

File No. 240057

Committee Item No. 8

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date February 7, 2024

Board of Supervisors Meeting

Date _____

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

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Completed by: Brent Jalipa

Date February 1, 2024

Completed by: Brent Jalipa

Date _____

1 [De-Appropriation and Appropriation - General City Responsibility - APEC 2023 Project
2 - Municipal Transportation Agency and Office of Economic and Workforce Development
3 - \$2,250,000 - FY2023-2024]

3

4 **Ordinance de-appropriating \$2,250,000 from General City Responsibility (GEN)**
5 **and re-appropriating \$250,000 to the Municipal Transportation Agency (MTA) to**
6 **support free two-hour parking in the Portsmouth Square and St. Mary’s Parking**
7 **Garages and transit fares for the Lunar New Year Parade in February 2024, and**
8 **\$2,000,000 to the Office of Economic and Workforce Development (ECN) to**
9 **support a relief fund for SOMA area business and organizations from direct Asia-**
10 **Pacific Economic Cooperation (APEC) impacts in the Fiscal Year (FY) 2023-2024.**

11

12 Note: Additions are *single-underline italics Times New Roman*;
13 deletions are ~~*strikethrough italics Times New Roman*~~.
14 Board amendment additions are double underlined.
15 Board amendment deletions are ~~strikethrough normal~~.

14

15 Be it ordained by the People of the City and County of San Francisco:

16

17 Section 1. The sources of funding outlined below are herein de-appropriated to
18 reflect the projected sources of funding for FY2023-2024.

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20 **Uses De-appropriation**

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Fund /	Project & Activity /	Account	Description	Amount
Department ID	Authority			
10010 / 230018	10040275 - 0001/	506070	Programmatic	(\$2,250,000)
GF Annual Authority	10000	Programmatic	Projects	
Ctrl/ GEN General	APEC 2023 /	Projects		
City Responsibility	Operating			
Total USES De-Appropriation				(\$2,250,000)

Section 2. The uses of funding outlined below are herein appropriated to reflect the projected funding available for FY 2023-24.

USES APPROPRIATION

	Fund / Department ID	Project & Activity / Authority	Account	Description	Amount
1					
2					
3	XXXXX / XXXXXX	XXXXXXXXXX – XXXX	5210 –	Support free	\$250,000
4	XXXXX / MTA	/ XXXXX	Nonpersonnel	parking in	
5	XXXXXXXXXXXX	XXXXXXXXXXXX –	Services/	Portsmouth	
6		XXXX / XXXXXXXXX	XXXXX –	Square & St.	
7			XXXXXXXXXX	Mary’s Parking	
8			XXX	Garage and transit	
9				fares	
10					
11	10010 / XXXXXX	XXXXXXXXXX – XXXX	5210 –	SOMA area	\$2,000,000
12	GF Annual	/ XXXXX	Nonpersonnel	business and	
13	Authority Ctrl/ ECN	XXXXXXXXXXXX –	Services/	organizations	
14	XXXXXXXXXXXX	XXXX / XXXXXXXXX	XXXXX –	relief support from	
15			XXXXXXXXXX	direct APEC	
16			XXX	impacts	
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18	Total USES				\$2,250,000
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Section 3. The Controller is authorized to record transfers between funds and adjust the accounting treatment of sources and uses appropriated in this ordinance as necessary to conform with Generally Accepted Accounting Principles and other laws.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

FUNDS AVAILABLE:
BEN ROSENFELD, Controller

By: /s/
ANNE PEARSON
Deputy City Attorney

By: /s/
BEN ROSENFELD
Controller

<p>Item 8 File 24-0057</p>	<p>Department: Municipal Transportation Agency Economic & Workforce Development</p>
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EXECUTIVE SUMMARY

Legislative Objectives

- The proposed ordinance would de-appropriate \$2.25 million from the General City Responsibility APEC reserve and re-appropriate \$2 million to the Office of Economic & Workforce Development (OEWD) and \$250,000 to the Municipal Transportation Agency (MTA).

Key Points

- In January 2024, the Budget & Finance Committee approved the release of \$6.5 million from the APEC reserve to reimburse expenditures incurred by the Police, Sheriff, and Emergency Management Departments during APEC. There remains \$3.5 million of General Fund monies in the APEC reserve.
- According to the proposed ordinance, the \$2 million for OEWD will be provided to SOMA area businesses and organizations impacted by APEC. As of this writing, an additional appropriation is being considered for businesses impacted by MTA’s Taraval Improvement Project.
- According to the proposed ordinance, the \$250,000 for MTA is to support free parking in the Portsmouth Square and Saint Mary’s Square parking garages and transit fares. According to the Budget & Finance Committee Chair’s Office, the appropriation is intended to offset foregone revenue from waiving parking and transit fees during Lunar New Year, including: (1) two hours of free parking in the Portsmouth Square garage for all of February 2024, (2) two hours of free parking in the St. Mary’s Square garage for all weekends in February 2024, and (3) one day of free transit (excluding cable cars) during a Lunar New Year parade on February 24, 2024. Based on our review of MTA garage and transit activity, we estimate that the foregone revenue could total \$336,050.

Fiscal Impact

- If the proposed ordinance is approved, the APEC reserve will be reduced from \$3.5 million to \$1.25 million. Any unspent funds in the APEC will reserve will be available for appropriation in next year’s budget.

