

FILE NO: 190697

Petitions and Communications received from June 3, 2019, through June 10, 2019, for reference by the President to Committee considering related matters, or to be ordered filed by the Clerk on June 18, 2019.

Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information will not be redacted.

From the Office of the Mayor, pursuant to Charter, Section 3.100(18), making the following appointment: Copy: Each Supervisor. (1)

Janet Reilly - Health Commission - term ending January 15, 2023

From the Office of the Controller, pursuant to Charter, Section 9.102, submitting comment on the revenue estimates assumed in the Mayor's FY2019-2020 and FY2020-2021 proposed budget. Copy: Each Supervisor. (2)

From the Office of Small Business, pursuant to Administrative Code, Section 2A.243(e)(1), submitting the Legacy Business Program Annual Report, 2018-2019. Copy: Each Supervisor. (3)

From the Department of Public Health, pursuant to Ordinance No. 283-04 of the Administrative Code, submitting the Shelter Monitoring Committee Quarterly Report - 3rd Quarter FY2018-2019. Copy: Each Supervisor. (4)

From the Coalition for San Francisco Neighborhoods, submitting a proposed resolution for Balboa Reservoir Project. Copy: Each Supervisor. (5)

From the Department of Parks and Recreation, Office of Historic Preservation, pursuant to Federal Regulations 36 CFR Part 60.0(c), submitting notice of Register of Historic Places Nomination for Glen Park BART Station and Swedish American Hall. Copy: Each Supervisor. (6)

From Anastasia Glikshtern, submitting general public comment for Commission on the Environment May 28, 2019, meeting. Copy: Each Supervisor. (7)

From Al Williams, Bayview Merchants Association, regarding the proposed legislation concerning electronic cigarettes. File No. 190312. Copy: Each Supervisor. (8)

From Sabi Sue, regarding the proposed closure of Juvenile Hall. File No. 190392. Copy: Each Supervisor. (9)

From Patrick Monette-Shaw, regarding General Obligation Bonds - Affordable Housing. File Nos. 190495 and 190501. Copy: Each Supervisor. (10)

From Sasha Perigo, regarding rents subsidies for SRO tenants. Copy: Each Supervisor. (11)

From Kristina Hoff, regarding scooters on City sidewalks in the ball park, China Basin area. Copy: Each Supervisor. (12)

From Firdouse Huq, M.D., regarding California State Senate Bill No.1045. File No. 181042. Copy: Each Supervisor. (13)

**From:** [Mchugh, Eileen \(BOS\)](#)  
**To:** [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#); [Young, Victor \(BOS\)](#); [Karunaratne, Kanishka \(MYR\)](#); [GIVNER, JON \(CAT\)](#)  
**Subject:** TIME SENSITIVE: Mayoral Appointment, Charter 3.100(18)  
**Date:** Wednesday, June 5, 2019 6:10:00 PM  
**Attachments:** [Clerk's Memo - 6.05.14.pdf](#)  
[Mayoral Appointment - Health Commission.pdf](#)

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Hello,

The Office of the Mayor submitted the attached complete appointment package, pursuant to Charter Section 3.100(18). Please see the attached memo from the Clerk of the Board for more information and instructions.

Thank you,

Eileen McHugh  
Executive Assistant  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102-4689  
Phone: (415) 554-7703 | Fax: (415) 554-5163  
[eileen.e.mchugh@sfgov.org](mailto:eileen.e.mchugh@sfgov.org) | [www.sfbos.org](http://www.sfbos.org)

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

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## MEMORANDUM

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Date: June 5, 2019  
To: Members, Board of Supervisors  
From: *ACE* Angela Calvillo, Clerk of the Board  
Subject: Mayoral Appointment

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On June 5, 2019, the Mayor submitted the following complete appointment package, pursuant to Charter, Section 3.100(18):

- **Janet Reilly** - Health Commission - term ending January 15, 2023.

This appointment is effective immediately unless rejected by a two-thirds vote of the Board of Supervisors. Pursuant to Board Rule 2.18.3, a Supervisor may request a hearing on a Mayoral appointment by notifying the Clerk in writing.

Upon receipt of such notice, the Clerk shall refer the appointment to the Rules Committee so that the Board may consider the appointment and act within 30 days of the appointment as provided in Charter, Section 3.100(18).

If you are interested in requesting a hearing on this appointment, please notify me in writing by **5:00 p.m., Wednesday, June 12, 2019.**

(Attachments)

c: Alisa Somera - Legislative Deputy  
Victor Young - Rules Clerk  
Jon Givner - Deputy City Attorney  
Kanishka Cheng - Mayor's Boards and Commissions Liaison



OFFICE OF THE MAYOR  
SAN FRANCISCO



LONDON N. BREED  
MAYOR

### Notice of Appointment

June 5, 2019

San Francisco Board of Supervisors  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2019 JUN -5 PM 1:26  
BY \_\_\_\_\_

Honorable Board of Supervisors:

Pursuant to Charter Section 3.100(18), of the City and County of San Francisco, I make the following appointment:

**Janet Reilly** to the Health Commission for a four year term ending January 15, 2023, into the seat formerly held by Tessie Guillermo who is currently serving out a term formerly held by David Sanchez.

I am confident that Ms. Reilly will serve our community well. Attached are her qualifications to serve, which demonstrate how her appointment represents the communities of interest, neighborhoods and diverse populations of the City and County of San Francisco.

Should you have any question about this appointment, please contact my Director of Appointments, Kanishka Cheng, at 415.554.6696

Sincerely,

A handwritten signature in blue ink that reads "London Breed".

London N. Breed  
Mayor, City and County of San Francisco

**From:** [Reports, Controller \(CON\)](#)  
**To:** [Calvillo, Angela \(BOS\)](#); [Mchugh, Eileen \(BOS\)](#); [BOS-Supervisors](#); [BOS-Legislative Aides](#); [Elsbernd, Sean \(MYR\)](#); [Fay, Abigail \(MYR\)](#); [Bruss, Andrea \(MYR\)](#); [Power, Andres \(MYR\)](#); [Kirkpatrick, Kelly \(MYR\)](#); [Cretan, Jeff \(MYR\)](#); [Lynch, Andy \(MYR\)](#); [Karunaratne, Kanishka \(MYR\)](#); ["alubos@sftc.org"](#); ["pkilkenny@sftc.org"](#); [Campbell, Severin \(BUD\)](#); [Goncher, Dan \(BUD\)](#); [Rose, Harvey \(BUD\)](#); [Docs, SF \(LIB\)](#); [CON-EVERYONE](#); [MYR-ALL Department Heads](#); [CON-Finance Officers](#); ["gmetcalf@spur.org"](#); ["thart@sfchambers.com"](#); ["jballesteros@sanfrancisco.travel"](#)  
**Subject:** Issued: FY 2019-20 and FY 2020-21 Revenue Letter  
**Date:** Tuesday, June 11, 2019 1:21:56 PM

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The Charter requires that the Controller comment on revenue estimates assumed in the Mayor's FY 2019-20 and FY 2020-21 proposed budget. We find tax revenue assumptions to be reasonable, and reserves and baselines to be funded at or above required levels. Revenue growth, built upon an assumption of continued economic growth, will require monitoring during the coming two years. The budget draws on volatile revenues and reserves at a higher rate than recent years, to fund a variety of one-time purposes.

To view the full revenue letter, please visit our website at:  
<http://openbook.sfgov.org/webreports/details3.aspx?id=2717>

This is a send-only email address.

For questions regarding the revenue letter, please contact Carol Lu at [Carol.Lu@sfgov.org](mailto:Carol.Lu@sfgov.org) or 415 554-7647.

Follow us on Twitter @SFController

# FY 2019-20 and FY 2020-21 Revenue Letter

## Controller's Discussion of the Mayor's Proposed Budget

The Charter requires that the Controller comment on revenue estimates assumed in the Mayor's FY 2019-20 and FY 2020-21 proposed budget. We find tax revenue assumptions to be reasonable, and reserves and baselines to be funded at or above required levels. Revenue growth, built upon an assumption of continued economic growth, will require monitoring during the coming two years. The budget draws on volatile revenues and reserves at a higher rate than recent years, to fund a variety of one-time purposes.



**June 11, 2019**

City & County Of San Francisco  
Office of the Controller  
Budget & Analysis Division

## About the Budget & Analysis Division

The Budget and Analysis Division (BAD) manages the technical development of the City's annual budget, including forecasting tax revenues, costing and budgeting labor and benefit costs, and assisting the Mayor and Board of Supervisors with costing and budgeting of policy initiatives. The group manages the City's adherence to voter-approved spending requirements and financial policies and produces a variety of reports, including quarterly budget status updates and various fee-related reports. Additionally, the division manages property tax apportionment, rate setting, and reporting to the state, places special assessments on property tax bills, and processes the Assessor's changes to prior and current year property tax rolls.

### Budget & Analysis Team:

Michelle Allersma, *Director of Budget & Analysis*, [michelle.allersma@sfgov.org](mailto:michelle.allersma@sfgov.org)

Ysabel Catapang, *Budget and Revenue Analyst*, [ysabel.catapang@sfgov.org](mailto:ysabel.catapang@sfgov.org)

Edward de Asis, *Budget and Revenue Analyst*, [edward.deasis@sfgov.org](mailto:edward.deasis@sfgov.org)

Yuri Hardin, *Budget and Revenue Analyst*, [yuri.hardin@sfgov.org](mailto:yuri.hardin@sfgov.org)

Nicholas Leo, *Budget and Revenue Analyst*, [nicholas.leo@sfgov.org](mailto:nicholas.leo@sfgov.org)

Carol Lu, *Citywide Revenue Manager*, [carol.lu@sfgov.org](mailto:carol.lu@sfgov.org)

David Ly, *Budget and Revenue Analyst*, [david.ly@sfgov.org](mailto:david.ly@sfgov.org)

Mendy Ma, *Budget and Revenue Analyst*, [mendy.ma@sfgov.org](mailto:mendy.ma@sfgov.org)

Michael Mitton, *Budget and Revenue Analyst*, [michael.mitton@sfgov.org](mailto:michael.mitton@sfgov.org)

Risa Sandler, *Assistant Budget Manager*, [risa.sandler@sfgov.org](mailto:risa.sandler@sfgov.org)

Jamie Whitaker, *Property Tax Manager*, [james.whitaker@sfgov.org](mailto:james.whitaker@sfgov.org)

For more information, please contact:

Michelle Allersma  
Office of the Controller  
City and County of San Francisco  
(415) 554-4792 | [michelle.allersma@sfgov.org](mailto:michelle.allersma@sfgov.org)

Or visit:

<http://www.sfcontroller.org>

## Executive Summary

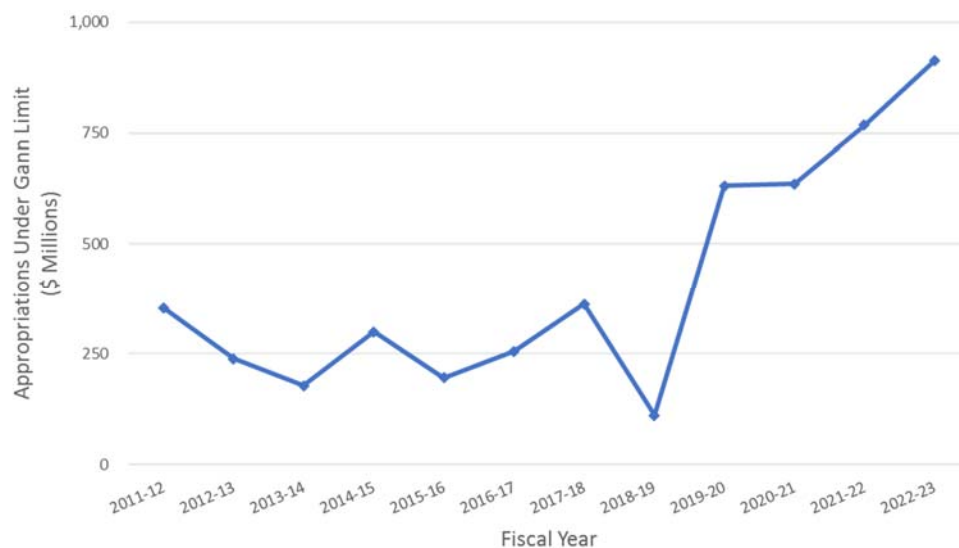
Key findings from our review of the proposed two-year budget:

- **The tax revenue assumptions in the adopted budget are reasonable and consistent with our expectation of a continued but slowing economic expansion.** Continued growth in property and business tax revenue is partially offset by relative weakness in sales and transfer tax. The duration and pace of the current economic expansion will warrant close monitoring during the upcoming budget cycle.
- **While the use of prior year fund balance is matched with one-time expenditures, the loss of this revenue source will create budget challenges in future years.** The two-year budget uses \$437.1 million of prior year fund balance, an increase of \$33.2 million from the prior adopted budget. Fund balance is considered a one-time source and will create challenges in the FY 2021-22 budget absent additional revenue increases or expenditure savings. The loss of this source is the single largest driver of a projected \$354.5 million shortfall in FY 2021-22 in our most recent budget forecast. Consistent with the Five-Year Financial Plan, the budget appropriates two-thirds of available fund balance, allowing the remainder to support projected costs outside of the two-year budget period.
- **Code-mandated reserves are funded and maintained at required levels, and new reserves are proposed given known uncertainties and risks.** General Reserve funding levels in the budget are at code-mandated levels. In addition, consistent with the Five-Year Financial Plan, the budget does not appropriate \$218.0 million of fund balance, including \$213.0 million for balancing in FY 2021-22 and beyond mentioned above, and \$5.0 million to mitigate potential shortfalls for housing vouchers at the San Francisco Housing Authority.
- **No deposits or withdrawals from economic stabilization reserves are triggered; they are projected to reach the target level of 10% of General Fund revenues.** As proscribed in the City's financial policies, once the target for economic stabilization reserves has been met, additional deposits flow into one-time reserves. The budget withdraws \$89.2 million from one-time reserves, including the Rainy Day and Budget Stabilization One Time Reserves, to support non-recurring expenditures.
- **All voter-adopted spending requirements are met, at a cost exceeding \$1.4 billion annually.** These include mandated spending for transit, libraries, schools, early childhood education, street trees, and other programs. Several programs are funded above the required levels, including the Children's Services baseline, Transitional Aged Youth baseline, Recreation and Parks baseline, and Housing Trust Fund.
- **The proposed budget appropriated two additional years of "Excess ERAF" property tax funds, associated with FY 2016-17 and FY 2019-20.** These revenues, totaling \$334.1 million, increase mandated baseline spending by \$59.1 million, increase reserve deposits by \$116.5 million, and increase discretionary revenues by \$158.6 million. Deposits to reserves for one-time purposes

driven by these revenues are programmed for various one-time purposes in the proposed budget.

- **Budgeted expenditures are projected to be within the appropriations limit mandated by the California Constitution, the “Gann Limit.”** The City may exceed the Gann Limit in fiscal years following the two-year budget period, depending on the timing and outcome of litigation regarding three legally-contested tax measures approved by voters in 2018. Should this outcome occur, the City would be required to seek voter approval to exceed the limit, shift spending to capital or other exempt expenditure types, or issue tax rebates.

**Exhibit 4. Actual and Projected Appropriations Under the Gann Limit (\$ millions)**



- Overall, the revenue assumptions in the Mayor’s proposed budget appear to be reasonable, with cautionary notes regarding its reliance on continued revenue growth and use of prior year fund balance and one-time reserves. The Controller’s Office will continue to work closely with the Mayor and the Board to share information as necessary to ensure that the City’s budget remains balanced.

## APPENDICES

1. General Fund Sources
2. General Fund Reserve Uses and Deposits
3. One-Time Sources and Nonrecurring Revenue Policy Compliance
4. Baselines & Mandated Funding Requirements

## Appendix 1. General Fund Sources

As shown in Exhibit 1, the Mayor's proposed budget for FY 2019-20 includes \$6.1 billion in General Fund sources and \$12.3 billion in all funds sources representing increases of 10.5 percent and 11.1 percent, respectively, from the FY 2018-19 original budget. The Mayor's proposed budget for FY 2020-21 includes \$6.0 billion in General Fund sources and \$12.0 billion in all funds sources representing decreases from the FY 2019-20 proposed budget of 1.3 percent and 2.5 percent, respectively.

### Exhibit 1. Overview of Budget Sources (\$ million)

<b>General Fund</b>			
	<b>FY 2018-19 Budget</b>	<b>FY 2019-20 Proposed</b>	<b>FY 2020-21 Proposed</b>
Fund Balance	\$ 188.6	\$ 154.5	\$ 282.6
Use of Reserves	61.6	94.8	-
Regular Revenues	5,090.8	5,678.7	5,575.4
Transfers In to the General Fund	170.7	163.5	153.0
<b>Total GF Sources</b>	<b>\$ 5,511.6</b>	<b>\$ 6,091.4</b>	<b>\$ 6,011.0</b>
<i>Change from Prior Year</i>		<i>\$ 579.7</i>	<i>\$ (80.4)</i>
<i>Percentage Change</i>		<i>10.5%</i>	<i>-1.3%</i>
<b>All Funds</b>			
	<b>FY 2018-19 Budget</b>	<b>FY 2019-20 Proposed</b>	<b>FY 2020-21 Proposed</b>
Fund Balance	\$ 396.5	\$ 351.3	\$ 522.2
Use of Reserves	74.4	100.8	1.5
Regular Revenues	10,568.3	11,810.6	11,430.4
<b>Total All-Funds Sources</b>	<b>\$ 11,039.2</b>	<b>\$ 12,262.8</b>	<b>\$ 11,954.1</b>
<i>Change from Prior Year</i>		<i>\$ 1,223.6</i>	<i>\$ (308.7)</i>
<i>Percentage Change</i>		<i>11.1%</i>	<i>-2.5%</i>

Note: Totals may appear to differ from sum of line items due to rounding

Exhibit 1-1 provides a summary of the General Fund sources in the Mayor's FY 2019-20 and FY 2020-21 proposed budget.

**Exhibit 1-1. General Fund Sources (\$ millions)**

Sources of Funds	FY 2018-19 Original Budget	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Notes
Prior Year Fund Balance - Operating Surplus	\$ 188.6	\$ 154.5	\$ 282.6	1
Use of Reserves	61.6	94.8	-	2
<b><i>Subtotal Fund Balance and Reserves</i></b>	<b>250.1</b>	<b>249.3</b>	<b>282.6</b>	
<b>Regular Revenues</b>				
Property Taxes	1,728.0	1,956.0	1,852.0	3
Business Taxes	879.4	1,050.6	1,095.9	4
Sales Tax (Bradley Burns 1%)	196.9	204.1	206.0	5
Hotel Room Tax	375.8	389.1	397.0	6
Utility Users Tax	99.1	98.7	99.9	7
Parking Tax	85.5	83.0	83.0	8
Real Property Transfer Tax	228.0	296.1	253.4	9
Stadium Admissions Tax	1.2	5.5	5.5	10
Cannabis Tax	-	3.0	7.3	11
Sugar Sweetened Beverage Tax	15.0	16.0	16.0	12
Access Line Tax	51.9	48.9	50.3	13
Licenses, Permits & Franchises	30.8	30.7	31.7	
Fines and Forfeitures	3.1	3.1	3.1	
Interest & Investment Income	27.3	76.6	86.6	14
Rents & Concessions	14.8	15.1	15.4	
Intergovernmental - Federal	278.4	279.4	284.6	15
Intergovernmental - State				
Public Safety Sales Tax	104.7	104.6	106.9	16
1991 Health & Welfare Realignment	209.1	221.0	224.8	17
Public Safety Realignment	39.0	42.1	42.8	18
Other	408.3	437.1	421.8	19
Intergovernmental Revenues - Other	12.2	2.7	2.7	
Charges for Services	248.4	232.3	233.7	
Recovery of General Government Costs	12.9	12.9	12.9	
Other Revenues	41.1	69.8	42.1	20
<b><i>Subtotal Regular Revenues</i></b>	<b>\$ 5,090.8</b>	<b>\$ 5,678.7</b>	<b>\$ 5,575.4</b>	
Transfers In to the General Fund	170.7	163.5	153.0	21
<b>Total Sources</b>	<b>\$ 5,511.6</b>	<b>\$ 6,091.4</b>	<b>\$ 6,011.0</b>	

**NOTES****1. Prior Year Fund Balance**

The proposed budget assumes \$437.1 million in unassigned General Fund surplus will be available at the end of FY 2019-20. In May 2019, the Controller's Nine Month Report projected \$538.6 million of available fund balance. After the publication of the report, additional current year expenditure savings



and revenue surpluses were identified, and the fund balance available for appropriation increased to \$655.1 million. The remaining unassigned fund balance is designated: \$5.0 million for managing costs and shortfalls at the San Francisco Housing Authority and \$213.0 million for a Fund Balance Drawdown Reserve for budget balancing in FY 2021-22 and beyond, consistent with the City's Five-Year Financial Plan.

**Exhibit 1-2. Buildup of FY 2018-19 Fund Balance Appropriated in the Budget**

Projected at 9-Month	\$ 538.6
Projected Post 9-Month	116.5
Liquidate Labor Cost Contingency Reserve	70.0
FY 2016-17 Excess ERAF Revenue	16.3
Additional FY 2018-19 Savings	30.2
Reserved for SF Housing Authority	(5.0)
Reserved for Fund Balance Drawdown Reserve	(213.0)
<b>Total Use of Fund Balance</b>	<b>\$ 437.1</b>

**2. Use of Reserves**

As shown in Exhibit 1-3, the Mayor's proposed budget uses of \$89.2 million from reserves established in prior years in FY 2019-20. See Appendix 2 for more details about reserves.

**Exhibit 1-3. General Fund Use of Prior Year Reserves (\$ millions)**

	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget
Budget Stabilization Reserve - One Time	\$ 50.4	-
Rainy Day Reserve - One-Time	37.3	-
Recreation & Parks Union Square Garage Revenue	1.6	-
<b>Total Use of Prior Year Reserves</b>	<b>\$ 89.2</b>	<b>\$ -</b>

**3. Property Tax**

The FY 2019-20 General Fund share of property tax revenue is estimated at \$1,956.0 million, which is \$228.0 million (13.2 percent) more than the FY 2018-19 budget. The FY 2020-21 General Fund share of property tax revenue is estimated at \$1,852.0 million, which is \$104.0 million (5.3 percent) lower than the proposed FY 2019-20 budget. Major changes include:

- Excess Educational Revenue Augmentation Fund (ERAF) revenue:** The proposed FY 2019-20 budget assumes the City will recognize \$185.0 million in allocations of one-time excess ERAF local property tax revenue. The \$185.0 million is based upon projected local property tax revenues to be directly distributed to the schools (SFUSD and SFUSD-sponsored charter schools, County Office of Education, and Community College District) and to the county's ERAF minus the estimated ERAF entitlement amounts for San Francisco's schools. The ERAF entitlement amounts for education entities are assumed to increase 3% annually from the amounts certified in February 2019 for FY 2018-19 by the California Department of Education (CDE) and the California Community Colleges Chancellor's Office (CCCCO). Actual ERAF

entitlement amounts are determined by state appropriations and student enrollment numbers, among other variables, which may be recalculated two years following the fiscal year in which the property tax revenue was originally billed, collected, and allocated. No excess ERAF revenue is assumed in FY 2020-21 given the risk of entitlement formula volatility, cash flow changes, and possible modifications to local property tax revenue allocation laws by the State. The first beneficiary of a county's excess ERAF is the San Francisco County Office of Education's Special Education Programs, estimated by CDE to grow by 2% compared to the amount certified in February 2019 for FY 2018-19.

- **Roll growth:** The proposed FY 2019-20 budget reflects projected secured property assessment roll growth of 7.3 percent. Increases in assessed values due to changes in ownership and new construction of real property are expected to account for approximately 72 percent of the increase, with the remainder due to the two percent inflation factor allowed under Proposition 13 for FY 2018-19. Roll growth is also estimated to increase state Vehicle License Fee (VLF) backfill revenue for the General Fund by \$20.1 million.

The proposed FY 2020-21 budget reflects projected secured roll growth of 4.7 percent compared to the proposed FY 2019-20 budget. The growth assumes 57 percent of increased taxable value due to changes in ownership and new construction, and that the Proposition 13 inflation factor will be the maximum allowed two percent. Revenues reflect uncertainty about future pricing of high value commercial properties and residences leading up to the January 1, 2020 lien date, the point at which assessed values are set for FY 2020-21 secured annual property tax billings. The improved secured roll value is expected to increase VLF backfill revenue for the General Fund by \$13.8 million.

- **Projected declines in supplemental and escape revenue:** Escape bills are issued for properties with changes in ownership or new construction that "escaped" reassessment in prior years. The proposed FY 2019-20 and FY 2020-21 budgets reflect projected escape revenues of just under \$5.0 million, or \$33.2 million (86.9 percent) less than the FY 2018-19 Nine Month Report. This significant reduction highlights the successful efforts of the Assessor-Recorder to reduce the age of items in its enrollment queue. Supplemental property tax revenue, realized due to current year ownership changes and new construction events, is anticipated to decrease to \$71.1 million in FY 2019-20, a \$6.5 million (9.2 percent) decline compared to the FY 2018-19 Nine Month Report, and remain flat in FY 2020-21. Supplemental and escape revenues were a significant driver of revenue growth between FY 2015-16 and FY 2017-18.

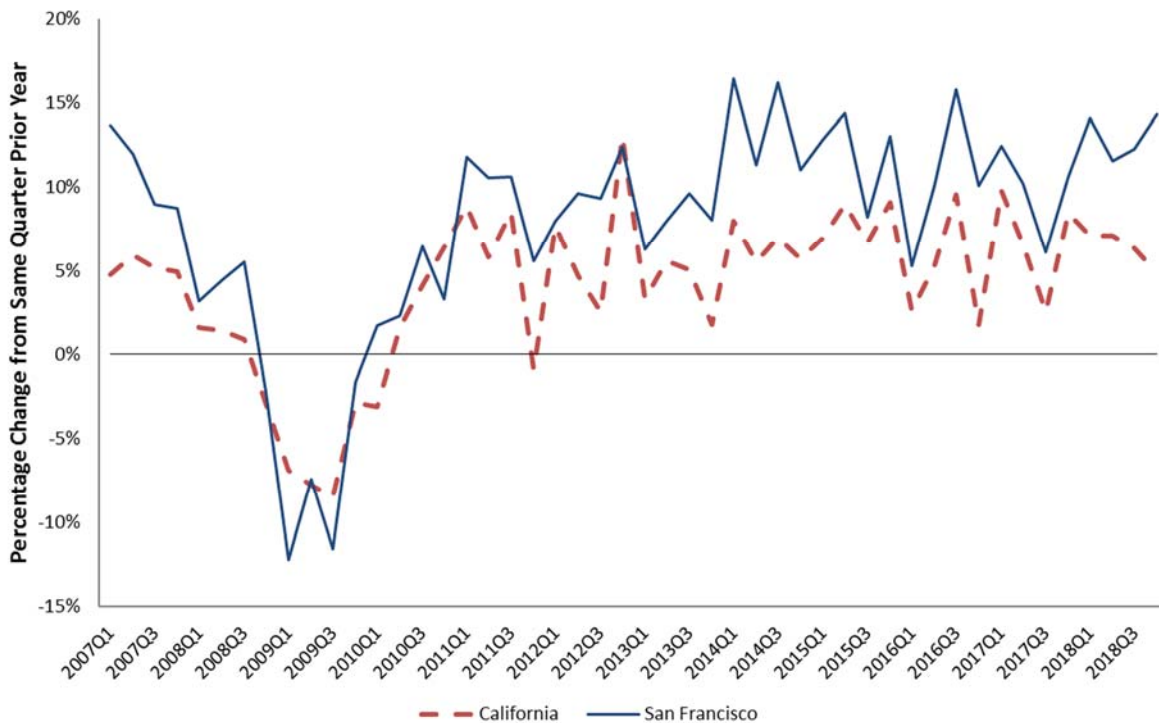
#### 4. Business Tax

Business tax revenue is budgeted at \$1,050.6 million in FY 2019-20, which is \$171.2 million (19.5 percent) more than budgeted in FY 2018-19 and a \$47.3 million (4.7 percent) increase from the FY 2018-19 in the Nine Month Report. Business tax revenue is budgeted at \$1,095.9 million in FY 2020-21, which is \$45.3 million (4.3 percent) more than the FY 2019-20 proposed budget. The budget reflects continued economic growth in private sector employment and business activity. Revenues from business taxes and registration fees follow economic conditions in the City and have grown steadily from FY 2010-11 to FY 2018-19, reflecting underlying gains in City employment and wages during the period.

The main factors that determine the level of revenue generated by business taxes are employment, wages, and business receipts. Data from the Bureau of Labor Statistics show the unemployment rate for

San Francisco peaked in 2010 and declined consistently in each subsequent year to a low of 2.4 percent as of April 2019. Additionally, beginning in 2011, San Francisco business tax revenue has benefitted from a rapid expansion of private sector wages, particularly in the technology sector, whose share of private sector payroll grew from 9% to 22% between 2010 and 2017. As shown in Exhibit 1-4, private wage growth in San Francisco has outpaced the state since 2010. Total wages posted five straight quarters of double-digit year-over-year growth, with an average of 13.1% private wage growth for 2018.

**Exhibit 1-4. Change in Private Sector Wages for San Francisco and California, 2007 to 2018**

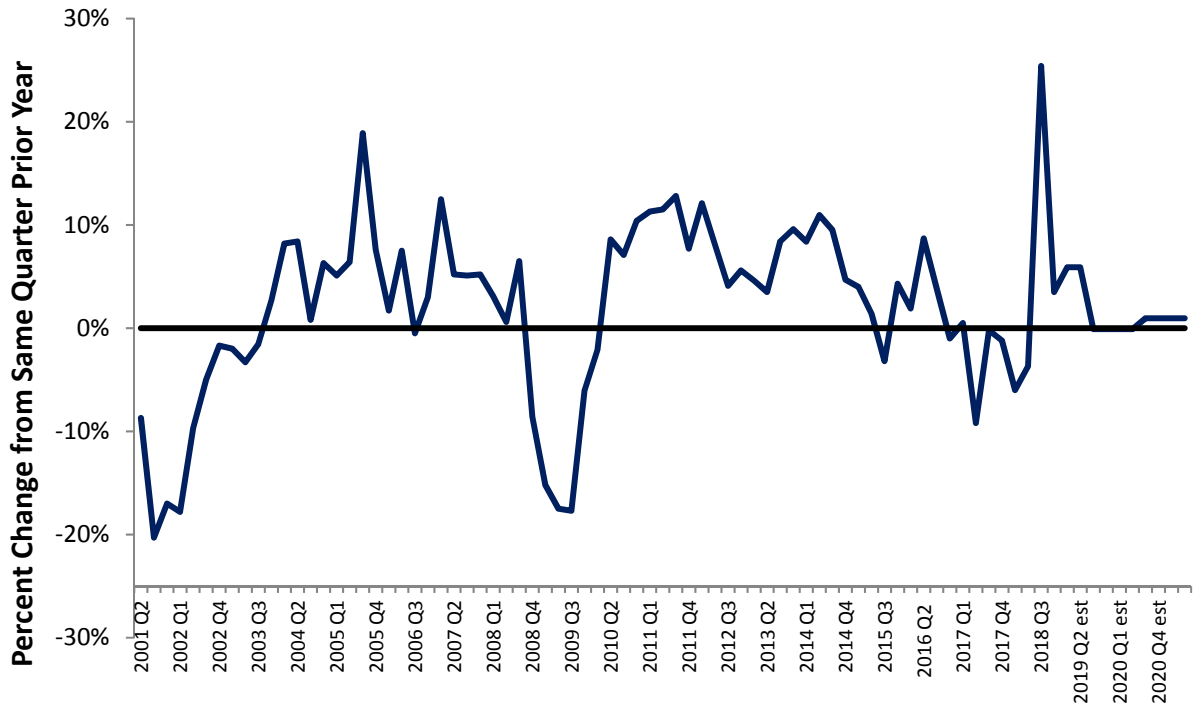


Business tax projections are based on projected growth in private sector wages and employment, which are then adjusted based on data available from the implementation of gross receipts taxes. Overall growth in business tax growth is expected to slow in FY 2019-20 and FY 2020-21, reflecting housing, transportation and other constraints to economic growth. The budget also assumes \$30 million in one-time payroll tax revenue during the budget period is generated from compensation created from initial public offerings (IPOs) of local firms.

