFGH Mntl Hlth Nursing**	1994	62,490	25,862	0.24
19	HHS	DPH	SFGH Mntl Hlth SPRT**	1994	36,359	15,047	0.24
20	HHS	DPH	SFGH Path Bldg Add**	1991	45,119	33,611	0.17
21	HHS	DPH	SFGH Path Bldg orig**	1966	47,120	35,101	0.26
22	HHS	DPH	SFGH-Srvs Bldg #2**	1972	39,171	9,240	0.14
Sub-Total: DPH (S.F. General Hospital)						\$1,152,931	

D4-03.5: Health & Human Services - Dept Public Health (Group C - Various)

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	HHS	DPH	SE Amb Hlth Ctr	1979	14,604	10,879	0.14
2	HHS	DPH	Sunset Mntl Hlth Ctr	1949	5,500	2,276	0.11
3	HHS	DPH	Tom Waddell Clinic	1917	15,000	13,968	0.11
Sub-Total: DPH (Group C)						\$27,123	

D4-03.6: Health & Human Services - DPH / Aggregate Departmental Total

#	CATG	DEPT	\$ CRV (000)	
1		Various Facilities - Group A	\$169,527	
2		Various Facilities - Group B	29,637	
3		Various Facilities - Group C	27,123	
4		Sub-Total:	226,287	
5		Laguna Honda	752,244	
6		S.F. General Hospital	1,152,931	
TOTAL: Health & Human Services / DPH			\$2,131,462	

D4-03.7: Health & Human Services - Health Services Administration

#	CATG	DEPT	BLDG NAME	YR	GSF	\$ CRV (000)	FCI
1	HHS	HSA	1030 Oakdale	1971	9,700	4,014	0.19
2	HHS	HSA	1235 Mission (leased)	1935	99,400	45,251	0.17
3	HHS	HSA	170 Otis/Office Bldg	1978	171,385	78,021	0.06
4	HHS	HSA	170 Otis garage	1978	35,000	3,187	0.11
5	HHS	HSA	260 Golden Gate Fmly	1966	50,000	22,762	0.08
6	HHS	HSA	Arendt Housing	2009	25	35	0.0
7	HHS	HSA	Mills Comm. Ctr	1971	5,000	6,208	0.23
8	HHS	HSA	Fifth ST Homeless Ctr	1924	25,600	10,595	0.17
9	HHS	HSA	ML King Childcare Ctr	1971	7,409	3,066	0.21

10	HHS	HSA	Polk ST Homeless Ctr	1913	37,125	20.742	0.15
11	HHS	HSA	Sojourner Truth Ctr	1971	5,184	2,145	0.24
Sub-Total: HSA						\$196,026	

D4-03.8: Health and Human Services / Aggregate Category Total

#	CATG	DEPT	\$ CRV (000)	
1	HHS	Department of Public Health	\$2,131,462	
2	HHS	Health Services Administration	196,028	
TOTAL: Health & Human Services			\$2,327,490	

D4-04.1: Public Safety - Fire Department

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	PS	Fir	Arson Task Force Ofc.	1958	15,000	6,208	0.41^
2	PS	Fir	Arson Task Force Whs	1958	60,000	9,932	0.45^
3	PS	Fir	AWSS Pipe Yard	1980	6,400	2,649	0.21
4	PS	Fir	Equip Hdqtr 2501 25th	1918	7,000	2,897	0.54^
5	PS	Fir	Fire Chief Residence	1921	4,500	2,328	0.25
6	PS	Fir	Fire Training Treasure Is	1953	5,040	2,294	0.34^
7	PS	Fir	Fire Station #10	1956	14,300	5,918	0.44^
8	PS	Fir	Fire Station #11	1956	14,000	5,794	0.48^
9	PS	Fir	Fire Station #12	1955	11,300	4,677	0.40^
10	PS	Fir	Fire Station #13	1974	18,790	7,778	0.35^
11	PS	Fir	Fire Station #14	1973	15,500	6,580	0.46^
12	PS	Fir	Fire Station #15	1957	12,138	5,023	0.34^
13	PS	Fir	Fire Station #16	1938	14,000	5,794	0.49^
14	PS	Fir	Fire Station #17	1955	12,100	5,008	0.43^
15	PS	Fir	Fire Station #18	1951	15,900	6,580	0.44^
16	PS	Fir	Fire Station #19	1951	16,920	4,759	0.48^
17	PS	Fir	Fire Station #2	1994	16,920	7,002	0.49^
18	PS	Fir	Fire Station #20	1963	10,300	4,263	0.49^
19	PS	Fir	Fire Station #21	1958	8,000	3,311	0.44^
20	PS	Fir	Fire Station #22	1962	5,900	2,442	0.50^
21	PS	Fir	Fire Station #23	1959	12,000	4,966	0.49^
22	PS	Fir	Fire Station #24	1914	7,600	3,145	0.48^
23	PS	Fir	Fire Station #25	1916	11,420	4,726	0.47^
24	PS	Fir	Fire Station #26	1968	15,000	6,208	0.45^
25	PS	Fir	Fire Station #28	1967	9,350	3,870	0.45^
26	PS	Fir	Fire Station #29	1956	8,300	3,435	0.44^
27	PS	Fir	Fire Station #3	1973	8,000	3,311	0.49^
28	PS	Fir	Fire Station #30	2014	6,600	3,414	0.00
29	PS	Fir	Fire Station #31	1913	8,500	3,518	0.42^
30	PS	Fir	Fire Station #32	1941	10,900	4,511	0.44^
31	PS	Fir	Fire Station #33	1973	5,900	2,442	0.48^
32	PS	Fir	Fire Station #34	1929	4,400	1,821	0.44^
33	PS	Fir	Fire Station #35/Boat	1908	2,500	1,293	0.40^
34	PS	Fir	Fire Station #36	1961	16,100	6,663	0.01
35	PS	Fir	Fire Station #37	1915	6,950	2,876	0.48^
36	PS	Fir	Fire Station #38	1960	13,400	5,546	0.31^

37	PS	Fir	Fire Station #39	1923	8,450	3,497	0.48^
38	PS	Fir	Fire Station #4	2014	17,000	7,036	0.00
39	PS	Fir	Fire Station #40	1931	7,350	3,042	0.38^
40	PS	Fir	Fire Station #41	1956	9,600	3,973	0.46^
41	PS	Fir	Fire Station #42	1979	9,300	3,849	0.42^
42	PS	Fir	Fire Station #43	1970	10,800	4,470	0.49^
43	PS	Fir	Fire Station #44	1915	8,450	3,497	0.44^
44	PS	Fir	Fire Station #48	1940	15,000	6,208	0.53^
45	PS	Fir	Fire Station #5	1954	12,600	5,215	0.50^
46	PS	Fir	Fire Station #6	1948	13,500	5,587	0.35^
47	PS	Fir	Fire Station #7	1954	16,488	6,824	0.44^
48	PS	Fir	Fire Station #7 Office	2000	3,360	1,391	0.42^
49	PS	Fir	Fire Station #7 Tower	1953	8,712	3,966	0.33^
50	PS	Fir	Fire Station #8	1940	8,000	4,139	0.45^
51	PS	Fir	Fire Station #9	1972	15,000	6,332	0.46^
52	PS	Fir	Old Engine 21	1893	5,600	2,897	0.25
53	PS	Fir	Pump Stn #1	1912	50,000	25,866	0.24
54	PS	Fir	Sunset Tank	1950	5,000	828	0.50^
Sub-Total: Fire Department						\$261,599	

D4-04.2: Public Safety - Juvenile Authority

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	PS	Juv	Admin/Culinary HV	1966	9,072	4,505	0.41^
2	PS	Juv	Autoshop-Log Cabin	1953	6,000	2,980	0.35^
3	PS	Juv	Cowbarn Log Cabin	1953	1,600	265	0.58^
4	PS	Juv	Dom. Water Plant	1953	450	74	0.58^
5	PS	Juv	Dormitory-Log Cabin	1953	7,000	3,476	0.29
6	PS	Juv	Dorm-Hidden Valley	1966	4,560	6,628	0.52^
7	PS	Juv	Equip/Haybarn L Cabin	1953	2,000	331	0.58^
8	PS	Juv	Green House L Cabin	1953	450	74	0.58^
9	PS	Juv	Gym-Hidden Valley	1966	5,880	2,920	0.35^
10	PS	Juv	HV School Bldg	1966	7,776	3,862	0.42^
11	PS	Juv	Hoffman Hall -L Cabin	1953	7,400	3,675	0.37^
12	PS	Juv	Juvenile Hall Campus	2006	82,551	37,580	0.12
13	PS	Juv	Kitchen-Log Cabin	1953	5,200	2,582	0.37^
14	PS	Juv	Lake Verde Pumphouse	1953	450	74	0.00
15	PS	Juv	Laundry/Medical L Cabin	1953	2,600	1,291	0.42^
16	PS	Juv	Log Cabin Ranch Admin	1953	2,280	1,132	0.36^
17	PS	Juv	Mindiego Pumphse	1953	450	74	0.58^
18	PS	Juv	Modular Receiving	2003	2,840	1,175	0.11
19	PS	Juv	Old School Log Cabin	1953	3,200	530	0.58^
20	PS	Juv	Pool House Log Cabin	1953	540	89	0.58^
21	PS	Juv	Rec Hall Log Cabin	1953	4,300	2,135	0.40^
22	PS	Juv	W-1 Cottage Bldg 19	1950	10,504	4,347	0.38^
23	PS	Juv	W-2 Cottage: Bldg 18	1950	6,700	2,773	0.39^
24	PS	Juv	W-3 Cottage: Bldg 17	1951	6,700	2,773	0.34^
25	PS	Juv	Wastewater Trtmt	1953	450	74	0.58^

26	PS	Juv	YGC Admin/Courts	1950	65,530	27,120	0.41^
27	PS	Juv	YGC Corridors Tunnels	1950	3,674	1,520	0.36^
28	PS	Juv	YGC Garage;bldg. 43	1950	2,452	406	0.50^
29	PS	Juv	YGC Service Bldg 2	1950	24,815	10,270	0.55^
Sub-Total: Juvenile Authority						\$124,735	

D4-04.3: Public Safety - Police Department

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	PS	Pol	Bayview Police Stn	1996	16,000	6,622	0.19
2	PS	Pol	Central Police Stn	1970	8,000	3,311	0.24
3	PS	Pol	GG stables	1935	11,800	4,883	0.19
4	PS	Pol	Ingleside Police Stn	1910	18,500	7,656	0.17
5	PS	Pol	McLaren Park Stables	1935	900	149	0.00
6	PS	Pol	Mission Police Stn	1994	25,000	10,346	0.13
7	PS	Pol	Northern police Stn	1988	18,000	7,449	0.21
8	PS	Pol	Park police stn	1910	13,700	5,670	0.21
9	PS	Pol	Police Academy	1966	19,332	8,001	0.24
10	PS	Pol	Police stables shed	1975	400	66	0.00
11	PS	Pol	Lake Merced pistol rng	1942	10,000	4,139	0.32^
12	PS	Pol	Richmond police stn	1910	13,000	5,380	0.12
13	PS	Pol	Taraval police stn	1929	18,070	7,478	0.11
14	PS	Pol	Tenderloin police stn	2000	27,500	11,381	0.14
Sub-Total: Police Department						\$82,531	

D4-04.4: Public Safety - Sheriff's Department

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	PS	Shf	Alternative programs	1959	5,920	2,450	0.31^
2	PS	Shf	County Jail #5	2006	283,257	232,109	0.02
3	PS	Shf	County Jail #6	1988	50,000	37,247	0.06
4	PS	Shf	San Andreas Pump stn	1932	150	25	0.59^
5	PS	Shf	San Bruno Bus Barn 111	1932	1,074	178	0.25
6	PS	Shf	San Bruno Greenhouse	1988	1,984	328	0.50^
7	PS	Shf	San Bruno large barn	1970	3,200	530	0.50^
8	PS	Shf	San Bruno old swg bldg	1950	238	39	0.50^
9	PS	Shf	San Bruno old swg Gen	1950	195	32	0.50^
10	PS	Shf	San Bruno red barn	1932	3,846	637	0.40^
11	PS	Shf	San Bruno Storage coop	1932	2,310	382	0.50^
12	PS	Shf	San Bruno water supply	1932	100,000	41,385	0.02
13	PS	Shf	San Bruno Electrical svc	2006	500	83	0.00
14	PS	Shf	San Bruno sewer pump	2006	400	66	1.09^^
15	PS	Shf	San Bruno Pump stn	2006	600	99	0.00
16	PS	Shf	Sheriff's Facility	1994	250,000	223,481	0.10
17	PS	Shf	Learning Center	1932	14,000	5,794	0.19
Sub-Total: Sheriff's Department						\$544,865	

D4-04.5: Public Safety - Aggregate Category Total

#	CATG	DEPT	\$ CRV (000)	
1	PS	Fire Department	\$261,599	
2	PS	Juvenile Authority	124,735	
3	PS	Police Department	82,531	
4	PS	Sheriff's Department	544,865	
TOTAL: Public Safety			\$1,013,730	

D4-05.1: Recreation, Culture & Education (RCE) - Asian Art Museum

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	RCE	AAM	Asian Art Museum	2003	185,000	186,048	0.05
Sub-Total: Asian Art Museum						\$186,048	

D4-05.2: RCE - Arts Commission

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	RCE	ART	AfrAmArt/Culture	1935	34,031	17,605	0.18
2	RCE	ART	ArtsComm Gallery	1914	4,163	689	0.50^
3	RCE	ART	Bayview Opera House	1888	14,000	7,242	0.08
4	RCE	ART	Mission Cultural Ctr	1948	32,230	13,339	0.29
5	RCE	ART	S. Market Cultural Ctr	1906	17,844	7,385	0.13
Sub-Total: Arts Commission						\$46,260	

D4-05.3: RCE - Fine Arts Museums

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	RCE	FAM	de Young Museum	2005	292,500	261,473	0.06
2	RCE	FAM	Legion of Honor	1924	117,000	108,947	0.14
Sub-Total: Fine Arts Museums						\$370,420	

D4-05.4: RCE - Libraries

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	RCE	Lib	Anza Branch library	1937	8,222	4,253	0.00
2	RCE	Lib	Bayview Branch library	2013	9,527	3,943	0.05
3	RCE	Lib	Bernal Heights library	1940	8,777	4,540	0.05
4	RCE	Lib	Chinatown Br. Library	1921	17,858	9,238	0.39^
5	RCE	Lib	Eureka Valley Br. Lib	1961	6,465	1,472	0.05
6	RCE	Lib	Excelsior Branch library	1967	8,302	3,436	0.21
7	RCE	Lib	Glen Park Br. Library	2007	7,185	2,974	0.07
8	RCE	Lib	GG Valley Br. Library	1917	7,432	3,845	0.00
9	RCE	Lib	Ingleside Br Library	2009	6,100	2,525	0.18
10	RCE	Lib	Main Library	1996	376,000	101,146	0.13
11	RCE	Lib	Marina Br. Library	1954	7,633	3,159	0.06
12	RCE	Lib	Merced Br Library	1958	5,832	2,414	0.00
13	RCE	Lib	Mission Bay Br. Library	2006	8,500	3,518	0.06
14	RCE	Lib	Mission Branch Library	1916	10,479	5,421	0.22
15	RCE	Lib	Noe Valley Br Library	1916	6,096	3,154	0.05
16	RCE	Lib	North Beach Br Library	2014	8,500	3,518	0.10

17	RCE	Lib	Ocean View Br Library	2000	4,794	1,984	0.15
18	RCE	Lib	Ortega Branch Library	2011	9,300	3,849	0.10
19	RCE	Lib	Park Branch Library	1909	8,825	4,565	0.10
20	RCE	Lib	Parkside Branch Library	1951	6,890	2,851	0.06
21	RCE	Lib	Portola Branch Library	2009	6,427	2,660	0.08
22	RCE	Lib	Potrero Branch Lib.	1951	6,410	2,653	0.06
23	RCE	Lib	Presidio Branch Lib.	1921	10,205	5,279	0.06
24	RCE	Lib	Richmond Br. Library	1914	13,900	7,191	0.14
25	RCE	Lib	Sunset Branch library	1918	9,434	4,880	0.14
26	RCE	Lib	Support Svcs Bldg	1925	43,182	17,871	0.22
27	RCE	Lib	Visitation Valley Br Lib	2011	9,945	4,116	0.00
28	RCE	Lib	West Portal Branch lib	1939	8,536	4,416	0.09
29	RCE	Lib	Western Addition Br L.	1966	8,000	1,821	0.05
Sub-Total: Libraries						\$222,692	

D4-05.5: RCE - Academy of Sciences

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	RCE	Sci	Academy of Sciences	2007	410,000	335,967	0.13
Sub-Total: Academy of Sciences						\$335,967	

D4-05.6: RCE - War Memorial Opera House and Related Facilities

#	CATG	DEPT	FACILITY	YEAR	GSF	CRV \$000	FCI
1	RCE	WAR	Davies Symphony Hall	1980	203,500	204,653	0.03
2	RCE	WAR	War Memorial Opera	1932	315,700	341,006	0.13
3	RCE	WAR	War Mem. Veterans	1932	247,500	138,279	0.00
4	RCE	WAR	Zellerbach Rehearsal	1981	26,000	10,760	0.16
Sub-Total: War Memorial Opera House & Related Facilities						\$694,698	

D4-05.7: Recreation, Culture & Education - Aggregate Category Total

#	CATG	DEPT	\$ CRV (000)	
1	RCE	Asian Arts Museum	\$186,048	
2	RCE	Arts Commission	46,260	
3	RCE	Fine Arts Museums	370,420	
4	RCE	Libraries	222,692	
5	RCE	Academy of Sciences	335,967	
6	RCE	War Memorial Opera House and Related Facilities	694,698	
TOTAL: Recreation, Culture and Education			\$1,856,085	

Appendix D-5
Annual Maintenance Target Need
(Dollar in thousands)

DEPT	CRV (a)	% TARGET NEED (b)	\$ ANNUAL NEED
AAM	\$186,048	1%	\$1,860
ACAD	335,967	2.4%	8,063
ADM (c)	2,303,788	1.5%	34,557
ART	46,260	1.25%	578
DEM	28,970	1.1%	319
DPH	226,287	1.3%	27,722
DPW	337,514	0.85%	305
FAM	370,420	1.0%	3,704
FIR	261,599	1.8%	4,701
HSA	196,026	1.8%	3,528
JUV	124,736	1.5%	1,853
LIB	222,692	1.5%	3,340
POL	82,531	1.4%	1,155
RPD	1,369,200	1.4%	19,196
SFH	544,865	0.95%	5,176
TIS	2,212	3.75%	83
WAR	694,698	0.9%	6,252
TOTAL:	\$7,333,813	1.7% (d)	\$122,392
a. CRV from Appendix D-3 b. Target Need extracted from Figure 4 (chart from FRRM training materials) c. ADM/NBR/ADM \$857,092 plus General Government/ADM \$1,446,696 equals \$2,303,788 d. Computed as $122,392 / 7,333,813 = \sim 1.7\%$ average Target Need			

Appendix E

What Would It Take to Eliminate the Backlog in Ten Years?

The General Fund department facilities, streets and other right-of-way assets in the “Renewal Investments” backlog is \$1.1 billion. <http://onesanfrancisco.org/the-plan-2016/> This backlog is projected to grow by \$245 million over the next ten years, to \$1.345 billion. The current Facilities portion of the backlog is \$396 million. (2015 Ten-Year Capital Plan)

We were told there is widespread consensus on the need to do something about deferred maintenance, but it is so big -- how to chip away at it? One concept is to attack those items that will generate the highest costs in deferred maintenance and failure; but the City must continue to maintain the replacement facilities, or have the same problem in ten years.

According to the Plan, streets and other right-of-way assets will receive \$1.094 billion over the next ten years, and end the ten-year period with a streets backlog of \$695 million. Facilities Renewal Investments (including current backlogs) have a projected funding total of \$595 million over ten years, but will end with a projected facilities backlog in 2025 of \$650 million. (Capital Plan 2015)

To quantify the funding challenge, Facilities needs an additional \$25.4 million in each of the next ten fiscal years in order to stop the backlog from growing. To erase its backlog by 2025, Facilities would need an annual budget increase of \$65 million.

Using the Capital Plan numbers, the Facilities backlog could be eliminated over ten years, if the City were to budget an additional 0.17% of General Fund CRV annually (over and above the \$1.094 billion for streets and other right-of-way assets):

a.	Projected funded budget \$595 million = \$59.5 million/year, plus
b.	Eliminate projected backlog \$649 million = <u>\$64.9</u> million/year, sums to \$124.4 million/year, produces
c.	\$124.4 million divided by General Fund CRV of \$7.337 billion = ~0.17%

The long-term “solution” to the General Fund departments’ backlog of deferred maintenance:

1. keep the backlog from getting bigger by adequately funding maintenance and repair; and
2. gradually remove true DM&R items from the backlog list as the prematurely worn-out facilities and infrastructure become cheaper to replace with new capital assets.

OFFICE OF THE MAYOR
SAN FRANCISCO



*Rates, BDS-11,
COB, Leg Rep.,*
EDWIN M. LEE *CPage*
MAYOR *ACFu*

Notice of Appointment

June 23, 2016

San Francisco Board of Supervisors
City Hall, Room 244
1 Carlton B. Goodlett Place
San Francisco, California 94102

Honorable Board of Supervisors:

Pursuant to Section 4.106 of the Charter of the City and County of San Francisco, I hereby make the following nominations:

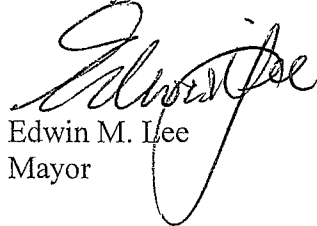
Darryl Honda, to the Board of Appeals, for a four-year term ending July 1, 2020

Frank Fung, to the Board of Appeals, for a four-year term ending July 1, 2020

I am confident that Mr. Honda and Mr. Fung, electors of the City and County, will serve our community well. Attached herein for your reference are their qualifications to serve.

Should you have any questions related to these appointments, please contact my Director of Appointments, Nicole Elliott, at (415) 554-7940.

Sincerely,


Edwin M. Lee
Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2016 JUN 23 PM 3:34
BY *EBB*

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200
SAN FRANCISCO, CALIFORNIA 94102-4681
TELEPHONE: (415) 554-6141

Darryl Honda
2523 California Street
San Francisco, CA 94115
415-608-7575
Darryl@sfresold.com

BACKGROUND

Native Californian

- Diamond Heights Elementary (currently the SF Police Academy)
- Marina Junior High
- Sacred Heart High School, George Washington High School
- 38 years here, resided in six districts

WORK EXPERIENCE

- Zephyr Real Estate • REALTOR ® since 1998

Specializing in San Francisco real estate

Closing more than 350 real estate transactions

- Owner/Entrepreneur, VideoMotion, 1985-2000

Landmark video store in the Sunset

Established lasting relationships, both business and personal many of which are still current today

- Bussed tables at Fisherman's Wharf, Candy stripped at Presbyterian Hospital (currently CPMC), gas station attendant at Union 76 on Lombard Street and when I was even younger, I delivered newspaper for the Chronicle and had three routes at one time

SKILLS AND EXPERIENCE

- Owned and operated VideoMotion for over 15 years; as a small business owner I did all the tasks that come with owning a company. PR, HR, CEO, CFO & janitorial
- Founding Member, Westside Chinese Democratic Club
- Founding Member, Westside Democratic Club
- Candidate, San Francisco Board of Supervisors for District 4, Sunset
- Board Member for 9 years; SAFE-BIDCO – State Assistance Fund for Enterprise, Business and Industrial Development Corporation, Appointed by Senate Pro-tem John Burton
- Member, San Francisco Association of REALTORS ®
- Member, California Association of REALTORS ®
- Member, National Association of REALTORS ®

EDUCATION

- Academy of Art College of San Francisco
- San Francisco Community College

FILE NO.

MOTION NO.

1 [Motion confirming the appointment of Darryl Honda to the Board of Appeals]

2
3 **Motion confirming the appointment of Darryl Honda, to the Board of Appeals, for a term**
4 **ending July 1, 2020.**

5
6 WHEREAS, Pursuant to Charter Section 4.106, the Mayor has submitted a
7 communication notifying the Board of Supervisors of the nomination of Darryl Honda to the
8 Board of Appeals, received by the Clerk of the Board on June 23, 2016; and

9 WHEREAS, The Board of Supervisors, by Motion 02-80 established a process to
10 review the Mayor's nomination to the Board of Appeals; now, therefore, be it

11 MOVED, That the Board of Supervisors hereby approves the Mayor's nomination of
12 Darryl Honda to the Board of Appeals term ending July 1,2016.



FRANK SUNG FUNG

PERSONAL

Born, Qingdao, China
Naturalized Citizen, United States
U.S. Army Veteran
Married, with two children.

EDUCATION

Primary and Secondary Schools
San Francisco and Hayward, California
Bachelor of Architecture
University of California, Berkeley
Master of Architecture Study
University of California, Berkeley

BUSINESS

ED2 International

President and founder of professional services firm providing planning, architectural and interior design services. Firm headquartered in San Francisco with a staff of forty plus professionals. Previous branch offices were located in Oakland, Los Angeles, Chicago and Shanghai.

PROFESSIONAL

San Francisco Project Selection Panels

Appointed civilian panelist selecting architects for major commissions in the City and County of San Francisco. Sat on selection for Palace of Legion of Honor, Ferry Building and Moscone Convention Center.

Design Review Panels

Appointed civilian consultant to review designs for major commercial and office complexes in Emeryville, California.

City Planning and Urban Design Panels

Panelist for city planning and urban design policies for agencies in cities of Shanghai, Pudong, Qingdao, Jinan and Haikou in China and Kurioso and Hiroshima in Japan.

Board of Architectural Examiners

Appointed State commissioner administering design and oral examinations for State of California architectural licensing candidates.

Asian American Architects & Engineers

Founding member and first president of non-profit professional organization that addresses the challenges and issues facing Asian American design firms as minority small businesses.

University of California

Guest lecturer at the School of Environmental Design on professional practice. Jury critic on design studios.

CIVIC AFFAIRS

Chinese American International School

Board member and current Chair for private, non-profit, academic institution teaching Mandarin Chinese and English in a bilingual and bicultural immersion program.

Board of Permit Appeals

Appointed Commissioner and current Vice-President to San Francisco City and County Commission addressing appeals of the decisions of most City Commissions and Departments. Previously served as President.

Council of Asian American Business Associations

Founding member and current Chair of non-profit business development organization founded in 1979 that functions as a steering committee for Asian American trade associations comprised of Asian American Architects & Engineers, Asian American Contractors Association, Asian American CPA's & Attorneys and Asian Business Association of Silicon Valley.

Asian, Inc.

Board member and current Chair for non-profit community based organization for economic and community development advocacy in Asian American communities.

Bay Area Sports Organizing Committee

Board member for non-profit organization leading the effort to bring the Olympics to the San Francisco Bay Area in 2012.

Northern California Export Council

Board member appointed by United States Department of Commerce to advisory commission to Federal agencies on policies to encourage exports from California small businesses.

Planning Commission

Appointed commissioner and previous Vice-President to San Francisco City and County commission addressing planning and land use issues for the City.

Fort Mason Foundation

Board member for non-profit organization administering the Fort Mason complex as a city wide cultural resource. Served on facilities and planning committee and capital development committee.

White House Conference on Small Business

Elected delegate representing Northern California small businesses for first two national conferences.

California State Conference on Small Business

Appointed delegate representing City and County of San Francisco small businesses for first two statewide conferences.

Asian Neighborhood Design

Founding member and first president of non-profit community based organization providing volunteer planning and design services in Asian American communities.

FILE NO.

MOTION NO.

[Motion confirming the appointment of Frank Fung to the Board of Appeals]

Motion confirming the appointment of Frank Fung, to the Board of Appeals, for a term ending July 1, 2020.

WHEREAS, Pursuant to Charter Section 4.106, the Mayor has submitted a communication notifying the Board of Supervisors of the nomination of Frank Fung to the Board of Appeals, received by the Clerk of the Board on June 23, 2016; and

WHEREAS, The Board of Supervisors, by Motion 02-80 established a process to review the Mayor's nomination to the Board of Appeals; now, therefore, be it

MOVED, That the Board of Supervisors hereby approves the Mayor's nomination of Frank Fung to the Board of Appeals term ending July 1, 2016.



San Francisco
Water Power Sewer
 Services of the San Francisco Public Utilities Commission

ORIG: Leg Clerk
 COB: B+F Chair., Clerk
 525 Golden Gate Avenue, 13th Floor
 San Francisco, CA 94102
 T 415.487.5254
 F 415.487.5258
 TTY 415.554.3488
 Leg. Dep.
 Cpage

June 17, 2016

Angela Calvillo
 Clerk of the Board of Supervisors
 1 Dr. Carlton B. Goodlett Place
 City Hall, Room 244
 San Francisco, CA 94102

2016 JUN 27 PM 4:54
 RECEIVED
 SAN FRANCISCO
 PUBLIC UTILITIES COMMISSION

**Subject: WSIP San Francisco Westside Recycled Water Project CUW30201
 Release of Reserve, \$120,827,000**

I would like to request your assistance to have calendared the release of reserve of \$120,827,000 from San Francisco Westside Recycled Water Project CUW30201.

The appropriation to fund the construction costs for WSIP projects with costs in excess of \$100,000,000 were placed on Budget and Finance Committee reserve pending review by the Committee.

The release of the reserved funding is needed to award the contracts for the construction work on the San Francisco Westside Recycled Water Project.

Sincerely,

Harlan L. Kelly, Jr.
 General Manager

Edwin M. Lee
 Mayor
 Francesca Vietor
 President
 Anson Moran
 Vice President
 Ann Moller Caen
 Commissioner
 Vince Courtney
 Commissioner
 Ike Kwon
 Commissioner
 Harlan L. Kelly, Jr.
 General Manager

10



June 15, 2016

TO: STATE, CITY AND LOCAL OFFICIALS

NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S REQUEST TO CHANGE RATES FOR ELECTRICITY PRODUCTION IN 2017 AND RETURN REVENUES FROM THE SALE OF GREENHOUSE GAS ALLOWANCES (A.16-06-003)

Summary

On June 1, 2016, Pacific Gas and Electric (PG&E) Company filed an application with the California Public Utilities Commission (CPUC) requesting approval for the forecasted funding required in 2017 to obtain electricity on behalf of its customers. In addition, PG&E also requests approval of forecasted revenues from the sale of emissions allowances associated with California's Greenhouse Gas (GHG) reduction program. This application is referred to as the 2017 Energy Resource Recovery Account (ERRA) and Generation Non-bypassable Charges Forecast and Greenhouse Gas Forecast Revenue and Reconciliation (Application 16-06-003). If approved, this application will change electrical rates and customers' electric bills effective January 2017. PG&E's application primarily includes requests for approval of:

1. The forecasted recovery of \$4.30 billion in electricity costs. These costs are associated with the fuel needed to produce electricity as well as the costs of buying electricity from third parties, such as renewable energy producers
2. The forecasted spending of \$1.3 million for administrative and outreach expenses associated with California's GHG reduction program
3. The return of \$312 million to eligible customers from the sale of GHG emissions allowances

The use of all funds collected and the exact amounts may change and are subject to CPUC regulatory approval. PG&E will provide the CPUC with updated figures closer to when rates go into effect to ensure that the most current and accurate information available is used.

About the filing

The CPUC regulates and oversees all requests for any rate changes. PG&E would not profit from any of the requests in this application. The cost of energy is passed directly to PG&E's customers without any markup. If the CPUC approves the application, PG&E will begin to recover its costs in electric rates, effective January 1, 2017. At the end of 2017, to ensure all funds are used on the customers' behalf, PG&E will compare the actual costs to produce and purchase energy against revenues collected from customers and will incorporate any differences in next year's application.

PG&E will return GHG allowance revenue to residential, small business and some industrial customers through rates and the California Climate Credit, based on methods determined by the state legislature and the CPUC. The revenue is intended to reduce the impact of the cost of the GHG reduction program on customers' electric rates.

How will PG&E's application affect me?

PG&E's request would result in a rate decrease for most customers. Altogether, PG&E proposes to reduce revenues collected from bundled service customers, who receive electric generation and distribution service from PG&E, by \$439 million. The distribution of these rate changes to each customer class ultimately depends on the CPUC's final decisions.

For the purpose of illustrating this application's proposed rate changes, PG&E has used the electric rate designs in effect as of March 24, 2016 for present rates, and using 2017 forecasted sales for both present and January 1, 2017 proposed rates.

A table presenting a more illustrative description of the impact of this application was included in a bill insert announcing this filing that was sent directly to customers in the June 2016 billing cycle.

PG&E estimates that a typical residential customer using 500 kWh per month would see an average bill decrease of \$3.26 (or 3.3%) from \$99.24 to \$95.98. Individual customers' bill will differ. Eligible residential customers will receive a California Climate Credit twice a year, in April and October, on their electricity bills of approximately \$27.87.

How will PG&E's application affect non-bundled customers?

Direct Access (DA) and Community Choice Aggregation (CCA) customers only receive electric transmission and distribution service from PG&E. Since PG&E does not obtain energy for these customers, PG&E's application addresses the cost responsibility of DA customers and CCA customers that purchase electricity from another provider but transport it through PG&E's electrical system. Eligible DA and CCA customers will receive GHG revenues. The net impact of PG&E's application on DA and CCA customers is \$30 million, or an average increase of 2.5 percent.

