

FILE NO. 140813

Petitions and Communications received from July 14, 2014, through July 21, 2014, for reference by the President to Committee considering related matters, or to be ordered filed by the Clerk on July 29, 2014.

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 Clerk of the Board, reporting the following departments have submitted reports regarding Sole Source Contracts for FY2013-2014: (1)

- City Administrator
- Fire Department
- Juvenile Probation Department
- Municipal Transportation Agency
- San Francisco International Airport

From Clerk of the Board, reporting the following agencies that have submitted a 2014 Local Agency Biennial Conflict of Interest Code Review Report: (2)

- Board of Supervisors
- Department of Building Inspection
- Local Agency Formation Commission

From 415 Public Education Program Task Force Co-Chairs, regarding 628 area code overlay served by the 415 area code. Copy: Each Supervisor. (3)

- Office of the Clerk of the Board of Supervisors
- Office of the Mayor
- Public Library

From Controller, issuing economic impact report on the proposed ballot measure to raise the minimum wage in San Francisco. File No. 140687. Copy: Each Supervisor. (4)

From Small Business Commission, submitting response to the proposed ballot measure to raise the minimum wage in San Francisco. File No. 140687. Copy: Each Supervisor. (5)

From Economic and Workforce Development, submitting staff response to written objections to adoption by the Board of Supervisors of Resolutions of Intention for the Proposed Transbay Transit Center Communities Facilities District. File Nos. 140644, and 140645. Copy: Each Supervisor. (6)

From Treasurer, submitting June 2014 CCSF Pooled Investment Report. Copy: Each Supervisor. (7)

From Building Owners and Managers Association of San Francisco, regarding statement of support for proposed revisions to Formula Retail regulations. File No. 140445. Copy: Each Supervisor. (8)

From SoMa Community Stabilization Fund, regarding AMI Term for Small Sites Program letter sent to Mayor's Office of Housing and Community Development. Copy: Each Supervisor. (9)

From concerned citizens, regarding proposed Charter Amendment for population-based adjustment to General Fund Appropriation to the Transportation Fund. File No. 140556. 5 letters. Copy: Each Supervisor. (10)

From Dr. Lee Jackson, Esq., regarding tax on sugar-sweetened beverages. File No. 140098. Copy: Each Supervisor. (11)

From Controller, submitting economic impact report regarding tax on sugar-sweetened beverages. File No. 140098. Copy: Each Supervisor. (12)

From Elections, regarding certification of the Pier 70 Development Site Height Limit Increase initiative petition. Copy: Each Supervisor. (13)

From State Fish and Game Commission, providing Notice of Receipt of Petition to list the flat-tailed horned lizard as endangered. Copy: Each Supervisor. (14)

From State Fish and Game Commission, announcing location change for adoption hearings on proposed regulatory actions. Copy: Each Supervisor. (15)

From Instituto Familiar de la Raza, Inc., regarding resolution for support of unaccompanied minors from Central America. File No. 140785. (16)

July 29, 2014 - Communications Page

From Clerk of the Board, the following departments have submitted their reports regarding Sole Source Contracts for FY 2013-2014:

Office of City Administrator
Fire Department
Juvenile Probation Department
Municipal Transportation Agency
San Francisco International Airport

From: Bukowski, Kenneth (ADM)
Sent: Monday, July 14, 2014 1:34 PM
To: Board of Supervisors (BOS)
Subject: ADM FY Sole Source Contract Report for FY14
Attachments: ADM FY 13-14 Sole Source Contract Report to BOS.xlsx

Peggy,

Attached is the annual Sole Source Contract Report for ADM (Administrative Services) for FY14. Please let me know if you have any questions.

Thanks,

Ken Bukowski
Deputy City Administrator – Chief Financial Officer
Office of the City Administrator
1 Dr. Carlton B. Goodlett Place, Room 362
(415) 554-6172
Kenneth.Bukowski@sfgov.org

ADM FY14 Sole Source Contract Report to Board of Supervisors - July 14, 2014

Vendor Name	Vendor No	Document No/Sfx	Purpose	Index Code	Subobject	Subobject Title	Amount
ALTEC INDUSTRIES INC	01764	DPPR1400022201	Central Shops special parts	701001	04331	VEHICLE PARTS-SUPPLIES	10,000
ALTEC INDUSTRIES INC	01764	POPR1400000401	Central Shops Repair to Derrick Digger Boom	701001	02921	VEHICLE MAINT (NON CENTRAL SHOPS)	20,802
BELL AND HOWELL LLC	84494	DPAD1400051001	REPROMAIL proprietary equipment maintenance	701101	02799	OTHER PROFESSIONAL SERVICES	120,100
BELL AND HOWELL LLC	84494	POAD1400005301	REPROMAIL - NETSORT	701101	06061	DATA PROCESSING EQUIPMENT	27,677
COMCAST OF CA/COLORADO/WASHINGTON I INC	72660	DPAD1400003701	Business Cable Subscription @ TIDA	70TIDA	03571	SUBSCRIPTIONS	500
COMCAST OF CA/COLORADO/WASHINGTON I INC	72660	DPRE1400045401	Business Cable Subscription @ HOJ	705033	03571	SUBSCRIPTIONS	400
COMCAST OF CA/COLORADO/WASHINGTON I INC	72660	DPRE1400045501	Business Cable Subscription @ 25 Van Ness	708004	03571	SUBSCRIPTIONS	300
CONSTELLATION JUSTICE SYSTEMS	56554	POAD1300008401	JUSTIS - Proprietary case management software used by DA.	705018	03596	SOFTWARE LICENSING FEES	320,150
MUNICIPAL MAINTENANCE EQUIPMENT	28110	DPPR1400008001	Central Shops OEM parts.	701001	04331	VEHICLE PARTS-SUPPLIES	80,000
MUNICIPAL MAINTENANCE EQUIPMENT	28110	POPR1400000801	Central Shops part for sewer cleaner.	701001	04331	VEHICLE PARTS-SUPPLIES	19,938
NATIONAL MEDICAL SERVICES INC	33169	DPCM1400002301	Office of Chief Medical Examiner - Toxicology testing & analysis	745008	02789	OTHER MEDICAL SERVICES	155,000
OWENS INFORMATION SYSTEMS	13983	DPAD1400051901	JUSTIS consulting services for mainframe maintenance and transition to hub	705018	02761	SYSTEMS CONSULTING SERVICES	245,000
PACIFIC GAS & ELECTRIC CO	14087	DPPR1400009001	Central Shops - sole San Francisco supplier of CNG.	701001	04799	FUELS & LUBRICANTS	126,000
RANDEX LABORATORIES-US LTD	85575	POCM1400000201	Office of Chief Medical Examiner - RANDEX EVIDENCE IMMUNASSAY	745008	06071	MEDICAL; DENTAL & LABORATORY EQUIPMENT	167,775
VENTURE LABS INC	69130	DPCM1400004701	Office of Chief Medical Examiner - ELISA KITS	745008	04431	LABORATORY SUPPLIES	40,800
Total							1,334,441

Nevin, Peggy

From: FireChief, Secretary
Sent: Wednesday, July 16, 2014 10:41 AM
To: Board of Supervisors (BOS)
Cc: Nevin, Peggy
Subject: SFFD Sole Source Contracts for FY 2013-2014
Attachments: 20140715165228103.pdf

Good Morning,

Please find attached SFFD's Sole Source Contracts for FY 2013-2014.

Regards,

Kelly Alves
Office of the Chief of Department
San Francisco Fire Department
698 Second Street
San Francisco, CA 94107
Phone: 415.558.3401 / Fax: 415.558.3407 / www.sf-fire.org

JOANNE HAYES-WHITE
CHIEF OF DEPARTMENT



EDWIN M. LEE
MAYOR

SAN FRANCISCO FIRE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO

July 15, 2014

Angela Calvillo
Clerk of the Board
Board of Supervisors
Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

As required by Sunshine Ordinance Section 67.24(e), the San Francisco Fire Department is providing the following information on its sole source contracts from FY13-14:

Term	Vendor	Amount	Reason
3 years	Kidde Fire Trainers, Inc.	\$258,719	Only vendor qualified to perform maintenance and repair of Department's Fire Simulator.
4 years	The Regents of the University of California	\$1,750,000	Contract covers Medical Director positions for the Fire Department and the Department of Emergency Management. Contract is with UCSF so that the medical directors are also emergency room physicians at SF General Hospital.

Sincerely,

A handwritten signature in cursive script that reads "Joanne Hayes-White".

Joanne Hayes-White
Chief of Department

Subject: FW: Sole Source Contracts Memo - Response Required

From: Layton, Sheila (JUV)
Sent: Thursday, July 17, 2014 11:13 AM
To: Nevin, Peggy
Cc: McGuire, Catherine (JUV)
Subject: Sole Source Contracts Memo - Response Required

Sorry for the delay. The Juvenile Probation Department did not have any Sole Source Contracts for FY 13/14.

Thanks,
Sheila

Sheila Layton
Juvenile Probation Department
Contract and Program Analyst
375 Woodside Avenue
SF, CA 94127
Phone 415-753-7562
Fax 415-753-7566

From: Harmon, Virginia [Virginia.Harmon@sfmta.com]
Sent: Tuesday, July 15, 2014 2:07 PM
To: Board of Supervisors (BOS)
Cc: Reiskin, Ed; Bose, Sonali (MTA)
Subject: 2014 SFMTA Sole Source Contract List
Attachments: 2014 SFMTA Sole Source Contract List.pdf

Attached please find the 2014 SFMTA sole source contract list. Please do not hesitate to contact me if you have any questions.
Thank you.

Virginia Harmon
SFMTA Contracts & Procurement
1 South Van Ness, 6th Floor
San Francisco, CA 94103
(415)701-4404
Virginia.Harmon@sfmta.com



SFMTA
Municipal
Transportation
Agency

MEMORANDUM

Date: July 15, 2014

To: Angela Calvillo
Clerk of the Board of Supervisors

From: Virginia Harmon
SFMTA Contracts & Procurement

Re: San Francisco Municipal Transportation Agency (SFMTA) Annual Sole Source
Contract List

Pursuant to Sunshine Ordinance Section 67.24(e), SFMTA submits its list of sole source contracts entered into during fiscal year 2013-2014.

Date	Vendor	Value	Reason
09/23/2013	San Francisco Bicycle Coalition	\$25,380	Service not available from another firm or vendor.
10/01/2013	Intueor Consulting, Inc	\$1,400,000	Service not available from another firm or vendor.
12/05/2013	San Francisco County Transportation Authority	\$200,000	Service not available from another firm or vendor.
01/17/2014	Walk San Francisco	\$15,000	Service not available from another firm or vendor.
02/12/2014	Trapeze Software Group, Inc	\$85,000	Training on proprietary software
05/01/2014	Urban Economics	\$100,000	Service not available from another firm or vendor.
05/12/2014	MWA Architects Inc	\$100,000	Service not available from another firm or vendor.

If you have any questions, please do not hesitate to contact me directly at (415)701-4404.

From: Cynthia Avakian [Cynthia.Avakian@flysfo.com]
Sent: Friday, July 11, 2014 7:12 PM
To: Board of Supervisors (BOS)
Cc: Nevin, Peggy
Subject: Sole Source Contracts for Fiscal Year 2013-2014
Attachments: Dept 27-Airport Sole Source Contracts Annual Report 13-14.pdf

Ms. Calvillo,

Attached please find a copy of SFO's report on sole source contracts for fiscal year 2013-2014. If you have any questions about the report, please let me know.

Thanks,

Cynthia Avakian
Manager, Contracts
San Francisco International Airport
P. O. Box 8097, San Francisco, CA 94128
E-mail: cynthia.avakian@flysfo.com
Phone: (650) 821-2014



San Francisco International Airport

July 9, 2014

Ms. Angela Calvillo
Clerk of the Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Dear Ms. Calvillo:

Pursuant to San Francisco Administrative Code Section 67.24(e), attached is the Airport's annual report on sole source contracts for Fiscal Year 2013-2014. This list is composed of contracts and agreements that needed sole source waivers from the City's Human Rights Commission (HRC), Contract Monitoring Division (CMD) and/or the Office of Contract Administration (OCA).

If you have any questions, please contact Cynthia Avakian of the Airport's Contracts Administration Unit at (650) 821-2014.

Very truly yours,

A handwritten signature in black ink, appearing to be "John L. Martin", written over a faint circular stamp or watermark.

John L. Martin
Airport Director

Attachment

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

JOHN L. MARTIN
AIRPORT DIRECTOR

Airport Commission Summary of Sole Source Contracts
FY 13-14

	TERM START	TERM END	VENDOR NAME	AMOUNT	REASON FOR WAIVER
1	FY 13-14		3M Traffic Safety Systems	\$231	Repair of equipment
2	FY 13-14		ACGIH	\$195	Membership
3	03/01/14	06/30/15	Across the Street Productions	\$30,000	Training Program
4	11/01/11	12/31/13	Airport Council International (ACI)	\$225,000	Airport Service Quality Survey
5	FY 13-14		Airport Revenue News	\$1,575	Conference
6	FY 13-14		American Concrete Institute	\$593	Publications
7	FY 13-14		American Concrete Institute NC&WN Chapter	\$1,580	Training Courses for Lab Certification
8	FY 13-14		American Institute of Certified Public Accountants (AICPA)	\$1,375	Membership, Conference
9	FY 13-14		American Planning Association	\$2,318	Membership
10	FY 13-14		American Public Works Association	\$174	Membership
11	FY 13-14		American Society for Training & Development (ASTD)	\$199	Membership
12	FY 13-14		American Society of Civil Engineers (ASCE)	\$265	Membership
13	FY 13-14		American Water Works Assoc. Cal-Nevada Section	\$690	Conference
14	FY 13-14		Airport Management Professional Accreditation Program (AMPAP)	\$7,178	Membership, On-Line Training Courses
15	07/01/13	06/30/16	Anderson Audio Visual-East Bay LLC	\$42,350	Maintenance and Replacement parts for Emergency Operations Center audio-visual systems
16	FY 13-14		APCO International	\$170	Membership
17	FY 13-14		Assoc. of Bay Area Governments (ABAG)	\$300	Conference
18	FY 13-14		Assoc. of Bay Area Governments (ABAG)	\$1,851	Grant application costs
19	FY 13-14		Association of Certified Fraud Examiners	\$300	Membership renewal
20	FY 13-14		Aviation Security Clearinghouse	\$200,000	Fingerprint processing
21	FY 13-14		Aviation Week & Space Tech.	\$139	Subscription
22	FY 13-14		AVO Training Institute	\$19,125	Training
23	02/15/07	02/15/17	Bank of New York Trust Company NA	\$1,700,000	On-going Bond Trustee and Payee agent services
24	07/01/13	06/30/15	BART	\$100,000	BART tickets for interns
25	FY 13-14		Bay Area Air Quality Management District (BAAQMD)	\$143,171	Permit Fees
26	FY 13-14		Bay Area Clean Water Agencies (BACWA)	\$11,435	Fees
27	FY 13-14		Bay Area Council	\$38,100	Membership, Conferences
28	09/01/06	10/15/19	Bay Area Toll Authority (BATA)	\$2,214,000	Processing FasTrak related transactions
29	FY 13-14		Board of Equalization	\$4,173	Fees
30	11/25/13	11/24/18	Boys and Girls Club San Mateo County	\$3,900	Existing noise abatement monitoring agreement

Airport Commission Summary of Sole Source Contracts
FY 13-14

31	07/01/12	06/30/17	Bruel & Kjaer EMS Inc.	\$1,520,000	Noise monitoring software and hardware maintenance
32	FY 13-14		Bureau of National Affairs (BNA)	\$2,000	Publications
33	FY 13-14		CA Continuing Education of the Bar	\$7,343	Subscription
34	FY 13-14		CA CPA Education Foundation	\$9,920	Training
35	FY 13-14		CA Department of Industrial Relations	\$19,560	Fees, Fine
36	FY 13-14		CA Department of Transportation	\$25,000	Fees
37	09/01/12	06/30/15	CA Department of Transportation	\$250,000	Airspace Ground Lease
38	FY 13-14		CalChamber	\$96	Publications
39	FY 13-14		California Department of Public Health	\$19,107	Fees
40	FY 13-14		California Institute for Mental Health	\$475	Crisis Intervention Training Conf.
41	FY 13-14		California Training Institute	\$418	Training
42	FY 13-14		CALPELRA	\$3,662	Conference
43	01/01/09	12/31/13	Carrier Corp.	\$900,000	Chiller Parts & Repair unavailable from another source
44	07/01/13	06/30/15	CEECO	\$20,000	Maintenance & Repair of armored telephones unavailable from another source
45	FY 13-14		ChemCo Systems Inc.	\$9,240	Parts
46	FY 13-14		Chevron USA	\$25,000	Chevron Credit Card
47	FY 13-14		City of Brisbane	\$600	Permits
48	FY 13-14		City of Daly City	\$1,200	Permits
49	FY 13-14		City of Millbrae	\$4,200	Permits and Fees
50	FY 13-15		City of Pacifica	\$600	Permits
51	FY 13-14		City of San Bruno	\$600	Permits
52	10/01/13	09/30/15	City of South San Francisco	\$5,800,000	Parking Taxes
53	FY 13-14		City of South San Francisco	\$96,000	NBSU Agreement
54	FY 13-14		City/County Assoc. of Governments of San Mateo County (CCAG)	\$60,000	Airport Land Use Compatibility Plan (ALUCP) update
55	FY 13-14		CLE International	\$1,190	Conference
56	FY 13-14		Collaborative Fusion	\$11,176	Software Maintenance renewal
57	FY 13-14		County Counsels' Assoc. of California	\$345	Conference
58	FY 13-14		County of San Mateo	\$12,201	Online subscription (CLETS)
59	04/05/11	06/30/14	County of San Mateo Community Roundtable	\$500,000	Membership
60	FY 13-14		County of Ventura	\$92,516	Gartner subscription
61	FY 13-14		Crain Communications Inc.	\$149	Subscription Renewal
62	12/02/13	06/30/15	Crouse-Hinds	\$2,280	Airfield lighting maintenance
63	FY 13-14		Denver International Airport	\$300	Conference
64	FY 13-14		DFW Training Center	\$85,797	Live Fire Burning Training
65	07/01/13	06/30/15	Diio	\$36,000	Online airline data
66	FY 13-14		Division of the State Architect	\$500	Training Classes
67	FY 13-14		DLT Solutions	\$90,187	Software license renewal (AutoCAD)
68	FY 13-14		E&M Electric & Machinery Inc.	\$32,000	Software licenses
69	06/20/11	12/31/15	Engineered Arresting Systems Corp. (ESCO)	\$420,000	EMAS Design Services

Airport Commission Summary of Sole Source Contracts
FY 13-14

70	FY 13-14	Engineering News Record	\$50	Subscription
71	FY 13-14	Exelis Inc.	\$1,039,190	Proprietary equipment
72	FY 13-14	Facilities Management Solutions	\$300,000	Proprietary software
73	04/08/11 06/30/16	Federal Aviation Administration Lease	\$4,519,373	Reimbursement Agreement
74	FY 13-14	Fortress Systems International	\$230,091	Proprietary equipment
75	FY 13-14	GCR Inc.	\$1,530,315	Software Development and Maintenance
76	FY 13-14	Global Knowledge Training	\$7,590	Training Courses
77	FY 13-14	Hach Company	\$25,000	Equipment Parts & Repair
78	FY 13-14	Haines & Company	\$936	Subscription
79	FY 13-14	HSQ Technology	\$80,000	Parts and service EMCS and SCADA
80	11/25/13 12/31/15	IER Inc.	\$3,000,000	Fabricate and install CUSS kiosks
81	FY 13-14	Intergraph Inc.	\$535,000	Computer Aided Dispatch Software Upgrade
82	02/11/13 02/10/18	Intergraph Inc.	\$930,000	Computer Aided Dispatch Software Maintenance
83	FY 13-14	International Airport Professional	\$20,000	Membership
84	FY 13-14	International Association of Plumbing & Mechanical Officials (IAMPO)	\$1,736	Membership Renewals and Code Publications
85	FY 13-14	International Society of Arboriculture	\$155	Membership
86	FY 13-14	International Public Management Association for Human Resources	\$149	Membership
87	FY 13-14	International Risk Management Institute (IRMI)	\$4,667	Subscription Renewal
88	FY 13-14	Jatco Incorporated	\$2,000	Proprietary equipment
89	07/01/12 06/30/17	LDM	\$300,000	Support and ongoing software maintenance for MDI Access Control System
90	03/01/14 02/28/16	Management Concepts	\$40,000	Training
91	08/29/13 08/29/16	McGraw Hill - ENR	\$199	Subscription renewal (3 yrs)
92	FY 13-14	McGraw-Hill Companies-Aviation Daily	\$4,212	Subscription renewals
93	07/13/12 07/12/15	McGraw-Hill Construction-ENR	\$205	Subscription renewal (3 yrs)
94	FY 13-14	Morpho Detection Inc.	\$99,901	Space Permit
95	FY 13-14	NABCO, Inc.	\$121,020	Airport equipment upgrade to TCV
96	FY 13-14	NACE International	\$2,015	Training course
97	FY 13-14	National Emergency Number Association	\$137	Membership
98	FY 13-14	National Fire Protection Association (NFPA)	\$3,295	Memberships, Subscriptions
99	FY 13-14	National Fire Protection Association (NFPA)	\$33,985	Seminars
100	FY 13-14	National Seminars Training	\$149	Training
101	FY 13-14	Northrop Grumman	\$21,401	Scanners & Software for PMBS project
102	FY 13-14	Office of the State Fire Marshal	\$1,000	Automatic Fire Extinguishing License

Airport Commission Summary of Sole Source Contracts
FY 13-14

103	FY 13-14		Oracle America, Inc.	\$1,279,691	Project Management System Software, Software Maintenance renewal
104	FY 13-14		Palcare	\$10,000	Gala Sponsorship
105	07/01/11	06/30/14	PASSUR Aerospace Inc.	\$348,604	Flight Database Subscription
106	04/01/12	04/01/20	Presidio Trust	\$7,500,000	Funding agreement for Presidio Wetlands Mitigation Project
107	FY 13-14		Public Safety Training Consultants	\$1,759	Training
108	02/10/14	02/09/17	Quantum Secure	\$1,165,720	Communication Software Upgrade
109	FY 13-14		Radiation Detection Services	\$1,000	Proprietary equipment
110	FY 13-14		Risk & Insurance Management Society (RIMS)	\$940	Membership
111	FY 13-14		Roundpeg, Inc.	\$2,980	Training course (J. Hagerty and L. Aguilar)
112	FY 13-14		Routes World Development Group	\$5,936	Conference
113	FY 13-14		Safety and Security Instruction (SSI)	\$260,000	Computer Based Training Modules
114	07/01/13	06/30/15	SAI	\$60,000	Software support (Call detail reporting system)
115	FY 13-14		SAMCEDA	\$18,000	Annual Membership, Annual Meeting and Events
116	05/24/11	05/24/16	San Bruno Park School District	\$10,000	Bus Transportation
117	FY 13-14		San Francisco Bay Conservation and Development Commission (BCDC)	\$1,716	Permit Fees
118	FY 13-14		San Francisco Business Times	\$549	Subscription renewal
119	FY 13-14		San Francisco Estuary Institute	\$13,440	Regional Monitoring fees
120	FY 13-14		San Francisco State University	\$3,190	Training courses
121	07/01/13	06/30/18	San Mateo County (Palcare Inc.)	\$2,000,000	Childcare services
122	12/15/10	06/30/18	San Mateo County (Palcare Inc.)	\$450,000	Childcare facilities expansion
123	FY 13-14		San Mateo County Clerk	\$50	CEQA NOD filing fee
124	FY 13-14		San Mateo County Dept. of Public Works	\$7,000	Payment Invoices
125	FY 13-14		San Mateo County Environ. Health Div.	\$23,000	Backflow Cert. & Cross Connection
126	FY 13-14		San Mateo County Environmental Health	\$23,719	Fees
127	FY 13-14		San Mateo County First Chance Program	\$40,000	Alcohol Rehabilitation Program unavailable from another source
128	FY 13-14		San Mateo County Jobs for Youth	\$400	Awards Breakfast
129	FY 13-14		San Mateo County Mosquito & Vector Control District	\$40,000	Abatement services
130	07/01/08	06/30/18	San Mateo County Transit District (SamTrans)	\$2,130,000	Owl Bus Service
131	09/25/13	06/30/18	San Mateo Harbor District	\$600	Noise Monitoring site permits
132	FY 13-14		Setcom Corp.	\$4,500	Proprietary equipment
133	FY 13-14		Silicon Valley/San Jose Business Journal	\$1,350	Event Sponsorship
134	FY 13-14		Source Media Conferences	\$2,685	Subscription Renewal, Conference
135	09/25/13	06/30/18	SSF Unified School District	\$600	Noise Monitoring site permits
136	FY 13-14		State Board of Equalization	\$5,000	Fees
137	FY 13-14		State Water Resources Control Board	\$91,641	Permit Fees

Airport Commission Summary of Sole Source Contracts
FY 13-14

138	FY 13-14		The Recorder	\$456	Subscription
139	09/01/13	09/01/15	The Wall Street Journal	\$1,059	Subscription renewal - 2 years
140	FY 13-14		The Wall Street Journal	\$1,849	Subscription Renewals
141	03/28/12	06/30/14	The Wall Street Journal	\$702	Subscription renewal - 2 years
142	09/25/13	06/30/18	Town of Hillsborough	\$600	Noise Monitoring site permits
143	FY 13-14		Tradewind Scientific Ltd.	\$10,000	Parts & Equipment
144	FY 13-14		Training for Safety Inc.	\$763	Training
145	09/01/06	10/15/19	Transportation Corridor Agencies (TCA)	\$375,000	License to use FasTrak trademark
146	FY 13-14		UBM Aviation Routes Ltd.	\$5,936	Conference
147	07/01/11	06/30/14	UBM Aviation WorldWide	\$107,800	Online Database Research Access
148	FY 13-14		UC Regents (UC Berkeley)	\$120,350	Training Courses
149	FY 13-14		United Parcel Service (UPS)	\$5,000	Shipping
150	05/16/14	06/30/15	United Parcel Service (UPS)	\$75,000	Shipping Overnight & 2nd Day delivery
151	10/01/12	09/30/21	US Coast Guard Lease	\$1	Renewal of USCG PSU lease
152	10/01/10	09/30/15	US Drug Enforcement Administration (\$341,075/yr)	\$1,705,375	DEA task force office space lease
153	FY 13-14		US Government Printing Office	\$1,804	Subscription renewal
154	FY 13-14		US Green Building Council	\$5,000	Membership
155	FY 13-14		US Travel Association (USTA)	\$60,050	Membership
156	FY 13-14		USPS	\$7,226	Postage and Postal Box Fees
157	04/04/12	03/30/20	VII Pac Shores Holdings, LLC	\$3,550,000	Wetland Credit Purchase Agreement
158	FY 13-14		Windsor Tel Com Computer Services	\$125,000	Upgrade to Airport's Crash Alarm System
159	FY 13-14		Wolters Kluwer Law & Business CCH	\$4,357	Publication Subscription Renewal
160	FY 13-14		WRIPAC	\$1,375	Training
			Total FY 2013-2014 Sole Source Contracts	\$49,332,591	

July 29, 2014 Communications Page

From the Clerk of the Board, agencies that have submitted a 2014 Local Agency Biennial Conflict of Interest Code Review Report:

Board of Supervisors
Department of Building Inspection
Local Agency Formation Commission

To: Andrew Shen
Subject: FW: 2014 Biennial Notice - Conflict of Interest Code Review - Response Required
Attachments: DBI - 2014 Conflict of Interest Code Review Report.pdf

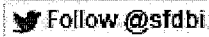
From: Jayin, Carolyn (DBI)
Sent: Monday, July 14, 2014 2:09 PM
To: Nevin, Peggy
Cc: Morrison, Emily (DBI)
Subject: RE: 2014 Biennial Notice - Conflict of Interest Code Review - Response Required

Please see attached for DBI.

Thank you.

Carolyn Jayin
Executive Secretary to the Director
City & County of San Francisco
Department of Building Inspection
1660 Mission Street, 6th Floor
San Francisco CA 94103
415-558-6131 Phone | 415-558-6225 Fax

Email: Carolyn.Jayin@sfgov.org | Web: www.sfdbi.org |



AS
PPW

2014 Local Agency Biennial Notice
Conflict of Interest Code Review Report

Name of Agency: Department of Building Inspection
Mailing Address: 1660 Mission Street, San Francisco CA 94103
Contact Person: Carolyn Jayin Office Phone No: 415-558-6131
E-mail: Carolyn.Jayin@sfgov.org

This agency has reviewed its conflict-of-interest code and has determined that:

An amendment is required. The following amendments are necessary:
(Check all that apply.)

- Include new positions (including consultants) that must be designated.
 - Revise disclosure categories.
 - Revise the titles of existing positions.
 - Delete positions that have been abolished.
 - Delete positions that no longer make or participate in making governmental decisions.
 - Other (describe) _____

No amendment is required.
The agency's code accurately designates all positions that make or participate in the making of governmental decisions; the disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of gifts and income that may foreseeably be affected materially by the decisions made by those holding the designated positions; and the code includes all other provisions required by Government Code Section 87302.

Tom C. Hein
Signature of Chief Executive Officer

7/14/14
Date

Complete this notice regardless of how recently your code was approved or amended.

Please return this notice no later than August 4, 2014, via e-mail (PDF) or inter-office mail to:

Clerk of the Board of Supervisors
ATTN: Peggy Nevin
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
E-mail: peggy.nevin@sfgov.org

City and County of San Francisco
Department of Building Inspection



Edwin M. Lee, Mayor
Tom C. Hui, S.E., C.B.O., Director

July 14, 2014

Conflict of Interest Code Revision

Ms. Angela Calvillo
Clerk of the Board
Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco CA 94102-4689

Dear Ms. Calvillo:

I am requesting that Section 3.1-155 of the San Francisco Administrative Code be amended to reflect the following changes:

ADD:

Designated Positions

Disclosure Category

Permit Technician I
Permit Technician II
Permit Technician III

One
One
One

Should you need further information, please feel free to call me at 558-6131.

Very truly yours,

A handwritten signature in black ink that reads "Tom C. Hui".

Tom C. Hui, S.E., C.B.O.
Director

cc: Emily Morrison, DBI-PPSD

OFFICE OF THE DIRECTOR
1660 Mission Street – San Francisco CA 94103
Office (415) 558-6131 – FAX (415) 558-6225
Email: Tom.Hui@sfgov.org

**2014 Local Agency Biennial Notice
Conflict of Interest Code Review Report**

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2014 JUL 17 PM 1:47
PN

Name of Agency: Board of Supervisors
Mailing Address: #1 Dr. Carlton B. Goodlett Place, Room 244, SF CA 94102
Contact Person: Peggy Nevin Office Phone No: 554-5184
E-mail: Peggy.nevin@sfgov.org

This agency has reviewed its conflict-of-interest code and has determined that:

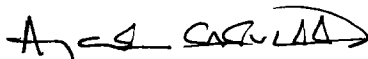
An amendment is required. The following amendments are necessary:

(Check all that apply.)

- Include new positions (including consultants) that must be designated.
- Revise disclosure categories.
- Revise the titles of existing positions.
- Delete positions that have been abolished.
- Delete positions that no longer make or participate in making governmental decisions.
- Other *(describe)* see attached

No amendment is required.

The agency's code accurately designates all positions that make or participate in the making of governmental decisions; the disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of gifts and income that may foreseeably be affected materially by the decisions made by those holding the designated positions; and the code includes all other provisions required by Government Code Section 87302.



Signature of Chief Executive Officer

July 17, 2014

Date

Complete this notice regardless of how recently your code was approved or amended.

Please return this notice no later than August 4, 2014, via e-mail (PDF) or inter-office mail to:

Clerk of the Board of Supervisors
ATTN: Peggy Nevin
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
E-mail: peggy.nevin@sfgov.org

San Francisco Campaign and Governmental Conduct Code

SEC. 3.1-150. BOARD OF SUPERVISORS.

Disclosure Category 2. Persons in this category shall disclose all investments and business positions held in business entities, and income from any business entity, engaged in the development, manufacture, distribution, sale or lease of computer hardware or software.

<i>Designated Positions</i>	<i>Disclosure Categories</i>
Member, Board of Supervisors	See Sec. 3.1-500
Clerk of the Board	1
Deputy Directors	1
Budget and Legislative Analyst	1
Member, Assessment Appeals Board	1
Alternate Member, Assessment Appeals Board	1
Hearing Officer, Assessment Appeals	1
Assessment Appeals Administrator	1
Administrator, Sunshine Ordinance Task Force	1
IS Administrator III	2
Senior Accountant	2
Legislative Assistant	1
Administration & Finance Manager	1

(Added by Ord. 71-00, File No. 000358, App. 4/28/2000; amended by Ord. 58-01, File No. 001951, App. 4/13/2001; Ord. 73-03, File No. 022027, App. 4/25/2003; Ord. 99-05, File No. 041570, App. 5/25/2005; Ord. 80-07, File No. 070122, App. 4/19/2007; Ord. 93-08, File No. 090199, App. 6/10/2009; Ord. 320-10, File No. 101272, App. 12/23/2010; Ord. 9-13, File No. 120964, App. 2/4/2013, Eff. 3/6/2013, Oper. 1/1/2013)

(Derivation: Former Administrative Code Section 58.140; added by Ord. 3-90, App. 1/5/90; amended by Ord. 190-90, App. 5/24/90; Ord. 311-92, App. 10/9/92; Ord. 352-93, App. 11/12/93; Ord. 380-94, App. 11/10/94; Ord. 56-97, App. 3/6/97; Ord. 345-98, App. 11/19/98; Ord. 340-99, File No. 992046, App. 12/30/99)

San Francisco Campaign and Governmental Conduct Code

SEC. 3.1-312. LOCAL AGENCY FORMATION COMMISSION.

