

1 [Charter Amendment – Children and Youth Fund, Public Education Enrichment Fund, Our
2 Children, Our Families Council, Rainy Day Reserves]

3 **Describing and setting forth a proposal to the voters to amend the Charter of the City and**
4 **County of San Francisco to: (1) extend the Children’s Fund for 25 years and increase the**
5 **set-aside from 3 cents to 4 cents over a 4-year period; (2) extend the Public Education**
6 **Enrichment Fund for 26 years; (3) create an Our Children, Our Families Council and**
7 **require preparation of a Children and Families Plan; (4) create a City Rainy Day Reserve**
8 **and a School Rainy Day Reserve out of the existing Rainy Day Reserve; and (5) make**
9 **various technical and administrative changes to the Funds, at an election to be held on**
10 **November 4, 2014.**

11
12 The Board of Supervisors hereby submits to the qualified voters of the City and County,
13 at an election to be held on November 4, 2014, a proposal to amend the Charter of the City and
14 County by revising Sections 9.113.5, 16.108, 16.123-1, 16.123-2, 16.123-4, 16.123-5, 16.123-6,
15 16.123-8, and 16.123-10, by adding Sections 16.108-1 and 16.127-1 through 16.127-7, and by
16 deleting Sections 16.123-7 and 4.133, to read as follows:

17 NOTE: **Unchanged Charter text and uncodified text** are in plain font.
18 **Additions** are *single-underline italics Times New Roman font*.
19 **Deletions** are ~~*strike-through italics Times New Roman font*~~.
20 **Asterisks (* * * *)** indicate the omission of unchanged Charter
21 subsections.

22 **Section 1. Children and Families First Initiative; General Preamble.**

23 (a) We introduce this “Children and Families First Initiative” as an integrated effort to
24 reauthorize both the Children and Youth Fund (formerly called the Children’s Fund) and the
25 Public Education Enrichment Fund (“PEEF”), establish the Our Children, Our Families Council,
and create a City Rainy Day Reserve and a School Rainy Day Reserve out of the existing Rainy

1 Day Reserve.

2 (b) To ensure the health and success of every San Francisco child, it is imperative for
3 San Francisco to invest further in the children and families of our City.

4 (c) In order to advance a Citywide vision and long-term set of goals to support the
5 growing needs of children and families, City leaders, departments, the San Francisco Unified
6 School District (“SFUSD”), and community partners must come together to align practices;
7 strengthen access to services; coordinate across agencies; and develop a unified strategy.

8 (d) The people of the City and County of San Francisco previously supported the
9 passage of the Children’s Fund Amendment in 1991 and 2001 in addition to overwhelmingly
10 approving PEEF in 2004 with over 70 percent of the vote.

11 (e) While these initiatives dedicated funding for vital services both in school and outside
12 of school, the State of California remains 49th in per-pupil spending and addressing the level of
13 unmet needs remains a significant challenge. One-third of San Francisco’s African American
14 and Latino children live below the poverty line. And the number of San Francisco children
15 living in poverty increased by 14 percent over the past 5 years.

16 (f) SFUSD schools and San Francisco nonprofit community-based organizations are the
17 City’s most valuable public assets in terms of supporting children, youth, and their families.
18 Every San Francisco student has the right to a quality public education and necessary support
19 services that prepare them to pursue higher education, be competitive in a diversity of job
20 markets and ultimately contribute to the future health and vitality of San Francisco.

21 (g) San Francisco is experiencing a renaissance. However, economic inequity continues
22 to grow, causing displacement and hardship for families with the most need.

23 (h) The percentage of children under the age of 18 in San Francisco has steadily
24 declined. As of 2010, 13.4 percent of our total population was under the age of 18, the lowest of
25

1 any major city nationwide. Additionally, over 10 percent of 1-4 year olds leave the City in any
2 given year with far fewer children of that age bracket moving in.

3 (i) The decline in children impacts the cultural and ethnic diversity that once made San
4 Francisco a sanctuary for all, regardless of age, race, or economic background.

5 (j) The loss of children and families also amounts to lost revenue from less money spent
6 on the local economy and a declining workforce.

7 (k) With the Children and Youth Fund and PEEF scheduled for reauthorization through
8 the unified Children and Families First Initiative, the City must seize this opportunity to build on
9 the previous success of these funds and strengthen their capacity for the future.

10 (l) The previous investment of the Children and Youth Fund allowed for the Department
11 of Children, Youth, and Their Families to serve over 56,000 youth in FY 2012-2013, focusing on
12 the children with the most need, and with programs including child care, after school academic
13 and enrichment programs, violence prevention, wellness centers, and youth workforce
14 development programs.

15 (m) In the last decade, critical PEEF Sports, Libraries, Arts and Music funding ensured
16 that every San Francisco public school has a librarian, every elementary school offers art classes
17 and engagement opportunities, physical education classes are equipped and staffed by
18 credentialed instructors, and sports teams have more coaches and officials, along with upgraded
19 uniforms and equipment.

20 (n) The Preschool for All program, initially established by the PEEF in 2004,
21 successfully served over 18,000 children. Studies have shown that children who participated in
22 Preschool for All demonstrated significantly higher academic achievement than children who did
23 not participate.

24 (o) PEEF also enabled the Human Capital Support program to recruit and retain a
25 diversity of quality teachers to SFUSD. In the year the program began, there were

1 approximately 46 teacher vacancies on the first day of school, whereas there were only three
2 teacher vacancies on the first day of school in FY 2012-2013.

3 (p) The reauthorization of the Children and Youth Fund and PEEF through the unified
4 Children and Families First Initiative is an important step in pushing for a cultural and priority
5 shift in our City.

6 (q) We have seen how increased investment and efficiency can maximize results. With
7 this in mind, this Charter Amendment also establishes the “Our Children, Our Families Council”
8 to bring together department heads from the City and the SFUSD, and community stakeholders
9 in order to build a platform that will place the needs of children and families first in every policy
10 decision.

11 (r) Collectively, we aim to put the needs and success of our children and families at the
12 center of our City’s growth and ensure that those with the most need are given the best
13 opportunity to thrive.

14
15 Section 2. The Charter is hereby amended by revising Sections 9.113.5, 16.108,
16 16.123-1, 16.123-2, 16.123-4, 16.123-5, 16.123-6, 16.123-8, and 16.123-10, by adding
17 Sections 16.108-1 and 16.127-1 through 16.127-7, and by deleting Sections 16.123-7 and 4.133,
18 to read as follows:

19 **SEC. 16.108. CHILDREN AND YOUTH FUND ~~CHILDREN'S FUND~~.**

20 **(a) Preamble.**

21 (1) By overwhelmingly reauthorizing the Children’s Fund in 2000 with
22 74 percent approval, the people of the City and County of San Francisco found and declared that
23 the Children’s Fund (now to be known as the Children and Youth Fund) is essential in ensuring
24 the health and success of every San Francisco child.

1 (2) The previous investment of the Children and Youth Fund allowed for the
2 Department of Children, Youth, and Their Families to serve over 56,000 youth in FY 2012-2013,
3 focusing on the children with the most need.

4 (3) The Fund successfully stabilized and expanded services for children, youth,
5 and their families, while leveraging other resources.

6 (4) Addressing the level of unmet need among children and youth remains a
7 significant challenge. The needs of San Francisco's children have been increasing:

8 (A) One-third of San Francisco's African American and Latino children
9 live below the poverty line. The number of San Francisco children in poverty has increased by
10 14% in the past 5 years.

11 (B) The federal poverty level for a family of four is \$23,000; adjusted to
12 San Francisco, it is \$35,000. Self-sufficiency in San Francisco for a family of four is three times
13 that amount, and over half of all families cannot meet the self-sufficiency standard. The
14 Children and Youth Fund provides services that support families and opportunities for children
15 and youth that are essential to meeting their needs and providing pathways out of poverty.

16 (C) State and federal cuts have significantly reduced children and youth
17 services in San Francisco, including funding for child care, youth employment and high need
18 disconnected transitional-aged youth.

19 (5) The reauthorization of the Children and Youth Fund will enable the
20 Department of Children, Youth and Their Families (DCYF) to build on the previous success of
21 the Fund and strengthen DCYF's capacity for the future, while fostering innovation and
22 improving transparency and accountability.

23 **(b) (~~a~~) Fund for Children and Youth Children's Services.** Operative July 1, 2001,
24 there is hereby established a fund to expand children's services, which shall be called the
25

1 Children and Youth Fund ~~Children's Fund~~ ("Fund"). Monies in the Fund shall be expended or
2 used only to provide services for children and youth as provided in this section.

3 ~~(c) (b)~~ **Goals.** ~~The goals of expenditures from the Fund shall be:~~ The goals of
4 expenditures from the Fund and the planning process created in this section of the Charter shall
5 be:

6 (1) To ensure that San Francisco's children are healthy, ready to learn, succeed
7 in school and live in stable, safe and supported families and communities;

8 (2) To ensure that San Francisco is a family-friendly city and to support families
9 as an important part of the City population and civic culture;

10 (3) To focus on the prevention of problems and on supporting and enhancing the
11 strengths of children, youth and their families;

12 (4) To complement the City's community development efforts;

13 (5) To strengthen a community-based network of services in all neighborhoods;

14 (6) To ensure that children and youth with the highest needs receive maximum
15 benefit from the Fund and that equity is a guiding principle of the funding process;

16 (7) To distribute funds based on best practices, and successful and innovative
17 models in order to ensure maximum impact;

18 (8) To the maximum extent feasible, to distribute funds equitably among services
19 for all age groups – from infancy to transitional-aged youth;

20 (9) To ensure children are provided with gender-responsive and culturally-
21 competent services;

22 (10) To strengthen collaboration around shared outcomes among all service
23 providers for children, youth and their families, including collaboration among public agencies
24 and non-profit organizations; and

25 (11) To fill gaps in services and leverage other resources whenever feasible.

1 ~~(1) To ensure that San Francisco's children are healthy, ready to learn, succeed~~
2 ~~in school and live in stable, safe, and supported families and communities;~~

3 ~~(2) To reach children in all neighborhoods;~~

4 ~~(3) To the maximum extent reasonable, to distribute funds equitably among~~
5 ~~services for infants and preschoolers, elementary school age children and adolescents;~~

6 ~~(4) To focus on the prevention of problems and on supporting and enhancing the~~
7 ~~strengths of children, youth and their families;~~

8 ~~(5) To strengthen collaboration between the City and County of San Francisco~~
9 ~~and the San Francisco Unified School District;~~

10 ~~(6) To fill gaps in services and to leverage other resources whenever feasible;~~

11 ~~and~~

12 ~~(7) To foster projects initiated by San Francisco youth.~~

13 ~~(d) (e) Amount.~~ There is hereby set aside for the Fund, from the revenues of the
14 property tax levy, revenues in an amount equivalent to an annual tax of three cents (\$.03) per one
15 hundred dollars (\$100) of assessed valuation for each fiscal year beginning with July 1, 2001-
16 June 30, 2002, and ending with July 1, 2014-June 30, 2015 ~~July 1, 2015-June 30, 2016~~.