Another category of non-bundled customers is Departing Load (DL) customers. These customers do not receive electric generation, transmission or distribution services from PG&E for their departing load. However, like DA and CCA customers, they are required by law or Commission decision to pay certain non-bypassable charges, including the Power Charge Indifference Adjustment (PCIA), Ongoing Competition Transition Charge (CTC), and Cost Allocation Mechanism (CAM). The net impact on DL customers is a decrease of \$1.3 million, or an average decrease of 4.1 percent.

How do I find out more about PG&E's proposals?

If you have questions about PG&E's filing, please contact PG&E at **1-800-743-5000**. For TDD/TTY (speech-hearing impaired), call **1-800-652-4712**. Para más detalles llame al 1-800-660-6789 • 詳情請致電 1-800-893-9555. If you would like a copy of PG&E's filing and exhibits, please write to PG&E at the address below:

Pacific Gas and Electric Company
2017 ERRR Forecast (16-06-003)
P.O. Box 7442
San Francisco, CA 94120

A copy of PG&E's filing and exhibits are also available for review at the CPUC's Central Files Office by appointment only. For more information contact alcentralfilesid@cpuc.ca.gov or **1-415-703-2045**. PG&E's application (without exhibits) is available on the CPUC's website at www.cpuc.ca.gov/.

CPUC process

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are formal parties in the case can participate. After considering all proposals and evidence presented during the hearings, the assigned Judge will issue a proposed decision that may adopt PG&E's proposal, modify it or deny it. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting. The Office of Ratepayer Advocates (ORA) may review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. The ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call **1-415-703-1584**, email ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

Stay informed

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribecpuc.cpuc.ca.gov/>. If you would like to learn how you can participate in the proceeding, have informal comments about the application, or if you have questions about the CPUC processes, you may access the CPUC's Public Advisor Office (PAO) webpage at <http://consumers.cpuc.ca.gov/pao/>.

You may also contact the PAO as follows:

Email: public.advisor@cpuc.ca.gov
Mail: CPUC
Public Advisor's Office
505 Van Ness Avenue, Room 2103
San Francisco, CA 94102
Call: 1-866-849-8390 (toll-free) or 1-415-703-2074
TTY: 1-866-836-7825 (toll-free) or 1-415-703-5282

If you are writing or emailing the PAO, please include the proceeding number (2017 ERRR Forecast, A.16-06-003). All comments will be circulated to the Commissioners, the assigned Judge and appropriate CPUC staff, and will become public record.

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; Somera, Alisa (BOS); Ausberry, Andrea
Subject: File 160102 FW: Approve Whole Foods at Jackson/Polk

-----Original Message-----

From: christine blomley [mailto:christineblomley@comcast.net]
Sent: Monday, June 27, 2016 3:10 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Approve Whole Foods at Jackson/Polk

Dear Supervisors:

I am a native San Franciscan who lives at Jackson and Van Ness near the proposed site for the Whole Foods store. I am a senior citizen and I can't tell you how much it would help me and many others to have a store so near my

home. Not driving is what you want people to do so you need to give us grocery stores where we live!!! Please do whatever you can to give approval for this project.....the last thing we need is another gym or restaurant. We need a grocery for all the people in this neighborhood which has added so many residents with all the condos on Van Ness, Pacific, Jackson and Washington.

Thank you.

Sincerely,

Christine Blomley
1701 Jackson #502
San Francisco, CA 94109

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Board Item Number 160187 – Settlement with David Zeller -- \$900,000

From: Mike McCowan [mailto:mikem_1@yahoo.com]
Sent: Thursday, June 30, 2016 5:13 PM
To: Major, Erica (BOS) <erica.major@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Board Item Number 160187 – Settlement with David Zeller -- \$900,000

Dear City County San Francisco Board of Supervisors,

I am writing to you in advance of the upcoming vote regarding the settlement of my Uncle, David Zeller.

David and I were very close in our younger years, as David was close to my age, he was more of an older brother than Uncle. We spent much time together, besides just holidays, we would take turns spending the night at each other's homes. Unfortunately, alcoholism invaded that side of my family. David's Mother, my Grandmother, and my Father, David's Half-Brother, caused unspeakable horror and fear in David's and my life at the time. Ultimately, family dysfunction tore David and me apart when I was only 17, never to hear of him or his whereabouts for 38 years. It was with David's passing that I have been made aware of the sad and preventable circumstances of the last few years of his life.

By all accounts, David Zeller was full of life, and loved the City of San Francisco. He had many close friends that he cared about and that cared about him as well. For me, finding David begins a process of discovery, learning as much as I can about him as I can through his friends, and try to put the pieces of the past together. The discovery of David, the mistakes of the past, and the mental images of his last few years in a wheelchair on heavy medication have caused grief, guilt, and sadness inside me, as well as peace that whatever pain and misery David lived with in the last few years, has passed.

I am writing to beg and plead with you to approve the settlement that my Uncle had fought for and that he needed to take care of his needs. Although he has passed, the settlement would provide an opportunity to recognize, celebrate, and carry on my Uncle's good name. I would like to make a donation in the form of a scholarship to David's alma mater, Indiana University School of Journalism. His ashes were scattered by his girlfriend in a local park at the School, and a scholarship would carry on his legacy there. This donation, would not only help future students, but ultimately allow me an opportunity to do something good for David.

Sincerely,
Michael McCowan

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Board File No. 160187 – Settlement of Lawsuit of David Zeller -- \$900,000

From: Jami Tucker [mailto:tuckerjami@gmail.com]
Sent: Tuesday, June 28, 2016 1:16 AM
To: Major, Erica (BOS) <erica.major@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Re: Board File No. 160187 – Settlement of Lawsuit of David Zeller -- \$900,000

Ms. Major and the SF Board of Supervisors,

I am saddened to hear that you all think it is humane to back out of a commitment you made to a SF cab driver who was subjected to gross medical negligence and was finally awarded a token settlement to make up for what happened to him.

He finally took his own life, which was full of pain, suffering, depression, and paralysis.

Despite the promise of a settlement payment, which amount and distribution had already been agreed upon, you are now backing out? You personally are taking away his wish (and it is/was his decision as to how to make something good out of his horrifying situation) of starting a scholarship fund at Indiana University, because he's now dead and apparently it doesn't matter anymore, at least not to you as a fellow San Francisco neighbor. Maybe he even drove you in his cab before his body no longer worked due to medical incompetence.

You should be ashamed of your despicable behavior. It's truly disgusting how people in government can be so inhumane - just purely selfish. You have a chance to reconsider your actions. I hope and pray that you do so and follow through on your promise. People are watching you to see what you do. Step up and do the right thing before it's too late. What do you want the headlines to say?

Paralyzed plaintiff awarded settlement but loses will to live; SF city leadership backs out of paying settlement because "he's dead now so it doesn't matter!"

Hoping you make this situation "right" before it's too late,
Jami

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Board File No. 160187 – Settlement of Lawsuit of David Zeller -- \$900,000

From: Andrew Carson [mailto:acarson333@yahoo.com]

Sent: Tuesday, June 28, 2016 8:58 AM

To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Major, Erica (BOS) <erica.major@sfgov.org>

Subject: Re: Board File No. 160187 – Settlement of Lawsuit of David Zeller -- \$900,000

Dear Board of Supervisors and all interested parties,

My name is Andy Carson, and I was a close personal friend of David Zeller's, who had reached a legal settlement with the City and on whose behalf I am writing today.

As I am sure you are all aware, David was seeking a settlement of 1.5 Million with the City for gross negligence and medical malpractice, had won the settlement with Carter Zinn, and then ended his life before he was paid his first payment.

I attended a meeting at City Hall with the Government Audit and Oversight Committee regarding honoring the settlement terms, and was shocked to learn that the committee elected not to honor the payment due to Dave's untimely death, either in full or in part.

I feel that it would be morally right to re-evaluate this decision, and reconsider paying this settlement out to his nearest relative Mike McCowan, and for the legal expenses of the Firm that represented his case.

Carter Zinn worked hard to defend Dave. I feel he was one of his only real friends and supporters throughout the ordeal that his life became over the last 4 years.

He was more than just his lawyer, and truly cared for Dave as a human being and a friend. I know this because I've had the good fortune to know him through Dave's circumstances, and feel that he was one of the only bright spots in Dave's life since his accident at the General.

The fees and expenses he accrued during his efforts to secure Dave's settlement should be paid out to him. It is morally unjust that he should not be compensated for the time and energy that he put into David's case and interests.

Mike is Dave's nephew and closest living relative; I feel he is entitled to this settlement not only for his intentions regarding what to do with this money (he wishes to provide the University where Dave went to school in Indiana with funds to create a library in Dave's name), but also simply because it is right that the city pay for its mistake and for the way it handled Dave's life when he was here. It can't help Dave; it already lost the chance to make his life better. The next best thing it can do is to help his family.

It is extremely likely that his suicide would not have occurred if his medications were not so dramatically changed in the last few months of his life, and the City needs to answer for the way it treated him. If not to Dave, then to Mike. SOMEONE in Dave's family should benefit from all of this, even if it cannot be Dave himself.

Below is a statement I wrote on Dave's behalf for the Committee when they voted not to pay the Settlement out last week. I am hoping that it might sway some of you that I am reaching out to now, to reconsider that decision on the 28th of this month.

Thank you for your time. Here is my statement below:

"David Zeller was an intelligent, sensitive, funny and fantastic person who was failed by the system in every way that could possibly matter.

I knew this remarkable man for over 10 years professionally, and then much more closely after his hospital incident during the past several years. I feel very fortunate to have known him, and will feel his absence in my life for many years to come.

In spite of an unfair, traumatic and frankly horrifying circumstance brought on by the Healthcare system here in San Francisco which compromised his back, his health, and his ability to live his life productively, he was overcoming his setbacks and achieving a state of mental and emotional balance, well-being and empowerment.

His strength of character was inspiring, and I looked forward to continuing my friendship with him well after all of the weight of this settlement had passed.

In a very short period of time, the work he had achieved in last few years of his life was undone, and his demeanor changed drastically from one of hope and empowerment to one of despondency. He also noticeably lost weight.

I know that his prescriptions changed significantly in the final months of his life, and personally believe that that the changes his doctors made in his care during the last few months, particularly with regard to his Adavan prescription reduction, are causally related to his extreme shift in temperament and eventual suicide.

It is a gross injustice and a tragedy that his life ended when he had actually won this settlement, and I feel it would be a morally correct thing to pay this now-disputed settlement out to his family relations and to pay for his legal fees. I say this without any vested interest. I have nothing personally to gain, other than a desire to see something positive come from an otherwise painful circumstance.

It is truly the least this city could do.

It doesn't change how badly the city failed him in the first place; it doesn't change the needless, pointless horror of the circumstance it left him with, or the poor and disconnected care he received from the Healthcare system all the way until the end of his life.

But paying the settlement out would be the right thing to do.

Sincerely,

Andrew D. Carson "

Andrew D. Carson
Illustration
1(415) 305-2312

www.andrewcarsonillustration.com

From: Board of Supervisors, (BOS)
To: Major, Erica (BOS)
Subject: FW: Board File No. 160187 - Settlement of Lawsuit - David Zeller - \$900,000

From: Zabala, Sepee [mailto:szabala@tpg.com]

Sent: Monday, June 27, 2016 2:55 PM

To: regentsoffice@ucop.edu; Mar, Eric (BOS) <eric.mar@sfgov.org>; Farrell, Mark (BOS) <mark.farrell@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Tang, Katy (BOS) <katy.tang@sfgov.org>; BreedStaff, (BOS) <breedstaff@sfgov.org>; Kim, Jane (BOS) <jane.kim@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Wiener, Scott <scott.wiener@sfgov.org>; Campos, David (BOS) <david.campos@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Avalos, John (BOS) <john.avalos@sfgov.org>

Cc: Pagoulatos, Nickolas (BOS) <nickolas.pagoulatos@sfgov.org>; Lim, Victor (BOS) <victor.lim@sfgov.org>; Yu, Angelina (BOS) <angelina.yu@sfgov.org>; Kelly, Margaux (BOS) <margaux.kelly@sfgov.org>; Montejano, Jess (BOS) <jess.montejano@sfgov.org>; Karunaratne, Kanishka (BOS) <kanishka.karunaratne@sfgov.org>; Angulo, Sunny (BOS) <sunny.angulo@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Hepner, Lee (BOS) <lee.hepner@SFGOV1.onmicrosoft.com>; Summers, Ashley (BOS) <ashley.summers@sfgov.org>; Quizon, Dyanna (BOS) <dyanna.quizon@sfgov.org>; Law, Ray (BOS) <ray.law@sfgov.org>; Roxas, Samantha (BOS) <samantha.roxas@sfgov.org>; Johnston, Conor (BOS) <conor.johnston@sfgov.org>; Wong, Iris (BOS) <iris.wong@sfgov.org>; Ang, April (BOS) <april.ang@sfgov.org>; Lopez, Barbara (BOS) <barbara.lopez@sfgov.org>; Lee, Ivy (BOS) <ivy.lee@sfgov.org>; Maybaum, Erica (BOS) <erica.maybaum@sfgov.org>; Choy, Jarlene (BOS) <jarlene.choy@sfgov.org>; Low, Jen (BOS) <jen.low@sfgov.org>; Taylor, Adam (BOS) <adam.taylor@sfgov.org>; Cretan, Jeff (BOS) <jeff.cretan@sfgov.org>; Fryman, Ann (BOS) <ann.fryman@sfgov.org>; Ronen, Hillary <hillary.ronen@sfgov.org>; Chung Hagen, Sheila (BOS) <sheila.chung.hagen@sfgov.org>; Goossen, Carolyn (BOS) <carolyn.goossen@sfgov.org>; Bruss, Andrea (BOS) <andrea.bruss@sfgov.org>; Chan, Yoyo (BOS) <yoyo.chan@sfgov.org>; Tugbenyoh, Mawuli (BOS) <mawuli.tugbenyoh@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Pollock, Jeremy (BOS) <jeremy.pollock@sfgov.org>; Rubenstein, Beth (BOS) <beth.rubenstein@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>

Subject: RE: Board File No. 160187 - Settlement of Lawsuit - David Zeller - \$900,000

cc: board.of.supervisors@sfgov.org

Sepeedeh Zabala

(415) 743-1628 o

(415) 770-5322 c

From: Zabala, Sepee

Sent: Monday, June 27, 2016 11:49 AM

To: 'regentsoffice@ucop.edu'; 'Eric.L.Mar@sfgov.org'; 'Mark.Farrell@sfgov.org'; 'Aaron.Peskin@sfgov.org'; 'Katy.Tang@sfgov.org'; 'Breedstaff@sfgov.org'; 'Jane.Kim@sfgov.org'; 'Norman.Yee@sfgov.org'; 'Scott.Wiener@sfgov.org'; 'David.Campos@sfgov.org'; 'Malia.Cohen@sfgov.org'; 'John.Avalos@sfgov.org'

Cc: 'Nickolas.Pagoulatos@sfgov.org'; 'Victor.Lim@sfgov.org'; 'Angelina.Yu@sfgov.org'; 'Margaux.Kelly@sfgov.org'; 'Jess.Montejano@sfgov.org'; 'Kanishka.Karunaratne@sfgov.org'; 'Sunny.Angulo@sfgov.org'; 'Connie.Chan@sfgov.org'; 'Lee.Hepner@sfgov.org'; 'Ashley.Summers@sfgov.org'; 'Dyanna.Quizon@sfgov.org'; 'Ray.Law@sfgov.org'; 'Samantha.Roxas@sfgov.org'; 'Conor.Johnston@sfgov.org'; 'Iris.Wong@sfgov.org'; 'April.Veneracion@sfgov.org'; 'Barbara.Lopez@sfgov.org'; 'Ivy.Lee@sfgov.org'; 'Erica.Maybaum@sfgov.org'; 'Jarlene.Choy@sfgov.org'; 'Jen.Low@sfgov.org'; 'Adam.Taylor@sfgov.org'; 'Jeff.Cretan@sfgov.org'; 'Ann.Fryman@sfgov.org'; 'Hillary.Ronen@sfgov.org'; 'Sheila.chung.hagen@sfgov.org'; 'Carolyn.Goossen@sfgov.org'; 'Andrea.Bruss@sfgov.org'; 'Yoyo.Chan@sfgov.org'; 'Mawuli.Tugbenyoh@sfgov.org'; 'Frances.Hsieh@sfgov.org'; 'Jeremy.Pollock@sfgov.org'; 'Beth.Rubenstein@sfgov.org'

Subject: Board File No. 160187 - Settlement of Lawsuit - David Zeller - \$900,000

Dear Sirs/Madams,

In the captioned matter, I was both saddened and deeply concerned by the article in the SF Chronicle a couple weeks ago. I'm sure this is a difficult decision for all of you; at least, I hope it is one you are turning over and considering thoughtfully. It could be very tempting to view this as an isolated case with a tragic end that could not be helped. However, to simplify it as such and hide behind the vagaries and machinations of bureaucratic channels and the legal system seems altogether too convenient. How could that be right?

From what the article details, it seems that *at the very least the legal limit of \$250,000* is due for the pain and suffering Mr. Zeller endured, which one can't possibly in good faith and conscience withhold, even in his absence. As far as his attorney's fees, it seems to me as if Mr. Zinn earned the amount in full that was originally promised, which was a fair wage for representing Mr. Zeller and obtaining the full settlement that was reached. It is far from unethical for him to expect to be paid for doing his job and doing it well! How does he deserve to lose here and how can one cast shade on him for objecting to that? It is illogical and makes no sense.

As far as the amount reached for Mr. Zeller's long-term care, that's one for the lawyers to hash out perhaps. As far as I can reason, if the money was promised for care that is no longer needed, as unthinkable and unfair as it seems, truth is it is very sadly a moot point. That said, it would be much more fitting that the money be given to a worthy cause in memoriam! What could be more appropriate in this matter in light of Mr. Zeller's horrifying experiences since 2012? Consider what the man suffered for 4 years! It's inconceivable. I simply can't imagine it.

While not directly related to Mr. Zeller's case, I'd like to take the opportunity to add that I'm very concerned for any other patients getting treatment at SF General. After reading about what happened to Mr. Zeller-- my first thoughts are for the standard of care being given at the hospital. Has this become an exploration of the facts and failures of Mr. Zeller's case and an investigation of the quality of medical care patients are receiving? If it hasn't, that's another tragedy by itself! And wouldn't the urgency for such scrutiny dissipate if the case simply evaporated because Mr. Zeller is not alive to remind us of the gross negligence he suffered at SF General?

It stands to reason that unless the hospital is held accountable and justice is served to the victim and his family, upholding (not ignoring!) the reasons for this horrible outcome, these instances will continue unchecked, especially if they are swept under the rug.

Finally, Mr. Zeller, his family and his attorney should not be the only ones feeling the pain and paying the price --- and such a high one at that! *How could that be right?*

Please consider the consequence of dishonoring the acknowledgement of culpability in Mr. Zeller's case and all that comes with it. It's unconscionable to think his untimely and tragic death would change any of the responsibility of those involved. Yes, accidents happen, but not in this case; everyone already agreed (to the tune of \$1.5M) that SF General was to blame. Mr. Zeller may have died, but their responsibility has not! What is going to be done about that?

Sincerely,
Sepee Zabala

Sepeedeh Zabala
(415) 743-1628 | (415) 438-1424 f | (415) 770-5322 c | szabala@tpg.com

This message is intended only for the person(s) to which it is addressed and may contain privileged, confidential and/or insider information. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer.

Any disclosure, copying, distribution, or the taking of any action concerning the contents of this message and any attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

From: Zabala, Sepee <szabala@tpg.com>
Sent: Monday, June 27, 2016 3:36 PM
To: regentsoffice@ucop.edu; Mar, Eric (BOS); Farrell, Mark (BOS); Peskin, Aaron (BOS); Tang, Katy (BOS); BreedStaff, (BOS); Kim, Jane (BOS); Yee, Norman (BOS); Wiener, Scott; Campos, David (BOS); Cohen, Malia (BOS); Avalos, John (BOS)
Cc: Pagoulatos, Nickolas (BOS); Lim, Victor (BOS); Yu, Angelina (BOS); Kelly, Margaux (BOS); Montejano, Jess (BOS); Karunaratne, Kanishka (BOS); Angulo, Sunny (BOS); Chan, Connie (BOS); Hepner, Lee (BOS); Summers, Ashley (BOS); Quizon, Dyanna (BOS); Law, Ray (BOS); Roxas, Samantha (BOS); Johnston, Conor (BOS); Wong, Iris (BOS); Ang, April (BOS); Lopez, Barbara (BOS); Lee, Ivy (BOS); Maybaum, Erica (BOS); Choy, Jarlene (BOS); Low, Jen (BOS); Taylor, Adam (BOS); Cretan, Jeff (BOS); Fryman, Ann (BOS); Ronen, Hillary; Chung Hagen, Sheila (BOS); Goossen, Carolyn (BOS); Bruss, Andrea (BOS); Chan, Yoyo (BOS); Tugbenyoh, Mawuli (BOS); Hsieh, Frances (BOS); Pollock, Jeremy (BOS); Rubenstein, Beth (BOS); Board of Supervisors, (BOS)
Subject: RE: Board File No. 160187 - Settlement of Lawsuit - David Zeller - \$900,000

P.S.: I was just discussing this with someone and heard myself say that SF General must be insured for stuff like this, right? Paying out a \$1.5M claim may very well effect future evaluations of the risk the hospital poses, which would be a very good thing. The hospital would have incentive to take responsibility for making the necessary changes to improve its insurance risk. If this never hits the system, it would be as if it had never happened, wouldn't it? It happened.

From: Zabala, Sepee
Sent: Monday, June 27, 2016 2:55 PM
To: 'regentsoffice@ucop.edu'; 'Eric.L.Mar@sfgov.org'; 'Mark.Farrell@sfgov.org'; 'Aaron.Peskin@sfgov.org'; 'Katy.Tang@sfgov.org'; 'Breedstaff@sfgov.org'; 'Jane.Kim@sfgov.org'; 'Norman.Yee@sfgov.org'; 'Scott.Wiener@sfgov.org'; 'David.Campos@sfgov.org'; 'Malia.Cohen@sfgov.org'; 'John.Avalos@sfgov.org'
Cc: 'Nickolas.Pagoulatos@sfgov.org'; 'Victor.Lim@sfgov.org'; 'Angelina.Yu@sfgov.org'; 'Margaux.Kelly@sfgov.org'; 'Jess.Montejano@sfgov.org'; 'Kanishka.Karunaratne@sfgov.org'; 'Sunny.Angulo@sfgov.org'; 'Connie.Chan@sfgov.org'; 'Lee.Hepner@sfgov.org'; 'Ashley.Summers@sfgov.org'; 'Dyanna.Quizon@sfgov.org'; 'Ray.Law@sfgov.org'; 'Samantha.Roxas@sfgov.org'; 'Conor.Johnston@sfgov.org'; 'Iris.Wong@sfgov.org'; 'April.Veneracion@sfgov.org'; 'Barbara.Lopez@sfgov.org'; 'Ivy.Lee@sfgov.org'; 'Erica.Maybaum@sfgov.org'; 'Jarlene.Choy@sfgov.org'; 'Jen.Low@sfgov.org'; 'Adam.Taylor@sfgov.org'; 'Jeff.Cretan@sfgov.org'; 'Ann.Fryman@sfgov.org'; 'Hillary.Ronen@sfgov.org'; 'Sheila.chung.hagen@sfgov.org'; 'Carolyn.Goossen@sfgov.org'; 'Andrea.Bruss@sfgov.org'; 'Yoyo.Chan@sfgov.org'; 'Mawuli.Tugbenyoh@sfgov.org'; 'Frances.Hsieh@sfgov.org'; 'Jeremy.Pollock@sfgov.org'; 'Beth.Rubenstein@sfgov.org'; 'board.of.supervisors@sfgov.org'
Subject: RE: Board File No. 160187 - Settlement of Lawsuit - David Zeller - \$900,000

cc: board.of.supervisors@sfgov.org

Sepeedeh Zabala
 (415) 743-1628 o
 (415) 770-5322 c

From: Zabala, Sepee
Sent: Monday, June 27, 2016 11:49 AM
To: 'regentsoffice@ucop.edu'; 'Eric.L.Mar@sfgov.org'; 'Mark.Farrell@sfgov.org'; 'Aaron.Peskin@sfgov.org'; 'Katy.Tang@sfgov.org'; 'Breedstaff@sfgov.org'; 'Jane.Kim@sfgov.org'; 'Norman.Yee@sfgov.org'; 'Scott.Wiener@sfgov.org'; 'David.Campos@sfgov.org'; 'Malia.Cohen@sfgov.org'; 'John.Avalos@sfgov.org'
Cc: 'Nickolas.Pagoulatos@sfgov.org'; 'Victor.Lim@sfgov.org'; 'Angelina.Yu@sfgov.org'; 'Margaux.Kelly@sfgov.org'; 'Jess.Montejano@sfgov.org'; 'Kanishka.Karunaratne@sfgov.org'; 'Sunny.Angulo@sfgov.org'; 'Connie.Chan@sfgov.org'; 'Lee.Hepner@sfgov.org'; 'Ashley.Summers@sfgov.org'; 'Dyanna.Quizon@sfgov.org'; 'Ray.Law@sfgov.org'; 'Samantha.Roxas@sfgov.org'; 'Conor.Johnston@sfgov.org'; 'Iris.Wong@sfgov.org'; 'April.Veneracion@sfgov.org'; 'Barbara.Lopez@sfgov.org'; 'Ivy.Lee@sfgov.org'; 'Erica.Maybaum@sfgov.org'; 'Jarlene.Choy@sfgov.org';

'Jen.Low@sfgov.org'; 'Adam.Taylor@sfgov.org'; 'Jeff.Cretan@sfgov.org'; 'Ann.Fryman@sfgov.org';
'Hillary.Ronen@sfgov.org'; 'Sheila.chung.hagen@sfgov.org'; 'Carolyn.Goossen@sfgov.org'; 'Andrea.Bruss@sfgov.org';
'Yoyo.Chan@sfgov.org'; 'Mawuli.Tugbenyoh@sfgov.org'; 'Frances.Hsieh@sfgov.org'; 'Jeremy.Pollock@sfgov.org';
'Beth.Rubenstein@sfgov.org'

Subject: Board File No. 160187 - Settlement of Lawsuit - David Zeller - \$900,000

Dear Sirs/Madams,

In the captioned matter, I was both saddened and deeply concerned by the article in the SF Chronicle a couple weeks ago. I'm sure this is a difficult decision for all of you; at least, I hope it is one you are turning over and considering thoughtfully. It could be very tempting to view this as an isolated case with a tragic end that could not be helped. However, to simplify it as such and hide behind the vagaries and machinations of bureaucratic channels and the legal system seems altogether too convenient. How could that be right?

From what the article details, it seems that *at the very least the legal limit of \$250,000* is due for the pain and suffering Mr. Zeller endured, which one can't possibly in good faith and conscience withhold, even in his absence. As far as his attorney's fees, it seems to me as if Mr. Zinn earned the amount in full that was originally promised, which was a fair wage for representing Mr. Zeller and obtaining the full settlement that was reached. It is far from unethical for him to expect to be paid for doing his job and doing it well! How does he deserve to lose here and how can one cast shade on him for objecting to that? It is illogical and makes no sense.

As far as the amount reached for Mr. Zeller's long-term care, that's one for the lawyers to hash out perhaps. As far as I can reason, if the money was promised for care that is no longer needed, as unthinkable and unfair as it seems, truth is it is very sadly a moot point. That said, it would be much more fitting that the money be given to a worthy cause in memoriam! What could be more appropriate in this matter in light of Mr. Zeller's horrifying experiences since 2012? Consider what the man suffered for 4 years! It's inconceivable. I simply can't imagine it.

While not directly related to Mr. Zeller's case, I'd like to take the opportunity to add that I'm very concerned for any other patients getting treatment at SF General. After reading about what happened to Mr. Zeller-- my first thoughts are for the standard of care being given at the hospital. Has this become an exploration of the facts and failures of Mr. Zeller's case and an investigation of the quality of medical care patients are receiving? If it hasn't, that's another tragedy by itself! And wouldn't the urgency for such scrutiny dissipate if the case simply evaporated because Mr. Zeller is not alive to remind us of the gross negligence he suffered at SF General?

It stands to reason that unless the hospital is held accountable and justice is served to the victim and his family, upholding (not ignoring!) the reasons for this horrible outcome, these instances will continue unchecked, especially if they are swept under the rug.

Finally, Mr. Zeller, his family and his attorney should not be the only ones feeling the pain and paying the price --- and such a high one at that! *How could that be right?*

Please consider the consequence of dishonoring the acknowledgement of culpability in Mr. Zeller's case and all that comes with it. It's unconscionable to think his untimely and tragic death would change any of the responsibility of those involved. Yes, accidents happen, but not in this case; everyone already agreed (to the tune of \$1.5M) that SF General was to blame. Mr. Zeller may have died, but their responsibility has not! What is going to be done about that?

Sincerely,
Sepee Zabala

Sepeedeh Zabala

(415) 743-1628 | (415) 438-1424 f | (415) 770-5322 c | szabala@tpg.com

This message is intended only for the person(s) to which it is addressed and may contain privileged, confidential and/or insider information. If you have received this communication in error, please notify us immediately by replying to the message and deleting it from your computer. Any disclosure, copying, distribution, or the taking of any action concerning the contents of this message and any attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Board File No. 160187 – Settlement of Lawsuit of David Zeller -- \$900,000

From: Grant Walsh [mailto:granteckman@gmail.com]

Sent: Tuesday, June 28, 2016 8:41 PM

To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Major, Erica (BOS) <erica.major@sfgov.org>

Subject: Board File No. 160187 – Settlement of Lawsuit of David Zeller -- \$900,000

Good Evening,

My name is Grant Walsh, and I've been living in SF for 7 years now. I read the SF Chron story about David Zeller, and I'm pretty blown away. I am writing to you before of the upcoming vote on the settlement regarding David Zeller. I understand that at the June 16, 2016 meeting, the Government Audit and Oversight Committee in which President Breed and Supervisor Peskin voted 2-0 against honoring the \$900,000 settlement reached with Mr. Zeller before he died.

This is pretty astounding to me. I understand this matter now goes before the full Board of Supervisors at the June 28, 2016 meeting and is being heard as Board File No. 160187 - Settlement of Lawsuit - David Zeller - \$900,000. Please PLEASE reconsider the Committee's vote and vote to approve the settlement that was reached with Mr. Zeller while he was alive. **I think we all know it's the honest and fair thing to do.**

Please let me know if I've misunderstood anything here, as I still can't wrap my head around why the city would take this stance.

Best,
Grant Walsh, Mission District

To: Somera, Alisa (BOS); Ausberry, Andrea
Subject: FW: Supervisor Peskin Letter Re: File No. 160252 - Citywide ADU Legislation
Attachments: PESKIN Ltr - Re File No. 160252 Citywide ADU Legislation - 062816.pdf

From: Hepner, Lee (BOS)
Sent: Tuesday, June 28, 2016 11:31 AM
To: BOS-Supervisors <bos-supervisors@sfgov.org>; BOS-Legislative Aides <bos-legislative_aides@sfgov.org>
Cc: Calvillo, Angela (BOS) <angela.calvillo@sfgov.org>; Gosiengfiao, Rachel (BOS) <rachel.gosiengfiao@sfgov.org>
Subject: Supervisor Peskin Letter Re: File No. 160252 - Citywide ADU Legislation

Dear Supervisors and colleagues – please find attached a letter from Supervisor Peskin regarding his pending citywide ADU legislation, File No. 160252.

Best,
Lee

Lee Hepner
Legislative Aide
Supervisor Aaron Peskin
415.554.7450 office
415.554.7419 direct

Member, Board of Supervisors
District 3



City and County of San Francisco

AARON PESKIN

佩斯金 市參事

June 28, 2016

London Breed, President
Members of the San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: File No. 160252 – Citywide ADU Legislation

Dear President Breed and Colleagues:

The discussion and debate around Accessory Dwelling Units (“ADUs”) – or, as they have been referred to in previous eras, “in-law” or “secondary” units – has been going on for decades in our City. Supervisors Hallinan and Tang attempted to legalize the many thousands of these existing units long before I attempted to incentivize the creation of more secondary units at the outset of my first term in office in 2002.

I was pleased to see that strides have been made since 2002, including successful legislation in Districts 8 and 3 to create a legal framework for the construction of new Accessory Dwelling Units in those districts. In March of this year, I introduced the next step forward in expanding that legal framework to the entire City and County of San Francisco. In doing so, my proposal for citywide ADUs built upon Supervisor Wiener’s District 8 legislation, which in turn built on many other legislators’ previous efforts.

Subsequently, on May 31, 2016, months into the legislative process on my proposal and a mere two weeks before the item was scheduled to be heard by the Planning Commission, Supervisors Farrell and Wiener introduced an alternative ADU proposal absent any courtesy of consultation with my office. While I sincerely appreciate our Board’s general spirit of civility and collegiality, candidly these actions were far from civil or collegial. And while my colleagues’ legislation purports to create even more new rent-stabilized housing, the irony is that in taking my cues from the more restrictive thresholds in Supervisor Wiener’s District 8-specific legislation, I did so out of deference to the stakeholders in District 8 and in the interest of arriving at a consensus piece of legislation.

