

City and County of San Francisco
Government Audit and Oversight Committee

City Hall, Room 250



Meeting Agenda
Monday, July 21, 2008
10:00 AM
Regular Meeting

Members: Aaron Peskin, Tom Ammiano, Sophie Maxwell

Clerk: Annette Lonich (415) 554-7706

Note: Each item on the Consent or Regular agenda may include the following documents: 1) Legislation 2) Budget Analyst report 3) Legislative Analyst report

The agenda packet and legislative files (which contain documents submitted after the distribution of the agenda packet) are available at the Board of Supervisors, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Each member of the public will be allotted the same maximum number of minutes to speak as set by the Chair at the beginning of each item, excluding City representatives, except that public speakers using translation assistance will be allowed to testify for twice the amount of the public testimony time limit. If simultaneous translation services are used, speakers will be governed by the public testimony time limit applied to speakers not requesting translation 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.

AGENDA CHANGES

REGULAR AGENDA

- 081013 [Economic Impact Analysis of Proposed Daytime Street Closure]** **Supervisors Peskin, Elsbernd, Alioto-Pier**
Resolution directing the Office of Economic Analysis and the Office of Small Business to conduct an analysis of the economic impact of the proposed Sunday Streets street closure planned for August 31st and September 14th on local businesses and requesting the City postpone any street closure until such analysis is completed.

7/16/08, RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

2. **081012** **[Requiring Board of Supervisors' approval of the route for certain athletic events that require temporary street closures]** **Supervisors Peskin, Alioto-Pier**

Ordinance amending Section 9.11 of the Transportation Code to require Board of Supervisors' approval of the route for an athletic event requiring temporary street closures that has not been held on substantially the same route for three or more years.

7/16/08, RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

3. **081001** **[To offer PG&E Company an opportunity to testify on the proposed SmartMeter project]** **Supervisor Peskin**

Hearing to offer Pacific Gas & Electric Company an opportunity to testify on the proposed SmartMeter project.

7/16/08, RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

4. **080953** **[Approval of an historical property contract for 690 Market Street ("Chronicle Building")]** **Supervisor Peskin**

Resolution under Chapter 71 of the San Francisco Administrative Code, approving an historical property contract between RC Chronicle Building LP and 690 Market Master Association, the owners of 690 Market Street (Chronicle Building), and the City and County of San Francisco; authorizing the Director of Planning and the Assessor to execute the historical property contract.

(Fiscal Impact.)

7/8/08, RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

7/14/08, CONTINUED. Hearing held. Speakers: Supervisor Peskin; Supervisor Maxwell 7/14/08 - Consideration continued to 7/21/08.

5. **080791** **[Declaration of Policy - Repealing the Emergency Response Fee and Enactment of an Access Line Tax]** **Mayor, Supervisors Peskin, Alioto-Pier, Ammiano, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Sandoval**

Motion submitting a policy declaration to the qualified electors of the City and County of San Francisco at the November 4, 2008 election concerning the voter's non-binding recommendation that Article 10A (the Emergency Response Fee) be repealed, that Article 10B (Access Line Tax) be added to the Business and Tax Regulations Code and that the proposed Access Line Tax revenues be expended to support public safety and health by funding San Francisco's 911 Emergency Communications Center.

6/10/08, RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

7/14/08, CONTINUED. Hearing held. Speakers: Supervisor Peskin; Jim Lazuras, Chamber of Commerce; Tom Long, Deputy City Attorney; Jennifer Maas, Mayor's Office of Economic Development; Ben Rosenfield, Controller. 7/14/08 - Continued to 7/21/08.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

6. **080792** **[Replacing the Emergency Response Fee, with a general tax at the same rates and with the same exemptions and modernizing the Telephone Users Tax without changing the rate or exemptions.]** **Mayor, Supervisors Peskin, Alioto-Pier, Ammiano, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Sandoval**

Ordinance submitting to the voters an ordinance amending the Business and Tax Regulations Code by: (1) adding Article 10B, Sections 780-786, to replace the current Emergency Response Fee with a general tax at the same rates and with the same exemptions; (2) repealing Article 10A, Sections 750-770, to eliminate the existing Emergency Response Fee; (3) amending Article 10 by adding Sections 721, 722, and 723, amending Sections 701, 703, 707.1, and 708, and repealing Sections 702 and 707.3, all to modernize and update the Telephone Users Tax without changing the tax rate or exemptions; and (4) amending Article 6, Section 6.1-1, to make conforming changes; and ratifying past collection of the Telephone Users Tax and the Emergency Response Fee.

