



City and County of San Francisco
Meeting Agenda
Budget and Finance Sub-Committee

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Members: Malia Cohen, Sandra Lee Fewer, Catherine Stefani

Clerk: Linda Wong (415) 554-7719

Thursday, July 26, 2018

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

ROLL CALL AND ANNOUNCEMENTS

AGENDA CHANGES

REGULAR AGENDA

1. **180710** **[Contract Amendment - URS Corporation - Engineering Support Services - Not to Exceed \$30,915,000]**

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute amendment No. 5 to an agreement with URS Corporation, increasing the length of the agreement by up to 13 months for a total term of September 11, 2003, through July 10, 2020, and increasing the agreement by \$2,415,000, adjusting the estimated cumulative contract amount from \$28,500,000 to \$30,915,000 for engineering support services for the Water Enterprise Water System Improvement Program-funded Agreement No. CS-716, Calaveras Dam Replacement, pursuant to Charter, Section 9.118(b). (Public Utilities Commission)

(Fiscal Impact)

6/29/18; RECEIVED FROM DEPARTMENT.

7/10/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.

2. [180690](#) **[Lease Amendment - Boudin Properties Inc. - 160 Jefferson Street - Two Ten-Year Extension Options]**
Sponsor: Peskin
Resolution approving the First Amendment to Lease L-13550 between Boudin Properties, Inc., located at 160 Jefferson Street, and the City and County of San Francisco, acting by and through the Port Commission, to provide for two extension options of ten years each, for an aggregate term until June 30, 2065, each subject to specific performance and capital improvement conditions, as defined herein; with no change to existing lease terms of July 1, 2005, through June 30, 2045.

6/26/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.
3. [180714](#) **[Agreement Amendment - California Department of Health Care Services - Change Effective End Date of Agreement - Mental Health Plan - Not to Exceed \$238,581,122]**
Resolution authorizing the San Francisco Department of Public Health, Community Behavioral Health Services, to retroactively enter into an amended Agreement No. 12-89390 with the California Department of Health Care Services to change the end date of the agreement from April 30, 2018, to June 30, 2017, with no change to the amount not to exceed \$238,581,122. (Public Health Department)

6/29/18; RECEIVED FROM DEPARTMENT.

7/10/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.
4. [180715](#) **[Agreement - California Department of Health Care Services - Mental Health Plan - \$0]**
Resolution retroactively approving Agreement No. 17-94609, between Department of Public Health, Community Behavioral Health Services, and the California Department of Health Care Services, for the San Francisco Mental Health Plan, for a five year term of July 1, 2017, through June 30, 2022, in the amount of \$0. (Public Health Department)

6/29/18; RECEIVED FROM DEPARTMENT.

7/10/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.
5. [180716](#) **[Contract Agreement - Regents of the University of California - Behavioral Health Services for Adults and Older Adults - Not to Exceed \$22,811,510]**
Resolution approving a contract agreement between the Department of Public Health and The Regents of the University of California, for behavioral health services for adults and older adults for a contract term of five years, from July 1, 2018, through June 30, 2022, in an amount not to exceed \$22,811,510. (Public Health Department)

(Fiscal Impact)

7/2/18; RECEIVED FROM DEPARTMENT.

7/10/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.

6. [180687](#) **[Multifamily Housing Revenue Note - 490 South Van Ness Avenue - Not to Exceed \$35,712,500]**

Sponsors: Mayor; Ronen

Resolution authorizing the execution and delivery of a multifamily housing revenue note in one or more series in an aggregate principal amount not to exceed \$35,715,500 for the purpose of providing financing for the construction of an 81-unit multifamily rental housing project known as "490 South Van Ness Avenue"; approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the loan from the funding lender to the City and the execution and delivery of the note; approving the form of and authorizing the execution of a borrower loan agreement providing the terms and conditions of the loan from the City to the borrower; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; authorizing the collection of certain fees; approving modifications, changes and additions to the documents; ratifying and approving any action heretofore taken in connection with the back-to-back loans, the note and the project; granting general authority to City officials to take actions necessary to implement this Resolution and related matters, as defined herein.

6/26/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.

7/19/18; CONTINUED.

7. [180688](#) **[Ground Lease - 490 South Van Ness Avenue - 490 SVN Housing Associates, LP - \$15,000 Annual Base Rent]**

Sponsors: Mayor; Ronen

Resolution approving and authorizing a long term Ground Lease with 490 SVN Housing Associates, LP, on City owned land at 490 South Van Ness Avenue ("Property") for a term of 75 years, to commence following Board approval, with one 24-year extension option, and with an annual based rent of \$15,000 in order to construct a 100% affordable, 80-unit multifamily rental housing development (plus one manager unit) for low-income persons ("Project"); adopting findings that the Ground Lease is consistent with the California Environmental Quality Act, the General Plan, and the priority policies of Planning Code, Section 101.1; and authorizing the Acting Director of Property and Director of Mayor's Office of Housing and Community Development to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution, as defined herein.

