



City and County of San Francisco
Meeting Minutes
Budget and Finance Sub-Committee

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Members: Mark Farrell, Katy Tang, Eric Mar

Clerk: Linda Wong (415) 554-7719

Wednesday, July 8, 2015

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Mark Farrell, Katy Tang, and Eric Mar

MEETING CONVENED

Chair Mark Farrell called the meeting to order 10:09 a.m. On the call of the roll, Chair Farrell, Vice-Chair Tang, and Member Mar were noted present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

150490 [General Obligation Bond Election - Affordable Housing - Not to Exceed \$310,000,000]**Sponsors: Mayor; Breed, Christensen, Cohen, Farrell, Tang, Wiener, Avalos, Yee, Campos, Kim and Mar**

Ordinance calling and providing for a special election to be held in the City and County of San Francisco (City) on Tuesday, November 3, 2015, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded indebtedness (Bonds) of the City: not to exceed \$310,000,000 to finance the construction, acquisition, improvement, rehabilitation, preservation and repair of affordable housing improvements, and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such Bonds; incorporating the provisions of the Administrative Code relating to the Citizens' General Obligation Bond Oversight Committee's review of the Bonds; setting certain procedures and requirements for the election; adopting findings under the California Environmental Quality Act; and finding that the proposed Bonds are in conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b). (Economic Impact; No Office of Economic Analysis Report.)

05/12/15; ASSIGNED to Budget and Finance Sub-Committee. (6/4/15 - President Breed waived the 30-day rule.)

06/22/15; MEETING RECESSED. Heard in Committee. Speakers: Harvey Rose and Severin Campbell (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

06/24/15; AMENDED. Heard in Committee. Speakers: Male Speaker; Kate Howard (Mayor's Office); Supervisor John Avalos (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

06/24/15; CONTINUED AS AMENDED.

Heard in Committee. Speakers: Kate Hartley (Mayor's Office of Housing); Supervisor John Avalos (Board of Supervisors); Ted Egan, Chief Economist (Office of the Controller); provided an overview and responded to questions raised throughout the discussion. Andrew Yip; spoke neither in support nor opposition to the hearing matter. Marie S.; spoke in opposition to the hearing matter.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150684 [Multifamily Housing Revenue Note - 800 Presidio Avenue (aka the John Burton Foundation Housing Complex) - Not to Exceed \$15,000,000]**Sponsors: Breed; Farrell**

Resolution authorizing the execution and delivery of a multifamily housing revenue note in an aggregate principal amount not to exceed \$15,000,000 for the purpose of providing financing for the acquisition, construction, and development of a 50-unit multifamily residential rental housing project located in the City at 800 Presidio Avenue (aka the John Burton Foundation Housing Complex); approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the note and authorizing the execution and delivery thereof; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; approving the forms of and authorizing the execution of certain loan documents; authorizing the collection of certain fees; ratifying and approving any action heretofore taken in connection with the note and the project; granting general authority to City officials to take actions necessary to implement this Resolution; and related matters as defined herein.

06/23/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

06/29/15; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Anne Romero (Mayor's Office of Community Development); provided an overview and responded to questions raised throughout the discussion.

Chair Farrell requested to be added as a co-sponsor.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150627 [Accept and Expend Grant - Capital Improvements to Community Facilities - \$1,000,000]**Sponsor: Mayor**

Resolution retroactively authorizing the Mayor's Office of Housing and Community Development to accept and expend a grant in the amount of \$1,000,000 from the San Francisco Community Investment Fund for capital improvements to community facilities for the period of April 17, 2015, through December 30, 2018.

06/09/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Brian Cheu, Director (Mayor's Office of Community Development); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

File Nos. 150654 and 150645 were heard together.

150654 [Establishing Monthly Contribution Amount - Health Service Trust Fund - 2016]

Sponsor: Farrell

Resolution establishing the monthly contribution amount to Health Service Trust Fund for the 2016 calendar year.

(Fiscal Impact; No Budget and Legislative Analyst Report.)

06/16/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

06/29/15; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Catherine Dodd, Director (Health Service System); Harvey Rose, Budget and Legislative Analyst (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150645 [Administrative Code - Health Service System Plans and Contribution Rates for Calendar Year 2016]

Sponsor: Farrell

Ordinance amending the Administrative Code to approve health service system plans and contribution rates for calendar year 2016.

(Fiscal Impact)

06/16/15; ASSIGNED to Budget and Finance Committee. (6/30/15 - President Breed waived the 30-day rule.)

06/29/15; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Catherine Dodd, Director (Health Service System); Harvey Rose, Budget and Legislative Analyst (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150618 [Contract Amendments - En Pointe Technologies, ComputerLand of Silicon Valley, and Xtech JV - Tier 1A Technology Marketplace - \$95,000,000 in Total]

Resolution authorizing the Office of Contract Administration to enter into the First Amendment for the Tier 1A Technology Marketplace purchases between the City and En Pointe Technologies, Inc., ComputerLand of Silicon Valley, and Xtech JV in which the amendments shall increase the current contract limits from: \$12,000,000 to \$32,000,000 for ComputerLand of Silicon Valley; from \$12,000,000 to \$32,000,000 for Xtech JV; and from \$12,000,000 to \$31,000,000 for En Pointe Technologies, Inc., for \$95,000,000 in total during the period of October 1, 2014, to September 30, 2017. (Office of Contract Administration)

(Fiscal Impact)

06/08/15; RECEIVED FROM DEPARTMENT.