## 5. Sales Tax

Local sales tax is budgeted at \$204.1 million in FY 2019-20, which is \$7.2 million (3.7 percent) more than the FY 2018-19 budget and a \$0.2 million (0.1 percent) decrease from FY 2018-19 as projected in the Nine Month Report. FY 2020-21 local sales tax is budgeted at \$206.0 million, which is \$1.9 million (1.0 percent) higher than the proposed FY 2019-20 budget. Due to issues with the new California Department of Tax and Fee Administration (CDTFA) reporting software implemented at the beginning of 2018, some payments associated with prior fiscal year collections were not distributed until FY 2018-19. As a result, local sales tax collections spike FY 2018-19, and the projection decreases slightly in FY 2019-20. Local sales tax continues to grow at a very slow pace due to declines in sales of general consumer goods and declines in receipts from the business sector. The budget does not assume any effect from changes in the state and federal law affecting sales tax reporting for online retailers.

**Exhibit 1-5 Actual and Projected Change in Sales Tax Revenues for San Francisco, 2005-2021**



## 6. Hotel Tax

For the General Fund, FY 2019-20 hotel tax revenue is budgeted at \$389.1 million, which is \$13.3 million (3.5 percent) more than budgeted in FY 2018-19 and a \$0.8 million (0.2 percent) decrease from levels projected in the FY 2018-19 in the Nine Month Report. The FY 2020-21 General Fund share of hotel tax revenue is budgeted at \$397.0 million, which is \$7.9 million (2.0 percent) more than budgeted in FY 2019-20.

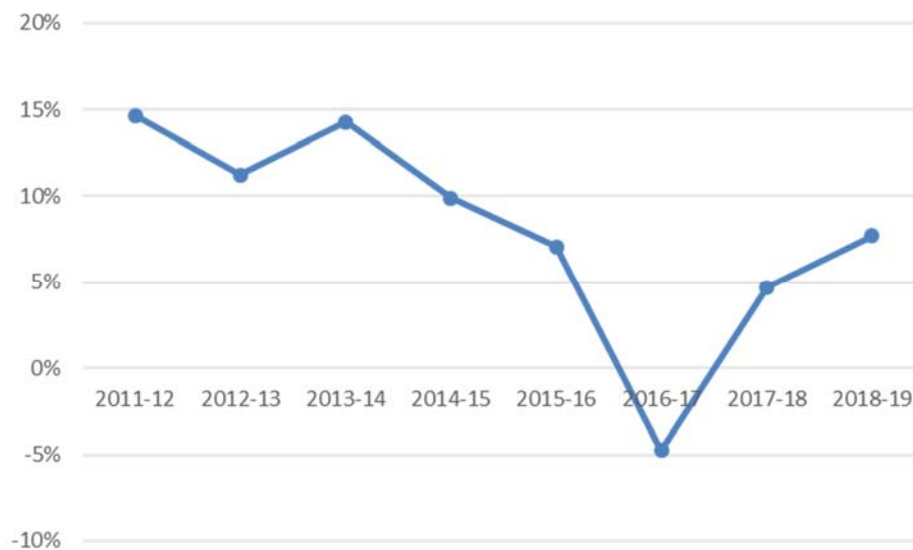
Total hotel tax revenue across all funds is budgeted at \$427.1 million in FY 2019-20, \$35.2 million (9.0 percent) more than budgeted in FY 2018-19 and a \$18.4 million (4.5 percent) increase from projected FY 2018-19 levels. FY 2020-21 hotel tax revenue is budgeted at \$435.6 million across all funds, \$8.5 million (2.0 percent) more than budgeted in FY 2019-20.

General Fund revenues grow at a slower pace than total revenue due voter approval of a ballot initiative (Prop E) in November 2018 to dedicate a portion of hotel tax proceeds to arts programs beginning in January 2019. FY 2019-20 is the first full year of implementation of the measure. As a result, despite the projected increase in total hotel tax revenue, the General Fund portion of hotel tax is projected to decline in FY 2019-20.

Hotel tax revenue growth is a function of changes in occupancy, average daily room rates (ADR) and room supply, measured in the aggregate as Revenue per Available Room (RevPAR). Exhibit 1-6 shows a recent history of RevPAR levels. During the first nine months of FY 2018-19 RevPAR grew by 1.9 percent on

average over the same period prior year, as four of the first nine months saw negative year-over-year RevPAR change. Between FY 2011-12 and FY 2013-14, RevPAR saw annual double-digit growth. In FY 2014-15 RevPAR began to slow, growing by 9.9%, and 7.1% in FY 2015-16. FY 2016-17 was the first year since FY 2009-2010 that RevPAR declined. This was due to a combination of flattening or falling average daily room rates and the closure of Moscone Center in the latter part of the fiscal year, which impacted demand for hotel rooms. In FY 2017-18, RevPAR climbed up in the second half of the year, reflecting the reopening of the Moscone Center. The increasing trend continues into FY 2018-19 as the first full fiscal year after the Moscone Center's reopening.

**Exhibit 1-6. Average Annual Change in Revenue Per Available Room (RevPAR)  
FY 2011-12 to FY 2018-19**



## 7. Utility Users Tax

FY 2019-20 utility user tax revenue is budgeted at \$98.7 million, which is \$0.4 million (0.4%) less than what was budgeted in FY 2018-19 and \$0.2 million (0.2%) less than projected in the FY 2018-19 Nine Month Report. FY 2020-21 utility users tax revenue is budgeted at \$99.9 million, which is an additional \$1.2 million (1.2%) higher than the proposed FY 2019-20 budget.

## 8. Parking Tax

Parking tax revenue is budgeted at \$83.0 million in FY 2019-20, a decrease of \$2.5 million (2.9%) over the FY 2018-19 budget, and a decrease of \$0.2 (0.2%) million from the 2018-19 Nine Month Report projection. In FY 2020-21, parking tax revenue is budgeted at \$83.0 million. Despite improved revenue control equipment and processes that began in FY 2017-18, this tax has continued to experience declines due to ride sharing and development of surface lots. Parking tax revenues are deposited into the General Fund, from which an amount equivalent to 80 percent is transferred to the Municipal Transportation Agency for public transit as mandated by Charter Section 16.110.

## 9. Real Property Transfer Tax

Real property transfer tax (RPTT) revenue is budgeted at \$296.1 million in FY 2019-20, which is \$68.1 million (29.8 percent) more than the FY 2018-19 budget and a reduction of \$42.6 million (12.6 percent) from the FY 2018-19 Nine Month report projection. In FY 2020-21, RPTT revenue is budgeted at \$253.4 million, which is \$42.6 million (14.4 percent) less than the FY 2019-20 budget. The budget assumes transfers of commercial

properties peaks in FY 2018-19 and returns to its long-term average by FY 2020-21. Considering the highly volatile nature of this revenue source, the Controller's Office monitors collection rates throughout the fiscal year and provides regular updates to the Mayor and the Board of Supervisors. In November 2016 voters approved Prop W, which increased RPTT rates beginning in December 2016. The Prop W rate increase is projected to account for \$30.7 million of the \$296.1 million budgeted in FY 2019-20 and \$26.3 million of the \$253.4 million in FY 2020-21.

Exhibit 1-7 shows revenue collections beginning in FY 2000-01. Since FY 2008-09, RPTT has been trending upward. However, as our most volatile revenue source, collections can see large year-over-year changes that have exceeded 70% in some instances. The main factors creating volatility are sales of high-value properties, which track well with economic cycles, as well as voter-approved rate changes, which occurred in 2008, 2010 and 2016.

**Exhibit 1-7. Historical Real Property Transfer Tax Revenue (\$ millions),  
FY 2000-01 through FY 2020-21**

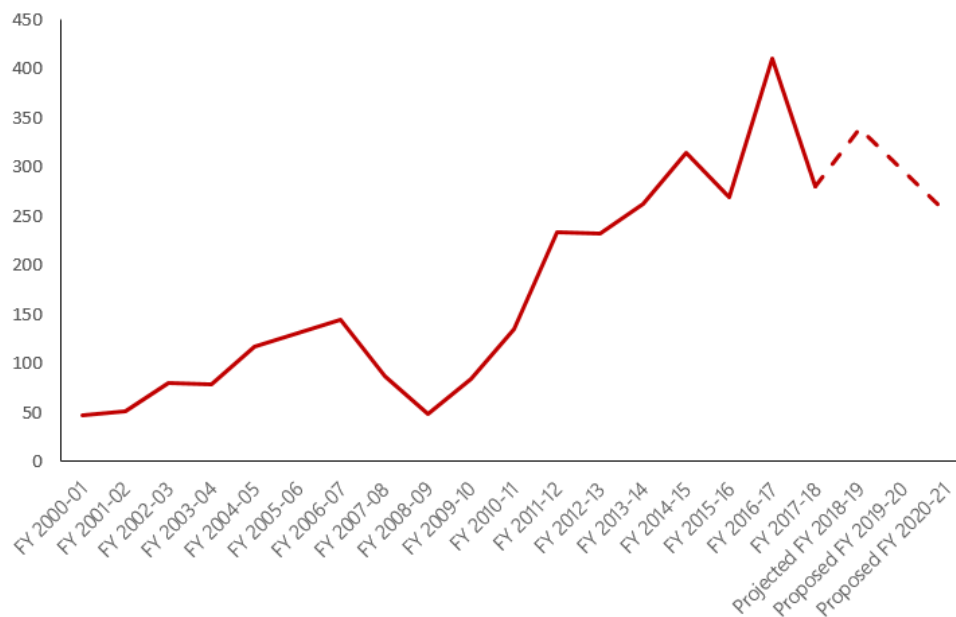
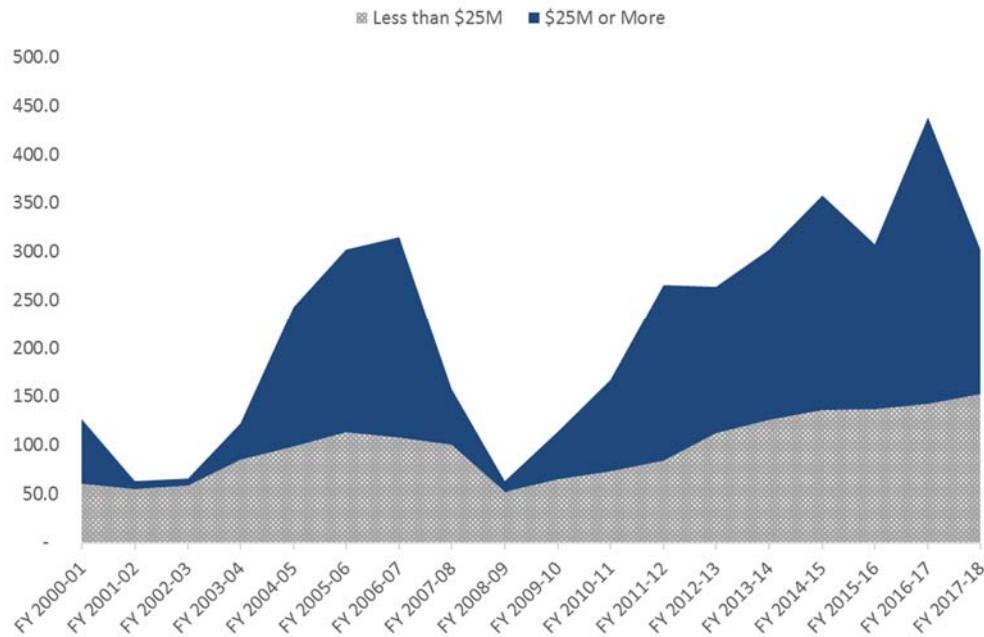


Exhibit 1-8 shows historical RPTT revenue by transaction size after being adjusted to reflect rate changes from Prop W (November 2016), Prop N (November 2010), and Prop N (November 2008). This exhibit demonstrates how the volatility of RPTT as revenue source is due mainly to the sales of high-value (largely commercial) properties over \$25 million. In FY 2008-09, transactions above \$25 million would have generated only \$10.6 million under the current rates compared to the peak in FY 2014-15, when these transactions generated \$222.2 million. Since the end of the recession in FY 2009-10, these large transactions made up on average 57.0 percent of total revenue but only 0.5 percent of the transaction count. This means that revenue is determined by a small handful of transactions.

**Exhibit 1-8. Real Property Transfer Tax Rate-Adjusted Revenue by Transaction Size, FY 2000-21 through FY 2017-18 (\$ millions)**



Deposits to the Budget Stabilization Reserve are funded with a portion of volatile revenues, including 75 percent of RPTT revenue in excess of the prior five-year average adjusted for any rate increases during the period. No deposits are expected during FY 2019-20 or FY 2020-21 as RPTT revenue is projected to be below the prior five-year average. See Appendix 2 for more detail on the Budget Stabilization Reserve.

### 10. Stadium Admissions Tax

FY 2019-20 stadium admissions tax revenue is budgeted at \$5.5 million, \$4.3 million (358.3 percent) more than the FY 2018-19 budget and Nine Month report projection, due to the anticipated opening of the Chase Center, a multi-purpose arena that will be the home of the Golden State Warriors, in Fall 2019. In FY 2020-21, revenue is budgeted at \$5.5 million, no change from the FY 2019-20 budget.

### 11. Cannabis Tax

In November 2018, voters approved a new gross receipts tax (Proposition D) of 1% to 5% on marijuana businesses and permits the City to tax businesses that do not have a physical presence in the city. FY 2019-20 cannabis tax revenue is budgeted at \$3.0 million.

### 12. Sugar Sweetened Beverage Tax

The City's one cent per ounce tax on tax sugar sweetened beverages became effective January 1, 2018. It is expected to generate \$16.0 million in FY 2019-20 and FY 2020-21. Given the experience of other jurisdictions that have enacted soda taxes, we expect this revenue is likely to decline in future years as consumers switch to beverages not subject to the tax.

### 13. Access Line Tax

FY 2019-20 access line tax revenue is budgeted at \$48.9 million, which is \$3.0 million (5.7 percent) less than what was budgeted in FY 2018-19 and \$1.4 million (3.0 percent) more than projected in the FY 2018-19 Nine Month Report. FY 2020-21 revenue is budgeted at \$50.3 million, which is an additional



\$1.4 million (2.8 percent) higher than the proposed FY 2019-20 budget. The budget reflects anticipated current year weakness, as well as a proposed inflationary increase to the access line tax rate as required under Business and Tax Regulations Code Section 784.

#### **14. Interest & Investment Income**

Interest and investment income for FY 2019-20 is budgeted at \$76.6 million, an increase of \$49.3 million (180.9 percent) from the FY 2018-19 budget and \$14.5 million (23.4 percent) from the Nine Month Report projection. FY 2020-21 revenue is budgeted at \$86.6 million, \$10.0 million (13.1 percent) more than budgeted in FY 2019-20. This increase is a result of the City's strong cash position and higher than expected interest rates during FY 2018-19. While the projection assumed continued modest interest rate increases, the Federal Reserve may in fact cut rates in response to trade tensions, which may result in flat or declining interest revenue.

#### **15. Intergovernmental – Federal**

Federal support in the General Fund is budgeted at \$279.4 million for FY 2019-20, which represents growth of \$1.0 million (0.4 percent) from the FY 2018-19 budget and \$0.5 million (0.2 percent) from the FY 2018-19 Nine Month Report projection. FY 2020-21 revenue is budgeted at \$284.6 million, which is \$5.2 million (1.9 percent) more than the proposed FY 2019-20 budget.

#### **16. Intergovernmental – State – Public Safety Sales Tax**

Public safety sales tax revenue is budgeted at \$104.6 million in FY 2019-20, consistent with the FY 2018-19 budget and a decrease of \$1.6 million (1.5 percent) from FY 2018-19 as projected in the Nine Month Report. FY 2020-21 revenue is budgeted at \$106.9 million, which is \$2.2 million (2.1 percent) more than the proposed FY 2019-20 budget. This revenue is allocated to counties by the State separately from the local one-percent sales tax discussed above and is used in San Francisco to fund police and fire services. Disbursements are made to counties based on the county ratio, which is the county's percent share of total statewide sales taxes in the most recent calendar year. The county ratio for San Francisco is projected to remain consistent with FY 2018-19. The decline in projected revenue for FY 2019-20 is mainly due to the loss of one-time payments in FY 2018-19 from the implementation of new reporting software at CDTFA discussed in the local sales tax section above.

#### **17. Intergovernmental – State – 1991 Health & Welfare Realignment**

In FY 2019-20, the General Fund share of 1991 realignment revenue is budgeted at \$221.0 million, or \$12.0 million (5.7 percent) more than the FY 2018-19 budget and \$1.9 million (0.8 percent) more than the Nine Month Report projection. The FY 2020-21 revenue is budgeted at \$224.8 million, which is \$3.8 million (1.7 percent) more than the proposed FY 2019-20 budget. Realignment subventions are partly funded by the state sales tax receipts, which have experienced the same one-time increase in FY 2018-19 as local sales taxes described above, resulting in slower growth in FY 2019-20.

Starting in FY 2018-19, the State will claw back \$9.4 million from San Francisco over four years because of the federal Health and Human Services' Office of Inspector General audit of specialty mental health services in FY 2013-14. This will be a reduction of \$2.3 million each year from the Mental Health Sales Tax subaccount for all funds.

#### **18. Intergovernmental – State – Public Safety Realignment**

Public Safety Realignment (AB 109), enacted in early 2011, transfers responsibility for supervising certain kinds of felony offenders and state prison parolees from state prisons and parole agents to county jails and probation officers. This revenue is budgeted at \$42.1 million in FY 2019-20, a \$3.1 million (7.9 percent)



increase from the FY 2018-19 budget and \$2.1 million (5.2 percent) more than FY 2018-19 as projected in the Nine Month Report. The FY 2020-21 proposed budget assumes a \$0.7 million (1.7 percent) increase from FY 2019-20. This reflects the assumption in the Governor's May 2019 Revised Budget that revenues are projected to grow moderately over the next two years.

### **19. Intergovernmental – State – Other**

Other State funding is budgeted at \$437.1 million in FY 2019-20, an increase of \$28.8 million (7.1 percent) from the FY 2018-19 budget, or \$2.5 million (0.6 percent) more than the Nine Month Report projection. In FY 2020-21 other State funding is budgeted at \$421.8 million, a decrease of \$15.3 million (3.5 percent) from FY 2019-20. The increase in FY 2019-20 is attributable to a series of increases including \$9.6 million from the State of California's Whole Person Care pilot, 4.7 million in Short-Doyle Medi-Cal funds, \$4.0 million in community mental health services funding, \$3.0 million related to IHSS Administration, \$2.5 million in Medi-Cal eligibility determination funding, \$2.1 million in Child Welfare Services funding, and \$1.5 million in IHSS Public Authority funding. The decrease in FY 2020-21 is primarily due to a \$16.8 million decrease in the Whole Person Care pilot program, which will wind down by December 2020. This is partially offset by an increase of \$1.8 million in Child Welfare Services funding.

### **20. Other Revenues**

The proposed budget assumes revenues from other sources of \$69.8 million in FY 2019-20, an increase of \$28.7 million (69.8 percent) from the FY 2018-19 budget. FY 2020-21 revenue from other sources is budgeted at \$42.1 million, a decrease of \$27.7 million (39.7 percent). These changes are primarily related to a one-time \$13.1 million market rate parcel sale at the Potrero HOPE SF site, which will support HOPE SF rehabilitation, and grant of \$15.0 million for Animal Care and Control capital projects in FY 2019-20.

### **21. Operating Transfers In**

The proposed budget assumes operating transfers in of \$163.5 million in FY 2019-20, a decrease of \$7.2 million (4.2 percent) from the FY 2018-19 budget. In FY 2020-21 operating transfers in are budgeted at \$153.0 million, a decrease of \$10.5 million (1.3 percent) from FY 2019-20. The reduction is primarily due to decreases from the Department of Public Health related to the Electronic Health Records project and intergovernmental payments. These decreases are partially offset by increases from Airport concessions revenue.

## Appendix 2. General Fund Reserve Uses and Deposits

The Mayor's proposed budget includes the use of \$94.8 million from reserves established in prior years during FY 2019-20, which will be technically adjusted to \$89.2 million. The Mayor's proposed budget also includes \$106.0 million and \$65.8 million in deposits to General Fund reserves during FY 2019-20 and FY 2020-21, respectively. These appear to be prudent and reflect anticipated Memoranda of Understanding (MOU), litigation, and general contingency reserve requirements.

**Exhibit 2-1. Proposed General Fund Reserve Uses and Deposits (\$ millions)**

	FY 2018-19			FY 2019-20			FY 2020-21			
	Projected Ending Balance	Deposits	Withdrawals	Projected Ending Balance	Deposits	Withdrawals	Projected Ending Balance	Note		
General Reserve	\$ 128.3	\$ 28.9	\$ -	\$ 157.2	\$ 11.2	\$ -	\$ 168.3	1		
Rainy Day Economic Stabilization City Reserve	248.2	-	-	248.2	-	-	248.2	2		
Budget Stabilization Reserve	349.2	-	-	319.6	-	-	309.4	3		
Subtotal Economic Stabilization Reserves	\$ 597.4	\$ -	\$ -	\$ 567.8	\$ -	\$ -	\$ 557.7			
Percent of General Fund Revenues	10.0%			10.0%			10.0%			
Rainy Day One-Time Reserve	108.6	-	(37.3)	71.3	-	-	71.3	2		
Budget Stabilization Reserve - One Time Reserve	20.8	29.6	(50.4)	-	10.2	-	10.2	3		
Budget Savings Incentive Fund	80.3	-	-	80.3	-	-	80.3	4		
Rainy Day Economic Stabilization SFUSD Reserve	60.9	-	-	60.9	-	-	60.9	2		
Teacher & Early Care Educator Emergency Reserve	52.0	-	-	52.0	-	-	52.0	5		
Recreation & Parks Savings Incentive Reserve	0.8	-	-	0.8	-	-	0.8	6		
Recreation & Parks Union Square Revenue Stabilization	1.6	-	(1.6)	-	-	-	-	6		
Affordable Care Act Contingency Reserve	50.0	-	-	50.0	-	-	50.0	7		
State and Federal Revenue Risk Reserve	40.0	-	-	40.0	-	-	40.0	8		
Housing Authority Contingency Reserve	-	5.0	-	5.0	-	-	5.0	9		
Public Health Management Reserve	80.9	-	-	80.9	-	-	80.9	10		
Fund Balance Draw Down Reserve	213.0	-	-	213.0	-	-	213.0	11		
Subtotal	\$ 708.9	\$ 34.6	\$ (89.2)	\$ 654.2	\$ 10.2	\$ -	\$ 664.4			
Annual Operating Reserves										
Litigation Reserve	-	11.0	(11.0)	-	11.0	(11.0)	-	12		
Reserve for Technical Adjustments	-	5.0	(5.0)	-	5.0	(5.0)	-	13		
Salary and Benefits Reserve	-	26.5	(26.5)	-	28.5	(28.5)	-	14		
Total, All Reserves	\$ 1,434.6	\$ 106.0	\$ (131.8)	\$ 1,379.2	\$ 65.8	\$ (44.5)	\$ 1,390.4			

### NOTES

#### 1. General Reserve

The General Reserve, established in Administrative Code Section 10.60, is intended to address revenue and expenditure issues not anticipated during budget development, and is typically used to fund supplemental appropriations or to offset significant revenue losses following the adoption of the budget.

The policy requires the General Reserve to increase to 2.75 percent in FY 2019-20 and 3.0 percent in FY 2020-21, with unused General Reserve carried forward from the prior year into the new budget year. In FY 2019-20, the Mayor's proposed budget anticipates \$28.9 million in deposits and projects an ending General Reserve balance of \$157.2 million. In FY 2020-21, the proposed budget anticipates \$11.2 million in deposits with an ending balance of \$168.3 million.

#### 2. Rainy Day Reserves

Rainy Day Reserve balances are comprised of three separate reserves: Rainy Day Economic Stabilization Reserve - City Reserve, Rainy Day Economic Stabilization Reserve - School Reserve, and the Rainy Day

One-Time Reserve. In FY 2019-20, \$37.3 million of the Rainy Day One-Time Reserve is budgeted as a source, resulting in a projected ending balance of \$71.3 million. No deposits or uses of the Rainy Day Economic Stabilization Reserve for the City or School are budgeted in FY 2019-20 or FY 2020-21. In FY 2018-19, the San Francisco Unified School District's Board approved the withdrawal of \$40.0 million from the Rainy Day School Reserve on May 28, 2019. This withdrawal is assumed in the \$60.9 million FY18-19 ending balance in the Rainy Day School Reserve.

### **3. Budget Stabilization Reserve**

Established by Administrative Code Section 10.60(c), the Budget Stabilization Reserve augments the Rainy Day Reserve. These two reserves are available to support the City's budget in years when revenues decline. The Budget Stabilization Reserve is funded by the deposit each year of 75 percent of three volatile revenue sources: real property transfer tax revenue above the prior five-year average (adjusted for rate changes), ending unassigned fund balance above what is appropriated as a source in the subsequent year's budget, and certain asset sales. Transfer tax revenues in FY 2019-20 and FY 2020-21 are not projected to exceed the prior five-year average and therefore no reserve deposit is budgeted. The Controller's Office will determine final deposits in September of each year based on actual receipts during the prior fiscal year.

The Charter provides that when the combined value of the City Rainy Day Reserve and the Budget Stabilization Reserve reach 10% of General Fund revenues, amounts above this cap are deposited into a Budget Stabilization One-Time Reserve for nonrecurring expenses. The combined value of the two reserves are projected to exceed 10% of General Fund revenues in FY 2018-19. As a result, \$29.6 million in FY 2019-20 and \$10.2 million in FY 2020-21 is expected to be deposited into the Budget Stabilization One-Time Reserve. The Mayor's Office will introduce a technical adjustment to reduce the proposed use of this reserve from \$55.9 million to the current projected FY 2019-20 ending balance of \$50.4 million.

### **4. Budget Savings Incentive Fund**

The Citywide Budget Savings Incentive Fund is authorized by Administrative Code Section 10.20. No deposits or withdrawals in this fund are budgeted for FY 2019-20 or FY 2020-21.

### **5. Teacher & Early Care Educator Emergency Reserve**

This reserve was established in Section 4 of ordinance 33-19 to sustain wages for early care educators and SFUSD teachers and staff in Fiscal Year 2020-2021 if other City revenues or SFUSD resources are not sufficient. The ordinance allocated \$52.0 million to this reserve. Any remaining balance as of June 30, 2021 will be transferred to a reserve for one-time expenditures, or at such time that the Board of Supervisors determines, by ordinance, that this Reserve is no longer required to meet these needs given other funds appropriated in the City and/or School District's FY 2019-2020 and/or 2020-2021 budgets. Funds appropriated from this reserve are considered General Fund advances from the June 2018 School District Parcel Tax and Commercial Rent Tax for Childcare and Early Education Ordinances, which are currently being challenged as unauthorized taxes. These advances will be repaid when the legal challenge to these measures is resolved and funds become available.

### **6. Recreation & Park Reserves**

The Recreation and Park Savings Incentive Reserve is established by Charter Section 16.107(c) and prior to Proposition B, passed by the voters on June 7, 2016, was funded by the retention of year-end net expenditure savings and revenue surplus from the Recreation and Park Department. Proposition B eliminated the ability to retain expenditure savings while preserving deposits from surplus revenue. Any withdrawals from the reserve must go towards one-time expenditures. The Union Square Garage

Revenue Stabilization Fund is a reserve of one-time revenue received by the Recreation and Park Department to replace net garage revenues lost due to the construction of the Union Square Market Street Central Subway Station. The proposed budget assumes depletion of the Union Square Garage Revenue Stabilization Reserve.

#### **7. Affordable Care Act Contingency Reserve**

The FY 2017-18 budget assigned \$50.0 million of unappropriated fund balance to a budget contingency reserve in the Zuckerberg San Francisco General Hospital Operating Fund to manage cost and revenue uncertainty related to federal and state changes to the administration and funding of the Affordable Care Act. There are no anticipated deposits or withdrawals to this reserve.

#### **8. State and Federal Revenue Risk Reserve**

The FY 2018-19 budget assigned \$40.0 million of unappropriated fund balance to a contingency reserve to manage state, federal, and other revenue uncertainty during the term of the proposed budget. There are no anticipated deposits or withdrawals to this reserve.

#### **9. San Francisco Housing Authority Contingency Reserve**

The FY 2019-20 proposed budget assigns \$5.0 million of unappropriated fund balance to a contingency reserve to manage costs related to shortfalls in the San Francisco Housing Authority's available funding for housing vouchers in FY 2019-20 and mitigating uncertainty around future shortfall funding from the federal Department of Housing and Urban Development.

#### **10. Public Health Revenue Reserve**

The Public Health Management Reserve is authorized under Section 12.6 of the administrative provisions of the Annual Appropriation Ordinance, authorizing the Controller to defer surplus transfer payments, indigent health revenues, and Realignment funding to offset future reductions of audit adjustments associated with the Affordable Care Act and funding allocations for indigent health services. This provision was adopted by the Board of Supervisors to smooth volatile state and federal revenues that can lead to large variances between budgeted and actual amounts due to unpredictable timing of payments, major changes in projected allocations, and delays in final audit settlements. The FY 2018-19 ending balance of the reserve is projected to be \$80.9 million, as reported in the Nine Month Report. There are no anticipated deposits or withdrawals from this reserve.