17 For Fiscal Year 2015-2016, there is hereby set aside for the Fund, from the revenues of
18 the property tax levy, revenues in an amount equivalent to an annual tax of three and one-
19 quarter cents (\$.0325) per one hundred dollars (\$100) of assessed valuation for each fiscal year.

20 For Fiscal Year 2016-2017, there is hereby set aside for the Fund, from the revenues of
21 the property tax levy, revenues in an amount equivalent to an annual tax of three and one half
22 cents (\$.0350) per one hundred dollars (\$100) of assessed valuation for each fiscal year.

23 For Fiscal Year 2017-2018, there is hereby set aside for the Fund, from the revenues of
24 the property tax levy, revenues in an amount equivalent to an annual tax of three and three
25

1 quarters cents (\$.0375) per one hundred dollars (\$100) of assessed valuation for each fiscal
2 year.

3 For Fiscal Year 2018-2019, and every fiscal year thereafter through Fiscal
4 Year 2040-2041, there is hereby set aside for the Fund, from the revenues of the property tax
5 levy, revenues in an amount equivalent to an annual tax of four cents (\$.04) per one hundred
6 dollars (\$100) of assessed valuation for each fiscal year.

7 ~~If the 2010 U. S. Census shows that children make up a percentage of the population of~~
8 ~~the City and County that is at least two percentage points more than their percentage as shown~~
9 ~~in the 2000 U. S. Census, then the amount of the property tax levy set aside under this section~~
10 ~~shall be increased for each fiscal year beginning after publication of the 2010 Census. The~~
11 ~~increase shall be in an amount equal to: one quarter cent (\$.0025) per one hundred dollars of~~
12 ~~assessed valuation, for each two full percentage points of increase in the percentage of the City~~
13 ~~and County population that is made up of children.~~ The Fund shall be maintained separate and
14 apart from all other City and County funds and appropriated by annual or supplemental
15 appropriation.

16 ~~(e) (d)~~ **New Services.** Monies in the Fund shall be used exclusively for the costs of
17 services to children less than 18 years old provided as part of programs that predominantly serve
18 children less than 18 years old and for Disconnected Transitional-Aged Youth 18 through 24
19 years old. “Disconnected Transitional-Aged Youth” are those who: are homeless or in danger
20 of homelessness; have dropped out of high school; have a disability or other special needs,
21 including substance abuse; are low-income parents; are undocumented; are new immigrants
22 and/or English Learners; are Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning
23 (“LGBTQQ”); and/or are transitioning from the foster care, juvenile justice, criminal justice or
24 special education system. above and beyond services funded from sources other than the
25 previous Children's Fund prior to July 1, 2001. To this end, monies Monies from the Fund shall

1 not be appropriated or expended for services that received any of the funds included in the higher
2 of the Controller's baseline budget covering July 1, 2000-June 30, 2001 appropriations, or the
3 Controller's baseline budget covering July 1, 1999-June 30, 2000 appropriations, whether or not
4 the cost of such services increases. Nor shall monies from the Fund be appropriated or expended
5 for services that substitute for or replace services included or partially included in the higher of
6 the two baseline budgets, except and solely to the extent that the City ceases to receive federal,
7 state or private agency funds that the funding agency required to be spent only on those services.
8 The Controller's baseline budget shall mean the Controller's calculation of the actual amount of
9 City appropriations for services for children that would have been eligible to be paid from the
10 Fund but are paid from other sources.

11 (f) (e) Eligible Uses Services. The City shall only use monies from the Fund for the
12 following purposes: Services for children eligible for Fund assistance shall include only:

13 (1) Services for children up to 18 years old and Disconnected Transitional-Aged
14 Youth up to and including 24 years old, including:

15 (A) (1) Affordable child care and early education;

16 (B) (2) Recreation, cultural and after-school programs, including without
17 limitation, arts programs;

18 (C) (3) Health services, including prevention, education, and behavioral
19 and mental health services, and pre-natal services to pregnant women;

20 (D) (4) Training, employment and job placement;

21 (E) (5) Youth empowerment and leadership development;

22 (F) (6) Youth violence prevention programs;

23 (G) (7) Youth tutoring and educational enrichment programs; and

24 (H) (8) Family and parent support services for families of children
25 receiving other services from the Fund.;

1 (I) Support for collaboration among grantees to enhance service delivery
2 and provider capacity-building, and for community development efforts; and

3 (J) Services responsive to issues of gender, sexual orientation, and gender
4 identification, including, but not limited to, services to address the needs of girls and LGBTQQ
5 communities.

6 (2) Funding for the Department of Children, Youth and Their Families
7 (“DCYF”) and the Children, Youth and Their Families Oversight and Advisory Committee
8 created in Section 16.108-1 (“Oversight and Advisory Committee”).

9 (3) Administration of the Fund and evaluation of Fund goals and services.

10 (4) Technical assistance and capacity-building for service providers and
11 community-based partners.

12 (g) ~~(f)~~ Excluded Services. Notwithstanding subsection (f) ~~(e)~~, services for children and
13 Disconnected Transitional-Aged Youth paid for by the Fund shall not include:

14 (1) Services provided by the Police Department or other law enforcement
15 agencies, courts, the District Attorney, Public Defender, City Attorney; or the Fire Department;
16 detention or probation services mandated by state or federal law; or public transportation;

17 (2) Any service that benefits children and Disconnected Transitional-Aged Youth
18 incidentally or as members of a larger population including adults;

19 (3) Any service for which a fixed or minimum level of expenditure is mandated
20 by state or federal law, to the extent of the fixed or minimum level of expenditure;

21 (4) Acquisition of any capital item not for primary and direct use by children and
22 Disconnected Transitional-Aged Youth;

23 (5) Acquisition (other than by lease for a term of ten years or less) of any real
24 property or land, or capital expenditures, or predevelopment or construction costs for housing;

25 ~~or~~

1 (6) Maintenance, utilities or any similar operating costs of any facility not used
2 primarily and directly by children and Disconnected Transitional-Aged Youth, or of any
3 recreation or park facility (including a zoo), library, ~~or~~ hospital, or housing; or

4 (7) Medical health services, other than prevention, education, and behavioral
5 and mental health support services.

6 ~~(h) (g)~~ **Baseline.** The Fund shall be used exclusively to increase the aggregate City
7 appropriations and expenditures for those services for children and Disconnected
8 Transitional-Aged Youth that are eligible to be paid from the Fund (exclusive of expenditures
9 mandated by state or federal law). To this end, the City shall not reduce the amount of such City
10 appropriations for eligible services (not including appropriations from the Fund and exclusive of
11 expenditures mandated by state or federal law) ~~in any of the fifteen years during which funds are~~
12 ~~required to be set aside~~ under this section below the amount so appropriated for the fiscal year
13 2000-2001 ("the base year") as set forth in the Controller's baseline budget, as adjusted ("the
14 base amount").

15 The Controller shall calculate City appropriations made in fiscal year 2013-2014 for
16 services for Disconnected Transitional-Aged Youth aged 18 through 24 years. Beginning with
17 fiscal year 2014-2015, that amount shall be added to the base amount and adjusted as provided
18 below. The City shall not reduce the amount of such City appropriations for services for
19 Disconnected Transitional-Aged Youth (not including appropriations from the Fund and
20 exclusive of expenditures mandated by state or federal law) under this section below the amount
21 so appropriated for fiscal year 2013-2014, as adjusted.

22 The base amount shall be adjusted for each year after the base year by the Controller
23 based on calculations consistent from year to year by the percentage increase or decrease in
24 aggregate City and County discretionary revenues. In determining aggregate City and County
25 discretionary revenue, the Controller shall only include revenues received by the City and

1 County that are unrestricted and may be used at the option of the Mayor and the Board of
2 Supervisors for any lawful City purpose. The method used by the Controller to determine
3 discretionary revenues shall be consistent with method used by the Controller to determine the
4 Library and Children's Baseline Calculations dated June 20, 2000, which the Controller shall
5 place on file with the Clerk of the Board in File No. 000952. Errors in the Controller's estimate
6 of discretionary revenues for a fiscal year shall be corrected by an adjustment in the next year's
7 estimate. Within 90 days following the end of each fiscal year through Fiscal Year 2040-2041
8 ~~through 2014-2015~~, the Controller shall calculate and publish the actual amount of City
9 appropriations for services for children and Disconnected Transitional-Aged Youth that would
10 have been eligible to be paid from the Fund but are paid from other sources, separately
11 identifying expenditures mandated by state or federal law.

12 (i) Five-Year Planning Cycle. The City shall appropriate monies from the Fund
13 according to a five-year planning process. This process is intended to: (1) increase
14 transparency, accountability, and public engagement; (2) provide time and opportunities for
15 community participation and planning; (3) ensure program stability; and (4) maximize the
16 effectiveness of the services funded.

17 (1) Year 1 - Community Needs Assessment. During every fifth fiscal year
18 beginning with Fiscal Year 2015-2016, DCYF shall conduct a Community Needs Assessment
19 (CNA) to identify services to receive monies from the Fund. The CNA should include qualitative
20 and quantitative data sets collected through interviews, focus groups, surveys, or other outreach
21 mechanisms to determine service gaps in programming for children, youth, and families. Subject
22 to the budgetary and fiscal provisions of the Charter, DCYF may contract with consultants and
23 outside experts for such services as the department may require to prepare the CNA. DCYF
24 shall undertake a robust community process in every supervisorial district, soliciting input from
25

1 a diverse cross-section of parents, youth, non-profit organizations, and other key stakeholders to
2 develop the CNA:

3 (A) DCYF shall develop a plan for how to conduct the CNA. The CNA
4 shall include an equity analysis of services and resources for parents, children, and youth.
5 DCYF shall develop a set of equity metrics to be used to establish a baseline of existing services
6 and resources in low-income neighborhoods and disadvantaged communities, compared to
7 services and resources available in the City as a whole. The outreach for the CNA shall create
8 opportunities for parents, youth, nonprofit agencies, and other members of the public, to provide
9 input. By September 1, DCYF shall provide its plan for conducting the CNA to the Oversight
10 and Advisory Committee, the Service Provider Working Group created in Section 16.108-1(e),
11 and the Board of Supervisors. The plan shall be a public document.

