

Accept and Expend American Rescue Plan Act Grant

Budget & Finance Committee Presentation

March 23, 2022



Port of San Francisco: Background and COVID Impacts

- Enterprise Agency
 - Supported by own revenue
 - \$110 million operating budget
- COVID Impacts
 - Outsized impact on leasing revenue
 - Total revenue down 40% from pre-pandemic levels
 - Five-year recovery time frame
- Since 2020 Port has saved over \$60 million
 - Expenditure reductions (\$7.9m), Delayed hiring (\$4.8 m), Reduced capital investment (\$51.1 m)
 - Port used fund balance to maintain operations





American Rescue Plan Act

- Speaker Pelosi amendment to include transfer language for port recovery
- First financial aid package for ports
- Governor Newsom one-time \$250 million allocation from APRA to California's ports
- State Lands Commission disbursement \$56.6 million



Funding Allocation & Uses

State Lands Commission

- \$56.6 million allocated to cover 2020 losses
 - \$14.4 million eligible in current fiscal year
 - \$42.2 million through budget process
- \$58.2 million requested to cover 2021 losses
 - Disbursement decision on April 26, 2022

Uses

- Backfilling 20 vacancies
- Supporting a clean and safe Port
- Restoring delayed/deferred/cut capital investments
- Helping Port disproportionately impacted communities and small business
- Driving revenues to fuel recovery

Next Steps & Questions

- Request authorization to accept and expend \$14.4 million in current fiscal year
- Request acceptance and approval of \$100 million in FY 2022/23 & FY 2023/24 during upcoming budget process
- All funds must be expended by June 30, 2024