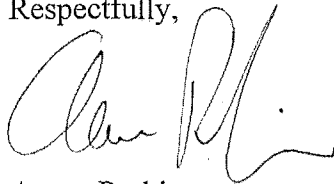
I was further disturbed when Supervisors Farrell and Wiener, along with President Breed and Supervisor Cohen, submitted their signatures to place that parallel ADU legislation on the November 2016 ballot, despite entreaties to work through our relatively minor (though not insignificant) differences and pass citywide ADU legislation through the legislative process.

In light of the overwhelming similarity between these ostensibly “competing” pieces of legislation, I fundamentally believe that it is our job to resolve our differences with respect to citywide ADU legislation in the legislative arena – in the Board Chambers. I believe that we can and should pass legislation in the due course of business in the month of July and to render this spurious misuse of the ballot moot. After all, it’s what we were elected to do.

To that end, I write to ensure that these items receive a timely hearing in front of the Land Use and Transportation Committee. And while I have every reason to expect that Chair Cohen will calendar these items for the July 11 regular meeting of said committee and have them heard as a Committee Report by the full Board on July 12, I am taking additional precautions to guarantee that the full Board has an opportunity to hear this legislation before the deadline to withdraw unnecessary items from the ballot.

Thus, out of an abundance of caution, and in the interest of having the file submitted to the full Board of Supervisors for a first reading on July 19, I will introduce a motion today, June 28, pursuant to Board Rule 3.37 to have this matter returned to the full Board and heard as a Committee of the Whole at the July 19 regular meeting of the Board of Supervisors.

Respectfully,

A handwritten signature in black ink, appearing to read 'Aaron Peskin', with a stylized, flowing script.

Aaron Peskin

Cc:

Angela Calvillo, Clerk of the Board of Supervisors

From: Board of Supervisors, (BOS)
To: Major, Erica (BOS); Somera, Alisa (BOS)
Subject: File 160383 FW: Food Service and Packaging Waste Reduction
Attachments: SF Foam Ordinance LTR 6-28-16.pdf

From: Tim James [mailto:tjames@CAGrocers.com]

Sent: Tuesday, June 28, 2016 10:05 AM

To: Avalos, John (BOS) <john.avalos@sfgov.org>; Campos, David (BOS) <david.campos@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Kim, Jane (BOS) <jane.kim@sfgov.org>; Tang, Katy (BOS) <katy.tang@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Breed, London (BOS) <london.breed@sfgov.org>; Farrell, Mark (BOS) <mark.farrell@sfgov.org>; Mar, Eric (BOS) <eric.mar@sfgov.org>; Wiener, Scott <scott.wiener@sfgov.org>

Cc: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Raphael, Deborah (ENV) <deborah.raaphael@sfgov.org>; Lee, Mayor (MYR) <mayoredwinlee@sfgov.org>; Johnston, Conor (BOS) <conor.johnston@sfgov.org>

Subject: Food Service and Packaging Waste Reduction

Supervisors, Please accept the attached letter regarding the Food Service and Packaging Waste Reduction ordinance on the June 28 Agenda. Please contact me with any questions of for additional information. Thank you for your consideration. Tim

Timothy James
Sr. Manager, Local Government Relations and Regulatory Affairs
California Grocers Association
916-448-3545
916-832-6149

June 28, 2016



The Honorable London Breed
President, Board of Supervisors
City of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: Food Service and Packaging Waste Reduction

Dear Supervisor Breed,


On behalf of the California Grocers Association, I write to show our appreciation for the expanded implementation regarding packaging used in-store for raw meats. Based on the expected passage date of the ordinance this will allow approximately 12 months for grocers to perform the necessary investigation and testing required to safely implement use of non-polystyrene meat trays.

The California Grocers Association is a non-profit, statewide trade association representing the food industry since 1898. CGA represents approximately 500 retail member companies operating over 6,000 food stores in California with 80% of companies being independent grocers. CGA represents numerous grocers operating in San Francisco.

It is important to note that raw meats are considered a potentially hazardous food item by the state food code. The careful packaging and handling of raw meats both in-store and by the consumer is critical to maintaining safety and quality of the product. Grocers, especially smaller grocery companies, will need the additional implementation time to ensure an alternative product can meet the health and safety standards required for grocer and consumer use.

We appreciate your consideration of this health and safety concern. Please consider us a partner as you reach out to grocers to the implement the ordinance.

Sincerely,



TIMOTHY M. JAMES
Sr. Manager, Local Government Relations

cc: Members, San Francisco Board of Supervisors
Mayor Ed Lee, City and County of San Francisco
Ms. Deborah O. Raphael, Director, San Francisco Department of the Environment
Ms. Angela Calvillo, Clerk of the Board, City and County of San Francisco

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: File 160383 FW: EPS-IA Memo for 6/28/16 Meeting
Attachments: SF Stakeholder Letter & Table.pdf

From: Major, Erica (BOS)
Sent: Tuesday, June 28, 2016 8:07 AM
To: dgentilcore <dgentilcore@epsindustry.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: RE: EPS-IA Memo for 6/28/16 Meeting

Greetings,

Confirming that this email has been received and the attached has been added to the official File No. 160383.

Rachel - Please add to c-pages.

Erica Major
Assistant Clerk
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244 San Francisco, CA 94102
Phone: (415) 554-4441 | Fax: (415) 554-5163
Erica.Major@sfgov.org | www.sfbos.org



Click [here](#) to complete a Board of Supervisors Customer Service Satisfaction form.

The [Legislative Research Center](#) provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.

From: dgentilcore [<mailto:dgentilcore@epsindustry.org>]
Sent: Tuesday, June 28, 2016 3:16 AM
To: Major, Erica (BOS) <erica.major@sfgov.org>
Subject: FW: EPS-IA Memo for 6/28/16 Meeting
Importance: High

From: dgentilcore
Sent: Monday, June 27, 2016 4:20 PM
To: 'erica.major@sfgov'
Subject: EPS-IA Memo for 6/28/16 Meeting
Importance: High

Erica,

Per our conversation please forward to the full Board of Supervisors.

Thank you,

Diana

Diana Gentilcore
Managing Director, Advocacy



1298 Cronson Boulevard, Suite 201
Crofton, MD 21114 USA
phone: 800.607.3772
dgentilcore@epsindustry.org
www.epsindustry.org



From: emsteiner
Sent: Monday, June 27, 2016 4:04 PM
To: John.Avalos@sfgov.org; London.Breed@sfgov.org; David.Campos@sfgov.org; Aaron.Peskin@sfgov.org;
Malia.Cohen@sfgov.org; Mark.Farrell@sfgov.org; Jane.Kim@sfgov.org; Eric.L.Mar@sfgov.org; Katy.Tang@sfgov.org;
Scott.Wiener@sfgov.org; Norman.Yee@sfgov.org
Cc: Norris, Trenton H.; Esmaili, Sarah; attorneygeneral@doj.ca.gov; kamala.harris@doj.ca.gov; piu@doj.ca.gov;
erica.major@sf.gov; thomas.owen@sf.gov
Subject: URGENT: 6-28-16 Board Agenda
Importance: High

To: San Francisco Board of Supervisors
Cc: Kamala D. Harris, Attorney General of the State of California
Trent Norris, Arnold & Porter LLP
Sarah Esmaili, Arnold & Porter LLP
Thomas Owen, San Francisco City's Attorney's Office
Erica Major, Assistant Clerk, San Francisco Board of Supervisors

The polystyrene ban proposal has been placed on the agenda for consideration by the full Board of Supervisors without any notice to important stakeholders. The EPS Industry Alliance has made every effort to provide relevant input which has been met with skepticism and disregard despite the appearance that stakeholder participation is a recognized part of the San Francisco legislative process.

IMMEDIATELY FOLLOWING THE GOVERNMENT AUDIT & OVERSIGHT COMMITTEE HEARING ON 6/16/16 AND UNTIL 6/24/16 THE POLYSTYRENE BAN PROPOSAL WAS NOT ON THE FULL BOARD OF SUPERVISORS MEETING AGENDA. THIS APPEARS TO BE A TACTIC TO EXCLUDE STAKEHOLDER INVOLVEMENT IN THE PROCESS.

The latest draft being proposed by Supervisor London Breed was released in conjunction with the amended agenda for tomorrow. None of the factual information – substantiated with third-party research citations – provided by the expanded polystyrene industry has been taken into consideration. Please see the attached letter addressing serious concerns about the stakeholder issues we are questioning. We have also provided a detailed accounting of the egregious

errors in Supervisor Breed's proposed legislation. Be advised that these only highlight the most glaring errors and do not address every issue we have with the ordinance.

Further, it is noteworthy that Breed's proposal bans all transport packaging that is not recyclable and/or compostable although polystyrene is the only material being referenced by name. PLEASE BE AWARE THE INTERPRETATION OF THE PROPOSED LANGUAGE INDICATES A WIDESPREAD BAN ON MANY OTHER PLASTIC PACKAGING MATERIALS INCLUDING: BUBBLE WRAP, EXPANDED POLYPROPYLENE, EXPANDED POLYETHYLENE, AIR POUCHES AND MANY OTHERS.

We urge you to delay any decision to ban this product until sufficient attention to the factual information we have provided has been given your full consideration. Please do not disregard the industry perspective simply because it is an opposing view. In fact, if San Francisco ultimately chooses to ban polystyrene transport packaging, we insist the incorrect references and data misrepresentation be removed or corrected.

Betsy Steiner
Executive Director



1298 Cronson Boulevard, Suite 201
Crofton, MD 21114 USA
phone: 800.607.3772
emsteiner@epsindustry.org
www.epsindustry.org





1298 Cronson Boulevard
Suite 201
Crofton, MD 21114
phone 800.607.3772
fax 410.451.8343
info@epsindustry.org
www.epsindustry.org

●●● Innovative solutions for a sustainable future

TO: San Francisco Board of Supervisors

FROM: Betsy Steiner, Executive Director

DATE: June 17, 2016

RE: San Francisco Polystyrene Ban Legislation – Stakeholder Process

This is a formal complaint regarding our involvement with the stakeholder process for the development of legislation proposing to ban polystyrene foam packaging. We understand that by nature, we have an opposing position to the ordinance's underlying intent. However, we should be allowed to participate with the expectation that our contribution will be given fair consideration. Otherwise, the integrity of the stakeholder process becomes highly questionable.

We fully respect the City of San Francisco may disagree with any or all of the EPS industry's rationale arguing against a restriction on the sale of polystyrene transport packaging. However, having presented compelling, third-party scientific evidence that much of the statistical information regarding polystyrene litter, micro plastics, recyclability and human health concerns referenced in the ordinance are incorrect, we respectfully request that these corrections be given more appropriate consideration. This aspect of the EPS industry's comment is not subjective, nor is it capricious, but strictly related to factual information.

To date we have provided written comments, testified at two public hearings and participated in a preliminary stakeholder meeting. While industry has been allowed to participate, the city remains staunch that it is impossible to have made an error and all industry information being provided has been disregarded. None of the incorrect references in the bill language have been removed or amended to reflect more accurate information. Upon providing testimony at a recent Government Audit & Oversight Committee meeting at which we pointed out an error in transposing statistical information from the San Francisco Estuary Institute, Supervisor's Breed and Peskin did not react in any fashion to request clarification or indicate it would be looked in to. Rather, when a local citizen showed pictures of indistinguishable beach litter claiming it was all polystyrene foam despite being of miniscule size and various different colors, Supervisor Peskin agreed and further added that just the other day he "swam through a whole bunch of polystyrene and it wasn't pleasant."

Thereby, so-called photographic evidence without substantiation is being accepted at face value since it agrees with the City's proposal, however, irrefutable evidence issued by California state agencies and other peer-reviewed scientific research is being disregarded because it comes from the opposing side. In this vein, it appears the San Francisco stakeholder process is a sham.

We respectfully request that the City of San Francisco addresses this situation in a proactive fashion. We fully understand President London Breed's office does not wish to have a discussion with industry on environmental issues and strongly *feels* a polystyrene ban is the right solution at this time. However, lacking any desire to engage in a meaningful discussion on environmental impacts and material substitutions from a life cycle perspective, we must insist the incorrect statistical references be rectified.

Please see the attached table for a detailed account of the errors in the draft ordinance.

SF Point of Reference	Information In Question	Refuting Information & reference	Action Requested
U.S. EPA Reference	“such materials can have serious impacts upon human health, wildlife and aquatic environment, and the economy”	Internet search for EPA + polystyrene + human health DOES NOT return any results for ‘polystyrene’. However, the EPA web page on the <i>chemical styrene</i> 100-42-5 states, “Several epidemiologic studies [on the <i>chemical styrene</i>] suggest there may be an association between styrene exposure and an increased risk of leukemia and lymphoma. However, the evidence is inconclusive due to confounding factors. EPA has not given a formal carcinogen classification to styrene.”	Provide U.S. EPA citation or remove.
None	“Disposable food service ware and packaging foam constitute a significant source of litter on San Francisco’s street, parks, and public places and the costs of managing this litter is substantial.”	<u>The City of San Francisco Streets Litter Re-Audit 2009</u> in the large litter category, total polystyrene is 1.07% of all plastics observed [Table ES-3]; ranking 13 out of 16 small litter categories, polystyrene is 2.5% [Table ES-6]. By comparison, there were five 950 times the amount of paper cups reported in this litter study.	Please replace significant with negligible, small or other appropriate word to correctly categorize the amount of polystyrene litter in San Francisco. Remove reference to litter management costs unless the specific costs for polystyrene are available and properly referenced.
[combined non-specific reference] Bay Area Stormwater Management Agencies Association & Caltrans	8 to 15% of plastics in San Francisco storm drains are polystyrene foam”	Caltrans 2000 report, “ <u>District 7 Litter Management Pilot Study</u> ” includes various statistics referencing ‘Styrofoam’ but does not cover San Francisco specifically. This 500+ page study covers percentages for air-dried weight of litter materials collected, volume & number of items making it incongruent to offer a range of percentages for what are really difference measurement methods. The BASMAA 2012 study, “Preliminary Baseline Trash Generation Rates for San Francisco Bay Area MS4s” states polystyrene was 6-7% of the two litter monitoring events reported in this study.	Reference the study being cited and properly characterize the percentages as they appear in the study. ‘Styrofoam’ – 11% by count ‘Styrofoam’ – 15% by volume ‘Styrofoam’ – 5% by air-dried weight ‘Styrofoam’ – 7% average Confirm this study relates to San Francisco directly as referenced in the ordinance. Make correction to reflect all polystyrene foam was 6-7% NOT 8-15%.
San Francisco Estuary Institute	“8% of microplastics entering San Francisco Bay from wastewater treatment facilities are polystyrene foam.”	The study <u>Microplastic Contamination in the San Francisco Bay</u> , does not categorize polystyrene separately from other litter materials. The study does lump cigarette butts, other foam plastics and ‘Styrofoam’ in its generalized “FOAM” category. Therefore this figure is not representative of polystyrene foam.	Remove San Francisco Estuary Institute reference – it is incorrect.
[Non-specific reference] “recent study”	71% of microplastics found in the Los Angeles and San Gabriel Rivers were polystyrene foam pieces.	“Quantity & Type of Plastic Debris Flowing From Two Urban Rivers To Coastal Waters & Beaches of Southern California” says that of the total number of pieces, 71% were foams – not just polystyrene foam & further reporting by weight 11% was expanded (foamed) polystyrene.	Inapplicable -This study is not about microplastics. Remove reference.

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; BOS Legislation (BOS); Somera, Alisa (BOS)
Subject: File 160400 - 160403FW: letter re: 1066 Appeal
Attachments: 1066 Market Street intent to withdraw appeal.pdf

From: Alexandra Goldman [mailto:AGoldman@TNDC.org]
Sent: Thursday, June 23, 2016 3:32 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: letter re: 1066 Appeal

Hi-

Attached please find a letter to include in next week's Board of Supervisor's packet re: the Conditional Use Appeal of 1066 Market. Please reach out to me with any further questions. Thanks!

Alexandra Goldman, Senior Community Organizing and Planning Manager
Tenderloin Neighborhood Development Corporation (TNDC)
149 Taylor Street, San Francisco, Ca 94102
(415) 358-3920
agoldman@tndc.org

www.tndc.org



At TNDC, we believe that when people have homes, communities thrive. We envision a San Francisco where low-income people can afford housing that meets their basic needs, is close to the amenities and services that enhance their quality of life, and provides them with the safety and stability they need to fulfill their potential. Will you help us?



June 23, 2016

London Breed, President
Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102

RE: 1006 Market Street CUA Appeal

Dear President Breed and Supervisors:

On behalf of Tenderloin Neighborhood Development Corporation (TNDC), I am writing to express our intent to withdraw the Conditional Use Authorization Appeal we filed on April 18 of this year. This appeal is no longer relevant in light of the Board's decision on the project on Tuesday, June 21. However, since the Appeal was noticed, it must be heard at the full board next week, on June 28, and we cannot officially withdraw the appeal. Please consider this letter our intention to no longer pursue the appeal.

Please feel free to contact me at dfalk@tndc.org or (415) 264-7949 with any questions or concerns. Thank you very much.

Sincerely,

A handwritten signature in cursive script that reads "Donald S. Falk".

Donald S. Falk
Chief Executive Officer

TENDERLOIN
NEIGHBORHOOD
DEVELOPMENT
CORPORATION

201 EDDY STREET
SAN FRANCISCO
CA 94102

PH: 415.776.2151
FAX: 415.776.3952
INFO@TNDC.ORG
WWW.TNDC.ORG

The NeighborWorks logo, featuring a stylized house icon above the text "NeighborWorks".
CHARTERED MEMBER

o:\general\community issues\land use & development\1066 market\1066 market street intent to withdraw appeal.docx

From: Board of Supervisors, (BOS)
To: Ausberry, Andrea; Somera, Alisa (BOS)
Subject: FW: File No. 160499, Letters from family of Lillie Hitchcock Coit and Protect Coit Tower opposing proposed ordinance to vacate public right of way in front of Coit Tower to build concession stand in violation of Proposition B
Attachments: CoitTowerConcessionStand_PCT Letter_6.23.16.pdf; CoitFamilyLetter_6.23.16.pdf

From: jongolinger@gmail.com [mailto:jongolinger@gmail.com] **On Behalf Of** Protect Coit Tower

Sent: Thursday, June 23, 2016 12:04 PM

To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Wiener, Scott <scott.wiener@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>

Subject: File No. 160499: Letters from family of Lillie Hitchcock Coit and Protect Coit Tower opposing proposed ordinance to vacate public right of way in front of Coit Tower to build concession stand in violation of Proposition B

June 23, 2016

Dear Chair Cohen and Members of the Board of Supervisors Land Use and Transportation Committee:

Please see the two attached letters - one from the family of Lillie Hitchcock Coit and one from Protect Coit Tower - opposing the ordinance proposed by the Recreation and Park Department to permanently vacate the public right of way in front of Coit Tower in order to construct a concession stand building.

We understand that this ordinance is scheduled to be heard before the Land Use and Transportation Committee on Monday, June 27. Please include these letters in the committee packet and take them into consideration.

Sincerely,

Jon Golinger
Protect Coit Tower

www.protectcoittower.org



www.ProtectCoitTower.org

June 23, 2016

Chair Malia Cohen and Members
Land Use and Transportation Committee
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: File No. 160499 – Opposition to proposed permanent vacation of public right of way in front of Coit Tower for purposes of building a concession stand in violation of Proposition B

Dear Chair Cohen and Members,

I write on behalf of Protect Coit Tower, a nonprofit citizens group dedicated to promoting public education about, and the restoration and preservation of, San Francisco's Coit Tower and the historic murals that reside inside.

Coit Tower is a special place, and the people of San Francisco have voted to keep it that way. In June 2012, San Francisco voters approved a ballot measure creating an official Coit Tower Preservation Policy to strictly limit commercial activities and private events at Coit Tower and to prioritize the funds generated for the City every year by Coit Tower elevator fees and concession operations for the maintenance and protection of the Coit Tower murals, building, and Pioneer Park.

We strongly oppose the Recreation and Park Department's proposed ordinance to vacate the public right of way in Pioneer Park in front of Coit Tower in order to construct a concession stand building outside Coit Tower. Over the last four years the city has made important progress to respect the truly unique place that is Coit Tower. Unfortunately, this ordinance and the concession stand would roll back that progress.

We urge the Committee and Board of Supervisors to reject this ordinance and instead take budgetary action to ensure that the ample revenue already generated by Coit Tower and diverted elsewhere is instead prioritized for its maintenance and protection, as the people of San Francisco voted to do.

Sincerely,

Jon Golinger
Protect Coit Tower

Cc: All Members, San Francisco Board of Supervisors

FROM THE FAMILY OF LILLIE HITCHCOCK COIT



June 23, 2016

Chair Malia Cohen, Supervisor Scott Wiener and Supervisor Aaron Peskin
Land Use and Transportation Committee
San Francisco Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: File No. 160499 - The family of Lille Hitchcock Coit urges you to reject the ordinance proposed by the SF Recreation and Park Department to vacate the public right of way in Pioneer Park in front of Coit Tower to enable a private vendor to construct a concession stand building in violation of the Coit Tower Preservation ballot measure approved by San Francisco voters

Dear Chair Cohen, Supervisors Wiener and Supervisor Peskin,

When Lillie Hitchcock Coit left a third of her estate in 1929 to the city of San Francisco as a bequest to “beautify the city I have always loved,” she gave a wonderful gift to the people of San Francisco that in 1933 became Coit Tower. As her descendants, we believe it is very important to remain vigilant and ensure that Coit Tower is well-maintained and preserved for future generations to honor and respect Lillie’s gift.

That’s why we were so very delighted when, in June of 2012, a majority of San Francisco voters from across the city voted to pass Proposition B. Prop. B created an official “Coit Tower Preservation Policy” designed to ensure that the city finally started to take appropriate care of Coit Tower and its historic New Deal-era murals. The Coit Tower Preservation ballot measure stated: “It shall be the policy of the People of the City and County of San Francisco to protect Coit Tower and preserve the historic murals

inside Coit Tower by strictly limiting commercial activities and private events at Coit Tower and by prioritizing the funds received by the City from any concession operations at Coit Tower for preserving the Coit Tower murals, protecting and maintaining the Coit Tower building, and beautifying Pioneer Park around Coit Tower.”

However, the San Francisco Recreation and Park Department has continued to refuse to implement the will of the voters by dedicating a sufficient portion of the over \$1 million in annual revenue being generated from visitors to Coit Tower to adequately pay for the day-to-day operation, maintenance, and preservation of Coit Tower. Instead, the San Francisco Recreation and Park Department is asking the Board of Supervisors to approve an ordinance that would generate more revenue to pay for Coit Tower operations by permanently vacating a portion of the public right of way in Pioneer Park in front of Coit Tower to enable the construction of a concession stand building. Despite the voters passing a ballot measure making it city policy to “strictly limit” commercial activities at Coit Tower, this ordinance would facilitate exactly the opposite result.

We understand that the private concession operator who is currently managing Coit Tower is doing a fine job but they have discovered that they are losing money because they receive only 10% of the more than \$1 million that Coit Tower elevator fees now generate every year under the current contract with the Recreation and Park Department. The rest of the funds generated by Coit Tower continue to be almost entirely diverted away from Coit Tower for other purposes, despite the clear wishes of San Francisco voters that funds generated at Coit Tower be prioritized for its protection.

We strongly oppose the vacation of a portion of the public right-of-way in front of Coit Tower to enable the construction of a concession stand building in front of Coit Tower. We urge you to reject the Recreation and Park Department’s proposed ordinance and to instead take the necessary action to prioritize the ample funds being generated from Coit Tower already to be used to maintain, protect, and preserve Coit Tower and its historic murals, in accordance with the will of the voters of San Francisco.

Sincerely,

Susie Coit Williams

Debbie Coit Smith

Philip Hersee Coit

Felicia Coit Pasley

Belle Coit Druding

Karen Coit Wozniak

Corey Walker Jones

cc: All Members, San Francisco Board of Supervisors

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; BOS Legislation (BOS)
Subject: File 160696 FW: League of Cities Letter Opposing AB 650
Attachments: AB 650 (Low) Oppose Sen Trans 6 23 16.pdf

From: Chan, Connie (BOS)
Sent: Monday, June 27, 2016 11:01 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: League of Cities Letter Opposing AB 650

Please see attached for the letter from League of Cities opposing Assembly Bill 650 in relation to board agenda item #35 file 160696.



1400 K Street, Suite 400 • Sacramento, California 95814
Phone: 916.658.8200 Fax: 916.658.8240
www.cacities.org

June 24, 2016

The Honorable Jim Beall
Chair, Senate Transportation and Housing Committee
California State Senate
State Capitol Building, Room 5066
Sacramento, CA 95814

RE: **AB 650 (Low). Public Utilities Commission: regulation of taxicabs.**
Notice of Opposition (as amended 6/23/16)

Dear Senator Beall:

The League of California Cities must respectfully **Oppose** AB 650 (Low), which seeks to shift regulatory authority over taxicabs from local governments to the California Public Utilities Commission (CPUC) in an effort to 'level the playing field' across the for-hire transportation industry.

While providing relief to a taxicab industry facing increased competition and declining market shares in an unbalanced regulatory scheme is a notable effort, we must express opposition to the approach taken by this measure. The proposed reform will not provide taxicab drivers and operators the tools to be competitive because their competition is consciously ignored by this measure. In addition to setting regulatory inequities, local governments will lose their authority and be left with a host of safety and planning concerns and costs to address.

In response to new market realities, the League would prefer a balanced state and local regulatory framework over the *entire* for-hire transportation industry. We support providing the CPUC statewide authority to set standards while empowering local governments to establish regulations that meet the needs of their communities. This measure operates in a policy silo, however. It nearly removes all local authority over taxicabs without regard for the impacts that it would have on our communities.

Further, this measure questionably shifts authority to the CPUC, which at this time has no significant capacity to regulate the for-hire transportation industry. The CPUC remains understaffed and under-resourced, which was exhibited in recent regulatory efforts and public remarks. In addition, the CPUC is the subject of various strongly backed reform measures in response to numerous administrative issues. It is cause for great public and consumer safety concern to shift the tremendous administrative burden of taxicab regulation to its jurisdiction.

The regulation of taxis has been a municipal affair for nearly a century, yet the emergence of new business models has challenged the traditional structure of for-hire transportation services and regulations. Although local governments have begun to reexamine and modernize regulations to provide a balanced regulatory approach, this measure strips their authority and reverses their advancements. Local governments want to be a partner as we all address the rapid integration of new technologies.

The League has taken a collaborative approach on this measure in recognition of the urgent realities facing the taxicab industry. We submitted a list of addressable concerns that would accept CPUC authority while ensuring that the measure would be workable and sensible for local governments. We

thank you for considering these points, but recent amendments have failed to alleviate our concerns. In the addition to the aforementioned issues, we remained concerned about the following:

Accessibility Programs and Operations

Several local governments have entered into contract agreements with for-hire transportation companies and non-profits to provide free or reduced ride services. These services, which include wheelchair accessible taxicabs, remain important and should be retained along with the authority of local governments to enter into contract agreements for these services. In lieu of local taxicab revenues, the CPUC should establish a way to retain accessibility programs, with special consideration given to local governments that currently have these programs in place.

Timeline for Data Transfer

The measure requires local governments that license taxicab services to transmit all licensure information to the CPUC. The measure does not provide a reasonable timeline for local governments or the CPUC to transmit and receive the licensure information nor gives thought to the protection of documents containing sensitive information, such as personal identification information. The measure should include an adequate delayed implementation date and include an agreed-upon process to reduce the burden on state and local agencies.

Critical Consumer Protections

Consumer protection must be given adequate attention. This measure should provide an accessible means for public complaint, including posted and visible vehicle identification numbers. Further, the travelling public should be made aware of all fees by requiring them to be posted and visible through all available means. This includes disclosure of credit card convenience fees and display of flexible rate structures. There are additional concerns that will be no oversight of the devices used by taxicab carriers to calculate fares. While we recognize that GPS and related devices are the best available technologies, they are certainly not exempt from flaws and should be under the authority of the CPUC to monitor and set best practices in effort to ensure public trust and fair pricing. Further, amendments remove provisions related to illicit copying and sharing of driver permits. These basic consumer safety measures should remain and be industry-wide standards.

Permitted Vehicle Controls

While lifting the cap on the number of taxicabs is cornerstone to this measure, it is important that we integrate control mechanisms to ensure that the lifting of the cap does not have significant negative effects on transportation systems, especially on our already congested and dilapidated roads. It is sensible to refer to basic economic theory and history to infer that major cities and business centers will be inundated with for-hire vehicles---which will concern existing taxicab drivers/operators and local governments.

Data Sharing for Local/Regional Transportation Planning

Providing data on the number of permitted vehicles is important to statewide policy goals as cities and counties must develop regional transportation plans (SB 375; 2008), and local general plans.

In effect, this measure establishes a landscape in which drivers will experience decreased market shares, an overstretched regulatory body and much of the same regulatory inequities within the for-hire transportation industry that exist today. Meanwhile, communities will be endangered and public infrastructure will further deteriorate.

In conclusion, the League is concerned that this major statewide policy shift could lead to more problems than it purports to solve and suffers from a rushed and incomplete exploration of possible solutions.

For these reasons, we are compelled to **Oppose** AB 650. The League remains committed to working with all stakeholders to address this issue. If you have any questions regarding the League's position on this bill, please do not hesitate to contact me at (916) 658-8283.

Sincerely,



Ronald Berdugo
Legislative Representative

cc: Assembly Member Evan Low
Members, Senate Transportation and Housing Committee
Senator Ben Hueso, Chair, Senate Energy, Utilities, and Communications Committee
Members, Senate Energy, Utilities, and Communications Committee
Randy Chinn, Consultant, Senate Transportation and Housing Committee
Ted Morley, Consultant, Senate Republican Caucus
Nidia Bautista, Consultant, Senate Energy, Utilities, and Communications Committee
Kerry Yoshida, Consultant, Senate Republican Caucus

From: Board of Supervisors, (BOS)
To: BOS Legislation (BOS)
Subject: FW: AB 650: SFMTA and SFO Concerns

From: Tara Zimmerman [mailto:tara984@icloud.com]
Sent: Thursday, June 23, 2016 12:10 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Campos, David (BOS) <david.campos@sfgov.org>; Mar, Eric (BOS) <eric.mar@sfgov.org>; Kim, Jane (BOS) <jane.kim@sfgov.org>; Avalos, John (BOS) <john.avalos@sfgov.org>; Tang, Katy (BOS) <katy.tang@sfgov.org>; Breed, London (BOS) <london.breed@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Farrell, Mark (BOS) <mark.farrell@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Wiener, Scott <scott.wiener@sfgov.org>
Subject: Fwd: AB 650: SFMTA and SFO Concerns

When you vote on Supervisor Peskin's resolution [160696] next Tuesday to amend or oppose AB 650, please keep the following very cogent concerns of both SFMTA and SFO in mind. I've attached their issues in the forwarded portion below.

Of special importance are the possible unintended consequences of AB 650, including San Francisco being stripped of the right to regulate tour bus companies, shuttle buses, jitneys, etc. You can read more about these ramifications in the technical concerns section.

Please PASS Supervisor Peskin's resolution.

Respectfully,
Tara Housman
SFMTA Taxi Task Force member

Sent from my iPad

Begin forwarded message:

From: SFTaxi <SFTaxi@sfmta.com>
Date: June 13, 2016 at 10:16:45 AM PDT
To: Undisclosed recipients: ;
Subject: FW: AB 650: SFMTA and SFO Concerns

Dear Taxi Task Force Members,

Per your request at the last TTF meeting, I am forwarding the SFMTA's and SFO's concerns with AB 650:

The San Francisco Municipal Transportation Agency (SFMTA) and San Francisco International Airport (SFO) are in alignment with the stated goal AB 650 - leveling the playing field between taxis and other for hire services. We also agree that focusing on jurisdictional issues is important but we are very concerned that the stated goal will not be achieved with the legislation in its current form. We would like to raise fundamental concerns with the potential policy implications of the bill, which we see as having a serious negative impact on local transportation services. If the bill does move forward, we would like to request specific technical changes to

avoid what we perceive as potential unintended consequences.

Fundamental Concerns:

Leveling the Playing Field: A level playing field means that similar services should have similar rules. Given that taxis, TCPs (limos) and TNCs would be regulated by the same entity (with the exception of SF) and provide very similar services, the safety and security requirements should be consistent. For example, fingerprint background checks would be required of taxi drivers under AB 650, but it's not required of TNC and TCP drivers. The drug and alcohol testing provisions in AB 650 are confusing. It appears that taxi drivers would be required to be drug and alcohol tested, but not TNC drivers. Presently, taxi drivers and TCP drivers are subject to drug and alcohol testing. Also, if there's a level playing field, the concept of regions for taxis but not for TNCs and TCPs is not consistent with this goal. CPUC typically does not regulate similar types of transportation services by region, so this operational environment may pose challenges for the CPUC.

CPUC's Capacity for Taxi Regulation is Questionable: Based on comments made by CPUC President Picker, it is uncertain whether the CPUC has the bandwidth to regulate TNCs, let alone another, large and complex industry. President Picker has indicated that the CPUC doesn't have the resources to oversee TNCs, so it seems unlikely that shifting taxis to an already challenged agency will level the playing field.
(<http://www2.kqed.org/news/2016/03/17/cpuc-regulators-still-hashing-out-more-rules-for-uber-and-lyft>). The resource constraints at the CPUC pose serious consumer protection concerns, particularly in light of the already minimal enforcement capacity.

