File No. <u>230507</u>	Committee Item No1 Board Item No
	RD OF SUPERVISORS KET CONTENTS LIST
Committee: <u>Budget and Finance C</u> Board of Supervisors Meeting	Date May 24, 2023 Date
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Completed by:	Brent Jalipa	<b>Date</b> May 18, 2023	
Completed by:	Brent Jalipa	Date	

[Asia-Pacific Economic Cooperation - Behested Payment Waiver]

Resolution authorizing the Office of the Mayor, Office of Economic and Workforce

Development, and Chief of Protocol to solicit donations from various private entities

and organizations to support the City hosting the Asia-Pacific Economic Cooperation

Summit, notwithstanding the Behested Payment Ordinance.

WHEREAS, San Francisco will serve as the host city for the 30th Asia-Pacific

Economic Cooperation ("APEC") Leaders' Summit, in November, 2023, to be attended by

President Biden, various heads of state, and other officials from around the world; and

WHEREAS, APEC consists of 21 member economies and is the leading forum in the

Pacific Rim for promoting trade, investment, economic growth and cooperation throughout the

region; and

WHEREAS, The economies that will be represented in this year's APEC Leader's Summit include the United States, Canada, China, the Philippines, Japan, Singapore and Thailand; the Summit will focus on regional economic issues, including sustainability, digitalization, women's economic empowerment, trade facilitation, energy security, food security, and health; the APEC meetings will also include the APEC CEO Summit, bringing together company CEOs, thought leaders and other stakeholders together with political leaders from the region for three days of robust dialogue and engagement on global challenges including climate change, equitable growth and supply chain resilience; and

WHEREAS, APEC members account for approximately 40 percent of the global population and nearly half of global trade; as of 2021, fellow APEC members were the destination for more than 60 percent of U.S. goods exports; in addition, seven of the top 10 U.S. overall trading partners are also members; and

1	WHEREAS, San Francisco is widely recognized as a gateway to the Asia-Pacific
2	region, with long-standing and extensive economic, cultural and academic connections to the
3	region; and
4	WHEREAS, Asian Americans account for about a third of San Francisco's total
5	population, and San Francisco has Sister City relationships with cities throughout the region,
6	including Osaka, Seoul, Ho Chi Minh, Manila, Sydney, and Shanghai; San Francisco's
7	Chinatown is the first in North America and one of the largest Chinese communities outside of
8	Asia; and
9	WHEREAS, San Francisco currently hosts over 75 consulates, representing the
10	government interests of virtually all major countries around the world; over half of the APEC
11	member economies have a consulate or trade office in San Francisco; and
12	WHEREAS, San Francisco is a premier destination for foreign direct investment from
13	the Asia Pacific region; each year, the San Francisco Customs District logs about \$100 billion
14	dollars from two-way shipping with APEC members; northern California firms sell an
15	estimated \$60 billion dollars of goods and services to APEC buyers; and
16	WHEREAS, The APEC Summit is estimated to generate nearly \$37 million dollars in
17	economic benefit to San Francisco; the APEC Summit will be held at the newly renovated
18	Moscone Center and will draw thousands of attendees from around the world; and
19	WHEREAS, The COVID-19 pandemic took a great toll on San Francisco's economy,
20	particularly in terms of international travel; as of February 2023, San Francisco International
21	Airport (SFO) reported international checkpoint numbers at only 80% of pre-pandemic levels;
22	travel from Asia has been particularly impacted; calendar year enplanements from Asia to
23	SFO in 2022 were down 59.6% from 2019; flights from Asia have the highest economic
24	impact on the Bay Area with the top markets in Asia exceeding the economic impact of top
25	markets in Europe by over 50% per flight; and

1	WHEREAS, It is expected that around 10,000 people will come to San Francisco for
2	APEC, almost entirely on overseas flights; San Francisco Travel estimates that 6,000 San
3	Francisco hotel rooms will be used by APEC participants alone, excluding journalists and
4	other visitors; and
5	WHEREAS, APEC will generate significant business for San Francisco's hotels,
6	restaurants, shops, and arts and cultural centers, providing a boost to San Francisco's
7	economic recovery; APEC will also deepen San Francisco's ties to the Asia Pacific region and
8	further promote San Francisco as a global capital of trade, technology, policy innovation, and
9	culture; and
10	WHEREAS, The Office of the Mayor, the Office of Economic and Workforce
11	Development and San Francisco Chief of Protocol and War Memorial Trustee Maryam
12	Muduroglu are working with San Francisco Travel and other civic leaders to help organize an
13	APEC Host Committee to prepare for the Summit and position the City for the opportunities it
14	presents, including by hosting related events such as receptions for foreign leaders and
15	officials, conference panels and other meetings for participants to discuss policy and trade;
16	and
17	WHEREAS, The APEC Host Committee would operate as a nonprofit entity and
18	fundraise from firms, foundations and other organizations that will participate in the APEC
19	Summit or are otherwise APEC stakeholders; and
20	WHEREAS, The Office of the Mayor and the Office of Economic and Workforce
21	Development both partner with organizations, including potential APEC stakeholders, often
22	through grant agreements; and
23	WHEREAS, The Office of the Mayor, the Office of Economic and Workforce
24	Development and Chief of Protocol Maryam Muduroglu seek a waiver of the City's Behested
25	Payment Ordinance (Campaign and Governmental Conduct Code, Sections 3.600 et seq.) to

1	the extent it restricts the Mayor, Chief of Protocol Muduroglu and officers and employees of
2	the Office of the Mayor and the Office of Economic and Workforce Development from
3	soliciting financial support or in-kind goods or services, from persons or entities that would be
4	considered interested parties, for the APEC Host Committee or to otherwise support the
5	APEC Summit; now, therefore, be it
6	RESOLVED, That under Section 3.620(f) of the Campaign and Governmental Conduct
7	Code, the Board of Supervisors hereby waives application of the Behested Payment
8	Ordinance as to the Mayor, Chief of Protocol Maryam Muduroglu and officers and employees
9	of the Office of the Mayor and the Office of Economic and Workforce Development so that
	they may solicit donations from private organizations and philanthropists to support the APEC
10	Summit; and, be it
11	FURTHER RESOLVED, That granting this waiver serves the public interest by
12	promoting economic growth, innovation and tourism in San Francisco and strengthening the
13	connection between San Francisco and the Asia Pacific region; and, be it
14	FURTHER RESOLVED, That granting this waiver does not create an appearance of
15	impropriety.
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From: Conine-Nakano, Susanna (MYR)

To: BOS Legislation, (BOS)

Cc: Paulino, Tom (MYR); Angulo, Sunny (BOS); Heckel, Hank (MYR)

Subject: Mayor -- Resolution -- Asia-Pacific Economic Cooperation Summit Behested Payments Waiver

**Date:** Tuesday, May 2, 2023 4:28:24 PM

Attachments: APEC Behested Payments Waiver Resolution.docx

## Hello Clerks,

Attached for introduction to the Board of Supervisors is a Resolution authorizing the Office of the Mayor, the Office of Economic and Workforce Development and the Chief of Protocol to solicit donations from various private entities and organizations to support San Francisco hosting the Asia-Pacific Economic Cooperation Summit, notwithstanding the Behested Payment Ordinance.

Please note that Supervisor Peskin is a co-sponsor of this legislation.

Best, Susanna

Susanna Conine-Nakano Office of Mayor London N. Breed City & County of San Francisco 1 Dr. Carlton B. Goodlett Place, Room 200 San Francisco, CA 94102 415-554-6147