

CITY AND COUNTY OF SAN FRANCISCO  
BOARD OF SUPERVISORS  
BUDGET AND LEGISLATIVE ANALYST  
1390 Market Street, Suite 1150, San Francisco, CA 94102  
PHONE (415) 552-9292 FAX (415) 252-0461

## Policy Analysis Report

To: Supervisor Shamann Walton   
From: Budget and Legislative Analyst's Office  
Re: Analysis of Selected San Francisco Charter Amendments Proposed for November 2026 Ballot  
Date: October 8, 2026

---

### Summary of Requested Action

Your office requested that the Budget and Legislative Analyst conduct an independent analysis of three Charter reform measures proposed by Mayor Lurie for the November 2026 ballot: 1) Changes to Executive Branch Management, 2) Extending the City Administrator's Duties and Changes to City Contracting, and 3) Changes to Ballot Measure Process. You asked that we address a series of specific questions related to each ballot measure, as detailed below.

***For further information about this report, contact Fred Brousseau, Director of Policy Analysis, at the Budget and Legislative Analyst's Office: [fred.brousseau@sfgov.org](mailto:fred.brousseau@sfgov.org).***

---

### Executive Summary

- Three Charter amendments proposed by the Mayor will **appear on the November 3, 2026** ballot. Each qualified by voter petition and requires a simple majority to pass. They have been promoted to establish clearer lines of authority and greater efficiency within City operations and to align San Francisco with voter ordinance initiative requirements in other cities.
- As you requested, our review covers only select aspects of each measure:

We review costs associated with **Proposition F's** restructuring of executive branch management. The amendments grant the Mayor expanded authority to remove department heads and reorganize and merge executive branch departments. The proposition would also grant the Mayor's Office greater authority over City operations by allowing creation of deputy mayor positions who would have the authority to supervise departments overseen by boards and commissions, the City Administrator, and elected officials. We also examine costs associated with allowing the removal of board and commission members by their appointing authority without cause.

We examined the ways that **Proposition E** would change City contracting and the role of the City Administrator. It increases the City Administrator's term from five years to ten, increases the dollar value of contracts that can be approved by the City Administrator without approval by the Board of Supervisors, and grants exclusive authority to the City Administrator to introduce most procurement ordinances, which the Board of Supervisors could not amend and that would take effect in 60 days unless disapproved. The City Administrator would also be granted authority to adopt and amend rules and regulations to implement City code provisions governing procurement.

We quantify the impacts of **Proposition D** raising the signature threshold for placing citizen ordinance initiatives on the ballot from two to eight percent of registered voters in the City and County of San Francisco.

- Proponents of the three measures cite benefits including clearer lines of responsibility, greater efficiency in City operations, centralized oversight over contracting, more centralized authority over and greater consistency in Citywide contracting practices and aligning San Francisco ballot initiative procedures more closely with other California jurisdictions.
- Both Proposition F and E would reduce the authority of City boards and commissions and the Board of Supervisors and increase that of the Mayor and City Administrator. Proposition D would mostly affect those promoting citizen ordinance initiatives.

The findings below examine how this shift in authority would play out in the areas you asked us to review. **For each proposition, we present the element of the proposition you requested to be reviewed, restate your question and summarize what we found below**, including estimated costs or savings where we could quantify them. Because many of these effects would depend on how the Mayor and City Administrator choose to use their new authority, several estimates are presented as ranges or scenarios rather than single figures.

## Proposition F: Executive Branch Management

**Proposal: Expand Mayor's authority to appoint and remove department heads**

**Request:** Estimate the administrative costs or savings of shifting a much larger number of department heads to direct mayoral hire/fire authority, including transition costs such as severance, recruitment, and onboarding.

- **What We Found:** The Mayor now has sole removal authority for five of 62 department heads; boards and commissions remove most others. Proposition F would increase the number of department heads the Mayor could remove to 27, and the number the Mayor could alone appoint from five to 11. If turnover doubled because of these changes, we estimate separation costs would rise by approximately **\$268,000** annually.

***Proposal: Allow creation of deputy mayor positions with authority over executive branch departments***

**Request:** Prepare a stand-alone projection of salary and benefits packages for the proposed deputy mayor positions, benchmarked against comparable private sector roles.

- **What We Found:** Since 1991, the Charter has barred deputy mayor positions who supervise departments. Four policy Chiefs in the Mayor's Office now coordinate department functions but without directive authority. Proposition F would allow an unlimited number of deputy mayors with authority to supervise any department for which the City Administrator, an elected official, or an appointed board or commission is assigned responsibility in the Charter. Converting the existing four Chiefs in the Mayor's Office at the Charter-allowed maximum salary of 70 percent of the Mayor's salary, or \$284,977, would add approximately **\$198,000** in costs annually; 14 deputy mayor positions, as in Boston, would add about **\$3.0 million**, before benefits. An annual salary of \$284,977 for deputy mayors would be comparable to salaries for peer public sector and nonprofit organization positions in the Bay Area but lower than comparable private sector pay.

***Proposal: Allow Mayor to reorganize and merge executive branch departments***

**Request:** Estimate the costs of implementing department consolidations under this expedited process, including staff transfers, systems integration, and potential severance for displaced department heads.

- **What We Found:** Proposition F would give the Mayor expanded authority to consolidate executive branch departments. In cases of a merger of two executive branch departments, the proposed amendments allow for deletion of the head of the department being absorbed. This would produce estimated savings of between **\$221,000 to \$416,000** annually per position, less any severance. Such savings would be offset by merger-related costs such as information systems revamping, restructuring facilities, other personnel changes, possible new positions needed, and staff time spent on planning and coordination of the merger. No other savings are mandated in the proposed amendments but could occur through elimination of duplicative staff and functions if City management implements such changes. Such costs are not always eliminated in public sector mergers such as the current merger of the City's Department of Building Inspection and Planning Departments, where staff reductions or streamlining is not planned for several years though it is expected to eventually produce \$3 million in savings. No merger costs associated with this consolidation have been identified to date.

***Proposal: Allow Mayor or other appointing authorities to remove members of boards and commissions without cause***

**Request:** Estimate the total annual cost of health insurance and stipends for mayoral-appointed commissioners, in light of the shift to at-will removal for most commission members.

- **What We Found:** Most City board and commission members can now be removed only for official misconduct. Proposition F would allow removal without cause, by the Mayor or other appointing authority. Though many decline it, board and commission members are eligible for City-funded health insurance, and some receive stipends for their service. If removal of board and commissioner members increased and more replacement members elected to receive health care coverage through the City, these costs could increase: a 25 percent increase in participation would increase City costs by an estimated **\$175,681** per year; a 50 percent increase would increase costs by approximately **\$351,362** per year. Alternatively, participation rates could decrease with board and commission member turnover by the same amounts in estimated decreases. Stipend costs would not likely be affected significantly as they are not discretionary but are paid to all members of boards and commissions authorized to receive them.

## Proposition E: City Administrator Term and Contracting Authority

### **Proposal: Increase City Administrator term from five to 10 years**

**Request:** Assess the cost/benefit tradeoff of this reduced accountability, decade-long term structure resulting from the increase in the City Administrator's term from five to 10 years.

- **What We Found:** A 10-year term could better match capital and debt planning horizons that are part of the City Administrator's responsibilities, but the position's other responsibilities are generally not long-term in nature. The measure would halve the frequency of reappointment review though removal by the Mayor with Board concurrence would remain an option. Research does not show either term performs better. Peer jurisdictions in California generally do not have a fixed term for their chief administrative officer.

### **Proposal: Increase contract approval threshold for Board of Supervisors review**

**Request:** Using historical data, estimate how many contracts would have been exempt from Board of Supervisors review under the new thresholds. Project the cumulative effect of these adjustments over the next 10 to 20 years.

- **What We Found:** Since 1988, Board of Supervisors approval has been required for expenditure contracts of **\$10 million** and amendments over \$500,000. Proposition E would raise the threshold to **\$25 million** and cumulative increases of 50 percent for amendments, raise the revenue contract threshold from \$1 million to \$4.5 million, and index thresholds to inflation from 2032. Applying the proposed new threshold to 2023 through 2025, Board review would have fallen from **304 to 115** expenditure contracts, leaving **\$2.5 billion** in contract spending unreviewed, including agreements where Board review resulted in reduced funding levels or prompted audits. The current \$10 million threshold for expenditure contracts is already significantly higher than peer cities and counties in California.

***Proposal: Increase City Administrator's authority over procurement legislation and rules and regulations***

**Request:** Identify what oversight or audit mechanism, if any, would replace Board of Supervisors review for contracts procured and executed by the City Administrator without interference by the Mayor or Board of Supervisors and the costs of implementing those mechanisms.

Provide to the extent available an analysis of the market cost of reduced institutional uncertainty when procurement authority and department structures can be altered administratively rather than through a stable process.

Estimate the actual projected savings from centralizing procurement and technology purchasing under the City Administrator.