Disability Access: The bill is silent on disability access. The bill should address the needs of people with disabilities to access on demand transportation services by including a requirement related to disability access, with follow up enforcement and/or a requirement to pay a per trip surcharge on all trips provided in non-wheelchair accessible vehicles, to be deposited into an accessible transportation fund.

Environmental and Congestion Concerns: There are currently no limits on the number of TNC and TCP vehicles and AB 650 will remove any limits on the number of taxis. Allowing unlimited numbers of vehicles to act commercially, with no clean air requirements is a concern, particularly in light of environmental and Vision Zero goals as well as local congestion management strategies.

Data Sharing Requirements: AB 650 should include a data sharing requirement for TNC, TCP and taxi services. This would help immeasurably in understanding the nature and impacts of these services and help policymakers to make smart and informed planning decisions.

Trade Dress: The change in trade dress regionally could be a major challenge. For example, in areas with many small jurisdictions such as Los Angeles, there could be multiple companies with some form of the same name (e.g. Yellow Taxi), and which company is allowed to maintain its name and which are required to change could be very contentious and the outcome could be confusing to the public.

Schedule: Given the complexity and scope of changes that the bill would require, the timeline does not appear to be realistic. We recommend delaying the implementation of this regulatory transfer to at least 2018.

State Regulation with Local Control: There are some overarching requirements that make sense to regulate by the state and should be the same for taxis, TNCs and TCPs including: insurance, disability access, training, vehicle inspections, and background checks. However, we would like to stress that the impact of these services is local; therefore, we recommend local

control over certain aspects such as the number of allowable vehicles so that we can continue to manage traffic congestion. Enforcement authority should be granted to local jurisdictions to ensure consumer safety, which is our top priority. Local enforcement of state requirements would also be a model that SFMTA would support further exploring.

Technical Concerns:

AB 650 may create several (unintended) barriers to San Francisco's regulation of taxicabs, even with the exemption, as well as to the ability of local jurisdictions to regulate other motor vehicles for hire.

The bill would repeal Gov't Code Section 53075.5, which gives local entities the authority to regulate taxicabs. It adds a new chapter 8.5 to Division 2 of the Public Utilities Code that would give the CPUC the authority to regulate taxicabs (Proposed PU Code Section 5451.2), but it exempts S.F. from the provisions of the new chapter (Proposed PU Code Section 5451.3). It's clear that the bill intends the exemption for San Francisco to suffice to allow SF to continue to regulate taxicabs, but the proposed amendments may arguably leave San Francisco's authority in question as described below.

The bill also amends Vehicle Code Section 21100 to eliminate language granting local entities the authority to issue regulations or ordinances "licensing and regulating the operation of vehicles for hire and drivers of passenger vehicles for hire." (P. 38 of the draft bill shows the Vehicle Code Section absent this language. See p. 46 of the previous version that contains the relevant language in "strike-out."). Vehicle Code preemption is quite broad. Section 21 of the Vehicle Code provides:

- (a) Except as otherwise expressly provided, the provisions of this code are applicable and uniform throughout the state and in all counties and municipalities therein, and a local authority shall not enact or enforce any ordinance or resolution on the matters covered by this code, including ordinances or resolutions that establish regulations or procedures for, or assess a fine, penalty, assessment, or fee for a violation of, matters covered by this code, unless expressly authorized by this code.

Therefore, since the bill arguably eliminates the express authorization for local entities to regulate motor vehicles for hire, there may be an argument that local entities would be precluded (by the Vehicle Code not the Public Utilities Code) from regulating all such vehicles, including taxicabs and other vehicles for hire that are not subject to regulation by the CPUC such as shuttles like Chariot, jitneys, local tour bus operations, and others.

If this bill is adopted, these for-hire transportation companies and vehicles could escape both state and local regulation because they are not subject to CPUC regulation and local entities would be preempted from regulating them by the Vehicle Code.

We propose that this problem be solved and serve the bill's apparent intent by reinserting the original language into Section 21100.

2. Vehicle Code Section 16500 requires owners of for-hire vehicles that are not regulated by the CPUC to carry insurance with limits of at least \$15,000 and \$30,000. The draft bill would amend that section to require taxicab carriers regulated by SF to comply with the insurance requirements of Section 5455 of the PU Code. We have never read Section 16500 to preempt the City's ability to impose higher insurance requirements on taxicabs. But on its face, the language of the amendment to this Section seems to prescribe the insurance requirement for SF taxis and to therefore preempt the City from imposing higher requirements.

Assuming that this is not the bill's intent, I would suggest that Assembly Member Low refrain from repealing Gov't Code Section 53075.5 and add language to that section stating that "the City and County of San Francisco shall require taxicabs to provide protection against liability imposed by law for the payment of damages for personal bodily injuries, including death, and property damage, in amounts that, at a minimum, are equal to those specified in Section 5455 of the Public Utilities Code." Or, you could revise the proposed amendment to Section 16500 to include this language rather than the language currently in the bill.

3. The legislation's definition of taxicab transportation carrier is circular. Essentially, if you provide for-hire transportation through small vehicles you are a taxicab transportation carrier unless you are a charter-party carrier, and you are a charter-party carrier if you provide taxicab transportation services. (See Section 5451.4(g) and Section 5353(g)) The bill could, instead, define the term "taxicab transportation services" as "provision of transportation services for compensation, with prearrangement and without prearrangement, using motor vehicles designed for carrying not more than eight passengers, excluding the driver."

Thank you for your consideration and we're happy to answer any questions that you may have regarding our concerns.

Kate Toran
Director, Taxis and Accessible Services Division
1 South Van Ness, 7th Floor
San Francisco, CA 94103

415.701.5235

From: Board of Supervisors, (BOS)
To: Wong, Linda (BOS); Somera, Alisa (BOS)
Subject: FW: Please support Supervisor Avalos' budget proposal regarding SFPD reforms

From: Juliana Morris [mailto:juliana.e.morris@gmail.com]

Sent: Friday, June 24, 2016 10:56 AM

To: Breed, London (BOS) <london.breed@sfgov.org>; Campos, David (BOS) <david.campos@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Farrell, Mark (BOS) <mark.farrell@sfgov.org>; Kim, Jane (BOS) <jane.kim@sfgov.org>; Mar, Eric (BOS) <eric.mar@sfgov.org>; Tang, Katy (BOS) <katy.tang@sfgov.org>; Wiener, Scott <scott.wiener@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>

Cc: Pollock, Jeremy (BOS) <jeremy.pollock@sfgov.org>

Subject: Please support Supervisor Avalos' budget proposal regarding SFPD reforms

To Supervisors Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener, and Yee:

As health professionals and supportive staff of San Francisco, we are writing to express our support for Supervisor Avalos' budget proposal for police accountability, and to ask that you do everything in your power to ensure its adoption. As you know, this proposal would hold \$200 million of the Police Department's budget in reserve, only to be released by the Board of Supervisors if the SFPD shows that it has adequately implemented reforms around use-of-force.

Through our work in San Francisco hospitals and community clinics, and with patients from throughout your districts, we are direct witnesses to the negative impacts that excessive use of police force is having on the physical and mental health of our patients and community. We are also deeply troubled by the rising numbers of police-related killings in the city, and the lack of accountability for police officers involved. Police violence is a critical public health issue, and we need urgent action to halt the killings and to begin to heal community trauma. *(Please note that these are our collective, though ultimately individual opinions, and do not represent the views of the institutions where we work).*

Supervisor Avalos' budget proposal is one important step that will take us in a positive direction by enhancing accountability for SFPD reforms. We urge you to take action to ensure that the proposal is adopted in its fullest form. Thank you for your support.

Sincerely,

Danielle Alkov, MD

Ignacio Becerra-Licha, MD

Karamjit Chela, MD, MPH

Claudia Diaz Mooney, MD

E. Maggie Dietrich, MD, MPH

Larry Fernandez

Emily Guh, MD

Sky Lee, MD

Anna Loeb, MD

Juliana Morris, MD, EdM

Eva Raphael, MD

Alma Sanchez, MD

Aisha Scherr-Williams, MD

Margaret Stafford, MD

Brianna Stein, MD

Manuel Tapia, MD

Cameo Taylor

Yakira Teitel, MD, MPH

Angeline Ti, MD, MPH

Roberto Vargas, MPH

Juliana E. Morris, MD EdM
UCSF/SFGH Family and Community Medicine, PGY1
Juliana.Morris@ucsf.edu
pager: [415-443-9016](tel:415-443-9016)

To: Wong, Linda (BOS); Somera, Alisa (BOS)
Subject: FW: Letter to Supervisor Avalos from SFPOA President Martin Halloran
Attachments: Letter to Supervisor Avalos 6-20-16.pdf

From: Tang, Katy (BOS)
Sent: Wednesday, June 22, 2016 1:34 PM
To: Gosiengfiao, Rachel (BOS) <rachel.gosiengfiao@sfgov.org>
Subject: FW: Letter to Supervisor Avalos from SFPOA President Martin Halloran

For the clerk's records

From: Cyndee Bates [mailto:Cyndee@sfpoa.org]
Sent: Monday, June 20, 2016 2:11 PM
To: Lee, Mayor (MYR) <mayoredwinlee@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Campos, David (BOS) <david.campos@sfgov.org>; Mar, Eric (BOS) <eric.mar@sfgov.org>; Kim, Jane (BOS) <jane.kim@sfgov.org>; Avalos, John (BOS) <john.avalos@sfgov.org>; Tang, Katy (BOS) <katy.tang@sfgov.org>; Breed, London (BOS) <london.breed@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Farrell, Mark (BOS) <mark.farrell@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Wiener, Scott <scott.wiener@sfgov.org>; SFPD, Commission (POL) <SFPD.Commission@sfgov.org>; Chaplin, Toney (POL) <toney.chaplin@sfgov.org>
Subject: Letter to Supervisor Avalos from SFPOA President Martin Halloran

San Francisco Police Officers' Association | 800 Bryant Street, 2nd Floor | San Francisco, CA 94103 | Office: (415)-861-5060 | Fax: (415) 552-5741



This e-mail message and any attachments may contain confidential information that is legally privileged. If you are not the intended recipient(s) or person responsible for delivering it to the intended recipient(s) you are hereby notified that any review, disclosure, copying, distribution or use of any of the information contained herein is strictly prohibited. If you have received this transmission in error, please contact the sender by reply e-mail and destroy the original transmission and any attachments without reading or saving in any manner.



SAN FRANCISCO POLICE OFFICERS ASSOCIATION
800 Bryant Street, Second Floor
San Francisco, CA 94103
415.861.5060 tel
415.552.5741 fax
www.sfpoa.org

June 20, 2016

MARTIN HALLORAN
President
TONY MONTOYA
Vice President
MICHAEL NEVIN
Secretary
JOE VALDEZ
Treasurer
VAL KIRWAN
Sergeant At Arms

Supervisor John Avalos
San Francisco City Hall
1 Dr Carlton B. Goodlett Place
San Francisco, CA 94102

Supervisor Avalos:

Last week, you introduced a proposal to withhold \$200 million from the SFPD 2016-2017 budget unless certain criteria you have anointed are met. Your grandstanding proposal is dangerous to public safety-if the Board of Supervisors ever lapsed into madness and considered it.

As you well know, the SFPD budget is largely consumed by personnel costs. At a time when we are already hundreds of cops understaffed, your proposal would hold to ransom hundreds more, including every recruit in the Police Academy. They would all be laid off. Given that you have loudly demanded more cops on foot beats at Mission & Geneva and in Crocker Park, your new proposal seems awfully short-sighted.

The proposal would bring most detriment to our City's most vulnerable citizens. I would wager that they would prefer cops on their streets to your hollow rhetoric any day of the week. Our cops make a positive daily difference in these people's lives. Unfortunately, your anti-law enforcement mantra, including your recent opposition to increased SFPD staffing, blinds you to this reality.

Take your demand for more rigorous discipline from OCC for officers who have a sustained complaint for racial profiling. That would be NOBODY: no San Francisco Police Officer has had a sustained complaint for racial profiling since the inception of OCC over 30 years ago.

I trust that your colleagues on the Board of Supervisors and the Mayor have more concern for public safety than to even consider the shameful political stunt you put forward as a proposal.

Martin Halloran
SFPOA President

cc: Mayor Edwin Lee
Board of Supervisors
SF Police Commission
Chief Tony Chaplin

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Support for police reform budget reserve proposal

From: Loeb, Anna [mailto:Anna.Loeb@ucsf.edu]
Sent: Tuesday, June 21, 2016 10:52 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: Pollock, Jeremy (BOS) <jeremy.pollock@sfgov.org>
Subject: Support for police reform budget reserve proposal

Dear Board of Supervisors,

I am writing to express my support for Supervisor Avalos' budget proposal to hold SFPD accountable and to ask that you do everything in your power to ensure its adoption. As you know, this proposal, if approved, would hold \$200 million of the Police Department's budget in reserve, only to be released by the Board of Supervisors if the SFPD shows that it has adequately implemented reforms around use-of-force.

As a San Francisco resident and a physician at SFGH, I am a direct witness to the impact that excessive use of force by police officers is having in our community. I am deeply concerned about the rising numbers of police-related killings in San Francisco and lack of accountability from those responsible. We need to take action to stop this wave of violence and address community trauma. This budget proposal is one important step that will take us in that direction. Thank you for your support.

Sincerely,
Anna Loeb

Anna Loeb, MD, MPH
Resident Physician PGY3
UCSF/SFGH Family & Community Medicine
Pager: (415) 443-9047
Cell: (650) 520-8353

From: mari eliza <mari.eliza@sbcglobal.net>
Sent: Monday, June 20, 2016 3:06 PM
To: Board of Supervisors, (BOS)
Cc: Mar, Eric (BOS); Farrell, Mark (BOS); Peskin, Aaron (BOS); Tang, Katy (BOS); Johnston, Conor (BOS); Kim, Jane (BOS); Yee, Norman (BOS); Wiener, Scott; Campos, David (BOS); Cohen, Malia (BOS); Avalos, John (BOS)
Subject: Budget Ordinance Public Comment - need for accountability

June 20, 2016

I join with Eileen Boken in her request detailed below.

As most of you are aware, (the most recent new supervisors have not been added to the recipient list by moveon where the StopSFMTA Petition is being hosted though I have tried), we have been gathering signatures for a while to request some policy changes by the SFMTA. As of today, I downloaded 4,284 signatures in a 444 page PDF file. That is almost a ream of paper. If I have enough paper I will print it and present it tonight.

In addition to all the car owners and drivers in the city, we have many complaints from merchants and Muni riders about how the SFMTA is effecting their lives and their ability to function smoothly. We now have a Charter Amendment that seeks to de-centralize the power structure and change a few of the rules to bring back some oversight and some authority over what most of the public views as an out of control Department and quasi-governmental agency. I have already mentioned a few of our issues in public so I am not going into those in detail here.

The Board of Supervisors needs to start today to hold the SFMTA accountable by doing as Eileen requested. You need to remind the SFMTA that they serve the public, we don't serve them.

Please put \$25 million of the MTA funds on reserve as a first step to get their attention and force them to conserve rather than expand operations.

A SHIFT is needed to clean up the mess. SFMTA has the idea that they will SHIFT the public attitude about the mess they created as if we are a flock that will follow their lead. The public is demanding that they SHIFT their policies and priorities to take care of us because we no longer trust them to do the right thing or figure out how to solve the problems.

Please put this fund in a reserve and show the SFMTA that you are on our side.

Mari Eliza, concerned citizen

In reference to the following:

This comment was read into the public record earlier today at the Budget and Finance Committee meeting:

This country waged a World War and a half century long Cold War against totalitarianism.

And yet, we now find totalitarianism in our own midst in the form of tactics used by the MTA.

Because of the sweeping powers granted to the MTA in 1999 by Prop E and because of the significant funds they have access to, the MTA is able to employ totalitarian tactics in programs such as Muni Forward.

In response to these tactics, I am urging the Board to place \$25 million of MTA funds on designated reserve rather than the current amount of \$500,000. This \$25 million represents approximately 8% of the General Fund Support budgeted for the MTA for FY 2016-2017.

This \$25 million would bring the MTA designated reserve in line with the \$23.6 million designated reserve for the PUC which is already in the current budget proposal.

A \$25 million designated reserve for the MTA is reasonable considering the \$200 million reserve being requested for the Police Department.

Eileen Boken
D4 resident

From: Jason Galisatus <jason@gfpublicaffairs.com>
Sent: Wednesday, June 22, 2016 2:27 PM
To: Board of Supervisors, (BOS)
Subject: Letter of Support for Sit/Lie Ordinance
Attachments: Sit-Lie Letter.pdf

Honorable Members of the Board of Supervisors,

Please find attached a letter of support for the sit/lie ordinance as it stands from the Fisherman's Wharf Restaurant Association.

Thank you very much for your consideration.

--

Sincerely,
Jason Galisatus
Junior Account Executive
Ground Floor Public Affairs



THE FISHERMAN'S WHARF RESTAURANT ASSOCIATION

**Alioto's · Bistro Boudin · Boudin Bakery & Café · Capurro's · Castagnola's ·
Crab Station · Fisherman's Grotto #9 · Franciscan · Guardino's ·
Nick's Lighthouse · Pompei's Grotto · Sabella & LaTorre · Tarantino's**

June 22, 2016

San Francisco Board of Supervisors
San Francisco City Hall
1 Dr. Carlton B Goodlett Place
San Francisco, CA 94103-5417

RE: Support for the sit/lie ordinance

Dear Honorable Members of the Board of Supervisors:

The Fisherman's Wharf Restaurant Association would like to express our strong support for the current sit/lie ordinance in light of recent calls to amend or repeal it.

As the Fisherman's Wharf Restaurant Association (FWRA), we represent twelve restaurateurs who generate millions in revenue for the City each year. Members include Boudin, Alioto's and the Franciscan, among others – all restaurants that represent the city's rich and unique culinary history. We proudly employ over 2,000 and serve millions of customers each year.

The sit/lie ordinance, duly approved by the San Francisco voters on November 2, 2010, codified the prevailing sentiment that public spaces ought not to be parceled out for private use. Employed in hundreds of municipalities around the nation, sit/lie and similar ordinances give local governments the tools needed to encourage individuals experiencing homelessness to access critical support services.

Undoubtedly, individuals experiencing homelessness need a safe place to sleep and live. However, our public sidewalks, public parks, and public streets simply cannot sustainably serve this function. Housing human beings in tents is neither progressive nor humane, but rather represents a temporary solution to a systemic problem that City Hall must urgently and aggressively work to solve.

Already has the City committed to opening six new navigation centers within the next two years, building upon a successful model for alleviating homelessness. We encourage the Board of Supervisors to continue to invest in such solutions, and not to disregard the will of San Francisco voters by reversing this ordinance.

Sincerely,

Louis J. Giraudo
Fisherman's Wharf Restaurant Association

**Pier 43 ½ · San Francisco, CA · 94133
(415) 362-7733 · DanteSerafini@gmail.com**

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Housing People Displaced By Recent Fire in Bernal/Mission

-----Original Message-----

From: Linda Adler [mailto:short.creek@yahoo.com]
Sent: Thursday, June 23, 2016 6:49 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Housing People Displaced By Recent Fire in Bernal/Mission

Dear Board of Supervisors:

I have heard that many of the 52 people displaced by the recent fire in Bernal/Mission have not been able to find new affordable housing, even with the Salvation Army's assistance. I think it would be a great idea (and a win-win) if The City were to encourage AirbNb to make a sizable donation towards finding and securing new permanent affordable housing in San Francisco for the people. Think about it, many of us long term residents one disaster away from being in the same position.

Thank you,

Linda
Lower Nob Hill

(22)

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Fwd:

From: Ben Lin [mailto:blin920@gmail.com]
Sent: Saturday, June 25, 2016 1:30 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Fwd:

Support Fleet Week for over 30 years:

Send comments and likes and dislikes to blin90@yahoo.com and [415-279-2623](tel:415-279-2623).

Thanks for all the email comments.

The Blue Angels are the United States Navy's flight demonstration squadron and they have proudly flown over San Francisco for over 30 years without incident. On average they attract over 1 million visitors to the San Francisco Bay Area each year during Fleet Week. The Blue Angels were formed 70 years ago and according to the team "the mission of the Blue Angels is to showcase the pride and professionalism of the United States Navy and Marine Corps by inspiring a culture of excellence and service to country through flight demonstrations and community outreach."

John Avalos of the San Francisco Board of Supervisors (a man who has been living in San Francisco for a shorter period of time than the Blue Angels have been flying here) has recently proposed banning the Blue Angels from flying over the City during Fleet Week despite the teams impeccable safety record while performing here.

Banning the Blue Angels, a San Francisco tradition, over the irrational and baseless fears of 1 San Francisco Supervisor is a loss for the entire region.

Dear San Francisco Supervisors,

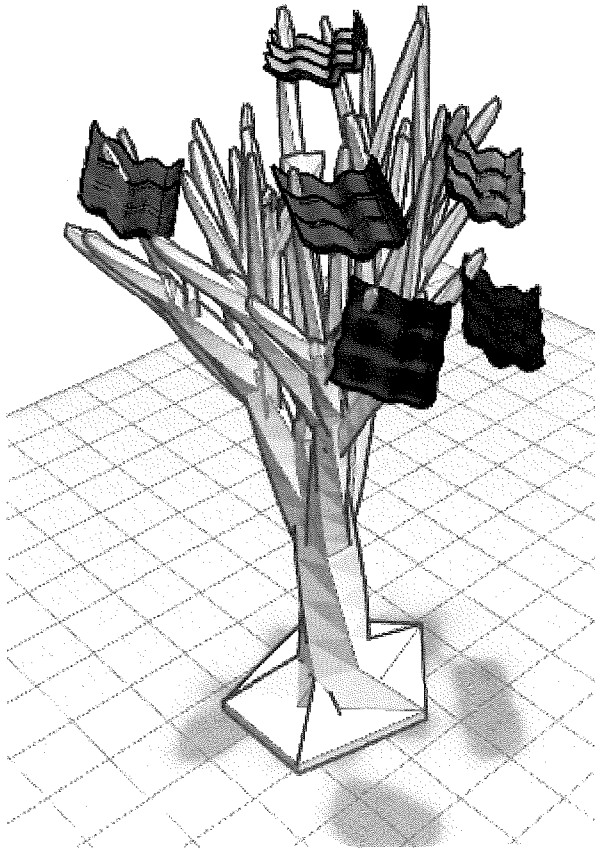
The Environmental Movement is made up of many parts, all sharing a common cause - to help protect our Earth. Some of these parts of the Movement include banning hazardous materials, helping endangered animals to survive in the wild, and preventing the pollution of our air, water, and soil. The part of this movement that we will be focusing on is the ban on plastic bags in San Francisco. Plastic bags are a hazard to our community, and by eliminating them from our daily lives we have helped to save countless innocent animals from choking on what they think is food. San Francisco banned the use of plastic bags in 2013, but that was just the start. In 2015, Jerry Brown signed a statewide bill to ban the use of plastic bags in stores, and to add a 10 cent fee to any other bags. Other states including Hawaii have also banned plastic bags, but California was the first. With help from what San Francisco did, the movement led to banning it on a statewide level, and we are currently implementing in on a nation level. To commemorate the ban on plastic bags, we've decided to ask you to commission the construction of a statue of a tree in Hellman's Hollow with plastic bags stuck on that fake tree. On that tree, we were thinking of putting a plaque that reads "To commemorate the ban on plastic bags — 10/1/2013". We decided on Hellman's Hollow because we could put a fake tree there that would get noticed without being too distracting. It's nothing big, but it would help remind people walking by of that important step that the environmental movement took in San Francisco, and it would help remind them of the issue.

Best Regards,

Billy Pierce, Jake Blachford, and Andrew Cheng, students from the San Francisco Friends School.

RECEIVED
OFFICE OF THE
SACRAMENTO
2016 JUN 27 PM 3:05
37

Tree statue with plastic bags hanging down from branches. Plaque at the bottom reads: "To commemorate the ban on plastic bags (10/1/2013)."



<---- Example of what we might do.

The tree would measure 4 meters tall, and 1 meter wide. The tree itself would be made out of stone, and the plastic bags would be made out of metal and would be painted white. The plaque would be made out of metal and would be painted bronze. In black letters, it would read "To commemorate the ban on plastic bags (10/1/2013)". The sign would be two feet long, 1 foot tall, and 4 inches wide.

Katherine Schwellenbach
1390 Alabama St
SF, CA 94110

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2016 JUN 23 PM 2:55

Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Dear Supervisor,

Thousands of middle-income seniors and people with disabilities in San Francisco need home care to stay safely in our homes, but can't afford it! Please launch the new **Support at Home** program to subsidize home care for those who need it.

Many of my friends need more support in order to stay in the city. They are a part of our community. I shouldn't have to leave!

Sincerely,

Katherine Schwellenbach

Ariana Thompson-Lastad
1390 Van Ness
San Francisco,
94110

Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

2016 JUN 23 PM 2:56
SAN FRANCISCO
CALIFORNIA 94102

2016 JUN 23 PM 2:56

BY

[Signature]

Dear Supervisor,

Thousands of middle-income seniors and people with disabilities in San Francisco need home care to stay safely in our homes, but can't afford it! Please launch the new **Support**

at Home program to subsidize home care for those who

need it. *This program will allow seniors &*

people with disabilities to continue living in

San Francisco & will make the city a better place for all residents.

Sincerely,

Ariana Thompson-Lastad

Dear Supervisor,

Thousands of middle-income seniors and people with disabilities in San Francisco need home care to stay safely in our homes, but can't afford it! Please launch the new **Support at Home** program to subsidize home care for those who need it.

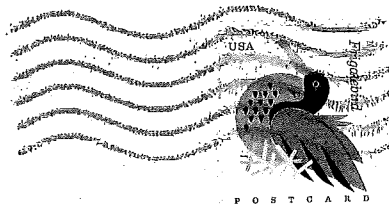
Sincerely,



Debra Tavis Patton
5 Youngs Ct.
San Francisco, CA 94124

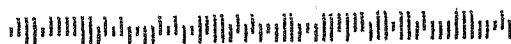
SAN FRANCISCO CA 94102

23 JUN 2016 PM 3 L



Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

02468993



BOS-11
CPAGC

Dear Supervisor,

Thousands of middle-income seniors and people with disabilities in San Francisco need home care to stay safely in our homes, but can't afford it! Please launch the new **Support at Home** program to subsidize home care for those who need it. I am a nurse working with older adults and their caregivers. In-home care makes a huge difference for them!

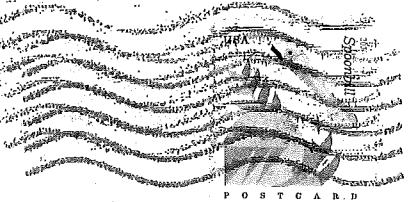
Sincerely,

Sarah O'Leary, RN, CNS

S. O'Leary
1220 21st Ave
San Francisco, CA

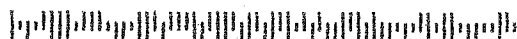
94122

2016 JUN 30
BY DC



Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

02466999



From: Board of Supervisors, (BOS)
To: BOS-Supervisors; BOS-Legislative Aides
Subject: FW: ACC FY16-17 Waivers
Attachments: FY16-17_Waiver_PattersonVeterinary.pdf; FY16-17_Waiver_MWIAAnimalHealth.pdf

From: Alberto, Justine Eileen (ADM)
Sent: Thursday, June 30, 2016 3:06 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: Winchester, Tamra (ADM) <tamra.winchester@sfgov.org>; Bishop, Cameron M <CMBishop@sfgov.org>
Subject: ACC FY16-17 Waivers

Hello Board of Supervisors,

Attached are Animal Care and Control's FY16-17 12B Waivers for the below vendors:

1. MWI Veterinary Supply - No Potential Contractors Comply
2. Patterson Veterinary – No Potential Contractors Comply

Please let me know if you have questions.

Warm Regards,
Justine

Justine Alberto | Administrative Analyst
(415) 554-9410 | justine.alberto@sfgov.org

SF Animal Care and Control
1200 – 15th Street
San Francisco CA 94103
Facebook | Twitter



CITY AND COUNTY OF SAN FRANCISCO CONTRACT MONITORING DIVISION

S.F. ADMINISTRATIVE CODE CHAPTERS 12B and 14B WAIVER REQUEST FORM (CMD-201)

Send completed waiver requests to:
cmd.waiverrequest@sfgov.org or
CMD, 30 Van Ness Avenue, Suite 200, San Francisco, CA
94102

FOR CMD USE ONLY

Request Number:

➤ Section 1. Department Information

Department Head Signature: [Signature] Deb Campbell (Acting Director)

Name of Department: San Francisco Animal Care and Control (SFACC)

Department Address: 1200 - 15th Street San Francisco CA 94103

Contact Person: Justine Alberto (Department Analyst)

Phone Number: (415) 554-9410 E-mail: justine.alberto@sfgov.org

➤ Section 2. Contractor Information

Contractor Name: Patterson Veterinary Vendor No.: _____

Contractor Address: 1160 Chess Drive, Suite 9, Foster City CA 94404-1142

Contact Person: Denice Merlo Contact Phone No.: (800) 877-8989

➤ Section 3. Transaction Information

Date Waiver Request Submitted: 6/30/2016 Type of Contract: Department Blanket/PO

Contract Start Date: 7/1/2016 End Date: 6/30/2017 Dollar Amount of Contract: \$ \$ 50,000.00

➤ Section 4. Administrative Code Chapter to be Waived (please check all that apply)

☒ Chapter 12B

☐ Chapter 14B *Note:* Employment and LBE subcontracting requirements may still be in force even when a 14B waiver (type A or B) is granted.

➤ Section 5. Waiver Type (Letter of Justification *must* be attached, see Check List on back of page.)

☐ A. Sole Source

☐ B. Emergency (pursuant to Administrative Code §6.60 or 21.15)

☐ C. Public Entity

☒ D. No Potential Contractors Comply (Required) Copy of waiver request sent to Board of Supervisors on: _____

☐ E. Government Bulk Purchasing Arrangement (Required) Copy of waiver request sent to Board of Supervisors on: _____

☐ F. Sham/Shell Entity (Required) Copy of waiver request sent to Board of Supervisors on: _____

☐ G. Subcontracting Goals

☐ H. Local Business Enterprise (LBE)

CMD/HRC ACTION

12B Waiver Granted: _____

14B Waiver Granted: _____

12B Waiver Denied: _____

14B Waiver Denied: _____

Reason for Action: _____

CMD Staff: _____ Date: _____

CMD Director: _____ Date: _____

HRC Director (12B Only): _____ Date: _____



ANIMAL CARE AND CONTROL DEPARTMENT

1200 15th STREET
SAN FRANCISCO
CALIFORNIA 94103
(415) 554-6364
FAX (415) 557-9950
TDD (415) 554-9704

June 30, 2016

Contract Monitoring Division
30 Van Ness Avenue, Suite 200
San Francisco CA 94102

To Whom It May Concern:

Animal Care and Control (ACC) is requesting a 12B HRC Waiver for Patterson Veterinary.

Patterson Veterinary recently purchased Animal Health International (AHI) the supplier of numerous animal health and veterinary care products for ACC. This vendor supplies us with diagnostic tests, catheters, treatments, veterinary equipment maintenance and cleaning supplies. In particular, they are the only regional distributor of Accel cleaning solution, which is vital to the operation of our animal shelter. ACC has looked into contracting with other animal health care product distributors for this particular range of products, but none are 12B compliant. Granting this vendor a waiver will allow us to continue to provide high quality care to our shelter animals.

ACC is requesting that this 12B HRC Waiver request be approved for the amount of \$50,000.00. We will continue to work closely with the Contract Monitoring Division and follow-up with Patterson on compliance status. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Deb Campbell", with a long, sweeping flourish extending to the right.

Deb Campbell
Acting Director



CITY AND COUNTY OF SAN FRANCISCO CONTRACT MONITORING DIVISION

S.F. ADMINISTRATIVE CODE CHAPTERS 12B and 14B WAIVER REQUEST FORM (CMD-201)

Send completed waiver requests to:
cmd.waiverrequest@sfgov.org or
CMD, 30 Van Ness Avenue, Suite 200, San Francisco, CA
94102

FOR CMD USE ONLY

Request Number:

➤ Section 1. Department Information

Department Head Signature: [Signature] Deb Campbell (Acting Director)

Name of Department: San Francisco Animal Care and Control (SFACC)

Department Address: 1200 - 15th Street San Francisco CA 94103

Contact Person: Justine Alberto (Department Analyst)

Phone Number: (415) 554-9410 E-mail: justine.alberto@sfgov.org

➤ Section 2. Contractor Information

Contractor Name: MWI Animal Health Vendor No.: 56641

Contractor Address: PO Box 910 Meridian ID 83680-0910

Contact Person: Customer Service Contact Phone No.: (800) 924-3703

➤ Section 3. Transaction Information

Date Waiver Request Submitted: 6/30/2016 Type of Contract: Department Blanket/PO

Contract Start Date: 7/1/2016 End Date: 6/30/2017 Dollar Amount of Contract: \$ \$ 50,000.00

➤ Section 4. Administrative Code Chapter to be Waived (please check all that apply)

☒ Chapter 12B

☐ Chapter 14B *Note:* Employment and LBE subcontracting requirements may still be in force even when a 14B waiver (type A or B) is granted.

➤ Section 5. Waiver Type (Letter of Justification *must* be attached, see Check List on back of page.)