Recommendations

- Request OEWD and the Office of Small Business report back by December 31, 2024 on: (a) the final rules for any new grant program funded by the proposed appropriation, (b) the number of businesses provided grants, and (c) the amount of money disbursed.
- Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

MANDATE STATEMENT

City Charter Section 9.105 states that amendments to the Annual Appropriations Ordinance, after the Controller certifies the availability of funds, are subject to Board of Supervisors approval by ordinance.

BACKGROUND

The FY 2023-24 – FY 2024-25 Annual Appropriation Ordinance included a \$10 million General Fund set-aside in the General City Responsibility cost center to cover expenses related to the Asian Pacific Economic Conference (APEC), which took place in San Francisco in November 2023. The account was placed on Budget & Finance Committee reserve during the Board phase of the June budget process. In January 2024, the Budget & Finance Committee approved the release of \$6.5 million from the APEC reserve to reimburse expenditures incurred by the Police, Sheriff, and Emergency Management Departments during APEC.¹ There remains \$3.5 million in the APEC reserve.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would de-appropriate \$2.25 million from the General City Responsibility APEC reserve and re-appropriate \$2 million to the Office of Economic & Workforce Development (OEWD) and \$250,000 to the Municipal Transportation Agency (MTA).

Business Relief

According to the proposed ordinance, the \$2 million for OEWD will be provided to SOMA area businesses and organizations impacted by APEC. As of this writing, an additional appropriation is being considered for businesses impacted by MTA’s Taraval Improvement Project. According OEWD, no rules have been developed for either program.

The Board of Supervisors should request OEWD and the Office of Small Business report back by December 31, 2024 on: (a) the final rules for any new grant program funded by the proposed appropriation, (b) the number of businesses provided grants, and (c) the amount of money disbursed.

Transportation

According to the proposed ordinance, the \$250,000 for MTA is to support free parking in the Portsmouth Square and Saint Mary’s Square parking garages and transit fares.² According to the

¹ Our report on the requested release of reserves noted that MTA incurred costs of \$2.2 million and revenues losses of \$2.0 million related to APEC.

² In 2022, the Board of Supervisors appropriated \$554,000 in General Fund monies for MTA to provide two hours of free parking in the Portsmouth Square Garage during February 2022 and for two days of free Muni (File 22-0129).

Budget & Finance Committee Chair’s Office, the appropriation is intended to offset foregone revenue from waiving parking and transit fees during Lunar New Year, including: (1) two hours of free parking in the Portsmouth Square garage for all of February 2024, (2) two hours of free parking in the St. Mary’s Square garage for all weekends in February 2024, and (3) one day of free transit (excluding cable cars) during a Lunar New Year parade on February 24, 2024. Exhibit 1 below shows the breakdown of the foregone revenues.

Exhibit 1: MTA Foregone Revenue

Portsmouth Square Garage	\$180,000
St Mary's Square Garage	\$10,500
Transit	\$115,000
Contingency (10%)	\$30,550
Projected Foregone Revenue	\$336,050
Proposed Appropriation	\$250,000
Funding Gap	\$86,050

Source: BLA Review of MTA data

As shown above, to cover the planned free parking in Chinatown garages and one day of free Muni could cost as much as \$336,050, including a 10 percent buffer, which is \$86,050 more than the proposed \$250,000 appropriation for these purposes. The Board could increase the appropriation to \$336,050 in order to fully cover the projected revenue loss or request MTA absorb a portion of the foregone revenue.

FISCAL IMPACT

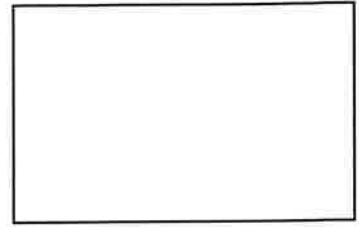
If the proposed ordinance is approved, the APEC reserve will be reduced from \$3.5 million to \$1.25 million. Any unspent funds in the APEC will reserve will be available for appropriation in next year’s budget.

RECOMMENDATIONS

1. Request OEWD and the Office of Small Business report back by December 31, 2024 on: (a) the final rules for any new grant program funded by the proposed appropriation, (b) the number of businesses provided grants, and (c) the amount of money disbursed.
2. Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor _____ inquires..."
- 5. City Attorney Request
- 6. Call File No. _____ from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. _____
- 9. Reactivate File No. _____
- 10. Topic submitted for Mayoral Appearance before the Board on _____

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Chan, Peskin

Subject:

De-Appropriation and Appropriation - General City Responsibility - APEC 2023 Project - Municipal Transportation Agency & Office of Economic and Workforce Development - \$2,250,000 - FY2023-2024

Long Title or text listed:

Ordinance de-appropriating \$2,250,000 from General City Responsibility (GEN) and re-appropriating \$250,000 to the Municipal Transportation Agency (MTA) to support free two-hour parking in the Portsmouth Square and St. Mary's Parking Garages and transit fares for the Lunar New Year Parade in February 2024, and \$2,000,000 to the Office of Economic and Workforce Development (ECN) to support a relief fund for SOMA area business and organizations from direct APEC impacts in the FY 2023-2024.

Signature of Sponsoring Supervisor: