

BUDGET AND FINANCE COMMITTEE CITY AND COUNTY OF SAN FRANCISCO

MEETING MINUTES - DRAFT

Wednesday, March 16, 2016 - 1:00 PM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Members: Mark Farrell, Katy Tang, Norman Yee, Jane Kim, Scott Wiener

Clerk: Linda Wong (415) 554-7719

Angela Calvillo, Clerk of the Board

BOARD COMMITTEES

Budget and Finance Committee Supervisors Farrell, Tang, Yee, Kim, Wiener	Wednesday 1:00 PM
Budget and Finance Sub-Committee Supervisors Farrell, Tang, Yee	Wednesday 10:00 AM
Government Audit and Oversight Committee Supervisors Peskin, Yee, Breed	2nd and 4th Thursday 10:00 AM
Land Use and Transportation Committee Supervisors Cohen, Wiener, Peskin	Monday 1:30 PM
Public Safety and Neighborhood Services Committee Supervisors Kim, Avalos, Campos	2nd Thursday 2:30 PM
Rules Committee Supervisors Tang, Mar, Cohen	2nd and 4th Thursday 11:00 AM

Members Present: Mark Farrell, Katy Tang, Norman Yee, Jane Kim, and Scott Wiener

The Budget and Finance Committee met in regular session on Wednesday, March 16, 2016, with Chair Mark Farrell presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Farrell called the meeting to order at 1:06 p.m. On the call of the roll, Chair Farrell, Vice Chair Tang, Member Yee, Member Kim, and Member Wiener were noted present. There was a quorum.

SPECIAL MEETING OF THE BOARD OF SUPERVISORS

Upon convening, Supervisor Avalos was also noted present, constituting a quorum of the Board of Supervisors. A Special Meeting of the Board of Supervisor was convened at 1:06 p.m.

Present: Supervisors Avalos, Farrell, Kim, Tang, Wiener, and Yee

Supervisor Peskin was also noted present at 1:21 p.m.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

151178 [Appropriation - General Fund Reserve - Facilities Improvements in the Recreation and Park Department - \$2,500,000 - FY2015-2016]

Sponsor: Avalos

Ordinance appropriating \$5,000,000 from the General Fund Reserve, of which \$2,500,000 will be used in the Recreation and Park Department for facilities improvements in the Geneva Car Barn and \$2,500,000 will be used in the Department of Public Health for facilities improvements of 35 - 45 Onondaga Avenue, in FY2015-2016.

(Fiscal Impact)

Heard in Committee. Speakers: Supervisor John Avalos (Board of Supervisors); Amy Cohen (Office of Economic and Workforce and Development); Nicole Avril (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Richard Rothman; David Cooper; Female Speaker; Alex Pointee; Dan Weaver; spoke in support of the hearing matter.

Member Kim requested that this Ordinance be DUPLICATED.

See duplicated File No. 160271.

Member Kim, seconded by Member Yee, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to sever the proposed Ordinance to separate the \$5,000,000 request into two \$2,500,000 requests, one for the Geneva Car Barn and one for the 35-45 Onondaga properties . The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Yee, Kim, Wiener

Ordinance appropriating \$2,500,000 from the General Fund Reserve to the Recreation and Park Department for facilities improvements in the Geneva Car Barn in FY2015-2016.
(Fiscal Impact)

Member Kim, seconded by Member Yee, moved that this Ordinance be REFERRED WITHOUT RECOMMENDATION AS AMENDED to the Board of Supervisors. The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Yee, Kim, Wiener

160271 [Appropriation - General Fund Reserve - Facilities Improvements the Department of Public Health - \$2,500,000 - FY2015-2016]

Sponsor: Avalos

Ordinance appropriating \$5,000,000 from the General Fund Reserve, of which \$2,500,000 will be used in the Recreation and Park Department for facilities improvements in the Geneva Car Barn and \$2,500,000 will be used in the Department of Public Health for facilities improvements of 35-45 Onondaga Avenue, in FY2015-2016.

