

# BUDGET AND FINANCE COMMITTEE CITY AND COUNTY OF SAN FRANCISCO

## MEETING MINUTES

Friday, June 17, 2016 - 10:00 AM

City Hall, Legislative Chamber, Room 250

### Special Meeting

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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

<b>Budget and Finance Committee</b> Supervisors Farrell, Tang, Yee, Kim, Wiener	Wednesday 1:00 PM
<b>Budget and Finance Sub-Committee</b> Supervisors Farrell, Tang, Yee	Wednesday 10:00 AM
<b>Government Audit and Oversight Committee</b> Supervisors Peskin, Yee, Breed	1st and 3rd Thursday 9:30 AM
<b>Land Use and Transportation Committee</b> Supervisors Cohen, Wiener, Peskin	Monday 1:30 PM
<b>Public Safety and Neighborhood Services Committee</b> Supervisors Kim, Avalos, Campos	2nd Thursday 2:30 PM
<b>Rules Committee</b> Supervisors Tang, Mar, Cohen	2nd and 4th Thursday 11:00 AM

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

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*The Budget and Finance Committee met in special session on Friday, June 17, 2016, with Chair Mark Farrell presiding.*

## ROLL CALL AND ANNOUNCEMENTS

*Chair Farrell called the meeting to order at 10:08.a.m. On the call of the roll, Chair Farrell, Vice Chair Tang, and Member Yee were noted present. Member Wiener and Member Kim were not present. There was a quorum.*

## AGENDA CHANGES

*There were no agenda changes.*

## REGULAR AGENDA

### **160526 [Hearing - The City's Financial Position]**

**Sponsor: Farrell**

Hearing on the City's financial position; and requesting the Mayor's Budget Director, the Budget and Legislative Analyst, and the Controller to report.

*Heard in Committee. Speakers: None.*

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

Ayes: 3 - Farrell, Tang, Yee

Absent: 2 - Kim, Wiener

*Member Wiener was noted present at 10:18 a.m. and Member Kim was noted present at 12:44 p.m.*

*Chair Farrell requested File Nos. 160628 and 160629 be heard together.*

**160628 [Proposed Budget and Appropriation Ordinance for Departments - FYs 2016-2017 and 2017-2018]****Sponsor: Mayor**

Proposed 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 31, 2016, for the FYs ending June 30, 2017, and June 30, 2018.

(Fiscal Impact)

*Heard in Committee. Speakers: Laurel Kloomok, Executive Director (Children and Families Commission); Jose Cisneros, Treasurer/Collector (Office of the Treasurer/Tax Collector); Jeff Adachi, Public Defender (Office of the Public Defender); George Gascon, District Attorney (Office of the District Attorney); Karen Fletcher, Chief (Adult Probation Department); Joyce Hicks, Director (Office of Citizen.Complaints); Michael Yuen, Executive Officer (Superior Court); Toney Chaplin, Acting Police Chief, Catherine McGuire and Male Representative (Police Department); Supervisor John Avalos (Board of Supervisors); Amanda Guma and Harvey Rose (Office of the Budget and Legislative Analyst); Todd Rufo, Director (Office of Economic and Workforce Development); Elizabeth Murray, Managing Director (War Memorial); Maria Su, Director (Department of Children, Youth and Their Families); Rebecca Krell, Deputy Director (Arts Commission); Allen Nance, Chief Probation Officer (Juvenile Probation Department); Mark Corso and Mark Gonzales (Fire Department); Barbara Garcia, Director (Department of Public Health); Trent Rhorer, Executive Director (Human Services Agency); Anne Kronenberg, Executive Director, and Will Lee (Department of Emergency Management); Vicki Hennessy, Sheriff (Sheriff's Department); Jeff Kositsky, Director (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that the Propose Budget and Appropriation Ordinance be CONTINUED to the June 22, 2016, Budget and Finance Committee Meeting. The motion carried by the following vote:**