6/10/08, ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 7/10/2008. 6/23/08 - Referred to Small Business Commission for review and comment. 6/23/08 - Referred to Planning Department for environmental review. 06/30/08 - Response received from Planning, exempt from CEQA.

7/14/08, AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Hearing held. Speakers: Supervisor Peskin; Jim Lazuras, Chamber of Commerce; Tom Long, Deputy City Attorney; Jennifer Maas, Mayor's Office of Economic Development; Ben Rosenfield, Controller. 7/14/08 - Consideration continued to 7/21/08.

7/14/08, CONTINUED.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

7. **080827** **[To increase rates of Real Property Transfer Tax for sales in excess of \$1 million]** **Supervisor McGoldrick**

Ordinance amending Section 1102 of Article 12-C of the Business and Tax Regulations Code to increase the Real Property Transfer Tax rate from 0.75% to 1% if value or consideration for transfer exceeds \$1 million but is less than or equal to \$1.25 million, to 1.25% if value or consideration for transfer exceeds \$1.25 million but is less than or equal to \$1.75 million, to 1.5% if value or consideration for transfer exceeds \$1.75 million but is less than or equal to \$2 million, and to 1.75% if value or consideration for transfer exceeds \$2 million.

(Economic Impact)

6/10/08, ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 7/10/2008.

6/17/08, ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 7/10/2008. 6/23/08 - Referred to Small Business Commission for review and comment.

6/23/08 - Referred to Planning Department for environmental review. 06/30/08 - Response received from Planning, exempt from CEQA.

6/17/08, SUBSTITUTED. Supervisor McGoldrick submitted a substitute ordinance bearing new title.

7/14/08, CONTINUED. 7/14/08 - Continued to July 21, 2008.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

8. 080832 [Real Property Transfer Tax] Supervisor Peskin

Ordinance submitting to the voters an ordinance amending the Business and Tax Regulations Code by: (1) amending Section 1102 to increase the Real Property Transfer Tax rate from 0.75% to 1.5% if the consideration for or value of the transfer exceeds \$5 million; (2) amending Section 1105 to reduce the tax on transfers of residential property by up to one third (1/3) if, after January 1, 2009, the transferor has installed an active solar system or made seismic retrofitting improvements or improvements utilizing earthquake hazard mitigation technologies; (3) amending Section 1114 to clarify application of tax to transfers of ownership interests in legal entities that own real estate; and (4) amending Section 1108.3 to apply transfer tax to transfers of 35 year or longer leasehold interests.

(Economic Impact)

6/10/08, ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 7/10/2008. 6/23/08 - Referred to Small Business Commission for review and comment. 6/23/08 - Referred to Planning Department for environmental review. 06/30/08 - Response received from Planning, exempt from CEQA.

6/26/08, CLERICAL CORRECTION. Clerical correction per request of City Attorney. On page 1, line 6, change "Section 1115" to read "Section 1114."

7/14/08, AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Hearing held. Speakers: Supervisor Peskin; Supervisor McGoldrick; Cheryl Adams, Deputy City Attorney; Ben Rosenfield, Controller; Jennifer Maas, Mayor's Office; Ted Egan, Office of Economic Analysis; Selvin Cambell, Budget Analyst; Bill Hirst; Steve Fields; Sherilyn Adams; Jim Fabris; Jim Lazuras; SEIU Rep; Female Speaker, IHSS Public Authority; Eve Meyer; Coleman Advocate Rep.

7/14/08, CONTINUED. 7/14/08 - Consideration continued to 7/21/08.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

9. 080831 [Payroll Expense Tax] Supervisor Peskin

Ordinance submitting to the voters an ordinance amending the Business and Tax Regulations Code by (1) amending Section 902.1 and adding Section 902.2 to clarify the tax liability of "pass through entities" under the Payroll Expense Tax Ordinance, including partnerships, Subchapter S corporations, limited liability companies, limited liability partnerships and other persons or entities not subject to federal income tax or which are allowed a deduction in computing such tax for distributions to the owners or beneficiaries of such persons or entities and specifying safe harbor measure of taxable payroll expense for owners of pass through entity (80% of net earnings from self-employment); and (2) amending Section 905-A to increase the Small Business Tax Exemption to include all taxpayers whose taxable payroll expense is \$250,000 or less.

(Economic Impact)

6/10/08, ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 7/10/2008. 6/23/08 - Referred to Small Business Commission for review and comment. 6/23/08 - Referred to Planning Department for environmental review. 06/30/08 - Response received from Planning, exempt from CEQA.