Duplicated from File No. 151178.

Heard in Committee. Speakers: Supervisor John Avalos (Board of Supervisors); Amy Cohen (Office of Economic and Workforce and Development); Nicole Avril (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Richard Rothman; David Cooper; Female Speaker; Alex Pointee; Dan Weaver; spoke in support of the hearing matter.

Member Kim, seconded by Member Yee, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE to sever the proposed Ordinance to separate the \$5,000,000 request into two \$2,500,000 requests, one for the Geneva Car Barn and one for the 35-45 Onondaga properties . The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Yee, Kim, Wiener

Ordinance appropriating \$2,500,000 from the General Fund Reserve, to the Department of Public Health for facilities improvements of 35-45 Onondaga Avenue in FY2015-2016.

Member Kim, seconded by Member Yee, moved that this Ordinance be CONTINUED TO CALL OF THE CHAIR AS AMENDED by the following vote:

Ayes: 5 - Farrell, Tang, Yee, Kim, Wiener

File Nos. 160116 and 160117 were heard together.

160116 [Administrative Code - Establishing a San Francisco Super Bowl 50 Impact Fund]

Sponsors: Peskin; Kim

Ordinance amending the Administrative Code to establish a San Francisco Super Bowl 50 Impact Fund to be used to provide financial support to small businesses specifically impacted by Super Bowl-related events.

(Fiscal Impact)

Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Tom DeCaigny (Arts Commission); Supervisor John Avalos (Board of Supervisors); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Vivian Imperiale; Jose Juava; Tad Sky; Jeremy Randell; Linda Pedersen; Jonathan Orellana; Ann Treboux; Bill Petrocelli;; Hanna Sowd Paawan Kothari; Gene Lynch, Jr.; Julian Meyers; Courtne Riddle; Takashi Honda; Male Speaker; Roma Pang; Male Speaker; Daniel Bergerac; Miguel Lopez; Tanya Key; Alma Robinson; Stan Roth; Michael Addario; John Thomey; Debra King; spoke in support of the hearing matter.

Member Kim, seconded by Member Yee, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE to add Sub-Section D, Administration of Grant Program. The motion carried by the following vote:

Ayes: 3 - Tang, Yee, Kim

Noes: 1 - Wiener

Absent: 1 - Farrell

(Fiscal Impact)

Member Wiener, seconded by Member Yee, moved that this Ordinance be REFERRED WITHOUT RECOMMENDATION AS AMENDED. The motion carried by the following vote:

Ayes: 4 - Tang, Yee, Kim, Wiener

Absent: 1 - Farrell

160117 [Appropriation - Funding for the Super Bowl 50 Impact Fund - \$100,000 - FY2015-2016]

Sponsors: Peskin; Kim

Ordinance appropriating \$100,000 from the General Reserve to fund the Super Bowl 50 Impact Fund in FY2015-2016.

(Fiscal Impact)

Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Tom DeCaigny (Arts Commission); Supervisor John Avalos (Board of Supervisors); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Vivian Imperiale; Jose Juava; Tad Sky; Jeremy Randell; Linda Pedersen; Jonathan Orellana; Ann Treboux; Bill Petrocelli;; Hanna Sowd Paawan Kothari; Gene Lynch, Jr.; Julian Meyers; Courtne Riddle; Takashi Honda; Male Speaker; Roma Pang; Male Speaker; Daniel Bergerac; Miguel Lopez; Tanya Key; Alma Robinson; Stan Roth; Michael Addario; John Thomey; Debra King; spoke in support of the hearing matter.

Member Wiener, seconded by Member Yee, moved that this Ordinance be REFERRED WITHOUT RECOMMENDATION. The motion carried by the following vote:

Ayes: 4 - Tang, Yee, Kim, Wiener

Absent: 1 - Farrell

ADJOURNMENT OF THE SPECIAL MEETING OF THE BOARD OF SUPERVISORS

Supervisor Avalos was noted not present at 1:50 p.m., and Supervisor Peskin was noted not present at 4:43 p.m., thereby adjourning the Special Meeting of the Board of Supervisors at 4:43 p.m. and reconvened as the Budget and Finance Committee.