- **What We Found:** The City Administrator would gain exclusive authority to introduce ordinances on most procurement-related topics. This legislation could not be amended by the Board of Supervisors and it would automatically take effect in 60 days of introduction unless disapproved. The City Administrator would also have the sole authority to adopt and amend procurement rules and regulations. The City Administrator would be granted authority for directing and supervising the City's information technology across the City.
- The Charter amendments would give the City Administrator the authority to procure and execute contracts without interference from the Mayor or Board of Supervisors; current language is similar, allowing the City Administrator to award contracts without interference from the Mayor or Board of Supervisors.
- No new oversight or audit mechanism is proposed in the amendments. A five to 30 percent efficiency gain in procurement through these changes would save **\$3.8 million to \$23.0 million** annually, but no change in procedures to generate savings is required or spelled out in the proposed amendments.

## Proposition D: Signature Threshold for Citizen Initiatives

***Proposal: Increase the number of voter signatures required for citizen initiatives to qualify for the ballot***

**Request:** Summarize existing research on the relationship between rising campaign spending, independent expenditure activity, and voter turnout or disengagement, as it relates to raising the signature threshold for citizen initiatives from 2 to 8 percent of registered voters. Estimate the practical cost and organizing capacity required for a grassroots or non-profit backed campaign to meet the proposed 8 percent threshold compared to the current 2 percent threshold.

**What We Found:** Required signatures for citizen ordinance initiatives would rise from an estimated **10,615 to 42,460**. Qualifying a grassroots citizen's initiative would cost an estimated **\$1.5 million**, up from **\$320,000**, as campaigns indicate they would need to enhance their volunteers and turn to an increased number of paid petition circulators to meet the new requirement.

## Conclusion

Under the proposed Charter amendments addressed in this report, authority over department head appointments and removals, department reorganizations, board and commission member removals, and procurement would be more concentrated in the Office of the Mayor and City Administrator's Office, with the goal of creating clearer lines of responsibility and greater efficiency. The Board of Supervisors and City boards and commissions would have relatively reduced authority in each of these areas. Creation of newly allowed deputy mayors would be granted authority over executive branch departments, also representing an enhancement to Mayoral authority over City operations.

The City Administrator would have a longer fixed term and increased authority over contract approval and procurement-related legislation, with the role of the Board of Supervisors diminished in both areas.

Citizen voter initiatives would require four times more signatures to qualify for the ballot, likely leading to higher cost campaigns as more paid signature gatherers would be needed to enhance volunteer efforts.

We have estimated fiscal impacts associated with many of the proposed amendments with information available, but actual impacts will depend in many cases on the specifics of how the new Charter provisions are implemented if the propositions are adopted. Many of the impacts appear to affect governance leaving the question of whether clearer executive accountability and faster administration warrant fewer independent checks and oversight, particularly the loss of Board review for a substantial number and dollar value of contracts, the City Administrator's exclusive control over procurement legislation, and the higher bar for citizen initiatives.

|                                                                   |
|-------------------------------------------------------------------|
| <i>Project Staff: Fred Brousseau, Alex Thibodo, Avalon Bauman</i> |
|-------------------------------------------------------------------|

---

## Table of Contents

|                                                                                                             |    |
|-------------------------------------------------------------------------------------------------------------|----|
| Summary of Requested Action .....                                                                           | 1  |
| Executive Summary .....                                                                                     | 1  |
| Table of Contents .....                                                                                     | 7  |
| I. Proposition F: Changes to Executive Branch Management .....                                              | 8  |
| 1. Expanding mayoral authority for appointing and removing department heads .....                           | 8  |
| 2. Reinstating Deputy Mayor positions .....                                                                 | 15 |
| 3. Allowing executive department reorganizations .....                                                      | 19 |
| 4. Allowing the removal of board and commission members without cause .....                                 | 25 |
| II. Proposition E: City Administrator’s Authority and Changes to City Contracting .....                     | 28 |
| 1. An update on contracting data points .....                                                               | 28 |
| 2. Extending the City Administrator’s term from 5 to 10 years .....                                         | 30 |
| 3. Increasing the thresholds for Board of Supervisors approval of contracts and property sales .....        | 35 |
| 4. Expanding City Administrator contracting authorities; reducing legislative role and oversight .....      | 43 |
| III. Proposition D: Changes to Ballot Measure Process .....                                                 | 47 |
| 1. Increasing the signature threshold from 2 to 8 percent of registered voters for ballot initiatives ..... | 47 |
| Appendices .....                                                                                            | 52 |
| Appendix A: Department Head Appointment Authority, Current & Proposed .....                                 | 52 |
| Appendix B: Department Head Removal Authority, Current & Proposed .....                                     | 55 |

---

## I. Proposition F: Changes to Executive Branch Management

### 1. Expanding mayoral authority for appointing and removing department heads

#### *Current State*

The City & County of San Francisco has 62 departments, and the Mayor has varying degrees of control over the appointment and removal of their department heads. Overall, the Mayor has no appointment authority over 25 department heads, limited authority over 32 department heads, and complete appointment authority over five department heads.

The Mayor has independent authority to appoint the directors of the Department of Early Childhood (DEC); the Department of Children, Youth and Their Families (DCYF); the Office of Economic and Workforce Development (OEWD); the Department of Emergency Management (DEM); and the Mayor's Office of Housing and Community Development (MOHCD).

*Proposition F proposes to expand mayoral appointment and removal authority over department heads. The amendment expands the Mayor's removal authority from 5 to 27 department heads. Even if turnover doubled as a result, added costs would be modest, roughly \$230,000 annually.*

As shown in Exhibit 1 below, there are 25 department heads for whom the Mayor has no appointment authority. In these cases, the department head is selected entirely by a board, commission, or is elected by the voters. The appointment of the heads of 21 departments is governed by Charter Section 4.102(5), which provides that, unless otherwise specifically provided, a commission must submit at least three qualified applicants to the Mayor, from whom the Mayor may appoint a department head.<sup>1</sup> Seven other department heads are appointed by the City Administrator, with Mayoral concurrence, and four others combine the Mayor's appointments with approvals by other appointing authorities. Appendix A lists each department and its corresponding level of mayoral appointment authority.

---

<sup>1</sup> Separately, Charter sections 4.136 (b) and B3.581(h) establish that the Department of Police Accountability and the Port are to select a department head nominee, which the Mayor then appoints. The Police Accountability nominee must also be confirmed by the Board of Supervisors.

### Exhibit 1: Appointment of Department Heads - Current Level of Mayoral Authority

| Appointment Authority                                                     | # Departments | Percent     |
|---------------------------------------------------------------------------|---------------|-------------|
| <b>Complete mayoral authority</b>                                         | <b>5</b>      | <b>8%</b>   |
| <b>No mayoral authority</b>                                               | <b>25</b>     | <b>40%</b>  |
| <b>Some mayoral authority</b>                                             | <b>32</b>     | <b>52%</b>  |
| <i>Mayor selects from commission shortlist</i>                            | <i>21</i>     | <i>34%</i>  |
| <i>City Administrator appoints with concurrence of Mayor</i>              | <i>7</i>      | <i>11%</i>  |
| <i>Mayor appoints, Board of Supervisors confirms</i>                      | <i>2</i>      | <i>3%</i>   |
| <i>Commission nominates, Mayor selects</i>                                | <i>1</i>      | <i>2%</i>   |
| <i>Commission nominates, Mayor selects, Board of Supervisors confirms</i> | <i>1</i>      | <i>2%</i>   |
| <b>Total</b>                                                              | <b>62</b>     | <b>100%</b> |

Source: BLA analysis.

The Mayor's **authority to remove** department heads is similarly limited. Appointment and removal authority are primarily established in different provisions of the Charter and Administrative Code. The Mayor has no authority to remove the department head for 27 City departments. For another 30 departments, the Mayor shares removal authority with or otherwise has a role in the removal process alongside another City official or body (appointing authorities). In most of these cases, a board or commission can remove a department head on its own initiative, or the Mayor may recommend that a board or commission remove a department head.<sup>2</sup> The Mayor has the independent and exclusive authority to remove only five department heads, or eight percent of departments. Appendix B lists each department and its corresponding level of mayoral department head removal authority.

<sup>2</sup> Section 4.102(6) of the San Francisco Charter requires that, when the Mayor recommends removal, the respective board or commission either remove or choose to retain the department head within 30 days.

### Exhibit 2: Removal of Department Heads - Current Level of Mayoral Authority

| Removal Authority                                             | # Departments | Percent     |
|---------------------------------------------------------------|---------------|-------------|
| Complete mayoral authority                                    | 5             | 8%          |
| No mayoral authority                                          | 27            | 44%         |
| Some mayoral authority                                        | 30            | 48%         |
| <i>Commission removes independently or at Mayor's request</i> | 19            | 31%         |
| <i>City Administrator removes with concurrence of Mayor</i>   | 7             | 11%         |
| <i>Mayor removes with concurrence of Board of Supervisors</i> | 2             | 3%          |
| <i>Mayor or Commission may each remove independently</i>      | 1             | 2%          |
| <i>Mayor removes but can be overridden</i>                    | 1             | 2%          |
| <b>Total</b>                                                  | <b>62</b>     | <b>100%</b> |

Source: BLA analysis.

### Proposed Changes

The proposed amendments would make significant changes to how department heads who serve under boards or commissions are appointed and removed, generally shifting authority away from the boards and commissions and toward the mayor.

