



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: John Avalos, Ross Mirkarimi, Sean Elsbernd

Clerk: Victor Young (415) 554-7723

Monday, December 13, 2010

1:00 PM

City Hall, Legislative Chamber, Room 250

Recessed Meeting

MEETING CONVENED

The meeting convened at 1:45 p.m.

Present: 2 - John Avalos and Ross Mirkarimi

Excused: 1 - Sean Elsbernd

REGULAR AGENDA

101488 [Assessment Ballots for City Parcels to Form the Proposed Civic Center Community Benefit District]

Sponsor: Mayor

Resolution authorizing the Mayor to cast ballots in the affirmative on behalf of the City and County of San Francisco as owner of 11 parcels of real property over which the Board of Supervisors has jurisdiction, where those parcels would be subject to assessment in the proposed property and business improvement district to be named the Civic Center Community Benefit District.

11/23/10; RECEIVED AND ASSIGNED to Budget and Finance Committee.

12/08/10; MEETING RECESSED. The meeting was recessed to December 13, 2010, at 1:00 p.m.

Heard in Committee. Speakers: James Chaffee; Ernestine Weiss; Walter Paulson; Peter Warfield, Library Users Association; Lisa Pagan, Office of Economic and Workforce Development.

REFERRED WITHOUT RECOMMENDATION AS COMMITTEE REPORT by the following vote:

Ayes: 2 - Avalos, Mirkarimi

Excused: 1 - Elsbernd

101284 [Review of Fiscal Impacts of Hosting the America's Cup]**Sponsor: Mirkarimi**

Hearing before the Budget and Finance Committee to review the fiscal feasibility and responsibility, including analysis from the Budget Analyst, of the City hosting the America's Cup Regatta under the conditions contemplated and set forth in the "Term Sheet" to fully understand and define the City's expectations for both the short term and long term benefits that would accrue to the City for the purposes of negotiating a formal Host City Agreement.

Economic Impact

10/05/10; RECEIVED AND ASSIGNED to Budget and Finance Committee.

12/08/10; MEETING RECESSED. Heard in Committee. Speakers: President David Chiu, Supervisor Bevan Dufty and Supervisor David Campos, San Francisco Board of Supervisors; Jennifer Matz, Rick Hillis, and Kyri McClellan, Office of Economic and Workforce Development; Harvey Rose, Budget and Legislative Analyst; Tom Owen, Deputy City Attorney; Mark Buel, Chairman, San Francisco America's Cup Organization Committee; Monique Moyer and Brad Benson, Port of San Francisco; Fred Cuso, Budget and Legislative Analyst's Office; Ted Egan, Controller's Office; Ron Young; John Arndt; Dick Robinson, St Francis Yatch Club; Ernestine Weiss; Kevin Berry; Karen and Norman Pearce; Kimball Livingston; Gary Near; Liz Diaz; Female Speaker; Dwight Wilson; Als Spector; Chritina Reske; Male Speaker; Carl Wild Roy; Jimmy Moller; Female Speaker; Stanley Stern; Dave Bloch; Anthony Poplawski; Female Speaker; Mark Rouder; Walter Paulson; Ellen Johuck; Diane Isley; Paul Captain; Dave Gelbridge; Laurie Armstrong, Travel Association; Dennis MacKinzie; Peter Stoneberg; Simon Sengold; Andrew Watters; Patrick Markle; George Broder; Garrett Greenbalgh; Tom Relyea; John Harold; Nial Visnobles; Rob Black, SF Chamber of Commerce; Bob Harris, Deputy City Attorney.

The meeting was recessed to December 13, 2010, at 1:00 p.m.

Heard in Committee. Speakers: Jennifer Matz, Office of Economic and Workforce Development; Brad Benson and Jonathan Stern, Port of San Francisco; Harvey Rose, Budget and Legislative Analyst; Supervisor Michela Alioto-Pier, SF Board of Supervisors; Ted Egan, Controller's Office of Economic Analysis; Fred Cuso, Budget and Legislative Analyst's Office.

FILED by the following vote:

Ayes: 2 - Avalos, Mirkarimi

Excused: 1 - Elsbernd

101259 [34th America's Cup Host City Agreement and Finding of Fiscal Feasibility]**Sponsors: Mayor; Chiu, Mirkarimi, Alioto-Pier, Chu, Dufty and Maxwell**

Resolution approving a Host City and Venue Agreement among the City, the America's Cup Event Authority and the San Francisco America's Cup Organizing Committee; authorizing the Mayor or his designee and the Port to execute the Host City and Venue Agreement; authorizing and urging the Mayor, Office of Economic and Workforce Development, Port and such other City Officials as appropriate to take such steps and execute such additional agreements as are consistent with the Host City and Venue Agreement and this Resolution to bring the 34th America's Cup to the San Francisco Bay; and finding that the proposed Event is fiscally feasible as set forth in Administrative Code Chapter 29.

(Economic Impact, Fiscal Impact.)

11/09/10; RECEIVED AND ASSIGNED to Budget and Finance Committee.

11/16/10; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee.

11/23/10; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee.

12/08/10; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE. 12/08/10 - Amendment of the whole bearing the same title.