160175 [Hearing - Budget Update - San Francisco Municipal Transportation Agency - FYs 2016-2017 and 2017-2018]**Sponsor: Farrell**

Hearing to receive a budget update from the Municipal Transportation Agency for FYs 2016-2017 and 2017-2018.

Heard in Committee. Speakers: Female Representative and Ed Reiskin, Executive Director (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee moved, that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160232 [Hearing - Budget Update - Port of San Francisco - FYs 2016-2017 and 2017-2018]**Sponsor: Farrell**

Hearing to receive a budget update from the Port of San Francisco for FYs 2016-2017 and 2017-2018.

Heard in Committee. Speaker: Elaine Forbes (Port Commission); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee moved, that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160176 [Hearing - Budget Update - Public Utilities Commission - FYs 2016-2017 and 2017-2018]**Sponsor: Farrell**

Hearing to receive a budget update from the San Francisco Public Utilities Commission for FYs 2016-2017 and 2017-2018.

Heard in Committee. Speakers: Harlan Kelly, General Manager (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion. Deborah Gorman; spoke on the hearing matter.

Member Yee, seconded by Vice Chair Tang, moved that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

File Nos. 160195, 160196, 160197, 160200, 160201, and 160202 were heard together.

160195 [Appropriation - Proceeds from Road Repaving and Street Safety General Obligation Bonds of \$44,145,000 and Bond Interests of \$2,317,851 - FY2015-2016]

Sponsor: Mayor

Ordinance appropriating \$46,462,851 consisting of \$44,145,000 of the 2016E Series Road Repaving and Street Safety (RRSS) 2011 General Obligation Bond Proceeds and \$2,317,851 of accumulated bond interest earnings to the Department of Public Works and Municipal Transportation Agency for street resurfacing, the redesign of streetscapes to include pedestrian and bicycle safety improvements, and traffic signal improvements to support transit priority in FY2015-2016 and placing these funds on Controller's Reserve pending the sale of the bonds and review of arbitrage costs.

(Fiscal Impact)

Heard in Committee. Speakers: Vishal Trivedi (Office of Public Finance); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160196 [Appropriation - Proceeds from General Obligation Bonds and Bond Proceed Interest Earnings - \$29,673,553 - FY2015-2016]

Sponsor: Mayor

Ordinance appropriating \$29,673,553 consisting of \$25,215,000 of the 2016 Series Earthquake Safety and Emergency Response (ESER 2010) General Obligation Bond Proceeds, and \$4,458,553 accumulated bond interest to Public Works in FY2015-2016 for necessary repairs and seismic improvements in order to better prepare San Francisco for a major earthquake or natural disaster and placing these funds on Controller's Reserve pending the sale of the bonds and review of arbitrage costs.

(Fiscal Impact)

Heard in Committee. Speakers: Vishal Trivedi (Office of Public Finance); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160197 [Appropriation - Proceeds from Earthquake Safety and Emergency Response General Obligation Bonds - \$111,060,000 - FY2015-2016]**Sponsor: Mayor**

Ordinance appropriating \$111,060,000 of the 2016 Series Earthquake Safety and Emergency Response (ESER 2014) General Obligation Bond Proceeds to the Department of Public Works in FY2015-2016 for necessary repairs and seismic improvements in order to better prepare San Francisco for a major earthquake or natural disaster.

(Fiscal Impact)

Heard in Committee. Speakers: Vishal Trivedi (Office of Public Finance); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160200 [Sale of General Obligation Bonds - Earthquake Safety and Emergency Response Bonds - Not to Exceed \$25,215,000]**Sponsor: Mayor**

Resolution authorizing and directing the sale of not to exceed \$25,215,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Earthquake Safety and Emergency Response Bonds, 2010), Series 2016C; prescribing the form and terms of said bonds; authorizing the execution, authentication, and registration of said bonds; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of accounts related to said bonds; providing for the manner of sale of said bonds by competitive sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of said Bonds; approving the form of the Continuing Disclosure Certificate; authorizing and approving modifications to documents, as defined herein; declaring the City's intent to reimburse certain expenditures; ratifying certain actions previously taken, as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds, as defined herein.