☒ A. Sole Source

☐ B. Emergency (pursuant to Administrative Code §6.60 or 21.15)

☐ C. Public Entity

☐ D. No Potential Contractors Comply (Required) Copy of waiver request sent to Board of Supervisors on: _____

☐ E. Government Bulk Purchasing Arrangement (Required) Copy of waiver request sent to Board of Supervisors on: _____

☐ F. Sham/Shell Entity (Required) Copy of waiver request sent to Board of Supervisors on: _____

☐ G. Subcontracting Goals

☐ H. Local Business Enterprise (LBE)

CMD/HRC ACTION

12B Waiver Granted: _____
12B Waiver Denied: _____

14B Waiver Granted: _____
14B Waiver Denied: _____

Reason for Action: _____

CMD Staff: _____ Date: _____

CMD Director: _____ Date: _____

HRC Director (12B Only): _____ Date: _____



ANIMAL CARE AND CONTROL DEPARTMENT

1200 15th STREET
SAN FRANCISCO
CALIFORNIA 94103
(415) 554-6364
FAX (415) 557-9950
TDD (415) 554-9704

June 30, 2016

Tamra Winchester
Contract Monitoring Division
30 Van Ness Avenue, Suite 200
San Francisco CA 94102

Dear Ms. Winchester:

Animal Care and Control (ACC) is requesting a 12B HRC Waiver for MWI Animal Health (MWI).

As you may recall, MWI is the supplier of numerous animal health and veterinary care products to ACC. This vendor supplies ACC with antibiotics, vaccines, syringes, diagnostic tests and treatments. ACC has looked into contracting with other animal health care distributors for this particular range of products, but none are 12B compliant. Granting this vendor a waiver will allow us to continue to provide high quality care to our shelter animals.

ACC is requesting that this 12B HRC Waiver request be approved for the amount of \$50,000.00. We will continue to work closely with the Contract Monitoring Division and follow-up with MWI Animal Health compliance status. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Deb Campbell", with a long, sweeping horizontal line extending to the right.

Deb Campbell
Acting Director

3)

From: Reports, Controller (CON)
Sent: Wednesday, June 29, 2016 11:56 AM
To: Calvillo, Angela (BOS); Gosiengfiao, Rachel (BOS); BOS-Supervisors; BOS-Legislative Aides; Kawa, Steve (MYR); Howard, Kate (MYR); Steeves, Asja (CON); Campbell, Severin (BUD); Newman, Debra (BUD); Rose, Harvey (BUD); SF Docs (LIB); CON-EVERYONE; Wagner, Greg (DPH); Garcia, Barbara (DPH); Sangha, Baljeet (DPH); Aguillo, Daisy (DPH)
Subject: Issued: Field Follow-up of 2013 Audit of the Department of Public Health's Purchasing Structure

The Office of the Controller's City Services Auditor Division (CSA) today issued a memorandum on its assessment of corrective actions that the Department of Public Health (Public Health) has taken in response to CSA's 2013 audit report, *The Department's Siloed and Decentralized Purchasing Structure Results in Inefficiencies*. The results show that all nine recommendations in the 2013 report have been fully implemented or are no longer applicable and are considered closed.

To view the full memorandum, please visit our website at:
<http://openbook.sfgov.org/webreports/details3.aspx?id=2322>

This is a send-only e-mail address. For questions about the memorandum, please contact Director of City Audits Tonia Lediju at tonia.lediju@sfgov.org or 415-554-5393 or the CSA Audits Unit at 415-554-7469.

Follow us on Twitter @SFController




CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

FIELD FOLLOW-UP MEMORANDUM

TO: Barbara A. Garcia, Director of Health
Department of Public Health

FROM: Tonia Lediju, Director of City Audits
City Services Auditor Division 

DATE: June 29, 2016

SUBJECT: Field Follow-up of the 2013 Audit of the Department of Public Health's
Purchasing Structure

EXECUTIVE SUMMARY

The City Services Auditor Division (CSA) of the Office of the Controller (Controller) issued a report in March 2013, *Department of Public Health: The Department's Siloed and Decentralized Purchasing Structure Results in Inefficiencies*. CSA has completed a field follow-up to determine the corrective actions that the Department of Public Health (Public Health) has taken in response to the report. The report contains 9 recommendations, of which:

- 7 have been fully implemented and are considered closed.
- 2 are deemed no longer applicable by CSA and are considered closed.

BACKGROUND, OBJECTIVE & METHODOLOGY

Background

The Charter of the City and County of San Francisco (City) provides CSA with broad authority to conduct audits. CSA conducted the 2013 audit that is the basis of this follow-up under that authority.

Public Health requested an audit of its medical supply purchasing processes. As a result, CSA included the audit in its fiscal year 2012-13 work plan. The audit evaluated whether the ways in which Public Health purchases medical supplies could be improved to achieve cost savings. The audit assessed whether Public Health could achieve further cost savings through bulk purchasing and whether the purchasing functions of the department's various hospitals and clinics could be consolidated to reduce costs. However, the analysis of department-wide

purchasing data was limited because the data maintained by Public Health's various purchasing locations could not be compared.

Public Health manages the hospitals of the City, monitors and regulates emergency medical services, and oversees a number of primary care, mental health, disease prevention, and jail health clinics. In fiscal year 2011-12 Public Health bought approximately \$38 million in medical supplies at three sites.

The audit focused on Public Health's purchasing of medical supplies and excluded other purchases such as those of capital items, pharmaceuticals, office and janitorial supplies, and service contracts. The audit faced a scope limitation when attempting analysis of department-wide purchasing data because data maintained at Public Health's various purchasing locations is not comparable.

Objective

The objective of this field follow-up was to determine whether Public Health has taken the corrective actions recommended in CSA's March 14, 2013, audit report. Consistent with Government Auditing Standards, Section 7.05, promulgated by the U.S. Government Accountability Office, the purposes of audit reports include facilitating follow-up to determine whether appropriate corrective actions have been taken.

This field follow-up is a nonaudit service. Government Auditing Standards do not cover nonaudit services, which are defined as professional services other than audits or attestation engagements. Therefore, Public Health is responsible for the substantive outcomes of the work performed during this follow-up and is responsible to be in a position, in fact and appearance, to make an informed judgment on the results of the nonaudit service.

Methodology

To conduct the field follow-up, CSA:

- Obtained documentary evidence from Public Health.
- Interviewed an associate administrator and verified the nature of the corrective actions taken.
- Using the above, assessed the status of the recommendations reported by Public Health.
- Documented the results of the fieldwork.

RESULTS

Public Health has fulfilled the intent of seven of the nine recommendations made in CSA's March 2013 report. The remaining two recommendations are no longer applicable and Public Health has taken alternative steps to fulfill the intent of those recommendations. The following exhibit summarizes the status of the nine recommendations.

EXHIBIT Status of Recommendations in the 2013 Report, <i>Department of Public Health: The Department's Siloed and Decentralized Purchasing Structure Results in Inefficiencies</i>	
Recommendation Status	Number of Recommendations
Closed	
CSA determined were implemented	7
CSA determined were no longer applicable	2
Total Original Recommendations	9

The following table presents the status of each recommendation, by its number in the report. The nine recommendations are grouped into two categories:

- Closed and implemented
- Closed and no longer applicable

CLOSED AND IMPLEMENTED RECOMMENDATIONS

Recommendation	Follow-up Results
3. Analyze its purchasing data to determine what purchases would be better made department-wide rather than by site.	<p>Public Health created the Department of Public Health Supply Chain & Procurement Manual (Procurement Manual) Policy 3.8, "Analysis of Department-wide Purchasing Data," which specifies how Public Health is to detect department-wide purchases. The Procurement Manual was implemented in August 2014 and most recently updated in April 2016.</p> <p>To support that department-wide purchasing efforts have been applied, Public Health provided documents including a March 2016 agreement that allows Clean Harbors Environmental Services, Inc., to manage all of Public Health's pharmaceutical waste disposal and management services. Public Health also uses a clinical maintenance equipment bid analysis log to monitor the analysis of purchasing data.</p>
4. Create a department-wide purchasing policies and procedures manual.	Public Health created and implemented the Procurement Manual.

Recommendation	Follow-up Results
<p>5. Implement a policy to review, at least quarterly, the cost-effectiveness of group purchasing organization purchases considered exempt from the requirements of the Office of Contract Administration.</p>	<p>Public Health created and implemented Procurement Manual Policy 3.5.5.2, "Quarterly Evaluation of Cost Effectiveness of GPO Purchases" to evaluate the cost-effectiveness of the group purchasing organization.¹</p> <p>To support that comparative analyses of GPO purchases are now undertaken, Public Health created a "Non-ZSFG Department Usage Comparison" sheet.² Public Health also provided, as an example, an Accountability & Compliance Task Tracker, last updated July 30, 2015, which indicates that a manager reviewed the cost-effectiveness of a number of group purchasing organization purchases.</p>
<p>6. Develop written policies and procedures to guide staff in deciding when to pursue waivers from the Office of Contract Administration and Contract Monitoring Division. The criteria should consider the clinical need for the item, urgency of the need, cost of mark-up, and overhead costs of applying for the waivers.</p>	<p>Public Health created and implemented Procurement Manual Policy 3.9, "Evaluation and Determination of Pursuing Waivers," to evaluate and determine the appropriateness of pursuing waivers from the Office of Contract Administration and Contract Monitoring Division.</p> <p>As an example of the implementation of this policy, Public Health provided e-mail correspondence regarding the analysis undertaken to obtain a waiver for Public Health to make a purchase from the EKOS Corporation. CSA reviewed the waiver request and the completed waiver to verify that the department considered the clinical need, urgency, cost of mark-up, and the overhead costs associated with applying for the waiver.</p>
<p>7. Provide all sites that select vendors with lists of Novation vendors, and require clinic purchasing staff to use Novation vendors when lower prices can be obtained.</p>	<p>Public Health required that all sites that select vendors attend a Novation Tutorial and Marketplace Training presentation.</p> <p>The Novation Training presentation indicates that all sites that underwent this training had access to the list of Novation vendors and that the training covered how to obtain lower prices.</p> <p>Public Health also created and implemented Procurement Manual Policy 3.5.5, "The Group Purchasing Organization Authority," which provides the GPO the authority to pool the purchasing power of its members to secure significant discounts on materials, supplies, and services.</p>

¹ GPO = group purchasing organization.

² ZSFG = Zuckerberg San Francisco General Hospital and Trauma Center.

Recommendation	Follow-up Results
<p>8. Implement a policy to extract all purchase order data from the GHX³ system quarterly and define the length of time to retain the data.</p>	<p>Public Health created and implemented the Supply Chain Council, which allows Public Health to execute a policy that ensures that purchase order data from the GHX system is backed up properly.</p> <p>Public Health also created and implemented Procurement Manual Policy 3.3, "Records Retention Policy," to retain all documentation pertaining to requisitioning, purchasing, receiving, materials and supplies distribution, services, capital equipment procurement, after-hours emergency requisition orders, and inpatient/outpatient supply requests, for not less than five years.</p> <p>Further, Public Health created and implemented Procurement Manual Policy 13.3, "GHX Purchase Order Report," which specifies how MMIS⁴ would extract and store Purchase Order data from GHX quarterly.</p> <p>Last, Public Health employs a GHX purchase order backup data log that confirms that purchase order data has been extracted from the GHX system.</p>
<p>9. Ensure that purchase order data from the GHX system is backed up properly.</p>	<p>Public Health created and implemented Procurement Manual Policy 13.3, "GHX Purchase Order Report," which specifies how MMIS is to extract and store purchase order data from GHX quarterly.</p> <p>To support that purchase order data has been backed up properly, Public Health provided a GHX purchase order backup data log that confirms that purchase order data has been extracted from the GHX system.</p> <p>Public Health also uses an Accountability & Compliance Task Tracker, which documents managerial review of periodic data extraction.</p>

³ GHX = Global Healthcare Exchange, LLC.

⁴ MMIS = Materials Management Information System.

CLOSED AND NO LONGER APPLICABLE RECOMMENDATIONS

Recommendation	Follow-up Results
<p>1. Move all of its purchasing functions to the San Francisco General Hospital purchasing location. By doing so, the department can monitor its purchasing department-wide, make more efficient use of resources, avoid duplication of efforts due to purchasing functions being performed at multiple sites, and reduce risk of future divergence of policies and procedures and lack of oversight.</p>	<p>Public Health opted not to move all of its purchasing functions to Zuckerberg San Francisco General Hospital because, according to Public Health, there is insufficient physical space to accommodate this function at the hospital.</p> <p>Alternatively, Public Health created and implemented the Supply Chain Council, which, according to policy, enables it to leverage its purchasing power and drive long-term improvements in its divisional supply chains.</p> <p>To centralize its purchasing functions, Public Health requires that all purchasing and accounts payable sections are represented on the Supply Chain Council. The Supply Chain Council's Frequently Asked Questions document describes how Public Health monitors department-wide purchasing, prevents duplication of purchases, improves inefficiencies, reduces divergence from policies and procedures, and improves oversight.</p> <p>As a result, CSA deems that Public Health found alternate means to achieve the intent of Recommendation 1.</p>
<p>2. Ensure that all of its medical supply purchasing data is comparable by entering all purchasing data into the Pathways Materials Management purchasing system to take advantage of GHX purchasing enhancements.</p>	<p>Public Health does not and will not enter all purchasing data in the Pathways Material Management purchasing system because Public Health's agreement with the system's provider has not been—and may never be—fully executed.</p> <p>Public Health provided the Supply Chain Council's task tracker and information documenting the barriers to entering all purchasing data into the Pathways Materials Management purchasing system that result from a disagreement over contract terms with the system's provider.</p> <p>The Supply Chain Council's Frequently Asked Questions document identifies the Public Health locations that have used the Pathways Materials Management purchasing system and the Supply Chain Council's meeting agendas demonstrate that Public Health has actively worked to fully implement this recommendation.</p>

CSA extends its appreciation to you and your staff who assisted with this review. If you have any questions or concerns, please call me at (415) 554-5393 or e-mail me at Tonia.Lediju@sfgov.org.

cc: Public Health
Greg Wagner
Baljeet Sangha
Daisy Aguallo

Controller
Ben Rosenfield
Todd Rydstrom
Mark Tipton
Antonette Harmon

Board of Supervisors
Budget Analyst
Citizens Audit Review Board
City Attorney
Civil Grand Jury
Mayor
Public Library

ATTACHMENT: DEPARTMENT RESPONSE



City and County of San Francisco
Edwin M. Lee, Mayor

Department of Public Health
Barbara A. Garcia, MPA
Director of Health

June 20th 2016

Tonia Lediju
Director of City Audits
City Hall, Room 476
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Subject: San Francisco Department of Public Health Acknowledgment of Field Follow-up Memorandum
Regarding 2013 Audit of the Department of Public Health's Purchasing Structure

Dear Ms. Lediju,

Thank you for providing us the opportunity to respond to your field follow-up audit of your March 2013 report titled "*Department of Public Health: The Department's Siloed and Decentralized Purchasing Structure Results in Inefficiencies*". We acknowledge that all 9 of the recommendations are now considered closed with 7 having been fully implemented and 2 no longer applicable.

We appreciate the time spent by your staff to partner with the DPH through the entire process, dating back to reviews that took place for the original March 2013 report through this current Field Audit Follow up. Their efforts have supported the continuing DPH efforts to establish an efficient purchasing structure, evidenced by several pending DPH wide contracts ranging from equipment maintenance, workforce and patient experience surveying, linen laundering, medical waste management, and clerical supply ordering.

If you have any questions or need additional information, please do not hesitate to contact me at Barbara.Garcia@sfdph.org or DPH Associate Administrator, Baljeet S. Sangha at Baljeet.Sangha@sfdph.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Barbara Garcia", with a stylized flourish at the end.

Barbara Garcia (MPA)
Director of Health

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: RE JPD Annual Report on Civil Immigration Detainers - 2016
Attachments: 6-30-16 CPO Annual 12I Report to Mayor Lee & BOS.pdf

From: Cowan, Sheryl (JUV)
Sent: Thursday, June 30, 2016 4:15 PM
To: Fannon, Una (MYR) <una.fannon@sfgov.org>
Cc: Calvillo, Angela (BOS) <angela.calvillo@sfgov.org>; Somera, Alisa (BOS) <alisa.somera@sfgov.org>; Hernandez, Paula (JUV) <paula.hernandez@sfgov.org>; Cowan, Sheryl (JUV) <sheryl.cowan@sfgov.org>; alisa.somersa@sfgov.org
Subject: RE JPD Annual Report on Civil Immigration Detainers - 2016

Dear Ms. Fannon, Ms. Calvillo and Ms. Somera:

Please find attached an electronic copy of the Juvenile Probation Department 2016 Annual Report on Civil Immigration Detainers in accordance with the San Francisco Administration Code Chapter 12I: Civil Immigration Detainers, Sections 12I.5 Annual Report. Hard copies are also being sent by U.S. mail.

Sincerely,

Sheryl E. Cowan
Executive Assistant III
Chief Allen A. Nance, and
Assistant Chief Palminder Hernandez
San Francisco Juvenile Probation Department
375 Woodside Avenue, Room 243
San Francisco, CA 94127
(415) 753-7556
sheryl.cowan@sfgov.org

NOTICE OF CONFIDENTIALITY: This e-mail message, including any attachments, is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential or exempt from disclosure under applicable laws. If you are not the intended recipient or received this communication in error, you are notified that dissemination, distribution, or copying of this communication is strictly prohibited and may be a violation of law. If you have received this communication in error, please notify the sender by reply e-mail and delete all copies of the original message.



**City and County of San Francisco
Juvenile Probation Department**

ALLEN A. NANCE
CHIEF PROBATION OFFICER

375 WOODSIDE AVENUE
SAN FRANCISCO, CA 94127
(415) 753-7556

June 30, 2016

The Honorable Edwin M. Lee, Mayor
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 200
San Francisco, CA 94102-4689

San Francisco Board of Supervisors
c/o Angela Calvillo, Clerk of the Board
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

Re: Annual Report on Civil Immigration Detainers – 2016 pursuant to Chapter 12I Civil
Immigration Detainers

Honorable Mayor Lee and Board of Supervisors:

This report is prepared and submitted by the Juvenile Probation Department in accordance with San Francisco Administrative Code Chapter 12I: Civil Immigration Detainers, Section 12I.5 Annual Report. The Department is pleased to report its full compliance with the Civil Immigration Detainer ordinance. During the period between July 1, 2015 and June 27, 2016, there were zero (0) persons detained solely based on civil immigration detainers.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Allen A. Nance", written over a horizontal line.

Allen A. Nance
Chief Juvenile Probation Officer

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; Somera, Alisa (BOS)
Subject: FW: Law Enforcement Reporting Requirements per Ordinance 166-15
Attachments: 6_30_2016 San Francisco Administrative Code Chapter 96A First Quarter Report.pdf

From: Toet, Theodore (SHF) **On Behalf Of** Hennessy, Vicki (SHF)
Sent: Thursday, June 30, 2016 4:49 PM
To: Hennessy, Vicki (SHF) <vicki.hennessy@sfgov.org>
Cc: Hirst, Eileen (SHF) <eileen.hirst@sfgov.org>; Horne, Freya (SHF) <freya.horne@sfgov.org>; Nicco, Mark (SHF) <mark.nicco@sfgov.org>; Winters, Raymond (SHF) <raymond.winters@sfgov.org>; Toet, Theodore (SHF) <theodore.toet@sfgov.org>; Fein, William (SHF) <william.fein@sfgov.org>
Subject: Law Enforcement Reporting Requirements per Ordinance 166-15

Good Afternoon,

Please find a copy of the Sheriff's Department's Report, pursuant to San Francisco Administrative Code Chapter 96A, attached in this email. The report contains arrests and use of force encounters from January 1, 2016 – March 31, 2016.

A hard copy of the report's findings will be sent to your office.

Thank you,
Vicki L. Hennessy
Sheriff



**OFFICE OF THE SHERIFF
CITY AND COUNTY OF SAN FRANCISCO**

1 DR. CARLTON B. GOODLETT PLACE
ROOM 456, CITY HALL
SAN FRANCISCO, CALIFORNIA 94102



**VICKI HENNESSY
SHERIFF**

June 30, 2016
Reference: 2016-089

The Honorable Edwin Lee
Mayor
City Hall, Room 200
1 Dr. Carlton B. Goodlett Place
San Francisco CA 94102

Re: Law Enforcement Reporting Requirements per Ordinance 166-15

Dear Mayor Lee,

In October of 2015 the Board of Supervisors passed Ordinance 166-15 amending the San Francisco Administrative Code, Chapter 96A: Law Enforcement Reporting Requirements. The reporting period covers January 1, 2016 – March 31, 2016, and covers arrests and use of force incidents.

Arrests are defined by §834 of the California Penal Code as the “taking of a person into custody, in a case and manner authorized by law.” For reporting purposes, only those arrests where the individual was transported to County Jail #1 for booking are included, not those arrests where the individual was issued a citation at the scene or at a Sheriff’s sub-station upon conclusion of the investigation. The San Francisco Sheriff’s Department is reporting 109 total arrests for the reporting period.

Use of force, as defined in the ordinance, is that “use of force on an individual that results in a known injury.” The San Francisco Sheriff’s Department is reporting a total of eight reportable uses of force for the reporting period that resulted in minor injuries.

The San Francisco Sheriff’s Department is comprised of three divisions – Administration and Programs, Custody Operations and Field Operations. Within each division are various facilities, sections and units that each perform functions vital to the administration and operation of the Sheriff’s Department. These worksites are staffed by the 821 sworn

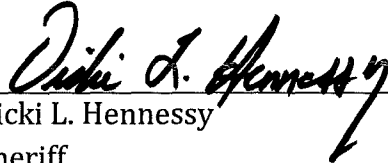
RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2016 JUL - 1 AM 9:30
BY [Signature]

employees of the Sheriff's Department. Many of worksites require 24 hour-a-day, seven day-a-week staffing.

The data we are required to provide per the ordinance will be found in the following pages and is summarized according to the requirements of the ordinance by department and then by division – Administration and Programs, Custody Operations and Field Operations.

If you have any questions, please do not hesitate to contact my Chief of Staff, Eileen Hirst, at 415.554.7225.

Sincerely,


Vicki L. Hennessy
Sheriff

Cc: President of the Board London Breed
Supervisor John Avalos
Supervisor David Campos
Supervisor Malia Cohen
Supervisor Mark Farrell
Supervisor Jane Kim
Supervisor Eric Mar
Supervisor Aaron Peskin
Supervisor Katy Tang
Supervisor Scott Weiner
Supervisor Norman Yee
President Suzy Loftus, San Francisco Police Commission
Zoe Polk, Human Rights Commission

San Francisco Sheriff's Department Use of Force Reporting – January 1, 2016 – March 31, 2016

The following includes the data required per Ordinance 166-15 amending the San Francisco City and County Administrative Code, Chapter 96A: Law Enforcement Reporting Requirements.

Arrests

- Total number of arrests (department-wide): **109**
 - Administration and Programs: **4**
 - Custody Operations: **18**
 - Field Operations: **87**
- By Race, Age and Gender: Please see table titled *San Francisco Sheriff's Department, Arrests, January 1, 2016 – March 31, 2016*.

Use of Force

- Total number of reportable uses of force (department-wide): **8**
 - Administration and Programs: **0**
 - Custody Operations: **7**
 - Field Operations: **1**
- By Race, Age and Gender: Please see table titled *San Francisco Sheriff's Department, Use of Force, January 1, 2016 – March 31, 2016*.

For the reporting period, there were eight reportable uses of force. The eight incidents are summarized below.

1. After removing the handcuffs from an inmate during a safety cell placement, the inmate turned towards a deputy and attempted to bite the deputy. Deputies used bar arm takedowns to take the inmate to the ground. The inmate sustained a bloody nose and was treated and cleared by Jail Health Services (JHS).
2. Two inmates were fighting in a housing unit. Both inmates refused the deputy's orders to stop fighting. The inmates continued fighting and disobeyed the deputy's orders. When the deputy attempted to separate the inmates, both inmates fell to the ground. One of the inmates hit his head on the bottom of the cell windowsill. (Note: The cell windows run the height of the cell, approximately 10' from floor to ceiling.) The inmate was treated for a head laceration requiring stitches and transported to San Francisco General Hospital for further treatment.

San Francisco Sheriff's Department Use of Force Reporting – January 1, 2016 – March 31, 2016

3. An inmate told a classroom instructor that he had to use the restroom. The inmate went in and out of the classroom several times, disrupting the class. A deputy directed the inmate to come talk to the deputy. The inmate did not listen to the deputy. The deputy escorted the inmate to an interview room in a housing unit.

A supervisor spoke to the inmate, explained the rules regarding attending class and allowed the inmate to use the restroom. After using the restroom, the inmate returned to class. Several seconds later the instructor came out of the classroom and told the deputies that the inmate had snatched some papers out of her hands. The deputies entered the classroom to remove the inmate from the classroom. Upon grabbing the inmate's arms to escort him out of the classroom, the inmate tensed his arms and clenched his fists. While escorting the inmate to an interview room in a housing unit, the inmate actively squirmed away from the deputies' control holds. While entering the interview room, the inmate's face bumped a wall or door. The inmate sustained a mark underneath his eye. The inmate was treated and cleared by JHS.

4. An inmate appeared to be upset and have an agitated look upon his face. When a deputy told him to step back so that the deputy could open the door to a holding cell, the inmate did not move. The deputy gave the inmate several more orders to back up. The inmate stared at the deputy and yelled derogatory language. The deputy was able to open the door and the inmate stepped into the holding cell.

Later in the day when the deputy was serving dinner, the inmate was in the holding cell with other inmates glaring at the deputy and yelling at the deputy in Spanish. The inmate was getting louder and clenching his fists. For the safety of the other inmates in the holding the cell, the deputy ordered the inmate to stand up and exit the holding cell. The inmate yelled derogatory comments at the deputy. The deputy had to enter the holding the cell with another deputy to remove the inmate from the holding cell. Upon grabbing the inmate's arms, the inmate managed to pull away from one deputy and turn towards the other deputy. The deputies took the inmate to the ground. After handcuffing the inmate, the deputy noticed some blood around the inmate's mouth. The inmate was treated and cleared by JHS.

San Francisco Sheriff's Department Use of Force Reporting – January 1, 2016 – March 31, 2016

5. A supervisor asked a deputy to strip search an inmate because he was suspected of holding contraband. The deputy directed the inmate to step into an interview room in a housing unit. As soon as the inmate walked into the interview room, the inmate reached into his pants and put an unknown object into his mouth. The deputy
6. ordered the inmate to spit the item out. The inmate did not follow the order. The deputy grabbed the inmate and pulled him out of the interview room. The deputy told the inmate to get on the ground. The inmate refused. The inmate resisted the deputy by pulling away from the deputy. The deputy took the inmate to the ground. The deputy ordered the inmate to spit out the item in the inmate's mouth. The inmate refused. The deputy used pain compliance and the inmate opened his mouth. The inmate had already swallowed the item. The inmate sustained a bump while resisting the deputy. The inmate was treated and cleared by JHS.
7. During count time all inmates are required to be on their assigned bed. While conducting count, an inmate was sitting on a chair. The deputy noticed that the inmate appeared to be cutting or chopping something, an action associated with preparing drugs or medication for snorting. The deputy noticed the inmate was holding something. When the deputy opened the door and asked the inmate what the item was, the inmate turned to the rear of the cell towards the toilet. The deputy grabbed the inmate's sweater in an attempt to gain control of the inmate. The inmate pulled away from the deputy, took a bladed stance (fighting stance), clenched his fists and stared directly at the deputy. The inmate refused the deputy's efforts to control the inmate and refused to be handcuffed. The deputy managed to pull the inmate to the ground outside of the cell and handcuffed the inmate. The inmate's face was bleeding. The inmate was treated by JHS and transported to SFGH for a laceration on the front of the head.
8. A deputy saw an inmate banging his head and hand on a bunk. The deputy ordered the inmate to place his hands behind his back. The inmate refused. The deputies reached to handcuff the inmate, but the inmate placed his hands underneath his body. The deputies ordered the inmate to give them his hands. The inmate refused. Pain compliance techniques were used in an effort to get the inmate to comply. The inmate eventually complied, the pain compliance technique being used was released, and the inmate was handcuffed. The inmate complained about back pain. The inmate was treated and cleared by JHS. The pain compliance techniques used were the mastoid (pressure to the right ear area) and a bent wrist lock.

San Francisco Sheriff's Department Use of Force Reporting – January 1, 2016 – March 31, 2016

9. A subject discharged from the emergency room at SFGH refused to leave. When deputies attempted to talk to the subject, the subject rambled on about nothing in particular and behaved as if he was in an altered mental state. The subject paced around the emergency room screaming. A deputy attempted to gain control of the subject, but the subject began swinging his fists at the deputy. Another deputy started to assist in taking the subject to the ground, but the subject refused all orders to get on the ground. The deputies eventually got the subject to the ground. The subject stated that he would comply with the deputies. The deputies handcuffed the subject. The subject sustained a small cut above his eye. The subject was treated and cleared by SFGH medical staff. The subject was released.

SAN FRANCISCO SHERIFF'S DEPARTMENT
ARRESTS BY RACE, AGE & GENDER
January 1, 2016 - March 31, 2016

		Total Department (109)		Admin/Programs (4)		Custody (18)		Field (87)	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
RACE	Asian/Pacific Islander	10	9	1	25	2	11	7	8
	American Indian/Alaskan	0	-	0	-	0	-	0	-
	Black	45	41	0	-	6	33	39	45
	Hispanic	13	12	1	25	4	22	8	9
	White:	41	38	2	50	6	33	33	38
AGE	18 - 29	15	14	2	50	7	39	6	7
	30 - 39	32	29	1	25	4	22	27	31
	40 - 49	26	24	0	-	2	11	24	28
	50+	36	33	1	25	5	28	30	34
GENDER	Male	99	91	4	100	13	72	72	83
	Female	20	18	0	-	5	28	15	17

SAN FRANCISCO SHERIFF'S DEPARTMENT
USE OF FORCE BY RACE, AGE & GENDER
January 1, 2016 - March 31, 2016

		Total Department (8)		Admin/Programs (0)		Custody (7)		Field (1)	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
RACE	Asian/Pacific Islander	2	25	0	-	2	29	0	-
	American Indian/Alaskan	0	-	0	-	0	-	0	-
	Black	0	-	0	-	0	-	0	-
	Hispanic	1	13	0	-	1	14	0	-
	White	5	63	0	-	4	57	1	100
AGE	18 - 29	3	38	0	-	2	29	1	100
	30 - 39	3	38	0	-	3	43	0	-
	40 - 49	1	13	0	-	1	14	0	-
	50+	1	13	0	-	1	14	0	-
GENDER	Male	8	100	0	-	7	100	1	100
	Female	0	-	0	-	0	-	0	-

As defined by Ordinance 166-15 that amended the Administrative Code of the City and County of San Francisco (Chapter 96A: Law Enforcement Reporting Requirements), use of force is "an Officer's (sic) use of force on an individual that results in a known injury."

**SUNSHINE ORDINANCE
TASK FORCE**



City Hall
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco CA 94102-4689
Tel. No. (415) 554-7724
Fax No. (415) 554-7854
TDD/TTY No. (415) 554-5227

President London Breed and Members
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

June 30, 2016

Re: Sunshine Ordinance Task Force 2014-2016 Annual Report

Dear President Breed and Members,

The Sunshine Ordinance Task Force (Task Force) submits the attached Annual Report covering the period of June 1, 2014, through March 31, 2016 to the Board of Supervisors pursuant to San Francisco Administrative Code, Section 67.30 (c). The report reflects the experience of the members who served on the Task Force during the time period covered. The report summarizes the predominant matters addressed by the Task Force during this period.

If you have any questions or concerns regarding this report please direct them to me or Task Force Administrator Victor Young at (415) 554-7724 or by email to sotf@sfgov.org.

Best Regards,

A handwritten signature in black ink, appearing to read "Chris Hyland", written over a horizontal line.

Chris Hyland
Acting Chair

- c: Sunshine Ordinance Task Force Members
Angela Calvillo, Clerk of the Board
Mayor Edwin Lee
City Attorney Dennis Herrera
District Attorney George Gascón
Ethics Commission

**CITY AND COUNTY OF SAN FRANCISCO
SUNSHINE ORDINANCE TASK FORCE
2014-2016 ANNUAL REPORT**

The San Francisco Sunshine Ordinance Task Force (Task Force) submits this annual report for the term of June 1, 2014, through March 31, 2016, to the Board of Supervisors pursuant to San Francisco Administrative Code, Section 67.30 (c).

SUNSHINE ORDINANCE

San Francisco Administrative Code Chapter 67

The Sunshine Ordinance is San Francisco's open government law, enacted in 1993 by the Board of Supervisors and signed by former Mayor Frank Jordan. San Francisco voters amended and approved the current version of the Ordinance in November 1999 as Proposition G.

The Sunshine Ordinance is based on the California Public Records Act and the state open meetings law known as the Ralph M. Brown Act. It draws additional authority and potency from Article I, Section 3 of the California Constitution and is intended to ensure and broaden the public's access to local government guaranteed by state law. San Francisco voters enacted the law to assure that public officials conduct the people's business in full view of the public and that the people remain in control of their government.

SUNSHINE ORDINANCE TASK FORCE

The Task Force is established pursuant to Sunshine Ordinance Section 67.30 to promote transparency and accountability in City government.