Under the proposed Charter amendments, exclusive appointment authority would be granted to the Mayor for six additional departments and removal authority for 22 additional departments. Exhibit 3 below shows the level of authority the Mayor currently has for appointing and removing department heads for all City departments, and how this would change under the proposed amendments.

The proposed amendments expand the Mayor's appointment authority by changing the following six departments from board or commission to full mayoral appointment authority: Building Inspection, City Planning, Entertainment, Public Works, Homelessness and Supportive Housing, and Office of Small Business. The legislation also removes mayoral appointment authority over the Department of Police Accountability department head and reassigns that to the Police Commission. In total, the mayor would have full appointment authority over 11 department head appointments, up from five.

The amendment also affects the Mayor's removal authority. Section 3.100(19) changes mayoral power from "appoint department heads" to "unless otherwise stated in this Charter, appoint *and remove* department heads". The measure also proposes removing Section 4.102(6), which establishes that it is the board or commission's duty to remove department heads. **This has the overall effect of shifting complete removal authority to the Mayor for 27 department heads from the current five, increasing the Mayor's span of control more than fivefold.**

**Exhibit 3: Proposed Changes to Department Head Appointment/Removal Authority**

| Appointment Authority                                     | Number of Departments |           |            |
|-----------------------------------------------------------|-----------------------|-----------|------------|
|                                                           | Current               | Proposed  | Change     |
| <b>No mayoral authority</b>                               | <b>25</b>             | <b>23</b> | <b>-2</b>  |
| Board or commission appoints                              | 11                    | 9         | -2         |
| Elected by voters                                         | 8                     | 8         | 0          |
| Other appointment                                         | 6                     | 6         | 0          |
| <b>Some level of mayoral authority</b>                    | <b>32</b>             | <b>28</b> | <b>-4</b>  |
| Mayor appoints; Board of Supervisors confirms             | 2                     | 2         | 0          |
| Mayor selects from commission shortlist                   | 21                    | 15        | -6         |
| City Administrator appoints with concurrence of Mayor     | 7                     | 7         | 0          |
| Commission nomination to Mayor                            | 2                     | 4         | 2          |
| <b>Mayor has complete authority</b>                       | <b>5</b>              | <b>11</b> | <b>6</b>   |
| <b>Total</b>                                              | <b>62</b>             | <b>62</b> | <b>0</b>   |
| Removal Authority                                         |                       |           |            |
|                                                           | Current               | Proposed  | Change     |
| <b>No mayoral authority</b>                               | <b>27</b>             | <b>24</b> | <b>-3</b>  |
| Board or commission removes                               | 15                    | 12        | -3         |
| Mayor suspends; Board of Supervisors removes              | 7                     | 7         | 0          |
| Other removal                                             | 5                     | 5         | 0          |
| <b>Some level of mayoral authority</b>                    | <b>30</b>             | <b>11</b> | <b>-19</b> |
| Commission removes independently or at Mayor's request    | 19                    | 1         | -18        |
| City administrator removes with concurrence of Mayor      | 7                     | 7         | 0          |
| Mayor removes with concurrence of Board of Supervisors    | 2                     | 2         | 0          |
| Mayor has authority to remove; Commission can also remove | 1                     | 0         | -1         |
| Mayor removes but can be overridden                       | 1                     | 1         | 0          |
| <b>Mayor has complete authority</b>                       | <b>5</b>              | <b>27</b> | <b>22</b>  |
| <b>Total</b>                                              | <b>62</b>             | <b>62</b> | <b>0</b>   |

Source: BLA analysis.

Finally, the proposed amendments adjust Charter Section 4.102(5), which currently states that commissions shall “submit to the Mayor **at least three** qualified applicants . . . for the position of department head”. Under the proposed amendments, this would be adjusted to “**one or more** qualified applicants.”

This change would allow for a practice not spelled out in the Charter but captured in a May 7, 2024, public memo from the City Attorney’s office which states that, “the Mayor may appoint a department head even if the Mayor receives fewer than three nominations”, adding that “if the Mayor does not object, the commission may submit fewer than three nominees. Sometimes the Mayor indicates their preference to the commission, and the commission forwards that person as the sole nominee to the Mayor.” Under the proposed amendments, there would no longer be a need for the Mayor to express agreement with receiving less than three nominees as only one would be required (though more nominees would be permissible).

**Requested analysis:** Estimate the administrative costs or savings of shifting a much larger number of departments head to direct mayoral hire/fire authority, including transition costs such as severance, recruitment, and onboarding.

### *Potential Cost Impacts*

To assess potential cost impacts of the proposed Charter amendments, we assessed historical data on costs incurred from severance payments and recruitment efforts and used it to project the financial impact of hypothetical scenarios. We first look at historical patterns to understand the range of turnover activity the City has experienced in recent years. Over the 4.3-year period from April 2022 to July 2026, the City experienced 26 department head separations,<sup>3</sup> averaging 6 per year, as shown in Exhibit 4. These included 24 occurrences in which department heads separated from City employment, and two occurrences of department heads changing the department they lead.

#### **Exhibit 4: Department Head Turnover, April 2022-July 2026**

|                         |           |
|-------------------------|-----------|
| Total # of Separations  | 26        |
| Total # Number of Years | 4.3       |
| <b>Average</b>          | <b>6*</b> |

Source: Department of Human Resources, BLA analysis.

\*The average annual turnover rate is 6.05 separations per year but is rounded to 6 for presentation. All cost estimates in this section use the unrounded rate. As a result, figures may not recompute exactly from the rounded values shown.

### **Severance costs**

Severance pay is available to eligible employees under certain conditions, including in the case of an involuntary separation from City service.

We assessed severance payment data provided by the Department of Human Resources (DHR). Only three separations between 2022 and 2026 incurred severance costs, totaling \$247,225. When factoring in all 26 separations, including the 23 that did not incur severance costs, the average cost per separation was \$9,509, as shown in Exhibit 5.

#### **Exhibit 5: Cost of Department Head Turnover, April 2022-July 2026**

| Total Severance Paid | Department Head Separations | Avg Cost Per Separation |
|----------------------|-----------------------------|-------------------------|
| <b>\$247,225</b>     | <b>26</b>                   | <b>\$9,509</b>          |

Source: Department of Human Resources.

### **External recruitment firm and moving costs**

DHR provided actual costs for external recruitment firms used during department head searches in the review period. DHR reported using a recruitment firm for nine of the 26 searches. Recruitment-firm expenses for those searches ranged from approximately \$30,000 to \$110,000

<sup>3</sup> For purposes of this analysis, "separation" refers to any instance in which a department head left their position, requiring a replacement. This includes 24 departures from City employment, whether voluntary or involuntary, and two instances in which a department head moved to lead a different City department.

and totaled \$599,204 for the period reviewed. For the searches for which external recruitment firms were used, the average cost was \$66,578.

DHR also reports that moving expenses were approved for three department head transitions, totaling \$58,026 across three recruitments from April 2022 to July 2026.<sup>4</sup>

Across all 26 department head separations, including the 17 separations for which no recruitment-firm cost was incurred, external recruitment firm costs plus the moving costs averaged \$25,278 per vacancy.

#### **Estimated staff time costs**

We estimated the value of staff time required to conduct a recruitment. Unlike recruitment firm payments, staff time does not represent an additional cash expenditure. Instead, it represents an opportunity cost: time that departmental and City staff could otherwise spend on their regular responsibilities. We received staff time estimates for two departments with recent Director recruitments: the Port (open recruitment) and Animal Care & Control (direct City Administrator appointment).

The Port reported about 214 hours across three full-time equivalents (FTEs), which reflects about \$18,000 in staff time costs. The Animal Care & Control Department estimated approximately 10 hours across four FTEs, or about \$950 in staff time costs. To estimate staff-time costs for all department head vacancies during the review period, we applied the Port's estimated cost to open recruitments and Animal Care & Control's estimated cost to direct appointments.

Using this method, estimated staff-time costs averaged \$9,475 per vacancy.<sup>5</sup>

#### **Total estimated costs**

Combining the average costs of external recruitment firms and moving (\$25,278), staff-time (\$9,475) and severance (\$9,509) results in a total average cost of \$44,262 per separation. This figure provides a single baseline for modeling potential financial impacts under varying turnover scenarios.

#### **Exhibit 6: Average Costs for Department Head Turnover, April 2022-July 2026**

|                                 |                 |
|---------------------------------|-----------------|
| Severance                       | \$9,509         |
| Recruitment Firm & Moving Costs | \$25,278        |
| Staff Time                      | \$9,475         |
| <b>Total Average</b>            | <b>\$44,262</b> |

Sources: Department of Human Resources, Port, and City Administrator's Office, BLA analysis.

#### **Baseline Costs Under Status Quo**

To estimate baseline annual costs under the current system, we start with the historical average department head turnover. Over the past 4.3 years, the City has experienced approximately six separations per year on average. This figure represents all types of separations, both voluntary and involuntary, and therefore serves as a baseline for projecting future annual activity if no

<sup>4</sup> Including pre-approved amounts where actual spending not available

<sup>5</sup> The margin of error for this estimate is large due to the small sample sized used for estimating departmental staff costs. Though a larger sample would have been ideal, it remained small due to time constraints.

reforms are adopted. As shown in Exhibit 6 above, the average cost of a single department head separation is \$44,262. Multiplying the average separation cost by the baseline turnover rate gives us the expected annual expenditure under existing conditions:

$$6 \text{ average annual separations} \times \$44,262 = \$267,629 \text{ annual average cost}$$

This estimate reflects the status quo: projected annual costs assuming no change in removal authority and no increase in turnover frequency.