#### **11. Fund Balance Draw Down Reserve**

The Fund Balance Draw Down Reserve is authorized under Section 32 of the administrative provisions of the Annual Appropriation Ordinance, designates \$213.0 million of unassigned fund balance in FY 2018-19 for preserving fund balance available as a source for budget balancing in fiscal years 2021-22 and beyond, consistent with the City's adopted Five-Year Financial Plan.

#### **12. Litigation Reserve**

The Mayor's proposed budget includes \$11.0 million for the litigation reserve in both FY 2019-20 and FY 2020-21. The reserve provides funding for potential judgments and claims that will be paid out during the budget period based on historical experience. The City also maintains a separate reserve funded from prior year appropriations for large cases pending against the City. The proposed level of funding is consistent with the level recommended in the City's Five Year Financial Plan.

#### **13. Reserve for Technical Adjustments**

Reserves of \$5.0 million in FY 2019-20 and FY 2020-21 in the proposed budget allow for technical adjustments during the budget review process. The Mayor's Office will inform the Budget and Finance

Committee prior to the final Committee vote on the budget as to the amount required for technical adjustments up to that point and any balance that may be available for other uses.

**14. Salary & Benefits Reserve**

The Mayor's proposed budget provides \$26.5 million in FY 2019-20 and \$28.5 million in FY 2020-21 to cover costs related to adopted MOUs with labor organizations.

## Appendix 3. One-time Sources and Nonrecurring Revenue Policy

The use of one-time or nonrecurring sources to support ongoing operations creates a future budget shortfall, requiring expenditures to be reduced or replacement resources identified. In December 2011, the Board approved a Nonrecurring Revenue Policy, codified in Administrative Code Section 10.61, which requires selected nonrecurring revenues to be used only for identified nonrecurring expenditures. The Controller is required to certify compliance with this policy. The selected revenues include:

- General Fund prior year-end unassigned fund balance, before reserve deposits, above the prior five-year average;
- The General Fund share of revenues from prepayments provided under long-term leases, concessions, or contracts after accounting for any Charter-mandated revenue transfers, set-asides, or deposits to reserves;
- Otherwise unrestricted revenues from legal judgments and settlements; and
- Otherwise unrestricted revenues from the sale of land or other fixed assets.

### Controller's Certification

General Fund prior year-end unassigned fund balance is budgeted at \$154.5 million for FY 2019-20 and \$282.6 million for FY 2020-21. These amounts fall below the prior five-year average of year-ending CAFR fund balances, estimated through FY 2017-18 to be \$516.2 million. The proposed budget also uses \$89.2 million of reserve, as well as \$13.1 million from the sale of land. As shown in Exhibit 3-1, over the two fiscal years, budgeted nonrecurring expenditures exceed this amount; therefore, the Controller's Office certifies compliance with the policy.

**Exhibit 3.1. General Fund Nonrecurring Sources & Uses (\$ millions)**

	FY 2019-20		FY 2020-21		
<b>One-Time Sources</b>	<b>Proposed</b>		<b>Proposed</b>		<b>Total</b>
Prior Year Fund Balance	\$ 154.5	\$	282.6	\$	437.1
Prior Year Reserves					
Rainy Day One-Time Reserve	37.3		-		37.3
Budget Stabilization One-Time Reserve	50.4		-		50.4
Rec & Parks Union Square Revenue Stabilization	1.6		-		1.6
Potrero Market Rate Land Sale	13.1		-		13.1
<b>Total One-Time Sources</b>	<b>\$ 256.8</b>	<b>\$</b>	<b>282.6</b>	<b>\$</b>	<b>539.4</b>
<b>One-Time Uses</b>					
Capital Planning GF Recommended Funding	\$ 157.2	\$	168.2	\$	325.4
Housing and Shelters	105.5		-		105.5
COIT Annual and Major IT projects	36.6		33.8		70.4
Capital - Other	20.5		19.2		39.7
Equipment	16.5		10.9		27.4
Nonprofit/Small Business	13.0		4.0		17.0
Other	4.3		8.4		12.7
<b>Total One-Time Uses</b>	<b>\$ 353.6</b>	<b>\$</b>	<b>244.5</b>	<b>\$</b>	<b>598.1</b>

## Appendix 4. Baselines & Mandated Funding Requirements

Voters have approved baseline levels of funding or staffing. The mandates summarized below in Exhibit 4-1 reflect binding Charter requirements. The exhibit does not reflect non-binding ordinance measures such as the Neighborhood Firehouse, Treatment on Demand, and Office of Economic Analysis staffing baselines.

**Exhibit 4-1. Baselines & Mandated Funding / Staffing Requirements (\$ millions)**

	FY 2018-19 Original Budget	FY 2019-20 Proposed Budget	FY 2020-21 Proposed Budget	Note
<b>General Fund Aggregate Discretionary Revenue (ADR)</b>	<b>\$ 3,658.4</b>	<b>\$ 4,205.3</b>	<b>\$ 4,135.3</b>	
<b>Financial Baselines</b>				
<b>Municipal Transportation Agency (MTA)</b>				
MTA - Municipal Railway Baseline: 6.686% ADR	244.6	281.2	276.5	
MTA - Parking & Traffic Baseline: 2.507% ADR	91.7	105.4	103.7	
MTA - Population Adjustment	50.9	56.3	60.6	
MTA - 80% Parking Tax In-Lieu	68.4	66.4	66.4	
<b>Subtotal Municipal Transportation Agency</b>	<b>\$ 455.7</b>	<b>\$ 509.3</b>	<b>\$ 507.1</b>	1
<b>Library Preservation Fund</b>				
Library - Baseline: 2.286% ADR	83.6	96.1	94.5	2
Library - Property Tax: \$0.025 per \$100 Net Assessed Valuation (NAV)	63.6	65.3	68.3	3
<b>Subtotal Library</b>	<b>147.2</b>	<b>161.4</b>	<b>162.9</b>	
<b>Children's Services</b>				
<i>Children's Services Baseline - Requirement: 4.830% ADR</i>	<i>176.7</i>	<i>203.1</i>	<i>199.7</i>	4
Children's Services Baseline - Eligible Items Budgeted	187.0	223.2	201.6	
<i>Transitional Aged Youth Baseline - Requirement: 0.580% ADR</i>	<i>21.2</i>	<i>24.4</i>	<i>24.0</i>	5
Transitional Aged Youth Baseline - Eligible Items Budgeted	28.1	28.9	29.2	
Public Education Services Baseline: 0.290% ADR	10.6	12.2	12.0	6
Children and Youth Fund Property Tax Set-Aside: \$0.0375-0.4 per \$100 NAV	101.7	104.5	109.3	3
<i>Public Education Enrichment Fund: 3.057% ADR</i>	<i>111.8</i>	<i>128.6</i>	<i>126.4</i>	7
1/3 Annual Contribution to Preschool for All	37.3	42.9	42.1	
2/3 Annual Contribution to SF Unified School District	74.6	85.7	84.3	
<b>Subtotal Childrens Services</b>	<b>439.2</b>	<b>497.3</b>	<b>478.6</b>	
<b>Recreation and Parks</b>				
Open Space Property Tax Set-Aside: \$0.025 per \$100 NAV	63.6	65.3	68.3	3
<i>Recreation &amp; Parks Baseline - Requirement</i>	<i>73.2</i>	<i>76.2</i>	<i>79.2</i>	8
Recreation & Parks Baseline - Budgeted	77.0	82.0	83.2	
<b>Subtotal Recreation and Parks</b>	<b>140.6</b>	<b>147.3</b>	<b>151.6</b>	
<b>Other Financial Baselines</b>				
<i>Housing Trust Fund Requirement</i>	<i>34.0</i>	<i>36.8</i>	<i>39.6</i>	9
Housing Trust Fund Budget	34.0	57.1	39.6	
Dignity Fund	47.1	50.1	53.1	10
Street Tree Maintenance Fund	19.7	21.7	21.3	11
Municipal Symphony Baseline: \$0.00125 per \$100 NAV	3.2	3.5	3.6	12
City Services Auditor: 0.2% of Citywide Budget	18.8	20.1	19.6	13
<b>Subtotal Other Financial Baselines</b>	<b>122.8</b>	<b>152.4</b>	<b>137.3</b>	
<b>Total Financial Baselines</b>	<b>\$ 1,305.5</b>	<b>\$ 1,467.6</b>	<b>\$ 1,437.4</b>	
<b>Staffing and Service-Driven Baselines</b>				
Police Minimum Staffing		Requirement Met		14

## NOTES

### 1. Municipal Transportation Agency (MTA) Baselines

Charter section 8A.105 established a Municipal Transportation Fund to provide a predictable, stable and adequate level of funding for the MTA. Consistent with the Charter, in FY 2000-01 a base amount of funding was established. Charter subsection (c) (1) requires the Controller's Office to adjust the base amount from year to year by the percent increase or decrease in General Fund Aggregate Discretionary Revenues (ADR). This baseline is required to be adjusted for significant service increases. Beginning in FY 2019-20, the MTA baseline will increase due to operating costs required in advance of the opening of the Central Subway, which is expected to fully come online in FY 2021-22. Beginning in FY 2002-03, this Charter section also established a minimum level of funding (required baseline) for the Parking and Traffic Commission based upon FY 2001-02 appropriations. The Mayor's proposed budget includes funding for the MTA baselines at the required levels of \$386.6 million in FY 2019-20 and \$380.1 million in FY 2020-21.

Proposition B, passed by the voters in November 2014, requires that in addition to adjusting annually for the change in ADR, these baseline amounts be increased for 10 years of population growth in the City in FY 2015-16 and annual population growth thereafter. The Mayor's proposed budget includes \$56.3 million and \$60.6 million in FY 2019-20 and FY 2020-21 respectively, for the Proposition B population baseline. Finally, it reflects the allocation of an amount equivalent to 80 percent of parking tax revenue to the MTA, or \$66.4 million in FY 2019-20 and \$66.4 million in FY 2020-21.

### 2. Library Baseline

Charter Section 16.109 established a Library Preservation Fund to provide library services and to construct, maintain, and operate library facilities. Consistent with the Charter, in FY 2006-07 a base amount of funding was established, which is adjusted annually by the percent increase or decrease in ADR. Based on revenue in the Mayor's proposed budget, the Library Baseline requirements of \$96.1 million in FY 2019-20 and \$94.5 million in FY 2020-21 are met.

### 3. Property Tax-Related Set-Asides

Charter Sections 16.108, 16.109, and 16.107 mandate property tax-related set-asides for the Children and Youth Fund, the Library Preservation Fund, and the Open Space Fund. The allocation factor for the Children and Youth Fund increased by \$0.0025, from \$0.0375 to \$0.0400, on each \$100 valuation of taxable property in FY 2018-19 and remain at that level. The Library Preservation Fund and the Open Space Fund receive allocations of \$0.025 for each \$100 valuation of taxable property. The Mayor's proposed budget includes required funding of \$104.5 million in FY 2019-20 and \$109.3 million in FY 2020-21 for the Children and Youth Fund, and \$65.3 million and \$68.3 million in FY 2019-20 and FY 2020-21, respectively, for both the Library Preservation Fund and Open Space Fund.

### 4. Children's Baseline

Charter Section 16.108 established a Children and Youth Services baseline. Consistent with the Charter, in FY 2000-01 a base amount of funding was established, which is adjusted annually by the percent increase or decrease in ADR. Proposition C, approved by voters in November 2014, amended the Charter to exclude medical health services as an eligible service. As a result, and as part of establishing the Disconnected Transitional-Aged Youth Baseline, the Controller reviewed City appropriations included in the fund and excluded medical health services and other expenditures now mandated by state law. The Controller then recalculated City appropriations as a percentage of ADR to arrive at an adjusted baseline rate. The required Children's baselines for FY 2019-20 and FY 2020-21 are \$203.1



million and \$199.7 million, respectively. The Mayor's proposed budget includes Children's Baseline appropriations of \$223.2 million and \$201.6 million, which exceeds the minimum requirement by \$20.1 million in FY 2019-20 and \$109 million in FY 2020-21.

### **5. Disconnected Transitional-Aged Youth Baseline**

Proposition C, approved by voters in November 2014, amended Charter Section 16.108 to increase the Children's Baseline to include services for Disconnected Transitional-Aged Youth (TAY), known as the TAY Baseline. The Charter requires that the TAY Baseline be added to the Children's Baseline, however, it is tracked separately for reporting purposes. The TAY Baseline amount was established in FY 2013-14 and like the Children's Baseline is adjusted annually by the percent increase or decrease in ADR. The required baselines for FY 2019-20 and FY 2020-21 are \$24.4 million and \$24.0 million, respectively. The Mayor's proposed budget includes TAY eligible baseline appropriations of \$28.9 million and \$29.2 million, which exceeds the minimum requirement by \$4.5 million in FY 2019-20 and \$5.2 million in FY 2020-21.

### **6. Public Education Services Baseline**

Charter Section 16.123-2 established a Public Education Enrichment Fund. Consistent with the Charter, in FY 2001-02 a base amount of funding was established, which is adjusted annually by the percent increase or decrease in ADR. The Mayor's proposed budget includes the required \$12.2 million in FY 2019-20 and \$10.0 million in FY 2020-21 for this baseline.

### **7. Public Education Enrichment Fund Annual Contribution**

In addition to the Public Education Services Baseline, Charter Section 16.123-2 requires the City to support education initiatives with annual contributions equal to the City's total contribution in the prior year, adjusted for the change in ADR. The proposed budget includes \$128.6 million and \$126.4 million for the Public Education Enrichment Fund Annual Contribution in FY 2019-20 and FY 2020-21, respectively. One third of the contribution supports the Preschool for All program at the Office of Early Childhood Education and two thirds of the contribution supports programming at the San Francisco Unified School District.

### **8. Recreation & Parks Baseline**

In June 2016, voters approved Proposition B, a Charter amendment which created a new baseline funding requirement for parks, recreation, and open space. The Charter amendment requires an annual contribution from the General Fund to the Recreation and Parks Department that will increase by \$3.0 million per year for the next ten fiscal years, and then be adjusted at the same rate as the percentage increase or decrease in ADR. The amendment allows the City to suspend growth in baseline funding in years when the City forecasts a budget deficit of \$200 million or greater. The required baselines for FY 2019-20 and FY 2020-21 are \$76.2 million and \$79.2 million, respectively. The Mayor's proposed budget includes General Fund appropriations of \$82.0 million and \$83.2 million, which exceeds the minimum requirement by \$5.9 million in FY 2019-20 and \$4.1 million in FY 2020-21.

### **9. Housing Trust Fund**

In 2012, voters approved Proposition C, establishing a Housing Trust Fund codified in Charter section 16.110. The Charter requires an annual contribution from the General Fund to the Housing Trust Fund of \$20.0 million beginning in FY 2013-14 and increasing annually by \$2.8 million. The required baselines for FY 2019-20 and FY 2020-21 are \$36.8 million and \$39.6 million, respectively. The Mayor's proposed budget includes funding of \$57.1 million and \$39.6 million in FY 2019-20 and FY 2020-21, respectively. The one-time \$20.3 million increase above requirement in FY 2019-20 pays off \$14.4 million of existing

debt and cash funds \$5.9 million of future project needs. This funding, along with current commitments to the Housing Trust Fund, allows the City to avoid the issuance of future debt.

#### **10. Dignity Fund**

In November 2016, voters approved Proposition I, establishing the Dignity Fund to support programming for seniors and adults with disabilities. Charter section 16.128-3 establishes a baseline contribution from the General Fund to the Dignity Fund of \$38.1 million beginning in FY 2016-17, increasing by \$6.0 million in FY 2017-18 and by \$3.0 million per year from FY 2018-19 through FY 2026-27. From FY 2027-28 and beyond, the baseline is adjusted at the same rate as the percentage increase or decrease in ADR. The Mayor's proposed budget includes the required funding of \$50.1 million and \$53.1 million in FY 2019-20 and FY 2020-21, respectively.

#### **11. Street Tree Maintenance Fund**

In November 2016, voters approved Proposition E, establishing the Street Tree Maintenance Fund to maintain the City's street trees. Charter section 16.129 establishes a baseline contribution from the General Fund to the Street Tree Maintenance Fund of \$19.0 million in FY 2017-18 and adjusted at the same rate as the percentage increase or decrease in ADR every year thereafter. The Mayor's proposed budget includes the required funding of \$21.7 million and \$21.3 million in FY 2019-20 and FY 2020-21, respectively.

#### **12. Municipal Symphony Baseline**

Charter Section 16.106(1) mandates that the City provide an appropriation equivalent to 1/8 of \$0.01 of each \$100 of assessed valuation of property tax for the San Francisco Municipal Symphony Orchestra. Based on budgeted assumptions of assessed valuation, the required funding for the Municipal Symphony Baseline is \$3.5 million in FY 2019-20 and \$3.6 million in FY 2020-21.

#### **13. City Services Auditor Baseline**

Charter Section F1.113, approved by voters through Proposition C in November 2003, established the Controller's Audit Fund with a baseline funding amount of 0.2 percent of the City budget to fund audits of City services. The Mayor's proposed budget includes \$20.1 million in FY 2019-20 and \$19.6 million in FY 2020-21 for the City Services Auditor baseline.

#### **14. Police Minimum Staffing Baseline**

San Francisco Charter Section 4.127, approved by the voters in 1994 as Proposition D, mandates a minimum police staffing baseline of not less than 1,971 sworn full-duty officers. Pursuant to Proposition C, passed by the voters in March 2004, the Charter-mandated minimum staffing level may be reduced in cases where civilian hires result in the return of full-duty officers to active police work through the budget process.

The Police Department projects that as of July 1, 2019 it will have 2,342 sworn officer positions filled, supplemented by 134 officers graduating from the academy to full duty and offset by 80 retirements or other separations during FY 2019-20. Projected staffing levels will change throughout the course of the fiscal year due to the timing of police academy graduations and officer retirements. The department projects that 455 officers will be on leaves of absence, modified duty, assignment to the Airport, or in the academy. These adjustments result in a projected total of 1,941 full-duty sworn officers available for neighborhood policing and patrol by the end of FY 2019-20, which is below the minimum staffing level of 1,971 by 30 officers. However, the Controller's Office estimates that as of the start of FY 2019-20, 77 positions have been civilianized. Subject to certification by the Chief of Police, this would reduce the minimum staffing level to 1,894. Net of these civilianized positions, the number of full-duty sworn

officers available for neighborhood policing and patrol, would be above the adjusted baseline by 47 officers in FY 2019-20.

In FY 2019-20, the Police Department is projected to have 135 officers graduating from the academy, offset by 80 retirements. In addition, approximately 400 to 450 officers are projected to be on leaves of absence, modified duty, assignment to the Airport, or in the academy. These adjustments result in increasing the number of full-duty sworn officers by 55 to 105 officers between FY 2019-20 and FY 2020-21. As a result, full-duty sworn officers available for neighborhood policing and patrol, are projected to exceed 2,000 in FY 2020-21, which is above both the minimum staffing level of 1,971 officers and the adjusted minimum staffing level of 1,894.

**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#)  
**Subject:** FW: Legacy Business Program Annual Report, 2018-19  
**Date:** Monday, June 3, 2019 4:57:00 PM  
**Attachments:** [LBP Annual Report 2018-19.pdf](#)  
[LBP Annual Report 2018-19 Letter to BOS.pdf](#)

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**From:** LegacyBusiness (ECN) <LegacyBusiness@sfgov.org>  
**Sent:** Monday, June 3, 2019 4:47 PM  
**To:** Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>  
**Cc:** Dick-Endrizzi, Regina (ECN) <regina.dick-endrizzi@sfgov.org>  
**Subject:** Legacy Business Program Annual Report, 2018-19

Dear Clerk of the Board of Supervisors:

Attached is the annual report of the Legacy Business Program as required by the Administrative Code Section 2A.243(e)(1) and an accompanying letter to the Board of Supervisors. Paper copies of the report and the letter have been delivered to City Hall room 244. The annual report is also viewable at this website: <https://sfosb.org/legacy-business/reports>.

The attached report covers the period of April 1, 2018, to March 31, 2019. In it you will find information about major accomplishments, the Legacy Business Registry, marketing and branding, business assistance services, the Legacy Business Historic Preservation Fund, the Program budget, Program challenges and major upcoming activities. The Small Business Commission reviewed the report on May 29, 2019.

The 175 businesses placed on the Legacy Business Registry through March 31 (and the 15 additional businesses added to the Registry since then) are a diverse group of businesses. Receiving this designation and recognition from the City is extremely important to them, and they feel they are an essential element to what makes San Francisco a special place.

This report provides a glance at the program in its third year. As the program progresses, an actual understanding of the impact of the program in preserving San Francisco's Legacy Businesses is starting to emerge. After five years, commencing in fiscal year 2020-21 (July 2020-June 2021), the Controller will perform an assessment and review of the effect of the Legacy Business Historic Preservation Fund on the stability of Legacy Businesses.

It is honor and pleasure for both the Office of Small Business and the Small Business Commission to administer the Legacy Business Program.

Thank you.

Sincerely,  
 Richard Kurylo

---

Richard Kurylo

Legacy Business Program

City and County of San Francisco

Office of Small Business

1 Dr. Carlton B. Goodlett Place, Room 110

San Francisco, CA 94102

(415) 554-6680

[LegacyBusiness@sfgov.org](mailto:LegacyBusiness@sfgov.org)

[www.sfosb.org/legacy-business](http://www.sfosb.org/legacy-business)



CITY AND COUNTY OF SAN FRANCISCO  
LONDON N. BREED, MAYOR

OFFICE OF SMALL BUSINESS  
REGINA DICK-ENDRIZZI, DIRECTOR

June 3, 2019

Honorable Members of the Board of Supervisors  
1 Dr. Carlton B. Goodlett Place  
City Hall, Room 244  
San Francisco, CA 94102

Dear Honorable Members of the Board of Supervisors:

Attached is the annual report of the Legacy Business Program as required by the Administrative Code Section 2A.243(e)(1).

The attached report covers the period of April 1, 2018, to March 31, 2019. In it you will find information about major accomplishments, the Legacy Business Registry, marketing and branding, business assistance services, the Legacy Business Historic Preservation Fund, the Program budget, Program challenges and major upcoming activities. The Small Business Commission reviewed the report on May 29, 2019.

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This report provides a glance at the program in its third year. As the program progresses, an actual understanding of the impact of the program in preserving San Francisco's Legacy Businesses is starting to emerge. After five years, commencing in fiscal year 2020-21 (July 2020-June 2021), the Controller will perform an assessment and review of the effect of the Legacy Business Historic Preservation Fund on the stability of Legacy Businesses.

Richard Kurylo, Legacy Business Program Manager, and I are happy to meet with you to review the Legacy Business Program Annual Report should you wish to discuss it. Please have your staff schedule the meeting with Mr. Kurylo at [legacybusiness@sfgov.org](mailto:legacybusiness@sfgov.org) or (415) 554-6680. We are available to meet from June 19 through June 28, and again from July 17 through August 16.

It is honor and pleasure for both the Office of Small Business and the Small Business Commission to administer the Legacy Business Program.

Respectfully yours,

Regina Dick-Endrizzi  
Director, Office of Small Business





# **LEGACY BUSINESS PROGRAM**

## **Annual Report** **Fiscal Year 2018-19** **April 2018 - March 2019**





The Legacy Business Program is a groundbreaking initiative of the City and County of San Francisco that recognizes and preserves longstanding, community-serving establishments that have contributed to San Francisco's history and identity. These businesses - including retailers, restaurants, service providers, manufacturers, and more - foster civic engagement and serve as valuable cultural assets of the city.

Legacy Businesses are the bedrock of our local communities and a draw for tourists from around the world.

Preserving Legacy Businesses, the "soul of the city," is critical to maintaining the unique character of San Francisco.



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# EXECUTIVE SUMMARY

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This Legacy Business Program Annual Report for fiscal year 2018-18 (April 2018 through March 2019) is the third annual report for the Legacy Business Program of the City and County of San Francisco. It summarizes activities of the Legacy Business Program, including the following: major accomplishments, the Legacy Business Registry, marketing and branding, business assistance services, the Legacy Business Historic Preservation Fund, the Program budget, Program challenges and major upcoming activities. Highlights are included below.

## MAJOR ACCOMPLISHMENTS

- Developed additional rules and regulations for the Legacy Business Registry.
- Added 46 businesses to the Registry between April 2018 and March 2019.
- Worked with students from the University of San Francisco on new Legacy Business Registry applications and the printing of marketing and promotional items.
- Issued 14 press releases between April 2018 and March 2019.
- Tweeted 18 tweets on Twitter and posted 7 entries on Facebook between April 2018 and March 2019 about Legacy Businesses and the Legacy Business Program.
- Designed the Legacy Business Program logo with translations in Chinese, Japanese, Korean, Russian, Spanish, Tagalog and Vietnamese.
- Completed a number of marketing and branding items for the Legacy Business Program including a brand book, brand elements, brochure, business card, certificate, envelope, favicons, letterhead, mailing label, marketing toolkit, plaque, point of sale sticker, postcard, PowerPoint template, production shop list, social media guide, style guide, website design and window cling.
- Created a Marketing Website Portal for access by Legacy Businesses.
- Issued a Marketing Toolkit Sign-Up Survey to Legacy Businesses.
- Encouraged City departments, commissions, committees and task forces to patronize Legacy Businesses to the greatest extent possible.
- Continued providing one-on-one business assistance services through the San Francisco Small Business Development Center.
- Provided 336 hours of technical assistance to 59 Legacy Business clients between July 2018 and March 2019.
- Provided resources and training to Legacy Businesses for succession planning in partnership with the San Francisco Small Business Development Center and the Democracy at Work Institute.
- Created an annual re-application process for the Rent Stabilization Grant.
- Paid 10 first-year Rent Stabilization Grants and 14 second-year Rent Stabilization Grants to landlords of Legacy Businesses totaling \$356,916 between July 2018 and March 2019.
- Approved 104 Business Assistance Grants totaling \$589,527 for fiscal year 2018-19.
- Measured and analyzed the effects of the Rent Stabilization Grant and Business Assistance Grant, and began developing protocols to address the growing demand for the grants.
- Issued the Legacy Business Program Accessibility Grant to help Legacy Businesses better comply with disability access laws; received nine completed applications.
- Provided a list of potential improvements to the Controller's Office to make the Supplier set-up process more user-friendly for businesses.

- Provided information about the Legacy Business Program to representatives from the municipalities of Amsterdam, Atlanta, Birmingham, Fremont, Los Angeles (Little Tokyo), New York City, Oakland, San Antonio and Sonoma County.
- Presented the Legacy Business Program to the National Preservation Partners Network at the National Trust for Historic Preservation Conference.

## LEGACY BUSINESS REGISTRY

Since 2016, the Office of Small Business received 268 nominations from the mayor and members of the Board of Supervisors through March 31, 2019. During that time, the Office of Small Business received 214 applications, and 175 businesses were added to the Legacy Business Registry.

Fiscal Year	Number of Nominations Received	Number of Applications Received	Number of Businesses Listed on the Legacy Business Registry
Fiscal Year 2015-16	67	30	0
Fiscal Year 2016-17	102	86	93
Fiscal Year 2017-18	50	49	42
Fiscal Year 2018-19 through March 31, 2019	49	49	40
<b>ANNUAL REPORT TOTAL</b>	<b>268</b>	<b>214</b>	<b>175</b>

## MARKETING AND BRANDING

The Office of Small Business began working with Osaki Creative Group, a third party marketing firm selected through a formal solicitation process, for marketing and branding services for the Legacy Business Program, including the creation of a logo, brand, marketing strategy and website design.

The Office of Small Business continued efforts to promote Legacy Business by posting on social media, issuing press releases, writing newsletters and encouraging the City and County of San Francisco to patronize Legacy Businesses. From July 2018 through March 2019, 10 press releases were issued by the Office of Small Business resulting in the publication of 10 known news articles.

Fiscal Year	Number of Press Releases Issued	Number of Known News Articles Resulting From Press Releases
Fiscal Year 2016-17	2	10
Fiscal Year 2017-18	11	15
Fiscal Year 2018-19 Through March 31, 2019	10	10
<b>TOTAL</b>	<b>23</b>	<b>37</b>

## BUSINESS ASSISTANCE SERVICES

The Legacy Business Program has been working with a team of technical assistance providers including the San Francisco Small Business Development Center (SFSBDC), Working Solutions and the Lawyers' Committee for Civil Rights (LCCR) to assist businesses in need of various types of assistance, including Legacy Business Registry applications, financial, grant applications, legal, marketing, real estate, succession planning and other business challenges. From July 1, 2018, to March 31, 2019, the Legacy Business Program provided 336 hours of technical assistance to 59 Legacy Business clients. Since the Program launched, the Legacy Business Program provided 1,033 hours of consulting to 133 unique clients.

Fiscal Year	Number of Clients	Number of Hours of Technical Assistance
Fiscal Year 2016-17	25	379
Fiscal Year 2017-18	49	318
Fiscal Year 2018-19	59	336
<b>ANNUAL REPORT TOTAL</b>	<b>133</b>	<b>1,033</b>

## LEGACY BUSINESS HISTORIC PRESERVATION FUND

The Rent Stabilization Grant has been an effective strategy in stabilizing longstanding businesses of all sizes in San Francisco. The grant was initially issued in February 2017. Since it was issued, there have been 29 first-year grant applications helping stabilize 26 Legacy Businesses. Three Legacy Businesses rented two storefronts each, and Rent Stabilization Grants were awarded for both storefronts.

From July 1, 2018, through March 31, 2019, the Legacy Business Program paid 10 first-year Rent Stabilization Grants and 14 second-year Rent Stabilization Grants to landlords of Legacy Businesses. The grant applications totaled \$356,916.

Rent Stabilization Grant (Fiscal Year 2018-19 through March 31, 2019)	Grants Paid (Fiscal Year 2018-19 through March 31, 2019)
Total First-Year Applications	\$149,257
Total Second-Year Applications	\$207,658
Total All Applications	\$356,916
Count	24
Average	\$14,872

In 2018-19, the Legacy Business Program approved Business Assistance Grants to 104 of the 105 Legacy Businesses that applied for the grant of the 148 businesses that were eligible to apply. The total amount approved for all 104 grantees was \$589,527; the average grant award was \$5,669 per grantee.

<b>Business Assistance Grant</b>	<b>Number of Full-Time Equivalent Employees</b>	<b>Grants Paid</b>
Total	1,906	\$589,527
Count	104	104
Average	18.33	\$5,669
Median	9.00	\$2,784

## **PROGRAM BUDGET**

Following is the estimated Legacy Business Program budget for fiscal years 2018-19 and 2019-20. The budget includes staffing, program expenses, application fees paid by Legacy Businesses and grants. For detailed information, please see pages 38 and 39.