12 (B) By March 1, DCYF shall complete a draft CNA and provide this draft
13 to the Oversight and Advisory Committee and the Service Provider Working Group for review.
14 DCYF shall also provide the draft CNA to interested City departments, including the First Five
15 Commission, the Office of Early Care and Education (or any successor entity), the Recreation
16 and Park Commission, the Health Commission, the Human Services Commission, the Youth
17 Commission, the Juvenile Probation Commission, the Adult Probation Department, the
18 Commission on the Status of Women, the Police Commission, the Library Commission, and the
19 Arts Commission.

20 (C) By April 1, DCYF shall submit a final version of the CNA to the
21 Oversight and Advisory Committee and the Board of Supervisors. The final version may
22 incorporate any comments or suggestions made by the public or by the agencies that received
23 copies of the draft CNA.

1 (D) By May 1, the Oversight and Advisory Committee shall provide input
2 on, approve or disapprove the CNA. If the Oversight and Advisory Committee disapproves the
3 report, DCYF may modify and resubmit the report.

4 (E) By June 1, the Board of Supervisors shall consider and approve or
5 disapprove, or modify, the CNA. If the Board disapproves the CNA, DCYF may modify and
6 resubmit the CNA, provided, however, that the City may not expend monies from the Fund until
7 the Board of Supervisors has approved the CNA.

8 (2) Year 2 – Services and Allocation Plan. During every fifth fiscal year
9 beginning with Fiscal Year 2016-2017, DCYF shall prepare a Services and Allocation Plan
10 (“SAP”) to determine services eligible to receive monies from the Fund. DCYF shall use the
11 following process to prepare the SAP:

12 (A) DCYF shall prepare a draft SAP in consultation with interested City
13 departments, including the First Five Commission, the Office of Early Care and Education (or
14 any successor entity), the Recreation and Park Commission, the Health Commission, the Human
15 Services Commission, the Youth Commission, the Juvenile Probation Commission, the Adult
16 Probation Department, the Commission on the Status of Women, the Police Commission, the
17 Library Commission, and the Arts Commission, as well as the San Francisco Unified School
18 District, community-based service providers, parents, children, youth, and other members of the
19 public. The SAP must:

20 (i) Demonstrate consistency with the CNA and with Citywide
21 vision and goals for children and families;

22 (ii) Include all services for children and Disconnected
23 Transitional-Aged Youth;

24 (iii) Be outcome-oriented and include goals and measurable and
25 verifiable objectives and outcomes;

1 (iv) Include capacity-building and evaluation of services as
2 separate funding areas;

3 (v) State how services will be coordinated and have specific
4 amounts allocated towards specific goals, service models, populations and neighborhoods;

5 (vi) Include funding for youth-initiated projects totaling at least
6 3 percent of the total proposed expenditures from the Fund for the cycle;

7 (vii) Include evaluation data from the previous funding cycle and
8 the details of the Children and Youth Baseline; and,

9 (viii) Incorporate strategies to coordinate and align all services
10 for children funded by all governmental or private entities and administered by the City, whether
11 or not those services are eligible to receive monies from the Fund.

12 (B) The SAP shall include an equity analysis of services and resources for
13 parents, children and youth. Using the equity metrics developed for preparation of the CNA, the
14 SAP shall compare proposed new, augmented, and coordinated services and resources for low-
15 income neighborhoods and disadvantaged communities with services and resources available to
16 the City as a whole.

17 (C) Subject to the budgetary and fiscal provisions of the Charter, DCYF
18 may contract with consultants and outside experts for such services as the department may
19 require to prepare the SAP, including the equity analysis of services and resources for parents,
20 children and youth.

21 (D) By March 1, DCYF shall provide the draft SAP to the Oversight and
22 Advisory Committee and the Service Provider Working Group. DCYF shall also provide the
23 draft SAP to the San Francisco Unified School District and interested City departments,
24 including the First Five Commission, the Office of Early Care and Education (or any successor
25 entity), the Recreation and Park Commission, the Health Commission, the Human Services

1 Commission, the Youth Commission, the Juvenile Probation Commission, the Adult Probation
2 Department, the Commission on the Status of Women, the Police Commission, the Library
3 Commission and the Arts Commission.

4 (E) By April 1, DCYF shall submit a final version of SAP to the Oversight
5 and Advisory Committee and the Board of Supervisors. The final version may incorporate any
6 comments or suggestions made by the public or by the agencies that received copies of the draft
7 SAP.

8 (F) By May 1, the Oversight and Advisory Committee shall approve or
9 disapprove the SAP. If the Oversight and Advisory Committee disapproves the SAP, DCYF may
10 modify and resubmit the SAP.

11 (G) By June 1, the Board of Supervisors shall consider and approve or
12 disapprove, or modify, the SAP. If the Board disapproves the SAP, DCYF may modify and
13 resubmit the SAP, provided, however, that the City may not expend monies from the Fund until
14 the SAP has been approved by the Board of Supervisors.

15 (H) During subsequent years of the planning cycle, DCYF, with the
16 approval of the Oversight and Advisory Committee and the Board of Supervisors, may amend the
17 SAP to address emerging needs.

18 (3) Year 3 – Selection of Contractors. During every fifth fiscal year beginning
19 with Fiscal Year 2017-2018, DCYF shall conduct competitive solicitations for services to be
20 funded from the Fund.

21 (4) Year 4 – Service Cycle Begins. Contracts for services shall start on July 1 of
22 Year 4 of the planning cycle, beginning with Fiscal Year 2018-2019. During subsequent years of
23 the planning cycle, DCYF, with the approval of the Oversight and Advisory Committee, may
24 issue supplemental competitive solicitations to address amendments to the SAP and emerging
25

1 needs. All expenditures for services from the Fund shall be consistent with the most recent CNA
2 and SAP.

3 (5) DCYF may recommend, and the Oversight and Advisory Committee and the
4 Board of Supervisors may approve, changes to the due dates and timelines provided in this
5 subsection (i). The Board of Supervisors shall approve such changes by ordinance.

6 ~~(h) **Three-Year Planning Cycle.** To provide time for community participation and~~
7 ~~planning, and to ensure program stability, appropriations from the Fund for all fiscal years~~
8 ~~beginning after June 30, 2004 shall be made pursuant to a three year planning cycle as set forth~~
9 ~~in subsections (h) through (l). During every third fiscal year beginning with the 2001-2002~~
10 ~~fiscal year, the City shall prepare a Community Needs Assessment to determine services eligible~~
11 ~~to receive moneys from the Fund. During every third fiscal year beginning with the 2002-2003~~
12 ~~fiscal year, the City shall prepare a Children's Services and Allocation Plan ("the Plan"), based~~
13 ~~on the Community Needs Assessment approved during the previous year. The Board of~~
14 ~~Supervisors may modify an existing Community Needs Assessment or Plan, provided that any~~
15 ~~modification shall occur only after a noticed public hearing. All appropriations from the Fund~~
16 ~~shall be consistent with the most recent Plan, provided that the Board of Supervisors may~~
17 ~~approve an amendment to the Plan at the same time it approves an appropriation.~~

18 ~~(i) **Community Needs Assessment and Children's Services and Allocation Plan.**~~

19 ~~(1) The Community Needs Assessment and the Plan shall be in writing, shall be~~
20 ~~made available to the public in draft form not later than January 31 of each fiscal year in which~~
21 ~~they are required, shall be presented by March 31 of each such fiscal year to the commissions~~
22 ~~listed in subsection (m)(3) for review and comment, and by April 30 of each such fiscal year~~
23 ~~shall be presented to the Board of Supervisors for approval.~~

24 ~~(2) Prior to preparation of each draft Community Needs Assessment, the City~~
25 ~~shall hold at least one public hearing in each geographical area defined in Charter~~

1 ~~Section 13.110. The City shall also make available opportunities for parents, youth, and~~
2 ~~agencies receiving monies from the Fund to provide information for the Community Needs~~
3 ~~Assessment. The Community Needs Assessment shall include the results of a Citywide survey of~~
4 ~~parents and youth to be conducted by the Controller every three years.~~

5 ~~(3) The Plan shall include all services for children furnished or funded by the~~
6 ~~City or funded by another governmental or private entity and administered by the City, whether~~
7 ~~or not they received or may receive monies from the Fund. The Plan shall be outcome oriented~~
8 ~~and include goals, measurable and verifiable objectives and measurable and verifiable~~
9 ~~outcomes.~~

10 ~~(4) The Plan shall state how all services receiving money from the Fund will be~~
11 ~~coordinated with other children's services. The Plan shall specify amounts of funding to be~~
12 ~~allocated: (i) toward achieving specified goals, measurable and verifiable objectives and~~
13 ~~measurable and verifiable outcomes, (ii) to specified service models; and (iii) for specific~~
14 ~~populations and neighborhoods. The Plan shall also state the reasons for the allocations and~~
15 ~~demonstrate how the allocations are consistent with the Community Needs Assessment. A~~
16 ~~minimum of three percent of the funding allocated under the Plan shall be for youth initiated~~
17 ~~projects.~~

18 (j) **Evaluation.** DCYF shall provide for the evaluation on a regular basis of all services
19 funded through the Fund, and shall prepare on a regular basis an Evaluation and Data Report
20 for the Oversight and Advisory Committee. Subject to the budgetary and fiscal provisions of the
21 Charter, DCYF may contract with consultants and outside experts for such services as the
22 department may require to conduct such evaluations and to prepare the Evaluation and Data
23 Report. The Plan shall include an evaluation of services that received money from the Fund at
24 any time during the last three fiscal years. The evaluation shall involve those who use the funded
25 services and other parents and youth.

1 ~~(k) **Failure of Board to Act.** If the Board of Supervisors has not approved a Community~~
2 ~~Needs Assessment before the first day of the fiscal year during which the Plan is to be prepared,~~
3 ~~the Plan shall be based on the Community Needs Assessment as originally submitted to the~~
4 ~~Board of Supervisors.~~

5 (k) (4) **Selection of Contractors.** *The Oversight and Advisory Committee shall*
6 *recommend standards and procedures for the selection of contractors to be funded from the*
7 *Fund. It shall be the policy of the City to use competitive solicitation processes where*
8 *appropriate and to give priority to the participation of non-profit agencies. Except for services*
9 *provided by City employees, the Fund shall be expended through contractors selected based on*
10 *their responses to one or more requests for proposals issued by the City. The City shall award*
11 *contracts to coincide with the City's fiscal year starting July 1.*

12 (l) (m) **Implementation.**

13 (1) In implementation of this Section 16.108 section, facilitating public
14 participation and maximizing availability of information to the public shall be primary goals.