#### *Increased Turnover Scenarios*

Although we cannot know whether the expanded control of mayoral removal authority will increase department head turnover, we can estimate the financial impact of potential increased turnover.

Exhibit 7 below shows that a moderate increase of 25 percent in overall turnover would cost the City an additional \$66,907 annually. If overall turnover were to double to 12.1 separations annually, the total annual cost could reach \$535,258, or an increase of \$267,629.

**Exhibit 7: Cost Impact of Increase in Department Head Turnover**

| <b>Scenario</b>           | <b>Average Separations Per Year</b> | <b>Total Annual Cost of Separations</b> | <b>Amount Increased</b> |
|---------------------------|-------------------------------------|-----------------------------------------|-------------------------|
| Status quo                | 6                                   | \$267,629                               | \$0                     |
| 25% increase in turnover  | 7.6                                 | \$334,536                               | \$66,907                |
| 50% increase in turnover  | 9.1                                 | \$401,443                               | \$133,814               |
| 100% increase in turnover | 12.1                                | \$535,258                               | \$267,629               |

Source: BLA analysis.

In sum, even if an expansion of mayoral authority leads to higher turnover, the financial consequences for the City remain modest. If overall turnover were to double (with the same rates of retirements, involuntary separations, and voluntary transitions) the resulting rise in annual costs would be likely no more than approximately \$270,000. The analysis shows that although these changes would generate measurable additional expenses, the magnitude of those costs is small, indicating that potential increases in turnover would not materially burden the City's finances. Costs could also decrease if turnover were to decrease because of the proposed Charter amendments.

## 2. Reinstating Deputy Mayor positions

### *Current State*

Charter Section 3.100.12 currently prohibits the Mayor from designating and the City and County from employing on the Mayor's behalf any person to act as deputy to the Mayor whose responsibilities include supervision of the administration of any department.

The Charter sets a limit on salaries for all members of the Mayor's staff at 70 percent of the Mayor's salary. The Mayor's current official salary is \$407,110 and 70 percent of that is \$284,977 (though the current Mayor has elected to only take \$1 in annual salary).

### *Proposed Changes*

The proposed amendments to Charter Section 3.100.12 would allow Deputy Mayor positions whose responsibilities would include supervision of administration of any department for which the City Administrator, an elected official, or an appointed board or commission is assigned responsibility in the Charter.

**Requested analysis:** Prepare a stand-alone projection of salary and benefits packages for the proposed deputy mayor positions, benchmarked against comparable private sector roles.

### *Deputy Mayors in Peer Jurisdictions*

Deputy mayors are in place in mayor's offices in other cities across the country. Generally, the number of deputy mayors and their responsibilities are at the mayor's discretion, often changing between and during administrations. Deputy mayors currently serving in cities across the country come from a range of professional backgrounds, most commonly having held director-level positions in departments at the local, state, or federal level, while others are appointed from leadership positions in the nonprofit sector. Commonly, these deputy positions have authority over a portfolio of departments, grouped together to encompass a broad function. In other cases, they are responsible for a functional area such as intergovernmental relations but without clear authority over department heads.

*Converting four existing Chiefs in the Mayor's Office to deputy mayors with new authority over City departments would increase costs by approximately \$200,000 annually. On the higher end, if San Francisco mirrored the City of Boston with 14 deputy mayor positions, annual costs would be increased by approximately \$3 million per year.*

A review of annual salaries for deputy mayors in eight other cities identified a median salary of \$240,426, as shown in Exhibit 8 below. The number of deputy mayors as of the current administration for 2026 ranges from one deputy mayor in Seattle to 14 in Boston.

### Exhibit 8: Salaries and Total Annual Costs for Deputy Mayors in other Cities, 2026

| City          | Number | Salary    | Annual Cost to City |
|---------------|--------|-----------|---------------------|
| Chicago       | 6      | \$189,000 | \$1,134,000         |
| New York City | 9      | 287,663   | 2,588,967           |
| Los Angeles   | 5      | 180,765   | 903,825             |
| Seattle       | 1      | 253,671   | 253,671             |
| Boston        | 14     | 195,000   | 2,730,000           |
| Baltimore     | 5      | 233,922   | 1,169,610           |
| Washington DC | 4      | 246,930   | 987,720             |
| Philadelphia  | 2      | 249,900   | 499,800             |

Source: BLA analysis.

#### *San Francisco Mayor's Office*

The FY 2026-27 budget for the San Francisco Mayor's office staff presently authorizes 177.58 total authorized FTE (Full Time Equivalent) positions, including the Mayor's Office of Housing and Community Development (MOHCD), which comprises 124.8 FTEs, and leaves 52.78 FTEs in the Mayor's Office if MOHCD is excluded. The Mayor's office is headed by a Chief of Staff, responsible for overseeing the entire office staff and serving as the point of contact for City department heads. Per the FY 2026-27 Annual Salary Ordinance, four positions in the Mayor's office are designated as Chiefs. Each position is responsible for one of four functional areas: 1) housing and economic development, 2) public safety, 3) health, homelessness, and family services, and 4) infrastructure, climate and mobility.<sup>6</sup> While they do not have authority to direct departments due to current Charter provisions, they serve as coordinators and work primarily with the City departments that provide services in these four functional areas to advance the policies of the Mayor. The FY 2026-27 salary costs for a 0905 Mayoral Staff XVII position, the classification used for the Chief positions in the San Francisco Mayor's office, is \$235,560 with all four positions totaling \$942,240.

#### *Potential Costs of Authorizing Deputy Mayors*

The City Charter stipulates that no mayoral staff salary shall be greater than 70 percent of the Mayor's official salary.<sup>7</sup> The impact of the proposed Charter amendments regarding Deputy Mayors will depend on the number of such positions established in the office and the salaries established for each, with none exceeding 70 percent of the Mayor's salary, presently set at \$407,110 for FY 2026-27. If all four chiefs are converted to deputy mayors with greater authority, and all four salaries are set at 70 percent of the Mayor's salary at \$284,977, total annual salary costs to the City would increase by \$197,668 from \$942,240 to \$1,139,908.<sup>8</sup>

Costs could also increase if the number of deputy mayors is increased to a number beyond the current four Chiefs. For example, before deputy mayors were prohibited due to passage of a ballot initiative in 1991, there were seven deputy mayors in the Mayor's office. Each additional deputy mayor FTE would cost \$370,470 in salary and benefit dollars. Further, the deputy mayors could be

<sup>6</sup> A fifth Chief position for Strategy and Performance was added to the office in 2025 but that position is currently vacant.

<sup>7</sup> San Francisco City Charter, Section 3.100.

<sup>8</sup> The City would also incur additional costs for fringe benefits, typically amounting to an additional 30 to 35 percent of salary dollars per position.

added to Mayor's office staff, subject to budget approval by the Board of Supervisors, without replacing the current Chiefs, in which case their salary and benefits costs would represent entirely new costs.

### *Salary Benchmarking*

While there are no direct private-sector equivalents to a deputy mayor, a review of the professional backgrounds of deputy mayors in peer jurisdictions indicates that appointees are generally drawn from senior leadership positions in government, nonprofit organizations, and, less frequently, private for-profit organizations. Most commonly, deputy mayors in other jurisdictions previously held department head or other director-level positions in local, state, or federal government, while others came from executive positions at nonprofit organizations relevant to their assigned policy portfolios. Given the variety of potential career pathways into a deputy mayor position, no single position provides an appropriate one-to-one salary comparison.

To assess the competitiveness of the proposed salary, we therefore compiled compensation data for several groups representing likely sources of candidates, including leadership positions at San Francisco nonprofit organizations, San Francisco department heads, and director-level positions in counties and special districts across the nine Bay Area counties. As shown below, the estimated Deputy Mayor salary of \$284,977 (based on 70% of the Mayor's current annual salary) falls within the range of compensation for these comparison groups, exceeding median salaries for government department heads and regional directors but below the median compensation for chief executive officers at the San Francisco nonprofit organizations reviewed.

### **Exhibit 9: Comparison of Proposed San Francisco Deputy Mayor Salary to Peer Leadership Positions in San Francisco and the Bay Area**

| <b>Candidate Pool</b>                    | <b>Comparative Title(s)</b>          | <b>Median Salary</b> |
|------------------------------------------|--------------------------------------|----------------------|
| San Francisco non-profit directors*      | Chief Executive Officer              | \$503,279            |
|                                          | <i>San Francisco Deputy Mayor</i>    | <i>\$284,977</i>     |
| San Francisco non-profit leadership*     | Chief Operating or Financial Officer | \$279,508            |
| San Francisco City and County Leadership | Department Head                      | \$246,527            |
| Bay Area County Government Leadership    | Director, County Executive           | \$244,712            |
| Bay Area Special Districts Directors^    | Executive Director                   | \$237,609            |

Source: Form 990s, State Controller's Government Compensation Directory, San Francisco FTE Cost Report.