(Fiscal Impact)

6/26/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.

7/19/18; CONTINUED.

8. [180738](#) **[Multifamily Housing Revenue Bonds - 691 China Basin Street (Mission Bay South Block 6 West) - Not to Exceed \$80,000,000]**
Sponsor: Kim
Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$80,000,000 for 691 China Basin Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$80,000,000; authorizing and directing the execution of any documents necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.
- 7/10/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.
- The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.*
9. [180208](#) **[Lease Amendment - Airport Concession Lease - Bay Area Restaurant Group, JV - Minimum Annual Guarantee \$168,840]**
Resolution approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0204, between Bay Area Restaurant Group, JV, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for five years for a total term of August 30, 2004, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$168,840. (Airport Commission)
- 3/2/18; RECEIVED FROM DEPARTMENT.
- 3/13/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.
- The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.*
10. [180209](#) **[Lease Amendment - Airport Concession Lease - D-Lew Enterprises, LLC - Minimum Annual Guarantee \$146,300]**
Resolution approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0203, between D-Lew Enterprises, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for five years for a total term of May 12, 2004, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$146,300. (Airport Commission)
- 3/2/18; RECEIVED FROM DEPARTMENT.
- 3/13/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.
- The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.*

11. [180210](#) **[Lease Amendment - Airport Concession Lease - InMotion Entertainment Group, LLC - Minimum Annual Guarantee \$401,690]**
Resolution approving Amendment No. 2 to the Electronics and Technology Stores in Terminal 2 and Terminal 3 Lease No. 10-0038, between InMotion Entertainment Group, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for two years for a total term of May 19, 2010, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$401,690. (Airport Commission)

3/2/18; RECEIVED FROM DEPARTMENT.

3/13/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.

12. [180211](#) **[Lease Amendment - Airport Concession Lease - Gotham Enterprises, LLC - Minimum Annual Guarantee \$154,482]**
Resolution approving Amendment No. 2 to the Specialty Coffee Facilities Lease No. 03-0069, between Gotham Enterprises, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, to extend the term for three years for a total term of November 10, 2003, through December 31, 2020, with an option for early termination, and no change to the minimum annual guarantee of \$154,482. (Airport Commission)

3/2/18; RECEIVED FROM DEPARTMENT.

3/13/18; RECEIVED AND ASSIGNED to the Budget and Finance Sub-Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.

13. [180420](#) **[Lease Amendment - Airport Concession Lease - Bay Area Restaurant Group Joint Venture - Minimum Annual Guarantee of \$84,920]**
Resolution retroactively approving Amendment No. 2 to the Domestic Terminal Food and Beverage Program Lease No. 03-0184, between Bay Area Restaurant Group Joint Venture, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term by two years and six months, for a total term of September 2, 2004, through September 30, 2019, and no change to the minimum annual guarantee of \$84,920. (Airport Commission)

4/20/18; RECEIVED FROM DEPARTMENT.

5/1/18; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

7/20/18; TRANSFERRED to the Budget and Finance Sub-Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.

14. [180421](#) **[Lease Amendment - Airport Concession Lease - Lady Luck, LLC - Minimum Annual Guarantee of \$65,960]**
Resolution retroactively approving Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0196, between Lady Luck, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term by one year and eight months, for a total term of September 29, 2003, through September 30, 2019, and no change to the minimum annual guarantee of \$65,960. (Airport Commission)

4/20/18; RECEIVED FROM DEPARTMENT.

5/1/18; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

7/20/18; TRANSFERRED to the Budget and Finance Sub-Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.

15. [180629](#) **[Initiative Ordinance - Business and Tax Regulations Code - Additional Gross Receipts Tax on Cannabis]**
Sponsor: Cohen

Motion ordering submitted to the voters, at an election to be held on November 6, 2018, an ordinance amending the Business and Tax Regulations Code to impose an additional gross receipts tax, starting January 1, 2021, on gross receipts from cannabis business activities, but exempting the first \$500,000 of gross receipts and exempting retail sales of medicinal cannabis; said tax to be between 1% and 5% depending on the type of cannabis business activity and amount of gross receipts, but may be adjusted at any time within a range of 0% to 7% by an ordinance adopted by a two-thirds vote of the Board of Supervisors for any increase (which is limited to 1% annually) or an ordinance adopted by a majority vote of the Board of Supervisors for any decrease; and increasing the City's appropriations limit by the amount collected under the new tax for four years from November 6, 2018.