7/14/08, DIVIDED. Hearing held. Speakers: Supervisor Peskin; Supervisor Ammiano; Cheryl Adams, Deputy City Attorney; Ben Rosenfield, Controller; Jennifer Maas, Mayor's Office; Ted Egan, Office of Economic Analysis; Selvin Cambell, Budget Analyst.

7/14/08, CONTINUED AS AMENDED. 7/14/08 - Consideration continued to 7/21/08.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

10. 081030 [Payroll Expense Tax]

Ordinance submitting to the voters an ordinance amending the Business and Tax Regulations Code by (1) amending Section 902.1 and adding Section 902.2 to clarify the tax liability of "pass through entities" under the Payroll Expense Tax Ordinance, including partnerships, Subchapter S corporations, limited liability companies, limited liability partnerships and other persons or entities not subject to federal income tax or which are allowed a deduction in computing such tax for distributions to the owners or beneficiaries of such persons or entities; and specifying safe harbor measure of taxable payroll expense for owners of pass through entity (200% of compensation for its most highly paid quartile of employees); and (2) amending Section 905-A to increase the Small Business Tax Exemption to include all taxpayers whose taxable payroll expense is \$250,000 or less.

7/14/08, CONTINUED AS DIVIDED. See File 080831.

The Chair intends to entertain a motion to send this item to Board as a Committee Report on July 22, 2008.

11. 080283 [San Francisco Special Tax Financing Law] Supervisor Sandoval

Ordinance amending the San Francisco Administrative Code by adding Article 43.10, Sections 43.10.1 through 43.10.23, to enact the Special Tax Financing Law establishing procedures for the formation of special tax districts, the imposition of special taxes and the issuance of bonds secured by such special tax funds.

2/26/08, ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 3/24/2008.

12. 080842 [Funding the Guarantee Pool for the Local Business Enterprise Bonding and Financing Assistance Program] Supervisor Maxwell

Hearing on the status and future plans for agency coordination and funding the Guarantee Pool of the Local Business Enterprise Bonding and Financing Assistance Program.

6/24/08, RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

ADJOURNMENT

IMPORTANT INFORMATION

NOTE: Persons unable to attend the meeting may submit to the City, by the time the proceedings begin, written comments regarding the agenda items above. These comments will be made a part of the official public record and shall be brought to the attention of the Board of Supervisors. Any written comments should be sent to: Committee Clerk of the Government Audit and Oversight Committee, San Francisco Board of Supervisors, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102 by 5:00 p.m. on the day prior to the hearing. Comments which cannot be delivered to the committee clerk by that time may be taken directly to the hearing at the location above.

LEGISLATION UNDER THE 30-DAY RULE

(Not to be considered at this meeting)

Rule 5.40 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.

There are no items currently pending under the 30 day rule.

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 at a Committee meeting 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) signs to be brought into the meeting or displayed in the room; 4) standing in the meeting room.

Citizens are encouraged to testify at Committee meetings and to write letters to the Clerk of a Committee or to its members, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

USING LAPTOP COMPUTERS FOR PRESENTATIONS: Please contact City Hall Media Services at (415) 554-4933 to coordinate the use of laptop computers for presentations at the meeting. Computers to be used are required to be tested in advance. The presenter should arrive 30 minutes prior to the meeting to connect and test their computer.

THE AGENDA PACKET IS AVAILABLE FOR REVIEW AT CITY HALL, ROOM 244, RECEPTION DESK.

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Requests for language interpreters at a meeting must be received at least 48 hours in advance of the meeting to help ensure availability. Contact Madeleine Licavoli at (415) 554-7722.

AVISO EN ESPAÑOL: La solicitud para un traductor en una reunion debe recibirse antes de mediodia de el viernes

anterior a la reunion. Llame a Erasmo Vazquez (415) 554-4909.



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 SF Cable 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 Madeleine Licavoli at (415) 554-7722 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 J, K, L, M, N, and T (Civic Center or Van Ness Stations). MUNI bus lines serving the area are the 47 Van Ness, 9 San Bruno, and the 6, 7, 71 Haight/Noriega. For more information about MUNI accessible services, call (415) 923-6142.

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 decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine 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 (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact Frank Darby by mail to Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102 by phone at (415) 554-7724, by fax at (415) 554-7854 or by email at sotf@sfgov.org

Citizens may obtain a free copy of the Sunshine Ordinance by contacting Mr. Darby or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, at <http://www.sfgov.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 Sec. 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102; telephone (415) 581-2300; fax (415) 581-2317; web site www.sfgov.org/ethics