(\*): Nonprofit salary information was collected for 15 San Francisco-based nonprofit organizations across several sectors, including arts and culture, community improvement, education, housing, human services, philanthropy and grantmaking, and research. "Non-profit directors" reflects Chief Executive Officer compensation, while "non-profit leadership" reflects the salary for the second highest-ranking employee after the CEO.

(^): Special districts include regional transportation authorities, parks districts, waste management authorities, and public insurance groups.

While there are no exact matches between deputy mayor and typical private sector positions, an approximation would be a corporate executive vice president or a senior vice president. These positions typically report to the chief executive officer or chief operating officer and are responsible for overseeing multiple divisions of the organization with a level of authority over them. According to Glassdoor, median base salaries for corporate senior vice presidents in the Bay

Area range from \$207,000-328,000 or within range of maximum salaries that could be paid to deputy mayors. However, total corporate compensation generally includes variable pay in addition to a base salary so these base amounts would likely be surpassed for corporate senior vice presidents also earning bonuses, stock options, or other long-term incentives. Glassdoor reports variable pay ranging from \$148,000 to \$275,000 for corporate senior vice presidents, resulting in total pay of between \$355,000 and \$603,000, or well above the maximum pay that would be allowable for deputy mayors in the City and County of San Francisco.

Implementing the proposed Charter amendments could increase salary costs because they would allow both higher individual salaries and, potentially, additional positions. As shown in Exhibit 10, converting the City's four existing policy chief positions to Deputy Mayor positions would cost approximately \$1.1 million in total (an increase of \$197,668) assuming each Deputy Mayor receives the maximum allowable salary. Because the legislation does not limit the number of Deputy Mayors, the City would not be restricted to four such positions. If San Francisco appointed the same number of Deputy Mayors as Boston (14) the City's total cost could rise to approximately \$4 million, or about \$3 million more than the cost of the four-position scenario. These two scenarios are presented in Exhibit 10 below.

**Exhibit 10: Estimated Additional Annual Salary Costs of Deputy Mayor Positions**

| Title(s)                                 | Quantity | Estimated Salary | Total Cost to City | Additional Annual Cost |
|------------------------------------------|----------|------------------|--------------------|------------------------|
| Current: Chief (0905 Mayoral Staff XVII) | 4        | \$235,560        | \$942,240          | \$0                    |
| Scenario 1: Deputy Mayor                 | 4        | \$284,977        | \$1,139,908        | \$197,668              |
| Scenario 2: Deputy Mayor                 | 14       | \$284,977        | \$3,989,678        | \$3,047,438            |

Source: BLA analysis.

### 3. Allowing executive department reorganizations

#### Current State

Under Charter section 4.132, the Mayor is allowed to reorganize duties and functions between executive branch departments. The Charter establishes that both Civil Service employees and fund balances may be transferred between departments. The Mayor must send a notice to the Board of Supervisors about such reorganizations. Unless they are disapproved by the Board within 30 days of the notice being sent, the reorganization changes become effective. The Charter does not allow the Mayor to merge entire executive branch departments.

The Mayor does not have the authority to transfer departments created under the Charter or functions assigned to a particular department in the Charter to other departments.

*The amendments would authorize the Mayor to reorganize and consolidate executive branch departments and delete one department head in any merger of two departments. The net fiscal effect of mergers is uncertain as it would depend on costs incurred such as severance payments, recruitment, systems integration vs. savings beyond elimination of one department head. Further savings could occur but only if City management makes discretionary decisions to cut redundant positions and costs.*

#### Proposed Changes

The proposed Charter amendments would expand the Mayor's authority to reorganize City departments; they would allow the Mayor to transfer functions among executive branch departments created under the Charter.

Under a new provision, the Mayor can submit an implementing ordinance alongside the reorganization notice. The Board of Supervisors has 60 days to reject them; otherwise, both are automatically approved. Currently, if an implementing ordinance is needed to effectuate a departmental reorganization, it must be introduced and go through the normal legislative process; there is no provision for automatic approval. In the absence of an implementing

ordinance, the reorganization becomes effective within 30 days of the notice being sent.

The proposed Charter amendments would allow the Mayor to reorganize duties and functions both among or between departments within the executive branch, with the following specifications:

- (1) Departments could be reorganized in several ways. Certain functions and duties could be transferred to another department. Alternatively, an entire department could be consolidated into one or more other departments, including the City Administrator's Office.
- (2) Any functions or duties specified in the Charter would need to remain in place, though they could be transferred to another department. Oversight of a duty or function may be moved to the board or commission overseeing the department that receives it.
- (3) If one department is consolidated into another department, the consolidated department head's position could be eliminated. The head of the receiving department could act as department head for the entire department. If the Charter or state or federal law requires

specific qualifications for a former department head or other position, the receiving department head must meet those qualifications or appoint a qualified person to perform the required functions.

The proposed Charter amendments specify which executive branch departments are potentially subject to this reorganization process. The amendments:

- (1) *Include* departments created by ordinance (including voter-adopted ordinances) and departments that are specifically designated as within the executive branch under Articles III, IV, V, VII or VIII of the Charter.
- (2) *Exclude* duties and functions set forth in the Charter for the City Administrator, Controller, Board of Appeals, Port, Airport, Asian Art Museum, and Fine Arts Museums. The Charter duties of the Department of Police Accountability could not be transferred to the Police Department and those of the Sheriff's Inspector General could not be transferred to the Sheriff's Department.

**Requested analysis:** Estimate the costs of implementing department consolidations under this expedited process, including staff transfers, systems integration, and potential severance for displaced department heads.

These proposed Charter amendments could result in financial costs and savings. Department consolidations are often intended to generate savings by reducing duplicative administrative functions, consolidating management and support services, and improving coordination across related operations. However, reorganizations can incur costs for transition planning, personnel changes, technology integration, facilities, and process redesign.

This analysis reviews the potential costs and savings associated with this ballot measure through a case study.

#### *Case Study: Department of Building Inspection and the City Planning Department*

We use a case study as an example of potential cost impacts of the proposed Charter amendments. Specifically, we review the ongoing reorganization of the Department of Building Inspection (DBI) and the City Planning Department (CPC/ "Planning") in connection with development of the new permit center. The case study identifies the specific changes that would occur under the legislation and identifies actual costs and potential savings, which can help illustrate how costs may change if future consolidations are more complex or occur more frequently.

In January 2026, Mayor Daniel Lurie announced that the City would begin a process to create a single organization responsible for the functions of the Planning Department, DBI, and the Permit Center.<sup>9</sup> This initiative reflects the closely connected roles of DBI and Planning in the development

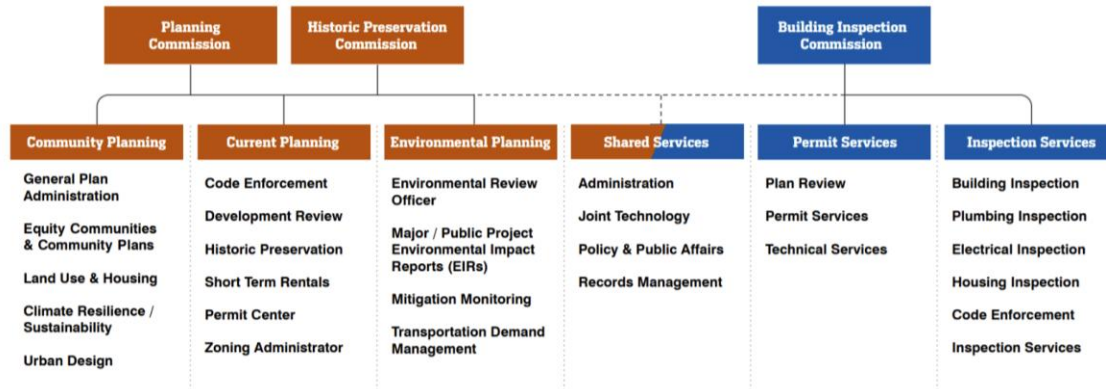
---

<sup>9</sup> Office of the Mayor, City and County of San Francisco, "Mayor Lurie Takes Major Step to Drive San Francisco's Recovery, Launching Process to Create a Single, Centralized Permitting Organization," <https://www.sf.gov/news-mayor-lurie-takes-major-step-to-drive-san-franciscos-recovery-launching-process-to-create-a-single-centralized-permitting-organization>

process, where applicants typically interact with both departments (and others) for a single project, and aims to establish a unified permitting center.

According to the Planning Department, in the current fiscal year (2026–27), DBI’s administrative and information technology functions will move into the Planning Department. Because DBI and the Building Inspection Commission are established in the Charter, all Charter-mandated core services, along with oversight by the Building Inspection Commission, must remain intact.<sup>10</sup> The current division of duties is shown in Exhibit 11a below.

**Exhibit 11a: Department of Building Inspection and Planning Organization Chart, July 2026**



Source: City Planning Department.