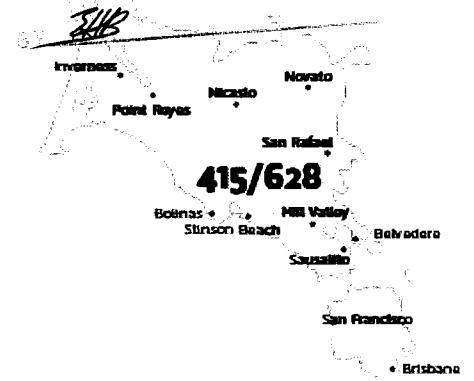
<i>Designated Positions</i>	<i>Disclosure Categories</i>
Member	1
Executive Officer	1
Senior Community Development Specialist II	1

(Added by Ord. 58-01, File No. 001951, App. 4/13/2001; amended by Ord. 80-07, File No. 070122, App. 4/19/2007; Ord. 320-10, File No. 101272, App. 12/23/2010)

BOS-11
cpage

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2014 JUL 14 AM 9:59



May 2014

Dear Business Customer:

To accommodate the demand for telephone numbers, the 628 area code is being added to the area served by the 415 area code. The 415 area code generally covers the County of San Francisco, most of Marin County and a small portion of San Mateo County, serving the communities of Belvedere, Brisbane, Corte Madera, Daly City, Fairfax, Ignacio, Inverness, Larkspur, Mill Valley, Nicasio, Novato, Point Reyes, Ross, San Anselmo, San Francisco, San Rafael, Sausalito, Stinson Beach and Tiburon. This is known as an area code overlay.

What is an area code overlay?

An overlay is the addition of another area code (in this case 628) to the same geographic region as an existing area code (415). An overlay does not require customers to change their existing area code.

What is the new dialing procedure?

To complete calls, the new dialing procedure requires callers to dial 1 + area code + 7-digit telephone number. This means that all calls in the 415 area code that are currently dialed with seven digits need to be dialed using 1 + area code + 7-digit telephone number.

When will the change begin?

- Effective **August 16, 2014**, customers should begin using the new dialing procedure (1+Area Code+7-digit 7-digit telephone number) when placing local calls from the 415 Area Code. If customers forget and use the old dialing procedure of dialing just 7-digits, calls will still complete until **February 21, 2015**.
- Beginning **February 21, 2015**, you **must** use the new dialing procedure for all calls. After this date, if you do not use the new dialing procedure, your call will not be completed. A recording will instruct you to hang up and dial again.
- Between **August 16, 2014** and **February 21, 2015**, you should practice using the new dialing procedure whenever you place a call from the 415 area code. If you forget and use the old dialing procedure of dialing just seven digits, your call will still be completed.
- Beginning **March 21, 2015**, new telephone lines or services may be assigned numbers with the 628 area code.

What do business customers need to do?

- In addition to changing your dialing procedures, all services, automatic dialing equipment, or other types of equipment that are programmed with a 7-digit number will need to be reprogrammed to use the new dialing procedures. Some examples are life safety systems, PBXs, fax machines, Internet dial-up numbers, alarm and security systems, gates, speed dialers, call forwarding settings, voicemail services, etc. You may also want to check your business stationery or advertising materials to ensure the area code is included.
- Be sure to complete the programming and dialing changes prior to **February 21, 2015**.

What is the test number for the 628 area code?

A test number has been established to enable business customers to verify that their equipment can complete calls to the new area code. The test number, (628) 628-1628 will be available beginning December 21st, 2014 through April 21st, 2015.

What will remain the same?

- Your telephone number, including current area code, will not change.
- The price of a call, coverage area, or other rates and services will not change due to the overlay.
- What is a local call now will remain a local call regardless of the number of digits dialed.
- You can still dial just three digits to reach 911, as well as 211, 311, 411, 511, 611, 711, and 811.

Questions about the dialing procedure change should be directed to your local service provider, or you can call the California Utilities Commission, Consumer Affairs at 1-800-649-7570 or visit the California Utilities Commission website at www.cpuc.ca.gov/areacode415/ for more information.

Sincerely,

415 Public Education Program Task Force Co-Chairs

Paula Jordan - T-Mobile (Paula.Jordan@T-Mobile.com)
Karen Riepenkroger - Sprint (Karen.S.Riepenkroger@Sprint.com)
George Guerra - AT&T (GG2395@att.com)

To:
Subject:

Miller, Alisa

File 140687 REPORT ISSUED: Economic Impact on the Proposed Ballot Measure to Raise the Minimum Wage in San Francisco

From: Reports, Controller (CON) [<mailto:controller.reports@sfgov.org>]

Sent: Thursday, July 17, 2014 1:34 PM

To: Calvillo, Angela (BOS); BOS-Supervisors; BOS-Legislative Aides; Kawa, Steve (MYR); Howard, Kate (MYR); Falvey, Christine (MYR); Tsang, Francis; Elliott, Jason (MYR); Steeves, Asja (CON); Campbell, Severin (BUD); Newman, Debra (BUD); Rose, Harvey (BUD); SF Docs (LIB); gmetcalf@spur.org; bob@sfbchamber.com; jballesteros@sanfrancisco.travel; Rosenfield, Ben (CON); Zmuda, Monique (CON); Lane, Maura

Subject: REPORT ISSUED: Economic Impact on the Proposed Ballot Measure to Raise the Minimum Wage in San Francisco

The Controller's Office of Economic Analysis (OEA) has today issued an economic impact report on the proposed ballot measure to raise the minimum wage in San Francisco. Under the proposal, the minimum wage, which is currently \$10.74, would rise in increments to \$15.00 an hour by 2018. After that point, it would be adjusted for inflation on an annual basis.

Minimum wage increases have often been viewed as a trade-off between higher wages for lower-paid workers on one hand, and job losses or slower rates of job growth on the other. The City experienced a large increase in the minimum wage in 2004, but the job losses that some expected did not materialize. Some low-wage industries, such as restaurants, actually grew more rapidly in San Francisco than in surrounding counties, after the city raised its minimum wage in 2004.

However, the OEA's research suggests that this could be because the previous minimum wage, established in Sacramento and applicable to the entire state, was so much less than what workers in San Francisco were already earning, that a large increase in the minimum wage had relatively little effect on average earnings in low-wage industries.

The present situation is different. The OEA believes that, given what low-wage workers currently make, the proposal would both markedly increase employee earnings and consumer spending in the city, as well as raising labor costs for businesses, discouraging job creation. The report projects that, if the proposal was adopted, the city would have 15,270 fewer jobs in 2019 than it otherwise would, representing about 2% of private employment in the city in that year. These employment impacts are concentrated in two of the largest low-wage industries in the city, restaurants and food services.

A critical question is whether the city's current robust rate of economic growth will be enough to sustain continued job creation during the 2015-19 period if the minimum wage is raised to \$15 per hour. Three independent employment projections indicate the city will add between 27,000 and 56,000 new jobs between 2014 and 2015, a number substantially larger than the employment impact of the proposed legislation. Even the least optimistic projection anticipates that the city would continue to add jobs if the proposal was adopted.

However, if the city experiences a recession between now and 2019, the proposed legislation would be mandating minimum wage increases while employers were reducing, not increasing, employment. The City may wish to add flexibility to the proposal in the event of changed economic conditions between now and 2019.

To view the whole report visit <http://openbook.sfgov.org/webreports/details3.aspx?id=1771>

Increasing the Minimum Wage: Economic Impact Report

Office of Economic Analysis
Item #140687

July 17th, 2014



Introduction

- The proposed legislation would raise the minimum wage that employers within San Francisco would be required to pay to employees.
- The current minimum wage in the city is \$10.74 per hour. The wage is now indexed to inflation.
- The legislation would raise the minimum wage, in increments, to \$15.00 per hour by July 1, 2018.
- Beginning on July 1, 2019, the minimum wage would be indexed to inflation.

Proposed Minimum Wage Progression

Date	Minimum Wage Under the Proposal
May 1, 2015	\$12.25
July 1, 2016	\$13.00
July 1, 2017	\$14.00
July 1, 2018	\$15.00
July 1, 2019 and thereafter	\$15.00 + CPI increase



Additional Provisions

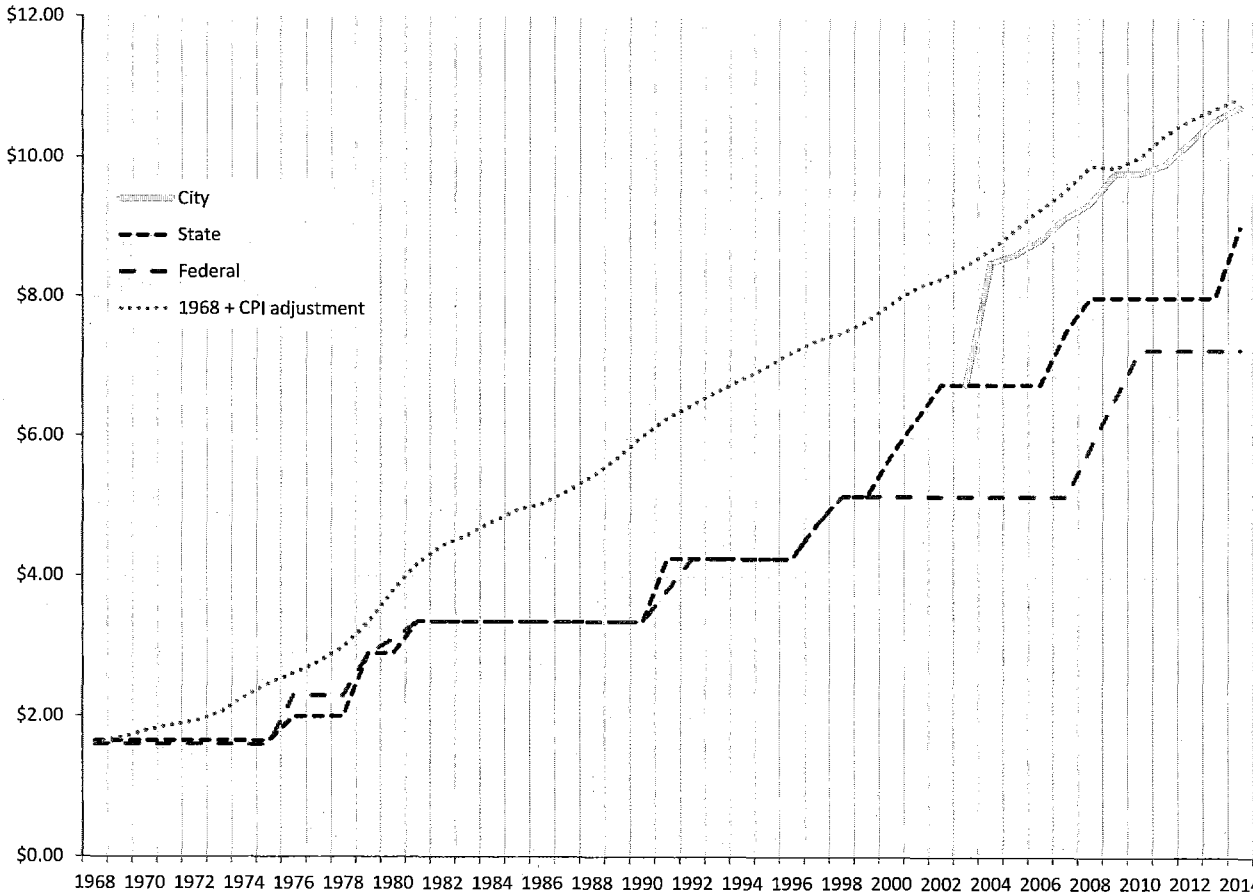
- The legislation establishes a category of "Government Supported Employees", who would have a lower minimum wage. These employees include:
 - Youth under 18 who are employed in a subsidized employment program.
 - Adults over 55 who are employed in a subsidized employment program by a non-profit organization that provides social services to adults over 55. Only a portion of employees in this category who are hired after January 1, 2015 would be eligible for the reduced minimum wage.
 - The minimum wage for Government Supported Employees would begin to increase by CPI as of July 1, 2016, two years earlier than other employees.
- The minimum wage would apply to those employed through the San Francisco In-Home Supportive Services (IHSS) Authority, a public authority that distributes City, State, and Federal funds to provide home care for seniors and the disabled.
- As the City directly and indirectly pays the salary of workers whose pay would be raised by this ordinance, it would have an impact on the City's General Fund. The Controller's Office has estimated this impact at \$12.8 million in FY 2015-16, rising to \$56.3 million in FY 2018-19.

Background: San Francisco's Minimum Wage History

- San Francisco was the first city in the country to establish its own minimum wage, when the voters approved Proposition L in November 2003.
- The minimum wage was set at \$8.50 for 2004, with a one-year delay for small businesses and non-profits.
- At the time, this was the highest minimum wage in the country.
- The legislation also called for annual increases in line with the San Francisco Bay Area's inflation rate.
- The City's current minimum wage, \$10.74 for 2014, remains the highest in the nation.

Federal, State, and City Minimum Wages Since 1968

Historical Minimum Wages, 1968-2014



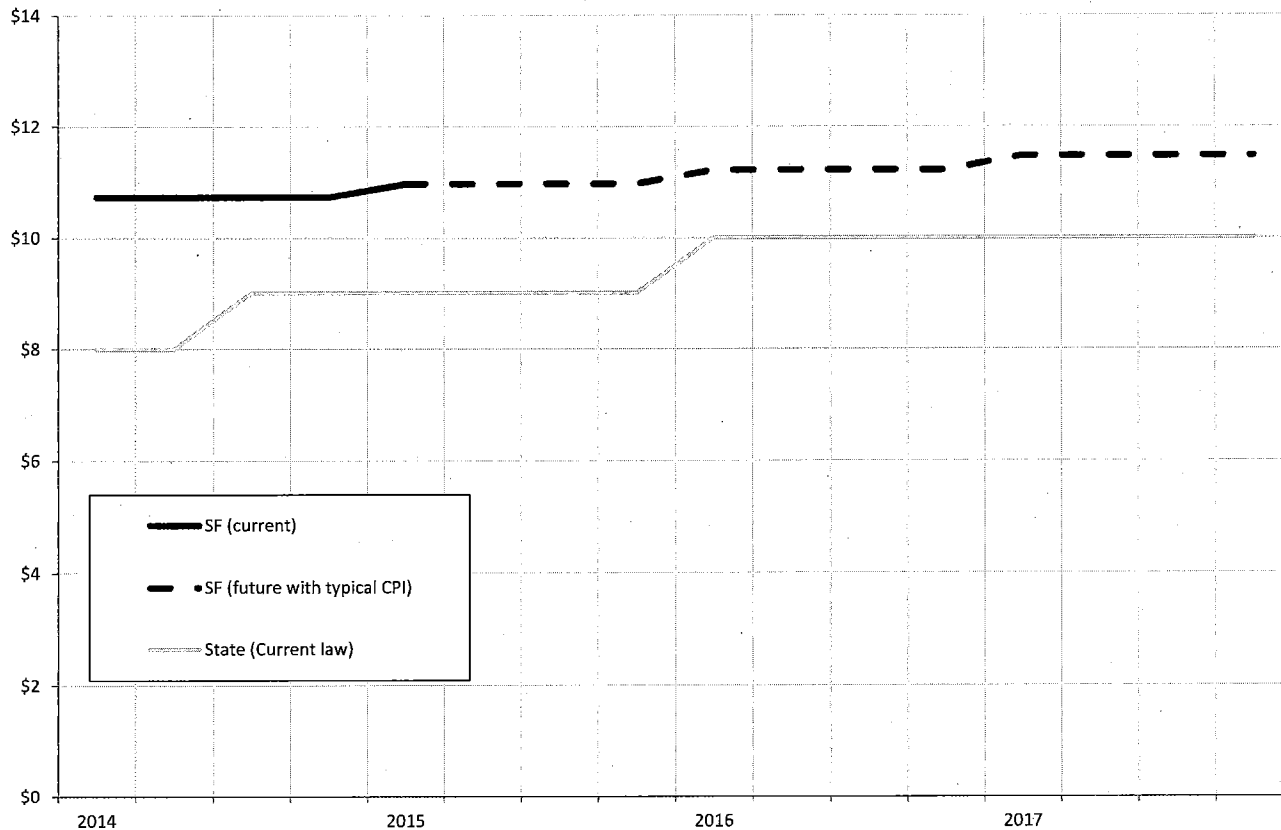
The City's minimum wage instituted in 2004 represented a 26% increase over the State's minimum wage. It was the largest annual increase in the minimum wage since 1956.

Nevertheless, even the City's 2014 minimum wage is below what the 1968 federal minimum wage would have been, had it been indexed to inflation.



In the Next Three Years, the Gap Between the City and State Minimum Wages Will Shrink

Future Minimum Wages under Current City and State Law



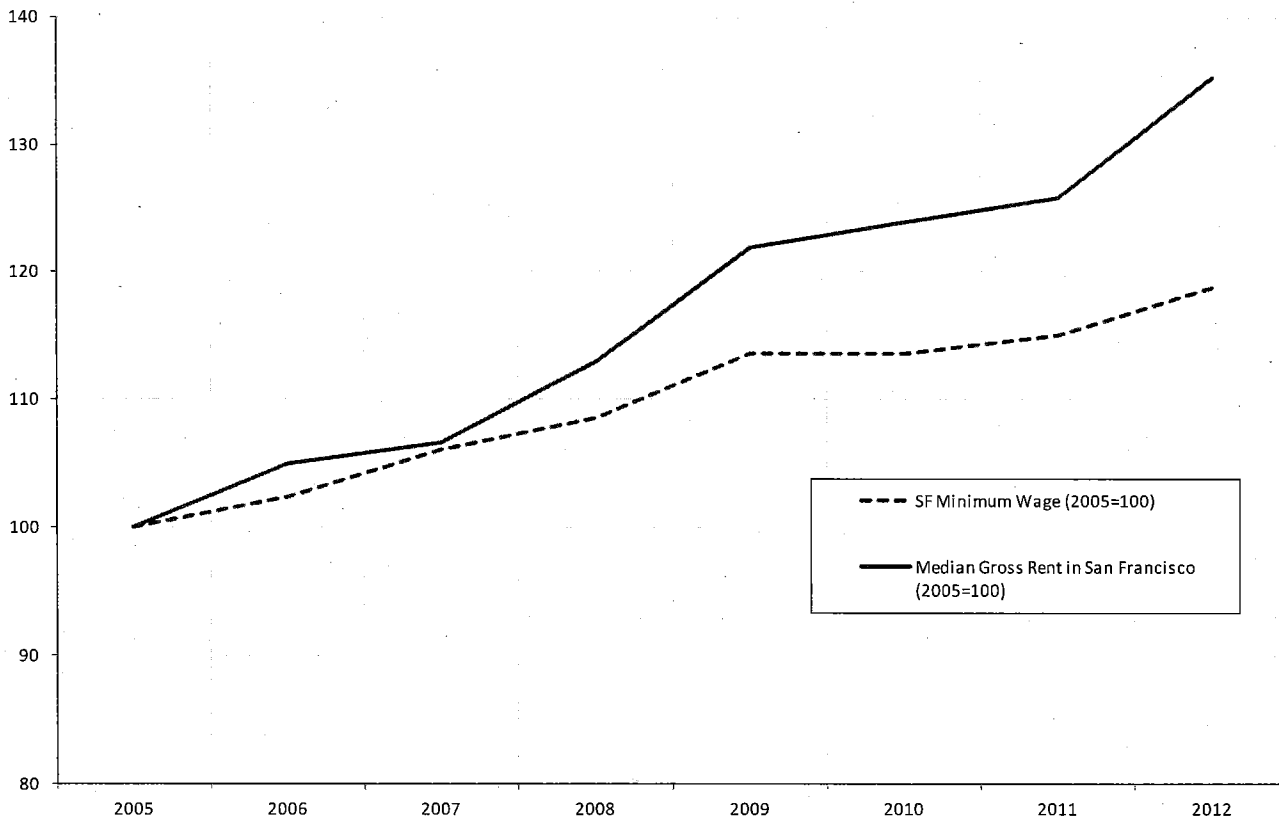
In 2013, the State raised its minimum wage to \$9.00 per hour effective July 1, 2014. The State's minimum wage will rise again to \$10.00 per hour in 2016.

Both increases are higher than a typical CPI adjustment, and will narrow the gap between the City and State minimum wages, absent local action.



Despite Built-In Inflation Adjustments, Median Rents in the City Have Increased at Twice the Rate of the Minimum Wage since 2005

Minimum Wage and Median Rent Paid in San Francisco, 2005-2012



Notwithstanding the built-in CPI increase of the City's current minimum wage, that price index reflects the regional cost of living, not the cost of living within San Francisco.

Rent is a major aspect of the cost of living. Within San Francisco, the median rent paid has increased at twice the rate of the minimum wage, since 2005 (the earliest year for which rent data was available from the Census).

Source: Office of Labor Standards and Enforcement; U.S. Census Bureau, American Communities Survey



Prevalence of Minimum Wage Work in San Francisco

- The OEA estimates that a maximum of 11% of San Francisco workers, or about 60,000 people, earned the minimum wage in 2013, based on occupational data for the metropolitan division.
- These workers are heavily concentrated in food preparation service and personal service occupations.
- Among the industries that employ significant numbers of minimum wage workers include:
 - Restaurants and bars
 - Retail Trade
 - Manufacturing
 - Personal and Maintenance and Repair Services
- In addition, non-profit organizations employ many minimum wage workers not reflected here, including Government Supported Employees, as defined in the legislation.
- IHSS workers, however, were counted as Private Household workers, a different industry, until 2013, and are not part of this analysis.

Economic Impact Factors

- The proposed legislation can be expected to have two primary effects on San Francisco's economy:
 - To the extent that the higher minimum wage raises the income of workers who reside in San Francisco, it will raise consumer incomes, spending, and employment associated with consumer spending. This will tend to expand the city's economy.
 - To the extent that higher minimum wage raises labor costs, it will create a disincentive to hire employees and would lead to reduced employment within the city. This will tend to contract the city's economy.
 - The net economic impact will depend on the relative strength of these two effects.

Employment Impacts: San Francisco's 2003-4 Experience

- In 2003, the minimum wage instituted by Proposition L represented a 26% increase over the State minimum wage.
- In terms of employment loss, some of the low-wage industries in the city, such as retail trade and restaurants, declined more slowly than the city as a whole in 2004, or actually added jobs, despite the minimum wage increase.
- A clearer understanding of the effect of the minimum wage increase on employment requires an adjustment for industry-specific and city-specific economic factors at the time.
- The table on the next page indicates employment change in low-wage industries in the city, net of the effects of tourism and the overall city economy, and compares it to the same industries in surrounding counties.

Gross and Net Employment Change in Low Wage Industries in San Francisco and Surrounding Counties, 2003-4

Industry	Industry Job Change, 2003-4		Total Job Change, 2003-4		Net Industry Change	
	City	Adjacent Counties	City	Adjacent Counties	City	Adjacent Counties
Food Services	0.5%	2.0%	-2.3%	-0.2%	2.8%	2.2%
Retail Trade	-0.9%	-0.9%	-2.3%	-0.2%	1.4%	-0.6%
Social Assistance	1.0%	-2.0%	-2.3%	-0.2%	3.3%	-1.8%
Personal Services	0.1%	-1.1%	-2.3%	-0.2%	2.4%	-0.9%
Manufacturing	-8.5%	0.6%	-2.3%	-0.2%	-5.2%	0.8%

The early 2000s recession was more strongly felt in San Francisco than in surrounding counties, and the city's economy was still shrinking while the rest of region was bottoming out. The city's weak overall job situation would depress low-wage industries, and needs to be accounted for to provide a fair comparison.

To some extent, the city's relative strength in restaurants and retail trade can be explained by an early recovery in tourism, as most of the area's hotels and tourism spending occurs in San Francisco.

It is clear, however, that the city did not experience across-the-board employment declines in low-wage industries. Only the city's manufacturing industry grew at a slower rate than its regional counterpart.

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Surrounding counties are Alameda, Contra Costa, Marin, and San Mateo.



Wage Impacts: San Francisco's 2003-4 Experience

- While the statistics suggest that San Francisco's low-wage industries certainly grew no slower than the surrounding region after the city's minimum wage was enacted, the extent to which the policy actually raised earnings, and labor costs, also needs to be established.
- In 2003, the average worker in the city's restaurant industry earned \$353 a week, and worked 36.4 hours, for an average hourly wage of \$9.70.
- This wage was 43% higher than the state minimum wage of \$6.75. This market wage was most likely higher than the minimum wage because of the high cost of living in San Francisco.
- Since food services is the lowest paying industry in the city, it raises the question of the extent to which the 2004 minimum wage actually raised wages.
- The table on the next page indicates changes in average weekly wages in low-wage industries in San Francisco, relative to the city as a whole and compared to the surrounding region.

Gross and Net Changes in Wages in Low Wage Industries in San Francisco and Surrounding Counties, 2003-4

Industry	Industry Wage Change, 2003-4		Total Private Sector Wage Change, 2003-4		Net Wage Change	
	City	Adjacent Counties	City	Adjacent Counties	City	Adjacent Counties
Food Services	5.4%	3.9%	7.1%	5.7%	-1.8%	-1.7%
Retail Trade	3.1%	1.3%	7.1%	5.7%	-4.0%	-4.3%
Social Assistance	0.0%	3.8%	7.1%	5.7%	-7.1%	-1.6%
Personal Services	4.4%	3.2%	7.1%	5.7%	-2.7%	-2.5%
Manufacturing	-0.1%	0.3%	7.1%	5.7%	-7.3%	-5.4%

Although 2004 was a weak year for employment growth in the city, average earnings in the private sector grew rapidly. And, as the Net Wage Change column suggests, this average increase was not due to the minimum wage, because low-wage industries had *lower* wage increases.



Conclusions from San Francisco's 2003-4 Experience

- The data is fairly conclusive that there was little to no negative employment effect associated with the introduction of the City's minimum wage in 2004.
- The data is also clear, however, in showing that the increase in the city's minimum wage did not lead to significant increases in average earnings in low-wage industries.
- On the contrary, these five industries had lower-than-average wage increases in 2004, supporting the contention that the minimum wage increase in 2004 was too modest to meaningfully raise wages, or raise labor costs to the point where affected businesses reduced their level of employment.
- As of 2013, the latest data available, the average hourly wage in the food services industry is between \$13.10 and \$13.80 and hour. The proposed minimum wage would pass this level by 2017, and therefore it should be expected to have a much more powerful impact on wages, and employment, than the 2003 increase had.
- The 2003-4 experience may therefore be of little value in considering the economic impact of an increase in the minimum wage to \$15 per hour by 2018.

Modeling the Relationship Between Minimum Wage and Average Industry Wage

- An increase to the minimum wage will affect the San Francisco economy to the extent that it increases average earnings, which raises worker incomes and the labor costs of businesses.
- In practice, a minimum wage increase could raise average wages both because minimum-wage workers were required to be paid a higher wage, and because businesses elected to raise the wage of higher-paid workers: the so-called "compression effect".
- The OEA created statistical models to estimate the relationship between the minimum wage and the average weekly wage of each industry. A different model was estimated for each of the five low-wage industries discussed on pages 11-14, using quarterly wage data from the BLS for every county in California, from 1990 to 2012.
- The models were designed to reflect the fact that a minimum wage increase may have a larger impact on average wages when the minimum wage is already close to the average wage, and less of an impact when it is far below the average wage. In other words, the relationship could be non-linear.
- Using these models, and current wage levels, we predicted how average wages in each low-wage industry may change along with the minimum wage.

Annual Increases in the Proposed Minimum Wage, and Projected Average Annual Wage Increases by Industry, 2015-18

	2015	2016	2017	2018	2019	2014-19 combined
Minimum Wage*	10.1%	6.7%	6.9%	7.4%	4.6%	28%
Food Services	8.7%	6.0%	6.4%	7.0%	4.5%	26%
Retail Trade	7.3%	5.0%	5.2%	5.7%	3.6%	21%
Social Assistance**	8.8%	5.5%	5.1%	5.5%	3.7%	21%
Personal Services	8.0%	5.4%	5.6%	6.1%	3.9%	23%
Manufacturing	2.8%	2.9%	3.0%	3.1%	3.1%	13%

* Calendar year averages, excluding Government Sponsored Employees. For 2019, a CPI adjustment of 2.3% is assumed.

** Assumes 25% of social assistance employees are Government Sponsored Employees.



Wage Impact Assessment

- Given known current employment and wage levels in the affected industries, it is possible to estimate the increased earnings that an average San Francisco employee in the affected industries could receive by 2019:
 - Food services industry: additional \$125 per week.
 - Retail trade industry: additional \$185 per week.
 - Social assistance industry: additional \$75 per week.
 - Personal services industry: additional \$135 per week.
 - Manufacturing industry : additional \$197 per week
- These estimates reflect expected inflation, as well as the direct and indirect effects of raising the minimum wage.

Employment Impact Assessment

- The OEA used its REMI model of the San Francisco economy to estimate the impact of the average wage increases detailed on the previous page, over and above expected wage increases in a baseline projection.
- As discussed earlier, wage increases caused by the proposed legislation will tend to expand the city's economy to the extent that it increases the spending power of low-wage workers who reside in the city, and contract the city's economy to the extent it leads businesses to reduce employment levels.
- Based on the REMI simulation, the proposed legislation is estimated to reduce the city's employment by approximately 15,270 private sector jobs by 2019, compared to REMI's baseline projection for that year. This represents approximately 2% of private employment in the city.
- These employment reductions are distributed across the city's economy, but food services and retail trade account for nearly half of the total.
- The relevance of this employment effect, in terms of job opportunities for city residents, depends upon the city's level of continuing employment growth over the next five years, which is considered on the next page.

Employment Impact in the Context of Projected Employment Growth

- The OEA generally relies upon three different sources for future projections of industry employment: the Employment Development Department (EDD), Moody's Analytics, and the REMI baseline projection.
- While none of the three sources anticipate a recession in the 2015-19 period, they differ in their projected job growth rate, leading to projections of overall employment growth in the city ranging from 27,000 to 59,000 additional jobs.
- The employment effect described on the previous page, therefore, represents 25-55% of the jobs the City can expect to add during the next five years, if these projections are accurate.
- Under the least optimistic projection, with the proposed minimum wage increase, the city's private sector employment would still increase by 12,000 by 2019.
- Moreover, although the employment affect is concentrated in the affected industries, all three projection sources see continued growth in the food services and social assistance industries, and no impact on manufacturing.
- Projections regarding retail trade and personal services differ greatly, with Moody's and REMI projecting flat or declining employment in these industries, regardless of any change to the minimum wage. EDD, on the other hand, projects a continuation of the healthy growth of those industries in the city, at a rate which could absorb the projected employment effect of a higher minimum wage.

Conclusions and Potential Mitigations

- The OEA's analysis of the proposed increase to the minimum wage finds that it would effectively trade off future employment growth for higher wages for workers in low wage industries.
- Workers in low-wage industries in San Francisco would likely see their pay increase by an average of over 20%.
- On the other hand, this analysis suggests that the employment effect would be notable, equaling over 15,000 private sector jobs, or 2% of private employment in the city.
- If employment in the city continues to grow at its current robust rate through 2019, as our independent projections now expect, then the city overall, and most affected industries, would continue to expand employment.
- If, however, the city experienced a recession between now and 2019, then the higher labor costs associated with the higher minimum wage would likely deepen the job losses.
- The City may wish to consider adding flexibility to the proposal in the event of a recession during the 2015-19 period.

Staff Contacts

- Ted Egan, Ph.D., Chief Economist ted.egan@sfgov.org
- Asim Khan, Ph.D., Principal Economist asim.khan@sfgov.org

File 140687

From: Dick-Endrizzi, Regina (MYR) [regina.dick-endrizzi@sfgov.org]
Sent: Thursday, July 17, 2014 12:35 PM
To: Chiu, David (BOS); Kim, Jane (BOS); Avalos, John (BOS); Breed, London (BOS); Campos, David (BOS); Cohen, Malia (BOS); Farrell, Mark (BOS); Mar, Eric (BOS); Tang, Katy (BOS); Wiener, Scott; Yee, Norman (BOS)
Cc: Calvillo, Angela (BOS); Miller, Alisa; BOS-Legislative Aides
Subject: Small Business Commission Response to: BOS File No: 140687 - Initiative Ordinance - Administrative Code - Minimum Wage
Attachments: 140687_SBC_legislative response - Minimum Wage - 20140716.docx

Dear Board of Supervisors,
Please find attached the Small Business Commission response to BOS File No: 140687 - Initiative Ordinance - Administrative Code - Minimum Wage.

Kindly,

Regina Dick-Endrizzi | Executive Director | Office of Small Business
regina.dick-endrizzi@sfgov.org | D: 415.554.6481 | O: 415.554.6134 | c: 415.902-4573
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SMALL BUSINESS COMMISSION
OFFICE OF SMALL BUSINESS



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

July 16, 2014

David, Chiu, President,
Board of Supervisors
City Hall Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Subj: BOS File No: 140687 - Initiative Ordinance - Administrative Code - Minimum Wage

Small Business Commission Recommendation: **Commission Took No Action**

Dear President Chiu:

At its meeting of July 14, 2014, the Small Business Commission heard Board of Supervisors (BOS) File No. 140687. The Small Business Commission unanimously voted to take no action on BOS File No: 140687 - Initiative Ordinance - Administrative Code - Minimum Wage.

The Small Business Commission extends its appreciation to Mayor Lee for his early engagement and genuine interest to hear and understand the economic implications of a minimum wage increase to small business (under 100 employees). The Small Business Commission also expressed their appreciation to Jason Elliot for the great job he did in staffing the Mayor on this matter and his continued engagement with the small business community during deliberations.

