



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

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

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

Clerk: Linda Wong (415) 554-7719

Wednesday, June 29, 2016

1:00 PM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 5 - Mark Farrell, Katy Tang, Norman Yee, Jane Kim, and Scott Wiener

The Budget and Finance Committee met in regular session on Wednesday, June 29, 2016, with Chair Mark Farrell presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Farrell called the meeting to order at 1:14 p.m. On the call of the roll, Chair Farrell, Vice Chair Tang, and Member Wiener were noted present. Member Yee and Member Kim were noted not present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Chair Farrell requested File Nos. 160557 and 160552 be heard together.

Member Yee was noted present at 1:30 p.m.

160557 [General Obligation Bond Election - Amending Earthquake Loan Bond Program to Finance Permanent Affordable Housing - \$350,000,000]**Sponsor: Peskin**

Resolution determining and declaring that the public interest and necessity demand the acquisition, improvement and rehabilitation and conversion of "at-risk" multi-unit residential buildings to permanent affordable housing and performing needed seismic, fire, health, and safety upgrades, and other major rehabilitation for habitability, to be financed through bonded indebtedness in an amount not to exceed \$350,000,000; providing for the levy and collection of taxes to pay both principal and interest on such bonds; setting certain procedures and requirements for the election; adopting findings under the California Environmental Quality Act; and finding that the proposed bond is in conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1. (Fiscal Impact)

05/17/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/24/16; REFERRED TO DEPARTMENT. 5/24/16 - Referred to the Planning Department for environmental review.

06/03/16; RECEIVED FROM DEPARTMENT. Response received from the Planning Department determining that the matter is not defined as a project under CEQA Guidelines Sections 15378 and 15060 (c)(2).

06/23/16; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Sunny Angulo (Office of Supervisor Aaron Peskin); Kate Hartley (Mayor's Office of Housing and Community Development); Debra Newman; (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Peter Cohen; Tracy Parrot; Carolyn Fan; Male Speaker; spoke in support of the hearing matter.

Vice Chair Tang, seconded by Member Yee, moved that this Resolution be CONTINUED to the July 13, 2016, Budget and Finance Committee Meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

160552 [General Obligation Bond Election - Amending Earthquake Loan Bond Program to Finance Permanent Affordable Housing]**Sponsor: Peskin**

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on November 8, 2016, for the purpose of submitting to San Francisco voters a proposition to amend Proposition A (approved November 1992) to authorize the City to incur general obligation bonded indebtedness (Bonds) for the additional purposes of providing loans to finance the costs to acquire, improve, and rehabilitate and to convert at-risk multi-unit residential buildings to permanent affordable housing, performing needed seismic, fire, health, and safety upgrades and other major rehabilitation for habitability, and related costs necessary or convenient for the foregoing purposes; 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).

05/17/16; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 6/16/2016.

05/31/16; REFERRED TO DEPARTMENT. Referred to the Small Business Commission, Mayor's Office of Housing and Community Development, Fire Department, Department of Public Health, Office of the Controller, Department of Elections, Office of the Treasurer and Tax Collector, Planning Department, and the Citizens' General Obligation Bond Oversight Committee for informational purposes.

05/31/16; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review.

06/03/16; RECEIVED FROM DEPARTMENT. Response received from the Planning Department determining that the matter is not defined as a project under CEQA Guidelines Sections 15378 and 15060 (c)(2).

06/23/16; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Sunny Angulo (Office of Supervisor Aaron Peskin); Kate Hartley (Mayor's Office of Housing and Community Development); Debra Newman; (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Peter Cohen; Tracy Parrot; Carolyn Fan; Male Speaker; spoke in support of the hearing matter.

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

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on November 8, 2016, for the purpose of submitting to San Francisco voters a proposition to amend Proposition A (approved November 1992) to authorize the City to incur general obligation bonded indebtedness (Bonds) for the purpose of making amendments to the Affordable Housing Loan Program (as defined herein) and the Market Rate Loan Program (as defined) for the additional purposes of providing loans to finance the costs to acquire, improve, and rehabilitate and to convert at-risk multi-unit residential buildings to permanent affordable housing, performing needed seismic, fire, health, and safety upgrades and other major rehabilitation for habitability, and related costs necessary or convenient for the foregoing purposes; 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).

Vice Chair Tang, seconded by Member Yee, moved that this Ordinance be CONTINUED AS AMENDED to the July 13, 2016, Budget and Finance Committee Meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Kim

Chair Farrell recessed the meeting at 1:35 p.m. and reconvened the meeting at 1:40 p.m.

Member Kim was noted present at 1:41 p.m.

Chair Farrell requested File Nos. 160604 and 160597 be heard together.