6/5/18; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Committee.

6/12/18; REFERRED TO DEPARTMENT.

7/3/18; TRANSFERRED to the Budget and Finance Sub-Committee.

7/3/18; RESPONSE RECEIVED.

7/12/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

7/12/18; CONTINUED AS AMENDED.

7/18/18; REFERRED TO DEPARTMENT.

7/19/18; AMENDED.

7/19/18; DUPLICATED AND AMENDED.

7/19/18; CONTINUED AS AMENDED.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.

16. [180765](#) **[Initiative Ordinance - Business and Tax Regulations Code - Additional Gross Receipts Tax on Cannabis; Additional Conditions Subjecting Persons to Business Taxes]**

Sponsor: Cohen

Motion ordering submitted to the voters, at an election to be held on November 6, 2018, an ordinance amending the Business and Tax Regulations Code to impose an additional gross receipts tax, starting January 1, 2021, on gross receipts from cannabis business activities, but exempting the first \$500,000 of gross receipts and exempting retail sales of medicinal cannabis; said tax to be between 1% and 5% depending on the type of cannabis business activity and amount of gross receipts, but may be adjusted at any time within a range of 0% to 7% by an ordinance adopted by a two-thirds vote of the Board of Supervisors for any increase (which is limited to 1% annually) or an ordinance adopted by a majority vote of the Board of Supervisors for any decrease; and, starting January 1, 2019, to expand the conditions that subject a person to certain business taxes by including persons with more than \$500,000 in annual gross receipts in the City; and increasing the City's appropriations limit by the increase in the amount of those business taxes collected compared to the prior year and by the amount collected under the new Cannabis Business Tax, for four years from November 6, 2018.

7/19/18; DUPLICATED.

7/19/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

7/19/18; CONTINUED AS AMENDED.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on July 31, 2018.

ADJOURNMENT

LEGISLATION UNDER THE 30-DAY RULE

NOTE: The following legislation will not be considered at this meeting. Board Rule 3.22 provides that when an Ordinance or Resolution is introduced which would CREATE OR REVISE MAJOR CITY POLICY, the Committee to which the legislation is assigned shall not consider the legislation until at least thirty days after the date of introduction. The provisions of this rule shall not apply to the routine operations of the departments of the City or when a legal time limit controls the hearing timing. In general, the rule shall not apply to hearings to consider subject matter when no legislation has been presented, nor shall the rule apply to resolutions which simply URGE action to be taken.

180708 [Authorizing Agreements - Binding Arbitration for Purchase of Electricity and Related Products - Public Utilities Commission - Total Costs of \$13,762,490]

Ordinance delegating authority to the General Manager of the Public Utilities Commission to enter into agreements requiring binding arbitration for purchase of electricity and related products within certain parameters and where necessary to meet legal requirements; and retroactively authorizing three agreements for CleanPowerSF with Pacific Gas & Electric Company requiring binding arbitration, with a combined term of two years and five months from August 2018, through December 2020, and total costs of \$13,762,490 for purchase of electricity-related products. (Public Utilities Commission)

(Fiscal Impact; No Budget and Legislative Analyst Report)

6/25/18; RECEIVED FROM DEPARTMENT.

7/10/18; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Sub-Committee.

180733 [Waiver of Temporary Street Space Occupancy Fee - Street Tree Maintenance Activities - Greater Rincon Hill Association]
Sponsor: Kim

Ordinance waiving the fee required by Public Works Code, Section 724.1, for temporary street space occupancy permits in connection with tree maintenance by the Greater Rincon Hill Association within the Greater Rincon Hill Community Benefit District, also known as the East Cut Community Benefit District, between September 1, 2018, and June 30, 2019.

7/10/18; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Sub-Committee.

180734 [Waiver of Banner Fee - Filipino American Arts Exposition]
Sponsor: Kim

Ordinance waiving the banner fee under Public Works Code, Section 184.78, for up to 100 banners to be placed on City-owned utility poles by the Filipino American Arts Exposition to publicize the August 2018 Pistahan Festival and Parade.

7/10/18; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Sub-Committee.

Agenda Item Information

Each item on the Consent or Regular agenda may include the following documents:

- 1) Legislation, 2) Budget and Legislative Analyst report,
- 3) Department or Agency cover letter and/or report, 4) Public correspondence

Items will be available for review at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, Reception Desk.

Meeting Procedures

The Board of Supervisors is the legislative body of the City and County of San Francisco. The Board has several standing committees where ordinances and resolutions are the subject of hearings at which members of the public are urged to testify. The full Board does not hold a second public hearing on measures which have been heard in committee.