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

**160629 [Proposed Annual Salary Ordinance - FYs 2016-2017 and 2017-2018]****Sponsor: Mayor**

Proposed Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the FYs ending June 30, 2017, and June 30, 2018, 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. Speakers: Laurel Kloomok, Executive Director (Children and Families Commission); Jose Cisneros, Treasurer/Collector (Office of the Treasurer/Tax Collector); Jeff Adachi, Public Defender (Office of the Public Defender); George Gascon, District Attorney (Office of the District Attorney); Karen Fletcher, Chief (Adult Probation Department); Joyce Hicks, Director (Office of Citizen Complaints); Michael Yuen, Executive Officer (Superior Court); Toney Chaplin, Acting Police Chief, Catherine McGuire and Male Representative (Police Department); Supervisor John Avalos (Board of Supervisors); Amanda Guma and Harvey Rose (Office of the Budget and Legislative Analyst); Todd Rufo, Director (Office of Economic and Workforce Development); Elizabeth Murray, Managing Director (War Memorial); Maria Su, Director (Department of Children, Youth and Their Families); Rebecca Krell, Deputy Director (Arts Commission); Allen Nance, Chief Probation Officer (Juvenile Probation Department); Mark Corso and Mark Gonzales (Fire Department); Barbara Garcia, Director (Department of Public Health); Trent Rhorer, Executive Director (Human Services Agency); Anne Kronenberg, Executive Director, and Will Lee (Department of Emergency Management); Vicki Hennessy, Sheriff (Sheriff's Department); Jeff Kositsky, Director (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that the Propose Budget and Appropriation Ordinance be CONTINUED to the June 22, 2016, Budget and Finance Committee Meeting. The motion carried by the following vote:**

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

**160632 [Planning, Administrative Codes - Planning Department Fees - Future Fee Adjustments]****Sponsor: Mayor**

Ordinance amending the Planning and Administrative Codes to adopt fee amounts for Planning Department fees, and set the process for annually adjusting the fee amounts; and affirming the Planning Department's determination under the California Environmental Quality Act, making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302. (Planning Commission)

*Heard in Committee. Speaker: John Rahaim, Director (Planning Department); provided an overview and responded to questions raised throughout the discussion*

**Member Yee, seconded by Vice Chair Tang, moved that this Ordinance be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

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

**160633 [Administrative Code - Establishing District Attorney Neighborhood Justice Fund]****Sponsor: Mayor**

Ordinance amending the Administrative Code to establish the District Attorney Neighborhood Justice Fund (Justice Fund) and abolish the Mayor's Community Support Fund (Support Fund), authorize the District Attorney to establish guidelines for disbursement of monies in the Justice Fund and permit the District Attorney to disburse monies from the Justice Fund consistent with those guidelines, rename the Community Courts Program the Neighborhood Courts Program and direct that all penalties and fines collected from participants in that program previously deposited in the Support Fund be deposited in the Justice Fund, and designate the District Attorney as administrator of the San Francisco Dispute Resolution Program Fund. (District Attorney)

*Heard in Committee. Speaker: George Gascon, District Attorney (Office of District Attorney); provided an overview and responded to questions raised throughout the discussion*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

Ayes: 3 - Farrell, Tang, Yee

Absent: 2 - Kim, Wiener

*Chair Farrell recessed the meeting at 11:25 a.m. and reconvened the meeting at 12:43 p.m.*

*Vice Chair Tang was noted absent at 12:58 p.m.*

*Chair Farrell requested File Nos. 160634, 160635, 160649, and 160650 be heard together.*

**160634 [Administrative Code - Department of Public Health Managed Care Contracts]****Sponsor: Mayor**

Ordinance amending the Administrative Code to extend the authorization of the Director of Health to enter into managed care contracts for the provision of services to individuals covered under federal and state programs including subsidized health coverage for low income populations. (Public Health Department)

*Heard in Committee. Speaker: Greg Wagner (Department of Public Health); provided an overview and responded to questions raised throughout the discussion*

**Member Yee, seconded by Member Kim, moved that this Ordinance be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

Ayes: 4 - Farrell, Yee, Kim, Wiener

Absent: 1 - Tang

**160635 [Health Code - Patient Rates - FYs 2016-2017 and 2017-2018]****Sponsor: Mayor**

Ordinance amending the Health Code to set patient rates and other services provided by the Department of Public Health, effective July 1, 2016, through June 30, 2018. (Public Health Department)

*Heard in Committee. Speaker: Greg Wagner (Department of Public Health); provided an overview and responded to questions raised throughout the discussion*

**Member Yee, seconded by Member Kim, moved that this Ordinance be AMENDED to remove Section 2, on Page 15. The motion carried by the following vote:**

Ayes: 4 - Farrell, Yee, Kim, Wiener

Absent: 1 - Tang

**Member Yee, seconded by Member Kim, moved that this Ordinance be RECOMMENDED AS AMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

Ayes: 4 - Farrell, Yee, Kim, Wiener

Absent: 1 - Tang

**160649 [Accept and Expend Grants - Recurring State Grant Funds - Department of Public Health- FY2016-2017]**

**Sponsor: Mayor**

Resolution authorizing the acceptance and expenditure of State grant funds by the San Francisco Department of Public Health for FY2016-2017. (Public Health Department)  
(Fiscal Impact; No Budget and Legislative Analyst Report)

