BUDGET AND APPROPRIATIONS COMMITTEE
CITY AND COUNTY OF SAN FRANCISCO

MEETING MINUTES

Thursday, June 25, 2026 - 10:00 AM

City Hall, Legislative Chamber, Room 250

Recessed Meeting

Members: Connie Chan, Matt Dorsey, Danny Sauter, Shamann Walton, Rafael Mandelman

Clerk: Brent Jalipa
(415) 554-7712 ~ brent.jalipa@sfgov.org

Angela Calvillo, Clerk of the Board

BOARD COMMITTEES

Committee Membership	Meeting Days
Budget and Appropriations Committee Supervisors Sauter, Walton, Mandelman, Chan	Wednesday 1:30 PM
Budget and Finance Committee Supervisors Chan, Sauter	Wednesday 10:00 AM
Government Audit and Oversight Committee Supervisors Sherrill, Mahmood, Fielder	1st and 3rd Thursday 10:00 AM
Land Use and Transportation Committee Supervisors Melgar, Chen, Mahmood	Monday 1:30 PM
Public Safety and Neighborhood Services Committee Supervisors Dorsey, Sauter, Wong	2nd and 4th Thursday 10:00 AM
Rules Committee Supervisors Walton, Sherrill, Mandelman	Monday 10:00 AM

First-named Supervisor is Chair, Second-named Supervisor is Vice-Chair of the Committee.

Members Present: Connie Chan, Danny Sauter, Shamann Walton, and Rafael Mandelman

The Budget and Appropriations Committee met in recessed session on Thursday, June 25, 2026, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:00 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan, Vice Chair Dorsey, and Members Sauter, Walton and Mendelman were noted present.

All members were present.

COMMUNICATIONS

Brent Jalipa, Budget and Appropriations Committee Clerk, instructed members of the public that written comments may be submitted through email (brent.jalipa@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Chair Chan requested File Nos. 260616, 260596, 260597, 260472, and 260473 be called together.

Chair Chan reported the Budget Appropriations Committee is rejecting the Budget and Legislative Analyst's (BLA) policy recommendations DPW-1, DPW-2, DPW-6 through DPW-10, DPW-16, DPW-17, and a partial rejection to DPW-3 for Public Works; accepting recommendation SDA-1 for the Sheriff's Inspector General; accepting recommendations ADM-12 and ADM-13 for the City Administrator; rejecting recommendations PDR-1 through PDR-4 for the Public Defender; rejecting recommendations HSA-7 through HSA-9 for Human Services Agency; rejecting recommendations DPH-18, DPH-19, DPH-21, and DPH-22 for Public Health; rejecting recommendations MYR-6 through MYR-11 for the Mayor's Office; and rejecting HOM-5 through HOM-8, and CY HOM-1 for Homelessness and Supportive Housing.

Chair Chan recessed the meeting at 10:08 a.m., and reconvened at 12:17 p.m.

Vice Chair Dorsey was noted not present at 12:17 p.m..

Vice Chair Dorsey was noted present at 12:20 p.m.

Chair Chan recessed the meeting at 12:22 p.m., and reconvened at 3:16 p.m.

Members Sauter and Mandelman were noted not present at 3:16 p.m.

Chair Chan recessed the meeting at 3:19 p.m., and reconvened at 4:30 p.m.

Members Sauter and Mandelman were noted present at 4:30 p.m.

Chair Chan recessed the meeting at 4:31 p.m., and reconvened at 5:51 p.m.

SPECIAL MEETING OF THE BOARD OF SUPERVISORS

Supervisors Chyanne Chen and Myrna Melgar were noted present at 5:51 p.m., thereby constituting a quorum of the Board of Supervisors. A special meeting of the Board of Supervisors was convened at 5:51 p.m., although the meeting was conducted in all respects as a committee meeting for items on the agenda and any substantive decisions constitute a recommendation of the committee and not action taken by the board.

Present: Supervisors Chan, Dorsey, Sauter, Walton, Mandelman, Chen, and Melgar

260616 **[Hearing - Mayor's Proposed Budget for Departments - FYs 2026-2027 and 2027-2028]**

Sponsor: Mayor

Hearing to consider the Mayor's Proposed Budget for the Departments of the City and County of San Francisco for Fiscal Years (FYs) 2026-2027 and 2027-2028.