06/16/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Cameron Langner (Office of Contract Administration); Harvey Rose, Budget and Legislative Analyst (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150590 [Accept Gift - Hyster Forklifts and Electric Forklift Battery Charger - California Public Safety Procurement Program - \$226,522]**Sponsor: Mayor**

Resolution authorizing the Police Department to accept a gift of thirteen Hyster forklifts and one electric forklift battery charger valued at \$226,522 through the California Public Safety Procurement Program.

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

06/29/15; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Sergeant Keith Matthews (Police Department); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150548 [Airport Professional Services Agreement Modification - FSP PPM Management, LLC - Curbside Management Program - Not to Exceed \$20,900,000]

Resolution approving Modification No. 3 to Professional Services Agreement, Airport Contract 8994, to manage and staff the Curbside Management Program between FSP PPM Management, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, in an amount not to exceed \$20,900,000 and extending the term one year through June 30, 2016, pursuant to Charter, Section 9.118(b). (Airport Commission)
(Fiscal Impact)

05/28/15; RECEIVED FROM DEPARTMENT.

06/09/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Harvey Rose, Budget and Legislative Analyst (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion

Vice-Chair Tang moved that this Resolution be AMENDED on Page 1, Line 7, and Page 3, Line 3, by adding ', retroactive to July 1, 2015.' The motion carried by the following vote:

Ayes: 3 - Farrell, Tang, Mar

Resolution approving Modification No. 3 to Professional Services Agreement, Airport Contract 8994, to manage and staff the Curbside Management Program between FSP PPM Management, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, in an amount not to exceed \$20,900,000 and extending the term one year through June 30, 2016, pursuant to Charter, Section 9.118(b), retroactive to July 1, 2015. (Airport Commission)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150689 [Agreement Extension - TEGSCO, LLC, dba San Francisco Auto Return - Towing and Storage of Abandoned and Illegally-Parked Vehicles]**Sponsor: Wiener**

Resolution approving the Second Amendment to the Amended and Restated Agreement with TEGSCO, LLC, dba San Francisco AutoReturn, for towing, storage, and disposal of abandoned and illegally-parked vehicles to extend the Agreement and the License for eight months, from August 1, 2015, through March 31, 2016.

(Fiscal Impact)

06/23/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

06/29/15; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Steven Lee (SFMTA); Adam Taylor (Office of Supervisor Scott Wiener); Harvey Rose, Budget and Legislative Analyst (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion John Wicker (San Francisco AutoReturn); Nelson Lopez; Genevieve Romero; spoke in support of the hearing matter.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150647 [Accept and Expend Grant - State Transportation Development Act, Article 3 - Pedestrian and Bicycle Project - \$1,014,983]**Sponsor: Mayor**

Resolution authorizing the acceptance and expenditure of State Transportation Development Act, Article 3, Pedestrian and Bicycle Project funding in the amount of \$1,014,983 including \$503,135 for Public Works and \$511,848 for the San Francisco Municipal Transportation Agency for the period of July 1, 2015, through June 30, 2018.

06/16/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

06/29/15; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Rachell Alonso (Public Works); Suzanne Wang (SFMTA); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

150616 [Real Property Acquisition - Easements from the Jefferson Elementary School District - Regional Groundwater Storage and Recovery Project, San Mateo County - \$426,000]

Resolution ratifying, approving, and authorizing the acquisition of seven easements from the Jefferson Elementary School District, a California public school district, for \$426,000 to be used by the City and County of San Francisco under the Water System Improvement Program for the access, installation, modification, removal, inspection, maintenance, repair, replacement, periodic scheduled maintenance, emergency repairs, and construction of the project known as the Regional Groundwater Storage and Recovery Project, Project No. CUW30103; adopting findings under the California Environmental Quality Act; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and ratifying the Agreement and authorizing the Director of Property and/or the San Francisco Public Utilities Commission General Manager to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution. (Real Estate Department)
(Fiscal Impact)

06/02/15; RECEIVED FROM DEPARTMENT.

06/16/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Joshua Keene (Public Utilities Commission); Harvey Rose, Budget and Legislative Analyst (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

The Sub-Committee recessed the meeting at 11:36 p.m. and reconvened at 11:44 p.m.

**150633 [Hearing - Initiative Ordinance - Administrative Code - Establishing the Legacy Business Historic Preservation Fund]
Sponsors: Campos; Avalos, Kim and Mar**

Hearing to consider the proposed initiative ordinance submitted by four or more Supervisors to the voters at the November 3, 2015, Election entitled "Ordinance amending the Administrative Code to modify the definition of a Legacy Business and to establish the Legacy Business Historic Preservation Fund, which will fund grants for Legacy Businesses equal to \$500 per full-time equivalent employee in San Francisco and grants for landlords that extend real property leases to Legacy Businesses for terms of at least ten years equal to \$4.50 per square foot of the improvements in San Francisco leased to the Legacy Businesses."

06/09/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

06/15/15; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review; City Controller for a financial analysis (per Elections Code, Section 305(B)(2) and Rules of Order 2.22.3); and Mayor's Office, Office of the City Attorney, City Administrator, Ethics Commission, Department of Elections, Budget and Legislative Analyst, Office of Small Business, and Planning Department for informational purposes (per Rules of Order 2.22.4).

06/26/15; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

Heard in Committee. Speakers: Supervisor David Campos (Board of Supervisors); Todd Rufo, Director (Office of Workforce and Economic Development); provided an overview and responded to questions raised throughout the discussion. Eric Latoya; Mike Bueller; Martha; Female Speaker; Marie S.; Carlos Navarro; Regina Navarro; Annette Steiner; Kevin Ryan; spoke in support of the hearing matter.

HEARD AND FILED by the following vote:

Ayes: 3 - Farrell, Tang, Mar

ADJOURNMENT

The meeting adjourned at 12:31 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Finance Sub-Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.