If the proposed ballot measure passes, the Mayor could transition DBI core services into the receiving department, as shown in Exhibit 11b below. Under this structure, DBI’s core services would be moved to what it calls the Fully Integrated Permitting Department. Oversight of DBI’s functions, currently performed by the Building Inspection Commission, could technically be transferred to the Planning Commission though this would not be required. The Commission Streamlining Task Force has recommended that the Building Inspection Commission be retained.<sup>11</sup>

<sup>10</sup> The Commission Streamlining Task Force, in their 2026 final report, proposes to move the Building Inspection Commission from the Charter into the Administrative Code. Should this be approved, duties of the Building Inspection Commission could be modified by ordinance.

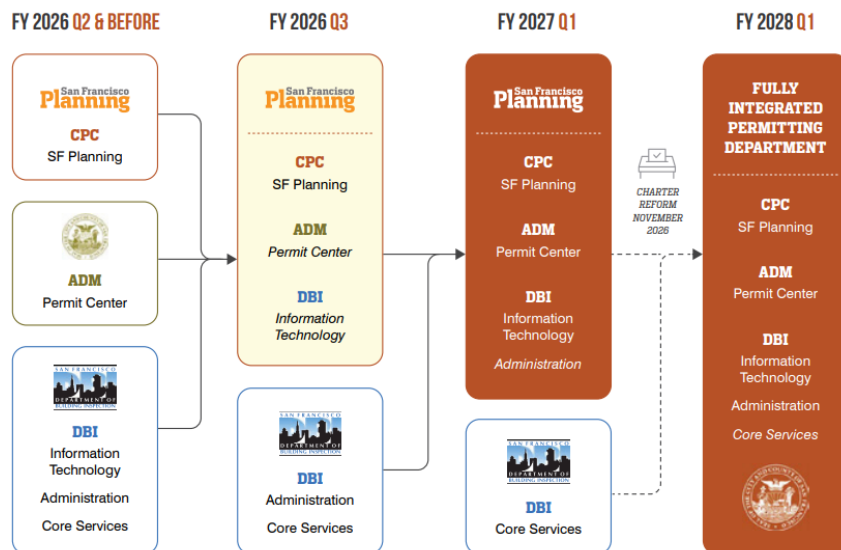
<sup>11</sup> City and County of San Francisco, Commission Streamlining Task Force, *Commission Streamlining Task Force Final Report*, January 28, 2026.

[https://media.api.sf.gov/documents/Commission\\_Streamlining\\_Task\\_Force\\_Final\\_Report.pdf](https://media.api.sf.gov/documents/Commission_Streamlining_Task_Force_Final_Report.pdf)

## Exhibit 11b: Proposed Reorganization of DBI and Planning

### Structural Changes

FY 2026 Q2 - FY 2028 Q1



Source: City Planning Department.

### Costs and Savings of the DBI and Planning Consolidation

#### Under the status quo

According to the Mayor's Office, the transfer of functions between DBI and Planning itself will not generate direct budgetary costs. The reorganization did not incur new real estate or technology expenses; instead, the existing technology budgets of DBI and Planning were consolidated and redirected to the combined office. Because existing systems remain in place, the merger will not yield savings from consolidating redundant information technology systems.

Opportunity costs exist in the form of staff time. Mayoral staff time spent coordinating and planning the transfer of functions represents an opportunity cost of mayoral staff resources. However, an estimate for time spent is not currently available from the departments or Mayor's office. Beyond that, an unknown amount of staff time in the two departments will be redirected to merger activity for a duration of time before and after the merger.

The Mayor's Office also reports that no layoffs are currently planned as part of the transfer of functions. However, over the longer term, through attrition or organizational streamlining, the Mayor's office estimates that the consolidated structure will produce approximately \$3 million in annual savings in administration and IT personnel relative to the status quo. For the near term, the City will not be achieving savings through reduced headcount. Future reorganizations and mergers could likewise incur "costs" if City decisionmakers do not choose to reduce duplicative positions (beyond department heads) through mergers.

### **Under the proposed Charter amendments**

If the proposed Charter amendments pass, additional specific savings could be obtained due to the enabled elimination of the DBI department head. Currently the executive director is protected as the role is enshrined in the Charter. Under the changes, this role could be eliminated for savings of up to \$393,000.<sup>12 13</sup>

Other than this department head elimination provision, the charter amendments would not generate the City savings beyond the status quo for the DBI – Planning reorganization.

### *Costs and Savings of Future Consolidations*

The ongoing DBI-Planning reorganization illustrates that the City can pursue some administrative streamlining under the existing framework. Estimating the fiscal effect of the proposed Charter amendment therefore requires distinguishing between reorganizations that can occur under existing authority and any additional reorganizations, or changes in process, that the amendments will allow.

The only direct, concrete affiliated costs and savings that are enabled by the ballot measure is the ability to eliminate Charter-established department head positions. This could result in severance costs ranging from approximately \$30,000 to \$134,000.<sup>14</sup> Salary savings between approximately \$221,000 and \$416,000 annually could be realized depending on the individual in the role.<sup>15</sup>

Aside from this, the proposed Charter changes allow for more complex and comprehensive reorganizations, as well as introducing a new process for streamlined approvals. These changes don't have a direct cost associated with them but could possibly increase the number of future departmental consolidations by making it easier for the Mayor to initiate reorganizations. The financial impact of this is not clear, since each consolidation's financial impact on the City will depend on its goals, implementation choices, and whether it changes underlying cost drivers.

While this measure may enable cost savings in future consolidations, costs will only be meaningfully reduced if duplicate positions are eliminated. In public sector mergers, position eliminations are often delayed, reduced, or avoided. A study of municipal and superior court mergers in California found that costs did not decrease after the mergers. This could be due to changing composition of the workforce, with the new roles created by the merger requiring higher wages. The study also reported that a reduction in duplicative efforts does not occur automatically in public sector mergers, also a common finding in other studies on this topic. Reasons cited for this are new requirements for the merged agencies that require additional resources and

---

<sup>12</sup> Top-step salary of a Department Head III (0963) in FY 2026-27 was \$291,330, with fringe approximated as 35 percent of salary for a total of \$393,000 in potential savings.

<sup>13</sup> If an eliminated department head is responsible for specific duties under state law, another person in the receiving department would be required to perform those duties.

<sup>14</sup> This is the range of severance paid by the City for all separations of department heads between 2022 and 2026, according to the Department of Human Resources.

<sup>15</sup> The range in top-step salaries for Department Heads I (0961) through V (0965) for FY 2026-27 according to the SF Jobs Classifications website.

institutional and personal difficulties associated with firing workers.<sup>16</sup> Overall, there is limited academic research on department consolidations, finding mixed results on cost efficiency.<sup>17</sup> This literature often finds that consolidations can, but do not consistently, produce cost savings. Although the evidence is limited and indirect, it points to considering personnel costs when trying to understand cost impacts.

Information systems revamps often represent a significant cost incurred in organizational mergers as the two (or more) organizations usually have their own systems geared to their missions and functions. These merger-related costs can include data migration, new software licenses, hardware upgrades, and outside IT consultants. While mergers should result in cost savings and other benefits in the long term, increased costs for IT integration during the transition should not be unexpected. Besides the costs for outside vendors and consultants, staff time costs will be incurred to prepare for and execute the systems transitions. Literature on private sector mergers often cautions the importance of staff time for pre-merger planning and executing and following up on the integration.

Whether a consolidation results in net costs or savings will be specific to a particular reconfiguration and management willingness to eliminate positions and other redundancies. For example, the proposed DBI-Planning consolidation is intended primarily to improve coordination and service delivery, rather than to eliminate duplicated capacity. As a result, any cost savings may be less than a reorganization focused on eliminating duplicative roles. Future reorganizations that are designed to reduce duplicative functions or administrative costs could potentially result in greater long-term savings. The nature of these reorganizations is not driven by the proposed Charter amendments.

A greater number of departmental consolidations would not, therefore, necessarily produce greater savings but would most likely incur transition costs. By making it easier for the Mayor to initiate reorganizations, the amendment could increase the number of future consolidations and fail to generate savings if actions aren't taken to eliminate redundant positions and systems. However, the fiscal effect of each consolidation would depend on whether it reduces duplicative staffing or other underlying operating costs, relative to any implementation costs. Overall, the amendment's net fiscal effect cannot be determined in advance.

---

<sup>16</sup> Siân Mughan and Dallin Overstreet, "Can Local Government Mergers Reduce Costs when Capital Expenditures are Low? Evidence from Court Mergers", *Urban Affairs Review* Volume 60, Issue 3, May 2024, pages 892 – 922, DOI: 10.1177/10780874231209908.

<sup>17</sup> Most research on governmental mergers examines the consolidation of separate entities rather than departments within a single government. Cost savings research can be found on [city-county consolidations](#), [institutional mergers](#), and [regional integrations](#), but not local government departments.

#### 4. Allowing the removal of board and commission members without cause

##### *Current State*

At present, most City board and commission members can only be appointed and removed by the member's appointing authority (i.e., the Mayor, Board of Supervisors, Controller, or other officer designated in the Charter). Removal is limited in many cases to the appointee being found guilty of official misconduct.