<b>Budget Year</b>	<b>Estimated Revenue</b>	<b>Estimated Expenses</b>
Fiscal Year 2018-19	\$1,317,526	\$1,307,954
Fiscal Year 2019-20	\$1,505,368	\$1,491,868

## **MAJOR UPCOMING ACTIVITIES**

- Continuing providing resources and training to Legacy Businesses for succession planning.
- Implementing Phase 2 of the Marketing and Branding rollout for Legacy Businesses including bronze plaques, certificates, relaunch of social media promotions and developing marketing partnerships to elevate the promotion of Legacy Businesses.
- Establishing a marketing plan to promote Legacy Businesses including brochures and a new Legacy Business Program website.
- Printing branded office supplies for the Legacy Businesses Program including business cards, envelopes, letterhead and mailing labels.
- Continuing to encourage City departments, commissions, committees and task forces to patronize Legacy Businesses.
- Providing real estate technical assistance to Legacy Businesses.
- Researching new opportunities for assisting Legacy Businesses with the purchase of commercial buildings and commercial spaces.
- Creating a resource guide on how to purchase commercial real estate in partnership with other businesses.
- Working with the Planning Department and other City departments to provide benefits to Legacy Businesses and their landlords.
- Continuing to process Rent Stabilization Grant applications.
- Issuing and processing the Business Assistance Grant for fiscal year 2019-20.
- Developing protocols to address the growing demand for the Legacy grants, including the possible development of a new business grant.

# BACKGROUND

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The Legacy Business Program is a groundbreaking initiative to recognize and preserve longstanding, community-serving establishments that have contributed to San Francisco's history and identity. The businesses – including retailers, restaurants, service providers, manufacturers, nonprofit organizations and more – foster civic engagement and serve as valuable cultural assets of the city. They're the bedrock of our communities and a draw for tourists from around the world. Preserving Legacy Businesses, the "soul of the city," is critical to maintaining the unique character of San Francisco.

## BACKGROUND OF LEGACY BUSINESS PROGRAM

A 2014 report by the City's Budget and Legislative Analyst's Office showed the closure of small businesses had reached record numbers in San Francisco. Commercial rents in most neighborhoods had risen significantly. The report drew connections between the city's high level of commercial evictions and skyrocketing rents. While rent control laws shield many residents from exorbitant rent hikes, no such laws exist for businesses. State law does not allow restrictions on commercial leases. An alternative effort to assist the city's legacy businesses was needed. Inspired by programs in cities such as Buenos Aires, Barcelona and London, Supervisor David Campos proposed legislation and a ballot proposition that would become the Legacy Business Program. It was introduced in two phases.

Phase one, which unanimously passed the Board of Supervisors in March 2015 and was signed by Mayor Edwin M. Lee on March 19, 2015, created the San Francisco Legacy Business Registry. To be listed on the Registry, businesses must be nominated by the mayor or a member of the Board of Supervisors and determined by the Small Business Commission, after a noticed hearing, as having met the following criteria:

1. The business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years.
2. The business has contributed to the neighborhood's history and/or the identity of a particular neighborhood or community.
3. The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary or art forms.

Phase two asked voters to create the Legacy Business Historic Preservation Fund, first-of-its-kind legislation that provides grants to both Legacy Business owners and property owners who agree to lease extensions with Legacy Business tenants.

Proposition J, establishing the Legacy Business Historic Preservation Fund, was approved by voters in November 2015, with 56.97 percent in favor and 43.03 percent opposed.

## THE LEGACY BUSINESS PROGRAM IN THE SAN FRANCISCO ADMINISTRATION CODE

In the San Francisco Administrative Code, the Legacy Business Registry and the Legacy Business Historic Preservation Fund are addressed in sections [2A.242](#) and [2A.243](#), respectively.

# MAJOR ACCOMPLISHMENTS

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Following are major accomplishments for the Legacy Business Program from April 1, 2018, through March 31, 2019:

- Developed additional rules and regulations for the Legacy Business Registry.
- Added 46 businesses to the Registry between April 2018 and March 2019.
- Worked with three teams of five students each from the University of San Francisco on new Legacy Business Registry applications and the printing of marketing and promotional items.
- Issued 14 press releases between April 2018 and March 2019 about new Legacy Businesses as well as Small Business Week.
- Tweeted 18 tweets on Twitter and posted 7 entries on Facebook between April 2018 and March 2019 about Legacy Businesses and the Legacy Business Program.
- Worked with design firm Osaki Creative Group to complete the design of the Legacy Business Program logo with translations in Chinese, Japanese, Korean, Russian, Spanish, Tagalog and Vietnamese. Presented the logo to Mayor London N. Breed and the Board of Supervisors.
- Worked with Osaki Creative Group to complete a number of marketing and branding items for the Legacy Business Program including a brand book, brand elements, brochure, business card, certificate, envelope, favicons, letterhead, mailing label, marketing toolkit, plaque, point of sale sticker, postcard, PowerPoint template, production shop list, social media guide, style guide, website design and window cling.
- Created a Marketing Website Portal for access by Legacy Businesses.
- Issued a Marketing Toolkit Sign-Up Survey to Legacy Businesses to take orders for logo stickers, point of sale stickers, postcards and window clings.
- Partnered with the Office of Contract Administration to conduct outreach to City departments, commissions, committees and task forces to encourage them to patronize Legacy Businesses to the greatest extent possible.
- Continued providing one-on-one business assistance services through the San Francisco Small Business Development Center.
- Provided 336 hours of technical assistance to 59 Legacy Business clients between July 2018 and March 2019.
- Provided resources and training to Legacy Businesses for succession planning in partnership with the San Francisco Small Business Development Center and the Democracy at Work Institute.
- Created an annual re-application process for the Rent Stabilization Grant.



- Paid 10 first-year Rent Stabilization Grants and 14 second-year Rent Stabilization Grants to landlords of Legacy Businesses totaling \$356,916 between July 2018 and March 2019.
- Approved Business Assistance Grants to 104 Legacy Businesses for fiscal year 2018-19 totaling \$589,527.
- Measured and analyzed the effects of the Rent Stabilization Grant and Business Assistance Grant, and began developing protocols to address the growing demand for the grants.
- Issued the Legacy Business Program Accessibility Grant to help Legacy Businesses better comply with disability access laws and help increase access for people with disabilities to Legacy Business' goods and services. Received nine completed applications.
- Provided a list of potential improvements to the Controller's Office to make the Supplier set-up process more user-friendly for businesses registering as Suppliers with the City and County of San Francisco, including Legacy grant recipients.
- Provided information about the Legacy Business Program to representatives from the municipalities of Amsterdam, Atlanta, Birmingham, Fremont, Los Angeles (Little Tokyo), New York City, Oakland, San Antonio and Sonoma County.
- Presented the Legacy Business Program to the National Preservation Partners Network at the National Trust for Historic Preservation Conference in San Francisco.



Photo: Nikki Collister, Hoodline



*"St. Mary's Pub has been a neighborhood institution for over 85 years, and it is an honor to be recognized by the city," said owner Maria Davis. "Being part of the Legacy Business Registry not only acknowledges the bar itself, but the incredible community that has kept this piece of San Francisco history alive for so long!"*



# LEGACY BUSINESS REGISTRY

The purpose of the Legacy Business Registry is to recognize and preserve longstanding, community-serving businesses that are valuable cultural assets to the city. The Registry is a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success.

Nominations for the Registry are made by the mayor or a member of the Board of Supervisors on an ongoing basis. Nominations are limited to a total of 300 businesses per fiscal year (July 1 through June 30). Businesses that are nominated for inclusion on the Registry and wish to be included on the Registry must pay a one-time non-refundable administrative fee of \$50 to offset the costs of administering the Legacy Business Program.

## NOMINATIONS, APPLICATIONS AND BUSINESSES LISTED ON THE REGISTRY

The following table shows the number of nominations received, the number of applications received and the number of businesses listed on the Legacy Business Registry for fiscal years 2015-16 through 2017-18 and the first three quarters of fiscal year 2018-19.

### EXHIBIT 1: Number of Nominations, Applications and Legacy Businesses by Fiscal Year

Fiscal Year	Number of Nominations Received	Number of Applications Received	Number of Businesses Listed on the Legacy Business Registry
Fiscal Year 2015-16	67	30	0
Fiscal Year 2016-17	102	86	93
Fiscal Year 2017-18	50	49	42
<b>Subtotal (Fiscal Years Prior to 2018-19)</b>	<b>219</b>	<b>165</b>	<b>135</b>
2018 Quarter 3: July through September	14	15	13
2018 Quarter 4: October through December	10	14	4
2019 Quarter 1: January through March	25	20	23
<b>Subtotal (Fiscal Year 2018-19 Through March 31, 2019)</b>	<b>49</b>	<b>49</b>	<b>40</b>
<b>ANNUAL REPORT TOTAL</b>	<b>268</b>	<b>214</b>	<b>175</b>

The previous table represents a total of 283 businesses of which 268 have been nominated by the mayor or a member of the Board of Supervisors and 214 have provided applications to the Office of Small Business. The following table shows the status of the 283 businesses with regard to the Legacy Business Registry for fiscal years 2015-16 through 2017-18 and the first three quarters of fiscal year 2018-19.

#### EXHIBIT 2: Status of Nominees and Applicants

Status with Regard to the Legacy Business Registry	Nominees	Applicants	TOTAL
Legacy Business listed on the Registry	175	175	175
Legacy application in the approval pipeline	7	7	7
Legacy application in progress	14	24	25
Legacy application rescinded by the applicant	1	2	2
Business not yet age eligible for the Registry	1	2	2
Business not eligible for the Registry	0	2	2
Business closed	3	2	3
No application received	67	NA	67
<b>TOTAL</b>	<b>268</b>	<b>214</b>	<b>283</b>

## LEGACY BUSINESSES

The following table indicates the 46 Legacy Businesses that were placed on the Legacy Business Registry from April 2018 through March 2019. The businesses are listed by supervisorial district according to the location of their main business address. Note that London Breed and Mark Farrell made nominations as supervisors versus mayors during this reporting period. For a current list of all Legacy Businesses, including multiple San Francisco business locations if applicable, please visit the Office of Small Business's website at <http://sfosb.org/legacy-business/registry>.

#### EXHIBIT 3: Businesses Placed on the Registry from April 2018 through March 2019

Legacy Business	Main Business Address	Current District	Nominator	Date Placed on Registry
Balboa Theatre	3630 Balboa St.	1	Supervisor Sandra Lee Fewer	10/22/2018
House of Bagels	5030 Geary Blvd.	1	Supervisor Sandra Lee Fewer	10/22/2018
Let's Do Wash Coin Launderette	3725 Balboa St.	1	Supervisor Sandra Lee Fewer	3/11/2019
New World Market	5641 Geary Blvd.	1	Supervisor Sandra Lee Fewer	2/25/2019
Schubert's Bakery	521 Clement St.	1	Supervisor Sandra Lee Fewer	1/28/2019
Balboa Cafe	3199 Fillmore St.	2	Supervisor Catherine Stefani	8/13/2018

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Legacy Business	Main Business Address	Current District	Nominator	Date Placed on Registry
California Wine Merchant	2113 Chestnut St.	2	Supervisor Catherine Stefani	9/24/2018
Fireside Camera	2117 Chestnut St.	2	Supervisor Catherine Stefani	10/22/2018
Jackson Fillmore Trattoria	2506 Fillmore St.	2	Supervisor Mark Farrell	3/25/2019
La Méditerranée	2210 Fillmore St.	2	Supervisor Rafael Mandelman	3/11/2019
Marina Supermarket	2323 Chestnut St.	2	Supervisor Catherine Stefani	9/10/2018
Marine Chartering Company, Inc.	781 Beach St., Suite 400	2	Supervisor Mark Farrell	4/23/2018
Alioto's Restaurant	8 Fisherman's Wharf	3	Supervisor Aaron Peskin	1/14/2019
BIX Restaurant	56 Gold St.	3	Supervisor Aaron Peskin	1/28/2019
Couture Designer European Clothing	395 Sutter St.	3	Supervisor Aaron Peskin	1/14/2019
The Jug Shop	1590 Pacific Ave.	3	Supervisor Aaron Peskin	9/24/2018
Pier 39 Ltd Partnership	Pier 39, P.O. Box 193730	3	Supervisor Aaron Peskin	9/10/2018
S & S Grocery	1461 Grant Ave.	3	Supervisor Aaron Peskin	2/25/2019
Yuet Lee Restaurant	1300 Stockton St.	3	Supervisor Aaron Peskin	2/25/2019
Great Wall Hardware	1821 Taraval St.	4	Supervisor Katy Tang	9/24/2018
Other Avenues	3930 Judah St.	4	Supervisor Katy Tang	1/14/2019
FTC Skateboarding	1632 Haight St.	5	Supervisor Vallie Brown	9/10/2018
Haight and Fillmore Whole Foods	501 Haight St.	5	Supervisor Vallie Brown	9/10/2018
Hayes Street Grill	320 Hayes St.	5	Supervisor London Breed	8/13/2018
Kimochi, Inc.	1715 Buchanan St.	5	Supervisor Vallie Brown	1/14/2019
Paper Tree	1743 Buchanan St.	5	Supervisor Vallie Brown	11/26/2018

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Legacy Business	Main Business Address	Current District	Nominator	Date Placed on Registry
Bay View Boat Club	489 Terry A. Francois Blvd.	6	Supervisor Aaron Peskin	1/14/2019
Curry Senior Center	333 Turk St.	6	Supervisor Jane Kim	3/25/2019
Ted's Market and Delicatessen	1530 Howard St.	6	Supervisor Jane Kim	1/14/2019
Armstrong Carpet and Linoleum Company	369 West Portal Ave.	7	Supervisor Norman Yee	2/25/2019
Randy's Place	1101 Ocean Ave.	7	Supervisor Norman Yee	3/25/2019
The Animal Company	1307 Castro St.	8	Supervisor Jeff Sheehy	6/11/2018
Bi-Rite Market	3639 18th St.	8	Supervisor Rafael Mandelman	3/11/2019
Chloe's Café	1399 Church St.	8	Supervisor Jeff Sheehy	9/10/2018
Creativity Explored	3245 16th St.	8	Supervisor Rafael Mandelman	9/24/2018
For Your Eyes Only Optometry	552 Castro St.	8	Supervisor Rafael Mandelman	1/14/2019
IXIA	2331 Market St.	8	Supervisor Rafael Mandelman	9/24/2018
VIP Grooming	4299 24th St.	8	Supervisor Jeff Sheehy	6/11/2018
Make Out Room	3225 22nd St.	9	Supervisor Hillary Ronen	3/11/2019
Mission Graduates	3040 16th St.	9	Supervisor Hillary Ronen	4/23/2018
St. Mary's Pub	3845 Mission St.	9	Supervisor Hillary Ronen	1/14/2019
The Jazz Room	5267 3rd St.	10	Supervisor Malia Cohen	4/9/2018
Knights' Catering	255 Mendell St.	10	Supervisor Malia Cohen	5/21/2018
Mon Sing Noodle Co.	1950 Innes Avenue, #3	10	Supervisor Malia Cohen	3/11/2019
San Francisco Bay View National Black Newspaper	4917 Third St.	10	Supervisor Malia Cohen	9/24/2018
San Francisco Supply Master	2050 McKinnon Ave.	10	Supervisor Malia Cohen	1/28/2019

## LEGACY BUSINESSES PER NOMINATOR

The following table indicates the number of nominations for each nominator for the 46 Legacy Businesses that were placed on the Legacy Business Registry between April 2018 and March 2019. Note that London Breed and Mark Farrell made nominations as supervisors versus mayors during this reporting period.

**EXHIBIT 4: Legacy Businesses per Nominator from April 2018 through March 2019**

Nominator	Number of Legacy Businesses
Supervisor London Breed	1
Supervisor Vallie Brown	4
Supervisor Malia Cohen	5
Supervisor Mark Farrell	2
Supervisor Sandra Lee Fewer	5
Supervisor Jane Kim	2
Supervisor Rafael Mandelman	5
Supervisor Aaron Peskin	8
Supervisor Hillary Ronen	3
Supervisor Jeff Sheehy	3
Supervisor Catherine Stefani	4
Supervisor Katy Tang	2
Supervisor Norman Yee	2
<b>TOTAL</b>	<b>46</b>



**"Other Avenues** was founded by the people, for the people," said Emily Huston, co-owner of the business. "A group of counterculture individuals dared to break the mold, set up buying clubs, and distribute organic, healthy food to all. As a fully worker-owned co-op, we're honored to join the wonderful Legacy Businesses that make this city shine."

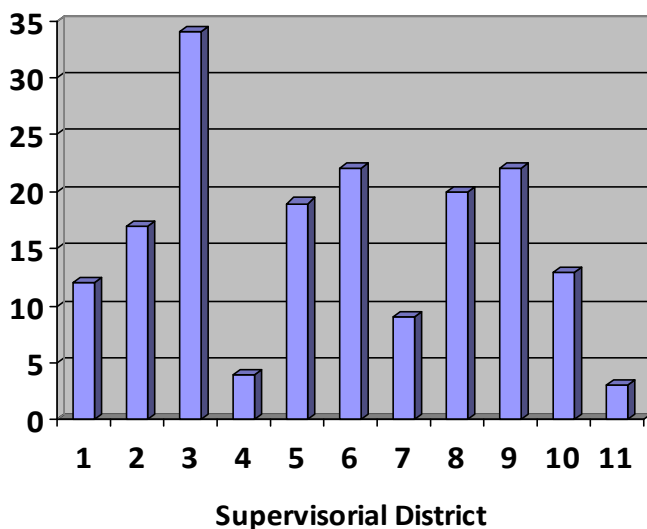
## LEGACY BUSINESSES PER DISTRICT

The following table indicates the number of Legacy Businesses per supervisorial district for the 175 Legacy Businesses that were placed on the Legacy Business Registry through March 31, 2019. The table lists the current district for the main business address for each Legacy Business regardless if the Legacy Business has multiple locations included on the Registry.

**EXHIBIT 5: Table of Number of Legacy Businesses per District as of March 31, 2019**

Supervisorial District	Number of Legacy Businesses
1	12
2	17
3	34
4	4
5	19
6	22
7	9
8	20
9	22
10	13
11	3
<b>TOTAL</b>	<b>175</b>
<b>AVERAGE</b>	<b>16</b>
<b>MEDIAN</b>	<b>17</b>

**EXHIBIT 6: Chart of Number of Legacy Businesses per District as of March 31, 2019**



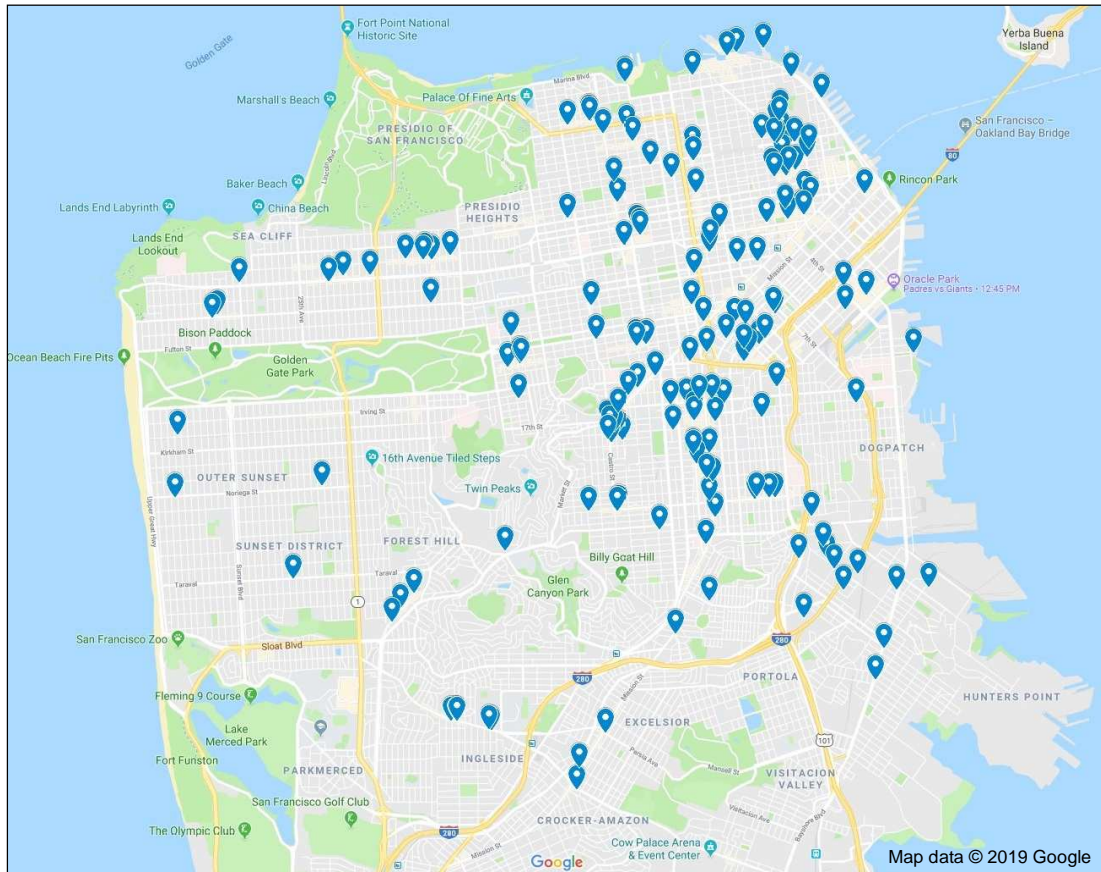


## MAP OF LEGACY BUSINESSES, MAIN LOCATIONS

The following map shows the main business locations for all 175 Legacy Businesses as of March 31, 2019. The map does not include multiple business locations for those businesses with more than one location. For a current map of all active Legacy Businesses, including multiple San Francisco business locations if applicable, please visit the following website:

[https://drive.google.com/open?id=1frl3u5gtCKQYyck-hgkaQ45\\_nlo&usp=sharing](https://drive.google.com/open?id=1frl3u5gtCKQYyck-hgkaQ45_nlo&usp=sharing)

### EXHIBIT 7: Map of Legacy Businesses, Main Locations, as of March 31, 2019



*"My wife and I feel fortunate that **Chloe's Café** has been part of the Noe Valley neighborhood for over 30 years," said Steven Baker, co-owner of Chloe's Café. "I think our customers appreciate the fact they can come in for years—indeed decades—and things will still be the same at Chloe's – the same menu, decor, and some of the original staff."*

# MARKETING AND BRANDING

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The Office of Small Business made strides in fiscal year 2018-19 to design, build and implement a Marketing and Branding strategy for the Legacy Business Program. The goal was to illustrate the importance of Legacy Businesses to San Francisco, its communities and visitors as a way to draw customers to patronize Legacy Businesses. After a comprehensive research and development process, the program took shape through the design of the Legacy Business logo and a wide variety of print and digital materials. The Marketing and Branding strategy is being rolled out in phases, starting with Phase 1 in 2018-19 with the logo and marketing toolkit. In fiscal year 2019-20, Phase 2 will involve certificates, plaques and development of marketing partnerships, such as with San Francisco Travel.

The Office of Small Business established a Marketing and Branding Committee with representatives from the Office of Small Business, Small Business Commission, Historic Preservation Commission, Office of Economic and Workforce Development, Planning Department and San Francisco Heritage. The committee was led by Osaki Creative Group, a third party marketing firm selected by the Office of Small Business through a Request For Quotes process in July 2017 for marketing and branding services.

## RESEARCH AND DEVELOPMENT

The Marketing and Branding Committee met from December 2017 to September 2018 to conduct research and development that involved:

- Researching San Francisco culture and establishing program goals.
- Surveying Legacy Businesses to help inform brand colors, design elements and utilization of marketing materials.
- Developing design direction and concepts.
- Selecting the design and color palette.
- Translating the logo into different languages.
- Delivering the final logo in all formats and files.
- Designing and delivering marketing materials, toolkit and style guides.

As a result, the following marketing materials were created.

- A marketing toolkit of print and digital items for Legacy Businesses to effectively use the Legacy Business branding to promote their businesses.
- A mix of print and digital items for the Office of Small Business to effectively use the Legacy Business branding to promote the Legacy Business Program and Legacy Businesses.



*“Forty years ago when we opened Hayes Street Grill, the performing arts community needed someplace to meet over lunch and eat before the ballet, symphony and opera,” said Patty Unterman, co-owner of **Hayes Street Grill**. “Who would have guessed that Hayes Valley would become one of the most happening neighborhoods in the city? From day one we pledged to cook only fresh, local ingredients and we still do. We are so pleased to be recognized as a Legacy Business in our beloved San Francisco.”*



## LEGACY BUSINESS PROGRAM LOGO

In October 2018, the Office of Small Business finalized the logo for the Legacy Business Program. The logo features a flame and torch framed by a rectangular border and emblazoned by a ribbon. The design of the logo is bold, dynamic, memorable and timeless while simultaneously simple so as not to conflict with the logos of Legacy Businesses.

The logo was translated into seven different languages – Chinese, Japanese, Korean, Russian, Spanish, Tagalog and Vietnamese – to complement the diversity of our Legacy Businesses.



### Logo Elements

The element of **fire** has great power for forging will and determination. The symbolic meaning of the flame is representative of our inner light as well as a living symbol of the fire that burns in every soul. We incorporated the flame to be representative of the “soul of the city” that comes from Legacy Businesses.

The **torch** represents the endeavor for protection and struggle for victory. It also symbolizes a passing of tradition likened to giving light or guidance to the next generation. We incorporated the torch to highlight the passing of tradition and struggle that our Legacy Businesses have endured throughout their history.

The **rectangular border** represents protection and also gives the logo a badge-like quality, which is known for its distinction as a mark of achievement and membership. We felt this concept showed the City's willingness to protect legacy businesses and represented the Legacy Businesses' achievement to be posted at their places of business.

The **ribbon** is a symbol of awareness and support. We used the ribbon element wrapped around the entire logo to represent the City's support of and commitment to Legacy Businesses.

## MARKETING AND BRANDING FOR LEGACY BUSINESSES

Osaki Creative Group developed numerous marketing and promotional items for Legacy Businesses contained in a marketing toolkit, including a brand book, bronze plaque, certificate, point of sale sticker, postcard, production shop list, social media guide and window cling. The marketing toolkit will enable Legacy Businesses to utilize Legacy Business branding to promote their businesses. The Office of Small Business encourages businesses to consider new Legacy-branded marketing strategies such as marketing at events, online marketing through Yelp and engaging new and potential customers through social media.

Certificate for Legacy Businesses



Point of Sale Sticker for Legacy Businesses



DECAL - 3.5" x 2.5"

Window Cling for Legacy Businesses



DECAL - 3.4015" w x 5.6547" h

### Bronze Plaque for Interior or Exterior of Legacy Businesses



### We asked Legacy Businesses how they plan to utilize the marketing toolkit.

#### Here's what they said:

- **Booksmith:** We will add branding to our 5,000+ bookmark printing.
- **Cole Hardware:** We'll use branding in our print newsletter and monthly ads.
- **Community Boards:** The graphic has been added to our website, program/services brochures and other marketing pieces. We're planning a social media launch as well.
- **Couture Designer European Clothing:** We will add stickers to shopping bags, garment bags and gift boxes with every purchase.
- **Escape from New York Pizza:** We will add the logo on our menu and on our pizza boxes.
- **Fireside Camera:** We plan on incorporating them in e-blasts sent to our customers.
- **Jeffrey's Toys:** We will add branding to our website, in flyers and on our business cards.
- **Lucca Delicatessen:** We will possibly add the logo to our T-shirts.
- **Mon Sing Noodle Co.:** We can add stickers to our retail/wholesale product packaging and the logo to the sleeves on our employee uniforms.
- **Navarro's Kenpo Karate Studio:** We will incorporate branding on our schedule, letterhead and business cards.
- **Project Open Hand:** We will install the window clings at our entrances and promote the logo on our website and our social media channels.
- **San Francisco Supply Master:** We will add branding to our catalog, brochures, product sheets, email signatures and wherever we place the company logo.
- **VIP Grooming:** We might add the logo to promotional materials and use it on our websites and social media.

## MARKETING AND PROMOTION BY THE OFFICE OF SMALL BUSINESS

The Office of Small Business continued efforts to promote Legacy Business by posting on social media, issuing press releases, writing newsletters and encouraging the City and County of San Francisco to patronize Legacy Businesses.

### SOCIAL MEDIA PROMOTION

Building a strong social media presence is an easy and cost-effective way to increase visibility of the Legacy Business Program and, more importantly, draw customers to Legacy Businesses. The Office of Small Business continued social media efforts for the Legacy Business Program on its Twitter (@SFOSB) and Facebook (<https://www.facebook.com/SFOSB/>) pages. This includes announcement posts when new Legacy Businesses are added to the Registry. Social media is used for better engagement of the program with the public. Supporters are encouraged to post photos and share stories of their favorite Legacy Businesses, making sure to tag the business and Office of Small Business and use the hashtag “#SFLegacyBiz.”

### PRESS RELEASES AND MEDIA ENGAGEMENT

Press releases have helped bring valuable media attention to the Legacy Business Program locally and nationally. The Office of Small Business began issuing regular press releases to announce new businesses added to the Registry starting in September 2017. Press releases are also issued to announce notable accomplishments. Establishing this process has proven to be a successful way to draw visibility of the program as evidenced by an increase in press articles on the Legacy Business Program and Legacy Businesses. This includes pick-up on the Internet via blogs and social networks.

In fiscal year 2018-19 through March 31, 2019, 10 press releases were issued by the Office of Small Business resulting in the publication of 10 known news articles, including coverage by the San Francisco Chronicle, Hoodline and San Francisco Eater.



*A group of Legacy Business applicants and their supporters at San Francisco City Hall on January 14, 2019, celebrating unanimous approval to the Legacy Business Registry by the Small Business Commission.*

## EXHIBIT 8: Press Releases Issued

Fiscal Year	Number of Press Releases Issued	Number of Known News Articles Resulting From Press Releases
Fiscal Year 2016-17	2	10
Fiscal Year 2017-18	11	15
Fiscal Year 2018-19 Through March 31, 2019	10	10
<b>TOTAL</b>	<b>23</b>	<b>37</b>

## NOTABLE PRESS MENTIONS AND ARTICLES

- September 11, 2018, San Francisco Eater, "[City Designates Chloe's Cafe, Hayes Street Grill, Balboa Cafe Legacy Businesses](#)," by Caleb Pershan.
- October 25, 2018, San Francisco Chronicle, "[Daily Briefing: Dunkin' espresso; Legacy honors; airline hacked](#)," by Chronicle Staff and News Services.
- October 31, 2018, Hoodline, "[Richmond District's Balboa Theater, House of Bagels awarded legacy business status](#)," by Nikki Collister.
- January 28, 2019, Hoodline, "[Castro optometrist 'For Your Eyes Only' named SF Legacy Business](#)," by Steven Bracco.
- January 30, 2019, Hoodline, "[St. Mary's Pub receives legacy status, but faces uncertain future](#)," by Nikki Collister.
- January 31, 2019, Hoodline, "[After 48 years serving seniors, Japantown's Kimochi receives legacy status](#)," by Teresa Hammerl.