Members

The Task Force consists of 11 seats for voting members and two seats for non-voting members. Voting members from June 2014 to April 27, 2016, were:

Seat 1: Attorney nominated by the Society of Professional Journalists.
Mark Rumold (6/10/14 to 4/27/16), seat currently vacant

Seat 2: Journalist nominated by the Society of Professional Journalist.
Eric Eldon (10/7/15 to present)

Seat 3: Member of the press or electronic media with an interest in citizen access.
Josh Wolf (6/10/14 to present)

Seat 4: Journalist nominated by New America Media.
Rishi Chopra (10/21/14 to 4/27/15) (term expired – currently serving as a holdover)

Seat 5: Nominated by the League of Women Voters.
Chair Allyson Washburn (6/10/14 to 4/27/16)

Seat 6: Consumer Advocacy
David Pilpel (5/20/14 to 4/27/16)

Seat 7: Consumer Advocacy
Lee Hepner (6/10/14 to 1/30/16), seat currently vacant

Seat 8: General Public
Shaun Haines (6/3/15 to 4/27/16)

Seat 9: General Public
Vice Chair Chris Hyland (6/10/14 to present)

Seat 10: General Public
Louise Fischer (5/20/14 to present)

Seat 11: General Public
Fiona Hinze (10/28/14 to present)

The Board of Supervisors appoints voting members pursuant to requirements outlined in the Sunshine Ordinance. Voting members serve two-year terms without pay or expense reimbursement. There is no term limit for serving on the Task Force.

All Task Force members are required to have experience and/or demonstrated interest in the issues of citizen access and participation in local government. At all times the Task Force shall include at least one member who is a member of the public and is physically handicapped. Member Fiona Hinze met that requirement when she was appointed on October 21, 2014.

The two non-voting seats are designated for ex-officio members from the offices of the Mayor and the Clerk of the Board of Supervisors. Mayor Edwin Lee failed to designate a person to represent his office. Clerk of the Board Angela Calvillo primarily acts to acclimate new Task Force members to their roles and address transitional issues.

Responsibilities

The Task Force protects the public interest in open government and performs the duties outlined in the Sunshine Ordinance. It monitors the effectiveness of the Ordinance and recommends ways to improve it. The goal is to maximize public access to City records, information, and meetings and help public officials, employees, and entities find effective, efficient, and practical ways to meet open government requirements.

The Task Force is responsible for determining whether a record or information, or any part of that record or information, is public and must be disclosed; for determining whether meetings of policy, advisory, and passive meeting bodies should be open to the public; and for hearing public complaints alleging violations of the Sunshine Ordinance, California Public Records Act, Ralph M. Brown Act, and the Nonprofit Public Access Ordinance.

Meetings

Regular Task Force meetings are currently held on the first Wednesday of each month at 4:00 p.m.

Standing Committees of the Task Force

During this period the Compliance and Amendments Committee (CAC); Complaint Committee (CC); Rules Committee (RLS); and the Education, Outreach, and Training Committee (EOTC) were active.

In an effort to adjudicate complaints in a timely manner, the Task Force authorized the Complaint Committee to conduct initial hearings and make recommendations regarding how they should be decided. This has effectively doubled the capacity of the Task Force to adjudicate complaints each month and has greatly reduced the backlog.

For period of June 1, 2014, through March 31, 2016, the Task Force's committees conducted the compliant hearings and considered other issues as follows:

38 hearings to follow up on the Orders of Determination issued by the Task Force

62 hearings to review complaints and make recommendations to the Task Force

Task Force Administrator

The Task Force is assisted by a full-time Administrator from the office of the Clerk of the Board of Supervisors pursuant to Sunshine Ordinance, Section 67.31. During this period the role of Administrator was filled by Victor Young.

The Administrator receives complaints related to the Sunshine Ordinance and assists the public in resolving open government issues. The number of complaints received by the Administrator is substantially higher than the number of complaints heard by the Task Force for adjudication, primarily because the Administrator is able to resolve conflicts between parties at times.

Deputy City Attorney

The City Attorney assigns a Deputy City Attorney to serve as legal advisor to the Task Force. Nicholas Colla served in that capacity during this period.

Complaints filed with the Sunshine Ordinance Task Force

2014: 122 complaints filed

2015: 168 complaints filed

2016: 35 complaints filed as of March 31, 2016

Complaints filed against city agencies from January 1, 2014, through March 31, 2016.

City Agency	2014	2015	2016 (partial to 3/31/16)	Total Complaints Filed per Department	Number of Violations Found by the Task Force
Arts Commission	17	35	10	62	7
Assessor/Recorder	2			2	1
Board of Supervisors	10	14	3	27	11
Building Inspection	2			2	1
City Administrator		2		2	1
City Attorney	12	11		23	5
Civil Service Commission	1	2		3	
Controller's Office	5	7		12	3
District Attorney	1	1	2	4	2
DTIS		1		1	
Emergency Management			1	1	
Environment		1	1	2	
Ethics Commission		1	1	2	
Fire Department	1	3		4	1
Housing Authority		1		1	
Human Resources		13		13	
Human Services Agency	4	2	1	7	1
Mayor's Office	9	3		12	3
Planning	6		1	7	
Police Department and Commission	7	3	4	14	4
Port		1		1	
Public Health	13	2		15	3
Public Library and Commission	4	16		20	2
Public Utilities Commission		3		3	1
Public Works	5	3		8	5
Recreation and Parks		2		2	2
Retirement System	1	5		6	
SFMTA	6		3	9	2
Sheriff	2	11	2	15	2
Sunshine Ordinance Task Force		1		1	
Treasurer/Tax Collector	2	2		4	
Zoo	1			1	
311		1		1	

Total complaints filed against a particular department should not be taken as an indicator of that department's compliance with the Ordinance. Rather, violations found by the Task Force serve as a more accurate barometer and should assist departments with achieving a stronger record of compliance in the future.

Highlights of Hearings and Cases

The matters and cases discussed below are representative of those heard by the Task Force as it works to ensure greater transparency in the day-to-day business of City departments. As stated in previous annual reports, the Task Force is seeking both a stronger partnership and accountability by municipal offices with enforcement power through timely action to address these matters and to see the cases through to their important and just conclusions.

- It appears that the Recreation and Parks Department has several internal policies that have not been codified in writing but are characterized as “long-standing policies.” Although the department does not appear to violate the Sunshine Ordinance as strictly interpreted, the question remains as to how the policies were adopted and enforced they are not in a written format. The Task Force is currently attempting to gather more information from Recreation and Parks about how they develop policies but have not receive adequate responses (attachment- letter to and response from Recreation and Parks).
 - File No. 15087 Alex Aldrich vs. Recreation and Parks
 - File No. 15159 Tom Borden vs. Recreation and Parks
- Hearings conducted to provide suggestions for amendment to the Administrative Code (Sunshine Ordinance) 67.29-5: Officials Calendars: to expand the requirement to maintain a calendar to additional city officials.
- Review and implementation of certain recommendations from the Civil Grand Jury report title: Civil Grand Jury Report - Ethics in the City: Promise, Practice or Pretense. (File No. 14065)
 - The Task Force held a series of hearings about the recommendations and was requested to review and submitted a response to the presiding judge in August 2014. The response is attached.
- Hearing with the Ethics Commission to revise and develop additional policies for the effective processing of referrals from the Task Force for enforcement. (File No. 14093)
- Balancing the need for the Police Department and Fire Department to maintain confidential documents for law enforcement purposes against the public’s ability to access public records.
 - File No. 15010 Thomas Picarello vs. Fire Department. The Fire Department withheld certain documents due to a criminal investigation and for personal privacy purposes. However, Mr. Picarello was an actual victim in the investigation.
 - File No. 15019 Emmanuel Kourkoulas vs. Police Department. The Police Department would not release unredacted copies of certain reports in order to protect victims of a crime.

- Whistleblower protection. The Public Utilities Commission revised a report in order to delete any possible reference to a whistleblower complaint but did not inform the public of the redaction/amendment. Upon review, the Task Force found that certain practices used to protect whistleblowers actually obstruct the whistleblowers themselves (even though they have gone “public” and no longer wish for anonymity or protection) and also obstruct the ability of members of the public to obtain records that may or may not be related to the whistleblower complaint. The Task Force was not able to obtain satisfactory answers regarding the complaint.

File No. 15078 Richard Denton vs. Public Utilities Commission.

- The Blue Ribbon Panel on Transparency, Accountability and Fairness in Law Enforcement (Panel) requested certain records from the Police Department. Due to the large volume and required analysis of the documents, the Police was unable to meet the deadline to comply with the public records request. The Task Force continues to work with both parties to create timelines for document production.

File No. 16003: Panel vs. the Police Department.

- Steve Kawa, Chief of Staff, Mayor’s Office, was found to have deleted his calendar on a regular basis, maintaining only a 2-week calendar history. It was determined that Mr. Kawa and city employees in general should maintain calendar for a minimum of 2 years and there is no legitimate reason to delete the calendar. A willful violation was found here and has been sent to the Ethics Commission.

File No. 15163 Michael Petrelis vs. Steve Kawa and the Mayor’s Office

Enforcement of the Sunshine Ordinance

Sunshine Ordinance, Section 67.30 (c) provides that “the Task Force shall make referrals to a municipal office with enforcement power under this ordinance or under the California Public Records Act and the Brown Act whenever it concludes that any person has violated any provisions of this ordinance or the Acts.”

Municipal offices with enforcement power under the Sunshine Ordinance are the District Attorney and the Ethics Commission. The District Attorney’s office has failed to respond to any referral for enforcement from the Task Force, including a failure to provide any explanation to the Task Force or the underlying complainant. Enforcement of the Ordinance is essential to protecting the public’s right to open government. The Ordinance is not merely local law; it also encompasses open government rights guaranteed by state law. The Task Force recommends that the Board of Supervisors take meaningful steps to improve enforcement of the Ordinance.

On-going Issues

Volume of Complaints. As mentioned earlier, the Task Force has begun hearing many complaints in the Complaint Committee in an effort to reduce the backlog, as well as the wait time for complainants. That said, the volume of complaints has remained so high that other pertinent Task Force issues, including updating the by-laws, complying with new laws related to technology and digital data storage, working with other City agencies on enforcement, increasing education of City departments, and conducting outreach to the public have not been able to be adequately addressed.

Unfilled Task Force Seats. The aforementioned problem would be addressed, at least in part, if the Task Force had a full complement of 11 members. Members of the Board of Supervisors were asked repeatedly for assistance in filling the two Task Force seats that were empty for most of this period. Moving forward, it is important that all positions on the Task Force are filled so that it can more effectively complete the work that the Ordinance mandates that it do. It is hoped that this situation will be corrected in the upcoming term. The Board of Supervisors Rules Committee is strongly urged to fill any vacant seats on the Task Force within one or two months.

Staffing; Deputy City Attorney. For the past several years, the Deputy City Attorney assigned to the Task Force has not been funded for his role at a level that permits him to attend the entire meeting of the Task Force if it runs long or to attend any of the Committee meetings. This makes it difficult for the Task Force to function optimally as the inevitable questions that arise during hearings go unanswered. The Board of Supervisors is urged to increase the hours that the Deputy City Attorney is assigned to the Task Force so that may better fulfill its responsibilities as mandated by the Sunshine Ordinance.

Long-term Issues

Amending the Sunshine Ordinance. Although transparency in City government is crucial to fostering a working relationship with the public, many sections of the Sunshine Ordinance itself are outdated and require amendment in order to be both current and effective for both the public and City officials. We have made some headway into both internal process changes and, in past years, in drafting recommendations for amendments to the Ordinance and will continue that work in the next term.

Conclusion

In conclusion, the Task Force urges the Board of Supervisors and the Mayor to take a hard look at the Task Force, its purpose in promoting open government, and give it the tools necessary to make it a viable decision-making body that serves the public interest and creates an environment where City officials and agencies can work with the public in a respectful and efficient manner. After close to 20 years of being in operation some substantial reforms and improvements to the Ordinance may be necessary to achieve this end.

Sunshine Ordinance Task Force Compliance and Amendments Committee

The Compliance and Amendments Committee (CAC) takes the lead in monitoring effectiveness of the Sunshine Ordinance and proposing revisions thereto. The CAC also follows up on Orders of Determination that the Task Force issues when finding violations of the Ordinance, investigates whether the Orders have been met, and recommends when necessary that the Task Force refer cases of willful failure to comply with the Orders to offices with enforcement power.

The members of the CAC has comprised three members: most recently Allyson Washburn, Lee Hepner, and Rishi Chopra.

The CAC normally meets on the 3rd Tuesday every other month at 4 p.m.

During the period from June 1, 2014, through April 6, 2016, the CAC held 11 meetings to hear the following matters:

Hearings following up on departmental compliance with Task Force Order of Determination - 26

Hearings to review complaints and submit recommendations to the Task Force - 11

Other issues of discussion to note

File No. 14065: Civil Grand Jury Report - Ethics in the City: Promise, Practice or Pretense.

File No. 14073: Proposed amendments to Sunshine Ordinance Section 67.29-5 - Calendars of Certain Officials.

File No. 14093: Hearing - Ethics Commission's policy discussion regarding Sunshine Ordinance Task Force referrals.

**Sunshine Ordinance Task Force
Education, Outreach, and Training Committee**

The Education, Outreach, and Training Committee (EOTC) makes recommendations to the Task Force regarding outreach and publicity to the media and the general public about the Sunshine Ordinance and the Task Force. The EOTC also assists City departments to develop procedures to comply with the Ordinance.

The members of the EOTC has comprised three to five members: most recently Chair Chris Hyland, David Pilpel, Josh Wolf, Todd David and Ali Winston.(pending recheck)

The EOTC normally meets the second Monday every other month at 4 p.m.

During the period from June 1, 2014, through April 6, 2016, the EOTC held 6 meeting to hear the following matters:

Hearings following up on departmental compliance with Task Force Order of Determination - 12

Hearings to review complaints and submit recommendations to the Task Force - 6

Other issues of discussion to note

File No. 14065: Civil Grand Jury Report - Ethics in the City: Promise, Practice or Pretense.

File No. N/A: Education, Outreach and Training Committee – Member Initiative and Work Plan.

File No. 14073: Proposed amendments to Sunshine Ordinance Section 7.29-5 - Calendars of Certain Officials.

File No. 15020: Hearing - Creating Policies and Procedures Guide: How to Respond to Request for Public Records.

Sunshine Ordinance Task Force Rules Committee

The Rules Committee reviews matters related to amendments to the Task Force by-laws and procedures for Task Force meetings and assists the Chair of the Task Force to ensure that all annual objectives enumerated in the Sunshine Ordinance are met by the Task Force. In addition, the Rules Committee hears on complaints to review jurisdiction and the merits of the complaint in order to provide recommendations to the Full Task Force.

The Rules Committee normally meets once every other month and as needed. On many occasion the Rules Committee members served on the Complaint Committee to hear new complaints.

The members of the Rules Committee has comprised three members: most recently Chair Louise Fischer, Fiona Hinze and Mark Rumold.

The Rules Committee meets as needed.

During the period from June 1, 2014, through April 6, 2016, the Rules Committee held 3 meetings to hear the following matters:

Hearing regarding Sunshine Ordinance Task Rules and by-laws amendments

File No. 14030: Sunshine Ordinance Task Force By-laws and Complaint Procedures –Review and Possible Amendments.

- Quorum required for procedural issues
- Attendance policy
- Task Force precedence log of decisions
- Continuance policy
- Revising complaint procedure
- Policy regarding reconsideration of decisions
- Closing files due to lack of communication or attendance at hearing
- Policy for telephone testimony
- Policy for Americans with Disabilities (ADA) accommodations
- Time limits for hearings
- Review and evaluation of Complaint Committee Procedure
- Communications policy
- Documentation deadline

**Sunshine Ordinance Task Force
Complaint Committee**

The Complaint Committee monitors the complaint process and make recommendations to the Task Force regarding how the complaints should be handled. The Complaint Committee shall schedule hearings on complaints to review jurisdiction and the merits of the complaint in order to provide recommendations to the Full Task Force.

The Complaint Committee meets as needed and does not have standing members. The other Committees and/or members are assigned to as the Complaint Committee as needed by the Task Force Chair.

During the period from June 1, 2014, through April 6, 2016, the Complaint Committee held 10 meeting to review 45 complaint. (Upon review the complaints are referred to the Task Force with recommendations for review and possible adoption.)

SUNSHINE ORDINANCE
TASK FORCE



City Hall
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco CA 94102-4689
Tel. No. (415) 554-7724
Fax No. (415) 554-7854
TDD/TTY No. (415) 554-5227

The Honorable John Stewart, Presiding Judge
San Francisco County Superior Court
400 McAllister Street Room 008
San Francisco CA 94102-4512

March 13, 2015

Re: 2013-2014 Civil Grand Jury Report - Ethics in the City: Promise, Practice or Pretense

Dear Judge Stewart,

The Sunshine Ordinance Task Force (Task Force) hereby submits follow-up responses to the subject Civil Grand Jury report pursuant to California Penal Code, Sections 933 and 933.5, where the Task Force's prior August 28, 2014, response stated that further analysis was required.

Recommendation 11: The Ethics Commission in conjunction with the City Attorney should develop a policy to ensure preservation of e-mails and text messages consistent with preservation of other public records. The policy, along with policies on preservation of public records, should be made available for public comment. Once it is completed and published it should be made available on City Attorney and Ethics Commission web pages that lists each Department, its policy, and how to obtain documents.

Task Force's Prior Response: The recommendation requires further analysis.

The Sunshine Ordinance Task Force, in conjunction with the City Attorney's Office and Ethics Commission, should develop policies to ensure preservation of e-mails and text messages consistent with preservation of other public records. Before adoption, these policies would be made available for public comment. The finalized policies would then be sent to all City agencies, boards, commissions, and departments and made available on the SOTF's website. Each City agency, board, commission, and department web site should include, in a similar section (i.e., "About Us" or "For More Information"), the applicable Record Retention Policy and Schedule and information about how to request public records, including contact information and forms, if applicable. The SOTF, through the Compliance and Amendments Committee and the Education, Outreach, and Training Committee, intends to review these issues in the next 6 months.

In addition, it should be noted that California Government Code Section 34090 states that the destruction of records less than two years old is not authorized. Section 8.3 of San Francisco Administrative Code, however, authorizes destruction of records in less than two years if this would not be detrimental to the City and County or defeat any public purpose. This section of

the Administrative Code should be amended to comply with California Government Code Section 34090.

Task Force's Follow-up Response: A policy should be developed to ensure preservation of email and text messages consistent with applicable laws and modern business practices. Email and text messages sent to or from City officers or employees related to public business that have any meaningful content should be retained for at least 2 years (or longer if applicable). The Task Force, through its Education, Outreach, and Training Committee, intends to develop such a policy in conjunction with the City Attorney's Office and the Ethics Commission, with outreach to City agencies, boards, commissions, and departments, and subject to public comment.

Recommendation 12: The Jury recommends that the Ethics Commission and the Sunshine Ordinance Task Force review departmental websites for compliance and notify non-compliant departments to immediately post their sources of outside funding, or face a show-cause [hearing] before the Ethics Commission on why the information has not been posted.

Task Force's Prior Response: The recommendation requires further analysis.

The SOTF, through its Compliance and Amendments Committee and/or its Education, Outreach, and Training Committee, shall review the web sites of each City agency, board, commission, and department for compliance and shall develop a model for content required by Sunshine Ordinance Section 67.29-6. This said, the SOTF is mindful of its limited resources to regularly review and monitor each departmental web site for compliance with this provision alone and to notify non-compliant departments. The SOTF is also skeptical that the Ethics Commission has the power to order a show-cause hearing in the manner that the Jury recommends.

Task Force's Follow-up Response: The Task Force, through its Compliance and Amendments Committee and Education, Outreach, and Training Committee, continues to review the web sites of City agencies, boards, commissions, and departments based on complaints received. For example, the Task Force and its committees have discussed issues with the Arts Commission, Health Department, and Planning Department websites recently. However, limited resources have delayed a complete review of each website and the development of a content model as previously reported. The Task Force is preparing to send a memorandum to department heads reminding them of the requirement to post sources of outside funding on department websites.

Recommendation 17b: The City Attorney and the Ethics Commission ensure that those officials subject to the calendar requirement, and their administrative staff, be trained on the law's requirements.

Task Force's Prior Response: The recommendation requires further analysis.

The SOTF, through its Education, Outreach, and Training Committee, assists with the annual training provided by the City Attorney under the Sunshine Ordinance. As noted above, the Task Force's Compliance and Amendments Committee and/or the Education, Outreach, and Training Committee intends in the next 6 months to review compliance with the Sunshine Ordinance's calendar requirements and to conduct a larger review of all existing Sunshine Ordinance training materials and programs, with the intent of better tailoring these training materials and programs to the audience (Elected Officials, Members of Board and Commissions, Commission

Secretaries, Department Heads, Department Head Secretaries, Public Information Officers, etc.). Efforts by the City Attorney and the Ethics Commission with respect to this recommendation should be coordinated with the SOTF. Keeping with the best practices of open government, the SOTF also urges that the Board of Supervisors adhere to the public calendar requirements of other city departments and agencies.

Task Force's Follow-up Response: The Task Force has not reviewed compliance with the department head calendar requirement as previously reported due to limited resources. The Task Force is preparing to send a memorandum to department heads reminding them of the department head calendar requirement. The Task Force is also considering recommending an ordinance to the Board of Supervisors to extend the department head calendar requirement to members of the Board of Supervisors. Finally, the Task Force, through its Education, Outreach, and Training Committee, still intends to conduct a larger review of all existing Sunshine Ordinance training materials and programs, as previously reported, as resources permit.

Recommendation 20a: The Mayor's Office should establish a blue-ribbon committee of experts and stakeholders in open government, sunshine, and transparency, including former Sunshine [Ordinance] Task Force members. The Committee of Experts should review and update the Sunshine Ordinance as necessary and should report to both entities and the Board of Supervisors recommendations that would result in coordination and respect for the functions of each entity.

Task Force's Prior Response: The recommendation requires further analysis.

The SOTF strongly encourages efforts by any office or entity to further the aims of transparent and open government. Nonetheless, whether a blue-ribbon committee is created or not, the SOTF has the power and duty to "propose to the Board of Supervisors amendments to the Sunshine Ordinance" pursuant to San Francisco Administrative Code Section 67.30(c). The SOTF, through its Compliance and Amendments Committee, intends in the next 6 months to initiate a new review of the Sunshine Ordinance to, in part: (1) identify sections of the Sunshine Ordinance which overlap and/or conflict with the rules governing the city's Ethics Commission, and (2) identify areas of the Sunshine Ordinance that should be updated to reflect new technologies implemented since its passing. Such a review should consider the views of City agencies, boards, commissions, and departments as to both policy goals and practical implementation issues; the views of "experts and stakeholders in open government, sunshine, and transparency, including former Sunshine Ordinance Task Force members;" and the views of the City Attorney and the Ethics Commission in order to foster greater harmony among those entities involved.

Task Force's Follow-up Response: The Task Force again notes its power and duty to "propose to the Board of Supervisors amendments to the Sunshine Ordinance," including the proposed ordinance discussed above regarding Recommendation 17b. The Task Force's Compliance and Amendments Committee is responsible for, among other things, recommending to the Task Force amendments to the Sunshine Ordinance. The Task Force, in turn, may recommend amendments to the Board of Supervisors. However, since the voters amended the Sunshine Ordinance in 1999 and did not provide for further amendments through the legislative process, most substantive amendments would have to go back to the voters for approval.

Recommendation 20b: For now, arrangements should be made jointly by the Ethics Commission and the Sunshine Ordinance Task Force to have complaints heard by an independent hearing officer who would develop a consistent legally sufficient record of the case for the decision of each body. This would allow the meetings of the Task Force and the Commission to focus on broader policy issues.

Task Force's Prior Response: The recommendation requires further analysis.

The SOTF would be interested in fully vetting a proposal to have particularly complex cases heard by an independent hearing officer in order to develop complete and legally sufficient records.

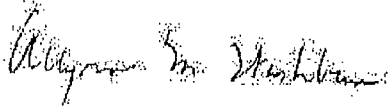
Regarding whether this recommendation is warranted at this time: The SOTF is keenly aware of the backlog in its caseload and concerted efforts are already underway to address it. In particular, the SOTF has scheduled an additional full SOTF meeting each month through the end of this year and has reinstituted a complaint procedure to focus and narrow the issues in dispute. Further, the SOTF intends in the next 6 months to review and update its bylaws and complaint procedures, review due process regarding SOTF complaints and referrals, and review SOTF and Ethics Commission procedures regarding referrals. The SOTF will seek public comment on any proposed changes to the bylaws and complaint procedures.

Regarding whether the recommendation is feasible: SOTF members have raised several concerns, including how this hearing officer would be selected in order to ensure expertise and impartiality, how this hearing officer would be compensated, and how his or her independence would be assured.

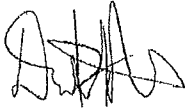
Task Force's Follow-up Response: The Task Force has made substantial progress in reducing its backlog of cases and has, in fact, changed its complaint procedures to allow different and faster ways to address complaints. Further, the Ethics Commission reviewed its procedures for handling referrals from the Task Force and made new policy choices that will also allow more options for enforcement while continuing to give an appropriate level of deference to Task Force decisions. As such, the Task Force will not pursue the independent hearing officer idea further.

If you have any questions regarding these follow-up responses please direct them to Task Force Administrator Victor Young at (415) 554-7724 or by email to sotf@sfgov.org. The Task Force thanks the 2013-2014 Civil Grand Jury for their work.

Sincerely,



Allyson Washburn
Chair, Sunshine Ordinance Task Force



David Pilpel
Member, Sunshine Ordinance Task Force

c: Members, Sunshine Ordinance Task Force
Nicholas Colla, Deputy City Attorney
Civil Grand Jury
Angela Calvillo, Clerk of the Board, Board of Supervisors
Mayor Edwin Lee
City Attorney Dennis Herrera
District Attorney George Gascón
Ethics Commission
Victor Young, Sunshine Ordinance Task Force Administrator

**SUNSHINE ORDINANCE
TASK FORCE**



City Hall
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco CA 94102-4689
Tel. No. (415) 554-7724
Fax No. (415) 554-7854
TDD/TTY No. (415) 554-5227

Dennis Herrera, City Attorney
Office of the City Attorney
1 Carlton B Goodlett Pl Ste 234
San Francisco CA 94102-4682

December 1, 2015

Re: The City Attorney's Budget for, and Participation at, the Sunshine Ordinance Task Force

Dear Mr. Herrera,

The Sunshine Ordinance Task Force (Task Force) writes regarding two matters, the City Attorney's budget for, and participation at, the Sunshine Ordinance Task Force. Regarding these matters, we begin with the language of the Sunshine Ordinance: "If the custodian refuses, fails to comply, or incompletely complies with a request described in (b) above or if a petition is denied or not acted on by the supervisor of public records, the person making the request may petition the Sunshine Task Force for a determination whether the record requested is public. . . . The Board of Supervisors and the City Attorney's office shall provide sufficient staff and resources to allow the Sunshine Task Force to fulfill its duties under this provision. Where requested by the petition, the Sunshine Task Force may conduct a public hearing concerning the records request denial. An authorized representative of the custodian of the public records requested shall attend any hearing and explain the basis for its decision to withhold the records requested." (San Francisco Administrative Code section 67.21 (e).)

The Task Force has had several Deputy City Attorneys assigned to advise it over the years pursuant to Administrative Code section 67.30 (a). However, the Task Force is not aware of, and to our knowledge has not been involved in, its assigned annual budget of City Attorney time in hours or dollars. A recent complaint filed with the Task Force by Patrick Monette-Shaw, File No. 14099, sought such information for three past fiscal years. The Task Force ultimately found a violation but was later informed by Matt Dorsey of your office that the requested records did not exist. Our first question now is exactly what is the Task Force's assigned annual budget of City Attorney time in hours or dollars for this fiscal year, and if our budget is not assigned in this way, how exactly is City Attorney time allocated to the Task Force, so that we might use it efficiently, monitor its use, and advocate for sufficient resources if needed under the Ordinance?

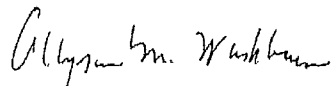
Further, the Task Force changed its Complaint Procedures and practices in the past year to address our continuing backlog of cases. As a result, some complaints are now heard at committees, who make recommendations that the Task Force can accept or reject. This has helped somewhat, but it also means that some complaints are heard on the merits at committee meetings instead of Task Force meetings. However, we do not have the benefit of our assigned

Deputy City Attorney at committee meetings, where legal questions about complaints often arise. Our second question now is can our assigned Deputy City Attorney attend committee meetings of the Task Force "to allow the Sunshine Task Force to fulfill its duties under" section 67.21 (e)?

Finally, we understand that as a result of your office's disagreement and / or frustration with the Task Force's decision and handling of the Patrick Monette-Shaw complaint referred to above, your office has taken a much more narrow view of section 67.21 (e) and re-interpreted the Ordinance generally, such that your office will limit its response to and appearance at Task Force meetings to only "explain the basis for its decision to withhold the records requested" and for no other reason. We find this reaction an extreme position that is totally unwarranted, counter-productive, and frustrating to the intent of the Ordinance, the needs of the Task Force, and our collective goal of facilitating compliance with the Ordinance's provisions. If the Ordinance only requires attendance by departments for the quoted purpose, the Task Force's practical intentions to understand the dispute at issue through fact-finding, make its determination as to whether or not a violation has occurred, attempt to remedy the situation or change policies or practices to avoid its recurrence, and finally determine if the remedy or change has been implemented, is rendered nearly impossible. The Task Force wants and needs to hear from respondent City departments to accomplish these things. We also note that other departments have now started to use the same argument to limit their participation, thus exacerbating the problem. Our third and final question now is will you reverse that narrow view and again respond to and appear at Task Force meetings regarding complaints and other matters, understanding that there will be disputes between your office and the Task Force from time to time over interpretation and other issues?

The Task Force looks forward to your considered response to this letter. Please contact us if you have questions or need any clarification.

Sincerely,



Allyson Washburn
Chair, Sunshine Ordinance Task Force

c: Members, Sunshine Ordinance Task Force
Victor Young, Administrator, Sunshine Ordinance Task Force
Nicholas Colla, Deputy City Attorney, Office of the City Attorney
Jerry Threet, Deputy City Attorney, Office of the City Attorney
Matt Dorsey, Communications Director, Office of the City Attorney
Angela Calvillo, Clerk of the Board, Board of Supervisors
Patrick Monette-Shaw, Complainant (File No. 14099)

**SUNSHINE ORDINANCE
TASK FORCE**



**City Hall
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco CA 94102-4689
Tel. No. (415) 554-7724
Fax No. (415) 554-7854
TDD/TTY No. (415) 554-5227**

Phil Ginsburg, General Manager
Recreation and Park Department
501 Stanyan St
San Francisco CA 94117

December 1, 2015

Re: Codification of Recreation and Park Department Policies

Dear Mr. Ginsburg,

The Sunshine Ordinance Task Force (Task Force) writes regarding a recent complaint we heard from Alex Aldrich, File No. 15087, in which we found a violation of the Sunshine Ordinance for failure to respond to a public records request in a timely and / or complete manner. The underlying request sought the specific Recreation and Park Department policy banning bicycle use on trails in McLaren Park. In response, your department represented that Park Code section 3.02 requires compliance with posted signage and that the ban on bicycle use at issue was a long-standing unwritten department policy.

The Task Force takes no position on bicycle use here; that policy matter is properly left to the Recreation and Park Commission (Commission) and your discretion. However, the Task Force feels strongly that department policies, particularly controversial ones affecting public use of City facilities, programs, and services, should be in writing, available on request and on the department's website, and adopted by the Commission as a rule or regulation following a public hearing pursuant to Charter section 4.104 (a) (1). We agree that proper signage should be obeyed and believe that use restrictions displayed on such signs should be based on clear, written policies and not long-standing unwritten policies presumably passed on from staff orally.

The Task Force looks forward to your considered response to this letter. Please contact us if you have questions or need any clarification.

Sincerely,

A handwritten signature in cursive script that reads "Allyson M. Washburn".

Allyson Washburn
Chair, Sunshine Ordinance Task Force

c: Members, Sunshine Ordinance Task Force
Victor Young, Administrator, Sunshine Ordinance Task Force

Nicholas Colla, Deputy City Attorney, Office of the City Attorney
Jerry Threet, Deputy City Attorney, Office of the City Attorney
Angela Calvillo, Clerk of the Board, Board of Supervisors
Members, Recreation and Park Commission
Members, Park, Recreation, and Open Space Advisory Committee (PROSAC)
Members, Bicycle Advisory Committee
Alex Aldrich, Complainant (File No. 15087)



Edwin M. Lee, Mayor
Phillip A. Ginsburg, General Manager

December 14, 2015

Allyson Washburn, Chair
Sunshine Ordinance Task Force
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

Re: Sunshine Ordinance Task Force File No. 15087

Dear Ms. Washburn,

This letter is written in response to your December 1, 2015 letter referencing Sunshine Ordinance Task Force File No. 15087. On behalf of the Recreation and Parks Department, we thank you for your correspondence. We are always eager for feedback on how to improve the Department's services to—and communications with—the public.

We also appreciate your sharing the Task Force's position that bicycle use in city parks is a matter properly left to the Recreation and Parks Department's discretion.