Section 5.1-6 of the San Francisco Administrative Code establishes that commissioners are not to receive compensation unless established in the Charter or through ordinance. As a result, stipends are established on a commission-by-commission basis in both the Charter and through ordinance. Although most commissioners are unpaid volunteers, in FY 2024-25, a total of 29 boards and commissions reported paying stipends in some amount.<sup>18</sup>

##### *Proposed Changes*

The proposed amendments would allow for removal of nearly all board and commission members by their appointing authority **without** cause. In most cases, the appointing authority would be the Mayor. The appointment process would remain the same in most cases, with the Mayor, a mix of the Mayor and Board of Supervisors, or the Mayor, Board of Supervisors, and other officials still responsible for appointments for the same bodies as they are now. The change in removal provisions could potentially result in increased turnover of board and commission members since it would be easier for the Mayor to remove board and commission members.

*At-will removal of board and commission members would not directly affect healthcare or stipend costs. Healthcare costs would change only if replacement board and commission members enroll at different rates than current commissioners. Stipends are set in City code for eligible board and commission members.*

There are no changes proposed to commission stipends, nor health insurance eligibility for board and commission members.

**Requested analysis:** Estimate the total annual cost of health insurance and stipends for mayoral-appointed commissioners, in light of the shift to at-will removal for most commission members

##### *Current Healthcare and Stipend Costs*

San Francisco's commission system<sup>19</sup> includes 44 commissions, representing 348 commissioners, eligible to participate in the City's Health Service System during their time of service under Administrative Code Section 16.700. Not all seats are filled at any point in time, and not all serving commissioners elect health insurance coverage: approximately 69 percent of serving

<sup>18</sup> Budget and Legislative Analyst survey, 2025

<sup>19</sup> Proposition E defines San Francisco's commission system to include any "legislative body" as defined in California Government Code Section 54952(b), meaning "...a commission, committee, board, or other body of a local agency, whether permanent or temporary, decision-making or advisory, created by charter, ordinance, resolution, or formal action of a legislative body."

commissioners waived coverage in FY 2024-25, according to the San Francisco Health Service System.

A 2025 survey of City boards and commissions conducted by the Budget and Legislative Analyst found that total health insurance expenditures were \$702,723 in FY 2024–25.<sup>20</sup> According to the Health Service System, the average City cost of this benefit was \$8,385 per commissioner during this period, excluding those who waived coverage. This average also reflects commissioner vacancies and commissioners using their coverage only during part of the year in instances of turnover. Administrative Code Section 16.700 provides commissioner health insurance coverage only “during their time in service to the City and County of San Francisco.” Accordingly, a commissioner’s eligibility for coverage under Section 16.700 ends when the commissioner resigns, completes their service, or is removed from office.

While most of the commissioners on the City’s boards and commissions are unpaid volunteers,<sup>21</sup> some receive stipends. For example, the Local Agency Formation Commission pays commissioners \$100 per meeting,<sup>22</sup> Assessment Appeals Board members receive \$125 per hearing up to a maximum of \$375 per day,<sup>23</sup> and Administrative Code Section 37.4 establishes a stipend of \$75 per Board meeting for members of the Rent Board. According to the Budget and Legislative Analyst’s survey, stipends totaled \$442,601 across 29 commissions that reported paying them in FY 2024–25. This equates to an average of \$15,262 per commission that paid stipends.

#### *Cost Implications of Proposed Ballot Measure*

The shift to at-will removal authority for most mayoral-appointed commissioners would not, by itself, increase the City’s annual health insurance cost. Rather, the cost would depend on the number of commissioners who are replaced and whether incoming commissioners elect to use the healthcare benefit.

The FY 2024–25 expenditure of \$702,723 is the best available baseline estimate of annual healthcare costs across the 44 eligible commissions. If a participating commissioner is removed, the City stops paying their healthcare premiums upon separation. A newly appointed commissioner could then become eligible and participate, depending on enrollment requirements and their choice to participate.

Therefore, commissioner turnover could increase annual costs, but not necessarily. Exhibit 12 below shows potential cost increases if the incoming commissioners participate in the commission

---

<sup>20</sup> City and County of San Francisco, Board of Supervisors, Budget and Legislative Analyst, *Analysis of the Annual Financial Cost of City Appointive Boards and Commissions and the Financial Impact of Their Elimination or Consolidation*, report to the Commission Streamlining Task Force, September 1, 2025.

[https://sfbos.archive.sf.gov/sites/default/files/BLA.PropE\\_.090125.pdf](https://sfbos.archive.sf.gov/sites/default/files/BLA.PropE_.090125.pdf)

<sup>21</sup> Though all commissions are unique, some, like the Film Commission, have Charter-established prohibitions on stipends (Section 57.2(d)).

<sup>22</sup> San Francisco Local Agency Formation Commission, *LAFCo General Policies and Procedures*, <https://www.sf.gov/lafco-general-policies-and-procedures>

<sup>23</sup> “Committee Backs Raise in Stipend for Assessment Appeals Board Members,” *CitizenPortal*, <https://citizenportal.ai/articles/7109149/california/san-francisco-county/committee-backs-raise-in-stipend-for-assessment-appeals-board-members>

healthcare benefit at higher rates than departing commissioners. Costs could rise by roughly \$350,000 annually under a higher increase scenario where participation increases by 50 percent. By contrast, a moderate 25 percent increase in healthcare participation would increase costs by approximately \$175,000 annually.

**Exhibit 12: Cost Increases under Hypothetical Increased Eligible Commissioner Participation in Healthcare<sup>24</sup>**

| Scenario                     | Total Commissioner |               |
|------------------------------|--------------------|---------------|
|                              | Healthcare Costs   | Cost Increase |
| Baseline (FY 2024-25 Actual) | \$ 702,723         |               |
| Moderate Increase (25%)      | \$ 878,404         | \$175,681     |
| High Increase (50%)          | \$ 1,054,085       | \$351,362     |

Source: San Francisco Health Service System and BLA analysis.

Costs could also decrease if replacement commissioners choose to take health insurance coverage at a lower rate than departing commissioners. Exhibit 13 shows possible decreases based on moderate and high rates of reduced commissioner acceptance of health insurance coverage.

**Exhibit 13: Cost Decreases under Hypothetical Decrease in Eligible Commissioner Participation in Healthcare**

| Scenario                     | Total Commissioner |               |
|------------------------------|--------------------|---------------|
|                              | Healthcare Costs   | Cost Decrease |
| Baseline (FY 2024-25 Actual) | \$702,723          |               |
| Moderate Decrease (25%)      | \$527,042          | (\$175,681)   |
| High Decrease (50%)          | \$351,362          | (\$351,362)   |

Source: San Francisco Health Service System and BLA analysis.

Commissioner stipends, by contrast, are generally determined by the compensation structure and meeting or hearing activity of each commission, rather than by an individual commissioner's election to enroll in a benefit. Therefore, the shift to at-will removal itself would not change the stipend rates or the City's underlying obligation to pay authorized stipends.

---

<sup>24</sup> The FY 2024-25 participation rate was 31 percent, with 69 percent waiving enrollment. This means that enrollment could more than triple should all eligible commissioners participate.

---

## II. Proposition E: City Administrator's Authority and Changes to City Contracting

### 1. An update on contracting data points

The proposed Charter amendment to expand the City Administrator's authority and adjust contracting requirements is intended to address inefficiencies within the City's procurement system. As the foundation for this proposal, the ballot measure findings and declarations sets forth several assertions regarding current contracting practices. Before assessing the broader implications of the proposed amendments in this section of the report, we evaluate these assertions to provide a clear and accurate basis for understanding the measure's intent and potential impact.

**Proposition findings and declarations claim: the City oversees more than \$5 billion in annual contracts.**

For fiscal year 2025-26, the City Administrator reports the City's total contract spend was just under \$6.2 billion.<sup>25</sup>

**Proposition findings and declarations claim: the procurement process for a single contract costs roughly \$25,000 and can take six to 12 months.**

The City Administrator confirms that procurements can take six to 12 months. However, the cost estimate may be less accurate. This estimate derives from SPUR's April 2025 report *Purchasing Power*,<sup>26</sup> which estimated that each solicitation costs the City at least \$22,000 to \$28,000. Although the \$25,000 figure, an average of SPUR's two figures, is a helpful starting point as a rough estimate, it should not be considered authoritative for all City contracts due to a number of important assumptions made as part of the analysis's methodology. First, the estimate from SPUR samples only three City departments, or less than five percent of all City departments. Second, the analysis considered only professional services contracts and grant agreements. Third, the cost was calculated based on one department's estimate that 65 to 75 percent of hours were from outside the department, a rate which could vary based on department. Finally, the estimate excludes staff time at the City Attorney's Office, the Office of Contract Administration, and other reviewing departments, therefore understating the cost.

Recent developments likely affect the accuracy of this procurement cost estimate including salary increases since the 2025 assessment and the initiation of the GovOps initiative, which the City Administrator's Office reports has decreased the time it takes to process contract requirements, though the Office did not provide an estimate of the reduction in elapsed time. Given the methodological limitations, the estimate is not likely the true figure, however, in the absence of a much more comprehensive and updated assessment, it is a reasonable starting point.

---

<sup>25</sup>Total contract spend differs from the total value of contracts in place. Total contract expenditure reflects how much the City pays out on contracts over a given period. In contrast, the total value of all contracts currently in place represents the maximum authorized amounts across all active agreements.