The Small Business Commission thanks Mayor Lee for supporting the Small Business Commission's recommendation to track the job and economic outcomes should the ballot measure pass. Not only is it important to have true and reliable San Francisco based data to stay abreast of the real-time outcomes. It is the smart and fiscally responsible thing to do since we now have seen history repeat itself since the first ballot measure in 2004, and data will be needed should any future revisions be necessitated.

The vast majority of hourly wage positions are in consumer base businesses. Therefore the success with the minimum wage ballot measure is not in its passage; success is not in business paying the higher wages; success can only be achieved through the consumer. San Franciscan's will need to truly value hourly wage employees being paid the highest minimum wage in country. They need to be willing to pay for it with the increase in the cost of goods and services small businesses will have to charge as a result of such a wage increase. Success will be dependent on San Franciscans not purchasing lower cost products from entities such as Amazon Fresh, or businesses who can offer lower priced goods and services because they can offset their true cost of doing businesses in San Francisco through lower wages paid elsewhere in country. Success will come when the Budget Analyst does not use such entities as OfficeMax.com to conduct their cost comparison analysis but instead use San Francisco based businesses such as Patrick and Company.

SUBJ: BOS File No: 140687 - Initiative Ordinance - Administrative Code - Minimum Wage
(7/17/2014)

Success can come with the Board of Supervisors championing Buy Local to the same degree it champions Transit First and Zero Waste. The Small Business Commission thanks Mayor Lee for understanding the importance to champion a Buy Local program in budgeting seed money in the 14/15 budget. The Small Business Commission also thanks the Board of Supervisor's for approving it. It is encouraged that the Board of Supervisors take the opportunity to continue its commitment to the hourly wage worker in matching the Mayor's funding. The Small Business Commission look forward to working with each Supervisor to develop a City wide program and assist each Supervisor and their office to incorporate a "Buy Local, Do Business with San Francisco First" message into their daily duties and actions.

Sincerely,



Regina Dick-Endrizzi
Director, Office of Small Business

cc: Jason Elliot, Mayor's Office
Jane Kim, Board of Supervisor
Ms. Angela Calvillo, Clerk of the Board
Todd Rufo, Director, Office of Economic and Workforce Development

ECONOMIC AND WORKFORCE DEVELOPMENT
TODD RUFO, DIRECTOR



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

MEMORANDUM

TO: Honorable Members, Board of Supervisors
FROM: Ken Rich
DATE: July 14, 2014
RE: File No. 140645: Resolution of Intention to Establish Communities Facilities District---
Communities Facilities District No. 2014-1 (Transbay Transit Center)

File No. 140644: Resolution of Intention to Incur Bonded Indebtedness for Transbay Transit
Center in an Amount Not to Exceed \$1,400,000,000

**STAFF RESPONSE TO WRITTEN OBJECTIONS
TO ADOPTION BY THE BOARD OF SUPERVISORS
OF RESOLUTIONS OF INTENTION FOR THE PROPOSED TRANSBAY TRANSIT CENTER
COMMUNITY FACILITIES DISTRICT**

Set forth below are responses to issues raised in the letter dated June 30, 2014 of James A. Reuben of Reuben, Junius & Rose, LLP (the "Reuben Letter"), on behalf of unspecified clients (referred to in the sub-captions below as the "Developer Objection"), to the Land Use and Economic Development Committee of the Board of Supervisors (the "Board") regarding consideration of the Resolution of Intention to Establish Communities Facilities District No. 2014-1 (Transbay Transit Center) and Resolution of Intention to Incur Bonded Indebtedness in an Amount Not to Exceed \$1,400,000,000 for the City and County of San Francisco Communities Facilities District No. 2014-1 (Transbay Transit Center) (collectively, the "Resolutions"). The Board is considering the Resolutions as the first step in the establishment under the Mello-Roos Community Facilities Act of 1982, as amended (the "Mello-Roos Act"), of a community facilities district (the "CFD") for the Transbay Transit Center District Plan Area (the "Plan Area"). As made clear in the Transit Center District Plan Implementation Document ("Implementation Document"), in consideration for the substantial benefits to Plan Area properties from the City's up-zoning and other planning allowances relative to the construction of certain high rise buildings around the location of the Transbay Transit Center Project ("Transbay Project"), property owners who wish to take advantage of the increased heights and density are required by the Planning Code and project conditions of approval to participate in the establishment of the CFD to provide a portion of the funding for public infrastructure improvements in the Plan Area.

As discussed more fully below and most relevant for the Board's consideration of this matter:

(i) the Developers and their representatives have been involved in discussions and negotiations with City staff for more than one year with respect to the formation of the CFD and the levy of special taxes, and the City has incorporated changes to the proposed rate and method of apportionment of special taxes within the CFD to respond to several concerns raised by some of the Developers and their representatives;

(ii) the special tax rates (as proposed to be amended -- see further discussion of net vs. gross square footage in paragraph 5, below) are consistent with the Implementation Document; and

(iii) the facilities to be financed with the CFD special taxes are consistent with the Implementation Document.

1) Developer Participation in Determination of Rate and Method of Apportionment

Developer Objection: *Since adoption of the Implementation Document, the CFD has been structured with no real input from property owners.*

Findings: *In 2013, City staff and expert financial consultants developed a proposed rate and method of apportionment of special tax for the CFD (the “2013 RMA”) based on the Implementation Document, and asked the Developers for their input. The Rate and Method of Apportionment of Special Tax included in the proposed Resolutions (the “Proposed RMA”) incorporates several changes requested by a number of the Developers and their representatives.*

Response: In August 2012 the Board adopted the Transit Center District Plan and associated Implementation Document. Subsequent to the adoption of the Transit Center District Plan, City staff, together with the City’s outside consultants and bond counsel, worked over several months to develop, among other matters, a proposed rate and method of apportionment for the CFD, that was informed by valuation studies performed by the Concord Group, an independent real estate economics consultant (the “Concord Group Studies”). The process involved the evaluation of alternatives for the CFD before determining which ones were most consistent with the Implementation Document and California law and would further the funding goals for the Transbay Project and the Transit Center District Plan.

In July 2013 the City distributed an initial draft of the proposed rate and method of apportionment for the CFD (the “2013 RMA”) to the Developers, with the understanding that the Developers would highlight concerns or request certain changes. Throughout the past year, a number of the Developers and their representatives, City staff and the City’s consultants have exchanged numerous communications, held meetings, and exchanged multiple proposals and counterproposals. City staff and its consultants gave serious consideration to all of the input they received from the Developers who responded to the invitation to comment on the 2013 RMA. The Concord Group met a number of times with a real estate economist hired by the Developers to consider all the Developer’s comments on the assumptions and methodology used in the Concord Group Studies.

As a result of the City’s ongoing interaction with the Developers, the proposed legislation and Proposed RMA introduced on June 3, 2014, and currently before the Board, incorporates some of the changes to the 2013 RMA that they requested, including:

a) New rate for rental residential, lower than the for-sale residential rate. The City added a rate for rental residential housing based on valuation estimates in the Concord Group Studies, which is substantially lower than the for-sale residential rate, responding to Developer concerns that rental residential buildings have lower values than for-sale residential buildings.

b) Revised pre-COO escalation factor for greater certainty. The Proposed RMA calculates the special tax to be levied on a taxable parcel by: (i) establishing a “base special tax rate” for fiscal year 2013-14 based on the valuation estimate in the Concord Group Studies and differentiating among land uses and building height, (ii) providing for annual escalation of the base special tax rate based on the City’s Annual Construction Cost Inflation Index, which is currently used to index development impact fees in San Francisco and is annually adopted by the City’s Capital Planning Committee, but limiting the annual escalation to a 4 percent floor and 4 percent ceiling, and (iii) calculating the maximum special tax for each parcel at the time a certificate of occupancy is issued and the City elects to begin

levying the special tax, which initiates the 30-year levy period for the parcel, subject to a 2 percent annual escalation.

As described in greater detail below, the Implementation Document required that each new development or net addition of square footage in the Transit Center District that exceeds a 9:1 floor area ratio ("FAR") threshold would pay a special tax equivalent to 0.55 percent of the assessed value of the entire development project. Accordingly, the 2013 RMA included a base special tax rate that was based on the valuation estimates in the Concord Group Studies, and the 2013 RMA included an annual pre-Certificate of Occupancy escalator that would have annually increased the base special tax rate by reference to an annual appraisal of market value in the Transit Center area. In response to concerns from some of the Developers that this annual pre-Certificate of Occupancy escalator was too uncertain for planning purposes, City staff included in the Proposed RMA a new pre-Certificate of Occupancy escalation factor that is based on an established inflationary index (the City's Annual Construction Cost Inflation Index) that reflects changes in economic conditions that could lead to changes in market value, but with a fixed annual 4 percent maximum floor and 4 percent maximum ceiling. Again, the purpose of this change was to provide the greater certainty as to future special tax rates that was requested by some of the Developers, while reflecting the fact that the value of property in the City fluctuates over time.

c) Added rate for taxable public property. At the request of some of the Developers, City staff revised the 2013 RMA to clarify that taxable public property would be charged at the maximum rate for the developed property.

The changes described above are evidence that City staff have considered the input from these Developers through the year-long process and, where appropriate, made changes. City staff, based on consultation with its expert financial consultants and outside bond counsel, believe that the Proposed RMA is reasonable and consistent with the Implementation Document.

Also, as described further in paragraph 5 below, at the Developer's request, City staff had changed the basis for calculating the special tax in the 2013 RMA from the total net leasable square footage of a development to the total gross square footage of the development. But in response to the Reuben Letter, which correctly points out that the rates were not adjusted correspondingly to reflect the change from net to gross, City staff is now proposing to change the Proposed RMA back to provide for the calculation of the special tax based on "Net Leasable/Saleable Square Footage."

2) Rate Consistency with Implementation Document

Developer Objection: *The proposed rates are inconsistent with proposed rates and revenues as shown in the Implementation Document.*

Findings: *The proposed rates are consistent with the Implementation Document, which states that “new development...would pay a Special Tax equivalent to 0.55 percent of the assessed value of the entire development project,” updated to reflect 2013 values (as proposed to be amended – see further discussion of net vs. gross square footage in paragraph 5, below). Similarly, the City updated projected revenues and expenditures to reflect rates based on 2013 values and current development assumptions consistent with the Implementation Document. The Implementation Document provided illustrative special tax rates for the different types of land uses to be covered by the CFD, which rates were lower than the rates in the Proposed RMA. The Implementation Document expressly stated that the rates listed in that document were merely illustrative, were based on 2007 values, and would be updated as part of the CFD formation process. Accordingly, it is not reasonable for the Developers to have concluded that the rates approved in the CFD legislation would not exceed the rates provided in the Implementation Document.*

Response: The Proposed RMA (including as it is proposed to be amended – see further discussion of net vs. gross square footage in paragraph 5, below) is consistent with the Implementation Document, which states:

new development...would pay a Special Tax equivalent to 0.55 percent of the assessed value of the entire development project... In actuality, if a CFD were to be formed, the Special Tax would be established through an election that would authorize the imposition of the Special Tax. The Special Tax structure would likely not be directly related to property value. Rather, it will likely be assessed based on a variety of factors, as determined through a detailed CFD formation study, such as the amount of development on the property and other factors, and the Special Tax will be a per-square foot assessment. However regardless of the ultimate methodology and tax structure, the final Special Tax assessed to each property will be calculated to be equivalent to 0.55% of property value.¹

The Reuben Letter ignores this provision of the Implementation Document and, instead, relies instead on tax rates listed on page 11 of the Implementation Document. However, as explained in the Implementation Document, these rates were merely illustrations of potential rates, were based on a market analysis conducted by the Concord Group in 2007, were for purposes of projecting future revenues only, and were expressly intended to vary over time based on actual revenues. The Implementation Document makes clear on page 4 that the values in the Implementation Document would not apply: “It should be noted that the revenue projections discussed below are based on market data gathered in 2007 and updated in 2012 to reflect the best estimate of potential full-build-out of likely development sites in the Plan area over a 20-year period (and as analyzed in the Transit Center District Plan Environmental Impact Report). Actual revenues may be greater or lesser depending on economic cycles, pace of development, and the specifics of future development in the district.”

Based on the two excerpts from the Implementation Document quoted above, the Developers should have reasonably assumed that rates would reflect market values updated closer to the time of CFD formation –

¹ Transit Center District Plan – Program Implementation Document, p. 10.

and not be locked in at 2007 values. As required by the Implementation Document, the City conducted a detailed CFD formation study, namely, the Concord Group Studies. The City calculated the special tax rate on a per-square foot formula that reflects 0.55 percent of property value based on that study.

The City selected the 0.55 percent benchmark based on an economic feasibility study performed by Economics and Planning Systems, Inc. (EPS), an independent economics consulting firm, with the intention of keeping the overall property tax rate under a City staff recommended ceiling of 1.8 percent. The Implementation Document states: "Based on research into other CFDs, creators of CFDs seem to strive to calibrate the additional tax burden of CFD to a rate that keeps the total property tax rate under 2%, and preferably under 1.8%. (Again, the base tax rate in San Francisco is about 1.15%)...The total tax burden in the Transit Center District Plan area, including the 0.55% CFD rate, would be about 1.7%, which is within the range of other CFDs in San Francisco and statewide."² The Implementation Document also stated that the tax rate, once calculated, would be set and levied on a per-square-foot basis adjusted for land use and building height.³

The Reuben Letter claims that the tax rates in the Proposed RMA are excessive because they will allow a greater total bonding capacity of the CFD than estimated in the Implementation Document and a net present value more than twice that which was expected in 2012.

As explained above, the Implementation Document -- in Table 5 ("Mello-Roos Community Facilities District Total Revenue Estimates") -- calculated special tax rates using "value estimates based on market analysis conducted by the Concord Group in 2007."⁴ Table 5 projects that at the illustrative rates in the draft RMA, the net present value of special tax revenues (assuming a 7 percent discount rate and other assumptions that are not detailed in the Implementation Document) that could be generated by the CFD was \$421 million. The Reuben Letter states that the Proposed RMA rates would yield a bonding capacity of up to \$1.4 billion. Accordingly, the Developers argue, the City should reduce the tax rates to a level that would yield a bonding capacity of only \$421 million.

The Reuben Letter's criticisms are not valid for the following reasons.

First, there is no valid reason to compare the \$421 million net present value estimate from the Implementation Document and the \$1.4 billion bonded indebtedness limit in the Resolutions. The \$421 million net present value estimate was an estimate of CFD revenue based on a variety of assumptions, including a 7% discount rate. The \$1.4 billion bonded indebtedness simply places a legal ceiling on the CFD's ability to incur bonded indebtedness. City staff is proposing a \$1.4 billion maximum bonded indebtedness limit as a conservative ceiling on authorized bonds because, once the CFD is built-out (including all of the properties in the future annexation area for the CFD), it will be difficult for the City to secure voter approval for increased bonding authority.

² Transit Center District Plan – Program Implementation Document, p. 12.

³ Transit Center District Plan – Program Implementation Document, p. 10. The Proposed RMA has been designed in accordance with the Mello-Roos Act (see Government Code section 53325.3). The CFD special tax will be levied based upon building type (e.g., residential, office/hotel, retail, et al.) and density (the Proposed RMA establishes a higher per-square-foot tax rate for taller buildings than it does for shorter buildings). Although the City used the Concord Group Studies to set the base special tax rate, which is consistent with the Implementation Document, the CFD special tax has not been designed as an *ad valorem* tax; in other words, the CFD special tax will not be levied on any particular parcel based upon the value of that parcel.

⁴ Transit Center District Plan – Program Implementation Document, p. 11.

Second, there is a better point of comparison: the City has projected special tax revenues that may be generated by the rates in the Proposed RMA (including as the Proposed RMA is proposed to be amended – see further discussion of net vs. gross square footage in paragraph 5, below), and, using the same 7% discount rate as the Implementation Document, the City estimates that the Proposed RMA would produce \$514 million net present value of special tax revenues. Although the City’s projection may reflect assumptions that are different than those used in the Implementation Document, and although it certainly reflects recent increases in property values as contemplated by the Implementation Document, City staff is mentioning the projection here to provide a more reasonable basis for comparison of the Implementation Document and the Proposed RMA.

Third, the Implementation Document never describes the \$421 million as the maximum dollar amount that the CFD would yield for infrastructure facilities. In fact, the Implementation Document lists in excess of \$4.7 billion in total needs on Table 1: “Transit Center District Plan Public Improvements & Implementation Costs” on page 3. In addition, the Implementation Document makes clear on page 4 that the 2007 values would not be the basis for the rates when the CFD legislation is approved.

The Reuben Letter also contends that the City increased the CFD special tax rates above the rates stated in the Implementation Document to address cost overruns in the Transbay Project: “These changes [from the Implementation Document rates] appear intended to artificially increase the CFD tax to address a project with significant cost overruns.”⁵ There is no merit to this contention. The 2013 RMA is based on the Concord Group Studies that were completed in April 2013 and the Implementation Document, which was approved by the City in August 2012. The Developers’ unsupported statement likely refers to a recent report in the media that the Transbay Project increased its budget in July 2013 and may face further budget increases (due to rising construction costs in an overheated real estate market).

This unsupported claim in the Reuben Letter fails as a criticism of the Proposed RMA for two reasons. First, the Transbay Project is the primary responsibility of the Transbay Joint Powers Authority (“TJPA”), a public agency separate and independent from the City.⁶ The TJPA increased the Transbay Project’s budget in July 2013, three months **after** the Concord Group completed its valuation studies on which the CFD rates are based. Accordingly, City staff established the proposed CFD rates well before, and were not influenced by, the TJPA’s budget increase. Second, City staff set the tax rates in the 2013 RMA and the Proposed RMA based on a study of 2013 values in the Transbay District prepared by the Concord Group. That study, by an independent and reputable real estate economics firm, determined the tax rates using a widely accepted valuation methodology and incorporating current market data, all in conformance with the Implementation Document. There is no evidence that the budget for the Transbay Project was a consideration in setting those rates, and the Developers have submitted none.

⁵ Reuben Letter p. 7.

⁶ The City is one of three members of the TJPA.

3) Consistency of Proposed RMA with Developers' pro formas submitted to OCII

Developer Objection: *Project sponsors and property owners relied on the Implementation Document when calculating the value of land purchased from OCII and from private parties, and the City and other public bodies involved in the Transit Center District Plan were aware of such reliance.*

Findings: *The Developers selected by the TJPA to negotiate and eventually purchase the publicly-owned parcels in Zone 1 of the Transbay Redevelopment Project Area were aware of the per-square-foot rates included in the 2013 RMA prior to purchasing the land at the purchase price offered at the time of submittal.*

Response: The pro formas included in the winning proposals responding to the Blocks 6/7 and Block 9 RFPs included operating assumptions that OCII considered reasonable. But the CFD payments were not listed as separate line items; therefore, the actual rates assumed by the bidders were not explicitly indicated and were not validated by OCII.

By contrast, the winning Block 8 proposal included CFD rates equal to those in the 2013 RMA, which are the same as the rates in the Proposed RMA. Furthermore, the first and only land sale closing for Block 6 occurred after the introduction of the 2013 RMA at the price offered in the team's initial proposal. The developer was aware or should have been aware of the rates upon acquisition of that site.

Also, for the reasons stated in the response to the objection in paragraph 2 above, the Developers could not have reasonably relied on the illustrative rates in the Implementation Document, which were based on 2007 values.

4) CFD Infrastructure Projects Consistency with Implementation Document

Developer Objection: *The infrastructure program funded by the proposed CFD would fund a different set of projects than was proposed in the Implementation Document. Specifically, the City proposes to use a greater share of the revenues to fund the Transbay Project at the expense of other projects.*

Findings: The proposed CFD special taxes would pay for Transbay capital projects (the "Transbay Facilities" identified in the proposed Legislation), which are consistent with the Implementation Document. The timing of final funding of these projects would be determined in accordance with the procedures set forth in the Joint Communities Facilities Agreement ("JCFA") between the City and the TJPA, entered into in accordance with the Mello-Roos Act. The proposed Facilities include the proposed City Park on top of the Transit Center and the Downtown Rail Extension, which includes the train components of the Transbay Project. Similarly, the proportion of funds used for the Transbay Facilities is consistent with the percentage allocation in the Implementation Document.

Response: The Reuben letter states: "...the City has proposed radically changing the projects that the tax funds will support. Specifically, the City is abandoning a host of public infrastructure improvements throughout the Transit Center District."

In fact, the proposed list of eligible projects to be funded using the CFD funds is consistent with the Implementation Document. The Implementation Document shows a list of capital projects that would be funded through the CFD special taxes and other sources, including plan-generated impact fees.⁷ The

⁷ Transit Center District Plan Implementation Document, Table 9.

proposed list of facilities to be financed through the CFD special taxes in the proposed CFD legislation is consistent with Table 9 of the Implementation Document – all capital projects are included. The proposed list of facilities to be funded with CFD special taxes (among other sources) includes “City Park” – the rooftop park on the Transbay Transit Center – and the Downtown Rail Extension of the Transbay Project. The Downtown Rail Extension includes the train box under the Transit Center and the tunnel connecting the existing rail lines now terminating at Fourth and King Streets to the new Transit Center.

In addition, the legislation proposes that at least 82.6 percent of the CFD special tax revenues be allocated towards TJPA projects, including City Park and the Downtown Rail Extension. This figure is consistent with the percentage breakdown between TJPA projects and non-TJPA projects shown in Table 9 of the Implementation Document.

As proposed in the JCFA, which would be approved by the Board under the proposed Resolutions, the City will undertake an annual process to program CFD special tax and impact fee revenues, which will include a 5-year revenue projection and an expenditure plan that will be approved through the City’s Capital Budget process, which includes a number of public hearings. Funds would be used towards the facilities listed in the proposed Resolutions, which are consistent with the Implementation Document. In sum, there is no evidence that the proceeds of the CFD special taxes will be used for projects other than those permissible projects identified in the Implementation Document.

5) Use of Net Square Footage as opposed to Gross Square Footage

Developer Objection: *RMA applies rates to gross square footage, not net rentable/saleable square footage, which will exceed 0.55 percent of a property’s value.*

Findings: *In response to a request received from some of the Developers, City staff previously amended the 2013 RMA to provide for special taxes to be levied based on gross square footage rather than net leasable square footage. At this time, staff is proposing to change the Proposed RMA to provide for the calculation of assessed square footage on the basis of net leasable/saleable square footage rather than gross square footage, which staff believes is consistent with the valuation methodology.*

Response: At the Developers’ request, City staff changed the proposed basis for calculating the special tax from the total “net leasable square footage” of a development to the total “gross square footage” of the development. A memo from David Taussig Associates to Jim Reuben and forwarded to the City dated November 11, 2013 on behalf of certain Developers states, “...we have included in the Revised RMA the defined term ‘Entitled Square Footage,’ which is to be utilized for all Land Uses... ‘Entitled Square Footage’ means, for each Land Use, the square footage which is included in a Development Project’s most recent entitlement document...”

To accommodate the Developers, City staff agreed to make this change, and amended the 2013 RMA to use gross square footage as the basis for calculation of the special tax.

As mentioned above, the rates in the Proposed RMA are informed by valuation studies performed by the Concord Group, an independent real estate economics consultant. The City’s special tax consultant used net leasable/saleable square footage to calculate the proposed rates in the Proposed RMA. If the rates are applied to gross floor area rather than net floor area, to prevent the proceeds of the tax from exceeding 0.55 percent of development value the Proposed RMA rates would have to be decreased accordingly. But due to an oversight, City staff did not adjust the proposed rates downward in the proposal before the Board to account for the change from net to gross. The Reuben Letter correctly points out this error.

To be consistent with valuation methodology and to remain as true as possible to the objective in the Implementation Document of levying special taxes equivalent to 0.55 percent of property value, City staff is proposing to amend the Proposed RMA so that special taxes levied in the CFD will be calculated based on net leasable square footage.

6) **RMA Contains Reasonable Valuation Rates**

Developer Objection: *The City chose data from high points in the market to project values for office buildings.*

Findings: *The Implementation Document called for the special tax rates to be based on a property value study at the time of approval of formation of the CFD. The values used to determine the initial CFD rates are based on value estimates in the Concord Group Studies (as of April 2013), consistent with the requirements of the Implementation Plan. Prior to the City's issuance of a Certificate of Occupancy, the rates can adjust within a floor and ceiling of 4 percent, instead of open ended adjustments based on changes in value – a feature that was introduced in response to a request from some of the Developers for greater certainty about future special tax rates.*

Response: As outlined above, the Implementation Document provided for the special tax rates to be based on a study of real estate values **at the time of approval of formation of the CFD** (“The Special Tax structure would likely not be directly related to property value. Rather, it will likely be assessed based on a variety of factors, as determined through a detailed CFD formation study, such as the amount of development on the property and other factors, and the Special Tax will be a per-square foot assessment. However regardless of the ultimate methodology and tax structure, the final Special Tax assessed to each property will be calculated to be equivalent to 0.55 percent of property value.” Implementation Document, p. 10.). In other words, the base special tax rates in the Proposed RMA are not, as suggested in the Reuben Letter, based on 2013 property values because the City chose data from high points in the market. Rather, the base special tax rates in the Proposed RMA simply reflect property values at the time of the approval of formation of the CFD because that is what is required by the Implementation Document.

Because the Implementation Document required the special tax rates to be calculated to be equivalent to 0.55 percent of property value, the 2013 RMA included a pre-Certificate of Occupancy escalator pursuant to which the base special tax rates would change annually based on changes in the appraised value of comparable property in the Transit Center District. However, certain Developers complained about the uncertainty of the tax rates for planning purposes.

Accordingly, the base special tax rates in the Proposed RMA reflect current values as of the date of the Concord Group Studies (April 2013), as supported by its analysis of comparable sales. And the base special tax rate included in the Proposed RMA would be adjusted both up and down based on the City's Annual Construction Cost Inflation Index, which is currently used to index the City's development impact fees (but subject to an annual 4 percent floor and ceiling) prior to the setting of the maximum special tax rate for a property. After the maximum special tax rate is set for a specific property, the maximum special tax would thereafter escalate by 2 percent each year. As explained above, the Annual Construction Cost Inflation Index is an established index currently used by the City that reflects changes in economic conditions that could lead to changes in market value. City staff's proposal to use this more predictable index to adjust the base special tax rates rather than an annually quantifying market conditions is indicative of its responsiveness to the concerns of some of the Developers.

Property value increases between the date of the Concord Group Studies (April 2013) and today highlight two important facts: (i) the 4% ceiling on annual increases in the base tax rate in the Proposed RMA

dampens the impact on taxpayers of property value increases, and (ii) the base tax rates in the Proposed RMA do not reflect the high point in the current market cycle, as claimed in the Reuben Letter. According to a June 24, 2014, press release by S&P Dow Jones Indices, the S&P/Case-Shiller Home Price Index for San Francisco for April 2014 was 190.83, a 18.2% increase from April 2013.⁸ Similarly, Colliers Investment Services Group released a Capital Markets Report (Mid-Year 2014), and reports that the pricing for Class A office space increased 26% between mid-year 2013 and mid-year 2014, while pricing for Class B office space increased 31% and Class C office space increased 33% in the same period. Meanwhile, the City's Annual Construction Cost Inflation Index increased by 4.5 percent from fiscal year 2013-14 to fiscal year 2014-15, and, as a result of the 4 percent cap in the Proposed RMA, the base special tax rates would only increase by 4 percent on July 1, 2014.

The base special tax rates can also decrease if the City's Annual Construction Cost Inflation Index decreases prior to issuance of a COO for a particular building.

Finally, the Reuben Letter includes, in Exhibit A, a regression analysis titled "San Francisco Office Sale History (Sept 1989- Mar 2014)". Assuming for this purpose that the analysis is accurate, it offers useful insight into the valuation claims made in the Reuben Letter:

(i) The analysis shows that the sales price of office space generally rises over time, which belies the claim in the Reuben Letter that the property values reflected in the Proposed RMA are unreasonably high.

(ii) The analysis does not compare values for comparable properties. The valuation (\$600/sq. ft.) attributed to the Implementation Document in Exhibit A and the valuation (\$873/sq. ft.) attributed to the Concord Group Studies in Exhibit A are correctly stated, but the value from the Implementation Document represents the average of the approximately 20 properties considered by the Concord Group in 2007 as summarized in Tables 5-7 of the Implementation Document, while the value from the Concord Group Studies represents the rate for a hypothetical 50-story office building, the most valuable office building type valued in the Concord Group Studies.

(iii) The Concord Group estimated that a 26-story building (the middle of the 1-50 floor range valued in the Concord Group Studies) had a \$623/sq. ft. value in 2007 and a \$776/sq. ft. value in 2013. The Concord Group's estimated values were approximately the same percentage higher (73% in 2007; 72% in 2013) than the average sales price shown in Exhibit A to the Reuben Letter (the Concord Group values are higher because it valued new class A buildings in the Transbay Transit Center District Plan Area -- which is considered to be one of the most desirable office locations in the City -- while the sales history in Exhibit A considers buildings of different ages and types across the entire City). In other words, the Concord Group values used to calculate the special tax rates for office space increased 25% between 2007 and 2013, while the average market valuation per square foot increased 26% between 2007 and 2013 according to the Developer's data summarized in Exhibit A to the Reuben Letter. Hence, the estimated values underlying the base special tax rates in the Proposed RMA are not inconsistent with the values used in 2007.

⁸ The S&P/Case-Shiller San Francisco Home Price Index measures the average change in value of residential real estate in San Francisco given a constant level of quality.

7) **Impact of CFD special tax on property values**

Developer Objection: *The City failed to take into account the operating expense cost of the CFD tax itself, which results in an overstatement of property values and special tax rates that are too high.*

Findings: *There is no conclusive evidence to support a conclusion that the CFD will have a significant adverse impact on property values in the CFD. The Proposed RMA is consistent with the Implementation Document, which concludes that the property values used to establish the special taxes should not be reduced to reflect the costs of paying the CFD special taxes because the costs would be largely off-set by the increase in value stemming from the infrastructure financed by the CFD.*

Response: The Implementation Document addressed this issue (pp. 12-14 and Tables 5-7): “While no conclusive studies exist on the subject, many professional economic analysts have concluded that at the rates proposed for the Transit Center District Plan, there is no evidence, including in San Francisco specifically, to conclude that Mello-Roos special taxes have a significant or even appreciable negative impact on either development feasibility or property values.”

For market-rate condominiums, the Implementation Document concluded: “Given the fact that the improvements to be funded by the Mello-Roos Special Tax will improve property values for condominium owners (potentially by an equal or greater amount than the Special Tax itself), this additional Special Tax burden can be considered relatively minor in the overall cost of purchasing and occupying a condominium in downtown San Francisco, and thus is not expected to result in significant adjustments to the market value of such units.”

For commercial office space, the Implementation Document concluded: “Again, given the fact that the improvements funded by the Special Tax will substantially improve the desirability of office space in the area, this level of additional cost burden for the tenants of new office space in downtown San Francisco is not expected to require adjustments to achievable rent levels and building value assumptions.”

In this case, staff believes that an assumption that the CFD will not have a significant adverse impact on property values is consistent with the Implementation Document, because the values estimated by the Concord Group Studies are generic values for types of uses, not particular structures, as of April 2013, that do not expressly assume completion of the public infrastructure to be financed by the CFD.

For all these reasons, City staff believes that the rates in the Proposed RMA are reasonable, based on evidence, and consistent with the Implementation Document.

8) **Lowering operating expenses**

Developer Objection: *In its office building valuation used to set rates, the City arbitrarily and substantially lowered assumed operating expenses between its 2012 and 2013 analysis, and assumed between \$11 and \$12 per square foot of operating expenses, including all property expenses and assessments (including the CFD special taxes).*

Findings: *The Reuben Letter mischaracterizes the operating expense assumptions made in the Concord Group Studies. In addition, the Concord Group reports that the office operating expenses used in the Concord Group Studies were conservative and reasonable for the purpose of its study, which analyzed value potential for generic buildings in the plan area. The Concord Group also believes that the net operating income (“NOI”) assumptions embedded in the Concord Group Studies (NOI is calculated by subtracting operating expenses from gross rental income) are significantly more important to the Concord Group Studies’ valuation conclusions than operating expense assumptions viewed in a vacuum, and that the NOI assumptions are supportable and conservative.*

Response: In the Concord Group Studies, the Concord Group analyzed value potential for very generic buildings in the plan area, without specifying architecture, massing, layout and location, among others factors. The Concord Group then compared its high-level pro-forma with specific market information, including comparable sale and leasing data, to ensure supportable conclusions.

Specifically with respect to office operating expense assumptions, the Concord Group reports that it modeled office operating expenses as a percentage of gross potential rent so that operating expenses could grow with rents from the base of a tower to its highest floor. The Concord Group Studies did not assume, as claimed by the Reuben Letter, between \$11 and \$12 per square foot of operating expenses. Rather, its analysis assumes office operating expenses (without identifying the CFD special tax as a separate cost item, as discussed in paragraph 7 above) between \$11 per square foot (for very small buildings) to nearly \$20 per square foot for a 50-story building.

The Concord Group also reports that the Developers’ focus on operating expense assumptions is a red herring because the NOI assumptions embedded in the Concord Group Studies are more important to the overall value conclusions. The Concord Group reports that it used conservative assumptions on operating costs and gross rents to arrive at NOI assumptions, and that these NOI assumptions, which directly translate to the building valuations used to set the special tax rates, are supportable and conservative in the current market. For example, the Concord Group Studies assume a \$42.69 NOI for a generic 26-story building, and the LinkedIn lease signed in April 2014 for floors 2 through 26 of 222 Second Street assumes a \$49.20 NOI (plus annual escalators, which are not contemplated by the Concord Group Studies), which is approximately 15% higher.