15 ~~(2) So long as there exists within the executive branch of City government a~~
16 ~~Department of Children, Youth and Their Families, or an equivalent department or agency as its~~
17 ~~successor, that department DCYF shall administer the ~~Children's~~ Fund and prepare the CNA~~
18 ~~Community Needs Assessment and the SAP Plan pursuant to this Section 16.108 section. If no~~
19 ~~such department or agency exists, the Mayor shall designate a department or other City body to~~
20 ~~administer the ~~Children's~~ Fund pursuant to this section.~~

21 ~~(3) In addition to all other hearings otherwise required, the Recreation and Park,~~
22 ~~Juvenile Probation, Youth, Health and Human Services Commissions shall each hold at least~~
23 ~~one separate or joint hearing each fiscal year to discuss issues relating to this section. The~~
24 ~~Department of Children, Youth and Their Families, or other agency as described above in~~
25 ~~section (m)(2), shall consult with the Recreation and Park Department, Arts Commission,~~

1 ~~Juvenile Probation Department, Unified School District, Health Department, Department of~~
2 ~~Human Services, Commission on the Status of Women, Police Department, Library Department~~
3 ~~and Municipal Transportation Agency in preparation of portions of the Community Needs~~
4 ~~Assessment and the Plan that relate to their respective activities or areas of responsibility.~~

5 ~~(3) (4) The Board of Supervisors may by ordinance implement this~~
6 ~~Section 16.108 section.~~

7 ~~(n) **Advisory Committee.** There shall be a Children's Fund Citizens' Advisory~~
8 ~~Committee ("the Committee") that shall consist of 15 members, each appointed by the Mayor to~~
9 ~~a three year term, to serve at the Mayor's pleasure. At least three members of the Committee~~
10 ~~shall be parents and at least three members shall be less than 18 years old at the time of~~
11 ~~appointment. For each of the following areas, there shall be at least one Committee member~~
12 ~~with professional expertise in that area: early childhood development, childcare, education,~~
13 ~~health, recreation and youth development. The Committee shall meet at least quarterly, and~~
14 ~~shall advise the department or agency that administers the Children's Fund and the Mayor~~
15 ~~concerning the Children's Fund. The Committee shall convene by July 1, 2001. Each member of~~
16 ~~the Committee shall receive copies of each proposed Community Needs Assessment and each~~
17 ~~Plan (including the evaluation required as part of the Plan). Members of the Committee shall~~
18 ~~serve without pay, but may be reimbursed for expenses actually incurred.~~

19 ~~(o) **Unspent Funds.** All unspent funds in the Children's Fund created by former Charter~~
20 ~~Section 16.108 shall be transferred to the Children's Fund established herein.~~

21 ~~(m) (p) **Effect of Procedural Errors.** No appropriation, contract or other action shall be~~
22 ~~held invalid or set aside by reason of any error, including without limitation any irregularity,~~
23 ~~informality, neglect or omission, in carrying out procedures specified in subsections (i) (h)~~
24 ~~through (l) (n) unless a court finds that the party challenging the action suffered substantial~~
25

1 injury from the error and that a different result would have been probable had the error not
2 occurred.

3
4 **SEC. 16.108-1. CHILDREN, YOUTH AND THEIR FAMILIES OVERSIGHT AND**
5 **ADVISORY COMMITTEE.**

6 (a) **Creation.** There shall be a Children, Youth and Their Families Oversight and
7 Advisory Committee (“Oversight and Advisory Committee”) to review the governance and
8 policies of the Department of Children, Youth and Their Families (“DCYF”), to monitor and
9 participate in the administration of the Children and Youth Fund as provided in Charter
10 Section 16.108 (“Fund”), and to take steps to ensure that the Fund is administered in a manner
11 accountable to the community.

12 (b) **Responsibilities.**

13 (1) The Oversight and Advisory Committee shall develop recommendations for
14 DCYF and the Fund regarding outcomes for children and youth services, the evaluation of
15 services, common data systems, a process for making funding decisions, program improvement
16 and capacity-building of service providers, community engagement in planning and evaluating
17 services, leveraging dollars of the Fund and the use of the Fund as a catalyst for innovation.
18 The Oversight and Advisory Committee shall promote and facilitate transparency in the
19 administration of the Fund.

20 (2) As provided in Section 16.108, the Oversight and Advisory Committee shall
21 review and approve the planning process for the Community Needs Assessment (“CNA”) and the
22 final CNA, the Services and Allocation Plan, and DCYF’s overall spending plan (including, as
23 separate items, approval of the departmental budget and of DCYF’s proposed grants as a
24 package), and shall review the annual Data and Evaluation Report. Nothing in this Section shall
25

1 limit the authority of the Mayor and the Board of Supervisors to propose, amend, and adopt a
2 budget under Article IX of the Charter.

3 (3) The Oversight and Advisory Committee shall participate in the evaluation of
4 the Director of DCYF, assist in recruitment for the Director when the position is vacant, and
5 may recommend candidates to the Mayor.

6 (4) The Oversight and Advisory Committee shall establish and maintain a Service
7 Provider Working Group as provided in subsection (e).

8 (5) The Oversight and Advisory Committee shall meet at least six times a year.

9 (c) **Composition.** The Oversight and Advisory Committee shall have eleven members.
10 The Mayor shall appoint members for Seats 1 through 6. The Board of Supervisors shall appoint
11 members for Seats 7 through 11. The Mayor and the Board of Supervisors shall appoint the
12 initial members of the Committee by July 1, 2015. The terms of the initial appointees to the
13 Committee shall commence on the date of the first meeting of the Committee, which may occur
14 when at least eight members have been appointed and are present.

15 (d) **Implementation.** The Board of Supervisors shall further provide by ordinance for
16 the membership, structure, functions, appointment criteria, terms and support of the Oversight
17 and Advisory Committee. The Board of Supervisors shall adopt such legislation to be effective
18 by July 1, 2015.

19 (e) **Service Provider Working Group.** The Oversight and Advisory Committee shall
20 create a Service Provider Working Group (“Working Group”) to advise the Oversight and
21 Advisory Committee on funding priorities, policy development, the planning cycle, evaluation
22 design and plans, and any other issues of concern to the Working Group related to the Fund or
23 the responsibilities of DCYF or other departments receiving monies from the Fund.

24 The Working Group shall engage a broad cross-section of service providers in providing
25 information, education and consultation to the Oversight and Advisory Committee. All members

1 of the Working Group shall be actively providing services to children, youth and their families.

2 The Working Group shall be supported by DCYF staff, and shall meet at least four times a year.

3 The Oversight and Advisory Committee shall appoint two initial co-chairs of the Working
4 Group, who shall be responsible for developing the structure of the Working Group and
5 facilitating the meetings. After the terms of the initial co-chairs expire, the Working Group shall
6 select its own chairs. Working Group meetings shall be open and encourage widespread
7 participation.

8
9 **SEC. 16.123-1. PUBLIC EDUCATION ENRICHMENT FUND; PREAMBLE.**

10 (a) The people of the City and County of San Francisco find and declare that:

11 (1) San Francisco Unified School District (“SFUSD”) schools are one of the
12 City’s most valuable public assets and every San Francisco student has the right to a quality
13 public education that prepares them to pursue higher education, be competitive in a diversity of
14 job markets, and ultimately contribute to the future health and vitality of San Francisco;

15 (2) City funding for SFUSD public schools is an essential and valuable
16 investment in our youth, as validated by San Francisco voters who overwhelmingly passed (by
17 71 percent) the ballot measure creating the Public Education Enrichment Fund (“PEEF”) in
18 2004;

19 (3) The State of California is currently 49th in per pupil spending, and without
20 the PEEF, SFUSD would fall to fifth place in per pupil spending among comparable California
21 school districts;

22 (4) Urban public schools have the greatest need for comprehensive educational
23 programs-including preschool programs, arts and music programs, sports activities, and after
24 school programs-but often have the fewest resources to provide them;

1 (5) In the last decade, the PEEF enabled all San Francisco public school
2 students to benefit from once-underfunded and diminishing critical programs and services
3 including but not limited to: quality physical education and athletics programs, fully functioning
4 libraries at every school staffed by credentialed librarians, arts and music teachers and
5 programs, wellness and behavioral support staffing and translation and interpretation services;

6 (6) In the last decade, critical PEEF funding for sports, libraries, arts and music
7 ensured that every San Francisco public school has a librarian, all elementary schools offer art
8 classes and engagement opportunities, physical education courses are equipped and staffed by
9 credentialed teachers, and sports teams have more coaches and officials along with upgraded
10 uniforms and equipment;

11 (7) The Preschool for All program, initially established by the ballot measure
12 that adopted the PEEF in 2004, successfully served over 18,000 children since the program's
13 creation, with enrollment increasing year to year;

14 (8) Studies have shown that children who participated in Preschool for All
15 demonstrated significantly higher academic achievement than children who did not participate;

16 (9) While the Preschool for All program made great strides in closing the
17 opportunity gap for low-income early age children, the current need far exceeds the current level
18 of services that the City is able to provide;

19 (10) The general education portion of the PEEF enabled SFUSD to triple the
20 number of students enrolled in grades K-8 receiving individual and/or group health and mental
21 health services through student support professionals over the past five years, with the number of
22 high school students receiving five or more counseling sessions at the Wellness Center more than
23 doubling in the last 10 years;

1 (11) The general education portion of the PEEF enabled SFUSD to nearly
2 double the number of high schools seniors completing two City College of San Francisco
3 courses;

4 (12) PEEF enabled the Human Capital Support program to recruit and retain a
5 diversity of quality teachers to SFUSD. In the year the program began, there were
6 approximately 46 teacher vacancies on the first day of school, whereas there were only three
7 teacher vacancies on the first day of school in FY 2012-2013;

8 (13) SFUSD has seen a resurgence in enrollment in recent years and recognition
9 of the opportunities now available to the young people of San Francisco;

10 (14) The choices businesses make about where to locate are impacted by the
11 quality of public services the City provides, including public safety, transportation and
12 education; a free quality public education can serve as a key factor for businesses to attract and
13 retain workers in our community;

14 (15) Since 2000, SFUSD has made strong improvements in achievement
15 measures and financial management; and during the past decade, SFUSD has built an
16 exemplary record for effective and responsible management of voter-approved parcel taxes and
17 bond measures. Financial and programmatic reviews of PEEF expenditures conducted by the
18 Controller's Office have verified that expenditures were spent in accordance with SFUSD's
19 spending plans and Charter requirements; and

20 (16) As the economy begins to recover, now is the time to continue to invest in
21 our children's future to maintain and grow thriving public schools, before declines begin to
22 erode the progress the SFUSD has made.