As land stewards and recreational providers our job is to balance park users' diverse recreational interests with our responsibility to ensure we are preserving and protecting the environment and lands we manage. We are currently working with the off-road cycling community to add safe, designated multi-use trails to our system. We agree with the Task Force that more clarity with respect to off-road cycling policy is warranted.

Sincerely,

Phillip A. Ginsburg
General Manager

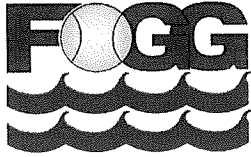
From: Board of Supervisors, (BOS)
To: BOS-Supervisors; Somera, Alisa (BOS); Ausberry, Andrea
Subject: File 160541 FW: Teatro Zinzinni
Attachments: Teatro Zinzinni 6-30-16 v2.doc

From: LEERADNER [mailto:leeradner@comcast.net]

Sent: Thursday, June 30, 2016 5:43 PM

To: Breed, London (BOS) <london.breed@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; angela.cavillo@sfgov.org; jwallace@jaywallaceassociates.com

Subject: Teatro Zinzinni



FOGG
405 Davis Ct. #703
San Francisco, CA. 94111
June 20, 2016

London.breed@sfgov.org

And Ms. Angela Cavillo
For Distribution to Full Board
board.of.supervisors@sfgov.org

London Breed
President of the Board of Supervisors
City Hall
San Francisco, CA 94102

RE: File No. 16-541 – Referred from Land Use With Recommendation

Dear President and Board Members:

Friends of Golden Gateway (FOGG) is writing to urge you and the full Board of Supervisors to support the endorsement of the term sheet involving Teatro Zinzanni's proposed hotel and theater at Seawall Lots 323 and 324, File No. 160541.

We are supporting the project for a number of reasons, including the fact that the project complies with the 40 foot height limit, creates a new privately financed public open space in the neighborhood and has sought community input throughout the process. While there may be still some design issues to address, we believe the project is appropriate for the neighborhood, and we urge you to endorse the term sheet when it comes before you.

Thank you for your consideration.

Sincerely,

Lee Radner
Chair, Friends of Golden Gateway

CC: Angela Cavillo angela.cavillo@sfgov.org

Jay Wallace jwallace@jaywallaceassociates.com

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; Evans, Derek
Subject: FW: Charter Amendment - Housing and Development Commission, File # 160588
Attachments: Letter Opposing Housing and Development Commission_EAG.pdf

From: stephanie cajina [mailto:scajina@eagsf.org]
Sent: Thursday, June 30, 2016 12:53 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Charter Amendment - Housing and Development Commission, File # 160588

Dear Board of Supervisors,

Please find attached the Excelsior Action Group's letter opposing the proposed Charter Amendment - Housing and Development Commission, File # 160588 which is being heard on June 30th.

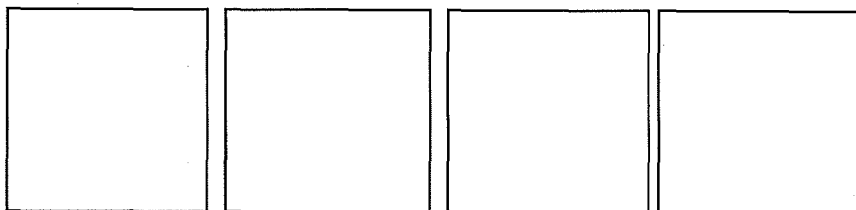
Thank you in advance for your consideration of our concerns.

Kind regards,

Stephanie Cajina
Executive Director
Excelsior Action Group

35 San Juan Avenue
San Francisco, CA 94112
(415) 585-0110
www.eagsf.org

Check out EAG's website, Facebook, Twitter, and LinkedIn to learn more about our work!





35 San Juan Avenue | San Francisco CA 94112 | Telephone 415.585.0110 | Fax 415.585.0170 | www.eagsf.org

June 29, 2016

Board of Supervisors
Rules Committee
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RE: 6.30.16 Rules Commission Agenda Item #1 Charter Amendment – Housing and Development Commission, File # 160588

To the Board of Supervisors Rules Committee:

I am writing on behalf of the Excelsior Action Group (EAG) to express our opposition to the proposed Charter Amendment for the creation of a Housing and Development Commission.

As a partner of the Mayor's Office of Economic and Workforce Development in their Invest in Neighborhoods initiative, we work closely with this office and can attest to the great support OEWD's grants and staff have given our organization in helping us uplift our commercial corridor. Given this close relationship, we are deeply concerned about the overall impact this Charter Amendment will have OEWD's ability to effectively address community needs in a timely way if more processes are involved in funding projects on the ground. Projects and initiatives are often created as calls to action for immediate corridor concerns. The proposed oversight delineated in the Charter Amendment poses a risk of diluting the response to these needs, which can have great potential negative impacts to communities of need.

The EAG has been committed to revitalizing the Excelsior's commercial corridor through economic development efforts namely small business development and abatement of blight through place making. Examples of this work include an ADA grant program to help finance costly ADA upgrades for merchants, the Ever Upward sculpture on Geneva and Mission, Hot Spot Reports to track and address corridor safety concerns, and the Safer Business Safer Community Grant- a program aimed at financing much needed safety improvements for local entrepreneurs after merchants and the Ingleside Station voiced concern over merchant safety and poor reporting. All the abovementioned projects and initiatives were put into place thanks the support of OEWD.

We ask that the Rules Committee take heed of our concern. Thank you in advance for your consideration. Please feel free to reach out to me at 415-585-0110 or scajina@eagsf.org should you have any further questions.

Kind regards,

A handwritten signature in black ink, appearing to read 'SCA', is written over a horizontal line.

Stephanie Cajina
Executive Director
Excelsior Action Group

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; Evans, Derek
Subject: FW: 6.30.16 Rules Committee Agenda Item #1 Charter Amendment - Housing and Development Commission, File # 160588

From: don [mailto:dcscf2001@yahoo.com]
Sent: Wednesday, June 29, 2016 3:32 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: mlam@sfgoodwill.org; occexp@aol.com; yumisam@allstate.com; yumisam@allstate.com; Sithounnolat, Dolly (ECN) <dolly.sithounnolat@sfgov.org>; shauge@cal-insure.com; shauge@cal-insure.com
Subject: 6.30.16 Rules Committee Agenda Item #1 Charter Amendment - Housing and Development Commission, File # 160588

It irritates me that in order to get things done government has to keep expanding and expanding with new commissions this and depts that, with executives and staff to further fatten the public trough expenses. Certainly if the existing depts and commissions and staffs did their job as they should be doing for their pay then we wouldn't have to keep coming up with these "workarounds" cuz no one wants to hold those people accountable to their responsibilities.

i've seen and felt lots of times when the very duties of certain depts are ignored by staff and "other" ways are found to do those jobs, at our added expense.

commissions do not guarantee that anything better, more efficient or effective results. I know that first hand... been there, done that... stop "playing" with creating govt and just make the one we have now do what it's supposed to do!!

don chan
OSMPA

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; Evans, Derek
Subject: FW: 6.30.16 Rules Committee Agenda Item #1 Charter Amendment - Housing and Development Commission, File # 160588

From: Ben Delaney [mailto:bdelaney@scrap-sf.org]
Sent: Thursday, June 30, 2016 9:53 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: re: 6.30.16 Rules Committee Agenda Item #1 Charter Amendment - Housing and Development Commission, File # 160588

Dear Supervisors,

As a long-tenured nonprofit working in SF, SCRAP urges you not to adopt these proposed regulations.

We feel that these new rules would add to our already difficult burden of complying with the many layers of rules and regulations that control our business with the city. We cannot afford a staff position to ensure compliance, and if the regulatory burden become much greater we would have to stop doing business with the city, as we would not be able to be certain we were in compliance.

While I see the logic in adding an oversight function in the Housing and Development Commission, consolidating agencies and their required paperwork would be far more efficient than adding a new layer of bureaucracy and regulation. These agencies are already heavily overseen, adding another agency will reduce their efficiency, increase the time it takes them to do their work, and make it even harder for small businesses and nonprofits to feel confident in their compliance efforts. I realize we need to create jobs, but this is the wrong way to do it.

Thank you for your hard work on behalf of the City.

Best regards,

Ben Delaney
Executive Director



415 647-1746, M: 917 862-6572
BDelaney@SCRAP-SF.org, <http://www.SCRAP-SF.org>

Please don't print this e-mail unless you really need to.

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; Evans, Derek
Subject: FW: 6/30/16 Rules Committee Agenda Item #1 Charter Amendment - Housing and Development Commission, File #160588

From: Tammy Scott-Wigens [mailto:tammy@sanmarco-sf.com]
Sent: Wednesday, June 29, 2016 9:18 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: 6/30/16 Rules Committee Agenda Item #1 Charter Amendment - Housing and Development Commission, File #160588

Dear Board Of Supervisors, Rules Committee,

My husband and I are small business owners in the West Portal area of San Francisco. The demands of our business don't allow either of us to attend the public hearing tomorrow addressing the Charter Amendment proposing that a commission be created to provide oversight for the Housing and Development Offices.

Our business district is in the process of being revitalized and this long process has relied significantly on the programs, grants, and personnel resources of the Office of Economic and Workforce Development (OWED) over the past few years. I have served as a Board Member of the West Portal Merchant Association since opening our business and my role within our organization has required me to be the primary liaison with OWED for utilizing the departments programs and facilitating any awarded grants.

While I agree that reforms are needed to address the real estate crisis in San Francisco there is no such emergency within OWED. In my opinion, to group these two departments together within this same Charter Amendment proposal is unwarranted. While San Francisco is at a crossroads with our housing situation which would benefit from oversight, there is not a critical demand for overseeing OWED. To add another layer of bureaucracy to OWED would be ill-advised and would slow the department's programs and funding process which is already longer than most business districts require.

In short, please do not group OWED with this reform charter as it will result in a disservice to all levels of business in San Francisco.

Sincerely,

Tammy Scott-Wigens

Tammy Scott-Wigens
tammy@sanmarco-sf.com
(415) 571-8989 - Store
(310) 266-7261 - Mobile



S. MARCO

FINE LEATHER

SAN MARCO, INC.
201 WEST PORTAL AVENUE
SAN FRANCISCO, CA 94127
SANMARCO-SF.COM

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Letter to Mayor Lee and SF Supervisors
Attachments: Letter to Chair Weiner_6.30.16.pdf

From: Fromson, Casey [mailto:Fromsonc@samtrans.com]
Sent: Thursday, June 30, 2016 3:37 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: Murphy, Seamus <murphys@samtrans.com>
Subject: Letter to Mayor Lee and SF Supervisors

Dear Clerk of the Board,

On behalf of Jim Hartnett, Executive Director of Caltrain, please see the attached letter. The San Francisco Board of Supervisors were copied on the letter and if you could make sure they receive a copy of it, we would appreciate it.

Thank you,

Casey

Casey Fromson, External Affairs
CalMod Program Office
2121 S. El Camino Real, Suite 300
San Mateo, CA 94403
Direct: 650.508.6493
Cell: 650.288.7625
www.caltrain.com/calmod



June 30, 2016

BOARD OF DIRECTORS 2016

PERRY WOODWARD, CHAIR
JOSÉ CISNEROS, VICE CHAIR
MALIA COHEN
JEFF GEE
ROSE GUILBAULT
RAUL PERALEZ
JOÉL RAMOS
ADRIENNE TISSIER
KEN YEAGER

JIM HARTNETT
EXECUTIVE DIRECTOR

The Honorable Scott Weiner
Chair, San Francisco County Transportation Authority
1455 Market Street
San Francisco, CA 94103

Dear Supervisor Weiner:

Thank you for your continued support of efforts to connect San Francisco and the rest of the region with transit systems that will accommodate continued job and population growth. As the City and County of San Francisco prepares to advance these efforts by asking voters to approve new transportation revenues, please consider the attached list summarizing San Francisco's share of Caltrain improvements that will be needed to support growing ridership demand.

With your support, funding has been secured to award contracts for construction of the Peninsula Corridor Electrification Project (PCEP). When complete, electrification of the corridor and the replacement of 75 percent of Caltrain's fleet with high performance electric trains will connect San Francisco and Silicon Valley with faster, more frequent transit service. Today, Caltrain serves over 60,000 riders. Once fully electrified, Caltrain will have capacity to support up to 111,000 riders, providing the region with a mobility alternative that reduces traffic congestion by an additional 619,000 daily vehicle miles travelled.

PCEP is an essential improvement, but to fully prepare the system to accommodate regional growth, additional work is needed. Fully converting the Caltrain fleet to electric trains, procuring additional vehicles to allow the operation of longer trains, and equipping stations with longer platforms and level-boarding will further increase the performance and capacity of the system.

The Santa Clara Valley Transportation Authority recently voted to place a sales tax measure before voters in November that would cover Santa Clara County's share of these additional improvements. The San Mateo County Transportation Authority and the San Mateo County Transit District are currently evaluating options for covering San Mateo County's share. As the City and County of San Francisco explores strategies for new transportation investment, we ask you to consider these needs.

PENINSULA CORRIDOR JOINT POWERS BOARD
1250 San Carlos Ave. – P.O. Box 3006
San Carlos, CA 94070-1306 650.508.6269

Page 2

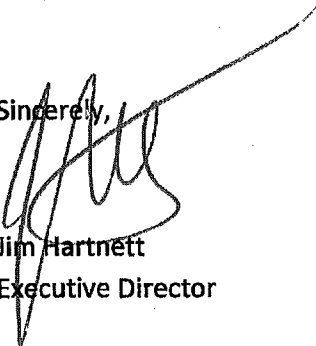
June 30, 2016

The Honorable Scott Weiner

It has taken more than 15 years to secure funding for the electrification of the Caltrain corridor. In the meantime, ridership has rapidly outpaced the system's infrastructure. Instead of rushing to catch up with the next surge in ridership demand, we should be planning for it. Alignment between Caltrain's three member agencies about how to fund the next evolution of the Caltrain system is an essential part of that plan.

Please feel free to contact Seamus Murphy , Chief Communications Officer, at (650) 508-6388 or via email at murphys@samtrans.com if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Hartnett", with a long, sweeping horizontal line extending from the end of the signature across the top of the signature block.

Jim Hartnett

Executive Director

Cc: San Francisco Mayor Ed Lee
Members, San Francisco Board of Supervisors
Tilly Chang, Executive Director, San Francisco Transportation Authority
Ed Reskin, General Manager, San Francisco Municipal Transportation Agency

Project Name	Serves	Description	Costs in FY15
Increase Capacity with Longer Modernized Trains	Caltrain	Improve capacity, service and reduce pollutants <ul style="list-style-type: none"> Full EMU Conversion SF's Share Longer EMUs (8-car) SF's Share 	Subtotal: \$147m
System Performance and Reliability	Caltrain, CC, & ACE, Amtrak	Reduce delays, improve operational flexibility, reliability and speed movement through congested area (track reconfigurations) <ul style="list-style-type: none"> Terminal Projects SF's share Cross-overs SF's share 	Subtotal: \$33m
Station Operation and Access Improvements	Caltrain	Station improvements (improve operations / reduce dwell time) and access needs (i.e. ADA accessibility, bike facilities, transit connectivity) <ul style="list-style-type: none"> Station Access Needs (2 stations) in SF 22nd Street Station Accessibility Project Northern Terminus Project Longer Platforms (2 stations) in SF Level Boarding (2 stations) in SF 	Subtotal: \$190m
Safety Enhancements	Caltrain, local cities	Establish program to fund short and long term safety projects such as grade separations in SF County. Eligible at-grade locations: Mission Bay Drive; 16th St.	Subtotal: \$160.4m - \$300.4m
Maintain the Railroad	Caltrain	Funding for SF's share of the cost to maintain the railroad in a state of good repair over 30 years i.e. bridge replacement, rolling stock rehab, track work.	Subtotal: \$419m
			Total: \$949.4 m – \$1089.4m

Footnotes:

- 1) Station Improvements: Costs based on conceptual design, subject to change. Northern Terminus Project includes reconfiguration to 3 platforms, 5 faces. Level Boarding at ~25", anticipate additional outside funding if level boarding at ~50".
- 2) Safety Enhancements: Estimate for one grade separation between \$50m - \$150m based EIR PCEP, low end increased to \$80m for three track areas. Crossing Hazard Mitigation Program ~\$200,000 per crossing.
- 3) Overall: assumes full funding by SF and/or partner agencies, doesn't factor in potential federal/state matches. The Board adopted FY15 Capital Improvement Program (CIP) was a source documents for most projects on this table. The table contains capital project only, doesn't include operation funding.

James J. Ludwig
66 Montclair Terrace
San Francisco, CA 94109

June 20, 2016

San Francisco Board of Supervisors
City Hall, Room 280
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

2016 JUN 30 PM 2:39
JUL 1 2016
CITY OF SAN FRANCISCO
OFFICE OF THE CITY CLERK

Dear Supervisors:

The Lower Stockton Improvement Project "bike lane expansion" and promenade is a bad idea. Auto traffic on those Streets would be severely affected by the proposed buffer area and expanded bike lane. The Lower Stockton Street area is an active thoroughfare connecting major transportation arteries and parking in the main shopping/retail district in the City. This plan drastically interrupts automobile traffic into and around the City and would prevent many shoppers from coming into the area to shop and park in public garages, such as, Sutter-Stockton, Ellis O'Farrell, Fifth & Mission and Union Square. I served as President of the Sutter Stockton from its inception and was its President for 25 years, was President for 25 years San Francisco Municipal Railway Corp, which funded the Cable Car Restoration, and I managed Saks Fifth Avenue for 30 years and I have watched the City grow.

Traffic is vital to the health of shopping areas which provide much needed property and sales tax revenues to support the City's economic health. Automobile drivers spend far more in the shopping districts than people on bikes.

My wife and I travel between our homes in San Francisco and Woodside three or four times a week. The amount of cars coming into the City is staggering and the back up of cars coming into the City from 101 is due to workers commuting to and from Silicon Valley, and the number of high-rise business buildings is changing the downtown and makes car transportation worse.

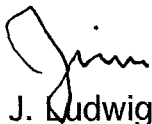
The Bicycle Coalition has too much power at City Hall. The attention of the City to the bicycle riders is out of sync. I was on Folsom Street from 12th to 3rd

James J. Ludwig
66 Montclair Terrace
San Francisco, CA 94109

Street on Friday afternoon where an entire traffic lane has been designated a bike lane. There was only one cyclist in all those blocks. On Market Street which is closed, there were only two bikes. On many of the car crowded streets going to 101, there were no bikes. Bike only lanes are a waste of a much needed traffic lane.

This proposed "Lower Stockton Improvement Plan" is no improvement at all. It will worsen traffic congestion at a time when we need to focus on making traffic easier for those coming into the City to work and spend money. Removing another traffic lane to add a bike lane is a terrible idea.

Best regards,



James J. Ludwig

cc: Mayor Ed Lee
Paul Newman, President, Uptown Parking Corporation (Sutter Stockton & Union Square Garages)

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Support climate risk disclosure labels

From: Mark Grossman [mailto:grossman_mark_s@yahoo.com]
Sent: Thursday, June 30, 2016 9:16 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Support climate risk disclosure labels

Every possible measure needs to be taken based on the Paris Agreement to limit global average temperatures below 1.5C. California's SB350 measure is a good start. But California's transportation sector is a huge source of carbon emissions, and the public needs to be made aware of how daily habits contribute to them. Oakland City Council acknowledged the health impacts of coal. The impacts of burning gasoline in the Bay Area are just as dire and also need to be addressed.

Thank you,
Mark Grossman
Palo Alto CA

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Parcel Taxes

-----Original Message-----

From: Daisy Jimenez [mailto:dmjimenez1@aol.com]
Sent: Friday, July 01, 2016 10:37 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Parcel Taxes

Honorable Supervisors,

I just read an article indicating once again the SFUSD is attempting for another bond to be put on the ballot this November. I am tired that every time there is a budget shortage, the single dwelling homeowners such as myself are being forced to pay the shortage!! My roof needs replacing and it will cost me 25k to replace it. I cannot afford another supplemental tax on my property. I am not a transplant residence. I am a native San Franciscan, born and raised what use to be the Mission District.

I urge you to address the aging population of homeowners (not eligible for the exemption) the 50 to 65 age groups that are struggling to maintain their home in the city. Perhaps you can broaden the age exemption and/or low income population in this age group. I am low income but do not have the age to be exempt. God has blessed me with a home and I don't want to lose it because of my inability to pay supplemental taxes. I would like to see the costs of the city's infrastructure be shifted to the tech companies instead of the homeowners that are struggling to maintain their residency.

Respectfully submitted,
Daisy Jimenez
448 Capistrano Av
San Francisco, CA 94112
District 11
415 333 1525

From: Board of Supervisors, (BOS)
To: Evans, Derek
Subject: File 160760 FW: Give SF residents the opportunity vote on Tech Tax

-----Original Message-----

From: Lisa Stanziano [mailto:lisa.stanziano@gmail.com]
Sent: Friday, July 01, 2016 10:34 AM
To: Avalos, John (BOS) <john.avalos@sfgov.org>; Breed, London (BOS) <london.breed@sfgov.org>; Campos, David (BOS) <david.campos@sfgov.org>; Cohen, Malia (BOS) <malia.cohen@sfgov.org>; Kim, Jane (BOS) <jane.kim@sfgov.org>; Tang, Katy (BOS) <katy.tang@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Farrell, Mark (BOS) <mark.farrell@sfgov.org>; Mar, Eric (BOS) <eric.mar@sfgov.org>; Wiener, Scott <scott.wiener@sfgov.org>
Cc: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Give SF residents the opportunity vote on Tech Tax

Dear Members of the SF Board of Supervisors,

In recent years, SF's business policies have favored large tech. companies like Facebook, Twitter, Google, and others. The environment of this city has changed to the point where an unconscionable number of residents are homeless, and the diversity of residents--which has been part of the heart and soul of San Francisco for decades--is disappearing.

Reinstating a payroll tax on technology companies is a fair way to help fund solutions to the problem of homelessness. These companies who were given a huge tax break to do business here but are not paying their fair share to help the communities they've displaced.

Please put aside your political aspirations and do what is right and fair: put Eric Mars measure on the ballot and let the residents decide about reinstating a payroll tax for large tech. companies.

Respectfully,
Lisa Stanziano
SF resident

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: Taxi Medallion Sales

From: Randy Miller [mailto:randy44@gmail.com]

Sent: Friday, July 01, 2016 12:45 PM

To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Lee, Mayor (MYR) <mayoredwinlee@sfgov.org>; Toran, Kate <kate.toran@sfmta.com>

Subject: Taxi Medallion Sales

To Whom It may Concern: A number of years ago the city passed a resolution to allow Taxi Medallions to be sold. The sales of these medallions were to be sold at a set price of \$250,000 and the City of S.F. was to collect a transfer fee of \$50,000. As such a program allowed for Medallion Holders to create a retirement package for themselves and at the same time produced additional funds for the city of San Francisco it was a win win situation. Unfortunately after years of success the sales program has all but dried up , medallion holders are again forced to pay more than \$1,000 registration fee each year and TNC's have become so prolific that they threaten the livelihood of the entire taxi industry.

Please place this issue on your agenda to resolve the inequities that have arisen. The city is losing revenues, the medallion holders are (many) unable to retire, and many thousands of workers in a once stable industry are being forced out of their profession.

regards , Bruce Randolph Miller

Taxi Medallion Holder # 1117

From: Board of Supervisors, (BOS)
To: BOS-Supervisors; BOS-Legislative Aides
Subject: FW: 2016-17 City College of SF CMD Waiver Request
Attachments: City College of SF 12b CMD Waiver Request.pdf

From: Folmar, David (DPH)
Sent: Friday, July 01, 2016 12:02 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: Winchester, Tamra (ADM) <tamra.winchester@sfgov.org>
Subject: 2016-17 City College of SF CMD Waiver Request

Board of Sup Required: Copy of Waiver Request Sent to Board of Supervisors

Attached 12b Waiver Request—City College of SF, \$2,242,044: Substance Abuse Counselor Certification Program, Drug and Alcohol Studies July 1, 2016-June 30, 2021

No Potential Contractors Comply
Administrative Code 12B.5-1



MEMORANDUM

TO: Veronica Ng, Executive Director, Contracts Monitoring Division
THROUGH: Barbara Garcia, MPA, Director of Health
FROM: Jacquie Hale, Director, DPH Office of Contracts Management
DATE: May 2, 2016
SUBJECT: 12B Waiver request

The Department of Public Health (DPH) respectfully requests approval of the attached 12B waiver for the following contract:

City College of San Francisco* (v#05052)

Commodity/Service: To provide substance abuse counselor certification training through City College of San Francisco's, Drug & Alcohol Studies Program.

Amount: Estimated utilization is about \$2,242,044 for a five-year term

Fund Source General Fund

Term: 7/1/2016 – 06/30/2021

** Exempt from 14B consideration since contractor is considered a governmental agency.*

Rationale for the waiver:

City College was selected through a solicitation, RFQ 28-2015, Community Mental Health Certificate Program, but is not compliant with Administrative Code 12b. No Potential Contractors Comply.

12B.5-1 d. Non Applicability, Exceptions and Waivers

(d) Upon the request of a potential contractor or upon the contracting officer's own initiative, after taking all measures to find an entity that complies with the law, the contracting officer may waive any or all of the requirements of this Chapter for any contract, property contract or bid package advertised and made available to the public, or any competitive or sealed bids received by the City as of the date of the enactment of this ordinance under the following circumstances:

- (1) Where the contract officer determines that that there are no qualified responsive bidders or prospective contractors who could be certified by the Commission as being in compliance with the requirements of this Chapter and that the contract or property contract is for goods, a service or a project that is essential to the City or City residents

For questions concerning this waiver request, please call David Folmar at 255-3491.

Thank you for your consideration.

From: Board of Supervisors, (BOS)
To: BOS-Supervisors
Subject: FW: I'm the 4,289th signer: "Stop SFMTA (San Francisco Municipal Transportation Agency)"

From: sqzwp0 [mailto:petitions-noreply@moveon.org]
Sent: Wednesday, June 29, 2016 3:19 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: I'm the 4,289th signer: "Stop SFMTA (San Francisco Municipal Transportation Agency)"

Dear San Francisco Board of Supervisors,

I just signed a petition addressed to you titled *Stop SFMTA (San Francisco Municipal Transportation Agency)*. So far, 4,289 people have signed the petition.

You can reach me directly by replying to this email. **Or, post a response for MoveOn.org to pass along to all petition signers by clicking here:** http://pac.petitions.moveon.org/target_talkback.html?tt=tt-23483-custom-54063-20260629-4YkMyC

The petition states:

"As residents and taxpayers of San Francisco we believe that the SFMTA's first and foremost responsibility is to improve MUNI and to make MUNI a more desirable means of transportation. It is not SFMTA's job to make owning and driving a motor vehicle more expensive and difficult. The SFMTA needs to be accountable to all the citizens of San Francisco. We need a balanced, unbiased municipal transportation policy. We respectfully request that the Mayor and District Supervisors immediately stop the SFMTA from: 1. Installing new parking meters and extending the hours of enforcement 2. Enforcing Sunday parking meters 3. Increasing meter rates, fees and fines "

My additional comments are:

9p7Ktw enbpcncfvlv, [url=<http://njjwzxqdemwn.com/>]/njjwzxqdemwn[/url],
 [link=<http://zslvqrmkrtd.com/>]/zslvqrmkrtd[/link], <http://ullgiuvtpci.com/>

To download a PDF file of all of your constituents who have signed the petition, including their addresses, click this link: http://petitions.moveon.org/deliver_pdf.html?job_id=1822150&target_type=custom&target_id=54063

To download a CSV file of all of your constituents who have signed the petition, including their addresses, click this link:
http://petitions.moveon.org/deliver_pdf.html?job_id=1822150&target_type=custom&target_id=54063&csv=1

sqzwp0
 ukzWDXyjK, New Caledonia

This email was sent through MoveOn's public petition website, a free service that allows anyone to set up their own online petition and share it with friends. MoveOn does not endorse the contents of petitions posted on our



SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

300 Lakeside Drive, P.O. Box 12688
Oakland, CA 94604-2688
(510) 464-6000

BOS-11,00B, Leg
Dep.
RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2016 JUL -1 PM 2:48

2016

June 28, 2016

Tom Radulovich
PRESIDENT

Gail Murray
VICE PRESIDENT

Grace Crunican
GENERAL MANAGER

Board of Supervisors
City and County of San Francisco
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, California 94102

DIRECTORS

Gail Murray
1ST DISTRICT

Joel Keller
2ND DISTRICT

Rebecca Saltzman
3RD DISTRICT

Robert Raburn, Ph.D.
4TH DISTRICT

John McPartland
5TH DISTRICT

Thomas M. Blalock, P.E.
6TH DISTRICT

Zakary Mallett, MCP
7TH DISTRICT

Nicholas Josefowitz
8TH DISTRICT

Tom Radulovich
9TH DISTRICT

**Subject: San Francisco Bay Area Rapid Transit District Board of Directors
Order for a Special District Election for a BART Safety, Reliability
and Traffic Relief Measure and Request for Consolidation of
Election**

Dear Board of Supervisors,

The Board of Directors of the San Francisco Bay Area Rapid Transit District, at the June 9, 2016 regular meeting of the Board, adopted the enclosed Resolution No. 5321 ordering a special district bond election in the District on November 8, 2016.

Resolution No. 5321 includes a request of the Board of Supervisors of Alameda County, the Board of Supervisors of Contra Costa County, and the Board of Supervisors of the City and County of San Francisco to order the consolidation of the special district bond election with the State of California general election to be held November 8, 2016.

Attached to the Resolution is the Tax Rate Statement for filing with the Registrar of Voters required under Section 9402 of the Elections Code.

We appreciate the cooperation and information provided by members of your Registrar of Voters office throughout the past several weeks. Should you require any additional information or clarification, please contact me at your earliest convenience (510.464.6080 or kduron@bart.gov).

Sincerely,

Kenneth A. Duron
District Secretary

Enclosure

**BOARD OF DIRECTORS OF THE
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

Resolution No. 5321

RESOLUTION CALLING A SPECIAL DISTRICT BOND ELECTION FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED VOTERS OF THE DISTRICT THE PROPOSITION OF INCURRING BONDED INDEBTEDNESS TO ACQUIRE AND IMPROVE AND REPLACE BART FACILITIES, FIXING THE DATE OF SAID ELECTION, THE MANNER OF HOLDING THE SAME, PROVIDING FOR NOTICE THEREOF, AND CONSOLIDATING SAID DISTRICT BOND ELECTION WITH THE STATE OF CALIFORNIA GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2016, AUTHORIZING PREPARATION AND FILING OF A TAX RATE STATEMENT TO BE PUBLISHED IN CONNECTION WITH SAID ELECTION, AND AUTHORIZING BOARD MEMBERS TO FILE A BALLOT ARGUMENT IN SUPPORT OF SUCH BOND MEASURE

WHEREAS, the Board of Directors (The "Board" of San Francisco Bay Area Rapid Transit District (the "District" or "BART") heretofore developed reports the ("Original Reports") pursuant to Section 29152 of the Public Utilities Code of the State of California (the "Public Utilities Code") which contained general plans, estimates and general specifications pertaining to the construction of the BART system; and

WHEREAS, the Boards of Supervisors of each of the County of Alameda, the County of Contra Costa, and the City and County of San Francisco approved by a resolution adopted by a majority vote the Original Reports; and

WHEREAS, the District heretofore called a special election and submitted to the qualified voters of the District a proposition to incur bonded indebtedness for the acquisition and construction of rapid transit facilities by the District as described in the Original Reports; and

WHEREAS, the District has heretofore issued all of its first authorized issue of bonds; and

WHEREAS, subsequent to its first authorized issue of bonds, the District found and determined that the bonded indebtedness then authorized and issued was insufficient to cover all costs of the acquisition and construction of its facilities, and, on November 2, 2004, voters in the District approved a bond measure (known as "Proposition AA") authorizing an additional \$980 million of bonds to improve seismic safety; and

WHEREAS, pursuant to Section 29157 of the Public Utilities Code, it appears to the board that the bonded indebtedness heretofore authorized and issued is insufficient to cover all costs of the acquisition and construction of its facilities, and the board now wishes to make an order determining the amount of bonds that should be issued in order to raise the additional funds necessary for the completion of such facilities; and

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
CERTIFIED A TRUE COPY**



WHEREAS, the BART has heretofore developed the BART System Renewal Program (the "Safety, Reliability, and Traffic Relief Program") to invest in the renewal of the BART system by improving safety and access, repairing and replacing critical infrastructure, and increasing capacity, and the District has duly employed engineers, economists, fiscal experts and others deemed necessary to develop general plans, estimates and general specifications pertaining to the projects for which a bond issue is proposed, as hereinafter set forth, sufficient in the opinion of this Board to enable this Board to determine the feasibility of such projects;

WHEREAS, said engineers, economists, fiscal experts and others have made a report entitled "BART Safety, Reliability, and Traffic Relief Engineer's Report" (the "Engineer's Report") and a report entitled "BART System Renewal Program Plan 2016" (the "System Renewal Plan," and together with the Engineer's Report, the "Bond Program Report") to the District in time, form and manner required by law, and this Board hereby determines and declares that the proposed Safety, Reliability, and Traffic Relief Program as specified in the Bond Program Report is feasible and that the Safety, Reliability, and Traffic Relief Program as outlined in the Bond Program Report is necessary;

WHEREAS, this Board desires pursuant to Section 29157.1 of the Public Utilities Code to duly determine the amount of bonds which should be issued in order to raise the amount of money necessary for the Program specified in the Bond Program Report and as otherwise provided by law and pursuant to Section 29158 of the Public Utilities Code to call a special election and submit to the qualified voters of the District the proposition of incurring such bonded indebtedness;

WHEREAS, this Board desires that the special district election hereinafter provided for shall be consolidated with the State of California general election to be held in the State and in the District on November 8, 2016, and desires to take all steps necessary for the purpose of effecting such consolidation;

WHEREAS, Section 9400 et seq. of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official publications and ballot pamphlets prepared, sponsored or published by the District which relate to said election;

WHEREAS, this Board now desires to authorize the filing of a ballot argument in favor of the proposition to be submitted to the voters at said election;

WHEREAS, if the electors approve the bond proposition, this Board desires to establish an independent citizens' oversight committee to review and report to the public expenditures of the bond proceeds; and

WHEREAS, all acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the calling and holding of said special district bond election hereinafter provided for have existed, happened and been performed in due time, form and manner as required by law, and this Board is now duly empowered to call said special district bond election in all respects, as hereinafter set forth;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT, AS FOLLOWS:

Section 1. A special district bond election is hereby ordered and will be held in the District on Tuesday, November 8, 2016, at which election shall be submitted to the qualified electors of the District the question of incurring a bonded indebtedness of the District for the objects and purposes set forth in the following measure:

Measure [] (*Measure Designation to be assigned by the County*) **BART Safety, Reliability and Traffic Relief.** To keep BART safe; prevent accidents/breakdowns/delays; relieve overcrowding; reduce traffic congestion/pollution; and improve earthquake safety and access for seniors/disabled by replacing and upgrading 90 miles of severely worn tracks; tunnels damaged by water intrusion; 44-year-old train control systems; and other deteriorating infrastructure, shall the Bay Area Rapid Transit District issue \$3.5 billion of bonds for the acquisition or improvement of real property subject to independent oversight and annual audits?