Because the projected gross rents and the estimated operating expenses in the Concord Group Studies were both low, and because the NOI assumptions in the Concord Group Studies are both conservative and supportable in the current market, the Concord Group concludes that the Developers’ criticism of its office expense assumptions are not valid.

9) **Implementation Document does not discuss escalating factors or different rates for different height buildings**

Developer Objection: *There is nothing in the Implementation Document that discusses, authorizes, or directs that the tax rates a) increase annually prior to obtaining a Certificate of Occupancy (“COO”); b) include a 2 percent escalator on the special taxes after the COO is received; or c) apply different tax rates to buildings with different numbers of floors.*

Findings: *The proposed RMA is consistent with the Implementation Document. The factors described above are all inputs that factor into the tax rates to more accurately reflect the true value of a proposed development project over time.*

Response: As explained above, the base special tax rates in the Proposed RMA are consistent with the Implementation Document, which states: “new development...would pay a Special Tax equivalent to 0.55 percent of the assessed value of the entire development project...”

- a) The annual pre-COO increase reflects the likelihood that values will go up or down over time. As described above, to calculate the base special tax rate in a manner that would be consistent with the Implementation Document, the City initially proposed an annual pre-Certificate of Occupancy escalator based on an annual appraisal of market values in the Transit Center Area. The City heard from some of the Developers that this methodology suffered from too much uncertainty. Accordingly, the City replaced this proposal with an annual escalator based on the City’s Annual Construction Cost Inflation Index, with a maximum floor and ceiling of 4 percent change each year, which involves greater certainty, yet still reflects the fact that the value of property in the City fluctuates over time.
- b) The 2 percent escalator that applies to the maximum special tax after a property has commenced paying the special tax is consistent with the 2 percent inflationary limitation contained in Proposition 13 that applies to increases in assessed values and is a common feature of special tax formulas for community facilities districts. Based on historical evidence, real estate values, although cyclical in the short-term, rise in the long-term at a rate greater than 2 percent per year.
- c) The Proposed RMA proposes varying rates based on building heights because, as described above, the City based its rates in the Proposed RMA on the value estimates in the Concord Group Studies, and the Concord Group Studies found that taller buildings are significantly more valuable on average, based on recent comparable sales. For example, the Concord Group reports that in the LinkedIn lease, floors 2 through 8 are based on a \$63/sq. ft. NOE (net of electric) and floors 21 through 26 assume a \$76/sq. ft. NOE.

From: Board of Supervisors (BOS)
To: BOS-Supervisors
Subject: FW: CCSF Monthly Investment Report - June 2014
Attachments: CCSF Monthly Pooled Investment Report for June 2014 (2).pdf

From: Durgy, Michelle (TTX)
Sent: Monday, July 14, 2014 7:52 AM
To: aimee.brown@mac.com; Board of Supervisors (BOS); Perl, Charles (PUC); Cisneros, Jose (TTX); cynthia.fong@sfcta.org; Grazioli, Joseph; Lediju, Tonia (CON); Lu, Carol (MYR); Marx, Pauline (TTX); Morales, Richard (PUC); Ronald Gerhard; Rosenfield, Ben (CON); Rydstrom, Todd (PUC); SF Docs (LIB)
Cc: Dion, Ichieh [TTX]
Subject: CCSF Monthly Investment Report - June 2014

Hello All -

Please find the June 2014 CCSF Pooled Investment Report for your use.

Regards,
Michelle

Michelle Durgy
Chief Investment Officer
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 140
San Francisco, CA 94102
415-554-5210

Office of the Treasurer & Tax Collector
City and County of San Francisco



José Cisneros, Treasurer

Pauline Marx, Chief Assistant Treasurer
Michelle Durgy, Chief Investment Officer

Investment Report for the month of June 2014

July 15, 2014

The Honorable Edwin M. Lee
Mayor of San Francisco
City Hall, Room 200
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4638

The Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4638

Ladies and Gentlemen,

In accordance with the provisions of California State Government Code, Section 53646, we forward this report detailing the City's pooled fund portfolio as of June 30, 2014. These investments provide sufficient liquidity to meet expenditure requirements for the next six months and are in compliance with our statement of investment policy and California Code.

This correspondence and its attachments show the investment activity for the month of June 2014 for the portfolios under the Treasurer's management. All pricing and valuation data is obtained from Interactive Data Corporation.

CCSF Pooled Fund Investment Earnings Statistics *

<i>(in \$ million)</i>	Current Month		Prior Month	
	Fiscal YTD	June 2014	Fiscal YTD	May 2014
Average Daily Balance	\$ 6,241	\$ 6,615	\$ 6,204	\$ 6,963
Net Earnings	45.84	4.20	41.64	4.80
Earned Income Yield	0.73%	0.77%	0.73%	0.81%

CCSF Pooled Fund Statistics *

<i>(in \$ million)</i>	% of Portfolio	Book Value	Market Value	Wtd. Avg. Coupon	Wtd. Avg. YTM	WAM
Investment Type						
U.S. Treasuries	11.00%	\$ 661.3	\$ 664.3	1.19%	1.06%	779
Federal Agencies	69.89%	4,213.9	4,219.9	0.91%	0.81%	816
State & Local Government						
Agency Obligations	1.31%	79.9	78.9	2.13%	0.91%	595
Public Time Deposits	0.01%	0.5	0.5	0.46%	0.46%	253
Negotiable CDs	5.64%	340.5	340.5	0.30%	0.28%	309
Medium Term Notes	10.91%	662.5	658.7	1.50%	0.45%	271
Money Market Funds	1.24%	75.1	75.1	0.02%	0.02%	1
Totals	100.0%	\$ 6,033.7	\$ 6,037.8	0.97%	0.76%	711

In the remainder of this report, we provide additional information and analytics at the security-level and portfolio-level, as recommended by the California Debt and Investment Advisory Commission.

Very truly yours,

José Cisneros
Treasurer

cc: Treasury Oversight Committee: Aimee Brown, Ronald Gerhard, Joe Grazioli, Charles Perl
Ben Rosenfield, Controller, Office of the Controller
Tonia Lediju, Internal Audit, Office of the Controller
Cynthia Fong, Deputy Director for Finance & Administration, San Francisco County Transportation Authority
Carol Lu, Budget Analyst
San Francisco Public Library

* Please see last page of this report for non-pooled funds holdings and statistics.

Portfolio Summary Pooled Fund

As of June 30, 2014

<i>(in \$ million)</i> Security Type	Par Value	Book Value	Market Value	Market/Book Price	Current % Allocation	Max. Policy Allocation	Compliant?
U.S. Treasuries	\$ 660.0	\$ 661.3	\$ 664.3	100.45	11.00%	100%	Yes
Federal Agencies	4,202.7	4,213.9	4,219.9	100.14	69.89%	85%	Yes
State & Local Government							
Agency Obligations	77.5	79.9	78.9	98.69	1.31%	20%	Yes
Public Time Deposits	0.5	0.5	0.5	100.00	0.01%	100%	Yes
Negotiable CDs	340.5	340.5	340.5	100.01	5.64%	30%	Yes
Bankers Acceptances	-	-	-	-	0.00%	40%	Yes
Commercial Paper	-	-	-	-	0.00%	25%	Yes
Medium Term Notes	654.2	662.5	658.7	99.43	10.91%	15%	Yes
Repurchase Agreements	-	-	-	-	0.00%	100%	Yes
Reverse Repurchase/ Securities Lending Agreements	-	-	-	-	0.00%	\$75mm	Yes
Money Market Funds	75.1	75.1	75.1	100.00	1.24%	100%	Yes
LAIF	-	-	-	-	0.00%	\$50mm	Yes
TOTAL	\$ 6,010.5	\$ 6,033.7	\$ 6,037.8	100.07	100.00%	-	Yes

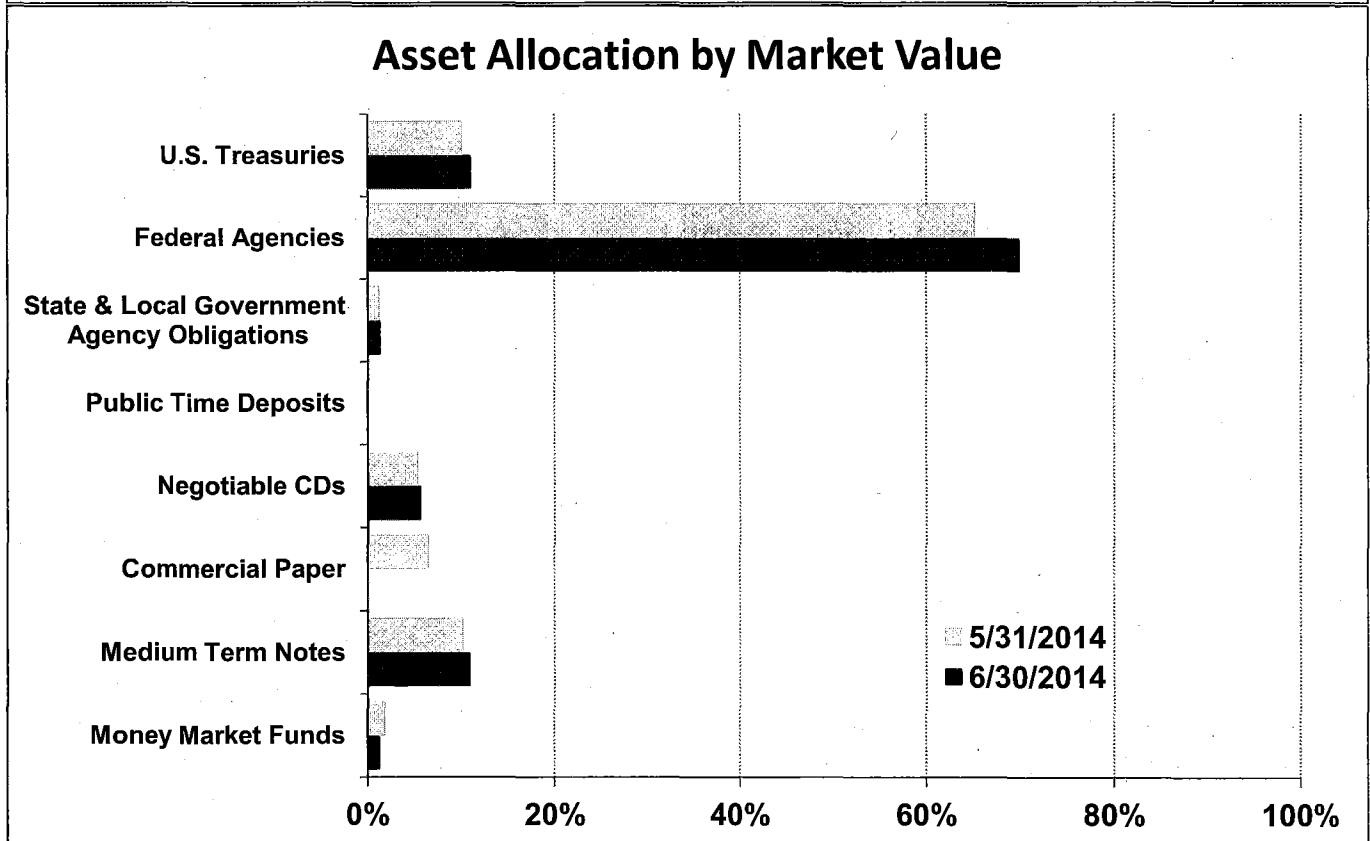
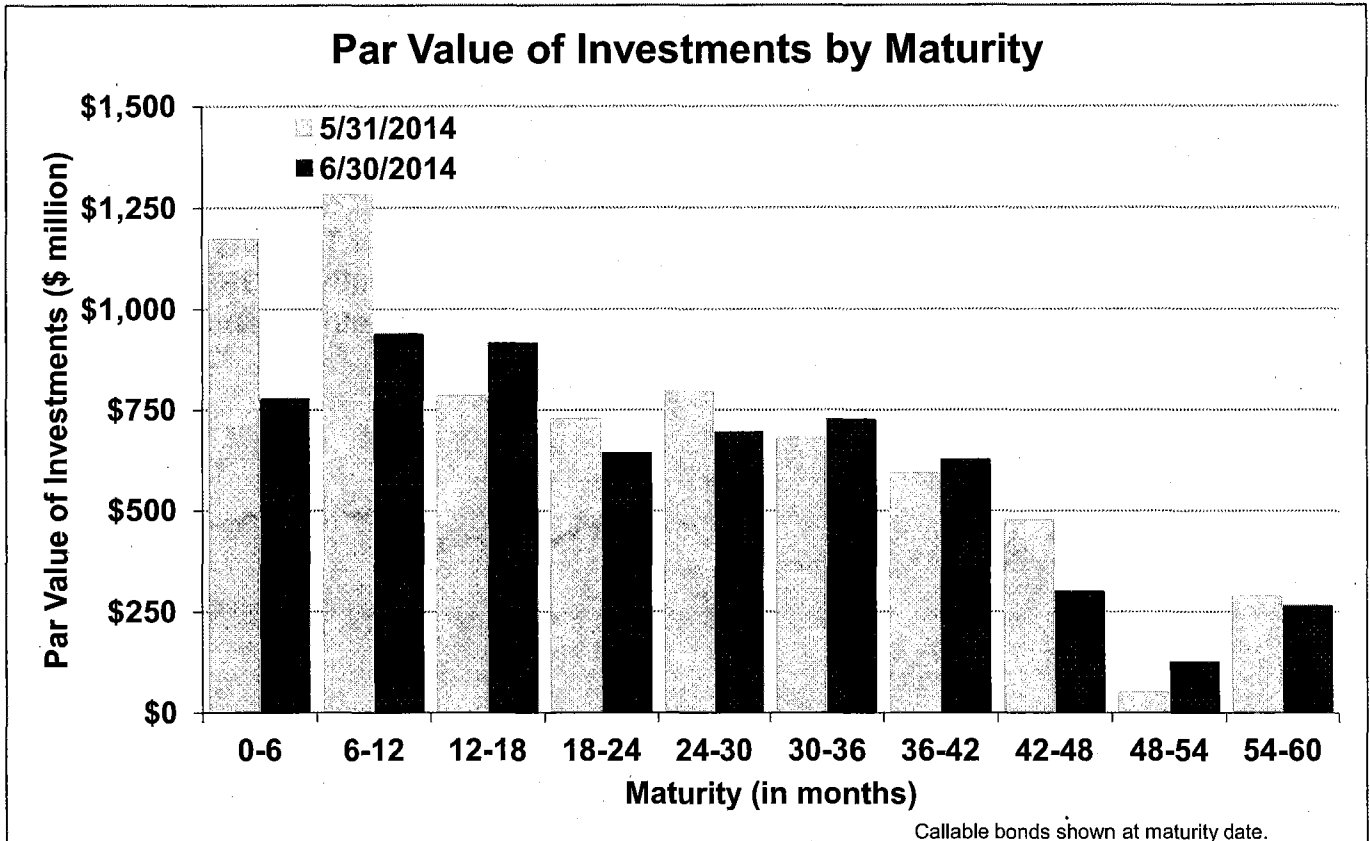
The City and County of San Francisco uses the following methodology to determine compliance: Compliance is pre-trade and calculated on both a par and market value basis, using the result with the lowest percentage of the overall portfolio value. Cash balances are included in the City's compliance calculations.

Please note the information in this report does not include cash balances. Due to fluctuations in the market value of the securities held in the Pooled Fund and changes in the City's cash position, the allocation limits may be exceeded on a post-trade compliance basis. In these instances, no compliance violation has occurred, as the policy limits were not exceeded prior to trade execution.

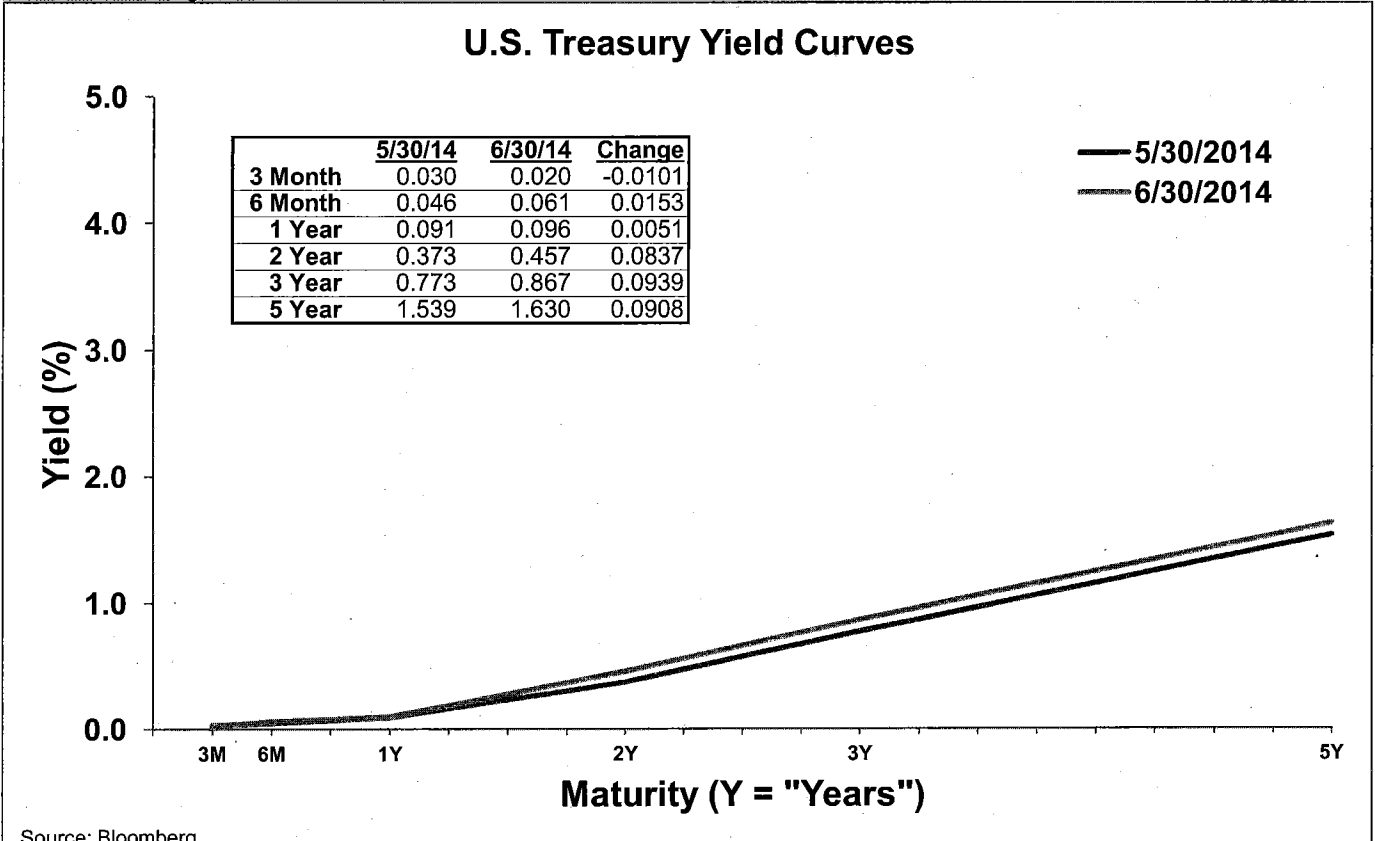
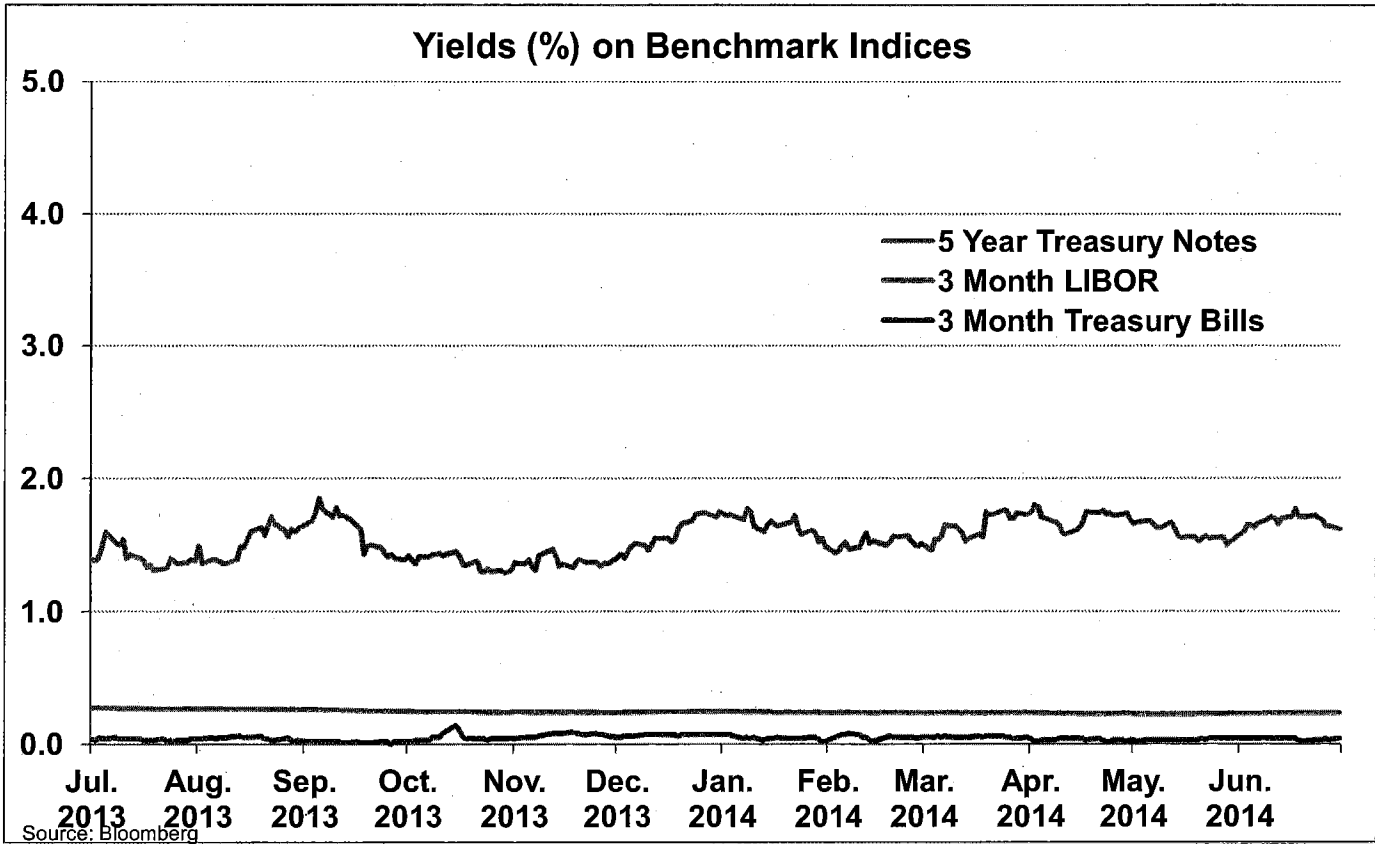
The full Investment Policy can be found at <http://www.sftreasurer.org/>, in the Reports & Plans section of the About menu.

Totals may not add due to rounding.

Portfolio Analysis Pooled Fund



Yield Curves



Investment Inventory

Pooled Fund

As of June 30, 2014

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
U.S. Treasuries	912828LC2	US TSY NT	6/1/11	7/31/14	0.09	2.63	\$ 25,000,000	\$ 26,382,813	\$ 25,035,866	\$ 25,052,750
U.S. Treasuries	912828MW7	US TSY NT	2/24/12	3/31/15	0.74	2.50	50,000,000	53,105,469	50,749,596	50,900,500
U.S. Treasuries	912828PE4	US TSY NT	12/23/11	10/31/15	1.32	1.25	25,000,000	25,609,375	25,210,771	25,351,500
U.S. Treasuries	912828PJ3	US TSY NT	12/16/10	11/30/15	1.41	1.38	50,000,000	49,519,531	49,862,761	50,808,500
U.S. Treasuries	912828PJ3	US TSY NT	12/16/10	11/30/15	1.41	1.38	50,000,000	49,519,531	49,862,761	50,808,500
U.S. Treasuries	912828PJ3	US TSY NT	12/23/10	11/30/15	1.41	1.38	50,000,000	48,539,063	49,581,084	50,808,500
U.S. Treasuries	912828RJ1	US TSY NT	10/11/11	9/30/16	2.23	1.00	75,000,000	74,830,078	74,923,086	75,726,750
U.S. Treasuries	912828RM4	US TSY NT	12/26/13	10/31/16	2.31	1.00	25,000,000	25,183,594	25,150,582	25,234,500
U.S. Treasuries	912828RX0	US TSY NT	2/25/14	12/31/16	2.48	0.88	25,000,000	25,145,508	25,127,879	25,130,750
U.S. Treasuries	912828SJ0	US TSY NT	3/21/12	2/28/17	2.63	0.88	25,000,000	24,599,609	24,784,166	25,091,750
U.S. Treasuries	912828SJ0	US TSY NT	3/21/12	2/28/17	2.63	0.88	25,000,000	24,599,609	24,784,166	25,091,750
U.S. Treasuries	912828SJ0	US TSY NT	3/14/12	2/28/17	2.63	0.88	75,000,000	74,771,484	74,877,293	75,275,250
U.S. Treasuries	912828SM3	US TSY NT	4/4/12	3/31/17	2.71	1.00	50,000,000	49,835,938	49,909,595	50,297,000
U.S. Treasuries	912828TM2	US TSY NT	9/17/12	8/31/17	3.13	0.63	60,000,000	59,807,813	59,877,081	59,343,600
U.S. Treasuries	912828UE8	US TSY NT	1/4/13	12/31/17	3.46	0.75	50,000,000	49,886,719	49,920,479	49,367,000
Subtotals					2.11	1.19	\$ 660,000,000	\$ 661,336,133	\$ 659,657,187	\$ 664,288,600
Federal Agencies	3134G2UA8	FHLMC NT	12/1/11	8/20/14	0.14	1.00	\$ 28,000,000	\$ 28,247,744	\$ 28,012,475	\$ 28,034,160
Federal Agencies	31398A3G5	FNMA EX-CALL NT	4/4/12	9/8/14	0.19	1.50	13,200,000	13,515,216	13,224,521	13,234,056
Federal Agencies	31315PRZ4	FARMER MAC MTN	4/9/13	10/1/14	0.26	0.24	18,000,000	17,996,400	17,999,387	18,006,120
Federal Agencies	31331J4S9	FFCB	12/8/10	12/8/14	0.44	1.40	19,000,000	18,956,680	18,995,256	19,106,210
Federal Agencies	31331J4S9	FFCB	12/16/10	12/8/14	0.44	1.40	24,000,000	23,988,000	23,998,679	24,134,160
Federal Agencies	3133XVNU1	FHLB	11/23/10	12/12/14	0.45	2.75	2,915,000	3,079,668	2,933,247	2,948,960
Federal Agencies	3133XVNU1	FHLB	11/23/10	12/12/14	0.45	2.75	25,400,000	26,848,308	25,560,488	25,695,910
Federal Agencies	3133XVNU1	FHLB	12/8/10	12/12/14	0.45	2.75	50,000,000	52,674,000	50,299,342	50,582,500
Federal Agencies	313371W51	FHLB	12/8/10	12/12/14	0.45	1.25	75,000,000	74,391,000	74,931,825	75,377,250
Federal Agencies	313371W93	FHLB	12/15/10	12/15/14	0.46	1.34	75,000,000	75,000,000	75,000,000	75,421,500
Federal Agencies	31331J6Q1	FFCB	12/29/10	12/29/14	0.50	1.72	27,175,000	27,157,065	27,172,778	27,385,606
Federal Agencies	31331J6Q1	FFCB	12/29/10	12/29/14	0.50	1.72	65,000,000	64,989,600	64,998,712	65,503,750
Federal Agencies	3130A0FX3	FHLB	12/13/13	2/18/15	0.63	0.21	50,000,000	49,992,000	49,995,704	50,018,000
Federal Agencies	3133EAQ35	FFCB FLT NT FF+14	9/4/12	3/4/15	0.18	0.24	100,000,000	99,924,300	99,979,559	100,072,000
Federal Agencies	3135G0HG1	FNMA GLOBAL	1/13/14	3/16/15	0.71	0.38	9,399,000	9,418,089	9,410,534	9,415,072
Federal Agencies	3133EAJP4	FFCB FLT NT 1ML+1.5	4/30/12	4/27/15	0.07	0.17	50,000,000	49,992,600	49,997,967	50,027,000
Federal Agencies	31315PWJ4	FARMER MAC FLT NT FF+26	5/3/12	5/1/15	0.09	0.36	50,000,000	50,000,000	50,000,000	50,091,500
Federal Agencies	3133EAQC5	FFCB FLT NT 1ML+1	6/8/12	5/14/15	0.04	0.16	50,000,000	49,985,500	49,995,704	50,024,000
Federal Agencies	3133EDC67	FFCB NT	12/19/13	6/18/15	0.97	0.25	50,000,000	49,992,500	49,995,165	50,064,000
Federal Agencies	3133EAVE5	FFCB FLT NT 1ML+2	12/5/12	6/22/15	0.06	0.17	50,000,000	49,987,300	49,995,133	50,031,500
Federal Agencies	31315PDZ9	FAMCA	11/22/13	7/22/15	1.04	2.38	15,000,000	15,511,350	15,325,175	15,343,950
Federal Agencies	3133ECVW1	FFCB FLT NT T-BILL+14	8/5/13	8/5/15	0.10	0.17	62,500,000	62,487,500	62,493,151	62,530,625
Federal Agencies	313383V81	FHLB	12/12/13	8/28/15	1.16	0.38	9,000,000	9,014,130	9,009,579	9,019,530
Federal Agencies	3137EACM9	FHLMC BONDS	12/15/10	9/10/15	1.18	1.75	50,000,000	49,050,000	49,760,578	50,904,500
Federal Agencies	313370JB5	FHLB	12/15/10	9/11/15	1.18	1.75	75,000,000	73,587,000	74,643,281	76,362,000
Federal Agencies	31315PGT0	FARMER MAC	9/15/10	9/15/15	1.19	2.13	45,000,000	44,914,950	44,979,459	46,009,800
Federal Agencies	3133ECZG2	FFCB NT	12/10/13	9/16/15	1.21	0.55	52,047,000	52,256,229	52,190,379	52,252,065
Federal Agencies	3133ECJB1	FFCB FLT NT QTR T-BILL+16	4/24/13	9/18/15	0.22	0.19	16,200,000	16,198,073	16,199,024	16,211,988
Federal Agencies	3133ECJB1	FFCB FLT NT QTR TBILL+16	4/16/13	9/18/15	0.22	0.19	50,000,000	50,000,000	50,000,000	50,037,000
Federal Agencies	31398A3T7	FNMA NT EX-CALL	10/14/11	9/21/15	1.21	2.00	25,000,000	25,881,000	25,273,857	25,512,000
Federal Agencies	3133EAJF6	FFCB FLT NT 1ML+2.5	11/30/12	9/22/15	0.06	0.18	27,953,000	27,941,120	27,947,813	27,973,406
Federal Agencies	31398A4M1	FNMA	12/15/10	10/26/15	1.31	1.63	25,000,000	24,317,500	24,814,772	25,427,250