23 ~~1. Quality public education is highly correlated with higher earnings potential,~~
24 ~~reduced crime, lower rates of teen pregnancy and substance abuse, and greater self-esteem;~~

1 2. ~~Urban public schools have the greatest need for comprehensive educational~~
2 ~~programs including preschool programs, arts and music programs, sports activities, and after~~
3 ~~school programs but often have the fewest resources to provide them;~~

4 3. ~~While California once led the nation in public school spending and~~
5 ~~performance, investments have greatly declined. Despite its high cost of living, San Francisco~~
6 ~~per pupil spending ranks 34th among 43 comparable central City U.S. public school districts of~~
7 ~~similar size. As of 2001, adjusted for cost of living, teacher salaries for the San Francisco~~
8 ~~Unified School District (SFUSD) ranked 99th of 100 metropolitan areas;~~

9 4. ~~SFUSD enrollment has dropped in recent years as families have left San~~
10 ~~Francisco in search of affordable neighborhoods with high quality public schools;~~

11 5. ~~The choices businesses make about where to locate include the quality of~~
12 ~~public services the City provides, including public safety, transportation and education;~~

13 6. ~~Since 2000, the SFUSD has made strong improvements in achievement~~
14 ~~measures and financial management; and~~

15 7. ~~As the economy begins to recover, now is the time to invest in our children's~~
16 ~~future, before further declines begin to erode the progress the SFUSD has made.~~

17 (b) This measure may be referred to as "The Public Education Enrichment Fund Arts,
18 ~~Music, Sports, and Pre-School for Every Child~~ Amendment of 2014 2003."

19
20 **SEC. 16.123-2. PUBLIC EDUCATION ENRICHMENT FUND.**

21 (a) **Creating the Fund.** There shall be a Public Education Enrichment Fund. The City
22 shall each year appropriate monies to the Public Education Enrichment Fund according to
23 subsections (b), (c), and (d), below. ~~In determining whether the City has met its annual~~
24 ~~obligation to the Fund, the Mayor and the Board of Supervisors may consider both direct~~
25 ~~financial support and the cash value of any in-kind support services, as described in~~

1 ~~Section 16.123 5, provided by the City to the San Francisco Unified School District and the~~
2 ~~Children and Families First Commission (hereinafter the "First Five Commission") or any~~
3 ~~successor agency, provided that at least two-thirds of the City's contribution to the Fund each~~
4 ~~year shall be comprised of direct financial support necessary to meet the requirements of~~
5 ~~Sections 16.123 3 and 16.123 4 of this measure.~~

6 (b) **Baseline Appropriations.** The Fund shall be used exclusively to increase the
7 aggregate City appropriations to and expenditures for the San Francisco Unified School District.
8 To this end, the City shall not reduce the amount of such City appropriations (not including
9 appropriations from the Fund and exclusive of expenditures mandated by state or federal law) in
10 any ~~year of the eleven years~~ during which funds are required to be set aside under this Section
11 below the amount so appropriated for Fiscal Year ~~the fiscal year~~ 2002-2003 ("the base year").
12 These baseline appropriations shall be separate from the City's annual contributions to the Public
13 Education Enrichment Fund under subsection (c), and shall be appropriated by the City to the
14 School District each year through and including Fiscal Year 2040-2041 ~~during the term of this~~
15 ~~measure for the same purposes and in the same relative proportions among those purposes as in~~
16 ~~the base year, as certified by the Controller.~~

17 The amount of the City's baseline appropriations to the School District shall be adjusted
18 for each year after the base year by the Controller based on calculations consistent from year to
19 year by the percentage increase or decrease in City and County discretionary General Fund
20 revenues. In determining City and County discretionary General Fund revenues, the Controller
21 shall only include revenues received by the City and County that are unrestricted and may be
22 used at the option of the Mayor and the Board of Supervisors for any lawful City purpose.
23 Errors in the Controller's estimate of discretionary revenues for a fiscal year shall be corrected by
24 an adjustment in the next year's estimate. Using audited financial results for the prior fiscal year,
25

1 the Controller shall calculate and publish the actual amount of City appropriations that would
2 have been required under this baseline for the School District.

3 (c) **Annual Contributions to the Fund FY 2005-2006 through FY 2009-2010.** In
4 addition to the annual baseline appropriation provided above, the City shall, for years two
5 through six of this measure, contribute the following amounts to the Public Education
6 Enrichment Fund:

7	Fiscal Year 2005-06	\$10 million
8	Fiscal Year 2006-07	\$20 million
9	Fiscal Year 2007-08	\$30 million
10	Fiscal Year 2008-09	\$45 million
11	Fiscal Year 2009-10	\$60 million

12 (d) **Annual Contributions to the Fund-FY 2010-11 and Thereafter through FY 2014-**
13 **15.** For Fiscal Years 2010-11 and thereafter through FY 2014 15, the City's annual contribution
14 to the Public Education Enrichment Fund shall equal its total contribution for the prior year,
15 beginning with Fiscal Year 2009-2010, adjusted for the estimated increase or decrease in
16 discretionary General Fund revenues for the year.

17 (e) **Audit Requirements.** All disbursements from the Fund and from the baseline
18 appropriations shall be subject to periodic audit by the Controller. The San Francisco Unified
19 School District and the Office of Early Care and Education, or any successor entity ("OECE")
20 ~~the First Five Commission~~ shall agree to such audits as a condition of receiving disbursements
21 from the Fund.

22
23 **SEC. 16.123-4. UNIVERSAL ACCESS TO EARLY EDUCATION PRESCHOOL.**

24 (a) **Universal Access to Early Education Preschool.** It shall be the goal of the City and
25 County of San Francisco to provide all children between the ages of three and five years four-

1 ~~year-old children~~ who are City residents the opportunity to attend quality early education
2 programs, giving priority to four year old children. preschool, and it shall be It is the goal of the
3 people in adopting this measure to expand such access beginning ~~do so~~ no later than
4 September 1, ~~2015, 2009~~ building upon the work of the City's existing Preschool for All
5 program. This portion of the Fund may also be used to support the development of services for
6 children from birth to three years old.

7 (b) **Planning Process.** No later than January 1, 2016 ~~September 1, 2004~~, the OECE the
8 First Five Commission, in consultation with the San Francisco Child Care ~~Childeare~~ Planning
9 and Advisory Council, the First Five Commission, the San Francisco Unified School District, the
10 San Francisco Human Services Agency, the San Francisco Department of Children, Youth and
11 Their Families, and community stakeholders, shall submit to the Board of Supervisors a proposal
12 for ~~a~~ expanding quality universal early education ~~preschool program~~ for San Francisco. The
13 Board of Supervisors shall approve the plan by resolution; if the Board does not approve the
14 plan, it may refer the plan back to the OECE ~~First Five Commission~~ for revision.

15 In preparing the plan, the OECE may consult with the First Five Commission to shall
16 develop universal early education ~~preschool~~ funding guidelines consistent with the findings of
17 the 2012-2013 Child Care ~~Childeare~~ Planning and Advisory Council's San Francisco Child Care
18 Childeare Needs Assessment, the 2012 San Francisco Citywide Plan for Early Education,
19 First 5 San Francisco's 2013 Evaluations of the Preschool for All program, the San Francisco
20 Unified School District's 2014 Kindergarten Readiness Data, and the Office of Early Care and
21 Education's 2014 Financing Study.

22 The plan shall include goals for the quality of early care and education programs, shall
23 align with emerging developments in state and/or federal early care and education policy, and
24 shall address the professional development needs of center-based and family child care
25 providers. "Professional development" as used in this Section 16.123-4 includes education,

1 technical assistance and coaching, training, and supports, and shall be aligned with the City's
2 goals for early care and education program quality. Additionally, in preparing the plan, the
3 OECE shall develop ~~including~~ guidelines designed to meet neighborhood-specific needs,
4 including school readiness, subsidy availability, children's dual language development, facility
5 development, parent engagement and education, inclusion of children with special needs, ~~such~~
6 as ~~subsidies, new facility development,~~ and provider support for both family ~~child care~~ ~~ehildeare~~
7 homes and ~~child care~~ ~~ehildeare~~ centers. Such funding guidelines also shall address the unmet
8 need for universal ~~early education~~ ~~preschool~~ and ~~child care~~ ~~ehildeare~~ slots in specific City
9 neighborhoods.

10 The plan shall also include an equity analysis of services and resources for children and
11 families. The OECE Citizens' Advisory Committee shall develop a set of equity metrics to be
12 used to compare existing services and resources in low-income and disadvantaged communities
13 with services and resources available in the City as a whole.

14 Following the Board of Supervisors' approval of the plan, the OECE, in collaboration
15 with the San Francisco Unified School District and First Five Commission, shall develop an
16 evaluation plan for tracking the results of the City's investments in early care and education.

17 (c) **Annual Disbursements.** For Fiscal Year 2014-2015, Each year during the term of
18 ~~this measure,~~ the City shall appropriate one-third of the money in the Public Education
19 Enrichment Fund to the First Five Commission for universal preschool programs administered
20 by the Commission. Beginning July 1, 2015, the City each year shall appropriate one-third of
21 the money in the Public Education Enrichment Fund to the OECE for early education programs
22 to be administered by that office or entity or its successor.

23 (d) Citizens Advisory Committee. No later than March 1, 2015, the Board of
24 Supervisors shall establish, by ordinance, a Citizens Advisory Committee to provide

1 recommendations to the OECE on universal access to early education and the funds
2 appropriated under this Section.