*Heard in Committee. Speaker: Greg Wagner (Department of Public Health); provided an overview and responded to questions raised throughout the discussion*

**Member Yee, seconded by Member Kim, moved that this Resolution be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

Ayes: 4 - Farrell, Yee, Kim, Wiener

Absent: 1 - Tang

**160650 [Accept and Expend Grant - The San Francisco Foundation - Hope SF - \$1,400,500]**

**Sponsor: Mayor**

Resolution retroactively authorizing the San Francisco Department of Public Health to accept and expend a grant in the amount of \$1,400,500 from The San Francisco Foundation to participate in a program entitled Hope SF for the period of September 1, 2015, through June 30, 2018, waiving indirect costs. (Public Health Department)

*Heard in Committee. Speaker: Greg Wagner (Department of Public Health); provided an overview and responded to questions raised throughout the discussion*

**Member Yee, seconded by Member Kim, moved that this Resolution be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

Ayes: 4 - Farrell, Yee, Kim, Wiener

Absent: 1 - Tang

Vice Chair Tang was noted present at 1:32 p.m.

Chair Farrell requested File Nos. 160636, 160651, and 160533 be heard together.

### **160636 [Administrative Code - County Adult Assistance Programs]**

**Sponsor: Mayor**

Ordinance amending the Administrative Code to: 1) streamline the statutory authority for the City's indigent aid programs by eliminating redundancies and moving the authority for all programs under one renumbered Article; 2) create the Family General Relief program, to provide aid under limited circumstances to indigent households with minors who are ineligible for state aid; 3) authorize the Department of Human Services to create an intensive employment services program; 4) remove the authority to impose recoupments to collect overpayments resulting from agency error; 5) expand the types of identification that are acceptable as proof of identity; 6) repeal the requirement that applicants transfer to the City any interests in real property; 7) conform to changes in state law governing time limits applied to receipt of benefits under the CalWORKs program; 8) delete outdated provisions that no longer reflect current operation of the General Assistance program; and 9) reduce the time during which records must be retained from five to three years. (Human Services Agency)

(Fiscal Impact; No Budget and Legislative Analyst Report)

*Heard in Committee. Speakers: Trent Rhorer, Executive Director (Human Services Agency); Jon Givner (Citty Attorney's Office); provided an overview and responded to questions raised throughout the discussion.*

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE to make clarifying amendments. The motion carried by the following vote:**

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

(Fiscal Impact; No Budget and Legislative Analyst Report)

**Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED AS AMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

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

### **160651 [Withdrawing from the Statewide Finger Imaging System in County Adult Assistance Programs]**

**Sponsor: Mayor**

Resolution authorizing the San Francisco Human Services Agency to withdraw from the Statewide Finger Imaging System for purposes of administering the County Adult Assistance Programs. (Human Services Agency)

*Heard in Committee. Speakers: Trent Rhorer, Executive Director (Human Services Agency); Jon Givner (Citty Attorney's Office); provided an overview and responded to questions raised throughout the discussion.*

**Member Yee, seconded by Member Kim, moved that this Resolution be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

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

#### **SPECIAL MEETING OF THE BOARD OF SUPERVISORS**

*Supervisor London Breed was noted present at 1:51 p.m., constituting a quorum of the Board of Supervisors. A Special Meeting of the Board of Supervisors was convened at 1:51 p.m.*

*Present: Supervisors Breed, Farrell, Kim, Tang, Wiener, and Yee.*

**160638 [Administrative Code - Department of Homelessness and Supportive Housing]****Sponsor: Mayor**

Ordinance amending the Administrative Code to establish a new Department of Homelessness and Supportive Housing; transfer homeless-related functions previously performed by the Department of Human Services to the new department; and establish the Local Homeless Coordinating Board to advise the new department on homeless policy and serve as the Continuum of Care governing body in accordance with federal regulations.