(Fiscal Impact)

Heard in Committee. Speakers: Vishal Trivedi (Office of Public Finance); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160201 [Sale of General Obligation Bonds - Earthquake Safety and Emergency Response Bonds - Not to Exceed \$111,060,000]**Sponsor: Mayor**

Resolution authorizing and directing the sale of not to exceed \$111,060,000 aggregate principal amount of City and County of San Francisco General Obligation Bonds (Earthquake Safety and Emergency Response Bonds, 2014), Series 2016D; prescribing the form and terms of said bonds; authorizing the execution, authentication, and registration of said bonds; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of accounts related to said bonds; providing for the manner of sale of said bonds by competitive sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of said Bonds; approving the form of the Continuing Disclosure Certificate; authorizing and approving modifications to documents, as defined herein; declaring the City's intent to reimburse certain expenditures; ratifying certain actions previously taken, as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds, as defined herein.

(Fiscal Impact)

Heard in Committee. Speakers: Vishal Trivedi (Office of Public Finance); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160202 [Sale of General Obligation Bonds - Road Repaving and Street Safety Bonds - Not to Exceed \$44,145,000]**Sponsor: Mayor**

Resolution authorizing and directing the sale of not to exceed \$44,145,000 aggregate principal amount of General Obligation Bonds (Road Repaving and Street Safety Bonds, 2011), Series 2016E; prescribing the form and terms of said bonds; authorizing the execution, authentication, and registration of said bonds; providing for the appointment of depositories and other agents for said bonds; providing for the establishment of accounts related to said bonds; providing for the manner of sale of said bonds by competitive sale; approving the forms of Official Notice of Sale and Notice of Intention to Sell Bonds; directing the publication of the Notice of Intention to Sell Bonds; approving the form of the Preliminary Official Statement and the form and execution of the Official Statement relating to the sale of said Bonds; approving the form of the Continuing Disclosure Certificate; authorizing and approving modifications to documents, as defined herein; declaring the City's intent to reimburse certain expenditures; ratifying certain actions previously taken, as defined herein; and granting general authority to City officials to take necessary actions in connection with the authorization, issuance, sale, and delivery of said bonds, as defined herein.

(Fiscal Impact)

Heard in Committee. Speakers: Vishal Trivedi (Office of Public Finance); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160206 [Hearing - Nonprofit Displacement Mitigation Program]**Sponsors: Kim; Campos and Avalos**

Hearing on the initial findings and impact of the Nonprofit Displacement Mitigation Program, and requesting Mayor's Office of Housing and Community Development, Arts Commission, Office of Economic and Workforce Development, and the Northern California Loan Fund to report.

Heard in Committee. Speakers: Brian Cheu, Director (Mayor's Office of Housing and Community Development); Tom DeCaigny, Director (Arts Commission); Male Representative (Northern California Loan Fund); Sheila Chung Hagan (Office of Supervisor David Campos); provided an overview and responded to questions raised throughout the discussion. Tracy Wheeler; Brad Erickson; Alma Robinson; Jennifer Grant; Donna Willmott; Deborah Gore-Mann; Nancy Neilsen; Bill Hirsh; JoAnn McDonald; Terry Beswick; Mr. O'Reilly; Sharon Sawyer; Paul Cohen; Paige Rodgers; Shirley Hewie; Summerlea Kashar; Betty Trayner; Debbie Lerman; spoke on the hearing matter.

Member Kim, seconded by Vice Chair Tang, moved that this Hearing be HEARD and FILED. The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Yee, Kim, Wiener

ADJOURNMENT

There being no further business, the Committee adjourned at the hour of 5:33 p.m.

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