Investment Inventory Pooled Fund

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	Market Value
			Date	Date					Book Value	
Federal Agencies	31398A4M1	FNMA	12/23/10	10/26/15	1.31	1.63	42,000,000	40,924,380	41,706,760	42,717,780
Federal Agencies	31331J2S1	FFCB	12/15/10	11/16/15	1.37	1.50	25,000,000	24,186,981	24,772,427	25,397,000
Federal Agencies	3133ECLZ5	FFCB FLT NT MONTHLY 1ML+0	5/8/13	11/19/15	0.05	0.16	25,000,000	24,997,000	24,998,359	25,009,000
Federal Agencies	313371ZY5	FHLB	12/3/10	12/11/15	1.43	1.88	25,000,000	24,982,000	24,994,818	25,553,750
Federal Agencies	313371ZY5	FHLB	12/14/10	12/11/15	1.43	1.88	50,000,000	49,871,500	49,962,782	51,107,500
Federal Agencies	3133ED5A6	FFCB FLT	12/12/13	1/20/16	0.05	0.15	50,000,000	50,000,000	50,000,000	50,015,500
Federal Agencies	31315P3B3	FARMER MAC MTN	1/27/14	1/25/16	1.56	0.42	30,000,000	30,000,000	30,000,000	30,037,200
Federal Agencies	3133XXP43	FHLB	12/12/13	3/11/16	1.65	3.13	14,000,000	14,848,400	14,640,439	14,625,660
Federal Agencies	313375RN9	FHLB NT	4/13/12	3/11/16	1.68	1.00	22,200,000	22,357,620	22,268,324	22,392,918
Federal Agencies	3133EAJU3	FFCB NT	4/12/12	3/28/16	1.73	1.05	25,000,000	25,220,750	25,097,093	25,290,000
Federal Agencies	3135G0VA8	FNMA GLOBAL NT	12/13/13	3/30/16	1.74	0.50	25,000,000	25,022,250	25,016,940	25,042,500
Federal Agencies	31315PTF6	FAMCA FLT MTN 1ML+0	4/1/13	4/1/16	0.09	0.15	50,000,000	50,000,000	50,000,000	50,013,000
Federal Agencies	3133792Z1	FHLB NT	4/18/12	4/18/16	1.79	0.81	20,000,000	19,992,200	19,996,492	20,117,800
Federal Agencies	3133ECWT7	FFCB NT	11/20/13	5/9/16	1.85	0.65	22,650,000	22,746,489	22,722,608	22,721,348
Federal Agencies	3135G0RZ8	FNMA CALL NT	11/30/12	5/26/16	1.90	0.55	22,540,000	22,540,000	22,540,000	22,503,485
Federal Agencies	3133EDB35	FFCB FLT NT 1ML+3	1/15/14	6/2/16	0.09	0.18	50,000,000	49,991,681	49,993,280	50,039,500
Federal Agencies	31315PB73	FAMCA NT	2/9/12	6/9/16	1.93	0.90	10,000,000	10,000,000	10,000,000	10,102,300
Federal Agencies	313771AA5	FHLB SUB NT	5/30/13	6/13/16	1.88	5.63	14,195,000	16,259,095	15,520,856	15,597,750
Federal Agencies	313771AA5	FHLB SUB NT	5/20/13	6/13/16	1.88	5.63	16,925,000	19,472,890	18,547,005	18,597,529
Federal Agencies	3133EDDP4	FFCB NT	2/11/14	6/17/16	1.96	0.52	50,000,000	50,062,000	50,051,872	50,041,000
Federal Agencies	3130A1BK3	FHLB CALL NT	3/24/14	6/24/16	1.98	0.50	25,000,000	25,000,000	25,000,000	24,992,250
Federal Agencies	3135G0XP3	FNMA GLOBAL NT	3/25/14	7/5/16	2.01	0.38	50,000,000	49,794,767	49,823,814	49,764,500
Federal Agencies	31315PA25	FAMCA MTN	3/26/13	7/27/16	2.03	2.00	11,900,000	12,440,498	12,235,650	12,251,288
Federal Agencies	31315PA25	FAMCA MTN	3/26/13	7/27/16	2.03	2.00	14,100,000	14,735,205	14,494,463	14,516,232
Federal Agencies	31315PA25	FAMCA MTN	7/27/11	7/27/16	2.03	2.00	15,000,000	14,934,750	14,972,964	15,442,800
Federal Agencies	31315PA25	FAMCA MTN	3/26/14	7/27/16	2.03	2.00	20,000,000	20,708,906	20,635,832	20,590,400
Federal Agencies	3134G4ET1	FHLMC CALL NT	1/9/14	8/8/16	2.09	0.85	40,220,000	40,300,440	40,234,487	40,205,521
Federal Agencies	3135G0YE7	FNMA GLOBAL NT	3/17/14	8/26/16	2.14	0.63	50,000,000	50,142,994	50,128,184	50,030,000
Federal Agencies	3135G0YE7	FNMA GLOBAL NT	3/25/14	8/26/16	2.14	0.63	50,000,000	49,952,024	49,960,124	50,030,000
Federal Agencies	31315PQB8	FAMCA NT	10/29/13	9/1/16	2.13	1.50	7,000,000	7,156,240	7,119,363	7,131,320
Federal Agencies	313370TW8	FHLB BD	10/11/11	9/9/16	2.14	2.00	25,000,000	25,727,400	25,324,595	25,762,000
Federal Agencies	3133EDH21	FFCB FLT NT 1ML+2	3/14/14	9/14/16	0.04	0.17	50,000,000	49,993,612	49,994,373	50,021,500
Federal Agencies	3134G4XW3	FHLMC CALL MTN	3/26/14	9/26/16	2.22	0.60	25,000,000	25,000,000	25,000,000	25,009,250
Federal Agencies	3134G3P38	FHLMC NT CALL	12/14/12	10/5/16	2.25	0.75	75,000,000	75,071,250	75,000,502	75,004,500
Federal Agencies	3133EDJA1	FFCB FLT NT 1ML+2	4/11/14	10/11/16	0.03	0.17	25,000,000	24,993,750	24,994,304	25,009,000
Federal Agencies	3137EADS5	FHLMC GLOBAL NT	3/3/14	10/14/16	2.27	0.88	25,000,000	25,200,250	25,175,114	25,162,500
Federal Agencies	3134G4HK7	FHLMC CALL STEP NT	10/24/13	10/24/16	2.30	0.50	25,000,000	25,000,000	25,000,000	25,018,750
Federal Agencies	3136G1WP0	FNMA CALL NT	11/4/13	11/4/16	2.31	1.50	18,000,000	18,350,460	18,235,720	18,243,540
Federal Agencies	313381GA7	FHLB NT	11/30/12	11/30/16	2.40	0.57	23,100,000	23,104,389	23,102,653	23,055,879
Federal Agencies	3130A12F4	FHLB CALL NT	3/19/14	12/19/16	2.46	0.70	20,500,000	20,497,950	20,498,162	20,494,875
Federal Agencies	313381KR5	FHLB NT CALL	12/28/12	12/28/16	2.48	0.63	9,000,000	9,000,000	9,000,000	8,984,700
Federal Agencies	313381KR5	FHLB NT CALL	12/28/12	12/28/16	2.48	0.63	13,500,000	13,500,000	13,500,000	13,477,050
Federal Agencies	3134G33C2	FHLMC NT	1/3/13	1/3/17	2.49	0.60	50,000,000	50,000,000	50,000,000	49,900,000
Federal Agencies	3133ECB37	FFCB NT	12/20/12	1/12/17	2.51	0.58	14,000,000	14,000,000	14,000,000	13,946,380
Federal Agencies	31315PWW5	FARMER MAC MTN	5/4/12	1/17/17	2.51	1.01	49,500,000	49,475,250	49,486,596	49,838,085
Federal Agencies	3133786Q9	FHLB NT	1/10/13	2/13/17	2.58	1.00	67,780,000	68,546,456	68,271,147	68,114,833
Federal Agencies	3133EDFW7	FFCB FLT NT 1ML+5.5	2/27/14	2/27/17	0.07	0.21	50,000,000	50,000,000	50,000,000	50,042,000
Federal Agencies	3134G4XM5	FHLMC CALL MTN	3/28/14	3/28/17	2.72	0.78	25,000,000	25,000,000	25,000,000	24,945,750
Federal Agencies	3136G1ZB8	FNMA CALL NT	3/28/14	3/28/17	2.71	0.88	25,000,000	25,000,000	25,000,000	24,990,250
Federal Agencies	31315PTQ2	FARMER MAC MTN	4/10/12	4/10/17	2.73	1.26	12,500,000	12,439,250	12,466,265	12,602,625

Investment Inventory Pooled Fund

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
Federal Agencies	3133ECLL6	FFCB NT	4/17/13	4/17/17	2.78	0.60	10,000,000	10,000,000	10,000,000	9,935,100
Federal Agencies	31315PUQ0	FARMER MAC MTN	4/26/12	4/26/17	2.78	1.13	10,500,000	10,500,000	10,500,000	10,562,055
Federal Agencies	31315PV89	FARMER MAC FLT CALL NT 3ML+10	5/1/14	5/1/17	0.09	0.33	50,000,000	50,000,000	50,000,000	50,147,500
Federal Agencies	3137EADF3	FHLMC NT	5/14/12	5/12/17	2.82	1.25	25,000,000	25,133,000	25,076,271	25,253,500
Federal Agencies	31315PZQ5	FARMER MAC MTN	12/28/12	6/5/17	2.89	1.11	9,000,000	9,122,130	9,080,666	9,024,930
Federal Agencies	3130A1ZR2	FHLB STEP NT	6/12/14	6/12/17	2.93	0.50	50,000,000	50,000,000	50,000,000	50,023,000
Federal Agencies	3133EAUW6	FFCB FLT NT FF+22	6/19/12	6/19/17	0.22	0.32	50,000,000	50,000,000	50,000,000	50,026,000
Federal Agencies	3137EADH9	FHLMC GLOBAL NT	3/25/14	6/29/17	2.96	1.00	25,000,000	24,920,625	24,927,151	25,054,000
Federal Agencies	3133ECV92	FFCB FLT NT 1ML+4	7/24/13	7/24/17	0.07	0.19	50,000,000	50,000,000	50,000,000	49,998,000
Federal Agencies	3134G3ZH6	FHLMC CALL MTN	4/15/14	7/25/17	3.02	1.00	19,000,000	19,037,472	19,037,778	18,966,180
Federal Agencies	3133ECVG6	FFCB FLT NT 3ML+0	8/5/13	7/26/17	0.07	0.23	23,520,000	23,520,000	23,520,000	23,508,240
Federal Agencies	3136G0B59	FNMA STEP NT	9/20/12	9/20/17	3.19	0.70	64,750,000	64,750,000	64,750,000	64,773,958
Federal Agencies	3136G0D81	FNMA STEP NT	9/27/12	9/27/17	3.20	0.72	100,000,000	100,000,000	100,000,000	100,064,000
Federal Agencies	3137EADL0	FHLMC GLOBAL NT	3/25/14	9/29/17	3.20	1.00	25,000,000	24,808,175	24,822,816	24,948,500
Federal Agencies	3136G0Q20	FNMA CALL STEP NT	3/13/14	10/17/17	3.26	0.75	49,090,000	49,080,182	49,081,004	49,098,345
Federal Agencies	3136G0Y39	FNMA STEP NT	11/8/12	11/8/17	3.32	0.70	50,000,000	50,000,000	50,000,000	49,718,500
Federal Agencies	3134G44F2	FHLMC CALL MTN	5/21/13	11/21/17	3.35	0.80	50,000,000	50,000,000	50,000,000	49,307,000
Federal Agencies	3136G13Q0	FNMA STEP NT	12/26/12	12/26/17	3.45	0.75	29,000,000	29,000,000	29,000,000	28,935,910
Federal Agencies	3136G13T4	FNMA STEP NT	12/26/12	12/26/17	3.45	0.75	39,000,000	39,000,000	39,000,000	38,875,590
Federal Agencies	3134G32M1	FHLMC CALL NT	12/28/12	12/28/17	3.44	1.00	50,000,000	50,000,000	50,000,000	49,415,000
Federal Agencies	3135G0UN1	FNMA GLOBAL NT CALL	2/26/14	2/28/18	3.59	1.15	8,770,000	8,713,434	8,718,267	8,725,799
Federal Agencies	3135G0UN1	FNMA GLOBAL NT CALL	2/26/14	2/28/18	3.59	1.15	19,000,000	18,877,450	18,887,921	18,904,240
Federal Agencies	3136G1KN8	FNMA NT CALL	4/24/13	4/24/18	3.72	1.50	50,000,000	50,903,000	50,367,385	49,973,500
Federal Agencies	3136G1K81	FNMA NT STEP	4/30/13	4/30/18	3.78	0.75	12,600,000	12,600,000	12,600,000	12,504,240
Federal Agencies	31315PZM4	FARMER MAC STEP NT	5/3/13	5/3/18	3.79	0.70	24,600,000	24,600,000	24,600,000	24,570,726
Federal Agencies	313382XK4	FHLB STEP NT	5/7/13	5/7/18	3.82	0.75	25,000,000	25,000,000	25,000,000	24,907,000
Federal Agencies	3133ECPB4	FFCB NT	5/23/13	5/14/18	3.81	0.88	10,000,000	9,934,600	9,949,141	9,900,000
Federal Agencies	3135G0WJ8	FNMA NT	5/23/13	5/21/18	3.83	0.88	25,000,000	24,786,500	24,833,788	24,580,500
Federal Agencies	3133834P3	FHLB STEP NT	5/22/13	5/22/18	3.86	0.50	50,000,000	50,000,000	50,000,000	49,632,000
Federal Agencies	31315P4W6	FARMER MAC FLT CALL	6/6/14	6/6/18	0.19	0.36	25,000,000	25,000,000	25,000,000	25,025,750
Federal Agencies	3134G52D6	FHLMC CALL MTN	4/17/14	7/17/18	3.90	1.64	25,000,000	25,000,000	25,000,000	25,166,500
Federal Agencies	3136G1XY0	FNMA CALL	11/27/13	11/27/18	4.22	2.25	25,000,000	25,327,000	25,068,275	25,083,000
Federal Agencies	3134G4LZ9	FHLMC CALL STEP	12/10/13	12/10/18	4.37	0.88	50,000,000	50,000,000	50,000,000	50,335,500
Federal Agencies	3134G4MB1	FHLMC CALL MULTI-STEP	12/18/13	12/18/18	4.34	1.50	25,000,000	25,000,000	25,000,000	25,048,750
Federal Agencies	3134G4S74	FHLMC CALL NT	1/16/14	1/16/19	4.33	2.00	17,800,000	17,800,000	17,800,000	17,812,994
Federal Agencies	3130A0JC5	FHLB STEP NT	1/17/14	1/17/19	4.44	1.00	55,660,000	55,660,000	55,660,000	55,677,811
Federal Agencies	3130A1B98	FHLB STEP CALL NT	3/27/14	3/27/19	4.64	1.00	75,000,000	75,000,000	75,000,000	75,028,500
Federal Agencies	31315PQ69	FARMER MAC FLT CALL NT 3ML+15	4/3/14	4/3/19	0.26	0.38	50,000,000	50,000,000	50,000,000	50,029,000
Federal Agencies	3130A1H68	FHLB STEP CALL NT	4/17/14	4/17/19	4.67	1.15	15,000,000	14,996,250	14,996,404	14,998,500
Federal Agencies	31315P3W7	FARMER MAC FLT CALL	6/3/14	6/3/19	0.18	0.38	50,000,000	50,000,000	50,000,000	50,074,500
Subtotals					1.73	0.91	\$ 4,202,689,000	\$ 4,213,905,716	\$ 4,208,894,771	\$ 4,219,871,783
State/Local Agencies	612574DP5	MONTEREY COMM COLLEGE GO	5/7/13	8/1/14	0.09	0.43	\$ 310,000	\$ 310,000	\$ 310,000	\$ 310,050
State/Local Agencies	62451FFC9	WHISMAN SCHOOL DIST MTN VIEW	7/24/12	8/1/14	0.09	0.75	1,125,000	1,125,000	1,125,000	1,125,045
State/Local Agencies	64966DPC7	NEW YORK CITY GO	6/7/12	11/1/14	0.34	4.75	8,000,000	8,774,720	8,108,655	8,116,240
State/Local Agencies	13063BN65	CALIFORNIA ST TAXABLE GO BD	3/27/13	2/1/15	0.58	0.85	10,000,000	10,038,000	10,012,086	10,022,500
State/Local Agencies	649791JS0	NEW YORK ST TAXABLE GO	3/21/13	3/1/15	0.67	0.39	4,620,000	4,619,076	4,619,684	4,620,924
State/Local Agencies	91412GPW9	UNIV OF CALIFORNIA REVENUE BC	3/14/13	5/15/15	0.87	0.39	5,000,000	5,000,000	5,000,000	5,000,950
State/Local Agencies	612574DQ3	MONTEREY COMM COLLEGE GO	5/7/13	8/1/15	1.08	0.63	315,000	315,000	315,000	315,665
State/Local Agencies	64966GXS6	NEW YORK CITY TAXABLE GO	4/1/13	12/1/15	1.38	5.13	12,255,000	13,700,477	13,023,745	13,029,761

Investment Inventory Pooled Fund

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
State/Local Agencies	13063BN73	CALIFORNIA ST TAXABLE GO BD	3/27/13	2/1/16	1.57	1.05	11,000,000	11,037,180	11,020,715	11,079,310
State/Local Agencies	91412GUT0	UNIV OF CALIFORNIA REVENUE	4/10/14	5/15/16	1.87	0.63	2,500,000	2,500,000	2,500,000	2,497,925
State/Local Agencies	612574DR1	MONTEREY COMM COLLEGE GO	5/7/13	8/1/16	2.06	0.98	2,670,000	2,670,000	2,670,000	2,673,284
State/Local Agencies	91412GUU7	UNIV OF CALIFORNIA REVENUE BD	4/10/14	5/15/17	2.83	1.22	3,250,000	3,250,000	3,250,000	3,257,475
State/Local Agencies	13063CFC9	CALIFORNIA ST GO BD	11/5/13	11/1/17	3.25	1.75	16,500,000	16,558,905	16,549,283	16,805,910
Subtotals					1.60	2.13	\$ 77,545,000	\$ 79,898,358	\$ 78,504,167	\$ 78,855,038
Public Time Deposits		TRANS PACIFIC NATIONAL BANK P	2/7/14	2/7/15	0.60	0.46	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000
Public Time Deposits		BANK OF SAN FRANCISCO PTD	4/9/14	4/9/15	0.77	0.45	240,000	240,000	240,000	240,000
Subtotals					0.69	0.46	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000
Negotiable CDs	06366BTG5	BANK OF MONTREAL YCD	5/7/14	7/1/14	0.00	0.12	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 50,000,083
Negotiable CDs	06366BNF3	BANK OF MONTREAL YCD	4/2/14	7/2/14	0.00	0.16	50,000,000	50,000,000	50,000,000	50,000,278
Negotiable CDs	06417HFD3	BANK OF NOVA SCOTIA YCD	3/24/14	8/14/14	0.12	0.22	25,000,000	25,008,778	25,006,720	25,004,998
Negotiable CDs	96121TTS7	WESTPAC FLT YCD 1ML+9	1/23/14	8/28/14	0.08	0.23	25,000,000	25,009,250	25,002,472	25,006,944
Negotiable CDs	06417FB58	BANK OF NOVA SCOTIA YCD 3ML+1	7/17/13	1/20/15	0.05	0.41	50,000,000	50,000,000	50,000,000	50,049,915
Negotiable CDs	78009NGU4	ROYAL BANK OF CANADA NY YCD	5/19/14	6/25/15	0.24	0.33	5,500,000	5,497,250	5,497,544	5,481,352
Negotiable CDs	06417HHL3	BANK OF NOVA SCOTIA FLT 3ML+2	4/3/14	3/22/16	0.23	0.46	10,000,000	10,000,290	10,000,254	10,000,290
Negotiable CDs	96121TWJ3	WESTPAC FLT YCD 3ML+15	4/24/14	4/25/16	0.07	0.38	25,000,000	25,000,000	25,000,000	25,000,000
Negotiable CDs	96121TWK0	WESTPAC FLT YCD 1ML+22	4/24/14	4/25/16	0.07	0.37	50,000,000	50,000,000	50,000,000	50,000,000
Negotiable CDs	06417HKT2	BANK OF NOVA SCOTIA YCD 3ML+1	5/9/14	5/9/16	0.12	0.41	50,000,000	49,979,050	49,980,569	49,980,900
Subtotals					0.06	0.30	\$ 340,500,000	\$ 340,494,618	\$ 340,487,560	\$ 340,524,761
Medium Term Notes	64952WBL6	NEW YORK LIFE MTN 3ML+0	3/27/13	7/30/14	0.08	0.22	\$ 3,000,000	\$ 3,000,630	\$ 3,000,037	\$ 3,000,180
Medium Term Notes	78008TXA7	RBC MTN	11/1/13	10/30/14	0.33	1.45	10,000,000	10,117,152	10,039,051	10,038,800
Medium Term Notes	459200GZ8	IBM MTN	11/5/13	10/31/14	0.34	0.88	31,814,000	32,008,702	31,879,982	31,876,992
Medium Term Notes	36962G4G6	GE CAPITAL CORP MTN	8/7/13	11/14/14	0.38	3.75	2,920,000	3,039,340	2,954,979	2,957,931
Medium Term Notes	07385TAJ5	JP MORGAN CHASE MTN	12/18/13	11/15/14	0.38	5.70	11,500,000	12,039,350	11,722,563	11,721,145
Medium Term Notes	07385TAJ5	JP MORGAN CHASE MTN	12/19/13	11/15/14	0.38	5.70	25,654,000	26,853,068	26,150,291	26,147,326
Medium Term Notes	89233P7B6	TOYOTA MTN 3ML+17	1/28/13	12/5/14	0.18	0.40	10,000,000	10,004,700	10,001,092	10,008,900
Medium Term Notes	36962G5M2	GE CAPITAL CORP MTN	8/7/13	1/9/15	0.52	2.15	4,820,000	4,926,667	4,859,385	4,867,477

Investment Inventory Pooled Fund

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	Market Value
			Date	Date					Book Value	
Medium Term Notes	36962G6T6	GE FLT NT 3ML+38	1/10/13	1/9/15	0.28	0.61	25,000,000	25,000,000	25,000,000	25,049,500
Medium Term Notes	36962G5M2	GE CAPITAL CORP MTN	12/16/13	1/9/15	0.52	2.15	27,743,000	28,291,202	28,013,578	28,016,269
Medium Term Notes	36962G5M2	GE CAPITAL CORP MTN	7/12/13	1/9/15	0.52	2.15	87,824,000	89,617,366	88,454,634	88,689,066
Medium Term Notes	46625HHP8	JP MORGAN CHASE MTN	2/18/14	1/20/15	0.55	3.70	16,935,000	17,479,931	17,283,520	17,234,919
Medium Term Notes	46625HHP8	JP MORGAN CHASE MTN	3/17/14	1/20/15	0.55	3.70	22,580,000	23,322,393	23,113,099	22,979,892
Medium Term Notes	78008SVS2	RBC MTN FIX-TO-FLT	1/22/13	1/22/15	0.06	0.33	100,000,000	100,000,000	100,000,000	99,818,000
Medium Term Notes	89233P7H3	TOYOTA MTN 3ML+17	1/23/13	1/23/15	0.06	0.40	35,000,000	35,000,000	35,000,000	35,038,150
Medium Term Notes	89233P7L4	TOYOTA MTN FIX-TO-FLOAT	2/4/13	2/4/15	0.10	0.32	25,000,000	25,000,000	25,000,000	24,996,750
Medium Term Notes	717081DA8	PFIZER MTN	12/9/13	3/15/15	0.70	5.35	3,000,000	3,185,850	3,103,608	3,103,200
Medium Term Notes	89236TAG0	TOYOTA MOTOR CREDIT CORP 3M	4/12/13	4/8/15	0.27	0.38	50,000,000	50,000,000	50,000,000	50,058,000
Medium Term Notes	459200HD6	IBM MTN	12/19/13	5/11/15	0.86	0.75	5,425,000	5,460,859	5,447,165	5,448,056
Medium Term Notes	36962G5Z3	GE CAPITAL CORP MTN	8/19/13	7/2/15	0.99	1.63	5,000,000	5,075,250	5,040,383	5,063,600
Medium Term Notes	36962G4M3	GE CAPITAL CORP FLT MTN 3ML+7:	11/25/13	7/9/15	0.28	0.98	8,565,000	8,624,955	8,602,840	8,599,774
Medium Term Notes	89233P6J0	TOYOTA MTN	3/4/14	7/17/15	1.04	0.88	6,100,000	6,154,853	6,143,457	6,135,990
Medium Term Notes	89233P6J0	TOYOTA MTN	11/15/13	7/17/15	1.04	0.88	10,000,000	10,072,000	10,045,044	10,059,000
Medium Term Notes	594918AG9	MICROSOFT MTN	10/30/13	9/25/15	1.22	1.63	3,186,000	3,260,266	3,234,193	3,238,633
Medium Term Notes	369604BE2	GENERAL ELECTRIC MTN	5/7/14	10/9/15	1.27	0.85	8,000,000	8,048,969	8,044,349	8,039,680
Medium Term Notes	369604BE2	GENERAL ELECTRIC MTN	5/19/14	10/9/15	1.26	0.85	9,300,000	9,367,094	9,362,159	9,346,128
Medium Term Notes	369604BE2	GENERAL ELECTRIC MTN	3/5/14	10/9/15	1.27	0.85	10,000,000	10,069,000	10,055,034	10,049,600
Medium Term Notes	06366RJH9	BANK OF MONTREAL MTN	3/27/14	11/6/15	1.34	0.80	8,500,000	8,532,470	8,527,178	8,546,155
Medium Term Notes	36962G4T8	GE CAPITAL CORP MTN	5/12/14	11/9/15	1.34	2.25	7,000,000	7,185,203	7,168,363	7,160,160
Medium Term Notes	742718DS5	PROCTER & GAMBLE MTN	3/12/14	11/15/15	1.36	1.80	10,000,000	10,231,900	10,189,908	10,193,200
Medium Term Notes	742718DS5	PROCTER & GAMBLE MTN	3/7/14	11/15/15	1.36	1.80	23,025,000	23,588,652	23,482,853	23,469,843
Medium Term Notes	459200GU9	IBM CORP NT	2/11/14	1/5/16	1.49	2.00	19,579,000	20,178,901	20,065,619	20,031,862
Medium Term Notes	064255AK8	BTMUFJ FLT MTN 3ML+45	3/17/14	2/26/16	0.16	0.68	10,000,000	10,035,800	10,030,463	10,023,600
Medium Term Notes	36962G2V5	GE FLT MTN 3ML+20	5/19/14	5/11/16	0.12	0.42	17,689,000	17,704,784	17,703,932	17,687,585
Subtotals					0.48	1.50	\$ 654,159,000	\$ 662,477,306	\$ 658,718,758	\$ 658,695,363
Money Market Funds	09248U718	BLACKROCK T-FUND INSTL	6/30/14	7/1/14	0.00	0.01	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000
Money Market Funds	316175108	FIDELITY INSTL GOVT PORT	6/30/14	7/1/14	0.00	0.01	25,003,302	25,003,302	25,003,302	25,003,302
Money Market Funds	61747C707	MS INSTL GOVT FUND	6/30/14	7/1/14	0.00	0.04	25,083,475	25,083,475	25,083,475	25,083,475
Subtotals					0.00	0.02	\$ 75,086,777	\$ 75,086,777	\$ 75,086,777	\$ 75,086,777
Grand Totals					1.52	0.97	\$ 6,010,459,777	\$ 6,033,678,908	\$ 6,021,829,219	\$ 6,037,802,322

Monthly Investment Earnings Pooled Fund

For month ended June 30, 2014

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle	Maturity	Earned	Amort.	Realized	Earned Income
						Date	Date	Interest	Expense	Gain/(Loss)	/Net Earnings
U.S. Treasuries	912828LC2	US TSY NT	\$ 25,000,000	2.63	0.85	6/1/11	7/31/14	\$ 54,385	\$ (35,886)	\$ -	\$ 18,499
U.S. Treasuries	912828MW7	US TSY NT	50,000,000	2.50	0.48	2/24/12	3/31/15	102,459	(82,373)	-	20,086
U.S. Treasuries	912828PE4	US TSY NT	25,000,000	1.25	0.61	12/23/11	10/31/15	25,476	(12,984)	-	12,492
U.S. Treasuries	912828PJ3	US TSY NT	50,000,000	1.38	1.58	12/16/10	11/30/15	56,352	7,964	-	64,316
U.S. Treasuries	912828PJ3	US TSY NT	50,000,000	1.38	1.58	12/16/10	11/30/15	56,352	7,964	-	64,316
U.S. Treasuries	912828PJ3	US TSY NT	50,000,000	1.38	2.00	12/23/10	11/30/15	56,352	24,308	-	80,661
U.S. Treasuries	912828RJ1	US TSY NT	75,000,000	1.00	1.05	10/11/11	9/30/16	61,475	2,807	-	64,282
U.S. Treasuries	912828RM4	US TSY NT	25,000,000	1.00	0.74	12/26/13	10/31/16	20,380	(5,296)	-	15,084
U.S. Treasuries	912828RX0	US TSY NT	25,000,000	0.88	0.67	2/25/14	12/31/16	18,119	(4,197)	-	13,921
U.S. Treasuries	912828SJ0	US TSY NT	25,000,000	0.88	1.21	3/21/12	2/28/17	17,833	6,655	-	24,488
U.S. Treasuries	912828SJ0	US TSY NT	25,000,000	0.88	1.21	3/21/12	2/28/17	17,833	6,655	-	24,488
U.S. Treasuries	912828SJ0	US TSY NT	75,000,000	0.88	0.94	3/14/12	2/28/17	67,765	(30,225)	122,070	159,610
U.S. Treasuries	912828SM3	US TSY NT	50,000,000	1.00	1.07	4/4/12	3/31/17	40,984	2,701	-	43,685
U.S. Treasuries	912828TM2	US TSY NT	60,000,000	0.63	0.69	9/17/12	8/31/17	30,571	3,187	-	33,758
U.S. Treasuries	912828UE8	US TSY NT	50,000,000	0.75	0.80	1/4/13	12/31/17	31,060	1,865	-	32,926
Subtotals			\$ 660,000,000					\$ 657,397	\$ (106,856)	\$ 122,070	\$ 672,612
Federal Agencies	31315PHX0	FARMER MAC MTN	\$ -	3.15	0.50	4/10/12	6/5/14	\$ 4,928	\$ (4,062)	\$ -	\$ 866
Federal Agencies	3133XWE70	FHLB TAP	-	2.50	0.40	5/15/12	6/13/14	40,000	(33,019)	-	6,981
Federal Agencies	3133724E1	FHLB	-	1.21	1.21	12/31/10	6/30/14	48,736	-	-	48,736
Federal Agencies	3137EACU1	FHLMC BONDS	-	1.00	1.02	6/2/11	7/30/14	22,917	(51,239)	146,400	118,078
Federal Agencies	3134G2UA8	FHLMC NT	28,000,000	1.00	0.67	12/1/11	8/20/14	23,333	(7,485)	-	15,849
Federal Agencies	31398A3G5	FNMA EX-CALL NT	13,200,000	1.50	0.51	4/4/12	9/8/14	16,500	(10,661)	-	5,839
Federal Agencies	31315PRZ4	FARMER MAC MTN	18,000,000	0.24	0.26	4/9/13	10/1/14	3,638	200	-	3,838
Federal Agencies	3136FTRF8	FNMA FLT QTR FF+39	-	0.48	0.29	12/12/11	11/21/14	3,887	19,789	21,200	44,876
Federal Agencies	31331J4S9	FFCB	19,000,000	1.40	1.46	12/8/10	12/8/14	22,167	890	-	23,056
Federal Agencies	31331J4S9	FFCB	24,000,000	1.40	1.41	12/16/10	12/8/14	28,000	248	-	28,248
Federal Agencies	3133XVNU1	FHLB	2,915,000	2.75	1.31	11/23/10	12/12/14	6,680	(3,338)	-	3,342
Federal Agencies	3133XVNU1	FHLB	25,400,000	2.75	1.30	11/23/10	12/12/14	58,208	(29,358)	-	28,851
Federal Agencies	3133XVNU1	FHLB	50,000,000	2.75	1.37	12/8/10	12/12/14	114,583	(54,758)	-	59,826
Federal Agencies	313371W51	FHLB	75,000,000	1.25	1.46	12/8/10	12/12/14	78,125	12,471	-	90,596
Federal Agencies	3136FTVN6	FNMA FLT QTR FF+35	-	0.52	0.52	12/15/11	12/15/14	11,848	-	127,500	139,348
Federal Agencies	313371W93	FHLB	75,000,000	1.34	1.34	12/15/10	12/15/14	83,750	-	-	83,750
Federal Agencies	31331J6Q1	FFCB	27,175,000	1.72	1.74	12/29/10	12/29/14	38,951	368	-	39,319
Federal Agencies	31331J6Q1	FFCB	65,000,000	1.72	1.72	12/29/10	12/29/14	93,167	214	-	93,380
Federal Agencies	3130A0FX3	FHLB	50,000,000	0.21	0.22	12/13/13	2/18/15	8,750	556	-	9,306
Federal Agencies	3133EAQ35	FFCB FLT NT FF+14	100,000,000	0.24	0.34	9/4/12	3/4/15	19,583	2,493	-	22,076
Federal Agencies	3135G0HG1	FNMA GLOBAL	9,399,000	0.38	0.20	1/13/14	3/16/15	2,937	(1,341)	-	1,596
Federal Agencies	3133EAJP4	FFCB FLT NT 1ML+1.5	50,000,000	0.17	0.18	4/30/12	4/27/15	6,881	203	-	7,084
Federal Agencies	31315PWJ4	FARMER MAC FLT NT FF+26	50,000,000	0.36	0.36	5/3/12	5/1/15	14,819	-	-	14,819
Federal Agencies	3133EAQC5	FFCB FLT NT 1ML+1	50,000,000	0.16	0.19	6/8/12	5/14/15	6,728	407	-	7,134
Federal Agencies	3133EDC67	FFCB NT	50,000,000	0.25	0.26	12/19/13	6/18/15	10,417	412	-	10,829
Federal Agencies	3133EAVE5	FFCB FLT NT 1ML+2	50,000,000	0.17	0.20	12/5/12	6/22/15	7,058	410	-	7,468
Federal Agencies	31315PDZ9	FAMCA	15,000,000	2.38	0.32	11/22/13	7/22/15	29,688	(25,273)	-	4,415
Federal Agencies	3133ECVW1	FFCB FLT NT T-BILL+14	62,500,000	0.17	0.19	8/5/13	8/5/15	8,853	514	-	9,366
Federal Agencies	313383V81	FHLB	9,000,000	0.38	0.28	12/12/13	8/28/15	2,813	(679)	-	2,133
Federal Agencies	3137EACM9	FHLMC BONDS	50,000,000	1.75	2.17	12/15/10	9/10/15	72,917	16,474	-	89,391
Federal Agencies	313370JB5	FHLB	75,000,000	1.75	2.31	12/15/10	9/11/15	109,375	24,489	-	133,864
Federal Agencies	31315PGT0	FARMER MAC	45,000,000	2.13	2.17	9/15/10	9/15/15	79,688	1,397	-	81,085
Federal Agencies	3133ECZG2	FFCB NT	52,047,000	0.55	0.32	12/10/13	9/16/15	23,855	(9,732)	-	14,123
Federal Agencies	3133ECJB1	FFCB FLT NT QTR T-BILL+16	16,200,000	0.19	0.20	4/24/13	9/18/15	2,590	66	-	2,656