(Fiscal Impact; No Budget and Legislative Analyst Report)

*Heard in Committee. Speakers: John Updike, Director (Real Estate Division); Jon Givner (City Attorney's Office); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. R. B. Lee; spoke neither in support nor opposition to the hearing matter.*

**Vice Chair Tang, seconded by Member Wiener, moved that this Ordinance be AMENDED on Page 2, Line 22, by striking 'Sunset' and adding 'Continued Existence.'** The motion carried by the following vote:

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

(Fiscal Impact; No Budget and Legislative Analyst Report)

**Vice Chair Tang, seconded by Member Wiener, moved that this Ordinance RECOMMENDED AS AMENDED AS A COMMITTEE REPORT.** The motion carried by the following vote:

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

**160652 [Real Property Purchase - 440 Turk Street - San Francisco Housing Authority - Not to Exceed \$5,000,000]****Sponsor: Mayor**

Resolution authorizing the execution and acceptance of a Purchase and Sale Agreement by and between the City and the Housing Authority of the City and County of San Francisco ("Seller"), for the real property located at 440 Turk Street (Assessor's Parcel Block No. 0336, Lot No. 005) for no greater than \$5,000,000; and finding the proposed transaction is in conformance with the City's General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

*Heard in Committee. Speakers: John Updike, Director (Real Estate Division); Jon Givner (City Attorney's Office); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. R. B. Lee; spoke neither in support nor opposition to the hearing matter.*

**Vice Chair Tang, seconded by Member Wiener, moved that this Resolution be AMENDED to require the Director of Property to provide the Clerk of the Board of Supervisors a copy of the executed Purchase and Sale Agreement, the results of the completed appraisal of the property within 5 days of execution, and notify the Board of Supervisors immediately upon the close of the escrow with the San Francisco Housing Authority.** The motion carried by the following vote:

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

(Fiscal Impact)

**Vice Chair Tang, seconded by Member Wiener, moved that this Resolution be RECOMMENDED AS AMENDED to the July 12, 2016, Board of Supervisor Meeting.** The motion carried by the following vote:

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



**160653 [Homelessness and Supportive Housing Fund - Approval of FYs 2016-2017 and 2017-2018 Expenditure Plans]****Sponsor: Mayor**

Resolution approving the FYs 2016-2017 and 2017-2018 Expenditure Plans for the Department of Homelessness and Supportive Housing Fund.

(Fiscal Impact; No Budget and Legislative Analyst Report)

*Heard in Committee. Speakers: John Updike, Director (Real Estate Division); Jon Givner (City Attorney's Office); Harvey Rose (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. R. B. Lee; spoke neither in support nor opposition to the hearing matter.*

**Vice Chair Tang, seconded by Member Wiener, moved that this Resolution be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

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

**160533 [Contract Approval - San Francisco In-Home Supportive Service Public Authority - Provider Benefits and Administration Contract Approval - \$267,094,964]**

Resolution approving the contract between the City and County of San Francisco and San Francisco In-Home Supportive Services (IHSS) Public Authority for the provision of administration, health, and dental benefits to IHSS Independent Providers for the period of July 1, 2016, to June 30, 2020, in the amount of \$267,094,964. (Human Services Agency)

(Fiscal Impact; No Budget and Legislative Analyst Report)

*Heard in Committee. Speakers: Trent Rhorer, Executive Director (Human Services Agency); Jon Givner (City Attorney's Office); provided an overview and responded to questions raised throughout the discussion.*

**Member Yee, seconded by Member Kim, moved that this Resolution be RECOMMENDED to the July 12, 2016, Board of Supervisors Meeting. The motion carried by the following vote:**

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

**160658 [Hearing - Budget and Legislative Analyst's Performance Audit - Homeless Services]****Sponsor: Breed**

Hearing on the performance audit of homeless services in San Francisco, performed by the Budget and Legislative Analyst at the behest of the Board of Supervisors, and including: 1) an inventory of all homeless services with provider level specificity; 2) a review of homeless population data and needs assessments; 3) an evaluation of the contracting procedures for homeless services, including how contracted services meet assessed needs and are monitored for quality performance, with a particular focus on services targeting the homeless population with behavioral health needs; 4) an assessment of the existing service mix and funds to support the homeless; and 5) a best practices survey to identify opportunities to implement other successful strategies related to homeless services; and requesting the Budget and Legislative Analyst to report.

*Heard in Committee. Speakers: Supervisor London Breed (Board of Supervisors); Severin Campbell and Amanda Bauman (Office of the Budget and Legislative Analyst); Jeff Kositsky, Director (Department of Homelessness and Supportive Housing); Barbara Garcia, Director (Department of Public Health); provided an overview and responded to questions raised throughout the discussion. Colleen; Jeff Adachi, Public Defender (Office of the Public Defender); spoke on the hearing matter.*

**Vice Chair Tang, seconded by Member Yee, 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 Board of Supervisors and the Budget and Finance Committee adjourned at the hour of 3:22 p.m.*

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