Heard in Committee. Speaker(s): Devin Macaulay and Greg Wagner, Controller (Office of the Controller); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Supervisors Chyanne Chen and Myrna Melgar (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Vice Chair Dorsey, moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

260596 **[Budget and Appropriation Ordinance for Departments - FYs 2026-2027 and 2027-2028]**

Sponsor: Mayor

Budget and Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Departments of the City and County of San Francisco as of May 30, 2026, for the Fiscal Years (FYs) ending June 30, 2027, and June 30, 2028.
(Fiscal Impact)

Heard in Committee. Speaker(s): Devin Macaulay and Greg Wagner, Controller (Office of the Controller); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Supervisors Chyanne Chen and Myrna Melgar (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, by changing the title of Section 32.2 of the Administrative Provisions to read 'Emergency Housing Revenue Risk Reserve'; and on Section 32.3, by inserting '2025-26 or' before '2026-27'. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman
(Fiscal Impact)

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, by accepting the Mayor's Technical Adjustments Letters Rounds 1 through 4, and Transfer of Function Letter; by reflecting the Committee's final changes as indicated in the summary entitled, "Board of Supervisors Budget Spending Plan"; and to authorize the Controller to make adjustments necessary to implement the Committee's actions throughout the budget hearings. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

Budget and Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Departments of the City and County of San Francisco as of June 1, 2026, for the Fiscal Years (FYs) ending June 30, 2027, and June 30, 2028.
(Fiscal Impact)

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be RECOMMENDED AS AMENDED to the Board of Supervisors meeting of July 14, 2026. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

260597 **[Annual Salary Ordinance - FYs 2026-2027 and 2027-2028]**

Sponsor: Mayor

Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the Fiscal Years (FYs) ending June 30, 2027, and June 30, 2028, continuing, creating, or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments or continuation of appointments thereto; specifying and fixing the compensations and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefore.
(Fiscal Impact)

Heard in Committee. Speaker(s): Devin Macaulay and Greg Wagner, Controller (Office of the Controller); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Supervisors Chyanne Chen and Myrna Melgar (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, by accepting the Mayor's Technical Adjustments Letters Rounds 1 through 4, and Transfer of Function Letter; by reflecting the Committee's final changes as indicated in the summary entitled, "Board of Supervisors Budget Spending Plan"; and to authorize the Controller to make adjustments necessary to implement the Committee's actions throughout the budget hearings. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman
(Fiscal Impact)

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be RECOMMENDED AS AMENDED to the Board of Supervisors meeting of July 14, 2026. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

260118 **[Business and Tax Regulations Code - Extending Waiver of Permit, License, and Business Registration Fees for Certain Small Businesses]**

Sponsors: Sherrill; Mandelman, Sauter and Fielder

Ordinance amending the Business and Tax Regulations Code to extend the waiver of certain first-year permit, license, and business registration fees for specified small businesses that newly form or that open a new location until the earlier of: July 1, 2027, or the date on which all funds appropriated to reimburse departments for the waived fees have been expended.
(Fiscal Impact)

The vote for this Ordinance to be RECOMMENDED AS AMENDED to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260608 **[Accept and Expend Grant - Friends of San Francisco Public Library - Chinatown Branch Renovation Capital Project - FYs 2026-2027 through 2029-2030 - Up to $1,500,000 of In-Kind Gifts, Services, and Cash Monies]**

Sponsors: Mayor; Sauter

Resolution authorizing the San Francisco Public Library to accept and expend a grant in the amount of up to $1,500,000 of in-kind gifts, services, and cash monies from the Friends of the San Francisco Public Library for direct support for the Chinatown Branch Renovation Capital Project within the period of Fiscal Years (FY) 2026-2027 through 2029-2030. (Public Library)

The vote to RECOMMEND this Resolution to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260600 **[Health Code - Patient Rates for Fiscal Years 2026-2027 and 2027-2028]**
Sponsor: Mayor
Ordinance amending the Health Code to set patient rates for services provided by the Department of Public Health for Fiscal Years 2026-2027 and 2027-2028.

The vote to RECOMMEND this Ordinance to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260655 **[Administrative Codes - Weights and Measures Fees]**
Sponsor: Mayor
Ordinance amending the Administrative Code to increase certain utility meter fees and authorize the Controller to annually adjust device fees for weights and measures and utility meters up to the maximum allowable under state law.

The vote to RECOMMEND this Ordinance to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260610 **[Accept and Expend Grants - Recurring State Grant Funds - Department of Public Health - FY2026-2027]**
Sponsor: Mayor
Resolution authorizing the acceptance and expenditure of Recurring State grant funds by the San Francisco Department of Public Health for Fiscal Year (FY) 2026-2027.

The vote to RECOMMEND this Resolution to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260603 **[Municipal Elections Code - Ballot Argument Fees]**
Sponsor: Mayor
Ordinance amending the Municipal Elections Code to increase the filing fee and per-word fee for paid ballot arguments.