## NEWSLETTERS

The Legacy Business Program and new businesses added to the Legacy Business Registry were featured in three newsletters of the Office of Small Business (OSB) and eight newsletters of the Office of Economic and Workforce Development (OEWD) between April 2018 and March 2019.

OSB quarterly newsletters featuring the Legacy Business Program:

- [August 2018](#), [December 2018](#), [February 2019](#)

OEWD newsletters featuring the Legacy Business Program:

- [April 2018](#), [August 2018](#), [September 2018](#), [October 2018](#), [November 2018](#), [January 2019](#), [February 2019](#), [March 2019](#)

## DOING BUSINESS WITH THE CITY AND COUNTY OF SAN FRANCISCO

The Office of Small Business partnered with the Office of Contract Administration to conduct outreach to City departments, commissions, committees and task forces to encourage them to patronize Legacy Businesses to the greatest extent possible. The Office of Small Business will continue these efforts in fiscal year 2019-20.



# BUSINESS ASSISTANCE SERVICES

## SUMMARY OF SERVICES

The Legacy Business Program has been working with a team of technical assistance providers including the San Francisco Small Business Development Center (SFSBDC), Working Solutions and the Lawyers' Committee for Civil Rights (LCCR) to assist businesses in need of various types of assistance. These include Legacy Business Registry applications, financial, grant applications, legal, marketing, real estate, succession planning and other business challenges.

During the 9-month period from July 1, 2018, to March 31, 2019, the Legacy Business Program provided technical assistance to **59** Legacy Business clients who received **336** hours of counseling. Since the Legacy Business Program launched, the program has served **133** unique clients for a total of **1,033** hours of consulting.

### EXHIBIT 9: Business Assistance Provided through March 31, 2019

Fiscal Year	Number of Clients	Number of Hours of Technical Assistance
Fiscal Year 2016-17	25	379
Fiscal Year 2017-18	49	318
Fiscal Year 2018-19 (through March 31, 2019)	59	336
<b>ANNUAL REPORT TOTAL</b>	<b>133</b>	<b>1,033</b>

It worth noting that majority of Legacy Businesses that received technical assistance from SFSBDC are those with fewer employees. The average number of full-time equivalent employees (FTEs) of the businesses assisted was 5.8, whereas it is estimated the average number of FTEs per Legacy Business is 17.0. This may suggest that more resources should be allocated to business assistance services, which is helping smaller Legacy Businesses.



*The father-son team, Henry Kalebjian (right) and Hrag Kalebjian (left).  
See page 26 for success story.*



## CLIENT NEEDS

### ASSISTANCE WITH LEGACY BUSINESS REGISTRY APPLICATIONS

Business owners continue to require assistance with the Legacy Business Registry applications. Business owners needing help are paired with a business advisor who helps guide the client through the application process. The most common assistance sought by business owners is the writing of the narrative section, but assistance is also provided with online research of historic information about the business, compiling back-up documentation and ensuring the application is complete before submission. In cases where business owners did not understand English well, an interpreter/advisor was assigned to provide language assistance for more effective communication.

### ASSISTANCE WITH GRANT APPLICATIONS

For the Rent Stabilization Grant, the SFSBDC business advisor helped the Legacy Business Program Manager review all applications to ensure they were correct and complied with the grant Rules and Regulations.

To prevent Legacy Businesses from overlooking the September 30 deadline for Business Assistance Grant applications, the Office of Small Business sent letters and email messages to notify business owners about the deadline. SFSBDC made follow up phone calls to Legacy Businesses to ensure they would not miss the application deadline. One-on-one assistance was also provided when clients needed help completing applications, including calculating the number of full-time equivalent employees. Furthermore, SFSBDC assisted applicants in completing IRS Form W-9, which is required for businesses to get set up as Suppliers with the City and County of San Francisco so they can receive grants.

### TECHNICAL ASSISTANCE AND ONE-ON-ONE CONSULTING

Legacy Businesses face similar challenges encountered by non-Legacy Businesses. The most common challenges are primarily related to real estate and business performance. The majority of Legacy Businesses do not own their commercial property and, given the bargaining power of property owners, they encounter challenges when their leases are about to expire. It is extremely helpful for business owners to work with someone who understands the negotiating process, market rates and real estate trends, as this helps negotiate more favorable terms.

In cases where business owners had intentions to move to new locations, SFSBDC was able to pair the clients with real estate professionals for their relocation plans, which includes real estate search, preparing Letter Of Intent and lease negotiation.

Finally, many business owners have demonstrated a need for performance improvements. Such cases are referred to a specialized consultant to (1) help assess the business situation and diagnose the potential problems; and (2) provide one-on-one support in areas of marketing and social media assistance, access to capital and financial management, strategic and even business succession planning. The end-goal of the one-on-one assistance is to help establish the long-term sustainability and continuity of Legacy Businesses.

Legacy Businesses, like other businesses, may need assistance in multiple areas. The table below shows a list of the client need service areas for which Legacy Businesses received assistance. The total is greater than 100 percent because individual businesses may receive assistance in more than one category.

**EXHIBIT 10: Types of Business Assistance  
Provided Through March 31, 2019**

Client Need	Percentage of Businesses Receiving Assistance per Service Area
Grant Applications	42%
Marketing	34%
Legacy Business Registry Applications	24%
Financial	19%
Real Estate	14%
Legal	7%
Succession Planning	3%

## TRAINING

Not only are Legacy Businesses eligible for one-on-one consulting, but they also have access to all training workshops offered via SFSBDC at no cost. Topics include, but are not limited to, access to capital, bookkeeping, business laws, government contracting, financial management, marketing and social media. By attending such workshops, Legacy Business owners and their managers have the opportunity to learn new knowledge or techniques to bring their businesses to the next level.

## SUCCESS STORY

### Background

Since 1965, Henry's House of Coffee (HHC) has been a fixture in San Francisco's Sunset District (1618 Noriega St.), where residents begin their mornings with a fresh pastry and a cup of coffee. Henry Kalebjian, the founder of HHC, learned the art of coffee roasting from his father in Lebanon at age 12. Henry's son, Hrag Kalebjian, left a corporate job to work with his father in 2013. Considered a "Master Roaster" by the industry, the father-son team owns the proprietary roasting process that sets Henry's House of Coffee apart from other coffee houses in the Bay Area. Henry personally roasts and blends coffee six days a week.



### Challenges

After a recent renovation, the interior of HHC looks new, bright and inviting. However, the exterior signage was old and outdated, making it less appealing from the outside and harder to attract new customers. HHC wanted to tap a competitive SF Shines façade improvement grant from the Office of Economic and Workforce Development for its signage improvement project but had no expertise and time to put together a comprehensive grant application.

### Actions

HHC approached SFSBDC for assistance with the grant application. SFSBDC advisor Jim Nguyen helped review the client's financial information, prepare a financial assessment on the business's long-term sustainability and put together a competitive application.

### Results

HHC was selected to receive an \$11,000 grant from SF Shines to cover the cost of new storefront signage. Compared to the old one, the new sign is more visible, inviting and weather-resistant. The owners are very happy to see the change and have committed to make more business investments. Hrag has expressed the interest in setting up outside seating for patrons to enjoy their coffee.



# LEGACY BUSINESS HISTORIC PRESERVATION FUND

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The purpose of the Legacy Business Historic Preservation Fund is to maintain San Francisco's cultural identity and to foster civic engagement and pride by assisting Legacy Businesses to remain in the city.

In San Francisco's current economic climate, many otherwise successful, long-operating businesses are at risk of displacement despite continued value to the community and a record of success. In recent years, San Francisco has witnessed the loss of many long-operating businesses because of increased rents or lease terminations.

To the extent that property owners have little incentive to retain longstanding tenants, a long-operating business that does not own its commercial space or have a long-term lease is particularly vulnerable to displacement. A viable strategy for securing the future stability of San Francisco's long-operating businesses is to provide incentives for them to stay in the community, and incentives for their landlords to enter into long-term leases with such businesses.

Through the Legacy Business Historic Preservation Fund, landlords who extend the leases of Legacy Businesses for at least 10 years may receive Rent Stabilization Grants of up to \$4.50 per square foot of space leased per year, while Legacy Businesses on the Registry may receive Business Assistance Grants of up to \$500 per full-time equivalent employee per year. The landlord grants are capped at \$22,500 annually; the business grants are capped at \$50,000 per year. A biennial Consumer Price Index (CPI) adjustment has been added to the grants starting in fiscal year 2017-18.

Since fiscal year 2016-17, the annual budget allocation for the Legacy Business Historic Preservation Fund has been \$1 million in the City's budget.

## RENT STABILIZATION GRANT

The Rent Stabilization Grant (<http://sfosb.org/legacy-business/rentgrant>) is used to provide an incentive for landlords to enter into long-term leases with Legacy Businesses. Per San Francisco Administrative Code section 2A.243(c)(1), "Subject to the budgetary and fiscal provisions of the City Charter, the Office of Small Business shall award an annual grant to a landlord that, on or after January 1, 2016, enters into an agreement with a Legacy Business that leases real property in San Francisco to the Legacy Business for a term of at least 10 years or extends the term of the Legacy Business's existing lease to at least 10 years, for each year of a lease entered into on or after January 1, 2016, or each year that was added to an existing lease on or after January 1, 2016 (e.g., an existing five-year lease that is extended to 20 years on January 1, 2016 would entitle the landlord to 15 years of grants) ..."

The Rent Stabilization Grant has been an effective strategy in stabilizing longstanding businesses of all sizes in San Francisco. The grant was initially issued in February 2017. Since it was issued, there have been 29 first-year grant applications helping stabilize 26 Legacy Businesses. (Three Legacy Businesses rented two storefronts each, and Rent Stabilization Grants were awarded for both storefronts.)

The following table indicates Rent Stabilization Grant applications paid as of March 31, 2019.

**EXHIBIT 11: Rent Stabilization Grant Applications Paid as of March 31, 2019**

<b>Landlord of Legacy Business</b>	<b>Address of Legacy Business</b>	<b>Date Paid</b>	<b>Grant Amount</b>
Gilmans Screens and Kitchens	228 Bayshore Blvd.	June 5, 2017	\$22,500.00
Navarro's Kenpo Karate Studio	960 Geneva Ave.	June 15, 2017	\$11,700.00
St. Francis Fountain	2051 Market St.	June 22, 2017	\$12,420.00
<b>Subtotal Fiscal Year 2016-17</b>			<b>\$46,620.00</b>
EROS: The Center for Safe Sex	2051 Market St.	August 14, 2017	\$22,500.00
Lone Star Saloon	1352 Harrison St.	December 8, 2017	\$23,197.50
Ruby's Clay Studio and Gallery	552-552A Noe St.	December 18, 2017	\$23,197.50
Sam's Grill & Seafood Restaurant	374 Bush St.	January 16, 2018	\$21,069.00
Joe's Ice Cream	5420 Geary Blvd.	January 19, 2018	\$9,279.00
Papenhausen Hardware	32 West Portal Ave.	January 22, 2018	\$16,962.01
Analytical Psychology Club of San Francisco	2411 Octavia St., Suite 1	January 22, 2018	\$3,214.25
Community Boards	601 Van Ness Ave., Suite 2040	January 22, 2018	\$7,506.71
Eddie's Café	800 Divisadero St.	January 22, 2018	\$3,711.60
Golden Gate Fortune Cookies	56 Ross Alley	February 12, 2018	\$13,686.53
Elite Sport Soccer	2637 Mission St.	March 15, 2018	\$13,918.50
Phoenix Arts Association Theatre	414 Mason St., Suite 601	April 9, 2018	\$8,351.10
Phoenix Arts Association Theatre	414 Mason St., Suite 604	April 16, 2018	\$5,799.38
Good Vibrations	1620 Polk St.	June 7, 2018	\$16,238.25
Avedano's Holly Park Market	235 Cortland St.	June 7, 2018	\$6,912.86
Avedano's Holly Park Market	237 Cortland St.	June 22, 2018	\$7,794.36
<b>Subtotal Fiscal Year 2017-18</b>			<b>\$203,338.55</b>
Toy Boat Dessert Café	401 Clement St.	August 30, 2018	\$4,718.37
Dog Eared Books	900 Valencia St.	September 5, 2018	\$11,830.73
ArtHaus Gallery	228 Townsend St.	September 14, 2018	\$13,454.55
Russian Hill Bookstore	2162 Polk St.	September 26, 2018	\$13,686.53
Cal's Automotive Center	55 Elmira St.	October 3, 2018	\$17,166.15
Café International	508 Haight St.	November 19, 2018	\$9,279.00

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Landlord of Legacy Business	Address of Legacy Business	Date Paid	Grant Amount
Books Inc.	3515 California St.	November 19, 2018	\$12,526.65
Green Apple Books	506 Clement St.	December 4, 2018	\$23,197.50
Green Apple Books	520 Clement St.	December 4, 2018	\$20,200.38
Cartoon Art Museum of California	781 Beach St., 1st Floor	March 25, 2019	\$23,197.50
<b>Subtotal Fiscal Year 2018-19</b>			<b>\$149,257.36</b>
<b>TOTAL FIRST-YEAR GRANTS</b>			<b>\$399,215.91</b>
<b>COUNT</b>			<b>29</b>
<b>AVERAGE</b>			<b>\$13,766.07</b>
Second-Year Grants (From 13 Applicants Listed Above)	Various	Various	\$198,739.96
<b>Subtotal Second-Year Grants</b>			<b>\$198,739.96</b>
<b>GRAND TOTAL ALL GRANTS</b>			<b>\$597,955.87</b>

## BUSINESS ASSISTANCE GRANT

The intent of the Business Assistant Grant is to promote the long-term stability of Legacy Businesses and help them remain in San Francisco. The grant pays up to \$500 per full-time equivalent employee (FTE) per year, plus a Consumer Price Index (CPI) adjustment, up to a maximum of 100 FTEs. "Full-time equivalent employees" are defined as the number of employees employed in San Francisco by a Legacy Business as of the immediately preceding June 30, which is determined by adding, for each employee employed as of that date, the employee's average weekly hours over the preceding 12 months (July 1-June 30), dividing the result by 40 and rounding to the nearest full employee.

The total combined grants paid to all Legacy Businesses in a fiscal year (July 1-June 30) shall not exceed available funds. If in a fiscal year the total grants requested exceed the amount available, the Office of Small Business shall allocate the grants proportionately based on the number of FTEs.

In 2018-19, the Rent Stabilization Grant and Business Assistance Grant together exceeded available funds. The Office of Small Business measured and analyzed the effects of the two grants. It was determined that the grants for landlords has been an effective strategy in stabilizing longstanding businesses of all sizes in San Francisco, and the landlord grant is more in line with the intent of the Legacy Business Program. Therefore, the Small Business Commission directed the Office of Small Business on November 26, 2018, to prioritize the funding of the Rent Stabilization Grant to qualified landlords over other grant(s) paid through the Legacy Business Historic Preservation Fund.

In 2018-19, there was \$589,527 available for the Business Assistance Grant. The Office of Small Business paid \$300 per FTE plus a 3.1 percent CPI adjustment. Of the 148 Legacy Businesses eligible to apply, 105 applied for the grant. One business closed and did not receive the grant. For the remaining 104 businesses, there was an average of 18.33 FTEs per business and an average grant

award of \$5,669. For more information about the Business Assistance Grant, please visit <http://sfosb.org/legacy-business/businessgrant>.

## BUSINESS ASSISTANCE GRANT AWARDS

The following table indicates the 104 Business Assistance Grant awards for fiscal year 2018-19. A Consumer Price Index adjustment of 3.1% is included in the grant amounts. Nonprofit organizations are indicated with footnotes next to the Legacy Business names.

**EXHIBIT 12: Business Assistance Grant Awards for Fiscal Year 2018-19**

Legacy Business	Number of FTEs	Grant Amount	Proposed Use of Funds (Percent of Grant)	
AIDS Legal Referral Panel <sup>1</sup>	13	\$4,021	Rent	100%
The Animal Company	3	\$928	Inventory Tenant Improvements	50% 50%
ArtHaus Gallery	2	\$619	Tenant Improvements	100%
Avedano's Holly Park Market	10	\$3,093	Inventory	100%
Babylon Burning Screen Printing	7	\$2,165	Equipment/Technology Human Resources Rent	10% 25% 65%
Balboa Cafe	42	\$12,991	Rent Tenant Improvements	50% 50%
Bay Area Video Coalition <sup>1</sup>	23	\$7,114	Rent	100%
Beck's Motor Lodge	10	\$3,093	Equipment/Technology Human Resources Inventory Tenant Improvements	20% 50% 10% 20%
Blue Bear School of Music <sup>1</sup>	10	\$3,093	Marketing/Promotion	100%
Books Inc.	74	\$22,888	Tenant Improvements	100%
Bo's Flowers Stand	1	\$309	Marketing/Promotion	100%
The Brazen Head	12	\$3,712	Tenant Improvements	100%
Brownies Hardware	9	\$2,784	Equipment/Technology	100%
Cable Car Clothiers	3	\$928	Rent	100%
Cafe International	2	\$619	Equipment/Technology	100%
Caffe Trieste	6	\$1,856	Equipment/Technology Tenant Improvements	67% 33%
California Wine Merchant	6	\$1,856	Advisor Inventory Rent	10% 40% 50%
Cartoon Art Museum of California <sup>1</sup>	3	\$928	Human Resources	100%
Chinese Historical Society of America <sup>1</sup>	6	\$1,856	Marketing/Promotion	100%

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Legacy Business	Number of FTEs	Grant Amount	Proposed Use of Funds (Percent of Grant)	
Cinderella Bakery and Cafe	18	\$5,567	Equipment/Technology Façade Improvements Tenant Improvements	60% 20% 20%
City Lights Booksellers and Publishers	18	\$5,567	Façade Improvements	100%
Clarion Music Center <sup>1</sup>	1	\$309	Rent	100%
Cliff's Variety	41	\$12,681	Marketing/Promotion	100%
Cole Hardware	90	\$27,837	Rent	100%
Community Boards <sup>1</sup>	2	\$619	Marketing/Promotion	100%
Creativity Explored <sup>1</sup>	23	\$7,114	Human Resources	100%
DNA Lounge	23	\$7,114	Rent	100%
Doc's Clock	3	\$928	Façade Improvements	100%
Dog Eared Books	13	\$4,021	Security Tenant Improvements	50% 50%
Donaldina Cameron House <sup>1</sup>	29	\$8,970	Associate Membership Equipment/Technology Marketing/Promotion Office Supplies Utilities	20% 10% 30% 20% 20%
El Rio	8	\$2,474	Façade Improvements Rent	25% 75%
Elite Sport Soccer	7	\$2,165	Inventory	100%
Ermico Enterprises	99	\$30,621	Rent	100%
EROS	5	\$1,546	Marketing/Promotion	100%
Escape From New York Pizza	59	\$18,249	Tenant Improvements	100%
FLAX art & design	5	\$1,546	Rent	100%
FTC Skateboarding	6	\$1,856	Rent	100%
Gilmans Kitchens and Baths	12	\$3,712	Rent	100%
Gino and Carlo	5	\$1,546	Rent	100%
Golden Bear Sportswear	15	\$4,640	Tenant Improvements	100%
Good Vibrations	16	\$4,949	Security	100%
Great American Music Hall and Slim's	42	\$12,991	Rent	100%
Green Apple Books	31	\$9,588	Associate Membership Marketing/Promotion Rent	14% 14% 72%
Gypsy Rosalie's Wigs & Vintage	1	\$309	Marketing/Promotion	100%

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Legacy Business	Number of FTEs	Grant Amount	Proposed Use of Funds (Percent of Grant)	
Haight and Fillmore Whole Foods	2	\$619	Equipment/Technology Façade Improvements Tenant Improvements	60% 20% 20%
Hamburger Haven	5	\$1,546	Debt Reduction	100%
Hayes Street Grill	21	\$6,495	Equipment/Technology Marketing/Promotion Tenant Improvements	60% 20% 20%
Henry's House of Coffee	8	\$2,474	Equipment/Technology	100%
Image Conscious	9	\$2,784	Marketing/Promotion	100%
Instituto Familiar de la Raza <sup>1</sup>	78	\$24,125	Façade Improvements	100%
Izzy's Steaks and Chops	26	\$8,042	Equipment/Technology	100%
Jazz Room	3	\$928	Façade Improvements	100%
Jeffrey's Toys	8	\$2,474	Rent	100%
Joe's Ice Cream	4	\$1,237	Equipment/Technology Tenant Improvements	50% 50%
Jug Shop	10	\$3,093	Rent	100%
Kabuki Springs & Spa	44	\$13,609	Equipment/Technology Tenant Improvements	50% 50%
Knights' Catering	18	\$5,567	Equipment/Technology Human Resources Inventory Rent Tenant Improvements	10% 10% 10% 45% 25%
The Lab <sup>1</sup>	2	\$619	Rent	100%
Little Joe's Pizzeria	6	\$1,856	Inventory Rent Tenant Improvements	50% 25% 25%
Lone Star Saloon	4	\$1,237	Rent	100%
Macchiarini Creative Design and Metalworks	3	\$928	Equipment/Technology Façade Improvements Office Supplies	50% 40% 10%
Marina Supermarket	33	\$10,207	Advisor Equipment/Technology Rent Tenant Improvements	10% 10% 60% 20%
Mindful Body	14	\$4,330	Tenant Improvements	100%
Mission Graduates <sup>1</sup>	44	\$13,609	Tenant Improvements Capital Campaign	42% 58%

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Legacy Business	Number of FTEs	Grant Amount	Proposed Use of Funds (Percent of Grant)	
Mission Neighborhood Health Center <sup>1</sup>	100	\$30,930	Façade Improvements	100%
Moby Dick	7	\$2,165	Equipment/Technology Façade Improvements	60% 40%
Navarro's Kenpo Karate Studio	2	\$619	Human Resources	100%
Nihonmachi Little Friends <sup>1</sup>	24	\$7,423	Tenant Improvements	100%
Noe Valley Bakery	51	\$15,774	Rent	100%
Ocean Hair Design	3	\$928	Equipment/Technology Rent	50% 50%
Oddball Films	3	\$928	Film Preservation	100%
One Twenty For Hair	3	\$928	Rent Tenant Improvements	50% 50%
Pacific Cafe	9	\$2,784	Rent	100%
Papenhausen Hardware	9	\$2,784	Equipment/Technology Human Resources Tenant Improvements	22% 67% 11%
Phoenix Arts Association Theatre	1	\$309	Rent	100%
Pier 23 Cafe	46	\$14,228	Advisor Equipment/Technology Human Resources Marketing/Promotion Security Tenant Improvements	22.5% 22.5% 5.5% 6% 13.5% 30%
Pier 39 Ltd Partnership	81	\$25,053	Marketing/Promotion Tenant Improvements	50% 50%
Plough and Stars	2	\$619	Advisor Equipment/Technology Façade Improvements Marketing/Promotion	12% 58% 15% 15%
Precita Eyes Muralists Association <sup>1</sup>	6	\$1,856	Rent	100%
Project Open Hand <sup>1</sup>	100	\$30,930	Tenant Improvements	100%
Red and White Fleet	64	\$19,795	Equipment/Technology Tenant Improvements	50% 50%
ROLO	4	\$1,237	Equipment/Technology Façade Improvements	50% 50%
Rooky Ricardo's Records	1	\$309	Rent	100%
Roxie Theater <sup>1</sup>	12	\$3,712	Rent	100%
Russian Hill Bookstore	2	\$619	Rent	100%

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Legacy Business	Number of FTEs	Grant Amount	Proposed Use of Funds (Percent of Grant)	
Sacred Grounds Cafe	4	\$1,237	Rent	100%
Sam Wo Restaurant	16	\$4,949	Marketing/Promotion Tenant Improvements	80% 20%
Sam's Grill and Seafood Restaurant	28	\$8,660	Equipment/Technology Façade Improvements Marketing/Promotion Tenant Improvements	22% 15% 8% 55%
San Francisco Bay View National Black Newspaper	3	\$928	Rent	100%
San Francisco Heritage <sup>1</sup>	5	\$1,546	Marketing/Promotion	100%
San Francisco Market Corporation <sup>1</sup>	8	\$2,474	Marketing/Promotion	100%
San Francisco Prosthetic Orthotic Service	9	\$2,784	Health Insurance	100%
SF Party	16	\$4,949	Marketing/Promotion	100%
Shanti Project <sup>1</sup>	55	\$17,012	Rent	100%
Specs' 12 Adler Museum Cafe	3	\$928	Rent	100%
St. Francis Fountain	9	\$2,784	Equipment/Technology	100%
The Stud	3	\$928	Advisor Marketing/Promotion Rent Tenant Improvements	25% 25% 25% 25%
Tommaso's Ristorante Italiano	15	\$4,640	Advisor Equipment/Technology Façade Improvements Inventory Marketing/Promotion	5% 30% 30% 10% 25%
Toy Boat Dessert Cafe	3	\$928	Equipment/Technology Façade Improvements Tenant Improvements	45% 40% 15%
Twin Peaks Auto Care	5	\$1,546	Façade Improvements	100%
Valencia Whole Foods	4	\$1,237	Equipment/Technology	100%
VIP Grooming	8	\$2,474	Equipment/Technology Façade Improvements Marketing/Promotion Rent	30% 30% 10% 30%
Zeitgeist	26	\$8,042	Tenant Improvements	100%
<b>TOTAL</b>	<b>1,906</b>	<b>\$589,527</b>		

<sup>1</sup>Nonprofit organization.



The following tables indicate Business Assistance Grant awards for fiscal year 2018-19 and, for comparative purposes, fiscal years 2017-18 and 2016-17.

**EXHIBIT 13: Business Assistance Grant Awards for Fiscal Year 2018-19**

<b>Fiscal Year 2018-19</b>	<b>Number of FTEs</b>	<b>Grant Amount (Paid \$300 per FTE + 3.1% CPI)</b>
Total	1,906	\$589,527
Count	104	104
Average	18.33	\$5,669
Median	9.00	\$2,784
For-Profit Average	16.21	\$5,015
Nonprofit Average	27.20	\$8,413

**EXHIBIT 14: Business Assistance Grant Awards for Fiscal Year 2017-18**

<b>Fiscal Year 2017-18</b>	<b>Number of FTEs</b>	<b>Grant Amount (Paid \$500 per FTE + 3.1% CPI)</b>
Total	1,201	\$619,135
Count	71	71
Average	16.92	\$8,720
Median	9.00	\$4,640
For-Profit Average	14.55	\$7,503
Nonprofit Average	25.73	\$13,266

**EXHIBIT 15: Business Assistance Grant Awards for Fiscal Year 2016-17**

<b>Fiscal Year 2016-17</b>	<b>Number of FTEs</b>	<b>Grant Amount (Paid \$500 per FTE)</b>
Total	798	\$399,000
Count	51	51
Average	15.65	\$7,824
Median	8.00	\$4,000
For-Profit Average	12.72	\$6,360
Nonprofit Average	31.38	\$15,688

There appears to be a trend among Legacy Businesses in which the smaller businesses have been less likely to apply for the Business Assistance Grant. It is possible this is due to time and staffing constraints, language barriers and computer access challenges. It is also possible that small businesses with fewer employees are less incentivized to apply for Business Assistance Grants because the grants are based upon the number of employees.

## PROPOSED USE OF BUSINESS ASSISTANCE GRANTS

Consistent with the purpose of the Legacy Business Historic Preservation Fund as set forth in Administrative Code section 2A.243(a), Business Assistance Grant funds shall be used only to promote the long-term stability of Legacy Businesses or to help Legacy Businesses remain in San Francisco. The following table is a summary of how applicants intend to use the 2018-19 grant funds to support the continuation of their businesses as a Legacy Businesses.

**EXHIBIT 16: Proposed Use of Business Assistance Grant Funds for Fiscal Year 2018-19**

Proposed Use of Funds	Amount	Percent of Total
Advisor	\$4,946	0.84%
Associate Membership	\$3,136	0.53%
Capital Campaign Expenditures	\$7,893	1.34%
Debt Reduction	\$1,546	0.26%
Equipment/Technology	\$58,526	9.93%
Façade Improvements	\$71,509	12.13%
Film Preservation	\$928	0.16%
Health Insurance	\$2,784	0.47%
Human Resources	\$13,953	2.37%
Inventory	\$8,722	1.48%
Marketing/Promotion	\$56,954	9.66%
Office Supplies	\$1,887	0.32%
Rent	\$181,999	30.87%
Security	\$8,880	1.51%
Tenant Improvements	\$164,069	27.83%
Utilities	\$1,794	0.30%
<b>TOTAL</b>	<b>\$589,527</b>	<b>100.00%</b>



"The essence of Couture is the personal touch that comes from ensuring the clothes, the fit, and the person all go hand in hand. Big box retailers don't offer this type of service," said David Yahid, owner of **Couture Designer European Clothing**. "Thirty years later and we're still here preserving a piece of what Sutter Street once was, a mecca of independent high-end clothing stores."

## ACTUAL USE OF BUSINESS ASSISTANCE GRANTS

The following table is a summary of how applicants used the 2017-18 Business Assistance Grant funds to support the continuation of their businesses as a Legacy Businesses.

**EXHIBIT 17: Actual Use of Business Assistance Grant Funds from Fiscal Year 2017-18**

Actual Use of Funds	Amount	Percent of Total
Advisor	\$13,972	2.26%
Associate Membership	\$4,300	0.69%
Debt Reduction	\$2,578	0.42%
Equipment/Technology	\$38,719	6.25%
Façade Improvements	\$96,197	15.54%
Health Insurance	\$6,186	1.00%
Human Resources	\$37,018	5.98%
Marketing/Promotion	\$54,609	8.82%
Office Supplies	\$102	0.02%
Repairs	\$10,826	1.75%
Rent	\$173,638	28.05%
Security	\$13,919	2.25%
Streetscape Improvements	\$3,000	0.48%
Tenant Improvements	\$129,531	20.92%
Vehicle	\$7,733	1.25%
Other	\$26,807	4.33%
<b>TOTAL</b>	<b>\$619,135</b>	<b>100.00%</b>

## ACCESSIBILITY GRANT

The Accessibility Grant was designed by Office of Small Business to help Legacy Businesses better comply with disability access laws and help increase access for people with disabilities to Legacy Business' goods and services.

The first round of the Accessibility Grant will fund accessibility inspections by Certified Access Specialists for Legacy Businesses, a critical step in making businesses accessible. A Certified Access Specialist (CAsp) is a professional who has been tested and certified by the State of California to have specialized knowledge of the applicability of state and federal construction-related accessibility standards. Through a comprehensive inspection of the business, a CAsp will issue a thorough report that identifies disability access barriers and describes barrier removal requirements to bring the business into compliance. ADA compliance is an ongoing responsibility of both the property owner and tenant. The up-front investment of identifying barriers and making the business accessible is often less than the cost of liability. A CAsp report is a blueprint for disability access compliance.