Said measure shall be set forth on the ballots to be used at said special bond election within the District in substantially the form hereinabove set forth. Pursuant to Section 29169 of the Public Utilities Code and Section 1 of Article XIII A of the Constitution of the State of California, the above proposition shall become effective only upon the affirmative vote of two-thirds of those electors voting on the measure.

Section 2. The Board hereby determines and declares that the proposed plan of work for the Safety, Reliability, and Traffic Relief Program in the Bond Program Report is feasible and the Safety, Reliability, and Traffic Relief Program as set forth in the Bond Program Report is necessary. The estimated cost of the proposed Safety, Reliability, and Traffic Relief Program in the Bond Program Report is \$3.5 billion. Said estimate includes planning, design, engineering, acquisition, construction and improvement costs for the Safety, Reliability, and Traffic Relief Program, which includes improvements to train tracks, power systems, tunnels and structures, mechanical systems, train control systems, repair and maintenance facilities, and BART stations.

Section 3. The maximum amount of the principal of the bonds that the Board hereby orders should be issued to raise the amount of money necessary for said Program as set forth in the foregoing measure is \$3.5 billion, which amount is estimated to be required to finance the Safety, Reliability, and Traffic Relief Program in the Bond Program Report, including sufficient funds to cover the cost of inspection of works in course of construction and the costs of issuing the bonds.

Section 4. The maximum term that the bonds proposed to be issued shall run before maturity is forty years, providing that the bonds of said authorized issue may be divided into two or more series or divisions, and the last date of maturity of any such series of bonds may be fixed at any date or dates up to but not exceeding forty years after the date of the bonds of that series. The District may fix different dates for the bonds of each series, and the bonds of any series may be made to mature and become payable at different times from those of any other series, provided (i) that said maximum maturity above specified shall be calculated from the date

on the face of each bond, separately, irrespective of the fact that different dates may be prescribed for the bonds of each separate series or division of said authorized issue and (ii) that the maturity dates of each separate series or division shall comply with the provisions of law.

Section 5. The interest rate on each series of bonds will be determined upon the sale thereof and shall not exceed a maximum rate of interest of 12% per annum, the maximum rate permitted by law.

Section 6. Interest to be paid upon said bonds during the estimated period of construction of the works of the District (and for three years thereafter or less) shall be a capital charge and may be payable out of the principal sum realized from the sale of the bonds in an aggregate amount not to exceed \$100,000,000 exclusive of premium generated by the sale of the bonds and deposited in the debt service fund. Such interest not so paid from bond proceeds shall be paid by the levy and collection of taxes in the manner and to the extent provided by law.

Section 7. The proceeds of the bonds shall be deposited in a special account created by the District and applied to the specific purposes set forth in the Measure (as specified in Section 1 hereof), and the District shall prepare an annual report on the expenditure of the proceeds and the projects funded thereby all pursuant to Government Code Section 53411.

Section 8. The estimate of the taxes required to be levied for all District purposes for the fiscal years 2017-18 to 2065-66, the sources from which such taxes shall be obtained, and the portion or amount to be derived from each source are set forth in Exhibit A attached hereto.

(a) The foregoing estimate of taxes is based upon the District's contemplated program of financing, which may be modified to conform to construction, marketing and financial conditions existing in the future. The actual tax levy in each year will vary, depending upon the then requirements for bond principal, interest, sinking fund payments, the then assessed values of taxable property in each county comprising the District, market interest rates at the time of each issuance, and the District's credit rating at the time of each issuance.

(b) The source from which such taxes shall be obtained is the net amount derived from the levy and collection of taxes upon all taxable property in the District based upon the equalized assessment roll of each county in which the District is situated. The District is not now authorized to levy income taxes or other similar types of taxes, other than transactions and use taxes, for the payment of its general obligation bonded indebtedness or administrative and general expenses.

(c) The proportion or amount of such taxes to be derived from the sources above stated are as follows:

(i) Annual tax levy for bond principal and interest and for sinking funds -- The law requires that the Board shall, at the time of fixing the general tax levy and in the manner provided for the general tax levy, levy and collect annually until the general obligation bonds of the District are paid, or until there is a sum in the treasury of the District set apart for that purpose to meet all sums coming due for principal and interest on the bonds as they become due and payable, a tax sufficient to pay the annual interest on the bonds and such part of the principal thereof, including any sinking fund

installments required by any of the District's agreements with its bondholders, as becomes due before the proceeds of a tax levied at the next general tax levy will be available for such purposes. The taxes required to be levied and collected on account of interest, principal, and sinking fund of general obligation bonds of the District shall be in addition to all other taxes levied for District purposes, and shall be collected at the time and in the same manner as other district property taxes are collected, and be used for no other purpose than the payment of the bonds and accruing interest. The District shall provide for the payment of the principal of and interest on the bonds by the levy and collection of taxes upon all property in the District subject to taxation by the District without limitation of rate or amount as provided by law, except that such taxes need not be levied to the extent that the District deposits in the treasury set apart for that purpose moneys derived from surplus revenues or any appropriations which may be made to it for that purpose or from any other funds howsoever derived.

(ii) Annual tax levy for administrative and general expense -- Following the adoption of Proposition 13 by the voters and the passage of implementing legislation, the District receives a small portion of the constitutionally limited 1% county-wide general tax levy in each of the three BART Counties for administrative and general expense and has no authority to increase such amount. The amount of the District's portion of such 1% levy for the 2015-16 fiscal year was approximately \$37,400,000.

(iii) The District levies a 1/2¢ transactions and use tax, 3/4th of the revenues of which are allocated to the District and 1/4th of which is allocated to the Metropolitan Transportation Commission. Revenues from such tax are pledged to secure sales tax revenue bonds of the District and are used to pay general operating and capital costs of the District.

Section 9. This Board does hereby submit to the qualified electors of the District at said special district bond election the measure of incurring bonded indebtedness set forth in Section 1 hereof, and hereby designates and refers to said measure as that measure to be set forth on the ballots as herein prescribed for use at said election:

(a) Said special district bond election shall be held and conducted and the votes thereat canvassed and the returns thereof made and the result thereof ascertained and determined, as herein provided; and in all particulars not prescribed by this resolution said special district bond election shall be held as provided by law.

(b) All residents of the City and County of San Francisco, the County of Alameda and the County of Contra Costa, respectively, who are qualified electors possessing the qualifications prescribed by the general election laws of the State of California shall be entitled to vote at said special district bond election. Whether a resident of the District is a qualified elector within the District shall be conclusively determined by the register of voters of the City and County of San Francisco, the County of Alameda and the County of Contra Costa, respectively, in which said election is held.

(c) Said special district bond election hereby called shall be consolidated and the Board of Supervisors of the City and County of San Francisco, the Board of Supervisors of the

County of Alameda and the Board of Supervisors of the County of Contra Costa are hereby each requested to order the consolidation of said special district bond election with the State of California general election to be held in said State and in said District on November 8, 2016, all as required by and pursuant to law, and the election precincts, polling places and officers of election within the District for said special district bond election shall be the same as those selected and designated by the Registrar of Voters or the Board of Supervisors, as appropriate, of the City and County of San Francisco, the County of Alameda and the County of Contra Costa, respectively, for said State of California general election, and reference is hereby made to said State of California general election for the designation of the precincts, polling places and election officers for said special district bond election hereby called.

(d) The hours during which the polls shall be kept open in the City and County of San Francisco, the County of Alameda and the County of Contra Costa (collectively, the "Counties" and each a "County"), respectively, shall be the same as those provided for the State of California general election to be held on November 8, 2016 in each of the Counties, respectively, being the election with which the election called pursuant to this resolution is consolidated, and the manner of voting for and against the incurring of such indebtedness shall be as provided for in the ballots in such general election. The Registrar of Voters or the Board of Supervisors, as appropriate, of the City and County of San Francisco, the County of Alameda and the County of Contra Costa, respectively, are and each of them is authorized to canvass, or cause to be canvassed as provided by law (including the provisions of Section 10411 of the Election Code), the returns of said special district bond election with respect to the votes cast in each of the Counties, respectively, and to certify the result to this Board in all respects as provided by law, and upon the certification of such results to this Board, this Board shall cause to be spread upon its minutes a statement of the results of said special district bond election as ascertained by such canvass.

(e) The acquisition or improvement of real property to be undertaken with the proceeds of the bonds is assumed to include the costs of the election and bond issuance and other construction-related costs, such as construction management, architectural, engineering, inspection and other planning costs, legal, accounting and similar fees, independent annual audits, and other incidental or necessary costs. The District shall reimburse itself for all costs incurred in connection with the calling and conduct of the special district bond election and any other costs permitted by law from proceeds of the bonds when issued.

Section 10. Notice of said special district bond election shall be given by publication of the text of this resolution calling such election together with, in each case, a form of notice of election substantially as set forth in Section 29163 of the Public Utilities Code. Such notice, together with the text of this resolution, shall be published once a week in each calendar week for two successive calendar weeks, at any time prior to said election (the first publication to be not less than twenty (20) or more than ninety (90) days prior to the date fixed for such special election), in the following newspapers of general circulation, hereby designated by this Board, which are printed and published in each County within the District, as follows:

Alameda County – East Bay Times

Contra Costa County – East Bay Times

City and County of San Francisco – San Francisco Chronicle

No other notice of the election hereby called need be given. The Secretary is hereby directed to cause such notice and the text of this resolution to be published as hereinabove provided.

Section 11. (a) Upon approval of the bond proposition by the voters, the Board shall establish a Bond Oversight Committee (the “Committee”) who represent a diversity of expertise, geography and demographic characteristics. Committee members shall consist of seven members and be appointed for two year terms and be eligible to serve for up to 6 years in total and are appointed as follows:

(b) The BART Board of Directors (the “Board”) shall appoint:

(i) One member nominated by the American Society of Civil Engineers, or its successor organization, who has expertise in civil engineering management and oversight;

(ii) One member nominated by the American Institute of Electrical Engineers, or its successor organization, who has expertise in electrical engineering management and oversight;

(iii) One member nominated by the American Institute of Certified Public Accountants, or its successor organization, who has expertise in audit or financial oversight;

(iv) One member nominated by the Association for Budgeting & Financial Management section of the American Society for Public Administration, or its successor section or organization, who has expertise in municipal finance;

(v) One member nominated by the Project Management Institute, or its successor organization, who has expertise in construction project management;

(vi) Two members nominated by the League of Women Voters, Bay Area, or its successor organization or chapter; provided that the Board may designate alternative professional organizations other than those set forth above from which to request nominations of members to serve on the Committee.

(c) Committee members shall:

(i) Not be a District employee or official, or be an owner, employee or consultant to a District contractor;

(ii) Not participate or interfere in the selection process of any vendor hired to execute bond funded projects;

(iii) Be required to sign a conflict of interest statement and to disclose any potential conflicts that may arise in the course of their service.

(d) The Committee shall provide diligent, independent and public oversight over the expenditure of funds from the sale of District general obligation bonds.

(e) The Committee shall be staffed by the Controller/Treasurer's Office.

(f) The Committee shall report directly to the public. The Committee shall focus its oversight on:

(i) Assessing how bond proceeds are spent to ensure that all spending is authorized by the ballot measure;

(ii) Assessing whether projects funded by bond proceeds are completed in a timely, cost-effective and quality manner consistent with the best interests of BART riders and District residents.

(g) The Committee is also charged with the responsibility of communicating its findings and recommendations to the District and the public.

(h) If the projects funded by bond proceeds are not being completed in a timely, cost-effective, and quality manner, the Committee may identify the reasons why and make suggestions in writing to the Board and District Staff for improvements.

(i) The Committee shall publish an annual report, which shall include the following:

(i) A detailed account of the Committee's activities, including its expenditures;

(ii) A detailed breakdown on the uses of bond funds in the previous year, and a confirmation that they were expended legally. The breakdown shall include an estimate of the impact to the BART system and to BART riders of the projects, including any consequences of construction;

(iii) A detailed breakdown of the anticipated use of bond funds already received by the District to be used in the following years to be provided by BART staff to the Committee. The breakdown provided by BART staff shall include an estimate of the impact to the BART system and to BART riders of the projects, including any consequences of construction;

(iv) A detailed progress report on the projects funded by bond expenditures. The progress report shall include whether the projects are progressing on time, on budget, and in accordance with the District's quality and sustainability standards. The report shall lay out the original and current estimates for cost and completion, and explicitly highlight any significant variances or risk or significant future variances compared to estimates of the budget, timeliness or scope;

(v) A report on any suggestions made by the Committee in the previous year, and whether previous suggestions have been adopted;

(vi) A report on the results of any financial or performance audits, relevant to the Bond and the Committee's work, performed by the District during the previous year.

(j) The Committee may be disbanded when all bond funds are spent.

Section 12. The Secretary of the District is hereby directed to deliver, no later than August 12, 2016 (which date is not fewer than 88 days prior to the date set for the election), a copy of this resolution and order to the Registrar of Voters of each County, and shall file a copy of this resolution and order with the Clerk of the Board of Supervisors of each County and the Registrar of Voters of each County.

Section 13. Pursuant to Resolution no. 5208 (the "Fare Increase Resolution") of this Board, adopted February 28, 2013, this Board extended the District's productivity-adjusted inflation-based fare increase program (the "Fare Increase Program") to raise fares in January of 2014, 2016, 2018, and 2020. The Fare Increase Program was then estimated to generate approximately \$325 million in additional fare revenue for capital renovation projects over the eight year period beginning in 2014 and ending in 2022. The District hereby reconfirms its intention to use such additional fare revenue generated in the period beginning in 2014 and ending in 2022 by the District's productivity-adjusted inflation-based fare increase program (as such program is set forth in Exhibit A to the Fare Increase Resolution) for capital renovation projects; provided that such revenue is not reduced by unforeseen economic circumstances or decreased ridership or is required to address costs in the event of a natural disaster.

Section 14. (a) The Controller/Treasurer of the District is hereby authorized to prepare a tax rate statement (the "Tax Rate Statement") conforming to the requirements of Section 9401 of the Elections Code, and to file said Tax Rate Statement with the Registrar of Voters of each County.

(b) The Registrar of Voters of each County is hereby requested to include the Tax Rate Statement in all official publications or postings pertaining to the Election, pursuant to the terms of Section 9402 of the Elections Code.

Section 15. The members of the Board are hereby authorized, but not directed, to prepare and file with the Registrar of Voters of each County a ballot argument in favor of the proposition contained in Section 1 hereof, within the time established by the Registrar of Voters of each County.

Section 16. This resolution, being a resolution relating to an election, shall take effect immediately upon adoption.

PASSED AND ADOPTED this 9th day of June, 2016, by the following vote:

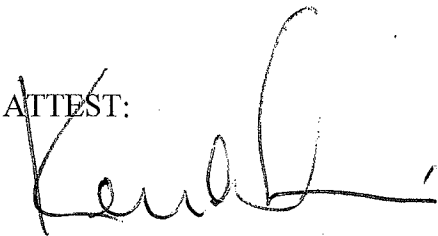
AYES: 9

NOES: 0

ABSTAIN: 0

ABSENT: 0

ATTEST:

A handwritten signature in dark ink, appearing to be 'Kenah', written over the word 'ATTEST:'.

Secretary

A handwritten signature in dark ink, reading 'Tom Radulovic'.

President

EXHIBIT A

ESTIMATE OF DISTRICT TAXES

(all figures in \$'000s)

Fiscal Year	Current Earthquake Safety Debt Service	2018 Proposed Remaining Earthquake Safety Debt Service	Proposed 3.5b BART Bond Debt Service	Administrative and General Expenses Paid from Ad Valorem Taxes	General Expenses and Capital Costs Paid from Transactions and Use Taxes	Existing Bond Debt Paid from Transactions And Use Taxes	Total Annual Cost Paid from Taxes
2018	\$50,378		\$13,010	\$39,724	\$256,690	\$53,026	\$412,828
2019	50,374	\$15,883	13,010	40,916	264,391	53,175	437,748
2020	50,378	15,882	28,188	42,143	272,322	53,346	462,259
2021	49,964	15,885	28,192	43,408	280,492	53,495	471,435
2022	42,414	15,883	45,537	44,710	288,907	53,642	491,092
2023	42,412	15,882	45,534	46,051	297,574	53,829	501,283
2024	42,411	15,885	65,053	47,433	306,501	54,002	531,285
2025	42,411	15,881	65,051	48,856	315,696	54,235	542,130
2026	42,414	15,885	86,738	50,321	325,167	54,355	574,880
2027	42,413	15,885	86,731	51,831	334,922	54,554	586,337
2028	42,412	15,883	110,593	53,386	344,970	54,758	622,002
2029	42,412	15,883	110,598	54,987	355,319	29,736	608,935
2030	42,406	15,884	136,607	56,637	365,978	29,924	647,435
2031	42,410	15,884	136,606	58,336	376,958	30,138	660,332
2032	42,411	15,883	164,799	60,086	388,267	30,351	701,796
2033	42,414	15,884	164,806	61,889	399,914	30,579	715,486
2034	42,413	15,885	195,160	63,745	411,912	27,225	756,341
2035	42,411	15,881	195,158	65,658	424,269	22,148	765,526
2036	45,448	15,885	227,680	67,628	436,997	22,305	815,943
2037	45,445	15,884	227,672	69,656	450,107	6,445	815,209
2038		15,882	227,673	71,746	463,611	6,445	785,356
2039		15,883	227,673	73,898	477,519	6,446	801,419
2040		15,885	227,676	76,115	491,844	6,448	817,968
2041		15,883	227,687	78,399	506,600	6,444	835,012
2042		15,886	227,678	80,751	521,798	6,445	852,557
2043		15,886	227,679	83,173	537,452		864,190
2044		15,883	227,677	85,669	553,575		882,804
2045		15,886	227,689	88,239	570,182		901,996
2046		15,883	227,680	90,886	587,288		921,736
2047		15,882	227,672	93,612	604,907		942,072
2048		15,881	214,674	96,421	623,054		950,030
2049			214,665	99,313	641,745		955,724
2050			199,487	102,293	660,998		962,777
2051			199,491	105,362	680,828		985,680
2052			182,145	108,522	701,252		991,920
2053			182,146	111,778	722,290		1,016,214
2054			162,627	115,131	743,959		1,021,717
2055			162,630	118,585	766,278		1,047,493
2056			140,942	122,143	789,266		1,052,351
2057			140,938	125,807	812,944		1,079,688
2058			117,092	129,581	837,332		1,084,005
2059			117,089	133,469	862,452		1,113,010
2060			91,072	137,473	888,326		1,116,871
2061			91,072	141,597	914,975		1,147,644
2062			62,884	145,845	942,425		1,151,153
2063			62,879	150,220	970,697		1,183,797
2064			32,524	154,727	999,818		1,187,069
2065			32,524	159,369	1,029,813		1,221,705
TOTAL	\$885,751	\$476,508	\$6,830,382	\$4,147,525	\$26,800,580	\$853,495	\$39,994,241

FILE NO. 160766

Petitions and Communications received from June 20, 2016, through July 1, 2016, for reference by the President to Committee considering related matters, or to be ordered filed by the Clerk on July 12, 2016.

Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information will not be redacted.

From Controller, regarding audit of San Francisco Municipal Transportation Authority: AutoReturn's compliance, reporting and recordkeeping. Copy: Each Supervisor. (1)

From Controller, regarding Quarterly Reviews of the Treasurer's Schedule of Cash, Investments, and Accrued Interest Receivable as of September 30 and December 31, 2015. Copy: Each Supervisor. (2)

From Controller, regarding Airport Commission's compliance audit: American Airlines, Inc. Copy: Each Supervisor. (3)

From Clerk of the Board, reporting that the following departments have submitted their reports regarding Sole Source Contracts for FY 2015-2016: (4)

- Board of Appeals

- Board of Supervisors

- Department of Children, Youth & Their Families

- Civil Service Commission

- Controller's Office

- Office of Contract Administration

- Grants for the Arts

- Mayor's Office of Housing and Community Development

- Planning Department

- Office of the Public Defender

- San Francisco Police Department

- San Francisco Public Health

From Clerk of the Board, submitting Quarterly Report on Departmental Spending for Quarter ending March 31, 2016. Copy: Each Supervisor. (5)

From Department of Children, Youth and Their Families, regarding Application for Edward Byrne Memorial Justice Assistance Grant, FY 2016-2017. Copy: Each Supervisor. (6)

From Department of Elections, submitting Statement of the Results, Consolidated Presidential Primary Election - June 7, 2016. Copy: Each Supervisor. (7)

From Civil Grand Jury, submitting report titled, "Maintenance Budgeting and Accounting Challenges For General Fund Departments: Maintenance Economics Versus Maintenance Politics: Pay Now or Pay More Later." Copy: Each Supervisor. (8)

From Mayor Lee, regarding the following Charter Section 4.106 nominations to the Board of Appeals. Copy: Each Supervisor. (9)

Darryl Honda, for a four-year term ending July 1, 2020.

Frank Fung, for a four-year term ending July 1, 2020.

From San Francisco Public Utilities Commission, regarding WSIP San Francisco Westside Recycled Water Project CUW30201 Release of Reserve, \$120,827,000. Copy: Each Supervisor. (10)

From California Public Utilities Commission, regarding notice of Pacific Gas and Electric Company's request to change rates for electricity production in 2017 and return revenues from the sale of Greenhouse Gas Allowances. Copy: Each Supervisor. (11)

From Christine Blomley, regarding Formula Retail in Polk Street Neighborhood Commercial District. File No. 160102. Copy: Each Supervisor. (12)

From concerned citizens, regarding settlement of Lawsuit - David Zeller. 6 letters. File No. 160187. Copy: Each Supervisor. (13)

From Supervisor Aaron Peskin, regarding pending Citywide Accessory Dwelling Units ("ADUs"). File No. 160252. Copy: Each Supervisor. (14)

From concerned citizens, regarding food service and packaging waste reduction. 2 letters. File No. 160383. Copy: Each Supervisor. (15)

From Tenderloin Neighborhood Development Corporation (TNDC), regarding Conditional Use Authorization Appeal for 1066 Market Street. File Nos. 160400, 160401, 160402, and 160403. Copy: Each Supervisor. (16)

From Jon Golinger, regarding "Protect Coit Tower". File No. 160499. Copy: Each Supervisor. (17)

From various organizations, regarding Assembly Bill 650 (Low), "Public Utilities Commission: Regulation of Taxicabs". 2 letters. File No. 160696. Copy: Each Supervisor. (18)

From concerned citizens, regarding police reform budget reserve proposal. 3 letters. Copy: Each Supervisor. (19)

From Mari Eliza, regarding request for policy changes by SFMTA. Copy: Each Supervisor. (20)

From Jason Galisatus, regarding Sit/Lie ordinance. Copy: Each Supervisor. (21)

From Linda Adler, regarding housing for people displaced by recent fire in Bernal/Mission. Copy: Each Supervisor. (22)

From Ben Lin, regarding Fleet Week. Copy: Each Supervisor. (23)

From concerned citizens, regarding ban on plastic bags. 3 signatures. Copy: Each Supervisor. (24)

From concerned citizens, regarding "Support at Home" program. 4 letters. (25)

From San Francisco Animal Care and Control, regarding Animal Care and Control's FY 2016-17 S.F. Admin Code 12B Waiver Requests. Copy: Each Supervisor. (26)

From Controller, issuing Field Follow-up of 2013 Audit of the Department of Public Health's Purchasing Structure. Copy: Each Supervisor. (27)

From San Francisco Juvenile Probation Department, regarding Annual Report on Civil Immigration Detainers - 2016 pursuant to S.F. Admin Code Chapter 12I. Copy: Each Supervisor. (28)

From Office of the Sheriff, submitting First Quarter 2016 Report pursuant to Law Enforcement Reporting Requirements, San Francisco Administrative Code Chapter 96A. Copy: Each Supervisor. (29)

From Sunshine Ordinance Task Force, submitting 2014-2016 Annual Report. Copy: Each Supervisor. (30)

From Friends of Golden Gateway, regarding Teatro Zinzinni. File No. 160541. Copy: Each Supervisor. (31)

From concerned citizens, regarding Charter Amendment to create Housing and Development Commission. 4 letters. File No. 160588. Copy: Each Supervisor. (32)

From Peninsula Corridor Joint Powers Board, regarding transportation revenues for Caltrain improvement projects. Copy: Each Supervisor. (33)

From James Ludwig, regarding Lower Stockton Improvement Project "bike lane expansion." Copy: Each Supervisor. (34)

From Mark Grossman, regarding climate risk disclosure labels. Copy: Each Supervisor. (35)

From Daisy Jimenez, regarding parcel taxes. Copy: Each Supervisor. (36)

From Lisa Stanziano, regarding payroll tax on technology companies. Copy: Each Supervisor. (37)

From Randy Miller, regarding taxi medallion sales. Copy: Each Supervisor. (38)

From David Folmar, regarding 2016-17 City College of San Francisco CMD S.F. Admin Code 12B Waiver Request. Copy: Each Supervisor. (39)

From concerned citizens, submitting signatures for petition titled, 'Stop SFMTA.' 4,289th signer. Copy: Each Supervisor. (40)

From San Francisco Bay Area Rapid Transit District, regarding Board of Directors Order for a Special District Bond Election on November 8, 2016. Copy: Each Supervisor. (41)

FILE NO. 160766

Petitions and Communications received from June 20, 2016, through July 1, 2016, for reference by the President to Committee considering related matters, or to be ordered filed by the Clerk on July 12, 2016.

Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information will not be redacted.

From Controller, regarding audit of San Francisco Municipal Transportation Authority: AutoReturn's compliance, reporting and recordkeeping. Copy: Each Supervisor. (1)

From Controller, regarding Quarterly Reviews of the Treasurer's Schedule of Cash, Investments, and Accrued Interest Receivable as of September 30 and December 31, 2015. Copy: Each Supervisor. (2)

From Controller, regarding Airport Commission's compliance audit: American Airlines, Inc. Copy: Each Supervisor. (3)

From Clerk of the Board, reporting that the following departments have submitted their reports regarding Sole Source Contracts for FY 2015-2016: (4)

- Board of Appeals
- Board of Supervisors
- Department of Children, Youth & Their Families
- Civil Service Commission
- Controller's Office
- Office of Contract Administration
- Grants for the Arts
- Mayor's Office of Housing and Community Development
- Planning Department
- Office of the Public Defender
- San Francisco Police Department
- San Francisco Public Health

From Clerk of the Board, submitting Quarterly Report on Departmental Spending for Quarter ending March 31, 2016. Copy: Each Supervisor. (5)

From Department of Children, Youth and Their Families, regarding Application for Edward Byrne Memorial Justice Assistance Grant, FY 2016-2017. Copy: Each Supervisor. (6)

From Department of Elections, submitting Statement of the Results, Consolidated Presidential Primary Election - June 7, 2016. Copy: Each Supervisor. (7)

From Civil Grand Jury, submitting report titled, "Maintenance Budgeting and Accounting Challenges For General Fund Departments: Maintenance Economics Versus Maintenance Politics: Pay Now or Pay More Later." Copy: Each Supervisor. (8)

From Mayor Lee, regarding the following Charter Section 4.106 nominations to the Board of Appeals. Copy: Each Supervisor. (9)

Darryl Honda, for a four-year term ending July 1, 2020.

Frank Fung, for a four-year term ending July 1, 2020.

From San Francisco Public Utilities Commission, regarding WSIP San Francisco Westside Recycled Water Project CUW30201 Release of Reserve, \$120,827,000. Copy: Each Supervisor. (10)

From California Public Utilities Commission, regarding notice of Pacific Gas and Electric Company's request to change rates for electricity production in 2017 and return revenues from the sale of Greenhouse Gas Allowances. Copy: Each Supervisor. (11)

From Christine Blomley, regarding Formula Retail in Polk Street Neighborhood Commercial District. File No. 160102. Copy: Each Supervisor. (12)

From concerned citizens, regarding settlement of Lawsuit - David Zeller. 6 letters. File No. 160187. Copy: Each Supervisor. (13)

From Supervisor Aaron Peskin, regarding pending Citywide Accessory Dwelling Units ("ADUs"). File No. 160252. Copy: Each Supervisor. (14)

From concerned citizens, regarding food service and packaging waste reduction. 2 letters. File No. 160383. Copy: Each Supervisor. (15)

From Tenderloin Neighborhood Development Corporation (TNDC), regarding Conditional Use Authorization Appeal for 1066 Market Street. File Nos. 160400, 160401, 160402, and 160403. Copy: Each Supervisor. (16)

From Jon Golinger, regarding "Protect Coit Tower". File No. 160499. Copy: Each Supervisor. (17)

From various organizations, regarding Assembly Bill 650 (Low), "Public Utilities Commission: Regulation of Taxicabs". 2 letters. File No. 160696. Copy: Each Supervisor. (18)

From concerned citizens, regarding police reform budget reserve proposal. 3 letters. Copy: Each Supervisor. (19)

From Mari Eliza, regarding request for policy changes by SFMTA. Copy: Each Supervisor. (20)

From Jason Galisatus, regarding Sit/Lie ordinance. Copy: Each Supervisor. (21)

From Linda Adler, regarding housing for people displaced by recent fire in Bernal/Mission. Copy: Each Supervisor. (22)

From Ben Lin, regarding Fleet Week. Copy: Each Supervisor. (23)

From concerned citizens, regarding ban on plastic bags. 3 signatures. Copy: Each Supervisor. (24)

From concerned citizens, regarding "Support at Home" program. 4 letters. (25)

From San Francisco Animal Care and Control, regarding Animal Care and Control's FY 2016-17 S.F. Admin Code 12B Waiver Requests. Copy: Each Supervisor. (26)

From Controller, issuing Field Follow-up of 2013 Audit of the Department of Public Health's Purchasing Structure. Copy: Each Supervisor. (27)

From San Francisco Juvenile Probation Department, regarding Annual Report on Civil Immigration Detainers - 2016 pursuant to S.F. Admin Code Chapter 12I. Copy: Each Supervisor. (28)

From Office of the Sheriff, submitting First Quarter 2016 Report pursuant to Law Enforcement Reporting Requirements, San Francisco Administrative Code Chapter 96A. Copy: Each Supervisor. (29)

From Sunshine Ordinance Task Force, submitting 2014-2016 Annual Report. Copy: Each Supervisor. (30)

From Friends of Golden Gateway, regarding Teatro Zinzinni. File No. 160541. Copy: Each Supervisor. (31)

From concerned citizens, regarding Charter Amendment to create Housing and Development Commission. 4 letters. File No. 160588. Copy: Each Supervisor. (32)

From Peninsula Corridor Joint Powers Board, regarding transportation revenues for Caltrain improvement projects. Copy: Each Supervisor. (33)

From James Ludwig, regarding Lower Stockton Improvement Project "bike lane expansion." Copy: Each Supervisor. (34)

From Mark Grossman, regarding climate risk disclosure labels. Copy: Each Supervisor. (35)

From Daisy Jimenez, regarding parcel taxes. Copy: Each Supervisor. (36)

From Lisa Stanziano, regarding payroll tax on technology companies. Copy: Each Supervisor. (37)

From Randy Miller, regarding taxi medallion sales. Copy: Each Supervisor. (38)

From David Folmar, regarding 2016-17 City College of San Francisco CMD S.F. Admin Code 12B Waiver Request. Copy: Each Supervisor. (39)

From concerned citizens, submitting signatures for petition titled, 'Stop SFMTA.' 4,289th signer. Copy: Each Supervisor. (40)

From San Francisco Bay Area Rapid Transit District, regarding Board of Directors Order for a Special District Bond Election on November 8, 2016. Copy: Each Supervisor. (41)