The vote to TABLE this Ordinance occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260604 **[Municipal Elections Code - Voter Information Pamphlets]**
Sponsor: Mayor
Ordinance amending the Municipal Elections Code to remove the requirement that the Department of Elections publish the legal text of ballot measures in the Voter Information Pamphlet sent to voters before each election, and to allow the Director of Elections to determine the format of the Voter Information Pamphlet without the Ballot Simplification Committee's approval.

The vote for this Ordinance to be CONTINUED TO THE CALL OF THE CHAIR occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260617 **[Hearing - Administrative Provisions - Contained in the Proposed Appropriation Ordinance for Departments - FYs 2026-2027 and 2027-2028]**

Hearing on the Administrative Provisions contained in the proposed Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Departments of the City and County of San Francisco as of June 1, 2026, for the Fiscal Years (FYs) ending June 30, 2027, and June 30, 2028. (Clerk of the Board)

The vote for this Hearing to be HEARD AND FILED, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260618 **[Hearing - Administrative Provisions - Contained in the Proposed Annual Salary Ordinance - FYs 2026-2027 and 2027-2028]**

Hearing on the Administrative Provisions contained in the proposed Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the Fiscal Years (FYs) ending June 30, 2027, and June 30, 2028, continuing, creating, or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments or continuation of appointments thereto; specifying and fixing the compensations and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefore. (Clerk of the Board)

The vote for this Hearing to be HEARD AND FILED, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260607 **[Resolution Adjusting the Access Line Tax with the Consumer Price Index of 2026]**

Sponsors: Mayor; Chan and Mandelman

Resolution concurring with the Controller's establishment of the Consumer Price Index for 2026, and adjusting the Access Line Tax by the same rate.

The vote to RECOMMEND this Resolution to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260602 **[Neighborhood Beautification and Graffiti Clean-Up Fund Tax Designation Ceiling]**

Sponsor: Mayor

Ordinance adopting the Neighborhood Beautification and Graffiti Clean-up Fund Tax designation ceiling for tax year 2026.

The vote to RECOMMEND this Ordinance to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260598 **[Administrative Code - San Francisco Self-Insurance Surety Bond Fund]**

Sponsor: Mayor

Ordinance amending the Administrative Code to authorize the City Administrator to pause, reduce, or return the annual contributions by the departments that contract for Public Works under Administrative Code Chapter 6 to the San Francisco Self-Insurance Surety Bond Fund.

The vote to RECOMMEND this Ordinance to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260612 **[Proposition J Contract Certification Contracted-Out Department Services Previously Approved]**

Sponsor: Mayor

Resolution concurring with the Controller's certification that department services previously approved can be performed by private contractor for a lower cost than similar work performed by City and County employees, for the following services: Budget and Legislative Analyst Services (Board of Supervisors); Fleet Security Services, Real Estate Division Custodial Services, Real Estate Division Security Services, Convention Facilities Management (General Services Agency-Administrative Services); Security Services (Department of Public Works); Security Services (Homelessness and Supportive Housing); Security Services (Human Services Agency); Food Services at County Jails (Sheriff's Department); Assembly of Vote by Mail Services (Department of Elections); and Security Services (Mayor's Office of Housing and Community Development).

The vote to RECOMMEND this Resolution to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260613 **[Proposition J Contract Certification Contracted-Out Department Services Not Previously Approved]**

Sponsor: Mayor

Resolution concurring with the Controller's certification that department services can be performed by private contractor for a lower cost than similar work performed by City and County employees, for Protective Services (Adult Probation), Security Services (Department of Public Health), and Materials Testing and Inspection Services (Department of Public Works).

The vote that this Resolution be RECOMMENDED AS AMENDED to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260723 **[Proposition J Contract Certification Contracted-Out Department Services Not Previously Approved]**

Sponsor: Mayor

Resolution concurring with the Controller's certification that department services can be performed by private contractor for a lower cost than similar work performed by City and County employees, for Materials Testing and Inspection Services (Department of Public Works).

Heard in Committee. Speaker(s): None.