3
4 **SEC. 16.123-5. DIRECT FINANCIAL ~~OTHER CITY~~ SUPPORT FOR THE SAN**
5 **FRANCISCO UNIFIED SCHOOL DISTRICT.**

6 ~~(a) **In-Kind Support.** Not later than one year after the effective date of this measure, the~~
7 ~~City and the School District shall identify areas of potential in-kind support that the City could~~
8 ~~provide to the School District free of charge or at substantially reduced rates. In-kind support,~~
9 ~~for these purposes, may include, but is not limited to:~~

10 ~~Learning support services, including health, counseling, social work, and~~
11 ~~nutrition services;~~

12 ~~Financial support services;~~

13 ~~Telecommunication and information services;~~

14 ~~Construction management services;~~

15 ~~Utility services;~~

16 ~~Transportation services;~~

17 ~~Legal services; and~~

18 ~~Public safety services.~~

19 ~~(b) **Planning Process.** No later than six months after the effective date of this measure,~~
20 ~~the School District shall submit to the Board of Supervisors proposals for in-kind services that~~
21 ~~could be provided by the City to the District to further the educational goals and operations of~~
22 ~~the District. The Board shall distribute those proposals to all City departments having expertise~~
23 ~~in providing or capability to provide such in-kind services, and no later than nine months after~~
24 ~~the effective date of this measure, the departments will respond to the Board with proposals to~~
25 ~~provide such in-kind services to the District. The School District may use any direct financial~~

1 ~~support provided under this Section to hire consultants to help identify possible in-kind services.~~
2 ~~The Board of Supervisors may, by ordinance, provide for continuation of this planning process~~
3 ~~during the subsequent term of the measure.~~

4 ~~(a) (e) **Annual Disbursements.** Each year through and including Fiscal~~
5 ~~Year 2040-2041 during the term of this measure, the City shall appropriate one-third of the~~
6 ~~money in ~~provide direct financial assistance from~~ the Public Education Enrichment Fund to the~~
7 ~~San Francisco Unified School District as direct financial support. ~~in an amount equal to one-~~~~
8 ~~third of the money in the Fund, or in-kind support services of equal value.~~

9 ~~(b) (d) **Permissible Uses.** The San Francisco Unified School District may expend funds~~
10 ~~provided as direct financial support under this Section for any educational or support purpose~~
11 ~~provided under law, including, but not limited to, gifted and talented programs, magnet~~
12 ~~programs, literacy programs, dual-language immersion programs, special education, employee~~
13 ~~compensation, career and college centers at high schools, teacher mentoring or master teacher~~
14 ~~programs, or other instructional purposes. The City recognizes that in providing such programs~~
15 ~~and services, a well-run school district requires both certificated and classified staff, and urges~~
16 ~~the San Francisco Unified School District to hire both certificated and classified staff to carry out~~
17 ~~the purposes of this measure.~~

18 ~~(e) Within one year of the effective date of this measure, the School District, with the~~
19 ~~assistance of the City's Department of Public Health, Department of Human Services, and~~
20 ~~Department of Children, Youth, and Their Families, shall conduct an assessment of health,~~
21 ~~counseling, social work, and nutritional needs of pupils in the District, including problems~~
22 ~~related to asthma and other chronic diseases. The City may appropriate a specific portion of the~~
23 ~~disbursement under this Section through its annual appropriation process for these purposes,~~
24 ~~pursuant to recommendations from the School District.~~

1 **SEC. 16.123-6. EXPENDITURE PLANS.**

2 (a) No later than April 1 ~~February 1~~ of each year during the term of this measure, the
3 San Francisco Unified School District and the OECE ~~the First Five Commission~~ shall each
4 submit an expenditure plan for funding to be received from the Public Education Enrichment
5 Fund for the upcoming fiscal year to the Mayor and the Board of Supervisors, in response to the
6 Controller's March fund estimate for the coming fiscal year. ~~The proposed expenditure plans~~
7 ~~must include prior year total budgeted and expended appropriations and Fund budgeted and~~
8 ~~expended appropriations by category, as well as average daily attendance information for the~~
9 ~~prior year and anticipated average daily attendance information for the plan year, to facilitate~~
10 ~~multi-year comparison.~~

11 ~~(b) The Controller shall review the plans and transmit them, with his or her comments,~~
12 ~~to the Mayor and the Board of Supervisors for their review and comment.~~

13 ~~(b) (e)~~ The plans shall include a budget for the expenditures, descriptions of programs
14 and services, performance goals, target populations, hiring and recruitment plans for personnel,
15 plans for matching or other additional funding, operating reserves, and any other matters that the
16 District and the OECE Commission deem appropriate or the Mayor or the Board requests.

17 ~~(c) (d)~~ The Mayor and the Board of Supervisors may request further explanation of items
18 included in the plans, and the District and the OECE Commission shall respond in a timely
19 manner to such inquiries. The Board may place appropriations provided for under this measure
20 on reserve until it has received adequate responses to its inquiries.

21
22 **SEC. 16.123-7. [Reserved] ~~STRUCTURAL SAVINGS TO THE CITY'S BUDGET.~~**

23 ~~(a) Controller's and Budget Analyst's Recommendations.~~ ~~Not later than October 1 of~~
24 ~~each fiscal year from Fiscal Year 2005-06 through 2009-10, the Controller and the Board of~~
25 ~~Supervisors' Budget Analyst shall prepare and submit recommended cuts or other structural~~

1 *changes to reduce, on an ongoing basis, spending on City departmental operations, or identify*
2 *new revenues, in an amount sufficient to meet each year's required funding for the Public*
3 *Education Enrichment Fund.*

4 ~~*(b) Board of Supervisors' Proposals.*~~ *Not later than December 15 of each fiscal year*
5 *from Fiscal Year 2005-06 through Fiscal Year 2009-10, the Board of Supervisors shall hold*
6 *hearings on the recommendations made by the Controller and the Budget Analyst and shall*
7 *forward its proposals to the Mayor.*

8 ~~*(c) Budget Requirements.*~~ *In his/her annual budget submission to the Board of*
9 *Supervisors for each fiscal year from Fiscal Year 2005-06 through Fiscal Year 2009-10, the*
10 *Mayor shall incorporate the Board of Supervisors' proposals, or identify alternative revenue or*
11 *expenditure savings sufficient to appropriate funds to the Public Education Enrichment Fund*
12 *according to the schedule set forth in Section 16.123-2 of this measure.*

13
14 **SEC. 16.123-8. ADJUSTMENTS.**

15 ~~*(a) In any year of this measure, if the joint budget report as prepared by the Controller,*~~
16 ~~*the Mayor's Budget Director and the Board of Supervisors' Budget Analyst projects a budgetary*~~
17 ~~*shortfall of \$100 million dollars or more, the Mayor and the Board of Supervisors may reduce*~~
18 ~~*the City's contribution to the Public Education Enrichment Fund under Section 16.123-2, and its*~~
19 ~~*disbursements under Sections 16.123-3, 16.123-4, or 16.123-5, by up to 25 percent; provided,*~~
20 ~~*however, that the City must pay back the amount deferred within the period from June 30, 2015,*~~
21 ~~*the last day of the term of this measure, and June 30, 2018, a date three years later, unless the*~~
22 ~~*voters extend this measure beyond July 1, 2015 or authorize a substantially similar measure at*~~
23 ~~*that time.*~~

24 ~~*(a) (b) Audit Recommendations.*~~ **Audit Recommendations.** The Mayor and the Board of Supervisors may
25 suspend the City's disbursements from the baseline appropriations or the Public Education

1 Enrichment Fund under Sections 16.123-3, 16.123-4, or 16.123-5 in whole or in part for any year
2 where the Controller certifies that the San Francisco Unified School District or the OECE the
3 ~~First Five Commission~~ has failed to adopt audit recommendations made by the Controller.

4 As part of the audit function, the Controller shall periodically review performance and
5 cost benchmarks developed by the School District and the OECE the First Five Commission,
6 including:

7 (1) Fund dollars spent for services, materials, and supplies permitted under the

8 Charter;

9 (2) Fund dollars spent as reported to the City;

10 (3) Supporting documentation of Fund expenditures; and,

11 (4) Progress towards established workload, efficiency and effectiveness

12 measures.

13 ~~in consultation with the Controller for programs funded under this measure. The Commission's~~
14 ~~performance and cost benchmarks shall be based on the same performance and cost benchmarks~~
15 ~~as are required for other City departments, and on comparisons with other cities, counties, and~~
16 ~~public agencies performing similar functions. The School District's performance and cost~~
17 ~~benchmarks shall be based on similar standards.~~

18 ~~In particular, the Controller shall assess:~~

19 ~~(1) Measures of workload addressing the level of service being provided or~~
20 ~~providing an assessment of need for a service;~~

21 ~~(2) Measures of efficiency including cost per unit of service provided, cost per~~
22 ~~unit of output, or the units of service provided per full time equivalent position; and~~

23 ~~(3) Measures of effectiveness including the quality of service provided, citizen~~
24 ~~perceptions of quality, and the extent a service meets the needs for which it was created.~~

1 ~~The Controller's audits may address the extent to which the School District and the First~~
2 ~~Five Commission have met their respective performance and cost benchmarks.~~

3 **~~(b) (e)~~ Reserve Policies.** The Mayor and the Board of Supervisors may suspend the
4 City's disbursements from the baseline appropriations or the Public Education Enrichment Fund
5 under Sections 16.123-2, 16.123-4, or 16.123-5 in whole or in part for any year where the
6 Controller certifies that the San Francisco Unified School District or the OECE ~~the First Five~~
7 ~~Commission~~ has failed to adopt reserve policies recommended by the Controller.

8 **~~(c) (d)~~ Transfer and Use of Suspended Distributions.** If the Mayor and the Board of
9 Supervisors suspend City distributions from the baseline appropriations or the Public Education
10 Enrichment Fund under subsections (a) or (b) ~~or (e)~~, the City shall transfer the amount that
11 would otherwise be distributed from the baseline appropriations or the Public Education
12 Enrichment Fund for that year to the Children and Youth ~~Children's~~ Fund established in Charter
13 Section 16.108, or any successor legislation, for the provision of substantially equivalent
14 services and programs.

15 **~~(d) (e)~~ New Local Revenues.** The Board of Supervisors may, by ordinance,
16 proportionally reduce the contribution to the Public Education Enrichment Fund and the
17 disbursements to the San Francisco Unified School District and the OECE ~~the First Five~~
18 ~~Commission~~ required by Sections 16.123-1 through 16.123-10 ~~this measure~~ if the voters of San
19 Francisco adopt new, dedicated revenue sources for the School District or the OECE
20 ~~Commission~~, and the offsetting reduction in disbursements is specifically authorized by the local
21 revenue measure.

22 **~~(e) (f)~~ New State Revenues.** Following full implementation of the per-student funding
23 targets outlined for SFUSD in the State's Local Control Funding Formula ("LCFF"), as
24 adopted in 2013, the ~~The~~ Board of Supervisors may, by ordinance, proportionally reduce the
25 contribution to the Public Education Enrichment Fund and the disbursements to the San

1 Francisco Unified School District required by this measure if the percentage increase in per-pupil
2 LCFF Revenue Limit funding provided by the State of California to the San Francisco Unified
3 School District in any subsequent fiscal year exceeds the percentage increase in the City's cost of
4 living during the previous fiscal year.

5 The Board of Supervisors may, by ordinance, proportionally reduce the contribution to
6 the Public Education Enrichment Fund and the disbursements to the OECE the First Five
7 Commission if the State of California provides funding to the City for universal preschool,
8 provided that such disbursements are not required to match state and/or other funding.

9 ~~(g) Eighteen months prior to the expiration of this measure, the Controller shall conduct~~
10 ~~a complete analysis of the outcomes of the programs funded through the Public Education~~
11 ~~Enrichment Fund. The Controller's study shall also address changes in the levels of state and~~
12 ~~federal funding for local schools, per pupil spending in the San Francisco Unified School~~
13 ~~District compared to urban school districts of similar size. The Controller shall present the~~
14 ~~results of this analysis to the Mayor and the Board of Supervisors no later than nine months~~
15 ~~prior to the expiration of the measure.~~

16
17 **SEC. 16.123-10. SUNSET.**

18 The provisions of Sections 16.123-1 through 16.123-10 ~~this measure~~ shall expire ~~in~~
19 ~~eleven years~~, at the end of Fiscal Year 2040-2041 ~~2014-15~~, unless extended by the voters.