Monthly Investment Earnings

Pooled Fund

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle	Maturity	Earned	Amort.	Realized	Earned Income
						Date	Date	Interest	Expense	Gain/(Loss)	/Net Earnings
Federal Agencies	3133ECJB1	FFCB FLT NT QTR TBILL+16	50,000,000	0.19	0.19	4/16/13	9/18/15	7,993	-	-	7,993
Federal Agencies	31398A3T7	FNMA NT EX-CALL	25,000,000	2.00	1.08	10/14/11	9/21/15	41,667	(18,380)	-	23,287
Federal Agencies	3133EAJF6	FFCB FLT NT 1ML+2.5	27,953,000	0.18	0.21	11/30/12	9/22/15	4,063	347	-	4,410
Federal Agencies	31398A4M1	FNMA	25,000,000	1.63	2.22	12/15/10	10/26/15	33,854	11,529	-	45,383
Federal Agencies	31398A4M1	FNMA	42,000,000	1.63	2.19	12/23/10	10/26/15	56,875	18,251	-	75,126
Federal Agencies	31331J2S1	FFCB	25,000,000	1.50	2.20	12/15/10	11/16/15	31,250	13,573	-	44,823
Federal Agencies	3133ECLZ5	FFCB FLT NT MONTHLY 1ML+0	25,000,000	0.16	0.16	5/8/13	11/19/15	3,179	97	-	3,276
Federal Agencies	3133835R8	FHLB CALL NT	-	0.34	0.37	1/31/14	12/4/15	384	(1,221)	6,783	5,946
Federal Agencies	313371ZY5	FHLB	25,000,000	1.88	1.89	12/3/10	12/11/15	39,063	294	-	39,357
Federal Agencies	313371ZY5	FHLB	50,000,000	1.88	1.93	12/14/10	12/11/15	78,125	2,115	-	80,240
Federal Agencies	3133ED5A6	FFCB FLT	50,000,000	0.15	0.15	12/12/13	1/20/16	6,276	-	-	6,276
Federal Agencies	31315P3B3	FARMER MAC MTN	30,000,000	0.42	0.42	1/27/14	1/25/16	10,500	-	-	10,500
Federal Agencies	3133XXP43	FHLB	14,000,000	3.13	0.41	12/12/13	3/11/16	36,458	(31,039)	-	5,419
Federal Agencies	313375RN9	FHLB NT	22,200,000	1.00	0.82	4/13/12	3/11/16	18,500	(3,311)	-	15,189
Federal Agencies	3133EAJU3	FFCB NT	25,000,000	1.05	0.82	4/12/12	3/28/16	21,875	(4,580)	-	17,295
Federal Agencies	3135G0VA8	FNMA GLOBAL NT	25,000,000	0.50	0.46	12/13/13	3/30/16	10,417	(797)	-	9,620
Federal Agencies	31315PTF6	FAMCA FLT MTN 1ML+0	50,000,000	0.15	0.15	4/1/13	4/1/16	6,292	-	-	6,292
Federal Agencies	3133792Z1	FHLB NT	20,000,000	0.81	0.82	4/18/12	4/18/16	13,500	160	-	13,660
Federal Agencies	3133ECWT7	FFCB NT	22,650,000	0.65	0.48	11/20/13	5/9/16	12,269	(3,213)	-	9,056
Federal Agencies	3135G0RZ8	FNMA CALL NT	22,540,000	0.55	0.55	11/30/12	5/26/16	10,331	-	-	10,331
Federal Agencies	3133EDB35	FFCB FLT NT 1ML+3	50,000,000	0.18	0.19	1/15/14	6/2/16	7,541	287	-	7,828
Federal Agencies	31315PB73	FAMCA NT	10,000,000	0.90	0.90	2/9/12	6/9/16	7,500	-	-	7,500
Federal Agencies	313771AA5	FHLB SUB NT	14,195,000	5.63	0.77	5/30/13	6/13/16	66,539	(55,786)	-	10,753
Federal Agencies	313771AA5	FHLB SUB NT	16,925,000	5.63	0.65	5/20/13	6/13/16	79,336	(68,247)	-	11,089
Federal Agencies	3133EDDP4	FFCB NT	50,000,000	0.52	0.46	2/11/14	6/17/16	21,667	(2,170)	-	19,496
Federal Agencies	3130A1BK3	FHLB CALL NT	25,000,000	0.50	0.50	3/24/14	6/24/16	10,417	-	-	10,417
Federal Agencies	3135G0XP3	FNMA GLOBAL NT	50,000,000	0.38	0.59	3/25/14	7/5/16	15,625	8,892	-	24,517
Federal Agencies	31315PA25	FAMCA MTN	11,900,000	2.00	0.62	3/26/13	7/27/16	19,833	(13,302)	-	6,531
Federal Agencies	31315PA25	FAMCA MTN	14,100,000	2.00	0.63	3/26/13	7/27/16	23,500	(15,633)	-	7,867
Federal Agencies	31315PA25	FAMCA MTN	15,000,000	2.00	2.09	7/27/11	7/27/16	25,000	1,071	-	26,071
Federal Agencies	31315PA25	FAMCA MTN	20,000,000	2.00	0.61	3/26/14	7/27/16	33,333	(22,600)	-	10,733
Federal Agencies	3134G4ET1	FHLMC CALL NT	40,220,000	0.85	0.77	1/9/14	8/8/16	28,489	(11,437)	-	17,052
Federal Agencies	3135G0YE7	FNMA GLOBAL NT	50,000,000	0.63	0.52	3/17/14	8/26/16	26,042	(4,191)	-	21,850
Federal Agencies	3135G0YE7	FNMA GLOBAL NT	50,000,000	0.63	0.69	3/25/14	8/26/16	26,042	2,480	-	28,521
Federal Agencies	31315PQB8	FAMCA NT	7,000,000	1.50	0.70	10/29/13	9/1/16	8,750	(4,516)	-	4,234
Federal Agencies	313370TW8	FHLB BD	25,000,000	2.00	1.39	10/11/11	9/9/16	41,667	(12,157)	-	29,510
Federal Agencies	3133EDH21	FFCB FLT NT 1ML+2	50,000,000	0.17	0.18	3/14/14	9/14/16	7,145	209	-	7,354
Federal Agencies	3134G4XW3	FHLMC CALL MTN	25,000,000	0.60	0.60	3/26/14	9/26/16	12,500	-	-	12,500
Federal Agencies	3134G3P38	FHLMC NT CALL	75,000,000	0.75	0.72	12/14/12	10/5/16	46,875	(3,763)	-	43,112
Federal Agencies	3133EDJA1	FFCB FLT NT 1ML+2	25,000,000	0.17	0.18	4/11/14	10/11/16	3,575	205	-	3,780
Federal Agencies	3137EAD55	FHLMC GLOBAL NT	25,000,000	0.88	0.57	3/3/14	10/14/16	18,229	(6,284)	-	11,945
Federal Agencies	3134G4HK7	FHLMC CALL STEP NT	25,000,000	0.50	0.50	10/24/13	10/24/16	10,417	-	-	10,417
Federal Agencies	3136G1WP0	FNMA CALL NT	18,000,000	1.50	0.84	11/4/13	11/4/16	22,500	(14,402)	-	8,098
Federal Agencies	313381GA7	FHLB NT	23,100,000	0.57	0.57	11/30/12	11/30/16	10,973	(90)	-	10,882
Federal Agencies	3130A12F4	FHLB CALL NT	20,500,000	0.70	0.70	3/19/14	12/19/16	11,958	61	-	12,019
Federal Agencies	313381KR5	FHLB NT CALL	9,000,000	0.63	0.63	12/28/12	12/28/16	4,688	-	-	4,688
Federal Agencies	313381KR5	FHLB NT CALL	13,500,000	0.63	0.63	12/28/12	12/28/16	7,031	-	-	7,031
Federal Agencies	3134G33C2	FHLMC NT	50,000,000	0.60	0.60	1/3/13	1/3/17	25,000	-	-	25,000
Federal Agencies	3133ECB37	FFCB NT	14,000,000	0.58	0.58	12/20/12	1/12/17	6,767	-	-	6,767
Federal Agencies	31315PWV5	FARMER MAC MTN	49,500,000	1.01	1.02	5/4/12	1/17/17	41,663	432	-	42,094
Federal Agencies	3133786Q9	FHLB NT	67,780,000	1.00	0.72	1/10/13	2/13/17	56,483	(15,380)	-	41,103
Federal Agencies	3133EDFW7	FFCB FLT NT 1ML+5.5	50,000,000	0.21	0.21	2/27/14	2/27/17	8,547	-	-	8,547

Monthly Investment Earnings Pooled Fund

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle Date	Maturity Date	Earned Interest	Amort. Expense	Realized Gain/(Loss)	Earned Income /Net Earnings
Federal Agencies	3134G4XM5	FHLMC CALL MTN	25,000,000	0.78	0.78	3/28/14	3/28/17	16,250	-	-	16,250
Federal Agencies	3136G1ZB8	FNMA CALL NT	25,000,000	0.88	0.88	3/28/14	3/28/17	18,229	-	-	18,229
Federal Agencies	31315PTQ2	FARMER MAC MTN	12,500,000	1.26	1.36	4/10/12	4/10/17	13,125	998	-	14,123
Federal Agencies	3133ECLL6	FFCB NT	10,000,000	0.60	0.60	4/17/13	4/17/17	5,000	-	-	5,000
Federal Agencies	31315PUQ0	FARMER MAC MTN	10,500,000	1.13	1.13	4/26/12	4/26/17	9,844	-	-	9,844
Federal Agencies	31315PV89	FARMER MAC FLT CALL NT 3ML+10	50,000,000	0.33	0.33	5/1/14	5/1/17	13,556	-	-	13,556
Federal Agencies	3137EADF3	FHLMC NT	25,000,000	1.25	1.14	5/14/12	5/12/17	26,042	(2,188)	-	23,854
Federal Agencies	31315PZQ5	FARMER MAC MTN	9,000,000	1.11	0.80	12/28/12	6/5/17	8,325	(2,262)	-	6,063
Federal Agencies	3130A1ZR2	FHLB STEP NT	50,000,000	0.50	0.50	6/12/14	6/12/17	13,194	-	-	13,194
Federal Agencies	3133EAUW6	FFCB FLT NT FF+22	50,000,000	0.32	0.32	6/19/12	6/19/17	13,028	-	-	13,028
Federal Agencies	3137EADH9	FHLMC GLOBAL NT	25,000,000	1.00	1.10	3/25/14	6/29/17	20,833	1,998	-	22,831
Federal Agencies	3133ECV92	FFCB FLT NT 1ML+4	50,000,000	0.19	0.19	7/24/13	7/24/17	7,956	-	-	7,956
Federal Agencies	3134G3ZH6	FHLMC CALL MTN	19,000,000	1.00	1.01	4/15/14	7/25/17	15,833	119	-	15,952
Federal Agencies	3133ECVG6	FFCB FLT NT 3ML+0	23,520,000	0.23	0.23	8/5/13	7/26/17	4,466	-	-	4,466
Federal Agencies	3136G0B59	FNMA STEP NT	64,750,000	0.70	0.70	9/20/12	9/20/17	37,771	-	-	37,771
Federal Agencies	3136G0D81	FNMA STEP NT	100,000,000	0.72	0.72	9/27/12	9/27/17	60,000	-	-	60,000
Federal Agencies	3137EADL0	FHLMC GLOBAL NT	25,000,000	1.00	1.22	3/25/14	9/29/17	20,833	4,482	-	25,315
Federal Agencies	3136G0Q20	FNMA CALL STEP NT	49,090,000	0.75	0.76	3/13/14	10/17/17	30,681	224	-	30,905
Federal Agencies	3136G0Y39	FNMA STEP NT	50,000,000	0.70	0.70	11/8/12	11/8/17	29,167	-	-	29,167
Federal Agencies	3134G44F2	FHLMC CALL MTN	50,000,000	0.80	0.80	5/21/13	11/21/17	33,333	-	-	33,333
Federal Agencies	3134G32W9	FHLMC MTN CALL	-	1.25	1.01	12/26/12	12/26/17	28,000	373,389	(425,040)	(23,651)
Federal Agencies	3134G32W9	FHLMC MTN CALL	-	1.25	1.00	12/26/12	12/26/17	41,667	577,349	(634,460)	(15,444)
Federal Agencies	3136G13Q0	FNMA STEP NT	29,000,000	0.75	0.75	12/26/12	12/26/17	18,125	-	-	18,125
Federal Agencies	3136G13T4	FNMA STEP NT	39,000,000	0.75	0.75	12/26/12	12/26/17	24,375	-	-	24,375
Federal Agencies	3134G32M1	FHLMC CALL NT	50,000,000	1.00	1.00	12/28/12	12/28/17	41,667	-	-	41,667
Federal Agencies	3135G0UN1	FNMA GLOBAL NT CALL	8,770,000	1.15	1.32	2/26/14	2/28/18	8,405	1,160	-	9,565
Federal Agencies	3135G0UN1	FNMA GLOBAL NT CALL	19,000,000	1.15	1.32	2/26/14	2/28/18	18,208	2,513	-	20,721
Federal Agencies	3136G1KN8	FNMA NT CALL	50,000,000	1.50	1.13	4/24/13	4/24/18	62,500	(37,110)	-	25,390
Federal Agencies	3136G1K81	FNMA NT STEP	12,600,000	0.75	0.75	4/30/13	4/30/18	7,875	-	-	7,875
Federal Agencies	31315PZM4	FARMER MAC STEP NT	24,600,000	0.70	0.70	5/3/13	5/3/18	14,350	-	-	14,350
Federal Agencies	313382XK4	FHLB STEP NT	25,000,000	0.75	0.75	5/7/13	5/7/18	15,625	-	-	15,625
Federal Agencies	3133ECPB4	FFCB NT	10,000,000	0.88	1.01	5/23/13	5/14/18	7,292	1,080	-	8,371
Federal Agencies	3135G0WJ8	FNMA NT	25,000,000	0.88	1.05	5/23/13	5/21/18	18,229	3,512	-	21,741
Federal Agencies	3133834P3	FHLB STEP NT	50,000,000	0.50	0.50	5/22/13	5/22/18	20,833	-	-	20,833
Federal Agencies	31315P4W6	FARMER MAC FLT CALL	25,000,000	0.36	0.36	6/6/14	6/6/18	6,241	-	-	6,241
Federal Agencies	3134G52D6	FHLMC CALL MTN	25,000,000	1.64	1.64	4/17/14	7/17/18	34,167	-	-	34,167
Federal Agencies	3136G1XY0	FNMA CALL	25,000,000	2.25	1.97	11/27/13	11/27/18	46,875	(35,934)	-	10,941
Federal Agencies	3134G4LZ9	FHLMC CALL STEP	50,000,000	0.88	0.88	12/10/13	12/10/18	36,458	-	-	36,458
Federal Agencies	3134G4MB1	FHLMC CALL MULTI-STEP	25,000,000	1.50	1.50	12/18/13	12/18/18	31,250	-	-	31,250
Federal Agencies	3134G4S74	FHLMC CALL NT	17,800,000	2.00	2.00	1/16/14	1/16/19	29,667	-	-	29,667
Federal Agencies	3130A0JC5	FHLB STEP NT	55,660,000	1.00	1.00	1/17/14	1/17/19	46,383	-	-	46,383
Federal Agencies	3130A1B98	FHLB STEP CALL NT	75,000,000	1.00	1.00	3/27/14	3/27/19	62,500	-	-	62,500
Federal Agencies	31315PQ69	FARMER MAC FLT CALL NT 3ML+15	50,000,000	0.38	0.38	4/3/14	4/3/19	15,754	-	-	15,754
Federal Agencies	3130A1H68	FHLB STEP CALL NT	15,000,000	1.15	1.16	4/17/14	4/17/19	14,375	62	-	14,437
Federal Agencies	31315P3W7	FARMER MAC FLT CALL	50,000,000	0.38	0.38	6/3/14	6/3/19	14,677	-	-	14,677
Subtotals			\$ 4,202,689,000					\$ 3,347,831	\$ 487,553	\$ (757,618)	\$ 3,077,766
State/Local Agencies	612574DP5	MONTEREY COMM COLLEGE GO	\$ 310,000	0.43	0.43	5/7/13	8/1/14	\$ 111	\$ -	\$ -	\$ 111
State/Local Agencies	62451FFC9	WHISMAN SCHOOL DIST MTN VIEW	1,125,000	0.75	0.75	7/24/12	8/1/14	704	-	-	704
State/Local Agencies	64966DPC7	NEW YORK CITY GO	8,000,000	4.75	0.68	6/7/12	11/1/14	31,667	(26,501)	-	5,165
State/Local Agencies	13063BN65	CALIFORNIA ST TAXABLE GO BD	10,000,000	0.85	0.64	3/27/13	2/1/15	7,083	(1,686)	-	5,397
State/Local Agencies	649791JS0	NEW YORK ST TAXABLE GO	4,620,000	0.39	0.40	3/21/13	3/1/15	1,502	39	-	1,541

Monthly Investment Earnings

Pooled Fund

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle Date	Maturity Date	Earned Interest	Amort. Expense	Realized Gain/(Loss)	Earned Income /Net Earnings
State/Local Agencies	91412GPW9	UNIV OF CALIFORNIA REVENUE BC	5,000,000	0.39	0.39	3/14/13	5/15/15	1,633	-	-	1,633
State/Local Agencies	612574DQ3	MONTEREY COMM COLLEGE GO	315,000	0.63	0.63	5/7/13	8/1/15	165	-	-	165
State/Local Agencies	64966GXS6	NEW YORK CITY TAXABLE GO	12,255,000	5.13	0.66	4/1/13	12/1/15	52,390	(44,522)	-	7,868
State/Local Agencies	13063BN73	CALIFORNIA ST TAXABLE GO BD	11,000,000	1.05	0.91	3/27/13	2/1/16	9,625	(1,071)	-	8,554
State/Local Agencies	91412GUT0	UNIV OF CALIFORNIA REVENUE	2,500,000	0.63	0.63	4/10/14	5/15/16	1,321	-	-	1,321
State/Local Agencies	612574DR1	MONTEREY COMM COLLEGE GO	2,670,000	0.98	0.98	5/7/13	8/1/16	2,185	-	-	2,185
State/Local Agencies	91412GUU7	UNIV OF CALIFORNIA REVENUE BD	3,250,000	1.22	1.22	4/10/14	5/15/17	3,310	-	-	3,310
State/Local Agencies	13063CFC9	CALIFORNIA ST GO BD	16,500,000	1.75	1.66	11/5/13	11/1/17	24,063	(1,213)	-	22,850
Subtotals			\$ 77,545,000					\$ 135,758	\$ (74,955)	\$ -	\$ 60,804
Public Time Deposits		TRANS PACIFIC NATIONAL BANK P	\$ 240,000	0.46	0.46	2/7/14	2/7/15	\$ 92	\$ -	\$ -	\$ 92
Public Time Deposits		BANK OF SAN FRANCISCO PTD	240,000	0.45	0.45	4/9/14	4/9/15	90	-	-	90
Subtotals			\$ 480,000					\$ 182	\$ -	\$ -	\$ 182
Negotiable CDs	78009NNK8	RBC FLT YCD 1ML+11	\$ -	0.26	0.26	6/24/13	6/24/14	\$ 4,153	\$ -	\$ -	\$ 4,153
Negotiable CDs	06366BTG5	BANK OF MONTREAL YCD	50,000,000	0.12	0.12	5/7/14	7/1/14	5,000	-	-	5,000
Negotiable CDs	06366BNF3	BANK OF MONTREAL YCD	50,000,000	0.16	0.16	4/2/14	7/2/14	6,667	-	-	6,667
Negotiable CDs	06417HFD3	BANK OF NOVA SCOTIA YCD	25,000,000	0.22	0.19	3/24/14	8/14/14	4,583	(624)	-	3,960
Negotiable CDs	96121TTS7	WESTPAC FLT YCD 1ML+9	25,000,000	0.23	0.00	1/23/14	8/28/14	4,801	(1,279)	-	3,523
Negotiable CDs	06417FB58	BANK OF NOVA SCOTIA YCD 3ML+1	50,000,000	0.41	0.41	7/17/13	1/20/15	16,931	-	-	16,931
Negotiable CDs	78009NGU4	ROYAL BANK OF CANADA NY YCD	5,500,000	0.33	0.38	5/19/14	6/25/15	1,525	205	-	1,731
Negotiable CDs	06417HHL3	BANK OF NOVA SCOTIA FLT 3ML+2:	10,000,000	0.46	0.46	4/3/14	3/22/16	3,863	(12)	-	3,851
Negotiable CDs	96121TWJ3	WESTPAC FLT YCD 3ML+15	25,000,000	0.38	0.38	4/24/14	4/25/16	7,888	-	-	7,888
Negotiable CDs	96121TWK0	WESTPAC FLT YCD 1ML+22	50,000,000	0.37	0.37	4/24/14	4/25/16	15,456	-	-	15,456
Negotiable CDs	06417HKT2	BANK OF NOVA SCOTIA YCD 3ML+1	50,000,000	0.41	0.43	5/9/14	5/9/16	17,248	860	-	18,108
Subtotals			\$ 340,500,000					\$ 88,115	\$ (850)	\$ -	\$ 87,265
Commercial Paper	06538CFA4	BANK OF TOKYO MITSUBISHI CP	\$ -	0.00	0.13	5/27/14	6/10/14	\$ 3,250	\$ -	\$ -	\$ 3,250
Commercial Paper	06538CFG1	BANK OF TOKYO MITSUBISHI UFJ C	-	0.00	0.17	5/14/14	6/16/14	14,167	-	-	14,167
Commercial Paper	06538CFT3	BANK OF TOKYO MITSUBISHI CP	-	0.00	0.16	5/27/14	6/27/14	11,556	-	-	11,556
Commercial Paper	59157UFW5	METLIFE SHORT TERM FUNDING CI	-	0.00	0.11	4/14/14	6/30/14	3,810	-	-	3,810
Commercial Paper	06538CFW6	BANK OF TOKYO MITSUBISHI CP	-	0.00	0.13	6/16/14	6/30/14	5,056	-	-	5,056
Subtotals			\$ -					\$ 37,838	\$ -	\$ -	\$ 37,838
Medium Term Notes	594918AB0	MICROSOFT MTN	\$ -	2.95	0.10	4/7/14	6/1/14	\$ -	\$ -	\$ -	\$ -
Medium Term Notes	36962GX41	GE CAPITAL CORP MTN	-	5.65	0.44	4/9/13	6/9/14	31,389	(28,451)	-	2,938
Medium Term Notes	59217EBW3	MET LIFE GLOBAL FUNDING MTN	-	5.13	0.49	11/13/12	6/10/14	12,813	(11,382)	-	1,430
Medium Term Notes	64952WBL6	NEW YORK LIFE MTN 3ML+0	3,000,000	0.22	0.14	3/27/13	7/30/14	562	(39)	-	524
Medium Term Notes	78008TXA7	RBC MTN	10,000,000	1.45	0.27	11/1/13	10/30/14	12,083	(9,682)	-	2,401
Medium Term Notes	459200GZ8	IBM MTN	31,814,000	0.88	0.25	11/5/13	10/31/14	23,198	(16,225)	-	6,973
Medium Term Notes	36962G4G6	GE CAPITAL CORP MTN	2,920,000	3.75	0.52	8/7/13	11/14/14	9,125	(7,716)	-	1,409
Medium Term Notes	07385TAJ5	JP MORGAN CHASE MTN	11,500,000	5.70	0.52	12/18/13	11/15/14	54,625	(48,736)	-	5,889
Medium Term Notes	07385TAJ5	JP MORGAN CHASE MTN	25,654,000	5.70	0.52	12/19/13	11/15/14	121,857	(108,677)	-	13,180
Medium Term Notes	89233P7B6	TOYOTA MTN 3ML+17	10,000,000	0.40	0.30	1/28/13	12/5/14	3,321	(209)	-	3,112
Medium Term Notes	36962G5M2	GE CAPITAL CORP MTN	4,820,000	2.15	0.59	8/7/13	1/9/15	8,636	(6,154)	-	2,482
Medium Term Notes	36962G6T6	GE FLT NT 3ML+38	25,000,000	0.61	0.61	1/10/13	1/9/15	12,695	-	-	12,695
Medium Term Notes	36962G5M2	GE CAPITAL CORP MTN	27,743,000	2.15	0.29	12/16/13	1/9/15	49,706	(42,278)	-	7,428
Medium Term Notes	36962G5M2	GE CAPITAL CORP MTN	87,824,000	2.15	0.77	7/12/13	1/9/15	157,351	(98,537)	-	58,815
Medium Term Notes	46625HHP8	JP MORGAN CHASE MTN	16,935,000	3.70	0.51	2/18/14	1/20/15	52,216	(44,303)	-	7,913
Medium Term Notes	46625HHP8	JP MORGAN CHASE MTN	22,580,000	3.70	0.48	3/17/14	1/20/15	69,622	(59,234)	-	10,388
Medium Term Notes	78008SVS2	RBC MTN FIX-TO-FLT	100,000,000	0.33	0.33	1/22/13	1/22/15	27,321	-	-	27,321
Medium Term Notes	89233P7H3	TOYOTA MTN 3ML+17	35,000,000	0.40	0.40	1/23/13	1/23/15	11,546	-	-	11,546

Monthly Investment Earnings Pooled Fund

Type of Investment	CUSIP	Issue Name	Par Value	Coupon	YTM ¹	Settle Date	Maturity Date	Earned Interest	Amort. Expense	Realized Gain/(Loss)	Earned Income /Net Earnings
Medium Term Notes	89233P7L4	TOYOTA MTN FIX-TO-FLOAT	25,000,000	0.32	0.32	2/4/13	2/4/15	6,726	-	-	6,726
Medium Term Notes	717081DA8	PFIZER MTN	3,000,000	5.35	0.44	12/9/13	3/15/15	13,375	(12,094)	-	1,281
Medium Term Notes	89236TAG0	TOYOTA MOTOR CREDIT CORP 3M	50,000,000	0.38	0.38	4/12/13	4/8/15	15,817	-	-	15,817
Medium Term Notes	459200HD6	IBM MTN	5,425,000	0.75	0.27	12/19/13	5/11/15	3,391	(2,118)	-	1,273
Medium Term Notes	36962G5Z3	GE CAPITAL CORP MTN	5,000,000	1.63	0.81	8/19/13	7/2/15	6,771	(3,310)	-	3,461
Medium Term Notes	36962G4M3	GE CAPITAL CORP FLT MTN 3ML+7!	8,565,000	0.98	0.42	11/25/13	7/9/15	6,990	(3,043)	-	3,947
Medium Term Notes	89233P6J0	TOYOTA MTN	6,100,000	0.88	0.30	3/4/14	7/17/15	4,448	(2,873)	-	1,575
Medium Term Notes	89233P6J0	TOYOTA MTN	10,000,000	0.88	0.44	11/15/13	7/17/15	7,292	(3,547)	-	3,745
Medium Term Notes	594918AG9	MICROSOFT MTN	3,186,000	1.63	0.39	10/30/13	9/25/15	4,314	(3,206)	-	1,109
Medium Term Notes	369604BE2	GENERAL ELECTRIC MTN	8,000,000	0.85	0.46	5/7/14	10/9/15	5,667	(2,520)	-	3,147
Medium Term Notes	369604BE2	GENERAL ELECTRIC MTN	9,300,000	0.85	0.40	5/19/14	10/9/15	6,588	(3,444)	-	3,144
Medium Term Notes	369604BE2	GENERAL ELECTRIC MTN	10,000,000	0.85	0.42	3/5/14	10/9/15	7,083	(3,551)	-	3,533
Medium Term Notes	06366RJH9	BANK OF MONTREAL MTN	8,500,000	0.80	0.56	3/27/14	11/6/15	5,667	(1,654)	-	4,013
Medium Term Notes	36962G4T8	GE CAPITAL CORP MTN	7,000,000	2.25	0.48	5/12/14	11/9/15	13,125	(10,104)	-	3,021
Medium Term Notes	742718DS5	PROCTER & GAMBLE MTN	10,000,000	1.80	0.41	3/12/14	11/15/15	15,000	(11,349)	-	3,651
Medium Term Notes	742718DS5	PROCTER & GAMBLE MTN	23,025,000	1.80	0.34	3/7/14	11/15/15	34,538	(27,362)	-	7,176
Medium Term Notes	459200GU9	IBM CORP NT	19,579,000	2.00	0.48	2/11/14	1/5/16	32,632	(24,275)	-	8,357
Medium Term Notes	064255AK8	BTMUFJ FLT MTN 3ML+45	10,000,000	0.68	0.47	3/17/14	2/26/16	5,643	(1,511)	-	4,132
Medium Term Notes	36962G2V5	GE FLT MTN 3ML+20	17,689,000	0.42	0.38	5/19/14	5/11/16	6,241	(595)	-	5,646
Subtotals			\$ 654,159,000					\$ 859,369	\$ (598,176)	\$ -	\$ 261,194
Money Market Funds		CITI SWEEP	\$ -	0.03	0.03	6/3/14	7/1/14	\$ 0	\$ -	\$ -	\$ 0
Money Market Funds	09248U718	BLACKROCK T-FUND INSTL	25,000,000	0.01	0.01	6/30/14	7/1/14	206	-	-	206
Money Market Funds	316175108	FIDELITY INSTL GOVT PORT	25,003,302	0.01	0.01	6/30/14	7/1/14	206	-	-	206
Money Market Funds	61747C707	MS INSTL GOVT FUND	25,083,475	0.04	0.04	6/30/14	7/1/14	2,414	-	-	2,414
Subtotals			\$ 75,086,777					\$ 2,825	\$ -	\$ -	\$ 2,825
Grand Totals			\$ 6,010,459,777					\$ 5,129,315	\$ (293,283)	\$ (635,547)	\$ 4,200,485

¹Yield to maturity is calculated at purchase

Investment Transactions

Pooled Fund

For month ended June 30, 2014

Transaction	Settle	Maturity	Type of Investment	Issuer Name	CUSIP	Par Value	Coupon	YTM	Price	Interest	Transaction
Purchase	6/3/2014	6/3/2019	Federal Agencies	FARMER MAC FLT CALL	31315P3W7	\$ 50,000,000	0.37	0.37	\$ 100.00	\$ -	\$ 50,000,000
Purchase	6/6/2014	6/6/2018	Federal Agencies	FARMER MAC FLT CALL	31315P4W6	25,000,000	0.36	0.36	100.00	-	25,000,000
Purchase	6/12/2014	6/12/2017	Federal Agencies	FHLB STEP NT	3130A1ZR2	50,000,000	0.50	0.50	100.00	-	50,000,000
Purchase	6/16/2014	6/30/2014	Commercial Paper	BANK OF TOKYO MITSUBISHI	06538CFW6	100,000,000	0.00	0.13	99.99	-	99,994,944
Purchase	6/24/2014	6/24/2014	Money Market Funds	CITI SWEEP		14,389	0.03	0.03	100.00	-	14,389
Purchase	6/30/2014	7/1/2014	Money Market Funds	FIDELITY INSTL GOVT PORT	316175108	206	0.01	0.01	100.00	-	206
Purchase	6/30/2014	7/1/2014	Money Market Funds	MS INSTL GOVT FUND	61747C707	2,414	0.04	0.04	100.00	-	2,414
Subtotals						\$ 225,017,008	0.23	0.29	\$ 100.00	\$ -	\$ 225,011,953
Sale	6/1/2014	12/1/2016	State/Local Agencies	SFRDA SOUTH BEACH HARBOR	797712AD8	\$ 620,000	3.50	3.50	\$ 100.00	\$ -	\$ 620,000
Sale	6/12/2014	7/30/2014	Federal Agencies	FHLMC BONDS	3137EACU1	75,000,000	1.00	1.02	99.93	275,000	75,367,400
Sale	6/12/2014	12/15/2014	Federal Agencies	FNMA FLT QTR FF+35	3136FTVN6	75,000,000	0.52	0.52	100.00	81,063	75,208,563
Sale	6/12/2014	11/21/2014	Federal Agencies	FNMA FLT QTR FF+39	3136FTRF8	26,500,000	0.48	0.29	100.09	7,759	26,552,544
Sale	6/25/2014	12/26/2017	Federal Agencies	FHLMC MTN CALL	3134G32W9	39,600,000	1.25	1.00	101.21	246,125	39,827,117
Sale	6/25/2014	12/26/2017	Federal Agencies	FHLMC MTN CALL	3134G32W9	33,600,000	1.25	1.01	101.16	208,833	33,775,065
Sale	6/25/2014	2/28/2017	U.S. Treasuries	US TSY NT	912828SJ0	25,000,000	0.88	0.94	99.70	69,548	25,115,447
Sale	6/25/2014	12/26/2017	Federal Agencies	FHLMC MTN CALL	3134G32W9	10,400,000	1.25	1.00	101.21	64,639	10,454,187
Sale	6/25/2014	6/25/2014	Money Market Funds	CITI SWEEP		14,389	0.03	0.03	100.00	-	14,389
Sale	6/30/2014	7/1/2014	Money Market Funds	MS INSTL GOVT FUND	61747C707	50,000,000	0.04	0.04	100.00	-	50,000,000
Subtotals						\$ 335,734,389	0.77	0.70	\$ 100.26	\$ 952,967	\$ 336,934,711
Call	6/4/2014	12/4/2015	Federal Agencies	FHLB CALL NT	3133835R8	\$ 13,565,000	0.34	0.37	\$ 99.95	\$ -	\$ 13,565,000
Subtotals						\$ 13,565,000	0.34	0.37	\$ 99.95	\$ -	\$ 13,565,000
Maturity	6/1/2014	6/1/2014	Medium Term Notes	MICROSOFT MTN	594918AB0	\$ 2,500,000	2.95	0.10	\$ 100.43	\$ 11,063	\$ 2,536,875
Maturity	6/5/2014	6/5/2014	Federal Agencies	FARMER MAC MTN	31315PHX0	14,080,000	3.15	0.50	105.67	221,760	14,301,760
Maturity	6/9/2014	6/9/2014	Medium Term Notes	GE CAPITAL CORP MTN	36962GX41	25,000,000	5.65	0.44	106.06	706,250	25,706,250
Maturity	6/10/2014	6/10/2014	Commercial Paper	BANK OF TOKYO MITSUBISHI	06538CFA4	100,000,000	0.00	0.13	99.99	5,056	100,000,000
Maturity	6/10/2014	6/10/2014	Medium Term Notes	MET LIFE GLOBAL FUNDING	59217EBW3	10,000,000	5.13	0.49	107.26	256,250	10,256,250
Maturity	6/13/2014	6/13/2014	Federal Agencies	FHLB TAP	3133XWE70	48,000,000	2.50	0.40	104.35	600,000	48,600,000
Maturity	6/16/2014	6/16/2014	Commercial Paper	BANK OF TOKYO MITSUBISHI	06538CFG1	200,000,000	0.00	0.17	99.98	31,167	200,000,000
Maturity	6/24/2014	6/24/2014	Negotiable CDs	RBC FLT YCD 1ML+11	78009NNK8	25,000,000	0.26	0.26	100.00	5,056	25,005,056
Maturity	6/27/2014	6/27/2014	Commercial Paper	BANK OF TOKYO MITSUBISHI	06538CFT3	100,000,000	0.00	0.16	99.99	13,778	100,000,000
Maturity	6/30/2014	6/30/2014	Commercial Paper	BANK OF TOKYO MITSUBISHI	06538CFW6	100,000,000	0.00	0.13	99.99	5,056	100,000,000
Maturity	6/30/2014	6/30/2014	Federal Agencies	FHLB	3133724E1	50,000,000	1.21	1.21	100.00	302,500	50,302,500
Maturity	6/30/2014	6/30/2014	Commercial Paper	METLIFE SHORT TERM FUNDI	59157UFW5	43,000,000	0.00	0.11	99.98	10,117	43,000,000
Subtotals						\$ 717,580,000	0.60	0.26	\$ 100.71	\$ 2,168,051	\$ 719,708,691
Interest	6/1/2014	12/1/2015	State/Local Agencies	NEW YORK CITY TAXABLE GO	64966GXS6	\$ 12,255,000	5.13	0.66	\$ 111.80	\$ 314,341	\$ 314,341
Interest	6/1/2014	4/1/2016	Federal Agencies	FAMCA FLT MTN 1ML+0	31315PTF6	50,000,000	0.15	0.15	100.00	6,523	6,523
Interest	6/2/2014	6/2/2016	Federal Agencies	FFCB FLT NT 1ML+3	3133EDB35	50,000,000	0.18	0.19	99.98	7,772	7,772
Interest	6/3/2014	6/4/2014	Money Market Funds	CITI SWEEP		-	0.03	0.03	100.00	0	0
Interest	6/3/2014	7/1/2014	Money Market Funds	BLACKROCK T-FUND INSTL	09248U718	25,000,000	0.01	0.01	100.00	212	212
Interest	6/4/2014	12/4/2015	Federal Agencies	FHLB CALL NT	3133835R8	13,565,000	0.34	0.37	99.95	15,758	23,061
Interest	6/4/2014	3/4/2015	Federal Agencies	FFCB FLT NT FF+14	3133EAQ35	100,000,000	0.22	0.32	99.92	57,750	57,750
Interest	6/5/2014	6/5/2017	Federal Agencies	FARMER MAC MTN	31315PZQ5	9,000,000	1.11	0.80	101.36	49,950	49,950
Interest	6/5/2014	12/5/2014	Medium Term Notes	TOYOTA MTN 3ML+17	89233P7B6	10,000,000	0.41	0.34	100.05	10,367	10,367
Interest	6/8/2014	12/8/2014	Federal Agencies	FFCB	31331J4S9	19,000,000	1.40	1.46	99.77	133,000	133,000
Interest	6/8/2014	12/8/2014	Federal Agencies	FFCB	31331J4S9	24,000,000	1.40	1.41	99.95	168,000	168,000
Interest	6/9/2014	6/9/2016	Federal Agencies	FAMCA NT	31315PB73	10,000,000	0.90	0.90	100.00	45,000	45,000
Interest	6/10/2014	12/10/2018	Federal Agencies	FHLMC CALL STEP	3134G4LZ9	50,000,000	0.88	0.88	100.00	218,750	218,750
Interest	6/11/2014	12/11/2015	Federal Agencies	FHLB	313371ZY5	25,000,000	1.88	1.89	99.93	234,375	234,375