Board procedures do not permit: 1) persons in the audience to vocally express support or opposition to statements by Supervisors or by other persons testifying; 2) ringing and use of cell phones, pagers, and similar sound-producing electronic devices; 3) bringing in or displaying signs in the meeting room; and 4) standing in the meeting room.

Each member of the public will be allotted the same maximum number of minutes to speak as set by the President or Chair at the beginning of each item or public comment, excluding City representatives, except that public speakers using interpretation assistance will be allowed to testify for twice the amount of the public testimony time limit. If simultaneous interpretation services are used, speakers will be governed by the public testimony time limit applied to speakers not requesting interpretation assistance. Members of the public who want a document placed on the overhead for display should clearly state such and subsequently remove the document when they want the screen to return to live coverage of the meeting.

IMPORTANT INFORMATION: The public is encouraged to testify at Committee meetings. Persons unable to attend the meeting may submit to the City, by the time the proceedings begin, written comments regarding the agenda items. These comments will be made a part of the official public record and shall be brought to the attention of the Board of Supervisors. Written communications should be submitted to the Clerk of the Board or Clerk of the Committee: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Communications not received prior to the hearing may be delivered to the Clerk of the Board or Clerk of the Committee at the hearing and you are encouraged to bring enough copies for distribution to all of its members.

LAPTOP COMPUTER FOR PRESENTATIONS: Contact City Hall Media Services at (415) 554-7490 to coordinate the use of the laptop computer for presentations. Presenters should arrive 30 minutes prior to the meeting to test their presentations on the computer.

COPYRIGHT: System content that is broadcasted live during public proceedings is secured by High-bandwidth Digital Content Protection (HDCP), which prevents copyrighted or encrypted content from being displayed or transmitted through unauthorized devices. Members of the public who utilize chamber digital, audio and visual technology may not display copyrighted or encrypted content during public proceedings.

AGENDA PACKET: Available for review in the Office of the Clerk of the Board, City Hall, 1 Dr. Carlton B Goodlett Place, Room 244, or on the internet at <http://www.sfbos.org/meetings>. Meetings are cablecast on SFGovTV, the Government Channel 26. For DVD copies and scheduling call (415) 554-4188.

LANGUAGE INTERPRETERS: Requests must be received at least 48 hours in advance of the meeting to help ensure availability. Contact Peggy Nevin at (415) 554-5184. **AVISO EN ESPAÑOL:** La solicitud para un traductor debe recibirse antes de mediodía de el viernes anterior a la reunion. Llame a Peggy Nevin at (415) 554-5184. **Paunawa:** Ang mga kahilingan ay kailangang matanggap sa loob ng 48 oras bago mag miting upang matiyak na matutugunan ang mga hiling. Mangyaring tumawag ka sa (415) 554-5184.

翻譯 必須在會議前最少四十八小時提出要求
請電 (415) 554-7719

Disability Access

The Legislative Chamber (Room 250) and the Committee Room (Room 263) in City Hall are wheelchair accessible. Meetings are real-time captioned and are cablecast open-captioned on SFGovTV, the Government Channel 26. Assistive listening devices for the Legislative Chamber are available upon request at the Clerk of the Board's Office, Room 244. Assistive listening devices for the Committee Room are available upon request at the Clerk of the Board's Office, Room 244 or in the Committee Room. To request sign language interpreters, readers, large print agendas or other accommodations, please contact Wilson Ng at (415) 554-5184 or (415) 554-5227 (TTY). Requests made at least 48 hours in advance of the meeting will help to ensure availability.

The nearest accessible BART station is Civic Center (Market/Grove/Hyde Streets). Accessible MUNI Metro lines are the F, J, K, L, M, N, T (exit at Civic Center or Van Ness Stations). MUNI bus lines also serving the area are the 5, 5R, 6, 7, 7R, 7X, 9, 9R, 19, 21, 47, and 49. For more information about MUNI accessible services, call (415) 701-4485.

There is accessible parking in the vicinity of City Hall at Civic Center Plaza and adjacent to Davies Hall and the War Memorial Complex. Accessible curbside parking is available on Dr. Carlton B. Goodlett Place and Grove Street.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to perfumes and various other chemical-based scented products. Please help the City to accommodate these individuals.

Know Your Rights Under The Sunshine Ordinance

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For information on your rights under the Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) or to report a violation of the ordinance, contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102; phone at (415) 554-7724; fax at (415) 554-5163; or by email at sotf@sfgov.org

Citizens may obtain a free copy of the Sunshine Ordinance by printing the San Francisco Administrative Code, Chapter 67, on the Internet at <http://www.sfbos.org/sunshine>

Lobbyist Registration and Reporting Requirements

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code, Section 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site <http://www.sfgov.org/ethics>