20
21 **SEC. 16.127-1. OUR CHILDREN, OUR FAMILIES COUNCIL; PREAMBLE.**

22 (a) San Francisco has historically shown great concern and compassion for its most
23 vulnerable residents—its children. The City and the community have demonstrated this
24 commitment through the adoption of progressive, innovative and creative ideals supporting the
25 well-being of San Francisco's children and families.

1 (b) To continue its legacy as a champion of children, it is imperative for San Francisco
2 to further invest in the City’s children and families.

3 (c) The people of the City and County of San Francisco previously supported the
4 passage of the unprecedented Children’s Amendment in 1991 and 2000 and the Public
5 Education Enrichment Fund in 2004. While these initiatives dedicated funding to services, the
6 level of unmet needs in providing critical programming and services still falls short.

7 (d) In order to advance a Citywide vision and long-term set of goals, City leaders,
8 departments, the San Francisco Unified School District (“SFUSD”), and community partners
9 must come together to align needs with services, coordinate across agencies, and develop a
10 strategy.

11 (e) The Our Children, Our Families Council, comprised of department heads from the
12 City and SFUSD, and community stakeholders, will build a platform that will place children and
13 families at the center of every policy decision.

14 (f) With the renewal of the Children and Youth Fund and the Public Education
15 Enrichment Fund in November 2014, the City must seize this opportunity to develop a long-term
16 Citywide vision, create a set of strategies, coordinate services, and identify shared goals to not
17 only ensure that all children and families already here are able to thrive, but to encourage other
18 families to live here.

19 (g) The percentage of children under the age of 18 in San Francisco has steadily
20 declined. As of 2010, 13.4 percent of the City’s total population was under the age of 18, the
21 lowest percentage of any major city nationwide.

22 (h) Families continue to leave San Francisco, especially those families in the low to
23 moderate income brackets.

24 (i) San Francisco’s children population is declining, with over 10 percent of 1 to 4 year
25 olds moving out of the City annually and fewer children moving in.

1 (j) The declining numbers of children and families in the City cost the community
2 financially as less money is spent on the local economy.

3 (k) This measure will put in place a collaborative approach around the following points
4 of unity:

5 (1) Ensuring equity, and giving priority to children and youth with the highest
6 needs;

7 (2) Empowering parents, youth, and community stakeholders by giving them a
8 voice in the implementation of this Citywide vision; and,

9 (3) Building public trust through transparency and accountability meeting the
10 needs of children and families.

11
12 **SEC. 16.127-2. OUR CHILDREN, OUR FAMILIES COUNCIL; CREATION.**

13 There shall be an Our Children, Our Families Council (“the Council”) to advise the City
14 on the unmet needs, services, and basic needs infrastructure of children and families in San
15 Francisco through the creation of a Children and Families Plan for the City.

16
17 **SEC. 16.127-3. OUR CHILDREN, OUR FAMILIES COUNCIL; PURPOSE.**

18 In order to advance a Citywide vision centered on the needs of children and families, City
19 leaders and departments, SFUSD, and community partners must come together to coordinate
20 their efforts across agencies and develop a strategy for achieving shared goals. The purpose of
21 the Children and Families Plan to be developed by the Council will be to create an aligned and
22 connected system of programs and services, in order to strengthen the City’s ability to best serve
23 children, youth and their families, with the specific goals of promoting coordination among and
24 increased accessibility to such programs and services, and enhancing their overall effectiveness.

1 **SEC. 16.127-4. OUR CHILDREN, OUR FAMILIES COUNCIL; COMPOSITION.**

2 The Mayor shall chair the Council, and shall invite the Superintendent of SFUSD to
3 serve as co-chair of the Council. Other members of the Council shall include the heads of City
4 departments with responsibilities for services to children and families, members of the
5 community, and stakeholders. The Mayor shall also invite the heads of SFUSD divisions
6 identified by the Superintendent to serve as members of the Council.

7
8 **SEC. 16.127-5. OUR CHILDREN, OUR FAMILIES COUNCIL; RESPONSIBILITIES.**

9 (a) In order to ensure that all children in every neighborhood, especially those
10 neighborhoods with the greatest needs, have access to the resources to achieve, the Council will
11 be responsible for developing a Citywide vision, Citywide shared priorities, Citywide program
12 goals, and Citywide best practices for addressing those needs.

13 (b) **The San Francisco Children and Families Plan.** The Council shall craft a San
14 Francisco Children and Families Plan (“the Plan”) and identify relevant goals and strategies to
15 align and coordinate the services to children and families provided by City departments,
16 SFUSD, and community partners and to maximize support for children and families. The Plan
17 shall consider the following elements:

18 (1) Ease of access for children, youth and families in receiving services;

19 (2) Educational milestones developed by SFUSD and youth development
20 milestones developed by the Department of Children, Youth, and Their Families (“DCYF”) and
21 the Council;

22 (3) Existing quality of service benchmarks established by City and SFUSD
23 departments;

24 (4) Framework for a basic needs infrastructure, including, but not limited to,
25 housing, transit, and job placement resources; and

1 (5) Fairness in prioritizing the delivery of services to the children and families
2 with the most need.

3 The Plan shall also include an equity analysis of services and resources for children,
4 youth, and families. The Council shall develop a set of equity metrics to be used to compare
5 existing services and resources in low-income and disadvantaged communities with services and
6 resources available in the City as a whole. The Council may draw upon metrics used by
7 departments including DCYF and the Office of Early Care and Education (or any successor
8 agency).

9 (c) No later than May 1, 2016, and every fifth year thereafter, the Council shall develop
10 and adopt a set of proposed Citywide outcomes for services to children and families, including
11 an outcomes framework responsive to the evolving needs of the community. No later than July 1,
12 2016, and every fifth year thereafter, the Council shall prepare and adopt a Children and
13 Families Plan for the City, which shall include a comprehensive assessment of City policies and
14 programs, both public and private, addressing the needs of children and families in San
15 Francisco, and policy-level recommendations for making the City more supportive of children
16 and families. The Council shall emphasize solicitation and incorporation of community input in
17 the development of the initial Plan and subsequent Plans.

18 (d) No later than October 1, 2017, and each year thereafter, the Board of Supervisors
19 shall conduct a noticed public hearing to review the Council's performance and the City's
20 overall progress under the current Plan and to update interested parties on the status of the next
21 Plan.

22 (e) All City Departments shall consider the Plan in developing their own strategic plans
23 to make the City more supportive of children and families.

24 (f) **Planning.** Following the adoption of implementing legislation under
25 Section 16.126-7, the Mayor shall appoint members to the Council and the Council shall

1 convene to make initial decisions regarding staffing, organization, and implementation. The
2 Council shall also begin planning for the start of the five-year planning cycle in Fiscal
3 Year 2016-2017. The Council may recommend, and the Board of Supervisors may approve by
4 ordinance, changes to the due dates and timelines provided in this Section 16.127-5.

5 (g) **Coordination of Stakeholders.** The Council shall ensure that various community
6 groups, agencies, and organizations responsible for providing support, including the City,
7 SFUSD, and community partners, work together in aligned, coherent, and effective ways.

8 (h) **Coordination of Departments.** The Council shall facilitate cooperation and
9 coordination between relevant departments of the City and SFUSD to maximize alignment and
10 improve outcomes for children and youth. The Council shall oversee development and
11 implementation of a data-sharing agreement between SFUSD and relevant City departments.
12 The Council, in cooperation with the Board of Supervisors, the San Francisco Board of
13 Education, and community groups, shall work to ensure that funds spent to benefit children and
14 families are targeted to those most in need of specific services and that the funds are used
15 strategically to leverage and complement existing and anticipated federal, state, and local
16 resources.

17 (i) **Continued Autonomy of City and SFUSD.** The Council will be a policy
18 coordinating body dedicated to improving coordination between the City and its departments,
19 SFUSD and its departments, and community-based organizations funded by those agencies.
20 While the Council will make recommendations to the City and SFUSD, the City and SFUSD will
21 each retain its full independence and authority regarding programmatic and funding decisions.

22 (j) **Evaluation.** Every five years, the Controller shall review the Council's operations
23 and the Plan. The Controller shall submit the results of the review to the Council, the Board of
24 Supervisors, and the Board of Education. The Council shall consider the results of the
25 Controller's review in the preparation of the next Plan. The Council shall also report to the

1 general public on the Council's efforts and achievements through the creation of an annual San
2 Francisco Children and Families First Progress Report. The Progress Report shall provide the
3 results of the efforts of the City, SFUSD, and the community to serve children and families under
4 the Plan, measured against quantifiable standards and metrics and in light of the Council's
5 previously-adopted goals and priorities.

6
7 **SEC. 16.127-6. OUR CHILDREN, OUR FAMILIES COUNCIL; STAFFING.**

8 (a) **Staffing Support.** Subject to the fiscal and budgetary provisions of the Charter, the
9 City shall provide staff to the Council ("Council Staff") for administrative, organizational,
10 policy, and research support. Funding for Council Staff shall come from the General Fund;
11 provided, however, that SFUSD, participating City departments, and members of the public may
12 provide additional support and contributions.

13 (b) **Staff Roles and Responsibilities.** Subject to the direction of the Council, Council
14 Staff shall:

15 (1) Provide administrative, organizational, policy, planning, and research
16 support to the Council and its outcomes framework;

17 (2) Engage department heads from the City and SFUSD to coordinate the
18 implementation of services;

19 (3) Provide support for the Council, including developing a joint data-sharing
20 agreement between the City and SFUSD, monitoring the planning cycle, providing technical
21 support, and developing policy briefs on key issues relevant to implementation of the Plan;

22 (4) Support the development of an inventory of all Citywide services for children
23 and youth, including state and federally funded programs; and,

24 (5) Support the development of the Children and Families First Progress Report.
25

1 (c) **Funding.** It shall be the policy of the City to provide sufficient funding and
2 administrative support for the Council and Council Staff to perform these functions. Funding for
3 administrative support for the Council shall come from the General Fund; provided, however,
4 that SFUSD, participating City departments, and members of the public may provide additional
5 support and contributions.

6
7 **SEC. 16.127-7. OUR CHILDREN, OUR FAMILIES COUNCIL; IMPLEMENTATION.**

8 The Board of Supervisors shall further provide by ordinance for the membership,
9 structure, functions and support of the Council, consistent with the provisions of
10 Sections 16.126-1 through 16.126-6.