Investment Transactions Pooled Fund

Transaction	Settle	Maturity	Type of Investment	Issuer Name	CUSIP	Par Value	Coupon	YTM	Price	Interest	Transaction
Interest	6/11/2014	10/11/2016	Federal Agencies	FFCB FLT NT 1ML+2	3133EDJA1	25,000,000	0.17	0.18	99.98	3,665	3,665
Interest	6/11/2014	12/11/2015	Federal Agencies	FHLB	313371ZY5	50,000,000	1.88	1.93	99.74	468,750	468,750
Interest	6/12/2014	12/12/2014	Federal Agencies	FHLB	3133XVNU1	2,915,000	2.75	1.31	105.65	40,081	40,081
Interest	6/12/2014	12/12/2014	Federal Agencies	FHLB	3133XVNU1	25,400,000	2.75	1.30	105.70	349,250	349,250
Interest	6/12/2014	12/12/2014	Federal Agencies	FHLB	3133XVNU1	50,000,000	2.75	1.37	105.35	687,500	687,500
Interest	6/12/2014	12/12/2014	Federal Agencies	FHLB	313371W51	75,000,000	1.25	1.46	99.19	468,750	468,750
Interest	6/13/2014	6/13/2016	Federal Agencies	FHLB SUB NT	313771AA5	14,195,000	5.63	0.77	114.54	399,234	399,234
Interest	6/13/2014	6/13/2016	Federal Agencies	FHLB SUB NT	313771AA5	16,925,000	5.63	0.65	115.05	476,016	476,016
Interest	6/14/2014	5/14/2015	Federal Agencies	FFCB FLT NT 1ML+1	3133EAQC5	50,000,000	0.16	0.19	99.97	6,936	6,936
Interest	6/14/2014	9/14/2016	Federal Agencies	FFCB FLT NT 1ML+2	3133EDH21	50,000,000	0.17	0.18	99.99	7,367	7,367
Interest	6/15/2014	12/15/2014	Federal Agencies	FHLB	313371W93	75,000,000	1.34	1.34	100.00	502,500	502,500
Interest	6/17/2014	6/17/2016	Federal Agencies	FFCB NT	3133EDDP4	50,000,000	0.52	0.46	100.12	91,000	108,333
Interest	6/18/2014	9/18/2015	Federal Agencies	FFCB FLT NT QTR T-BILL+1	3133ECJB1	16,200,000	0.20	0.21	99.99	7,907	7,907
Interest	6/18/2014	12/18/2018	Federal Agencies	FHLMC CALL MULTI-STEP	3134G4MB1	25,000,000	1.50	1.50	100.00	187,500	187,500
Interest	6/18/2014	9/18/2015	Federal Agencies	FFCB FLT NT QTR TBILL+16	3133ECJB1	50,000,000	0.20	0.20	100.00	24,405	24,405
Interest	6/18/2014	6/18/2015	Federal Agencies	FFCB NT	3133EDC67	50,000,000	0.25	0.26	99.99	62,153	62,500
Interest	6/19/2014	12/19/2016	Federal Agencies	FHLB CALL NT	3130A12F4	20,500,000	0.70	0.70	99.99	35,875	35,875
Interest	6/19/2014	11/19/2015	Federal Agencies	FFCB FLT NT MONTHLY 1ML+	3133ECLZ5	25,000,000	0.15	0.16	99.99	3,251	3,251
Interest	6/19/2014	6/19/2017	Federal Agencies	FFCB FLT NT FF+22	3133EAUW6	50,000,000	0.31	0.31	100.00	39,306	39,306
Interest	6/20/2014	1/20/2016	Federal Agencies	FFCB FLT	3133ED5A6	50,000,000	0.15	0.15	100.00	6,426	6,426
Interest	6/22/2014	9/22/2015	Federal Agencies	FFCB FLT NT 1ML+2.5	3133EAJF6	27,953,000	0.17	0.20	99.96	4,158	4,158
Interest	6/22/2014	6/22/2015	Federal Agencies	FFCB FLT NT 1ML+2	3133EAVE5	50,000,000	0.17	0.19	99.97	7,223	7,223
Interest	6/23/2014	3/22/2016	Negotiable CDs	BANK OF NOVA SCOTIA FLT	06417HHL3	10,000,000	0.47	0.46	100.00	10,452	11,351
Interest	6/24/2014	7/24/2017	Federal Agencies	FFCB FLT NT 1ML+4	3133ECV92	50,000,000	0.19	0.19	100.00	8,181	8,181
Interest	6/24/2014	4/25/2016	Negotiable CDs	WESTPAC FLT YCD 1ML+22	96121TWK0	50,000,000	0.37	0.37	100.00	14,389	14,389
Interest	6/25/2014	6/25/2015	Negotiable CDs	ROYAL BANK OF CANADA NY	78009NGU4	5,500,000	0.33	0.38	99.95	1,831	4,577
Interest	6/26/2014	12/26/2017	Federal Agencies	FNMA STEP NT	3136G13Q0	29,000,000	0.75	0.75	100.00	108,750	108,750
Interest	6/26/2014	12/26/2017	Federal Agencies	FNMA STEP NT	3136G13T4	39,000,000	0.75	0.75	100.00	146,250	146,250
Interest	6/27/2014	4/27/2015	Federal Agencies	FFCB FLT NT 1ML+1.5	3133EAJP4	50,000,000	0.17	0.18	99.99	7,104	7,104
Interest	6/27/2014	2/27/2017	Federal Agencies	FFCB FLT NT 1ML+5.5	3133EDFW7	50,000,000	0.21	0.21	100.00	8,826	8,826
Interest	6/27/2014	3/27/2019	Federal Agencies	FHLB STEP CALL NT	3130A1B98	75,000,000	1.00	1.00	100.00	187,500	187,500
Interest	6/28/2014	12/28/2016	Federal Agencies	FHLB NT CALL	313381KR5	9,000,000	0.63	0.63	100.00	28,125	28,125
Interest	6/28/2014	12/28/2016	Federal Agencies	FHLB NT CALL	313381KR5	13,500,000	0.63	0.63	100.00	42,188	42,188
Interest	6/28/2014	12/28/2017	Federal Agencies	FHLMC CALL NT	3134G32M1	50,000,000	1.00	1.00	100.00	250,000	250,000
Interest	6/29/2014	6/29/2017	Federal Agencies	FHLMC GLOBAL NT	3137EADH9	25,000,000	1.00	1.10	99.68	65,278	125,000
Interest	6/29/2014	12/29/2014	Federal Agencies	FFCB	31331J6Q1	27,175,000	1.72	1.74	99.93	233,705	233,705
Interest	6/29/2014	12/29/2014	Federal Agencies	FFCB	31331J6Q1	65,000,000	1.72	1.72	99.98	559,000	559,000
Interest	6/30/2014	8/28/2014	Negotiable CDs	WESTPAC FLT YCD 1ML+9	96121TTS7	25,000,000	0.23	0.08	100.04	5,282	5,282
Interest	6/30/2014	12/31/2016	U.S. Treasuries	US TSY NT	912828RX0	25,000,000	0.88	0.67	100.58	75,535	109,375
Interest	6/30/2014	7/1/2014	Money Market Funds	FIDELITY INSTL GOVT PORT	316175108	25,003,302	0.01	0.01	100.00	206	206
Interest	6/30/2014	7/1/2014	Money Market Funds	MS INSTL GOVT FUND	61747C707	25,083,475	0.04	0.04	100.00	2,414	2,414
Interest	6/30/2014	12/31/2017	U.S. Treasuries	US TSY NT	912828UE8	50,000,000	0.75	0.80	99.77	187,500	187,500
Subtotals						\$ 1,945,169,777	0.83	0.68	\$ 100.49	\$ 7,083,565	\$ 7,205,755

Grand Totals	7	Purchases
	(10)	Sales
	(13)	Maturities / Calls
	(16)	Change in number of positions

Non-Pooled Investments

As of June 30, 2014

Type of Investment	CUSIP	Issue Name	Settle	Maturity	Duration	Coupon	Par Value	Book Value	Amortized	
			Date	Date					Book Value	Market Value
State/Local Agencies	797712AD8	SFRDA SOUTH BEACH HARBOR	1/20/12	12/1/16	2.34	3.50	\$ 3,270,000	\$ 3,270,000	\$ 3,270,000	\$ 3,270,000
Subtotals					2.34	3.50	\$ 3,270,000	\$ 3,270,000	\$ 3,270,000	\$ 3,270,000
Grand Totals					2.34	3.50	\$ 3,270,000	\$ 3,270,000	\$ 3,270,000	\$ 3,270,000

NON-POOLED FUNDS PORTFOLIO STATISTICS

	Current Month		Prior Month	
	Fiscal YTD	June 2014	Fiscal YTD	May 2014
Average Daily Balance	\$ 13,541,939	\$ 3,270,000	\$ 14,461,814	\$ 3,890,000
Net Earnings	\$ 145,153	\$ 9,538	\$ 135,616	\$ 11,346
Earned Income Yield	1.07%	3.55%	1.02%	3.43%

Note: All non-pooled securities were inherited by the City and County of San Francisco as successor agency to the San Francisco Redevelopment Agency. Book value and amortized book value are derived from limited information received from the SFRDA and are subject to verification.



Date: July 15, 2014

To: Cindy Wu, President and Members of the San Francisco Planning Commission

From: Ken Cleaveland, VP/Public Policy, BOMA San Francisco and
Ilene Dick, Esq., Farella Braun & Martel

Re: Proposed revisions to the San Francisco's Formula Retail regulations

Honorable Commissioners:

The Building Owners and Managers Association of San Francisco (BOMA) represents a large percentage of multi-tenant office buildings in the City. We have been engaged with the Planning Department in their work to revise and update the regulations governing "formula retail" and wish to go on record supporting the Planning Department's recommendations. That said, our organization does have a problem with making the interim CU controls on Mid-Market permanent. There have been no studies to prove this permanent additional financial burden is necessary, especially as this is still a challenging area of the City in which to set up new businesses and conduct commerce.

BOMA applauds the Planning Department for conducting a survey to determine just what the effects of the current formula restrictions have been, and agree that the current regulations have been very effective in maintaining a preponderance of small independent businesses v. larger so-called chains. We fully support amending the current definition of a "chain store" to increase the number of outlets from 11 to 19 before requiring the business to apply for a Conditional Use Permit. Realistically, however, we think the public's popular perception of a "chain store" is a company with hundreds if not thousands of outlets, not firms with less than two dozen. We do not support extending the definition to include companies outside of the U.S. as this would have the unintended consequences of limiting our City's ability to create new cutting edge retail opportunities for our residents and visitors. We also do not support adding additional categories to our formula retail definition, and don't see any justification for doing so.

BOMA continues to support the Planning Department's concerns that adding subsidiaries to the definition of "formula retail" is going too far, and would severely hinder the department's ability to carry out its responsibilities to quickly and efficiently review proposed projects. Formula retail is about sameness of design, service, and product; it should have nothing to do with ownership. We are encouraged to see Supervisor Mar has also dropped this new restriction in his proposal.

In closing, we encourage the Planning Commission to approve the Planning Department's recommended changes to the Formula Retail restrictions, while we respectfully disagree that the CU controls on Mid-Market should be made permanent or that additional categories of businesses be added.

Thank you.

Advancing the Commercial Real Estate Industry Through Advocacy, Professional Development and Information Exchange
BUILDING OWNERS AND MANAGERS ASSOCIATION OF SAN FRANCISCO
233 Sansome Street, 8th Fl., San Francisco, CA 94104-2314 Telephone 415.362.8567 Fax 415.362.8634
Federated with BOMA International, member of BOMA California

8

From: Board of Supervisors (BOS)
To: BOS-Supervisors; Wong, Linda (BOS)
Subject: File 140117: AMI Term for Small Sites Program
Attachments: Small Sites Program AMI Policy.docx; SSP Underwriting Guidelines rev 6-5-14.docx

From: Kris Ongoco [<mailto:kristian.ongoco@gmail.com>]
Sent: Friday, July 18, 2014 9:13 AM
To: olson.lee@sfgov.org; Board of Supervisors (BOS)
Cc: Tom Temprano; Kim, Jane (BOS); Harris, Ruby (MYR); Del Rosario, Claudine (MYR)
Subject: AMI Term for Small Sites Program

Please disregard the Subject Line of the Previous Email

Dear Director Olson Lee and Members of the Board of Supervisors:

Please find the attached letter that urges MOHCD to develop a more flexible AMI term for tenants in a building under the City's Small Sites Program.

Sincerely,
Kris Ongoco and Tom Temprano
SoMa Community Stabilization Fund Co-Chairs

--
KRISTIAN ONGOCO
| Cell 415.515.4841 | kristian.ongoco@gmail.com

South of Market Community Stabilization Fund
Community Advisory Committee
c/o Mayor's Office of Housing and Community Development
One South Van Ness, Fifth Floor
San Francisco, CA 94103

July 18, 2014

Mr. Olson Lee, Director
Mayor's Office of Housing and Community Development
1 South Van Ness Avenue
San Francisco, CA 94103

Members of the Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Pl.
San Francisco, CA 94103

Subject: Small Sites Program on Term Requiring Tenant Incomes Average 80% AMI

Dear Director Mr. Lee Olson and Members of the Board of Supervisors:

The Mayor's Office of Housing and Community Development's (MOHCD) Small Sites program recently announced its Request For Qualifications (RFQ) for the Small Sites Program. The South of Market's first pilot into the program, 534-536 Natoma was purchased with the intent to stabilize five low-income families, including two elderly tenants, **all whom earn less than 50% AMI** at their current incomes. The draft Small Sites Underwriting Guidelines, however require that tenant incomes in a building must average 80% AMI.

In the past two years the South of Market community and the community-driven Small Sites Program Team have been working tirelessly to shape the City's Small Sites Program and vocalize the need for real affordable housing for existing residents. The purpose of the Natoma acquisition, to reiterate, is to stabilize existing residents at affordable rents within their income levels. According to the Census, this neighborhood's (Tract 176.01) median household income is \$24,353¹. Currently, the household incomes in the Natoma property range from \$4,461 for one person to \$57,029 for a household of three. With the help of subsidies two tenants are at 78% AMI, while the others are at 14% to 40% AMI. This stringent policy would require that the next tenant moving in would have to earn more than \$80,000, someone who is unlikely to be from this section of the neighborhood. This policy may make sense in another community in San Francisco, but not in a very low-income neighborhood in the South of Market.


We understand that MOHCD is instituting this policy to ensure that all properties in the program are in good financial standing. It would however, be at the burden of the residents. Therefore, we urge the Mayor's Office of Housing and Community Development to develop a more flexible policy that can be applied to varying incomes in different neighborhoods, and is supported by other case studies or models that work for tenants and the financial health of the property.

¹ American Community Survey 2008-2012

We would like to be included in this discussion, so please inform us of any further development of this matter. Please let us know if you have any questions or comments. For any correspondence, please contact Claudine del Rosario with the Mayor's Office of Housing at Claudine.delrosario@sfgov.org.

Respectfully Submitted,

Kris Ongoco

A handwritten signature in black ink, appearing to read "Kris Ongoco", with a long horizontal stroke extending to the right.

SoMa Stabilization Fund Co-Chair

Tom Temprano

A handwritten signature in black ink, appearing to read "Tom Temprano", with a stylized, angular initial.

SoMa Stabilization Fund Co-Chair



SMALL SITES PROGRAM UNDERWRITING GUIDELINES

I. GENERAL FINANCING TERMS

A. Building Type

1. 5-25 residential unit buildings
2. No commercial/mixed uses
3. All units must conform with building and planning codes or have completed the entitlement process to bring the property into conformance
4. Building must be designated as dwelling units by the SF Planning Department

B. Maximum City Subsidy

Maximum City subsidy per unit including acquisition and rehab/perm is \$250,000, as adjusted from time-to-time and published by MOHCD.

C. Term

1. Deferred Loan Term:

- Acquisition Loan: Up to 3 years, may be rolled into perm loan with MOHCD Loan Committee approval
- Rehab/Perm: Up to 30 years

2. Restriction Term:

- Declaration of Restrictions Term: For the life of the project. City restrictions may not be subordinate to first lender.
- Affordability at Acquisition: Tenant incomes in a building to be acquired under this program must average 80% AMI. A minimum of 75% of existing tenants must income certify for the building to be eligible for inclusion in the program. Up to 25% may be over income (above 120% AMI) or refuse to certify without rendering the building ineligible. Regardless of whether a unit's occupants completed the income certification process at acquisition, all units must be restricted for the life of the project.
- Ongoing Affordability: Building rents to be restricted by a recorded Declaration of Restrictions at an average of 80% AMI

D. Interest Rate

1. Deferred Loan Interest Rate

- Acquisition Loan: 0%
- Rehab Perm Loan: 0% - 3% simple interest, depending upon the project's ability to repay

E. Repayment

1. Full Loan Repayment: Loan to be repaid in full at term or upon any transfer of title that results in loss of affordability.
2. Residual Receipts:
 - If replacement reserve balance is less than 1.5 times the original capitalized replacement reserve required in Section IIC(3), below: 1/3 of residual receipts may be retained by the



project sponsor/owner and the remaining 2/3 must be deposited into the project's replacement reserve account.

- If replacement reserve balance exceeds 1.5 times the original capitalized replacement reserve required in Section IIC(3), below: 1/3 of residual receipts may be retained by the project sponsor/owner and the remaining 2/3 must be distributed to MOHCD for debt repayment.

II. RESIDENTIAL DEVELOPMENT PROFORMA ASSUMPTIONS

A. Debt Service Coverage Ratio (DSCR)

1. Minimum: 1.10:1
2. Maximum: 1.20:1
3. Calculation Method: DSCR should be calculated after accounting for reserve deposits. DSCR should be calculated using cash flow remaining after debt service on 1st mortgage. The goal in all cases is to maximize the amount of leveraged debt.

B. Reserves

1. Capitalized Operating Reserves: 25% of budgeted 1st full year operating expenses (including debt service, if any) in an interest-bearing account.
2. Operating Reserve Deposits: None unless balance drops below 25% of prior year's operating expenses (including debt service, if any). Any such required payments would be made from cash flow that remains after all other required payments are made (e.g. debt service, other reserve payments, etc.).
3. Capitalized Replacement Reserves: The higher of \$2,000 per unit at time of acquisition or the amount necessary to pay replacement costs for the next 10 years, as specified in an approved CNA and taking into account any renovation achieved through the Small Sites Program, that cannot be supported by replacement reserve deposits due to inadequate operating income. Replacement reserves must be deposited into an interest-bearing account.
4. Replacement Reserve Deposits: The higher of the amount needed according to an approved 20-year CNA or the amounts listed in the table below as permitted by available cash flow. May be updated every seven (7) years based on a revised CNA acceptable to the City. In addition to the deposits listed below, all property taxes that were included in the project's development budget and later refunded by the City's tax collector and 50% of the balance of unused construction contingency must be deposited into the project's replacement reserve account.

No. of Units	Replacement Reserve Deposits PUPY
<10	400
11-25	350



C. Fees

1. Developer Fee: A flat developer fee will be calculated as the sum of \$75,000 for acquisition and \$10,000 per unit.
2. Asset Management Fee: Asset management fee to be calculated at \$65 per unit per month with annual growth rate of 3.5%. Maximum building fee set at MOHCD Asset Management Fee Policy limits.
3. Property Management Fee: Property management fee to be calculated at \$65 per unit per month with annual growth rate of 3.5%.

D. Contingencies

1. Construction Contingency
 - 15% of construction contract
 - Purpose: Contingency for unforeseen conditions, minor errors and omissions. 50% of any contingency remaining after completion of construction may be retained by the sponsor as an incentive fee and the balance must be deposited into replacement reserves for the building, as described in Section IIB(4), above.
2. Soft Cost Contingency: 15% of soft costs, excluding developer and administrative fees, construction loan interest, and reserves for projects costing \$5 million or more.

III. RESIDENTIAL OPERATING PROFORMA ASSUMPTIONS

A. Vacancy Allowance:

- 5% of annual tenant income

B. Increases in Gross Income

- 2.5% annually

C. Increases in Operating Expenses

- 3.5% annually

IV. OTHER UNDERWRITING GUIDELINES

A. Architect and Engineering Fees: Basic Services for architect contracts is defined in MOHCD's Guidelines for Architect and Engineering Basic Services attached hereto. Architect contracts should be full-service and include all consultants except for those excluded in MOHCD's guidelines and design/build consultants and use standard AIA forms (or approved equivalent). Owner addenda are encouraged, including requiring the architect to design to a specified construction budget. Contracts should be signed as early in the process as possible and no later than the completion of schematic design. Additional services will be allowed if there are significant changes in the A/E scope. Fees for Architecture/Engineering services should follow the schedule set forth in the Guidelines for Architect and Engineering Basic Services' **Exhibit A**.

B. General Contractor Fees/Price

1. Selection of contractor by RFP: When the developer selects a contractor through a negotiated bid process, the RFP should require competitive cost proposals that specify Overhead and Profit



percentages, General Conditions and identify all schedule of values line items that are excluded from these categories. The RFP should also specify the contractor's fee for pre-construction services. The fee is a criterion, but not the sole criterion for selection. Selection process and selection results must be approved by the City with respect to LBE participation, wage requirements and proposed contract price.

2. **Overhead and Profit:** These costs may not exceed 15% of the Contract Price.
3. **General Conditions:** These costs must be documented and reasonable given the conditions at the site.
4. **Subcontractor's Prices:** When determining final Contract Price and identifying dollar amounts of Contractor's fees, scheduled values should reflect, when appropriate, actual subcontractor prices without any general contractor's markup. City reserves the right to review all bids.

C. Project Management Capacity: Developer's project manager must have experience with at least one comparable, successfully completed project or be assisted by a consultant or other staff person with greater experience and adequate time to commit. When using a consultant, the consultant's resume should demonstrate that the consultant has successfully completed managing all aspects of at least two (2) comparable development projects in the recent past.

D. Construction Management: Developer must identify specific staff or consultant(s) who will provide construction management functions on behalf of the owner, including: permit applications and expediting, cost analysis, completion evaluations, change order evaluations, scope analysis and schedule analysis.

From: Board of Supervisors (BOS)
To: BOS-Supervisors; Miller, Alisa
Subject: File 140556: Please Support Population-Based Muni Funding

From: Matthew Petty [<mailto:matthewpettyuk@gmail.com>]
Sent: Thursday, July 17, 2014 1:26 PM
To: Avalos, John (BOS); Breed, London (BOS); Campos, David (BOS); Chiu, David (BOS); Cohen, Malia (BOS); Farrell, Mark (BOS); Kim, Jane (BOS); Mar, Eric (BOS); Tang, Katy (BOS); Norman.Yee.BOS@sfgov.org
Cc: Wiener, Scott; Board of Supervisors (BOS); info@sftru.org
Subject: Please Support Population-Based Muni Funding

Dear Board of Supervisors,

Please pass the proposed Charter Amendment for Population-Based Adjustment to General Fund Appropriation to the Transportation Fund.

Muni has been severely underfunded for years - both the capital and service budgets. I strongly support an amendment that addresses both of these budgets, specifically citing improvements to reliability, capacity, and frequency.

Especially with no legislation proceeding this year for the Vehicle License Fee and its uncertainty in the future, as well as the suspension of Sunday metering (despite evidence that it would have improved the parking situation), it is essential that measures such as this based on alternative funding strategies be put in place.

We specifically applaud the recognition that Muni services will need to expand as the City grows, and that this amendment directly responds to population-increase.

We urge you to support transit riders and pass this proposed Charter Amendment.

Sincerely,
Matthew Petty

From: Board of Supervisors (BOS)
To: Miller, Alisa
Subject: File 140556: Support Population-Based Muni Funding

From: Jumana Nabti [<mailto:jumana@switchpointplanning.com>]

Sent: Thursday, July 17, 2014 1:34 PM

To: Avalos, John (BOS); Breed, London (BOS); Campos, David (BOS); Chiu, David (BOS); Cohen, Malia (BOS); Farrell, Mark (BOS); Kim, Jane (BOS); Mar, Eric (BOS); Tang, Katy (BOS); Norman.Yee.BOS@sfgov.org

Cc: Wiener, Scott; Board of Supervisors (BOS); info@sftru.org

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I specifically applaud the recognition that Muni services will need to expand as the City grows, and that this amendment directly responds to population-increase.

We're lucky that one of the biggest problems with Muni is overcrowding. It shows that people really use the system. We could further reduce congestion by increasing capacity -- many people are discouraged from using the bus because it is often very crowded. With population increases in San Francisco, this will only get worse.

I urge you to support transit riders and pass this proposed Charter Amendment.

Sincerely,
Jumana Nabti

Jumana Nabti, Principal
jumana@switchpointplanning.com
510.457.6732

www.switchpointplanning.com

2101 Folsom Street
San Francisco, CA 94110

From: Board of Supervisors (BOS)
To: Miller, Alisa
Subject: File 140556: Support Population-Based Muni Funding

From: Megan Moran [<mailto:greenpeach1@gmail.com>]
Sent: Friday, July 18, 2014 7:29 PM
To: Avalos, John (BOS); Breed, London (BOS); Campos, David (BOS); Chiu, David (BOS); Cohen, Malia (BOS); Farrell, Mark (BOS); Kim, Jane (BOS); Mar, Eric (BOS); Tang, Katy (BOS); Norman.Yee.BOS@sfgov.org
Cc: Wiener, Scott; Board of Supervisors (BOS); info@sftru.org
Subject: Support Population-Based Muni Funding

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We urge you to support transit riders and pass this proposed Charter Amendment.

Sincerely,

Megan Moran

From: Board of Supervisors (BOS)
To: Miller, Alisa
Subject: File 140556: Support Population-Based Muni Funding

-----Original Message-----

From: Ken Grosserode [<mailto:ken.grosserode@gmail.com>]
Sent: Friday, July 18, 2014 10:34 AM
To: Avalos, John (BOS); Breed, London (BOS); Campos, David (BOS); Chiu, David (BOS); Cohen, Malia (BOS); Farrell, Mark (BOS); Kim, Jane (BOS); Mar, Eric (BOS); Tang, Katy (BOS)
Cc: Wiener, Scott; Board of Supervisors (BOS); info@sftru.org
Subject: Support Population-Based Muni Funding

Dear Board of Supervisors,

Please pass the proposed Charter Amendment for Population-Based Adjustment to General Fund Appropriation to the Transportation Fund.

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We urge you to support transit riders and pass this proposed Charter Amendment.

Sincerely,

Kenneth Grosserode
351 Buena Vista East #803E
San Francisco, CA 94117

From: Board of Supervisors (BOS)
To: BOS-Supervisors; Miller, Alisa
Subject: File 140556: In support of opulation-based Muni Funding!

From: Robin Chiang [<mailto:rchiang@designbythebay.com>]
Sent: Thursday, July 17, 2014 5:18 PM
To: Chiu, David (BOS)
Cc: Wiener, Scott; Board of Supervisors (BOS); info@sftru.org
Subject: In support of opulation-based Muni Funding!

Draft Email for Board of Supervisors:

TO: Supervisor David Chiu

CC: Supervisor Scott Wiener, Board of Supervisors, SFTRU

SUBJECT: Support Population-Based Muni Funding

Dear David,

Please pass the proposed Charter Amendment for Population-Based Adjustment to General Fund Appropriation to the Transportation Fund.

Muni has been severely underfunded for years—both the capital and service budgets. I strongly support an amendment that addresses both of these budgets, specifically citing improvements to reliability, capacity, and frequency.

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We urge you to support transit riders and pass this proposed Charter Amendment.

Sincerely,



Robin Chiang
Volunteer Executive Director

FRIENDS OF ISLAIS CREEK

30 Miller Place #5
San Francisco, CA 94108

From: Board of Supervisors (BOS)
To: Wong, Linda (BOS)
Subject: File 140098: Reduced Tax Revenue

From: dr lee Jackson. Esq [<mailto:drjesqesqdrjesq@gmail.com>]
Sent: Tuesday, July 15, 2014 3:59 PM
To: Board of Supervisors (BOS) ✓
Subject: Reduced Tax Revenue

If you tax Soft Drinks and if it is found to be Constitutional. The ' Commerce Clause ' Prevents passing any Law that Interfears With Commerce. Even If yiy can get by that; you are going to loose money. Do the math right: reduced sales by 37%, subtract 37% from what you are getting Now. Dr Lee Jackson Esq.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

orig: B/f Comm. Clerk
c: BOS-11, corp, cpag

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

2014 JUL 14 PM 12:32

SHB

July 14, 2014

The Honorable Board of Supervisors
City and County of San Francisco
Room 244, City Hall

Angela Calvillo
Clerk of the Board of Supervisors
Room 244, City Hall

Re: Office of Economic Analysis Impact Report for File Number 140098

Dear Madam Clerk and Members of the Board:

The Office of Economic Analysis is pleased to present you with its economic impact report on file number 140098, "Tax on Sugar-Sweetened Beverages to Fund Food and Health Programs." If you have any questions about this report, please contact me at (415) 554-5268.

Best Regards,

Ted Egan
Chief Economist

12

Tax on Sugar-Sweetened Beverages to Fund Food and Health Programs

Office of Economic Analysis
July 14th, 2014

Item #140098



Introduction

- The proposed motion would place a dedicated \$0.02 per ounce tax on sugar-sweetened beverages on the November 2014 ballot.
- The tax would apply to businesses who distribute these beverages into the city, not to the consumers who purchase them at restaurants or retail stores.
- Because the tax would dedicate funding to food and health programs, a two-thirds majority of San Francisco voters would be required in order for the ballot measure to pass.
- The Controller's Office of Economic Analysis (OEA) has determined this tax could have a material impact on San Francisco's economy.