# PROGRAM BUDGET

## FISCAL YEAR 2018-19

The following table indicates revenue and expenses for the Legacy Business Program for fiscal year 2018-19.

### EXHIBIT 18: Legacy Business Program Budget for Fiscal Year 2018-19

Budget Item	Estimated Revenue	Estimated Expenses
<b>Staffing</b>		
All Legacy Business Program Staff Including Fringe Benefits	\$286,326	\$286,326
<b>Subtotal Staffing</b>	<b>\$286,326</b>	<b>\$286,326</b>
<b>Program Expenses</b>		
Marketing and Branding	\$20,400	\$19,182
Translation Services		\$2,446 <sup>3</sup>
<b>Subtotal Program Expenses</b>	<b>\$20,400</b>	<b>\$21,628</b>
<b>Application Fees</b>		
Carryforward Application Fees (From Previous Fiscal Years)	\$7,700	\$0
Application Fees	\$3,100 <sup>2</sup>	\$0
<b>Subtotal Application Fees</b>	<b>\$10,800</b>	<b>\$0</b>
<b>Grants</b>		
Rent Stabilization Grant	\$1,000,000	\$410,473
Business Assistance Grant		\$589,527
<b>Subtotal Grants</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>TOTAL</b>	<b>\$1,317,526</b>	<b>\$1,307,954</b>

<sup>2</sup>Application fees for 2018-19 were estimated based on \$2,300 in application fees collected for the first three quarters of the fiscal year.

<sup>3</sup>Translation services totaling \$2,446.18 for the Legacy Business Program were paid directly by the Office of Small Business.

## FISCAL YEAR 2019-20

The following table indicates estimated revenue and expenses for the Legacy Business Program for fiscal year 2019-20.

### EXHIBIT 19: Estimated Legacy Business Program Budget for Fiscal Year 2019-20

Budget Item	Estimated Revenue	Estimated Expenses
<b>Staffing</b>		
All Legacy Business Program Staff Including Fringe Benefits	\$296,468	\$296,468
<b>Subtotal Staffing</b>	<b>\$296,468</b>	<b>\$296,468</b>
<b>Program Expenses</b>		
Reserve from Fiscal Year 2015-16	\$25,000	\$42,800
Marketing and Branding	\$20,400	
Translation Services		\$2,600
<b>Subtotal Program Expenses</b>	<b>\$45,400</b>	<b>\$45,400</b>
<b>Application Fees</b>		
Carryforward Application Fees (From Previous Fiscal Years)	\$10,800	\$0
Application Fees	\$2,700 <sup>4</sup>	\$0
<b>Subtotal Application Fees</b>	<b>\$13,500</b>	<b>\$0</b>
<b>Grants</b>		
Rent Stabilization Grant	\$1,000,000	\$700,000
Business Assistance Grant		\$300,000
Accessibility Grant (Reserve from Fiscal Year 2015-16)	\$150,000	\$150,000
<b>Subtotal Grants</b>	<b>\$1,150,000</b>	<b>\$1,150,000</b>
<b>TOTAL</b>	<b>\$1,505,368</b>	<b>\$1,491,868</b>

<sup>4</sup>Application fees for 2019-20 were estimated based on 54 applications at \$50 per application.

# PROGRAM CHALLENGES

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The Office of Small Business has experienced some challenges with escalating staff obligations for the Legacy Business Program and escalating budget obligations for the Legacy grants. The Office of Small Business will address these challenges in the upcoming fiscal year.

## Escalating Staff Obligations

The Office of Small Business has experienced escalating staff obligations since the Legacy Business Program was established.

The number of Legacy Businesses that applied for Business Assistance Grants increased from 51 to 72 to 105 from fiscal years 2016-17 through 2018-19, requiring a greater amount of staff time each year to review applications and process payments. In 2019-20, the Office of Small Business anticipates receiving 148 Business Assistance Grant applications, increasing the program's demand on staff time from the present 17 percent to 20 percent or more. The Business Assistance Grant is a staff-intensive program that has affected the ability of staff to commit sufficient time to marketing and promoting the Legacy Business Program.

In addition, there has been a steady demand from landlords for the Rent Stabilization Grant. Because the grant is paid over multiple years through annual applications, each new application compounds the number of applications received in successive years, adding to the overall staff obligation.

Lastly, the Office of Small Business has received an increasing number of new applications for the Legacy Business Registry as the program has become better known. This has required an increase in staff time each fiscal year.

## Escalating Budget Obligations

Due to the increasing demand for the Business Assistance Grant and Rent Stabilization Grant, the two grants exceeded the available funding in fiscal year 2018-19. Because the Small Business Commission prioritized the funding of the Rent Stabilization Grant over the Business Assistance Grant, the former grant was paid to qualified landlords in full, while the latter grant was paid to Legacy Businesses in part per the Administrative Code. In fiscal year 2019-20, the Office of Small Business will be developing protocols to address the growing demand for the two grants, including the possible development of a new business grant to replace the existing Business Assistance Grant.



*"We have been serving authentic Hong Kong Style dishes in San Francisco for over 40 years, and we are excited to continue doing so as a Legacy Business," said Sam Yu, owner of **Yuet Lee Restaurant**. "I am particularly delighted to see that the name, Yuet Lee, will be listed on the Legacy Business Registry because the restaurant is named after my parents. Yuet Lee is actually a combination of their names."*

# MAJOR UPCOMING ACTIVITIES

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Following are major upcoming activities for the Legacy Business Program for the fourth quarter of fiscal year 2018-19 and for fiscal year 2019-20:

- Continuing providing resources and training to Legacy Businesses for succession planning in partnership with the San Francisco Small Business Development Center, the Democracy at Work Institute and the University of San Francisco's Gellert Family Business Resource Center.
- Implementing Phase 2 of the Marketing and Branding rollout for Legacy Businesses including bronze plaques, certificates, relaunch of social media promotions and developing marketing partnerships, such as with San Francisco Travel, to elevate the promotion of Legacy Businesses.
- Establishing a marketing plan to promote Legacy Businesses including the creation of brochures and a new Legacy Business Program website based on the designs by Osaki Creative Group.
- Printing branded office supplies for the Legacy Businesses Program including business cards, envelopes, letterhead and mailing labels that were designed by Osaki Creative Group.
- Continuing to encourage City departments, commissions, committees and task forces to patronize Legacy Businesses to the greatest extent possible.
- Providing real estate technical assistance to Legacy Businesses.
- Researching new opportunities for assisting Legacy Businesses with the purchase of commercial buildings and commercial spaces.
- Creating a resource guide about commercial tenancies-in-common (TICs) to educate Legacy Businesses on how to purchase commercial real estate in partnership with other businesses.
- Working with the Planning Department and other City departments to provide benefits to Legacy Businesses and their landlords.
- Continuing to process Rent Stabilization Grant applications for landlords of Legacy Businesses.
- Issuing and processing the Business Assistance Grant for fiscal year 2019-20, which will be translated into Spanish, Chinese and Tagalog.
- Developing protocols to address the growing demand for the Rent Stabilization Grant and Business Assistance Grant, including the possible development of a new business grant.

# CONTACT INFORMATION

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## **SMALL BUSINESS COMMISSION**

Stephen Adams, President  
Mark Dwight, Vice-President  
Kathleen Dooley, Commissioner  
Sharky Laguana, Commissioner  
William Ortiz-Cartagena, Commissioner  
Irene Yee Riley, Commissioner  
Miriam Zouzounis, Commissioner

## **OFFICE OF SMALL BUSINESS**

Regina Dick-Endrizzi, Director

## **LEGACY BUSINESS PROGRAM**

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**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#); [Somera, Alisa \(BOS\)](#); [Young, Victor \(BOS\)](#)  
**Subject:** FW: Shelter Monitoring Committee Quarterly Report - 3rd Quarter FY18-19  
**Date:** Friday, June 7, 2019 9:15:00 AM  
**Attachments:** [SMC 3rd Quarter Report FY18-19.pdf](#)

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**From:** Chen, Howard (DPH) <howard.c.chen@sfdph.org>  
**Sent:** Thursday, June 6, 2019 3:01 PM  
**To:** Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>  
**Cc:** Young, Victor (BOS) <victor.young@sfgov.org>; Murdock, Craig (DPH) <craig.murdock@sfdph.org>; Walton, Scott (HOM) <Scott.Walton@sfgov.org>  
**Subject:** Shelter Monitoring Committee Quarterly Report - 3rd Quarter FY18-19

Good afternoon all,

Pursuant to Ordinance 283-04 of the San Francisco Administrative Code, the Shelter Monitoring Committee would like to submit their 3rd Quarter Report for FY18-19 (reporting period from Jan. 1, 2019 - March 31, 2019) for consideration by the Board of Supervisors.

Please let me know if you have any questions.

Thank you,

Howard Chen, MPA

Policy Analyst

Shelter Monitoring Committee

San Francisco Department of Public Health

1380 Howard St.

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# SHELTER MONITORING COMMITTEE

## 3rd Quarter Report

January 1, 2019 through March 31, 2019



## 3<sup>rd</sup> Quarter Facts and Figures

### SITE VISITS

Completed 21 site visits at 19 assigned sites

Sites with 0 infractions 

A Woman's Place Drop In | Hospitality House | Mission  
Neighborhood Resource Center

Sites with most infractions:  
Interfaith Winter Shelter  
(10 total infractions)

### Top 5 Site Visit Infractions

Lack of ADA compliance, including  
posting information on shelter  
rules and case management  
availability



First aid kits needed to be  
restocked



Lack of professional translation  
services



No access to free local calls or TTY



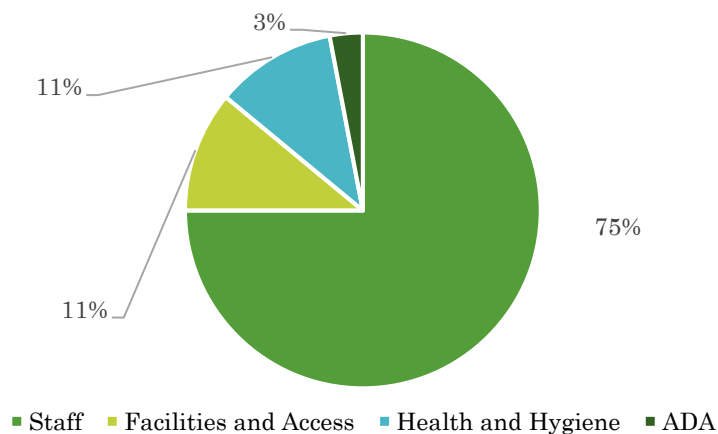
Lack of emergency disaster plan or  
monthly emergency drills



### CLIENT COMPLAINTS

39 total complaints filed by  
25 unduplicated clients

Client Complaint Categories



### Status of Complaints

2 Satisfied

4 Not Satisfied

33 Closed

0 Open

# INTRODUCTION

## ***Who We Are***

The Shelter Monitoring Committee (The Committee) is a governmental agency established by the Board of Supervisors to document the conditions and operations of shelters that are publicly funded. Established by Board of Supervisor's Ordinance 283-04, the Committee is composed of thirteen voluntary members drawn from a wide spectrum of stakeholders including shelter providers, formerly homeless individuals, shelter employees and representatives of DSHS, and the Mayor's office. The Committee is supported by two full-time staff from the Department of Public Health.

## ***What We Do***

The Committee is responsible for documenting the conditions of San Francisco shelters and resource centers with the aim of providing the Mayor, the Board of Supervisors, the Local Homeless Coordinating Board, the public and other appropriate agencies with accurate, comprehensive information about the conditions and operations of shelters.

The Committee reviews San Francisco's city policies that have an impact on shelter clients or affect shelter operations to recommend changes and/or best practices in the provision of shelter service. Additionally, the Committee monitors shelters to ensure they are complying with the Standards of Care (The Standards), a set of 32 shelter operating standards adopted by the Board of Supervisors in 2008.

## ***How We Do It***

### **Unannounced and announced Site Visits**

The Committee conducts four unannounced visits per shelter and/or resource centers (sites) per year to verify compliance with the Standards of Care. During a site visit, Committee teams note and submit Standard of Care infractions to shelter management who are given 7 days to investigate and resolve the infractions. The Committee also makes two announced site visits each year to conduct shelter surveys and provide shelter clients an opportunity to discuss shelter conditions with the Committee.

### **Investigation of Client complaints**

The Committee investigates all Standards of Care violations in the shelters and/or resource center. Clients can submit shelter complaints to Committee staff by email, phone or in person. Committee staff submit client Complaints to shelter management, who have 7 days to investigate the allegations and respond to the client's complaint in writing. Clients not satisfied with the site's response can request an independent investigation by Committee staff. Staff investigate the client's allegations and determines if the site follows the Standards of Care. Committee staff then submit their findings the client, the site and the Department of Homelessness and Supportive Housing. Committee staff also submit recommendations for corrective action if the investigation determines that the site was not in compliance with the Standards of Care.

### **Shelter Trainings**

The Committee conducts Standard of Care trainings for shelter staff, which provide an overview of the Standards of Care as well as how the Committee checks the sites to see if they are complying with the Standards of Care through site visits and client complaints. Committee staff completed Standard of Care trainings for staff at four sites during the reporting period: Dolores St., Interfaith Winter Shelter, United Council and Harbor House, a new family shelter that the Committee will begin monitoring at the beginning of the 4<sup>th</sup> Quarter of FY18-19.

# 3rd QUARTER REPORT

## I. SITE VISITS

For the quarter starting on January 1 and ending March 31, 2019, the Committee completed unannounced site visits at 19 of 19 assigned sites, 100% of the mandated total. There were three sites that did not receive a single Standard of Care infraction during this quarter's visits, those sites were A Woman's Place Drop In, Hospitality House and Mission Neighborhood Resource Center. The infractions that were noted during visits to the other sites this quarter are listed below:

The five Standards that shelters had the most difficulty meeting this quarter were:



### Standard 8 (Facility and Access)

**Provide shelter services in compliance with the ADA, including but not limited to: Storing medication, providing accessible facilities, reasonable accommodation request forms in English and Spanish and posting information on shelter rules, policies and case management availability**

5 sites: A Woman's Place Shelter, Interfaith Winter Shelter, Lark Inn, St. Joseph's, United Council



### Standard 6 (Health)

**Ensure that first aid kits, CPR masks, disposable gloves and AEDs are available to staff at all times**

5 sites: Dolores St. Shelter, First Friendship, MSC South, MSC South Drop In, Providence



### Standard 21 (Facilities and Access)

**Communicate with each client in the client's primary language or provide professional translation services**

5 sites: A Woman's Place Shelter, Bethel AME, Interfaith Winter Shelter, Providence, United Council



### Standard 18 (Facility and Access)

**Provide clients with access to free local calls and TTY**

4 sites: A Woman's Place Shelter, Interfaith Winter Shelter, MSC South, MSC South Drop In



### Standard 23 (Facilities and Access)

**Ensure that each shelter has an emergency disaster plan that requires drills on a monthly basis**




4 sites: A Woman's Place Shelter, Compass, Interfaith Winter Shelter, Sanctuary

Summaries of the site visits completed by the Committee this quarter can be found in Appendix B on (pages 3-6 of the Appendices section). The Committee also conducted 6 announced site visits to survey shelter clients. Client survey results are available in Appendix C (Page 7 of the Appendices section).

## II. CLIENT COMPLAINTS

The Committee received 39 Standard of Care complaints filed by 25 unduplicated clients during the reporting period. The Standards that came up in the most client complaints this quarter are listed below:

### Client Complaints – Top 3 Allegedly Violated Standards

Standard of Care	Category	# of complaints alleging violations of this Standard	# of unduplicated complainants submitting complaints	# sites receiving complaints about this Standard
Standard 1: Treat clients equally, with respect and dignity, including in the application of shelter policies and grievance process	Staff 	27	18	9
Standard 2: Provide shelter services in an environment that is safe and free from physical violence; by ensuring safety protocols are in place that include training to shelter staff regarding de-escalation techniques	Staff 	11	10	4
Standard 3: Provide, liquid soap...paper/hand towels, hand sanitizers, at least one bath-size...towel...if hand dryers are installed they shall be maintained in proper working condition...provide toilet paper in each bathroom stall and hire janitorial staff to clean shelters on a daily basis	Health and Hygiene 	6	6	5

**Please note that each complaint can include alleged violations of more than one Standard or multiple alleged violations of the same Standard.**



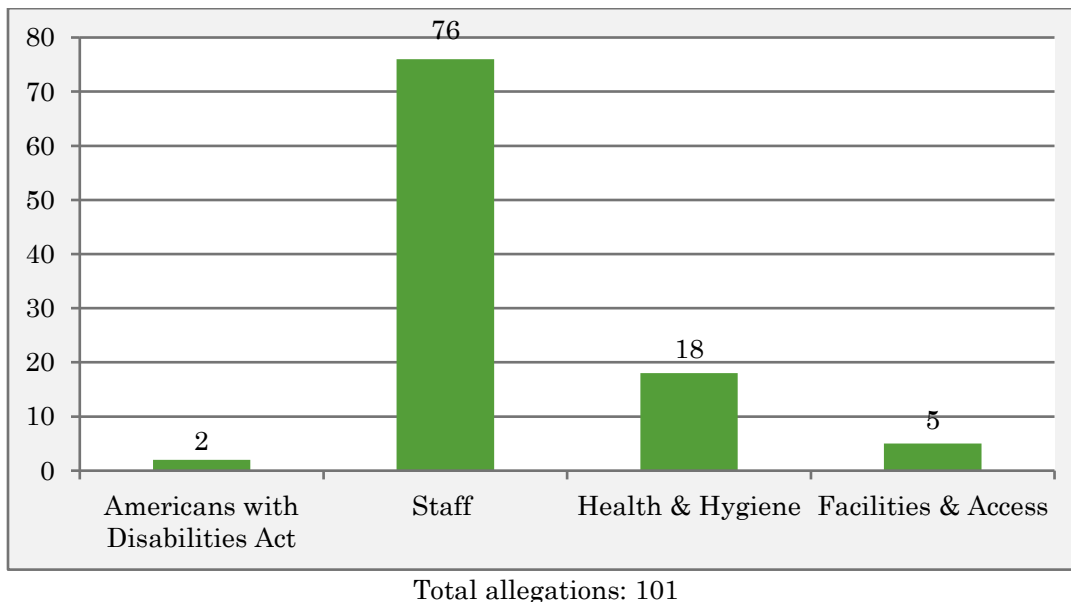
The table below provides a breakdown of the number of complaints received at each site during the reporting period and the status of the complaints themselves. A complaint can include allegations of non-compliance for one Standard or multiple Standards. The Standards of Care complaints fall into five status categories<sup>1</sup>: Open, Pending, Satisfied, Not Satisfied, or Closed.

**Standard of Care Complaints Tally 3rd Quarter 2018-2019**

Site	Site Capacity	# of Complainants	# of Complaints filed	Status of Complaints	Investigations
<b>A Woman's Place Shelter</b>	11 mats	1	1	Closed (1)	N/A
<b>A Woman's Place Drop In</b>	63 chairs	3	3	Closed (2) Satisfied (1)	N/A
<b>Bethel AME</b>	30 mats	4	7	Closed (7)	Completed (1)
<b>Dolores St. Shelter</b>	108 beds	2	2	Closed (2)	N/A
<b>Hamilton Family Shelter</b>	27 families	1	1	Not Satisfied (1)	Completed (1)
<b>Hospitality House</b>	30 beds	1	1	Closed (1)	N/A
<b>Interfaith Winter Shelter</b>	Varies depending on the site	2	2	Closed (1) Not Satisfied (1)	Pending (1)
<b>MSC South Shelter</b>	340 beds	4	4	Closed (4)	N/A
<b>Next Door</b>	334 beds	9	10	Closed (8) Not Satisfied (2)	Completed (1) Pending (1)
<b>Sanctuary</b>	200 beds	6	8	Satisfied (1) Closed (7)	N/A
<b>Totals</b>		<b>33</b> <b>(25 unduplicated clients)</b>	<b>39</b>	<b>Closed (33)</b> <b>Satisfied (2)</b> <b>Not Satisfied (4)</b>	<b>Pending (2)</b> <b>Completed (3)</b>

<sup>1</sup> Complaint Status Categories: Open - Site has not responded to the complaint filed by the client; Satisfied – Client who filed the complaint is satisfied with the response; Not Satisfied – Client did not agree with the site response and has requested an investigation; Pending – Site had responded to the complaint and the Committee is waiting for the client to review the response; Closed – Complaint closed after 45 days of No Contact from the client or if the client was neither satisfied or not satisfied with the response

### Standard of Care Complaints: Allegations by Category 3rd Quarter, 2018-2019



The *Standard of Care Complaints: Allegations by Category, 3rd Quarter 2018-2019*, provides an overview of the types of complaints that were filed with the Committee. There are four Standard of Care complaint categories:

#### **Staff**

The staff category refers to four Standards [1, 2, 25 & 31] that focus on how the client is treated at the site. This category includes complaints alleging staff being unprofessional, not maintaining a safe shelter environment or not receiving required trainings.

#### **Americans with Disabilities Act (ADA)**

The ADA category refers to Standard 8 and the majority of complaints in this category focus on either a lack of or a denial of access through an accommodation request or a facility problem.

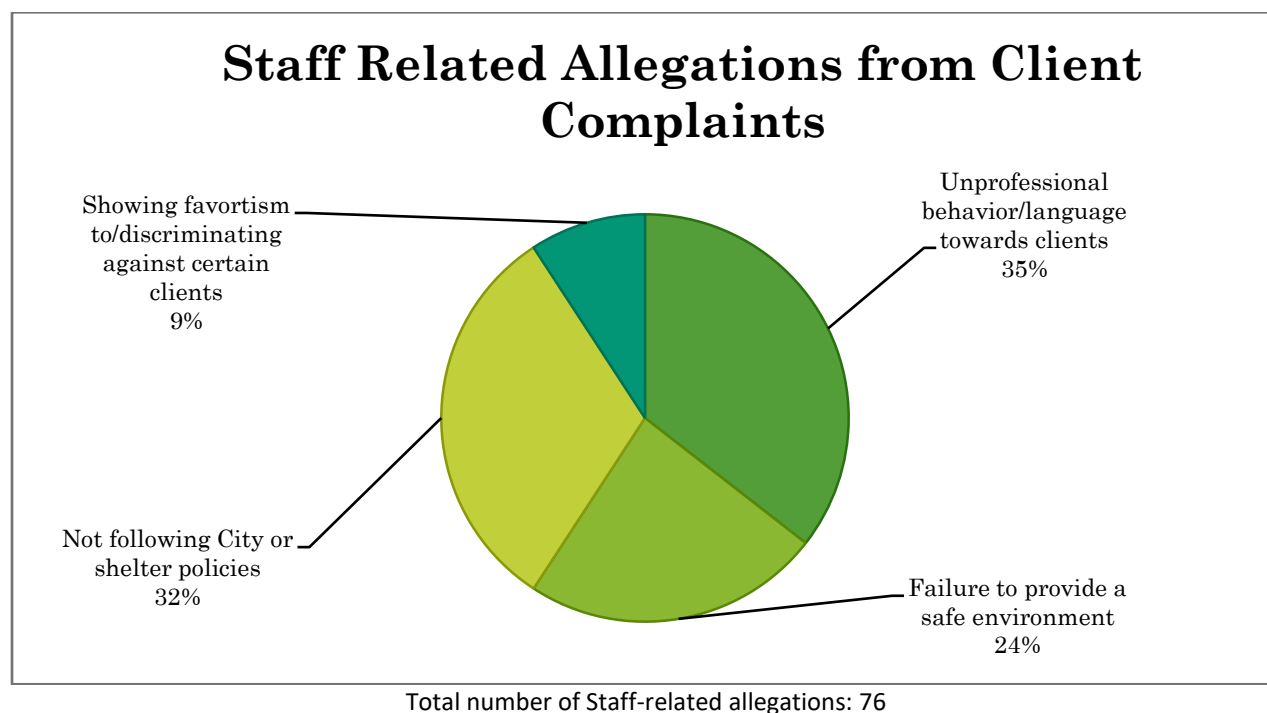
#### **Health & Hygiene**

This category refers to 11 Standards focusing on meals, access to toiletries, shelter cleanliness and stocked first aid kits. The 11 Standards include Standards 3, 4, 5, 6, 7, 9, 10, 11, 13, 19, and 30.

#### **Facility & Access**

The sixteen Standards in this category focus on whether shelter facilities are accessible and providing clients with items and services such as property storage, bedding and transportation. The Standards that make up this area are 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 26, 27, 28, 29, and 32.

## Breakdown of Staff-related allegations in client complaints



Out of the four Standards of Care categories, the Staff category consistently receives the most client complaints and allegations. Chart II breaks down the Staff-related allegations in client complaints into more specific categories.

With 27 allegations this quarter, the most common allegation of staff misconduct listed in client complaints are allegations of unprofessional or disrespectful behavior or language towards shelter clients. This category contains allegations of staff speaking to clients using profanity, disrespectful language or other unprofessional behavior.

The second most common allegation of staff misconduct are allegations of staff not following City or shelter policies. The Committee received 24 allegations of this type this quarter. These allegations involve staff not providing reasonable accommodations, late passes, MUNI tokens or other shelter services to clients.






The third most common allegation of staff misconduct is related allegations of staff failing to provide a safe environment for shelter clients. These include allegations of not properly addressing instances of verbal threats or physical violence taking place inside shelters. The Committee received 18 allegations of this type during the reporting period.

The categories with the fewest allegations of staff misconduct this quarter were complaints about staff showing favoritism to clients. This quarter, the Committee received 7 allegations from clients about staff giving preferential treatment to other clients.

## Client Complaint Investigations

Clients who receive unsatisfactory responses to complaints can request a Committee investigation.

The following table provides an overview of the investigation that was conducted this quarter including findings and any recommendations for the site:

Site	Alleged Standard Violation	Category	Findings	Recommendations for Site
Hamilton Family Shelter	<p><b>Standard 3:</b> Allegation: Shelter staff are not cleaning restroom facilities or repairing broken amenities</p> <p><b>Standard 9:</b> Allegation: Shelter staff are not accommodating the client's dietary needs</p>	<p>Health</p> 	<p><b>Standard 3:</b> Inconclusive</p> <p><b>Standard 9:</b> In Compliance</p>	N/A
Next Door	<p><b>Standard 3:</b> Allegation #1: Bathrooms frequently out of paper towels</p> <p>Allegation #2: Sleeping mats infested with bed bugs are being improperly stored before disposal</p> <p><b>Standard 8:</b> Allegation: Shower chairs frequently missing from ADA shower stalls</p>	<p>Health</p>  <p>ADA</p> 	<p><b>Standard 3:</b> In Compliance</p> <p><b>Standard 8:</b> In Compliance</p>	N/A
Sanctuary	<p><b>Standard 2:</b> Allegation: Staff did not properly address an incident when the complainant was assaulted by another client</p>	<p>Staff</p> 	<p><b>Standard 2:</b> Inconclusive</p>	N/A
Sanctuary	<p><b>Standard 1:</b> Allegation #1: Staff falsely accused the complainant of being intoxicated and refused to let him into the shelter facility</p>	<p>Staff</p> 	<p><b>Standard 1:</b> Inconclusive</p>	N/A

### III. MEMBERSHIP

The 3<sup>rd</sup> Quarter of FY18-19 also marked the beginning of the 2018-2019 Committee term. During this period, seven new members were appointed to the Committee as well as three members who were re-appointed from the 2017-2018 term. The ten current members of the Shelter Monitoring Committee are listed below:

#### SHELTER MONITORING COMMITTEE COMMITTEE MEMBERS | 2018-2019 Term



Jonathan Adler, Chair



Diana Almanza, Vice Chair



Stephen Irwin, Secretary



Craig Murdock



Joseph Kenan



Traci Watson



Nastassia Serina

Not pictured: Gabriela Avalos, Scott Walton, Vixen Yvonne

## **Committee Vacancies**

There are currently three available seats on the Shelter Monitoring Committee:

- Seat #1: Person who is homeless or formerly homeless, and who is living or has lived with the person's homeless child under the age of 18 (Appointed by Board of Supervisors)
- Seat #2: Person who is homeless or has been homeless within the three years prior to being appointed, and who has a disability (Appointed by Board of Supervisors)
- Seat #13: Person who is homeless or formerly homeless, and who has experience providing direct services to homeless people through a community setting (Appointed by Mayor's office)

## APPENDICES



**The Standards of Care**

Standard	Category
1. Treat clients equally, with respect and dignity, including in the application of shelter policies and grievance process	STAFF
2. Provide shelter services in an environment that is safe and free of physical violence; by ensuring safety protocols are in place that include training to shelter staff regarding de-escalation techniques	STAFF
3. Provide, liquid soap with a dispenser permanently mounted on the wall in the restrooms; small individual packets of liquid soap, or small bar soap for use by one individual only, paper/hand towels, hand sanitizers, at least one bath-size (24"x48") towel to shelter clients and staff in each bathroom; if hand-dryers are currently installed they shall be maintained in proper working condition; in addition, shelters shall provide toilet paper in each bathroom stall and hire janitorial staff clean shelters on daily basis	HEALTH
4. Provide feminine hygiene and incontinence supplies	HEALTH
5. Comply with current City policy set forth in the San Francisco Environment Code, including the requirements set forth in Chapter 3 (the Integrated Pest Management Code) and Chapter 2 (the Environmentally Preferable Purchasing Ordinance) to ensure that shelter operators use products that are least harmful to shelter clients, staff, and the environment	HEALTH
6. Ensure that first aid kits, CPR masks, and disposable gloves are available to staff at all times and make Automatic External Defibrillators (AED) available to staff in compliance with all regulatory requirements of state and local law relating to the use and maintenance of AEDs.	HEALTH
7. Supply shelter clients with fresh cold or room temperature drinking water at all times during normal operating hours	HEALTH
8. Provide shelter services in compliance with the Americans with Disabilities Act (ADA), including but not limited to: (i) appropriate and secure storage of medication, (ii) the provision of accessible sleeping, bathing and toileting facilities in previously designated as accessible shall comply with federal and state law requiring a minimum of 36 inches between sleeping units and sleeping surface height between 17-19 inches above the finished floor. In consultation with the contracting City department, and based on a history of previous usage, shelter operators shall designate an adequate number of accessible sleeping units to meet the needs of shelter clients requiring such facilities due to a mobility disability; and (iii) reasonable modifications to shelter policies, practices, and procedures; (iv) In addition, shelters shall provide orientation to new shelter clients that includes information on shelter rules and how to access case management services, and shall ensure case management services go to those shelter clients most in need of case management services. This information shall be made accessible to shelter clients with disabilities through the use of appropriate auxiliary aid and/or services, such as large print for clients with visual impairments or ASL interpreting for Deaf clients. The City shall provide equal access to shelter clients with disabilities without regard to whether they accept auxiliary aids.	ADA
9. Engage a nutritionist, who shall develop all meal plans, including meal plans for children and pregnant women; and post menus on a daily basis.	HEALTH
10. Make dietary modifications to accommodate request from clients based on religious beliefs and practices; health or disability reasons	HEALTH
11. Comply with Article 19F of the San Francisco Health Code that prohibits smoking in homeless shelters.	HEALTH
12. Provide shelter clients with one clean blanket; two clean sheets, or, if clean sheets are unavailable, two clean blankets; and one pillow enclosed in a plastic or vinyl sleeve with a clean pillowcase; and to clean all sheets at least once per week and upon client turnover;	FACILITY
13. Make the shelter facility available to shelter clients for sleeping at least 8 hours per night	HEALTH
14. Provide daytime access to beds in all 24-hour shelters	FACILITY
15. Provide shelter clients with pest-free, secure property storage inside each shelter. Shelter staff shall provide closable bags to clients for storage purposes. If storage inside a shelter is unavailable, the shelter operator may provide free, pest-free storage off-site as long as the off-site storage is available to the shelter client up until the time of evening bed check	FACILITY