Chair Chan, seconded by Vice Dorsey, moved that this Resolution be TABLED. The motion carried by the following vote:
Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

Chair Chan, seconded by Vice Dorsey, moved to RESCIND the previous vote. The motion carried by the following vote:
Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

Chair Chan, seconded by Vice Chair Dorsey, moved that this Resolution be TABLED. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

260614 **[Permit Amendment - Another Planet Entertainment - Polo Field Concerts - Up To Nine Year Extension and Fee Increase]**

Sponsor: Mayor

Resolution authorizing the Recreation and Park Department to issue an amended permit allowing Another Planet Entertainment to hold ticketed concerts at the Golden Gate Park Polo Field, to take place on the Friday, Saturday, and Sunday either following or preceding the Outside Lands Festival in 2027, 2028 and 2029, in exchange for a minimum permit fee of $1,530,000 per year for two-day events and $2,295,000 per year for three-day events through 2029, and with options to extend the permit until 2035 and with increased minimum permit fees during any such extensions; affirming a categorical exemption under the California Environmental Quality Act; and authorizing the Recreation and Park Department General Manager to enter into amendments or modifications to the permit that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the permit or this Resolution. (Recreation and Park Department)

The vote to RECOMMEND this Resolution to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260599 **[Business and Tax Regulations Code - Early Care and Education Commercial Rents Tax Baseline - FYs 2026-2027 and 2027-2028]**

Sponsor: Mayor

Ordinance modifying the baseline funding requirements for early care and education programs in Fiscal Years (FYs) 2026-2027 and 2027-2028, to enable the City to use the interest earned from the Early Care and Education Commercial Rents Tax for those baseline programs.
(Fiscal Impact)

The vote to RECOMMEND this Ordinance to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260601 **[Funding Reallocation - Our City, Our Home Fund - Homelessness Gross Receipts Tax - Services to Address Homelessness]**

Sponsor: Mayor

Ordinance temporarily suspending the cap on the use of Homelessness Gross Receipts Tax revenues to fund short-term rental subsidies; and finding that temporarily allowing for increased expenditures on short-term rental subsidies will further the purposes of the Our City, Our Home Fund pursuant to Business and Tax Regulations Code, Section 2811.
(Fiscal Impact)

The vote to RECOMMEND this Ordinance to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260611 **[Homelessness and Supportive Housing Fund - FYs 2026-2027 and 2027-2028 Expenditure Plan]**

Sponsor: Mayor

Resolution approving the Fiscal Years (FYs) 2026-2027 and 2027-2028 Expenditure Plan for the Department of Homelessness and Supportive Housing Fund.

The vote to RECOMMEND this Resolution to the Board of Supervisors meeting of July 14, 2026, occurred during the June 17, 2026, Budget and Appropriations Committee meeting.

260472 **[Proposed Budget and Appropriation Ordinance for Selected Departments, as of May 1, 2026, for FYs 2026-2027 and 2027-2028]**

Sponsor: Mayor

Proposed Budget and Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for the Airport Commission, Board of Appeals, Department of Building Inspection, City Planning Department, Child Support Services, Department of the Environment, Law Library, Municipal Transportation Agency, Port, Public Library, San Francisco Public Utilities Commission, Rent Arbitration Board, and Retirement System as of May 1, 2026, for Fiscal Years (FYs) 2026-2027 and 2027-2028.
(Fiscal Impact)

Heard in Committee. Speaker(s): Devin Macaulay and Greg Wagner, Controller (Office of the Controller); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Supervisors Chyanne Chen and Myrna Melgar (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be COMBINED into File No. 260596, Annual Appropriation Ordinance as of June 1, 2026. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

260473 **[Proposed Annual Salary Ordinance for Selected Departments, as of May 1, 2026, for FYs 2026-2027 and 2027-2028]**

Sponsor: Mayor

Proposed Annual Salary Ordinance enumerating positions in the Proposed Budget and Appropriation Ordinance for the Airport Commission, City Planning Department, Child Support Services, Building Inspection, Environment, Public Library, Law Library, Municipal Transportation Agency, Board of Appeals, Port, Public Utilities Commission, Retirement System, and Rent Arbitration Board as of May 1, 2026, for Fiscal Years (FYs) 2026-2027 and 2027-2028.
(Fiscal Impact)

Heard in Committee. Speaker(s): Devin Macaulay and Greg Wagner, Controller (Office of the Controller); Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); Supervisors Chyanne Chen and Myrna Melgar (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Chair Chan, seconded by Vice Chair Dorsey, moved that this Ordinance be COMBINED into File No. 260597, Annual Salary Ordinance as of June 1, 2026. The motion carried by the following vote:

Ayes: 5 - Chan, Dorsey, Sauter, Walton, Mandelman

ADJOURNMENT

There being no further business, the Budget and Appropriations Committee adjourned at the hour of 6:25 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Appropriations Committee, and the Special Meeting of the Board of Supervisors, on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.

Approved by the Board of Supervisors on July 28, 2026.

Angela Calvillo, Clerk of the Board