160604 [Initiative Ordinance - Business and Tax Regulations Code - Increase Real Property Transfer Tax on Properties of At Least \$5,000,000]

Sponsors: Kim; Campos, Peskin, Mar, Avalos and Yee

Motion ordering submitted to the voters, at an election to be on held November 8, 2016, an ordinance amending the Business and Tax Regulations Code to increase the Real Property Transfer Tax rate from 2% to 2.25% on properties with a consideration or value of at least \$5,000,000 and less than \$10,000,000; from 2.5% to 2.75% on properties with a consideration or value of at least \$10,000,000 and less than \$25,000,000; and from 2.5% to 3% on properties with a consideration or value of at least \$25,000,000; and increasing the City's appropriations limit by the amount of the tax increase for four years from November 8, 2016.

(Economic Impact)

(Supervisor Farrell dissented in Committee.)

05/24/16; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 6/23/2016.

06/01/16; REFERRED TO DEPARTMENT. Referred to the Office of the Treasurer and Tax Collector and the Department of Elections for informational purposes.

06/08/16; REFERRED TO DEPARTMENT. Referred to the Planning Department for informational purpose.

06/23/16; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Ted Egan, Chief Economist and Michelle Allersma (Controller's Office); Ryan Gerhart (City College of San Francisco); Jon Givner (City Attorney's Office); provided an overview and responded to questions raised throughout the discussion. Brigitte Davila, Trustee and Dr. Amy Bacharach, Trustee (City College of San Francisco); Timothy Killikelly; Alisa Messer; Sue Leah; Tim Paulson; Alejandra Ma; Miz Satya; Female Speaker; Thomas Wright; Glen Stairs; Aneleh Rama; Rodger Scott; Vivek Narayan; Maria Guillen; Cathy Berrick; Jay; Mogan Ruff; Terri Massin; Susan Englander; Ann; Alan P'Saiza; spoke in support of the hearing matter. Jay Chan; Jim Lazarus; spoke in opposition to the hearing matter. Charlie Gaas; Lee; spoke neither in support nor opposition to the hearing matter.

(Chair Farrell dissented in Committee.)

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

Ayes: 4 - Tang, Yee, Kim, Wiener

Noes: 1 - Farrell

160597 [Intent to Prioritize Funding Free City College of San Francisco]**Sponsors: Kim; Breed, Peskin, Yee, Mar, Campos and Avalos**

Resolution reclaiming the promise of free higher education in the City and County of San Francisco by securing funding to eliminate enrollment fees for students who are San Francisco residents or working at least half-time in San Francisco, and by supporting educational costs for enrolled students who are in receipt of federal or state financial aid.

(Supervisor Farrell dissented in Committee.)

05/24/16; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

06/01/16; REFERRED TO DEPARTMENT. Referred to the San Francisco Unified School District, City College of San Francisco, and the Office of the Controller for informational purposes; referred to the Youth Commission for comment and recommendation, pursuant to Charter Section 4.124.

06/21/16; RECEIVED FROM DEPARTMENT. Received response from the Youth Commission indicating their unanimous support on this matter.

06/23/16; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Ted Egan, Chief Economist and Michelle Allersma (Controller's Office); Ryan Gerhart (City College of San Francisco); Jon Givner (City Attorney's Office); provided an overview and responded to questions raised throughout the discussion. Brigitte Davila, Trustee and Dr. Amy Bacharach, Trustee (City College of San Francisco); Timothy Killikelly; Alisa Messer; Sue Leah; Tim Paulson; Alejandra Ma; Miz Satya; Female Speaker; Thomas Wright; Glen Stairs; Aneleh Rama; Rodger Scott; Vivek Narayan; Maria Guillen; Cathy Berrick; Jay; Mogan Ruff; Terri Massin; Susan Englander; Ann; Alan P'Saiza; spoke in support of the hearing matter. Jay Chan; Jim Lazarus; spoke in opposition to the hearing matter. Charlie Gaas; Lee; spoke neither in support nor opposition to the hearing matter.

Member Yee requested that the Resolution be DUPLICATED.

See Duplicated File No. 160768.

(Chair Farrell dissented in Committee.)

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

Ayes: 4 - Tang, Yee, Kim, Wiener

Noes: 1 - Farrell

160768 [Intent to Prioritize Funding Free City College of San Francisco]**Sponsors: Kim, Breed, Peskin, Yee, Mar, Campos and Avalos**

Resolution reclaiming the promise of free higher education in the City and County of San Francisco by securing funding to eliminate enrollment fees for students who are San Francisco residents or working at least half-time in San Francisco, and by supporting educational costs for enrolled students who are in receipt of federal or state financial aid.

06/24/16; ASSIGNED to Budget and Finance Sub-Committee.

Member Yee, seconded by Member Kim, moved that this Motion 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

Member Yee, seconded by Member Kim, moved that this Motion be CONTINUED TO CALL OF THE CHAIR AS AMENDED. The motion carried by the following vote:

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

ADJOURNMENT

There being no further business, 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 Budget and Finance Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.