16. Provide shelter clients with access to electricity for charging cell phones; and other durable medical equipment for clients with disabilities	FACILITY
17. Note in writing and post in a common areas in the shelter when a maintenance problem will be repaired and note the status of the repairs	FACILITY
18. Provide access to free local calls during non-sleeping hours; including TTY access and amplified phones for clients who are deaf and hearing-impaired	FACILITY
19. Provide a minimum of 22 inches between the sides of sleeping units, excluding the designated ADA-accessible sleeping units and sleeping units separated by a wall	HEALTH
20. Provide all printed materials produced by the City and shelters in English and Spanish and other languages upon and ensure that all written communications are provided to clients with sensory disabilities in alternate formats such as large print, Braille, etc., upon request	FACILITY
21. Communicate with each client in the client's primary language or provide professional translation services; including but not limited to American Sign Language interpretation; however, children or other clients may be asked to translate in emergency situations	FACILITY
22. Provide at least one front line staff at each site that is bilingual in English and Spanish	FACILITY
23. Ensure that each shelter has an emergency disaster plan that requires drills on a monthly basis and that, in consultation with the Mayor's Office on Disability, includes specific evacuation devices and procedures for people with disabilities	FACILITY
24. Locate alternate sleeping unit for a client who has been immediately denies services after 5:00 PM, unless the denial was for acts or threats of violence	FACILITY
25. Require all staff to wear a badge that identifies the staff person by name and position badges	STAFF
26. Ensure all clients receive appropriate and ADA-compliant transportation to attend medical, permanent housing, substance abuse treatment, job-search, job interview, mental health, shelter services (etc)	FACILITY
27. Provide public notification at least 24 hours in advance of on-site, community meetings	FACILITY
28. Provide clients with access to free laundry services with hot water and dryer that reaches a temperature between 120-130 degrees Fahrenheit, on or off site	FACILITY
29. To the extent not inconsistent with Proposition N, passed by the voters on November 5, 2002, ensure all single adult shelter reservations be for a minimum of 7 nights.	FACILITY
30. Agree to comply with the California Department of Industrial Relations, Division of Occupational Safety and Health (Cal-OSHA) General Industry regarding Blood borne Pathogens (8 CCR 5193) and its injury and illness Prevention Program (8CCR 3203), including but not limited to applicable requirements regarding personal protective equipment, universal precautions, and the development of an exposure control plan, as defined therein,	HEALTH
31. Annual all-staff mandatory trainings: (1) hand washing requirements and other communicable disease prevention; (2) proper food handling and storage; (3) emergency procedures in case of disaster, fire, or other urgent health or safety risk, including but not limited to CPR requirements; (4) safe and appropriate intervention with violent or aggressive shelter clients, including training on the harm reduction model in dealing with substance abuse; (5) safe and appropriate interaction with shelter clients who suffer from mental illness or substance abuse; (6) On-the-job burn-out prevention; (7) requirements under the ADA, in collaboration with the Mayor's Office on Disability and the City Attorney's Office; (8) policies and procedures explained in shelter training manuals; (9) cultural humility, including sensitivity training regarding homelessness, the lesbian, bisexual, gay, and transgender communities, people with visible and invisible disabilities, youth, women, and trauma victims	STAFF
31. Maximize the space for sleeping in the shelter to the fullest extent possible.	FACILITY

## Site Visit Infractions

The Committee completed 21 total unannounced site visits during the 3rd Quarter of FY18-19. The Committee did not visit A Woman's Place Drop In, Hospitality House or Mission Neighborhood Resource Center. Summaries of the completed visits at each site are listed below:

### **A Woman's Place Drop In**

**Site Visit Date:** 2/26/19

**Visit conducted by:** D.A., J.A., V.Y., H.C.

The Committee completed one visit to A Woman's Place Drop In during the reporting period and didn't note any Standard of Care infractions.

### **A Woman's Place Shelter**

**Site Visit Date:** 1/23/19

**Visit conducted by:** N.S., J.A., H.C.

The Committee completed one visit to A Woman's Place Shelter during the reporting period and noted that ADA information was not posted, there was no-bilingual English and Spanish speaking front-line staff employed by the site and no MUNI tokens were available for clients. The Committee also noted that shelter staff were unable to locate a TTY machine, unaware of how to access Language Link translation services, unable to locate an emergency disaster plan and not wearing ID badges. The response states that ADA information, TTY machine, Language Link, emergency disaster plan and MUNI tokens were available at the time of the visit, but that staff turnover and use of on-call employees impacted their ability to provide correct information during the site visit. The site stated that they had created a Standards of Care binder to train staff on the Standards and to prepare them for future site visits.

The remaining infractions have been addressed except for the lack of a bi-lingual English/Spanish speaking front-line employee, which the site is currently recruiting for. This has been an ongoing infraction noted on two previous visits to the site this year.

### **Bethel AME**

**Site Visit Date:** 3/11/19

**Visit conducted by:** S.I., N.S.

The Committee completed one visit to Bethel AME and noted that no professional translation services were available, but that the site had access to translators for certain languages. The Committee also noted that there were no-bilingual English and Spanish speaking front-line staff employed by the site. The response for these infractions is currently pending.

### **Compass**

**Site Visit Date:** 1/29/19, 3/14/19

**Visit conducted by:** J.A. and H.C., V.Y., D.A., H.C.

The Committee visited the site twice during the reporting period: On the first visit they noted that it had been more than 30 days since the last emergency drill was held. The site reported that they held an emergency drill the week after the visit. On the second visit they noted that a shelter employee was not wearing their ID badge, this infraction has been resolved.

### **Dolores St. Shelter (Santa Marta/Maria/Ana/Jazzie's Place)**

**Site Visit Date:** 3/14/19

**Visit conducted by:** J.K., H.C.

The Committee visited the Dolores St. Shelter location once during the 3<sup>rd</sup> Quarter and noted that the AED battery needed to be replace. The site reported that a replacement battery was replaced on 3/25/19.

### **First Friendship**

**Site Visit Date:** 3/27/19

**Visit conducted by: S.I., N.S.**

The Committee completed one visit to First Friendship during the reporting period and noted that the site had no MUNI tokens, that clients weren't being given a pillow or pillowcase and that the site did not have a functioning AED at the site. The lack of a functioning AED was a repeat infraction that was noted on the two previous visits to First Friendship this year. In the response, the site stated that they had ordered two AED's and both of them were defective and had to be sent back. The response states that as of 4/11/19, they have a working AED at the site. The response also states that they have restocked MUNI tokens, that the site has an additional van service available to transport clients to the Providence shelter. The issue with the pillows and pillowcases is ongoing because the site is not contracted to provide pillows and pillowcases.

**Hamilton Family and Emergency Shelters**

**Site Visit Date:** 2/21/19

**Visit conducted by:** D.A., V.Y, J.A., H.C.

The Committee completed one visit to Hamilton Family and Hamilton Emergency shelters and noted that menus were not being posted in English and Spanish, which was resolved by the site.

**Hospitality House**

**Site Visit Dates:** 3/13/19

**Visits conducted by:** J.A. and H.C.

The Committee completed one visit to Hospitality House during the reporting period and noted no Standard of Care infractions.

**Interfaith Winter Shelter**

The Committee completed two visits to Interfaith Winter Shelter during the reporting period:

**First Unitarian:**

**Site Visit Date:** 2/21/19

**Visit conducted by:** J.K., H.C.

On the first visit, they noted that there was no signage posted on where to access laundry services, case management, prohibiting smoking or providing information about the ADA. In addition, several signs were posted in English but were not posted in Spanish. There was also no plan for the storage of client medication and reasonable accommodation forms were not available in English and Spanish. The Committee also noted that there was less than 22 inches of space in between sleeping mats, that clients weren't being provided with pillows or pillowcases, MUNI tokens or given access to a phone for making local call during "Lights On". The Committee also noted that not all staff were wearing ID badges, that it had been more than 30 days since the last emergency drill and that there were no emergency exit plans posted inside the shelter.

The site reported that all infractions had been addressed with the exception of the pillows/pillowcases (which are not being provided by the City) and the lack of a phone for clients to use during "Lights On". The site is also reported that they were searching for a refrigeration option for the storage of medication but that the issue was still ongoing.

**Canon Kip:**

**Site Visit Date:** 3/13/19

**Visit conducted by:** G.A., H.C.

On the second visit, the Committee noted that there was no refrigerator available for the storage of client medication and that ADA information was not posted in English and Spanish. The Committee also noted that there was no emergency disaster plan in place, that emergency drills weren't being held on a monthly basis, that there was no phone available for clients to use and that there was no bi-lingual English/Spanish speaking front line staff at the site. The site stated that all infractions had been addressed except for the lack of bi-lingual English/Spanish speaking front line staff, but reported that they did have a bilingual Spanish speaking volunteer who was able to help translate.

**Lark Inn**

**Site Visit Date:** 1/15/19

**Visit conducted by:** S.I., N.S., J.K.

The Committee completed one visit to Lark Inn during the reporting period and noted that the site needed to restock incontinence supplies and protective face masks for staff. The Committee also noted that the site was missing signage noting shower times. All noted infractions have been resolved.

#### **Mission Neighborhood Resource Center**

**Site Visit Date:** 1/17/19

**Visit conducted by:** S.I., H.C.

The Committee completed one visit to Mission Neighborhood Resource Center during the reporting period and didn't note any SOC infractions.

#### **MSC South**

**Site Visit Date:** 3/18/19

**Visit conducted by:** J.A., V.Y., D.A., H.C.

The Committee completed one visit to MSC South during the reporting period and noted that site was out of anti-biotic ointment, that the phone and TTY machine were out of order, that there was no signage posted noting the status of repairs for the phone and TTY machine and that multiple staff were not wearing ID badges. The response states that staff does post signage for maintenance issues but that they get torn down and that a phone is now available for clients to use. The response also states that they have re-stocked anti-biotic ointment and require that all staff wear an ID badge. The site reported in their response that the TTY machine (shared with MSC South Drop In) was working, but when Committee staff made a follow-up visit to the facility on 5/7/19 they confirmed that the TTY machine was still out of order.

#### **MSC South Drop In**

**Site Visit Date:** 3/18/19

**Visit conducted by:** J.A., V.Y., D.A., H.C.

The Committee completed one visit to MSC South Drop In during the reporting period noted that there were two broken soap dispensers in the Men's restroom that did not have signage posted noting the status of repairs, that the site had run out of anti-biotic ointment and that the phone and TTY machine were out of order. The site responded and stated that the soap dispensers had been repaired and that they re-stocked the anti-biotic ointment. The response also states that signs are posted for facility issues, but that they often end up being torn down. The response also states that a phone has been provided for clients to use during non-sleeping hours. The site reported in their response that the TTY machine was working, but when Committee staff made a follow-up visit to MSC South Drop In on 5/7/19 they confirmed that the TTY machine was still out of order.

#### **Next Door**

**Site Visit Date:** 3/19/19

**Visit conducted by:** G.A., H.C.

The Committee completed one visit to Next Door during the reporting period and noted that the restrooms needed additional cleaning, multiple stalls were out of toilet paper and that 1 urinal was out of order without a sign posted. The lack of signage being posted noting the status of repairs for facility issues was also noted on two previous visits to Next Door. The Committee also noted that not all clients were being provided with pillows and pillowcases and that there were no protective gowns available for staff. All infractions noted on the visit have been resolved.

#### **Providence**

**Site Visit Date:** 2/28/19

**Visit conducted by:** J.K., H.C.

The Committee completed one visit to Providence during the reporting period noted that the site was out of anti-biotic ointment, was not providing clients with pillows and pillowcases and did not have access to professional translation services. The site reported that they restocked anti-biotic ointment but that the site was not contracted to provide pillows or pillowcases. The site also reported that although they didn't have professional translation services, they do have translators who can translate Spanish, Cantonese, Mandarin and Tagalog when needed. The lack of translation services, pillows and pillowcases and anti-biotic ointment were all noted on previous visits to Providence.

**Sanctuary****Site Visit Date:** 3/18/19**Visit conducted by:** S.I., N.S.

The Committee completed one visit to Sanctuary during the reporting period noted that staff were unable to locate the emergency disaster plan. The site response states that the employee that was interviewed on the day of the visit forgot where the emergency disaster plan was located. The response states that the next day, management showed the employee where the plan was being kept at the front desk.

**St. Joseph's****Site Visit Date:** 3/25/19**Visit conducted by:** S.I., N.S.

The Committee completed one visit to St. Joseph's during the reporting period noted that ADA information was not posted in English and Spanish. The site reported that signage has been posted.

**United Council****Site Visit Date:** 2/28/19**Visit conducted by:** J.K., H.C.

The Committee completed one visit to United Council during the reporting period and noted that reasonable accommodation forms were available in English but not Spanish, that there was no professional translation service available and no English/Spanish speaking front-line staff employed by the site. The site reported that they had added additional Spanish reasonable accommodation forms but that they infractions due to no translation services and a lack of bilingual English/Spanish speaking front-line staff were still ongoing.

## Client Survey Results:

## Interfaith Winter Shelter – Canon Kip

Survey date: 3/4/19

Clients surveyed: 17

Survey Question	Yes	No	Sometimes
Do staff treat you with respect?	16	0	1
Do you feel discriminated against because of your age, disability, gender, race, religion, sexual orientation or transgender status?	1	16	0
Do you feel safe at this shelter?	15	0	2
Does staff de-escalate arguments and help to break up verbal fights between clients?	16	0	0
Are sleeping areas quiet at night?	14	1	2



*FY2018-2019 Unannounced Site Visit Tally*

Site	1 <sup>st</sup> Quarter July – Sept.	2 <sup>nd</sup> Quarter Oct. – Dec.	3 <sup>rd</sup> Quarter Jan. - March	Total (FY18-19)
A Woman's Place	2	0	1	3
A Woman's Place Drop In Center	1	1	1	3
Bethel AME	1	1	1	3
Compass	0	1	2	3
First Friendship	1	1	1	3
Hamilton Emergency	1	1	1	3
Hamilton Family	1	1	1	3
Hospitality House	0	2	1	3
Interfaith Winter Shelter	*Closed	0	2	2
Lark Inn	1	1	1	3
Mission Neighborhood Resource Ctr.	0	1	1	2
MSC South Shelter	1	1	1	3
MSC South Drop In Center	1	1	1	3
Next Door	2	0	1	3
Providence	1	0	1	2
Sanctuary	2	0	1	3
Santa Ana* (incorporated into Santa Marta/Maria/Jazzie's Place location after 2 <sup>nd</sup> Quarter)	1	N/A	N/A	1
Dolores St. Shelter (Santa Marta/Maria/Jazzie's Place/Santa Ana)	1	1	1	3
St. Joseph's	1	1	1	3
United Council	1	0	1	2
Site Visits Completed:	19	14	21	54
Assigned Site Visits:	19	19	19	57
Compliance:	100%	73.7%	110%	94.7% (Compliance through 3rd Quarter FY18-19 only)

The Shelter Monitoring Committee is required to complete four unannounced visits to each site on an annual basis.

*FY2018-2019 Announced Site Visit Tally*

Site	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	FY18-19
A Woman's Place	0	1	0	1
A Woman's Place Drop In Center	1	0	0	1
Bethel AME	1	0	0	1
Compass	0	1	0	1
First Friendship	1	0	0	1
Hamilton Emergency	1	0	0	1
Hamilton Family	1	0	0	1
Hospitality House	1	0	0	1
Interfaith Winter Shelter	-	0	1	1
Lark Inn	1	0	0	1
Mission Neighborhood Resource Ctr.	1	0	0	1
MSC South Shelter	1	0	0	1
MSC South Drop In Center	0	1	0	1
Next Door	0	1	0	1
Providence	0	0	0	0
Sanctuary	0	1	0	1
Santa Ana	0	0	0	0
Santa Marta/Maria/ Jazzie's Place	0	1	0	1
St. Joseph's	1	0	0	1
United Council	0	0	0	0
<b>Total</b>	<b>10</b>	<b>6</b>	<b>1</b>	<b>17</b>

The Committee is required to make two announced site visits to each site each year to survey clients.

### Client Complaint Process Flowchart

- Committee staff screens complaint, and if valid, complaint is written up and emailed to site director and site manager

- Copy of the complaint given to client

Note: HSH is immediately notified of all allegations involving staff or incidents of violence, fraud, and/or assault



- Sites have 48 hours to acknowledge receipt of complaint
- Sites investigate complaints/allegations and are required to send a formal response to the Committee along with its findings 7 days after complaint is submitted to site



When the Committee receives site's response, the client is notified and is provided with a copy of the site's response for their review



If the client is satisfied with the site's response, the process stops here.



If the client is not satisfied with the site's response, the complaint is investigated by Committee staff. Clients must inform staff that they are not satisfied with the complaint within 45 days of receiving the site's response otherwise the complaint is closed.



Committee staff will investigate the client's allegations at the site and determine whether or not site is in compliance with the Standards of Care.

- If Committee staff are able to verify the client's allegations, then the site is not in compliance
- If Committee staff are unable to verify the client's allegations, then the site is in compliance

Committee staff will compile their findings in an Investigation Report (which includes any recommendations for corrective actions) which will be sent to the client, site management and HSH

**Site Visit Infraction Process Flowchart**

The Committee notes any Standards of Care infractions during site visits and submits them to shelter management

Note: HSH is immediately notified for all incidents of violence, fraud, and/or assault that take place during a site visit



- Sites have 48 hours to acknowledge receipt of the infractions
- Sites investigate infractions and are required to send a formal response to the Committee along with its findings and corrective actions 7 days after they are submitted to the site



When the Committee receives site's response, Committee staff will review site's response and check for completion of corrective actions



If Committee staff are satisfied with the site's response, the process stops



If Committee staff are not satisfied with the site's response, the infractions will be investigated by Committee staff



Committee staff will conduct an investigation at the site and determine whether or not the site has addressed the infractions.

- If the site has addressed the infractions, the site is now in compliance
- If the site has not addressed the infractions, the site is not in compliance

Committee staff will compile their findings in an Investigation Report (which includes any recommendations for corrective actions) which will be sent to site management and HSH

**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#)  
**Subject:** FW: Balboa Reservoir Project - Case #2018-007883ENV  
**Date:** Friday, June 7, 2019 9:55:00 AM  
**Attachments:** [CSFN Final Resolution.pdf](#)

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**From:** Jean Barish <jeanbbarish@hotmail.com>

**Sent:** Thursday, June 6, 2019 5:22 AM

**To:** Breed, Mayor London (MYR) <mayorlondonbreed@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Ionin, Jonas (CPC) <jonas.ionin@sfgov.org>; Hood, Donna (PUC) <DHood@sfgov.org>; Nuru, Mohammed (DPW) <mohammed.nuru@sfdpw.org>; Harris, Sonya (DBI) <sonya.harris@sfgov.org>; MTABoard@sfmta.com; Ludwig, Theresa (FIR) <theresa.ludwig@sfgov.org>; Conefrey, Maureen (FIR) <Maureen.Conefrey@sfgov.org>; alexrandolph@ccsf.edu; ttemprano@ccsf.edu; bdavila@ccsf.edu; ivylee@ccsf.edu; jrizzo@ccsf.edu; tselby@ccsf.edu; swilliams@ccsf.edu; studenttrustee@mail.ccsf.edu; CPC-Commissions Secretary <commissions.secretary@sfgov.org>; joe\_kirchofer@avalonbay.com; k.dischinger@bridgehousing.com; Torres, Joaquin (ECN) <joaquin.torres@sfgov.org>; Reiskin, Ed (MTA) <Ed.Reiskin@sfmta.com>; Hui, Tom (DBI) <tom.hui@sfgov.org>; mrocha@ccsf.edu; Shaw, Jeremy (CPC) <jeremy.shaw@sfgov.org>

**Subject:** Balboa Reservoir Project - Case #2018-007883ENV

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Attached is a Resolution signed by Coalition for San Francisco Neighborhoods regarding the Balboa Reservoir Project, submitted by Public Lands for Public Goods,

Public Lands for Public Good is a coalition of City College of San Francisco students, staff, faculty, and community members committed to keeping public land in public hands for the public good. ([www.publiclandsforpublicgood.org](http://www.publiclandsforpublicgood.org))

Coalition for San Francisco Neighborhoods is a non-profit organization comprised of dozens of neighborhood organizations throughout the City that addresses issues of importance to San Francisco's neighborhoods.

Kindly forward this Resolution to all necessary parties and relevant individuals.

Thank you for your consideration of this Resolution.

Sincerely,

*Jean*

*Jean B Barish*  
*Public Lands for Public Good*

[www.publiclandsforpublicgood.org](http://www.publiclandsforpublicgood.org)



[www.csfn.net](http://www.csfn.net) • PO Box 320098 • San Francisco CA 94132-0098 • Est 1972

May 28, 2019

**TO:** Mayor London Breed, San Francisco Board of Supervisors, San Francisco Planning Commission, San Francisco Public Utilities Commission, San Francisco Public Works, San Francisco Department of Building Inspection, San Francisco Municipal Transportation Agency, San Francisco Fire Department, City College of San Francisco Board of Trustees, City College Chancellor Mark Rocha, Joe Kirchofer of AvalonBay Communities LLC, Kearstin Dischinger of BRIDGE Housing Corporation, Jeremy Shaw of San Francisco Planning Department, Joaquín Torres Director of San Francisco Office of Economic and Workforce Development

**FROM:** George Wooding, President Coalition for San Francisco Neighborhoods

**RE:** Case #: 2018-007883ENV  
Project Title: Balboa Reservoir Project

**COALITION FOR SAN FRANCISCO NEIGHBORHOODS RESOLUTION REGARDING BALBOA RESERVOIR**

**Whereas**, the SF Public Utilities Commission, in close cooperation with various San Francisco agencies, is proceeding with plans to build a private housing development on public land currently owned by the SF Public Utilities Commission (the "Development"); and,

**Whereas**, this Development is located on the section of the Balboa Reservoir that City College of San Francisco ("CCSF") has improved and leased from the PUC for decades; and,

**Whereas**, public land should remain in public hands for the public good; and,



Whereas, this Development would provide mainly market rate, not affordable, housing; and,

Whereas, this Development would eliminate parking with no corresponding improvement of transit alternatives, thereby limiting access for students who do not have other viable options; and,

Whereas, construction of this Development could delay or prevent completion of the CCSF Performing Arts and Education Center (the "PAEC") approved by voters in 2001 and 2005 bond measures; and,

Whereas, San Francisco public agencies must abide with State Surplus Land Statute 54222, which requires that any local agency disposing of surplus land shall send, prior to disposing of that property, a written offer to sell or lease the property . . . to any school district in whose jurisdiction the land is located; and,

Whereas, this Development would have significant environmental impacts in the surrounding area; and,

Be it resolved, the Coalition for San Francisco Neighborhoods (CSFN) asks the SF PUC to transfer this public property to City College of San Francisco; and furthermore,

Be it resolved, the CSFN urges the CCSF Board of Trustees to exercise their right as a public institution to ask the SF PUC to transfer this public property to CCSF so as to keep it forever in public hands for the public good, and furthermore,

Be it resolved, the CSFN urges the CCSF Board of Trustees to remain vigilant to ensure that the PAEC be built before any development on the Balboa Reservoir goes forward; and furthermore,

Be it resolved, in the event that the transfer of title to the property to CCSF does not take place, and the Development is pursued, the CSFN urges the CCSF Board of Trustees to remain vigilant to ensure that any loss of parking be mitigated before any development on the Balboa Reservoir goes forward so as not to limit the educational access of any student.

*B. B. Woodring*



DEPARTMENT OF PARKS AND RECREATION  
OFFICE OF HISTORIC PRESERVATION

Julianne Polanco, State Historic Preservation Officer

1725 23rd Street, Suite 100, Sacramento, CA 95816-7100

Telephone: (916) 445-7000

FAX: (916) 445-7053

calshpo.ohp@parks.ca.gov

[www.ohp.parks.ca.gov](http://www.ohp.parks.ca.gov)

Lisa Ann L. Mangat, Director

BOS-11  
CDP, C pages

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2019 JUN -5 PM 3:19  
AK

May 31, 2019

San Francisco County Board of Supervisors  
Clerk of the Board  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94102-4689

**RE: National Register of Historic Places Nomination for Glen Park BART Station**

Dear Board of Supervisors:

Pursuant to Federal Regulations 36 CFR Part 60.6(c) I am notifying you that the State Historical Resources Commission (SHRC) at its next meeting intends to consider and take action on the nomination of the above-named property to the National Register of Historic Places (National Register). Details on that meeting are on the enclosed notice. The National Register is the federal government's official list of historic buildings and other cultural resources worthy of preservation. Listing in the National Register provides recognition and assists in preserving California's cultural heritage. If the item is removed from the scheduled agenda, you will be notified by mail.

Local government comments regarding the National Register eligibility of this property are welcomed. Letters should be sent to California State Parks, Attn: Office of Historic Preservation, Julianne Polanco, State Historic Preservation Officer, 1725 23<sup>rd</sup> Street, Suite 100, Sacramento, California 95816. So that the SHRC will have adequate time to consider them, it is requested, but not required, that written comments be received by the Office of Historic Preservation fifteen (15) days before the SHRC meeting. Interested parties are encouraged to attend the SHRC meeting and present oral testimony.

As of January 1, 1993, all National Register properties are automatically included in the California Register of Historical Resources (California Register) and afforded consideration in accordance with state and local environmental review procedures.

The federal requirements covering the National Register program are to be found in the National Preservation Act of 1966, as amended, and in Federal Regulations 36 CFR Part 60. State law regarding the California Register is in the Public Resources Code, Section 5024. Should you have questions regarding this nomination, or would like a copy of the nomination, please contact the Registration Unit at (916) 445-7004. **Note that staff revises nominations throughout the nomination process.**

Sincerely,

Julianne Polanco  
State Historic Preservation Officer

Enclosure: Meeting Notice

NR\_Local Gov County Notice\_Final.doc



**DEPARTMENT OF PARKS AND RECREATION  
OFFICE OF HISTORIC PRESERVATION  
STATE HISTORICAL RESOURCES COMMISSION**

Julianne Polanco, State Historic Preservation Officer  
1725 23rd Street, Suite 100, Sacramento, CA 95816-7100  
Telephone: (916) 445-7000 FAX: (916) 445-7053  
calshpo.ohp@parks.ca.gov www.ohp.parks.ca.gov

Lisa Ann L. Mangat, Director

**COMMISSION MEMBERS**

Marshall McKay, Chair  
Alberto Bertoli, AIA  
Bryan K. Brandes  
Janet Hansen  
Luis Hoyos  
Rick Moss  
David Phoenix  
Adrian Praetzelis, PhD  
Adam Sriro

**MEETING NOTICE**

**FOR:** State Historical Resources Commission Quarterly Meeting

**DATE:** Thursday, August 1, 2019

**TIME:** 9:00 A.M.

**PLACE:** State Resources Building—Auditorium  
1416 9<sup>th</sup> Street  
Sacramento, California 95814

This room is accessible to people with disabilities. Questions regarding the meeting should be directed to the Registration Unit (916) 445-7008.



**DEPARTMENT OF PARKS AND RECREATION  
OFFICE OF HISTORIC PRESERVATION**

Julianne Polanco, State Historic Preservation Officer  
1725 23rd Street, Suite 100, Sacramento, CA 95816-7100  
Telephone: (916) 445-7000 FAX: (916) 445-7053  
calshpo.ohp@parks.ca.gov [www.ohp.parks.ca.gov](http://www.ohp.parks.ca.gov)

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2019 JUN -4 PM 2:57  
AK

Lisa Ann L. Mangat, Director

805-11,  
COB, C-pages

May 30, 2019

San Francisco County Board of Supervisors  
Clerk of the Board  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94102

**RE: National Register of Historic Places Nomination for Swedish American Hall**

Dear Board of Supervisors:

Pursuant to Federal Regulations 36 CFR Part 60.6(c) I am notifying you that the State Historical Resources Commission (SHRC) at its next meeting intends to consider and take action on the nomination of the above-named property to the National Register of Historic Places (National Register). Details on that meeting are on the enclosed notice. The National Register is the federal government's official list of historic buildings and other cultural resources worthy of preservation. Listing in the National Register provides recognition and assists in preserving California's cultural heritage. If the item is removed from the scheduled agenda, you will be notified by mail.

Local government comments regarding the National Register eligibility of this property are welcomed. Letters should be sent to California State Parks, Attn: Office of Historic Preservation, Julianne Polanco, State Historic Preservation Officer, 1725 23<sup>rd</sup> Street, Suite 100, Sacramento, California 95816. So that the SHRC will have adequate time to consider them, it is requested, but not required, that written comments be received by the Office of Historic Preservation fifteen (15) days before the SHRC meeting. Interested parties are encouraged to attend the SHRC meeting and present oral testimony.

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The federal requirements covering the National Register program are to be found in the National Preservation Act of 1966, as amended, and in Federal Regulations 36 CFR Part 60. State law regarding the California Register is in the Public Resources Code, Section 5024. Should you have questions regarding this nomination, or would like a copy of the nomination, please contact the Registration Unit at (916) 445-7009. **Note that staff revises nominations throughout the nomination process.**

Sincerely,

Julianne Polanco  
State Historic Preservation Officer



**DEPARTMENT OF PARKS AND RECREATION  
OFFICE OF HISTORIC PRESERVATION  
STATE HISTORICAL RESOURCES COMMISSION**

Julianne Polanco, State Historic Preservation Officer  
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Lisa Ann L. Mangat, Director

**COMMISSION MEMBERS**

Marshall McKay, Chair  
Alberto Bertoli, AIA  
Bryan K. Brandes  
Janet Hansen  
Luis Hoyos  
Rick Moss  
David Phoenix  
Adrian Praetzelis, PhD  
Adam Siro

## MEETING NOTICE

**FOR:** State Historical Resources Commission Quarterly Meeting

**DATE:** Thursday, August 1, 2019

**TIME:** 9:00 A.M.

**PLACE:** State Resources Building—Auditorium  
1416 9<sup>th</sup> Street  
Sacramento, California 95814

This room is accessible to people with disabilities. Questions regarding the meeting should be directed to the Registration Unit (916) 445-7008.