Health Impacts

- There is a strong body of academic literature supporting the link between soda consumption and obesity, as well as other health problems, such as diabetes.^{1,2,3,4}
- Research also suggests that a tax such as the one being proposed will have a meaningful reduction in consumption of sugary drinks and caloric intake from SSBs.^{5,6,7,8}
- However, in order for this tax to have an impact on obesity, increased taxation would need to result in a reduction in overall caloric intake, and not a substitution to calories from other sources. Some research suggests that some or all of the reduction in caloric intake due to SSB taxes would be offset by increases in consumption of other high calorie food and drinks.^{8,9,10,11}
- The proposed legislation calls for revenue to be used on health and education programs that promote healthier food and beverage choices and more physical activity. Research has shown these types of programs have the potential to be effective in reducing the prevalence of obesity.^{12,13}
- The economic impacts of a reduction in obesity would likely be seen over a longer period of time through a reduction in direct health costs, as well as the reduction in indirect costs of lost wages and productivity due to health issues, lower insurance costs, and a re-allocation of that spending on other goods.^{14,15,16}

Income, Education, and Consumption of Sugar-Sweetened Beverages

- Sugar-sweetened beverage consumption grew dramatically between the 1980's and 1990's in the United States.¹⁷ Over the last decade, there has been an overall decline in per capita consumption, but not back to 1990 levels.¹⁸
- A national study by the Chicago Federal Reserve Bank shows that less-educated and poor populations allocate a larger proportion of their spending on sugar-sweetened beverages than other groups.¹⁹
- That study estimated that SSBs make up .33% of total spending for the average household. This share is much higher for those with less than a high school education and those under the poverty line at .53% and .50% respectively.¹⁹
- Caloric intake also varies by population group. Individuals in households with a high school diploma or less get over twice the proportion of their daily calories from sugar-sweetened beverages than those in college graduate households (7.4% to 3.3% respectively).¹⁹
- Those below the poverty line also get a much larger share of their daily calories from sugar-sweetened beverages at 9.0%.¹⁹

Important Terms in the Legislation

- The tax would apply to certain sales of *sugar-sweetened beverages* and *concentrate* (collectively, "SSBs") within San Francisco.
- The privilege of conducting an *initial distribution* of an SSB within San Francisco would be taxed.
- A *distributor* would be required to pay the tax.
- These terms are discussed on the next three pages.

Definition of Sugar-Sweetened Beverage

- *Sugar-sweetened beverages* are defined as non-alcoholic, non-diet beverages that have caloric sweeteners, and contain more than 25 calories per 12 ounces of beverage.
- Excluded from this definition are:
 - Sweetened beverages with fewer than 25 calories per 12 ounces, regardless of ingredient.
 - Milk and milk alternatives, including non-dairy creamers.
 - Any beverage that contains solely of 100% natural fruit juice, natural vegetable juice, or combined natural fruit and vegetable juice.
 - Infant formula.
 - Medical food.
 - Any product designed as supplemental, meal replacement, or sole-source nutrition that includes proteins, carbohydrates, and multiple vitamins and minerals.
 - Any product sold in liquid form designed for use as an oral nutritional therapy for persons with limited ability to absorb or metabolize dietary nutrients from traditional food or beverages.
 - Any product sold in liquid form designed for use for weight reduction.

Definition of Concentrate

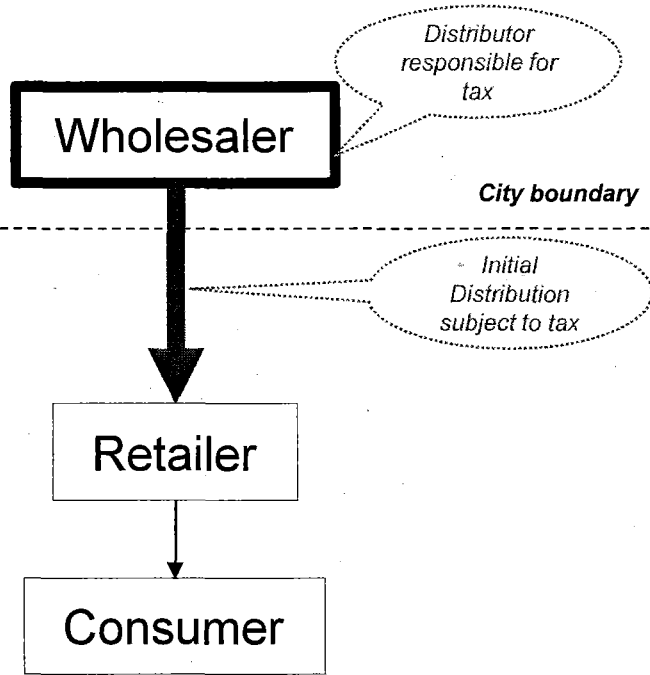
- *Concentrate* is defined as a syrup or sweetened caloric powder, that is used for mixing, compounding, or making sugar-sweetened beverages in a beverage dispensing machine.
- This definition does not include:
 - Any product that is designed to be used primarily to prepare coffee or tea.
 - Powdered drink mix used by consumers.
 - Infant formula.
 - Medical food.
 - Any product designed as supplemental, meal replacement, or sole-source nutrition that includes proteins, carbohydrates, and multiple vitamins and minerals.

Definition of Initial Distribution

- *Distribution* means:
 - The physical transfer of SSBs within the City for sale, by anyone other than a common carrier*.
 - Possessing, for the purpose of resale, SSBs transferred outside of the city, or from a common carrier within the city.
- In effect, initial distribution generally means the first sale within San Francisco of SSBs to retailers, restaurants, and other businesses.
- In addition, a business that acquires SSBs outside of the city, and brings them into the city for resale, has made an initial distribution.
- After a taxable transfer, any subsequent transfer to another business would not be taxed. Only the initial distribution is taxed.
- A sale to a consumer is never considered a distribution, and is never subject to the tax.
- Any business that makes a distribution, as defined above, is a *Distributor* and would be responsible for paying the tax on an initial distribution.
- Some examples of initial distributions are provided on the following five pages.

* A common carrier is a third-party delivery service that does not sell the items it delivers.

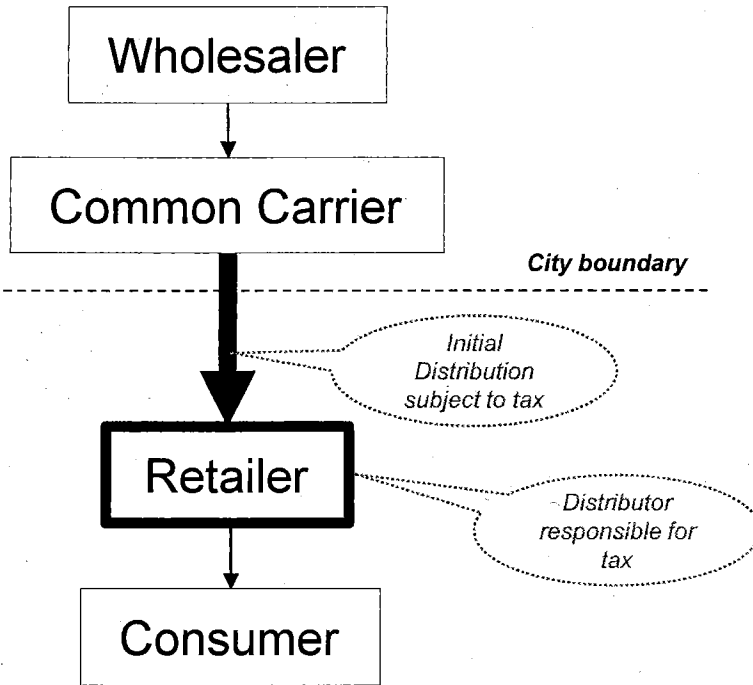
Example: A Wholesaler Outside the City Delivers SSBs Directly to a Retailer Inside the City



If a wholesaler from outside of the city delivers SSBs to a retailer in the City using its own truck, then the wholesaler would be considered the distributor, and would be responsible for paying the tax. The transfer to the consumer would not be taxed.



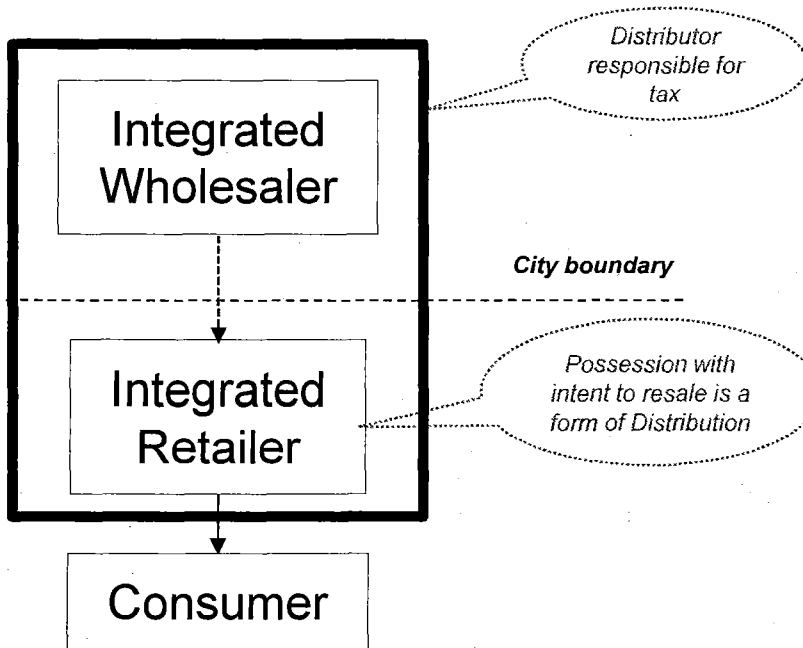
Example: A Wholesaler Outside the City Uses a Common Carrier to Deliver SSBs to a Retailer Inside the City



If a wholesaler instead uses a common carrier to transfer the SSBs into the city, the recipient (in this case a retailer) would be responsible for paying the tax. Again, the transfer to the consumer is not taxed.



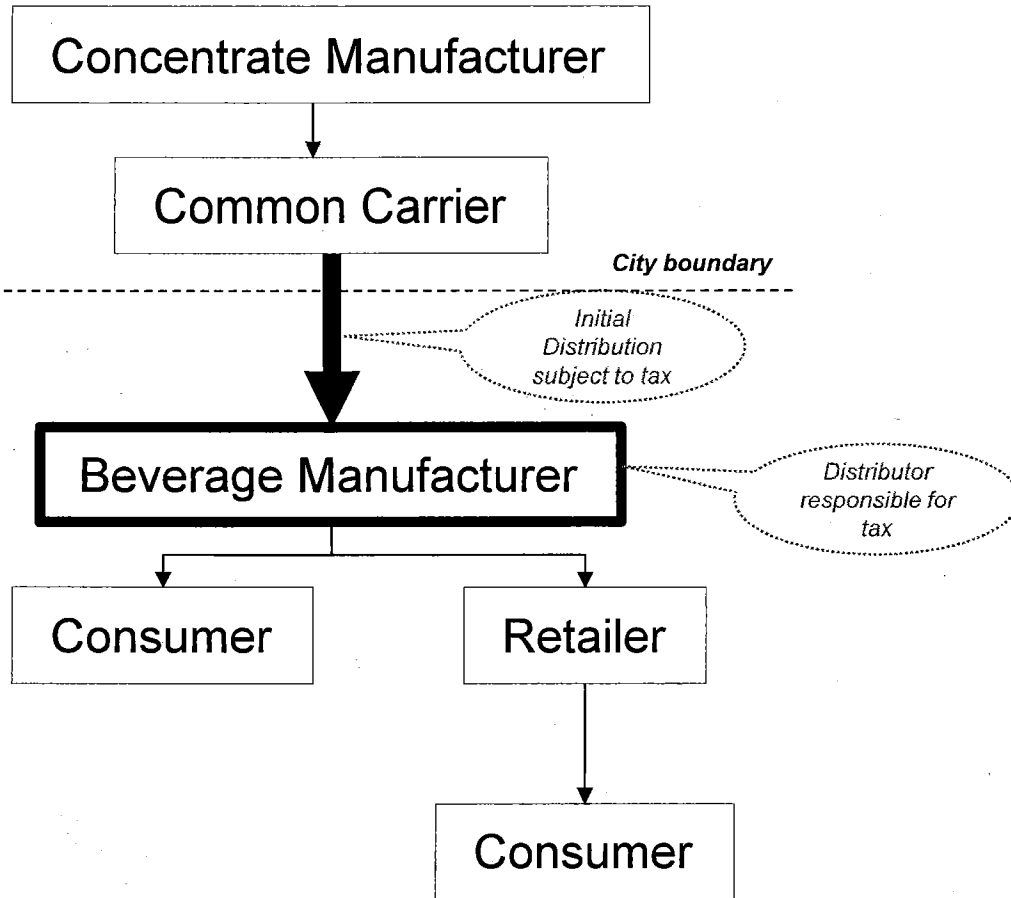
Example: A Vertically-Integrated Retailer Obtains SSBs from a Related Wholesaler Outside the City



If the wholesaler and retailer are vertically integrated within the same company, there is no sale of SSBs from the wholesaler to the retailer. A distribution has nonetheless taken place, by virtue of the retailer's possession of SSBs within the city, with an intent to resell. The vertically-integrated wholesaler/distributor is responsible for paying the tax.



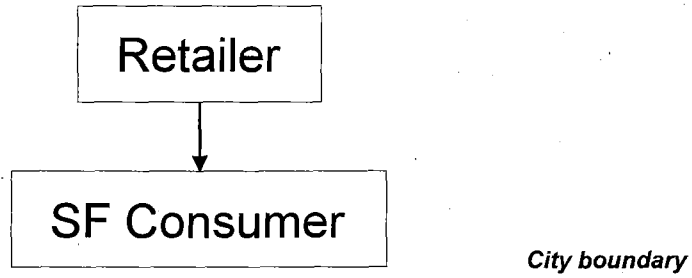
Example: A Beverage Manufacturer in the City sells Sugar-Sweetened Beverages to Retailers and Directly to Consumers



In this case, it is the distribution of concentrate to the beverage manufacturer that is taxable. If a common carrier is used, the responsibility for paying the tax falls to the manufacturer. Subsequent transfers to retailers and consumers are not taxed.



Example: A Consumer Travels Outside of the City to Purchase SSBs For Personal Use Within the City



In this case, the transfer takes place outside of the city, and while the consumer does possess the SSBs within the city, that possession is not for the purpose of resale.

Therefore, no distribution takes place as defined in the legislation, and there is no tax liability.



Details of the Tax

- The ballot measure would place a tax of \$0.02 per fluid ounce on the initial distribution of each sugar-sweetened beverage in the city.
- The tax would also place a tax on the initial distribution of any concentrate in the city. Concentrate would be taxed at \$0.02 per fluid ounce of beverage that could be made from the concentrate, using manufacturer's instructions.
- If multiple concentrates are used in the preparation of a single beverage, the distribution of each concentrate into the city would be taxed separately.



Expenditure of Tax Revenue

- Net of administrative costs, the tax will be dedicated as follows:
 - 40% will go to the San Francisco Unified School District for student nutrition services, school-based gardens, nutrition classes, and cooking classes, teacher training and curricular support in nutrition education programs, and after school programs, and expansion and improvement of physical education.
 - 25% will go to the Department of Public Health and the Public Utilities Commission for healthy food access initiatives, drinking fountain and water bottle filling stations, oral health services, chronic disease prevention, and public education campaigns.
 - 25% will go to the Recreation and Park Department for recreation centers, organized sports, and athletic programming.
 - 10% will fund grants to community-based organizations for programs that support healthy food access, active recreation, oral health, and chronic disease prevention, and for public education campaigns.
- 2% of the revenue will be used for administration of the tax.

Economic Impact Factors

- The tax can be expected to impact the San Francisco economy in the following ways:
 - The tax will raise the wholesale price of SSBs paid by restaurants, retailers, and other vendors that sell SSBs to consumers. This will reduce their income.
 - To restore their income, businesses may, in turn, pass the cost of the tax on to consumers in the form of higher prices for SSBs, and possibly other items.
 - Higher consumer prices will reduce consumption, causing consumers to shift their spending to other goods.
 - The tax revenue will increase city revenue and spending.
 - Over the long term, the reduction in consumption of SSBs could reduce overall caloric consumption in San Francisco, along with obesity, illness, and the costs of public and private health care. These potential economic benefits are not quantified in this report, however.



How the Tax Would Affect Businesses and Consumers

- As the tax is levied on businesses, these payers would have to pass the the tax through to consumers of SSBs in order for it to have an effect on consumer behavior.
- The legislation does not mandate any pass-through, and it would be accomplished through market forces.
- The extent of any pass-through will depend partly on the price sensitivity of consumers, but also on how sensitive distributors' costs are to SSB sales. If distributors cannot easily replace lost SSB sales, or reduce their costs in line with lost SSB sales, they may absorb a share of the tax instead of passing it through.
- The OEA lacks sufficient data about distributors' costs to estimate this. We estimate that SSBs account for approximately 3% of sales of food retailers in San Francisco, and less than 3% of restaurant sales.
- A reduction in SSB sales is therefore unlikely to substantially reduce retailer margins, on average. Retailers can also stock other items on their shelves, and restaurants can serve other beverages, as they typically would in response to a change in consumer demand.
- Accordingly, the majority of distributors affected by the tax are likely to fully pass it on to consumers in the form of higher prices.

Would SSB Consumers, or All Consumers, Get the Pass-Through?

- It is possible that some businesses may elect to spread the tax across all consumers, instead of only to purchasers of SSBs, through an across-the-board price increase.
- Businesses may do that if SSBs are more profitable than other items that they sell, or if consumers are more price-sensitive to SSBs than they are to other products.
- These same considerations apply to distributors whose customers are other businesses, such as wholesale distributors.
- To the extent this occurs, consumers will have less incentive to reduce SSB consumption, and tax revenue would be higher than it would have been with a full pass-through to SSB customers only.
- In this case as well, the OEA lacks the data to accurately estimate how many distributors would attempt to spread the tax burden across all customers. The fact that the tax is high – representing a 23-36% retail price increase as discussed on the next page – suggests that SSB retailing would be significantly less profitable activity if the tax were not fully passed through to SSB consumers.
- Moreover, the elasticity of demand of SSBs (also discussed on the next page) is not unusually high or low.
- These facts suggest that most distributors will probably focus their pass-through to SSB consumers, and not attempt an across-the-board pass-through.

Estimating Tax Revenue

- As discussed in the Appendix, the OEA believes that between 2.6 and 3.2 billion ounces of SSBs are consumed in San Francisco each year.
- The average retail price per ounce is estimated to range between \$0.06 and \$0.075.
- A \$0.02 per ounce tax would therefore raise the retail price of SSBs by between 23% and 36% (including sales tax, where applicable), if it were fully passed through to SSB consumers.
- Given the considerations discussed on the previous two slides, the OEA believes the pass-through to SSB consumers will be between 80% - 100%.
- Economic research on the price elasticity of SSB demand indicates that it likely ranges between -0.8 and -1.2, meaning a 1% increase in price yields a reduction in consumption of between 0.8% and 1.2%.
- Given these factors, the OEA believes the proposed tax would generate revenue ranging from \$35 million to \$54 million per year, in today's dollars.
- In addition, because higher prices will affect taxable sales, the City and other local agencies could receive a very small increase or decrease in sales tax revenue, estimated at less than \$0.2 million.

Economic Impact Assessment: REMI Model Simulation

- The OEA's REMI model was used to simulate the effects of the proposed tax on San Francisco's economy.
- The model considered the following ranges of potential changes to the city's economy, based on on the range of revenue estimates presented on the previous page:
 - Between -\$22.1 million and -\$29.4 million change in consumer purchases of SSBs at retailers.
 - Between -\$14.1 million and -\$18.8 million change in consumer purchases of SSBs at restaurants.
 - Between \$12.8 million and -\$7.0 million in other consumer spending
 - Between \$0 and \$6.6 million in higher production costs at retail trade businesses
 - Between \$0 and \$4.2 million in higher production costs at food service businesses.
 - Between \$35 million and \$54 million in higher city revenue
 - A loss of consumer utility valued at between \$0 and \$6.5 million.
 - A loss of distributor profits valued at between \$0 and \$1.6 million.
- The other consumer spending results from consumers shifting their spending in response to SSB price changes.
- The increase in production costs to businesses reflects the possibility that some businesses may not fully pass through the tax to consumers.



Economic Impact Assessment

- The OEA projects that the proposed tax on SSBs would be effective in reducing SSB consumption in San Francisco. Consumption could decline by up to 31% as a result of the tax, if it is fully passed through to consumers.
- In the short term, the OEA estimates a very slight employment loss of between 80 and 250 jobs, equaling between 0.01% and 0.04% of total employment in the city.
- Jobs supported by the tax, with the City or its contractors, will grow by an estimated 110 – 150. These gains will partially offset private sector losses, concentrated in the restaurant and retail trade industries, of between 190 and 400.

Tax Equity and Stability

- Some SSB consumers can be expected to change their behavior, in response to the tax, and hence would benefit from reduced risk of future health problems.
- Those SSB consumers who do not change their behavior will bear the burden of the tax, and have their income reduced.
- As stated earlier, SSBs are disproportionately consumed by low income and less-educated populations.
- The programs being funded by the tax will target these groups. The overall impact on low-income San Franciscans will depend on the effectiveness of these programs, and the behavior of SSB consumers.
- In terms of revenue stability, recent national trends show a steady decline in the consumption of sugar-sweetened beverages. If these trends continue, then over time this tax will be a shrinking revenue stream.

Conclusion

- The robust reduction in SSB consumption that the tax is projected to cause suggests the City can expect a reduction in future obesity rates, and long-term economic benefits associated with higher productivity and lower health-care costs.
- As this is a new tax, and limited data is available to understand how a tax on distributors will be passed through to consumers, revenue estimates will necessarily be uncertain. Reasonable assumptions lead to estimates ranging from \$35 million to \$52 million per year.
- The proposed tax is expected to have a modest employment impact of between 0.01% and 0.04% of city employment. Losses in the private sector, concentrated in the restaurant and retail trade industries, will largely be offset by jobs supported directly and indirectly by the tax revenue.
- Like any flat tax targeting items that are disproportionately consumed by lower-income people, the tax could be seen as regressive. However, both the programs and services supported by the tax revenue, and the long-term health and economic benefits, will also be primarily realized by low-income groups.

End Notes

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End Notes

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Appendix: Consumption and Price Estimates

Assumptions	Low Consumption Estimate	High Consumption Estimate
SSB Price per Ounce (2013 dollars) ^a	\$0.075	\$0.060
SSB Revenue (millions, 2013 dollars) ^b	\$192	\$192
SSB Consumption (million of ounces) ^c	2,556	3,195

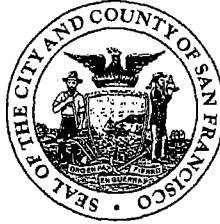
- a) A survey conducted by the University of Illinois-Chicago estimates that nationally, the average SSB price per ounce is \$0.06 (OEA adjusted to 2013 dollars).²⁰ Using OEA data collected for its Formula Retail Control study, we estimate that the average SSB price in San Francisco is 24% greater than the rest of the nation, which gives us a SSB price per ounce estimate of \$0.075.
- b) The San Francisco Department of Public Health conducted a Nexus study and estimated that \$192 million in SSBs were sold in San Francisco (OEA adjusted to 2013 dollars).²¹
- c) By dividing SSB revenue by average prices, OEA estimates a range of SSB consumption of between 2,556 million ounces to 3.195 million ounces.



Staff Contacts

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- Ted Egan, Ph.D., Chief Economist, ted.egan@sfgov.org
- Asim Khan, Ph.D., Principal Economist, asim.khan@sfgov.org

DEPARTMENT OF ELECTIONS
City and County of San Francisco
www.sfelections.org



JOHN ARNTZ
Director

Orig. Leg Dep
C: BOS-11, COB, cpage

HAND DELIVERED

July 16, 2014

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BOARD OF SUPERVISORS
SAN FRANCISCO
2014 JUL 16 AM 11:39
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ANGELA CALVILLO, CLERK OF THE BOARD

Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

RE: CERTIFICATION OF THE "**PIER 70 DEVELOPMENT SITE HEIGHT LIMIT INCREASE**" INITIATIVE PETITION

Enclosed is a copy of the letter sent to the proponent of the above named petition, certifying that the petition did contain sufficient valid signatures to qualify for the next general, municipal, or statewide election occurring in the City and County of San Francisco at any time after 90 days from the date of this certificate of sufficiency.

If you should have any questions or need additional information, please contact Erlisa Chung, Voter Services Division, at (415) 554-4374.

Sincerely,

John Arntz
Director of Elections

By: _____

Erlisa Chung
Voter Services Division

Encl.: Copy of Certified letter to Proponent

Cc: Honorable Edwin Lee; Mayor
John Arntz, Director of Elections
Dennis Herrera, City Attorney

13



CERTIFIED MAIL: 7011 2000 0001 6406 5173

July 16, 2014

Kelly Pretzer
875 Howard St. Ste. 330
San Francisco, CA 94103

RE: CERTIFICATION FOR THE "**PIER 70 DEVELOPMENT SITE HEIGHT LIMIT INCREASE**" INITIATIVE PETITION

Dear Kelly Pretzer,

As provided in *California Elections Code, Chapter 2, Article 1, Section 9115 (a)*, a random sample of 500 signatures (of the total 15,281 submitted) for the *Pier 70 Development Site Height Limit Increase* established that the number of valid signatures of registered San Francisco voters was sufficient for the initiative to qualify for the next regularly scheduled election.

Based on this statistical sampling, the total number of valid signatures submitted on this petition was determined to be greater than the 9,702 signatures required for qualification.

I hereby certify that the *Pier 70 Development Site Height Limit Increase* qualifies for the next general, municipal, or statewide election in the City and County of San Francisco occurring at any time after 90 days from the date of this certification of sufficiency.

If you should have any questions, please contact Erlisa Chung at (415) 554-4374.

Sincerely,

John Arntz
Director of Elections

By: _____

Erlisa Chung
Voter Services Division



cc: Honorable Edwin Lee; Mayor
John Arntz, Director of Elections
Angela Calvillo, Clerk of the Board
Dennis Herrera, City Attorney

BOS-11
page

Commissioners
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Monterey
Jack Baylis, Vice President
Los Angeles
Jim Kellogg, Member
Discovery Bay
Richard Rogers, Member
Santa Barbara
Jacque Hostler-Carmesin, Member
McKinleyville

STATE OF CALIFORNIA
Edmund G. Brown Jr., Governor

Sonke Mastrup, Executive Director
1416 Ninth Street, Room 1320
Sacramento, CA 95814
(916) 653-4899
(916) 653-5040 Fax
www.fgc.ca.gov

Fish and Game Commission



RECEIVED
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July 14, 2014

TO ALL AFFECTED AND INTERESTED PARTIES:

This is to provide you with a Notice of Receipt of Petition to list the flat-tailed horned lizard as endangered under the California Endangered Species Act. This notice was published in the California Regulatory Notice Register on July 11, 2014.

Sincerely,

Sheri Tiemann
Sheri Tiemann
Associate Governmental Program Analyst

Attachment

Commissioners
Michael Sutton, President
Monterey
Jack Baylis, Vice President
Los Angeles
Jim Kellogg, Member
Discovery Bay
Richard Rogers, Member
Santa Barbara
Jacque Hostler-Carmesin, Member
McKinleyville

STATE OF CALIFORNIA
Edmund G. Brown Jr., Governor

Fish and Game Commission



Sonke Mastrup, Executive Director
1416 Ninth Street, Room 1320
Sacramento, CA 95814
(916) 653-4899
(916) 653-5040 Fax
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CALIFORNIA FISH AND GAME COMMISSION NOTICE OF RECEIPT OF PETITION

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of Section 2073.3 of the Fish and Game Code, the California Fish and Game Commission, on June 10, 2014, received a petition from the Center for Biological Diversity to list the flat-tailed horned lizard (*Phrynosoma mcallii*) as endangered under the California Endangered Species Act.

Flat-tailed horned lizards inhabit the Colorado and Sonoran Deserts in southeastern California, the extreme southwestern portion of Arizona, and into Baja California and Sonora, Mexico. The species is restricted to hot, arid desert habitats typically below 1,000 feet in elevation.

Pursuant to Section 2073 of the Fish and Game Code, on June 12, 2014 the Commission transmitted the petition to the California Department of Fish and Wildlife for review pursuant to Section 2073.5 of said code. It is anticipated that the Department's evaluation and recommendation relating to the petition will be received by the Commission at its December 3, 2014 meeting.

Interested parties may contact Ms. Laura Patterson, Department of Fish and Wildlife, 1812 Ninth Street, Sacramento, CA 95811, or telephone 916-341-6981, for information on the petition or to submit information to the Department relating to the petitioned species.

June 27, 2014

Fish and Game Commission

Sonke Mastrup
Executive Director

Commissioners
Michael Sutton, President
Monterey
Jack Baylis, Vice President
Los Angeles
Jim Kellogg, Member
Discovery Bay
Richard Rogers, Member
Santa Barbara
Jacque Hostler-Carmesin, Member
McKinleyville

STATE OF CALIFORNIA
Edmund G. Brown Jr., Governor

Fish and Game Commission



BOS-11
page
Sonke Mastrup, Executive Director
1416 Ninth Street, Room 1320
Sacramento, CA 95814
(916) 653-4899
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www.fgc.ca.gov

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JUL 14 PM 3:09

To: ALL INTERESTED AND AFFECTED PARTIES

Notice of Location Change for Discussion/Adoption Hearings on Proposed Regulatory Actions

The August 6, 2014, Fish and Game Commission hearing at the Hilton San Diego Mission Valley has been relocated to the DoubleTree by Hilton Golf Resort San Diego, 14455 Penasquitos Drive, San Diego, CA 92129.

This location change affects the following Commission regulatory actions published in the California Regulatory Notice Register:

- Scheduled Discussion and Possible Adoption of Upland Game Bird Hunting Regulations, Section 300, Title 14, CCR – Published May 9, 2014 Register 2014, No. 19-Z (Notice File # Z2014-0429-05)
- Scheduled Discussion and Possible Adoption of Waterfowl Hunting Regulations, Section 502, Title 14, CCR – Published May 9, 2014, Register 2014, No. 19-Z (Notice File # Z2014-0429-06)
- Scheduled Discussion and Possible Adoption of Regulations for the Use of Tiger Salamander as Bait, Sections 200.12, 200.29 and 200.31, Title 14, CCR – Published June 20, 2014, Register 2014, No. 25-Z (Notice File # Z2014-0606-01)
- Scheduled Discussion and Possible Adoption of Regulations for the Take of Rare Plants, Section 786.9, Title 14, CCR – Published June 20, 2014, Register 2014, No. 25-Z (Notice File # Z2014-0606-02)
- Scheduled Discussion and Possible Adoption of Pacific Hagfish Trap Regulation, Section 180.6, Title 14, CCR – Published June 20, 2014, Register 2014, No. 25-Z (Notice File # Z2014-0609-01)
- Scheduled Discussion and Possible Adoption of Commercial Herring Fishery Regulations, Sections 163 and 164, Title 14, CCR – Published June 20, 2014, Register 2014, No. 25-Z (Notice File # Z2014-0609-02)

For additional information, please refer to the appropriate Notice Register on-line at www.oal.ca.gov, or by contacting our office.

FISH AND GAME COMMISSION

Dated: July 9, 2014

Sonke Mastrup
Executive Director

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File 140785

From: Board of Supervisors (BOS)
To: BOS-Supervisors
Subject: FW: Letter of Support for the Board of Supervisors
Attachments: ResolutionSupportLetter.pdf

From: Esperanza Macias [<mailto:esperanza.macias@ifrsf.org>]
Sent: Monday, July 14, 2014 11:19 AM
To: Board of Supervisors (BOS)
Subject: Letter of Support for the Board of Supervisors

Dear Clerk of the Board,

Please accept the attached communication for distribution to the Board of Supervisors.

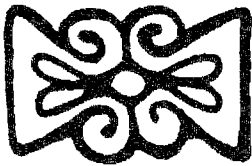
Thank you for your assistance.

Regards,

--

Esperanza Macias
Instituto Familiar de la Raza
Development Manager
(415) 229-0549

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INSTITUTO FAMILIAR DE LA RAZA, INC.

2919 Mission Street
San Francisco, CA 94110

(415) 229-0500
Health Services FAX: (415) 647-3662
Administration FAX: (415) 647-0740

July 14, 2014

San Francisco Board of Supervisors
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102-4689

Dear Supervisors,

I am writing this letter to encourage your support for Supervisor Campos' Resolution Urging the City and County of San Francisco to Commit Resources Towards Addressing the Needs of the Rising Number of Unaccompanied Minors Fleeing from Central America.

As you know, the large numbers of immigrant children arriving in the United States have been reported nationally in the media. Numerous advocates have called for humanitarian support for these children who represent a threat whatsoever to our national security. Campos' resolution heeds the call for this critical and timely support.

While national leaders disagree on whether or not to assist these Central American children, San Francisco has the proud distinction as being the first city in the United States to become a Sanctuary City. The value of this designation has never been more important than when it involves the survival of these children from Honduras, Guatemala, and El Salvador. Never have the lives of so many innocent children been at risk. Never before has our status as a Sanctuary City been able to help so many children.

Supervisor Campos' resolution to support the Central American unaccompanied minors is essential to demonstrate our commitment as a Sanctuary City and to our diverse immigrant population. San Francisco has the opportunity to again lead the country with its support for these innocent immigrant children.

As with many immigrant, Latino, and social service organizations, Instituto Familiar de la Raza is prepared to do its part to ensure their health and well-being. Having provided service to multiple waves of immigrants over its 35-year history, Instituto understands many of the issues and needs facing these children. With your support, Instituto and many of our partner organizations intend to provide critical services to ensure these children will not be forgotten or ignored.

I strongly urge your support for the Campos resolution. Please feel free to contact me if you have any questions or if I can provide additional information.

Sincerely,

Estela R. Garcia, DMH
Executive Director