12/08/10; MEETING RECESSED. Heard in Committee. Speakers: President David Chiu, Supervisor Bevan Dufty and Supervisor David Campos, San Francisco Board of Supervisors; Jennifer Matz, Rick Hillis, and Kyri McClellan, Office of Economic and Workforce Development; Harvey Rose, Budget and Legislative Analyst; Tom Owen, Deputy City Attorney; Mark Buel, Chairman, San Francisco America's Cup Organization Committee; Monique Moyer and Brad Benson, Port of San Francisco; Fred Cuso, Budget and Legislative Analyst's Office; Ted Egan, Controller's Office; Ron Young; John Arndt; Dick Robinson, St Francis Yatch Club; Ernestine Weiss; Kevin Berry; Karen and Norman Pearce; Kimball Livingston; Gary Near; Liz Diaz; Female Speaker; Dwight Wilson; Als Spector; Chritina Reske; Male Speaker; Carl Wild Roy; Jimmy Moller; Female Speaker; Stanley Stern; Dave Bloch; Anthony Poplawski; Female Speaker; Mark Roudier; Walter Paulson; Ellen Johuck; Diane Isley; Paul Captain; Dave Gelbridge; Laurie Armstrong, Travel Association; Dennis MacKinzie; Peter Stoneberg; Simon Sengold; Andrew Watters; Patrick Markle; George Broder; Garrett Greenbalgh; Tom Relyea; John Harold; Nial Visnobles; Rob Black, SF Chamber of Commerce; Bob Harris, Deputy City Attorney.

The meeting was recessed to December 13, 2010, at 1:00 p.m.

Heard in Committee. Speakers: Jennifer Matz, Office of Economic and Workforce Development; Brad Benson and Jonathan Stern, Port of San Francisco; Harvey Rose, Budget and Legislative Analyst; Supervisor Michela Alioto-Pier, SF Board of Supervisors; Ted Egan, Controller's Office of Economic Analysis; Fred Cuso, Budget and Legislative Analyst's Office.

RECOMMENDED AS COMMITTEE REPORT, after accepting amendments to the AC34 Host and Venue Agreement, by the following vote:

Ayes: 2 - Avalos, Mirkarimi

Excused: 1 - Elsbernd

101324 [Ongoing Budget Updates]

Sponsor: Avalos

Hearing to consider various updates and presentations regarding the City budget.

10/19/10; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/27/10; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Leo Levenson and Monique Zmuda, Controller's Office; Kate Howard, Mayor's Office.

12/08/10; MEETING RECESSED. The meeting was recessed to December 13, 2010, at 1:00 p.m.

Heard in Committee. Speakers: Greg Wagner, Mayor's Budget Director; Walter Paulson.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 2 - Avalos, Mirkarimi

Excused: 1 - Elsbernd

LITIGATION

Conference with City Attorney

[Convene in Closed Session - Existing Litigation - City as Plaintiff and/or Defendant]

Motion that the Budget and Finance Committee of the Board of Supervisors convene in closed session with the City Attorney for the purpose of conferring with, or receiving advice from, the City Attorney regarding the following existing lawsuits and claims in which proposed settlements are being considered by the Committee. Government Code 54956.9(a) and San Francisco Administrative Code Section 67.10(d) permit this closed session. Discussion in open session concerning these matters would likely and unavoidably prejudice the position of the City in the pending lawsuits and/or claims listed below.

Unanimous vote to convene in closed session by the following vote:

Ayes: 2 - Avalos, Mirkarimi

Excused: 1 - Elsbernd

101463 [Settlement of Lawsuit - Lexington Insurance - City to Receive \$2,750,000; Appropriating Settlement Proceeds]

Ordinance authorizing settlement of the lawsuit entitled City and County of San Francisco v. Lexington Insurance Company, San Francisco County Superior Court Case No: CGC-10-498967 (Action), removed to United States District Court, N.D. Cal., Case No: 3:10-CV1-02188-SI, arising from an insurance coverage dispute involving a claims-made Designers and Construction (i.e., professional liability) Project Specific Professional Liability and Pollution Liability Policy issued by Lexington Insurance Company (Lexington) to the San Francisco Public Utilities Commission for the period February 1, 2002, to February 1, 2006, policy number 1152114 (Lexington Policy), calling for payment of \$2,750,000 from Lexington to the City and County of San Francisco and including other material terms of said settlement: (1) Lexington will have no further obligations under the Lexington Policy and said policy shall be considered null and void and of no further force and effect; (2) San Francisco will defend and hold harmless and indemnify Lexington from and against any demand against Lexington made under the Lexington Policy; (3) all parties will execute a mutual release; (4) San Francisco will execute and file a dismissal of all claims with prejudice; (5) the City and Lexington each shall bear its own legal costs and fees arising from this action; and appropriating the full proceeds from the settlement to fund the San Francisco Public Utilities Commission's attorney fees and legal expenses related to certain pending litigation matters. (City Attorney)

11/15/10; RECEIVED AND ASSIGNED to Budget and Finance Committee.

12/08/10; MEETING RECESSED. The meeting was recessed to December 13, 2010, at 1:00 p.m.

Heard in Committee. Speakers: Cheryl Adams and George Wong, City Attorney's Office.

RECOMMENDED AS COMMITTEE REPORT by the following vote:

Ayes: 2 - Avalos, Mirkarimi

Excused: 1 - Elsbernd

Deputy City Attorney Cheryl Adams reported that the Rules Committee has met in closed session with the City Attorney, under the provisions of Government Code Section 54956.9 (a) and Administrative Code Section 67.8 (3), for the purpose of conferring with, or receiving advice from, the City Attorney regarding settlements in the lawsuits or claims listed above.

Deputy City Attorney Cheryl Adams reported that the Budget and Finance Committee has met in closed session with the City Attorney, under the provisions of Government Code Section 54956.9 (b) and Administrative Code Section 67.10 (d)(2), for the purpose of conferring with, or receiving advice from, the City Attorney regarding settlements in the lawsuits or claims listed above.

Unanimous vote not to disclose by the following vote:

Ayes: 2 - Avalos, Mirkarimi

Excused: 1 - Elsbernd

ADJOURNMENT

The meeting adjourned at 4:08 p.m.