11
12 **SEC. 9.113.5. RAINY DAY RESERVES RESERVE.**

13 (a) Beginning January 1, 2015, there ~~There~~ shall be a City Rainy Day Reserve (“the City
14 Reserve”) and a School Rainy Day Reserve (“the School Reserve”), collectively referred to as
15 the Rainy Day Reserves ~~which may also be known as an economic stabilization reserve.~~

16 **Allocations to the Reserves Reserve**

17 (b) If the Controller projects that total General Fund revenues for the upcoming budget
18 year will exceed total General Fund revenues for the current year by more than five percent, the
19 budget shall allocate the anticipated General Fund revenues in excess of that five percent growth
20 (the excess revenues) as follows:

- 21 1. 50 percent of the excess revenues to the Rainy Day Reserves ~~Reserve~~, with 75
22 percent of that amount deposited to the City Reserve and 25 percent to the School Reserve;
23 2. 25 percent of the excess revenues to capital and other one-time expenditures;
24 and,
25 3. 25 percent of the excess revenues to any lawful governmental purpose.

1 (c) Total monies in the City Reserve may not exceed 10 percent of actual total general
2 fund revenues, as stated in the City's most recent independent annual audit. The budget shall
3 allocate excess revenues that would otherwise be allocated to the City Reserve above the 10
4 percent cap instead to capital and other one-time expenditures.

5 (d) The Mayor and the Board of Supervisors may, at any time, appropriate monies from
6 the capital and other one-time expenditures allocation for capital projects or for expenditures
7 such as, but not limited to, acquisition of equipment or information systems.

8 (e) The Mayor and the Board of Supervisors may, at any time, appropriate monies from
9 the general purpose allocation for any lawful governmental purpose.

10 **Withdrawals from the City Reserve**

11 (f) If the Controller projects that total General Fund revenues for the upcoming budget
12 year will be less than the current year's total General Fund revenues, or the highest of any other
13 previous year's total General Fund revenues, the budget may appropriate up to 50 percent of the
14 current balance in the City Reserve, but no more than the shortfall in total General Fund
15 revenues, for any lawful governmental purpose in the upcoming budget year.

16 1. If the trigger for withdrawals from the City Reserve was not met in the current
17 year, the Controller shall calculate the shortfall for the upcoming budget year by subtracting the
18 total projected General Fund revenues for the upcoming budget year from the total projected
19 General Fund revenues for the current year.

20 2. If the trigger for withdrawals from the City Reserve was met in the current
21 year, the shortfall shall be calculated by subtracting the total projected General Fund revenues
22 for the upcoming budget year from the highest of any previous year's total General Fund
23 revenues, plus two percent for each intervening year.

24 ***Adjustments***

1 (g) If the City made appropriations from the City Reserve in the current year and in the
2 immediately preceding budget year pursuant to subsection (f), the City is not required to allocate
3 any anticipated excess revenues to the Rainy Day Reserves Reserve or to capital and other one-
4 time expenditures for the upcoming budget year.

5 (h) If the Controller projects that the Consumer Price Index for the upcoming budget
6 year shall exceed the index for the current year by more than five percent, the trigger for
7 allocations to the Reserve as set forth in Subparagraph (b) above shall instead be the percentage
8 of growth in the index plus two percent. If the Controller projects that the Consumer Price Index
9 for the upcoming budget year shall be less than the index for the current year, the trigger for
10 withdrawals from the Reserve as set forth in Subparagraph (f) above shall instead be the
11 percentage of negative growth in the index. The Controller shall use for these purposes the San
12 Francisco All Items Consumer Price Index for All Urban Consumers (CPI-U), or its successor, as
13 reported by the U.S. Department of Labor's Bureau of Labor Statistics.

14 (i) If the Board of Supervisors or the voters take an action that changes the amount of
15 total General Fund revenues in any material manner, such as reducing a tax or imposing a new
16 fee, the revenue changes caused by that action will not be counted as part of the triggers for
17 allocations to the Rainy Day Reserves or withdrawals from the City Reserve during the year or
18 years in which the action is first implemented.

19 (j) In conjunction with the year-end close of the budget, the Controller shall reconcile the
20 revenue projections triggering any budgeted allocations to or withdrawals from the Rainy Day
21 Reserves Reserve with actual revenue results, as stated in the City's independent annual audit for
22 the years in question, and rebalance the Rainy Day Reserves Reserve, the capital and other one-
23 time expenditures allocation, and the general purpose allocation accordingly.

24 **Withdrawals from the School Reserve for the Benefit of the Unified School District**

1 (k) If the San Francisco Unified School District (“SFUSD”) projects that inflation-
2 adjusted per-pupil discretionary revenues for the upcoming fiscal year will be reduced and that a
3 significant number of layoffs would be required to balance its budget, the SFUSD Board of
4 Education may approve, by majority vote, a draw from the School Reserve of up to 50 percent of
5 the current balance in the School Reserve but no more than the shortfall in inflation-adjusted
6 per-pupil discretionary revenues, as determined by the SFUSD Board of Education. Such action
7 shall be transmitted to the Controller, who upon certification of the SFUSD calculation shall
8 transfer such funds to the SFUSD. For purposes of this Section, allocations provided from the
9 City to the SFUSD through the Public Education Enrichment Fund shall not be deemed
10 discretionary.

11 (l) If the triggers for withdrawal from the School Reserve were met in the current fiscal
12 year, the decline in per-pupil discretionary spending shall be calculated by subtracting the
13 inflation-adjusted per-pupil discretionary revenues for the upcoming budget year from the
14 highest of any previous year’s inflation-adjusted per-pupil discretionary revenues.

15 (m) In conjunction with the year-end close of the SFUSD budget, the SFUSD shall
16 reconcile the revenue projections triggering a budgeted withdrawal from the School Reserve
17 with actual revenue results, as stated in the SFUSD’s independent audit for the years in
18 question. The SFUSD shall rebalance the withdrawal allocation and, if necessary, return funds
19 required to rebalance the Reserve.

20 (n) Given possible changes in State school funding formulae, changes in local
21 demographic or economic conditions, or other factors, the SFUSD may for a given fiscal year
22 draw from the School Reserve amounts in excess of the limitations in subsection (k) or to offset
23 revenue losses that are less than those that would otherwise permit a draw under subsections (k)
24 and (l) . Such action shall become operative for that fiscal year following approval of two-thirds
25

1 of the SFUSD Board of Education and certification by the Controller of the Board of
2 Education's action.

3 ~~(k) If the Controller projects that inflation-adjusted per pupil revenues for the San~~
4 ~~Francisco Unified School District will be reduced in the upcoming budget year and the School~~
5 ~~District has noticed a significant number of layoffs, the Board of Supervisors and the Mayor~~
6 ~~may, in their discretion, appropriate funds from the Reserve to the School District to offset the~~
7 ~~costs of maintaining education during the upcoming budget year. Such appropriations may not~~
8 ~~exceed the dollar value of the total decline in inflation-adjusted per pupil revenues for the year,~~
9 ~~or 25 percent of the Reserve balance, whichever is lower. If the triggers for withdrawals from~~
10 ~~the Reserve for the benefit of the School District were met in the current year, the decline in per-~~
11 ~~pupil revenues shall be calculated by subtracting the inflation-adjusted per pupil revenues for~~
12 ~~the upcoming budget year from the highest of any previous year's inflation-adjusted per pupil~~
13 ~~revenues, plus two percent for each intervening year.~~

14 **Transition to New Reserve Structure**

15 (o) No later than January 1, 2015, the Controller shall transfer 50 percent of the Rainy
16 Day Reserve existing as of that date to the City Reserve and 50 percent to the School Reserve.

17 **Two-Year Budget**

18 ~~(p)(4)~~ The Controller shall promulgate procedures modifying the Rainy Day Reserve
19 system, as necessary, to be consistent with the City's adoption of biennial rather than annual
20 budgets.

21
22 **~~SEC. 4.133. TAXI COMMISSION.~~**

23 ~~(a) The Taxi Commission shall consist of seven members, appointed by the Mayor. The~~
24 ~~appointments shall include a member from the senior or disabled communities, a driver who~~
25 ~~does not hold a taxicab medallion, a manager in a taxicab company (either a medallion holder~~

1 ~~or a company representative), a member from the hospitality industry, a member from the labor~~
2 ~~community, a member from the neighborhoods, and a member of the general public not affiliated~~
3 ~~with any of the other enumerated categories.~~

4 ~~Pursuant to Government Code Section 87103, individuals appointed to the Commission~~
5 ~~under this Section are intended to represent and further the interest of the particular industries,~~
6 ~~trades, or professions specified herein. Accordingly, it is found that for purposes of persons who~~
7 ~~hold such office, the specified industries, trades, or professions are tantamount to and constitute~~
8 ~~the public generally within the meaning of Government Code Section 87103.~~

9 ~~The commissioners appointed to take office upon the effective date of this Charter section~~
10 ~~shall by lot classify their terms so that the terms of three of the commissioners shall expire at~~
11 ~~noon on the first anniversary of such date, and the terms of the remaining four commissioners~~
12 ~~shall expire at noon on the second anniversary of the effective date. On the expiration of these~~
13 ~~and successive terms of office, the appointments shall be made for two year terms.~~

14 ~~Members may be removed by the Mayor only pursuant to Section 15.105. Vacancies~~
15 ~~occurring in the offices of members, either during or at the expiration of a term, shall be filled by~~
16 ~~the Mayor.~~

17 ~~(b) Effective March 1, 1999, the Commission shall succeed to all powers and~~
18 ~~responsibilities relating to taxicabs and other motor vehicles for hire, other than criminal~~
19 ~~enforcement, now vested in the Police Commission, the Police Department or the Chief of~~
20 ~~Police. The Taxi Commission may be assigned additional duties and functions by ordinance or~~
21 ~~pursuant to Section 4.132.~~

22 ~~(c) All costs associated with the operations of the Taxi Commission, and such officers~~
23 ~~and employees as are necessary for the Commission to operate and administer the department~~
24 ~~and are authorized pursuant to the budgetary and fiscal provisions of the Charter, shall be~~
25 ~~recovered from permit, license and other fees charged to permit holders, applicants, and other~~

1 ~~persons by the Commission. The Board of Supervisors shall set fees sufficient to offset the costs~~
2 ~~of the Commission's operations and any such officers and employees. Notwithstanding the~~
3 ~~above, the Board of Supervisors may continue to offer reduced fees to operators who participate~~
4 ~~in the City's Paratransit Program, and offset the reduction in revenues with a contribution from~~
5 ~~the General Fund.~~

6
7 APPROVED AS TO FORM:
8 DENNIS J. HERRERA, City Attorney

9
10 By: _____
11 THOMAS J. OWEN
12 Deputy City Attorney

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