**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#)  
**Subject:** FW: General Public Comment for Commission on the Environment May 28, 2019 meeting  
**Date:** Friday, June 7, 2019 10:01:00 AM

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**From:** Anastasia Glikshtern <apglikshtern@gmail.com>  
**Sent:** Tuesday, May 28, 2019 8:57 AM  
**To:** Valdez, Anthony (ENV) <anthony.e.valdez@sfgov.org>  
**Cc:** Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Stefani, Catherine (BOS) <catherine.stefani@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Ronen, Hillary <hillary.ronen@sfgov.org>; Haney, Matt (BOS) <matt.haney@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; MandelmanStaff, [BOS] <mandelmanstaff@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Brown, Vallie (BOS) <vallie.brown@sfgov.org>; Breed, Mayor London (MYR) <mayorlondonbreed@sfgov.org>; Geiger, Chris (ENV) <chris.geiger@sfgov.org>; Raphael, Deborah (ENV) <deborah.rafael@sfgov.org>; Jackson, Jen (ENV) <cynthia.jackson@sfgov.org>  
**Subject:** General Public Comment for Commission on the Environment May 28, 2019 meeting

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Anthony,  
 Sorry I'm sending this late again.  
 If it's too late to send this to the Commissioners and include in today's meeting records - please apply it to the next one.  
 Just a reminder that the continuous use of high toxicity herbicides by the city is unneeded, unjustifiable, and unacceptable.  
 Thank you very much,  
 Anastasia Glikshtern

Commissioners,

This is a reminder that high toxicity herbicides cannot be allowed for use in San Francisco, which claims to be a "green city".

With more than \$2 billion verdict in the 3rd Monsanto Roundup trial and with the next trial, Gordon v. Monsanto, set to start on August 19 in St. Louis County, it should be crystal clear that there is an overwhelming evidence of carcinogenicity of that particular weed killer.

It should also be clear from the long history of pesticide use that given wide enough use and long enough time for a sufficient research it would be shown that each and every one of synthetic poisons (classified as tier I & II by SF IPM) used in our parks, watersheds, and schools presents an

unacceptable danger, to our environment, wildlife, pets, and people.

Unlike insecticides and rodent control, which may be needed to fight disease agents, herbicides are used only on plants – many of which are beneficial to wildlife, and in any case don't endanger human health.

I want to emphasize, once again that:

HERBICIDES ARE BAD FOR EVERYBODY AND EVERYTHING;

Some scientists believe that CHEMICAL CONTAMINATION is as big a threat to people as global warming;  
EVEN VERY SMALL AMOUNTS OF HERBICIDES ARE DANGEROUS.

IPM (Integrated Pest Management), Rec & Park, SFPUC claim:

- that high toxicity herbicides are used "only as a **last resort**",
- that they adhere to the **Precautionary Principle**,
- that there is **no other way** to manage the land,
- that managing land without herbicides is **too expensive**,
- that herbicides are **essential for** "sensitive species" & preservation of "**biodiversity**"

None of which is true.

*"Pesticides are made to kill living things, and the idea that they only kill the things they're intended to is just wishful thinking..." - Jane Goodall.*

Sincerely,

Anastasia Glikshtern



Virus-free. [www.avast.com](http://www.avast.com)



**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors; Carroll, John \(BOS\)](#)  
**Subject:** FW: E-Cigarette Legislation  
**Date:** Friday, June 7, 2019 9:07:00 AM  
**Attachments:** [E-cig Ltr to Supes.pdf](#)

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**From:** Al Williams <al@awconsul.com>  
**Sent:** Friday, June 7, 2019 8:37 AM  
**To:** Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>  
**Cc:** Carroll, John (BOS) <john.carroll@sfgov.org>; Renato Guerrero <lalagunasf@gmail.com>; dontayeball <dontayeball@gmail.com>; Marcus Tarrt <mtartt@rencenter.org>; Ellouise Patton <ellouise0959@gmail.com>; Marsha Maloof <marsha@pendergrasssmith.com>  
**Subject:** E-Cigarette Legislation

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Please see attached letter from the Bayview Merchants Association.

Al



P O Box 460549  
San Francisco, CA 94146-0549  
415-467-4675  
[www.awconsul.com](http://www.awconsul.com)



3801 Third Street, Suite 1068  
San Francisco, CA 94124

June 7, 2019

1 Dr. Carlton B. Goodlett Place  
City Hall, Room 244  
San Francisco, Ca. 94102-4689  
Public Safety & Neighborhood Services Committee

Item 6, Leg. 190312 – Health Code Amendment

To the Board of Supervisors:

Bayview Merchants Association's (BMA) supports the proposed legislation to prohibit the sale by of tobacco retail establishments of electronic cigarettes that require, but have not received, an order from the Food and Drug Administration approving their marketing. However, BMA is greatly concerned about the adverse economic impact the current legislation and this amendment may have on small neighborhood businesses. BMA encourages the Board of Supervisors to take appropriate steps to limit the adverse economic impact of this legislation on small businesses throughout the City and to use revenue generated by the lease of City property to manufacturers of electronic cigarettes to mitigate those impacts.

Thank you for your consideration.

Sincerely,

Al Williams  
BMA President

Cc: John Carroll, Clerk

**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#)  
**Subject:** FW: Juvenile Hall  
**Date:** Thursday, June 6, 2019 3:12:00 PM

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**From:** Sabi Sue <sabisue@prodigy.net>  
**Sent:** Tuesday, June 4, 2019 11:03 AM  
**To:** Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>  
**Subject:** Juvenile Hall

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

There are many youth that are quite dangerous to the public. Juvenile Hall is a place where they can get the counseling, psychiatric help and discipline they need. They can get three square meals a day, a warm place to sleep, and schooling. Putting the dangerous ones back out in the community for enrichment programs is well meaning but not well thought out.

Some of the kids have been convicted of very serious and often violent offenses. It is irresponsible for the county to let them back onto the street especially if they have raped, stabbed, shot, beaten, or harmed other people

..

They get all kinds of enrichment programming in juvenile hall in the form of classes, tutoring, counseling, etc.

They also are observed and since there are different gangs the security staff (OK, guards) can keep an eye out for any trouble.

OK, your hall is only half full which is wonderful. That means it is half empty. This half empty portion could be used for something else, you know. The population in juvenile hall goes up and down so sometimes you need more units, but when there is a lot of unused space you could use that unused space for some other county purpose I would think.

If a child in one of the proposed enrichment programs continues to violate the law what are you going to do with him or her? Are you going to stick a 14 year old in county jail then? Hand him more enrichment? If he terrorizes a neighborhood or shoots someone what are you going to do? If he breaks his doctor's leg and beats up a bunch of nurses what will you do with him? If he brings a gun to school and brandishes it what will you do?

Yes, some of the kids are released from juvenile hall (during their sentence) and end up in nonpublic high schools and group homes. But that is only after careful consideration by the DA, the juvenile court judge, the psychologists, the counselors and the like. There needs to be that option, the juvenile hall option.

**From:** [pmonette-shaw](#)  
**To:** [Calvillo, Angela \(BOS\)](#)  
**Subject:** For Petitions and Communications File — Fwd: Testimony: Board of Supes Budget and Finance Committee Must Fix Problems With 2019 Affordable Housing Bond on June 6  
**Date:** Thursday, June 6, 2019 1:44:03 PM  
**Attachments:** [Small Number of Units Breakout Across Years 19-05-14.png](#)  
[Number of Units Breakout Across Years Ver 3 Total Units19-05-14.png](#)  
[Testimony to Budget and Finance Committee 19-06-05.pdf](#)

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hi Ms. Calvillo,

Can you please add the attached PDF file to the next full Board's Petitions and Communications list.

Thank you.

Patrick Monette-Shaw

----- Forwarded Message -----

**Subject:** Testimony: Board of Supes Budget and Finance Committee Must Fix Problems With 2019 Affordable Housing Bond on June 6

**Date:** Wed, 5 Jun 2019 20:43:14 -0700

**From:** pmonette-shaw <[pmonette-shaw@earthlink.net](mailto:pmonette-shaw@earthlink.net)>

**Reply-To:** [pmonette-shaw@earthlink.net](mailto:pmonette-shaw@earthlink.net)

**To:** [Sandra.Fewer@sfgov.org](mailto:Sandra.Fewer@sfgov.org), [Catherine.Stefani@sfgov.org](mailto:Catherine.Stefani@sfgov.org), [Rafael.Mandelman@sfgov.org](mailto:Rafael.Mandelman@sfgov.org), [Hillary.Ronen@sfgov.org](mailto:Hillary.Ronen@sfgov.org), [Norman.Yee@sfgov.org](mailto:Norman.Yee@sfgov.org)

**CC:** [Aaron.Peskin@sfgov.org](mailto:Aaron.Peskin@sfgov.org), [Gordon.Mar@sfgov.org](mailto:Gordon.Mar@sfgov.org), [Vallie.Brown@sfgov.org](mailto:Vallie.Brown@sfgov.org), [Matt.Haney@sfgov.org](mailto:Matt.Haney@sfgov.org), [Shamann.Walton@sfgov.org](mailto:Shamann.Walton@sfgov.org), [Ahsha.Safai@sfgov.org](mailto:Ahsha.Safai@sfgov.org), [Tim.H.Ho@sfgov.org](mailto:Tim.H.Ho@sfgov.org), [Suhagey.Sandoval@sfgov.org](mailto:Suhagey.Sandoval@sfgov.org), [Jack.Gallagher@sfgov.org](mailto:Jack.Gallagher@sfgov.org), [Ian.Fregosi@sfgov.org](mailto:Ian.Fregosi@sfgov.org), [Angelina.Yu@sfgov.org](mailto:Angelina.Yu@sfgov.org), [Percy.Burch@sfgov.org](mailto:Percy.Burch@sfgov.org), [Daisy.Quan@sfgov.org](mailto:Daisy.Quan@sfgov.org), [Alan.Wong1@sfgov.org](mailto:Alan.Wong1@sfgov.org), [Edward.W.Wright@sfgov.org](mailto:Edward.W.Wright@sfgov.org), [Juancarlos.Cancino@sfgov.org](mailto:Juancarlos.Cancino@sfgov.org), [Derek.Remski@sfgov.org](mailto:Derek.Remski@sfgov.org), [Tom.Temprano@sfgov.org](mailto:Tom.Temprano@sfgov.org), [Courtney.McDonald@sfgov.org](mailto:Courtney.McDonald@sfgov.org), Hepner, Lee (BOS) <[lee.hepner@sfgov.org](mailto:lee.hepner@sfgov.org)>, [Erica.Maybaum@sfgov.org](mailto:Erica.Maybaum@sfgov.org), Low, Jen (BOS) <[jen.low@sfgov.org](mailto:jen.low@sfgov.org)>, [Ivy.Lee@sfgov.org](mailto:Ivy.Lee@sfgov.org)

## Patrick Monette-Shaw

975 Sutter Street, Apt. 6

San Francisco, CA 94109

Phone: (415) 292-6969 • e-mail: [pmonette-shaw@earthlink.net](mailto:pmonette-shaw@earthlink.net)

June 5, 2019

Budget and Finance Committee, San Francisco Board of Supervisors

The Honorable Sandra Lee Fewer, Chairperson

The Honorable Catherine Stefani, Supervisor, District 2

The Honorable Rafael Mandelman, Supervisor, District 8

The Honorable Hillary Ronen, Supervisor, District 9

The Honorable Norman Yee, Supervisor, District 7

1 Dr. Carlton B. Goodlett Place

San Francisco, CA 94102

**Re: June 6 Agenda Items #4 & 5: General Obligation Bonds —  
Affordable Housing — Not to Exceed \$500,000,000**

Dear Chairperson Fewer and Budget and Finance Committee Members,

This testimony recommends the Budget and Finance Committee 1) Require MOHCD to correct inaccurate data, 2) Re-Allocate uses of the \$500 million proposed bond, and 3) Dedicate potential \$100 million increase to middle-income housing.

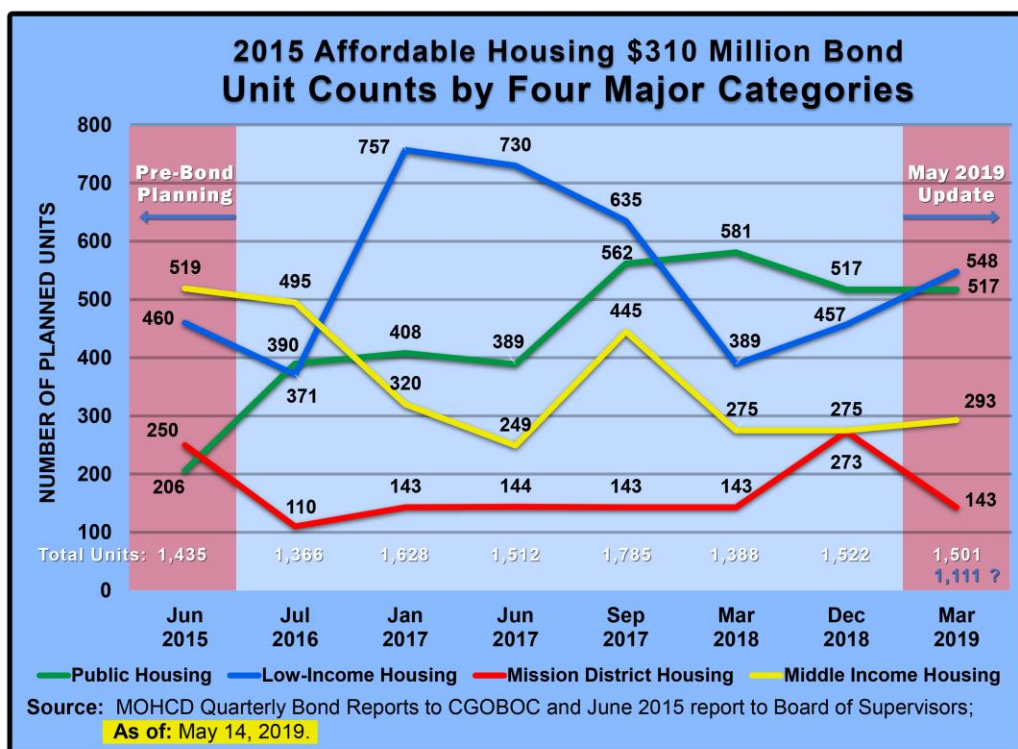
### Correct Inaccurate Data About 2015 Affordable Housing Bond Accomplishments

MOHCD's report to both the Capital Planning Committee and to the Board of Supervisors — *2019 General Obligation Affordable Housing Bond Report* — wrongly claims that the 2015 Affordable Housing Bond has produced (or will) 1,613 housing units.

That's complete hooey, since MOHCD's own presentation to CGOBOC on May 20, 2019 reported that just 1,501 units — not 1,613 — will be produced with the 2015 Affordable Housing Bond (MOHCD report dated March 2019). And the 1,501-unit amount may actually only be somewhere between 1,056 units and 1,111 units, since MOHCD is counting at least 390 units, if not 445 units, in "infrastructure" projects, including 125 market-rate units, in the Public Housing subcategory. All along, MOHCD had been reporting units for *pre-development* projects in the total unit count, but eventually removed the *pre-development* "units" from the totals. Similarly, MOHCD should stop padding the unit counts by including units served by "infrastructure" improvements as new or rehabilitated units.

During successive quarterly reports on the 2015 bond to CGOBOC, MOHCD shifted the unit counts in each category, shown in Figure 1. MOHCD must report to you, and members of the public, correct data on the number of new and rehabbed units.

**Figure 1: Shifting Units Counts of 2015 Bond Main Categories:**



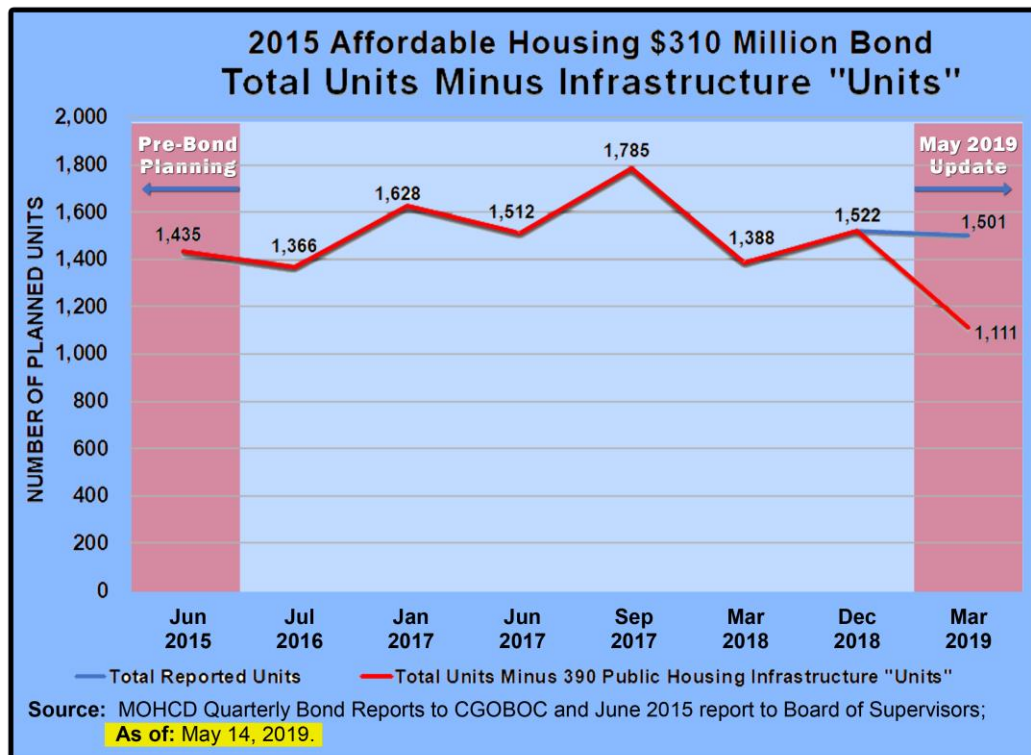
**Figure 2: Total Units Shouldn't Be Inflated by Counting "Infrastructure"**

Figure 2 illustrates:

- MOHCD appears to be reporting in its “*GO Bond accomplishment tracking of unit counts*” metrics at least 390 units in the Public Housing category that are infrastructure development and perhaps not actual units (217 units in the Potrero Phase II Infrastructure Development project, and 173 units at the Sunnydale 3A/B Predevelopment and Infrastructure project).

If MOHCD is not counting *pre-development* expenses in its “*GO Bond accomplishments*” in the Low-Income Housing main category, why is it counting *infrastructure* expenses that also may not involve actual housing units being built or rehabilitated in the Public Housing main category?

- Not shown in Figure 2 are 55 units being counted in the “*Sunnydale Parcel Q Vertical/Block 6 Infrastructure Predevelopment*” project in the Public Housing main category, which may push the total number of units funded by the bond down from 1,111 to just 1,056 total units. This would also push the Public Housing “accomplishments” down from 517 units (as MOHCD reports) to just 72 units ( $390 + 55 = 445$  units that are infrastructure support, not actual units).

To the extent the 2015 bond is producing 1,056 units — not 1,613 units as MOHCD reported to you for the 2019 bond — MOHCD artificially inflated the “*accomplished*” unit counts by 34.5%.

#### **Proposed Re-Allocation Within Proposed \$500 Million 2019 Affordable Housing Bond**

I have been following the 2015 Affordable Housing bond’s progress and believe you should make changes to the 2019 bond.

I am requesting that the Budget and Finance Committee consider making amendments to the enabling legislation for the November 2019 Affordable Housing Bond on Thursday, June 6.

- **Re-Allocate Portion of \$210 Million Low-Income Housing Category to Affordable Housing Preservation Category:** The 2015 Affordable Housing bond allocated \$180 million between the *Public Housing* and *Low-Income Housing* main categories, 58% of the \$310 million bond. Similarly, the 2019 bond is proposing to allocate \$360 million between the *Public Housing* and *Low-Income Housing* main categories, 72% of the proposed \$500 million bond.

Since the Planning Department has reported that RHNA production between 2007 and 2014 achieved just 19% of units *actually produced* for the Moderate-Income category (80% to 120% of AMI) and only 22% of Moderate-Income units



have received permits for the 2015–2022 period now four years into the eight-year cycle, the Budget and Finance Committee should re-allocate \$100 million of the \$210 million planned for Low-Income housing and assign it to the *Affordable Housing Preservation* category, thereby increasing that category from \$30 million to \$130 million.

It's a long-overdue matter of equity for moderate-income households.

The Middle-Income Rental housing program took a hit in the 2015 bond, and a similar category is on track to receive just \$30 million — only 6% — from the \$500 million 2019 bond. That funding must be significantly increased.

- **Require No “Poaching” From \$30 Million Affordable Housing Preservation Category:** When CGOBOC first heard the 2015 Bond during its initial January 2016 hearing, the *DALP* and *Teacher Next Door* loans were budgeted for a combined \$15 million, but as of December 2018, those two programs rose to receiving \$39.4 million of the \$80 million Middle-Income Housing category. MOHCD claimed there had been “great demand” for the *DALP* loans, but in the re-allocation process the category for a *Middle-Income Rental Housing* category was removed entirely in favor of funding the *DALP* and *TND* loans and for the 43<sup>rd</sup> & Irving rental project serving only teachers, in effect stripping other middle-income households of housing production they could afford.

The Budget and Finance Committee should ensure that MOHCD is not allowed to raid the planned \$30 million *Affordable Housing Preservation* category for *rental units* in the 2019 bond to again fatten up *ownership* loan awards for the *DALP* and *TND* categories.

- **Change AMI Levels for Affordable Housing Preservation Category:** The AMI targets for the *Affordable Housing Preservation* category should be changed from 30%–120% of AMI, to 80%–120% of AMI. This is particularly true since the *Public Housing* and *Low-Income Housing* categories are already reserved for those households earning less than 80% of AMI. Allowing those who earn between 30% and 80% of AMI to access the *Affordable Housing Preservation* category essentially provides them with multiple categories of funding, pitting them against moderate-income households earning between 80% and 120% of AMI.
- **Expand AMI Levels for Senior Housing Category:** The AMI range for the Senior Housing units should be raised to 120% of AMI to assist moderate-income level seniors.
- **Require Breakouts of Senior Housing Category:** MOHCD should be required to determine now the number of proposed senior housing units being planned in each of the three categories for very-low income, low-income, and moderate-income seniors (80% to 120% of AMI), and require MOHCD to stick to it.
- **Types of Senior Housing Units:** MOHCD should be required to report now what types of housing will be developed for the \$90 million Senior Housing category, and whether assisted living and board-and-care facilities will be included in the funding and will actually and eventually be developed.
- **Speed Up Bond Issuance:** One of the problems with the 2015 bond is that it was split into three tranches. The third tranche representing nearly one third of the \$310 million bond is not expected to be issued until the Fall of 2019, four years after voters approved it in November 2015. Taking three to four years to issue bonds after voters have approved them is totally unacceptable in the middle of San Francisco's affordable housing crisis.

The \$500 million for the November 2019 ballot needs to be issued more aggressively. The \$200 million planned to be issued in 2021 and the \$150 million tranche expected to be issued in 2022 should be moved up to mid-year 2020.

- **Speed Up Project Timelines:** I am concerned that the five categories of spending — Public Housing, Low-Income Housing, Affordable Housing Production, Middle-Income Housing, and Senior Housing projects — drag out project timelines to the year 2025 or later, six years after the \$500 million bond is to appear on the November 2019 ballot.

In the midst of an on-going affordable housing crisis, the City must do better!

- **Report Accurate Unit Counts:** I am concerned by the 965 units reported as being produced or preserved in the Public Housing category for the planned 2019 bond, and whether that number is being over-reported. How many of those 965 units are actually for pre-development and/or infrastructure? MOHCD should be required to break out the data.

June 5, 2019

**June 6 Agenda Items #4 & 5: General Obligation Bonds — Affordable Housing — Not to Exceed \$500,000,000**

Page 4

You should require that MOHCD report in all major categories of funding the number of actual units being produced, and report separately the number of units that fall into the “*pre-development*” and “*infrastructure*” categories to avoid artificially inflating the total number of units that will be produced or preserved with the 2019 bond.

Please consider making amendments to the enabling legislation for the \$500 million bond plans on June 6.

**Dedicate Potential \$100 Million Increase (to \$600 Million) for Middle-Income Rental Housing**

Should the Board decide to add \$100 million — to a total of \$600 million — to the November 2019 Affordable Housing bond, I believe you should reserve the \$100 million increase for middle-income rental housing development, in part because that need was unceremoniously removed from the 2015 bond spending.

The November 2015 Affordable Housing bond had explicitly asked voters the question of whether the bond would include a middle-income rental program. The legal text of the Affordable Housing Bond clearly stated in Section 3-E on page 156 in the November 2015 voter guide that a portion of the bond would be used to create “*Middle-Income Rental Housing*.” In fact, MOHCD had advised CGOBOC in January 2016 that:

*“Bond funds may be allocated to support the creation of permanently affordable rental units designated for middle-income households that are currently not served by the City’s traditional affordable housing programs. Bond funds used for the creation and support of middle-income rental units will prioritize family-sized units.”*

Some observers continue to wonder whether MOHCD decided after voters passed Proposition “C” in June 2016 that MOHCD could remove the *Middle-Income Rental* program from the 2015 Affordable Housing Bond a month later in July 2016.

Middle-income households that rent will not be included in funding for the 2019 housing bond. That must be fixed, by including funding for it, and not removing it, again.

Beyond that, the Board of Supervisors should not approve adding \$100 million to the bond, without first transparently telling voters what the \$100 million increase will be used for, presumably for brick-and-mortar projects.

Respectfully submitted,

**Patrick Monette-Shaw**

*Columnist*

*Westside Observer* Newspaper

cc: The Honorable Aaron Peskin, Supervisor, District 3  
The Honorable Gordon Mar, Supervisor, District 4  
The Honorable Vallie Brown, Supervisor, District 5  
The Honorable Matt Haney, Supervisor, District 6  
The Honorable Shamann Walton, Supervisor, District 10  
The Honorable Ahsha Safai, Supervisor, District 11



**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#)  
**Subject:** FW: SUPPORT: Rent Subsidies for SRO Tenants  
**Date:** Thursday, June 6, 2019 11:19:00 AM

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**From:** Sasha Perigo <sasha.perigo@gmail.com>  
**Sent:** Sunday, June 2, 2019 7:25 PM  
**To:** Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Breed, Mayor London (MYR) <mayorlondonbreed@sfgov.org>  
**Cc:** Cheungjew, Jennifer (DBI) <jennifer.cheung@sfgov.org>; Wong, Linda (BOS) <linda.wong@sfgov.org>  
**Subject:** SUPPORT: Rent Subsidies for SRO Tenants

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To whom it may concern,

I am writing to you concerning the rents in supportive housing, especially master leased hotels. Many tenants, who are some of the poorest in the city are paying half or more than half of their already limited income towards rent, instead of the 30% of income which is the general guideline under HUD.

We would like to ask that all tenants in supportive housing pay only 30% of their income towards rent, and for funds to be allocated in the budget to ease the burden on owners, operators, and non-profits.

According to a recent sunshine request concerning rental rates, it would cost the city less than \$7.5 million per year on top of current spending to readjust all rents in master leased hotels (such as those managed by the Tenderloin Housing Clinic) to 30% of income, and we would like to ask that 30% of income be the universal rent standard for all supportive housing.

Tenants struggle to afford basic necessities such as food, clothing, and phones, and many are living in units with bathrooms down the halls as well as communal kitchens. It is necessary that the 30% standard be applied to all supportive housing.

Please include rent relief for supportive housing tenants in the yearly budget. We are also in support of a resolution pending before the Single Room Occupancy Task Force that calls for such, and the Democratic Party passed a resolution in support of rent relief for supportive housing tenants at their March meeting.

Sincerely,  
 Sasha Perigo

District 10

--

Sasha Perigo

[sasha.perigo@gmail.com](mailto:sasha.perigo@gmail.com)

(415) 686-9041

**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#)  
**Subject:** FW: Scooters on City Sidewalks / SF Ball Park, China Basin  
**Date:** Thursday, June 6, 2019 11:15:00 AM

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-----Original Message-----

From: Tina Hoff <kphoff@gmail.com>  
Sent: Thursday, May 30, 2019 5:43 AM  
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>  
Subject: Scooters on City Sidewalks / SF Ball Park, China Basin

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I work in China Basin and increasingly I have noticed more and more electric scooters riding with abandon on the sidewalks that surround the ball park. My fellow pedestrian commuters and I have to dodge not to be hit. There are bike lanes that run along King St. that go unused.

Please put police or other transit control in the area to monitor and issue tickets to these riders. If they face no consequences, this blatant disregard for the regulations that were set will continue to worsen.

Thank you for your time.

Kristina Hoff

BOS-11  
File No. 181042

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2019 JUN -5 PM 3:17

BY AK

May 31, 2019

San Francisco Board of Supervisors  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Dear Honorable Members of the Board of Supervisors:

As the past President of the Northern California Psychiatric Society (NCPS); I urge your support for SB1045 – Housing Conservatorship (File 181042). My colleague Dr. Wright who as the immediate Past President of NCPS had recently written a support letter for the worthy cause.

I live in Napa & work for the California State Prison System in Vacaville. Besides, I also work as a Community Psychiatrist for the Solano County, in Vallejo. During the recent American Psychiatric Association (APA) 175<sup>TH</sup> Anniversary event held in San Francisco from May 18- 22, 2019; I came across walking the streets of San Francisco several homeless individuals in psychiatrically decompensated conditions walking the streets & people trying to dodge them! I did too but today I am writing to the Board of Supervisors because I felt obligated to ask for your support after witnessing their sad plight!

Solano County is a less affluent County but in my experience San Francisco is by far the worst among the neighboring counties dealing with the homeless population with mental illness.

These individuals suffer from untreated or inadequately treated mental disorders. They would be helped by the implementation of SB1045. They are unable to advocate for themselves & the inhumane conditions they live in the streets of San Francisco is unacceptable. They need Conservatorship, Involuntary Treatment for their Psychiatric conditions, often posing a safety threat to self and others & may be struggling with substance dependence and addiction too.

SB1045 may be the only life-saving healthcare delivery system for these individuals incapable of caring for themselves, because of the severity of their mental illness and substance use disorder.

As a citizen of California; I endorse the Northern California Psychiatric Society's support for implementation of SB1045 in San Francisco.

Sincerely,

A handwritten signature in black ink that reads "Firdouse Huq". The signature is written in a cursive style with a large initial 'F' and a checkmark-like flourish at the end.

Firdouse Huq, M.D.

Past President

Northern California Psychiatric Society (NCPS)

A District Branch of the American Psychiatric Association (APA)