<sup>26</sup> Nicole Neditch, *Purchasing Power: Nine Recommendations to Improve San Francisco's Procurement Process* (San Francisco: SPUR, April 17, 2025), [https://www.spur.org/sites/default/files/2025-04/SPUR\\_Purchasing\\_Power\\_0.pdf](https://www.spur.org/sites/default/files/2025-04/SPUR_Purchasing_Power_0.pdf)

Policymakers looking to assess the efficiency of the procurement and current costs should undertake a more thorough evaluation that addresses the limitations of the existing estimate.

**Proposition findings and declarations claim: more than 14 departments can be involved in approving a single contract.**

It is theoretically possible that more than 14 departments could be involved in approving a single contract, as the Office of the City Administrator confirms that there are 25 departments with jurisdiction over some part of the procurement or contracting process or with special purchasing authority for some procurements. However, we were unable to identify a particular contract involving this number of departments.

**Proposition findings and declarations claim: the City maintains five separate Microsoft contracts, 20 training systems, and 14 document management platforms.**

The Department of Technology confirms the existence of five distinct Microsoft contracts. It also considers the estimate of 14 document management platforms plausible under a broad definition of “document management platform” (For instance, ServiceNow, primarily an HR modernization tool, includes personnel file storage and document management functions). We could not verify the claim that 20 training systems exist Citywide.

Although many systems incorporate document management capabilities, their presence alone does not necessarily indicate duplication or inefficiency. According to the Department of Technology, departments that pursue separate procurements often cite unmet business requirements in existing tools or a need for greater control over procurement or licensing.

## 2. Extending the City Administrator's term from 5 to 10 years

### *Current State*

Charter Section 3.104 currently sets the City Administrator's term as five years and allows for removal by the Mayor subject to approval by the Board of Supervisors; the Board of Supervisors can block removal of the City Administrator through formal proceedings and a vote.

### *Proposed Changes*

The proposed Charter amendments would extend the term of the City Administrator from five to 10 years.

**Requested analysis:** Assess the cost/benefit tradeoff of this reduced accountability, decade-long term structure.

### *History of the City Administrator Role in San Francisco*

The City's current Charter became effective July 1, 1996, at which time the Chief Administrative Officer (CAO) position was eliminated and all executive departments moved under the Mayor.<sup>27</sup> William Lee bridged this transition, serving as the San Francisco's Chief Administrative Officer starting in 1995,<sup>28</sup> before becoming formally confirmed as San Francisco's first City Administrator in 2000 by the Board of Supervisors.<sup>29</sup> The Office of the City Administrator was not established as a City department until 2004.<sup>30</sup> Appointed City Administrators since the year 2000 have served 5, 5.5, 9, and 5.7 years (still in progress).

### *Benefits of Moving to a 10-Year Term: Continuity for Long-Horizon Responsibilities*

Ultimately, extending the City Administrator's term from five to 10 years could yield both benefits and disadvantages. Potential benefits include greater long-term continuity in administering initiatives within the City Administrator's purview. The City Administrator could not only oversee long-term initiatives but develop and apply institutional knowledge acquired in the role and provide greater insulation from political and leadership transitions. It could also provide sufficient time to implement and assess

*A 10-year term could improve continuity for long-horizon capital and debt planning but would have little impact on other City Administrator functions such as procurement. The effect on oversight would be limited, since the Mayor could still remove the City Administrator at any time with Board of Supervisors approval. Research shows little evidence either term performs better.*

<sup>27</sup> James Haas, "Evaluating the New City Charter: A Three-Year Report Card," *Urbanist*, October 1, 1999, SPUR, <https://www.spur.org/publications/urbanist-article/1999-10-01/evaluating-new-city-charter>.

<sup>28</sup> Steven A. Chin, "Bill Lee Sworn In as The City's CAO," *SFGATE*, March 28, 1995, <https://www.sfgate.com/news/article/bill-lee-sworn-in-as-the-city-s-cao-3157348.php>

<sup>29</sup> San Francisco Board of Supervisors, *Resolution Confirming the Appointment of William Lee as City Administrator*, File No. 001503, introduced August 21, 2000, filed November 7, 2000, <https://sfgov.legistar.com/LegislationDetail.aspx?ID=467298&GUID=D4498781-6DB1-4D4B-96BD-3066E4FDF42B&Options=ID|Text|&Search=administrator>

<sup>30</sup> San Francisco Board of Supervisors, *Ordinance Establishing the Office of the City Administrator as a City Department*, Ordinance No. 204-04, File No. 040754, enacted August 5, 2004, <https://sfgov.legistar.com/LegislationDetail.aspx?ID=475048&GUID=51B73D0B-75EA-4E3E-9845-344EC9256AF0&Options=ID|Text|&Search=administrator>

performance that may not be measurable within a five-year period. Many of these benefits were surfaced through the Charter Reform Working Group (CRWG), a group convened by the Controller's office from December 2025 to March 2026. Its April 2026 final report highlights that longer terms would benefit project completion due to the longer time horizon of capital projects, major systems work, and operational reforms.

This is made clear when reviewing the City Administrator's duties and their associated time horizons. Charter Section 3.104 establishes that the City Administrator's Office is responsible or has authority for:

- Administrative services within the executive branch, as assigned by the Mayor or by ordinance.
- Administering policies and procedures regarding bonded or other long-term indebtedness,
- Coordinating all capital improvement and construction projects except projects solely under the Airport, Port, Public Utilities and Public Transportation Commissions,
- Administering policies and procedures for contracts, procurement, and permits,
- Preparing and recommending bond measures for consideration by the Mayor and Board of Supervisors,
- Administering, budgeting and control of publicity and advertising expenditures,
- Appointing and removing heads of departments under its direction.

Exhibit 14 below summarizes to what extent a five-year versus 10-year City Administrator term provides enough continuity and accountability to oversee each responsibility effectively. With activities like long-term planning and coordinating capital improvement projects, a 10-year term could align more closely with bond and construction timelines, allowing for a more complete oversight of any given project. Other activities, like appointing and removing department heads and providing administrative services, are less connected to longer term timelines and may be less affected by potential City Administrator turnover. Overall, long-term planning, capital improvement, and construction projects might be most impacted by this extension in term length.

### Exhibit 14: Charter-Established City Administrator Duties and Timelines

| Charter-Established Responsibility                                            | Typical Planning and Delivery Horizon                                    | Implications of 5 vs. 10-Year Appointment Term                                                                                                                                             |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Administering policies for bonds/long-term indebtedness                       | 10-year bond/capital-planning cycle; often 20–30 years of debt repayment | A five-year term would cover only part of the City’s capital-planning and debt-capacity horizon. The City Administrator sits as the chair of the Capital Planning Committee. <sup>31</sup> |
| Coordinating capital improvement and construction projects                    | 5-20+ years, depending on project size and complexity                    | A five-year term may be insufficient to oversee longer projects from beginning to end.                                                                                                     |
| Providing administrative services for the executive branch                    | Ongoing; longer-term initiatives could require 5+ years                  | A five-year term is sufficient to manage recurring administrative operations, however, may be insufficient for longer term initiatives in real estate and technology alignment.            |
| Administering policies and procedures for contracts, procurement, and permits | Ongoing                                                                  | A five-year term is sufficient to establish and revise policies, procedures, standard documents, internal controls, performance measures, and staff training.                              |
| Appointing and removing heads of departments under its direction              | Ongoing                                                                  | A five-year term is sufficient to exercise appointment or removal authority, where that authority exists.                                                                                  |
| Managing publicity and advertising funds                                      | Ongoing                                                                  | A five-year term is sufficient to oversee recurring budget development, expenditure controls, contracting, and compliance for publicity and advertising funds.                             |

Source: San Francisco Charter, *Designed to Serve* (2024) and BLA analysis.

#### *Disadvantages of Moving to a 10-Year Term: Less Frequent Reassessment Through Reappointment*

The main disadvantages of the term extension center around the reduced frequency of formal opportunities for the Mayor and Board of Supervisors to assess the City Administrator’s performance in conjunction with the reappointment process. This longer gap between appointments may impact accountability, particularly if less frequent reappointment reduces the perceived pressure to demonstrate performance. Required periodic performance evaluations could mitigate, but not eliminate, these risks. These disadvantages were highlighted by some Charter Reform Working Group members who expressed concern that a 10-year term would cause the City Administrator to be less accountable. According to one Charter Reform Working Group member, this set term limit could allow City Administrators to avoid consequences of corruption or scandal.<sup>32</sup>

#### *What the Research Says*

There is little to no direct evidence that a particular fixed term, such as five versus 10 years, causes better performance for appointed municipal administrators. A 2023 systematic review assessed

<sup>31</sup> City and County of San Francisco, Controller’s Office of Public Finance, *Debt Policy of the City and County of San Francisco*, last updated December 2024, [https://www.sf.gov/sites/default/files/2025-01/Debt%20Policy\\_12.20.24.pdf](https://www.sf.gov/sites/default/files/2025-01/Debt%20Policy_12.20.24.pdf)

<sup>32</sup> City and County of San Francisco, *Charter Reform Working Group Summary and Analysis*, April 15, 2026, [https://media.api.sf.gov/documents/Charter\\_Reform\\_Working\\_Group\\_Summary\\_and\\_Analysis.pdf](https://media.api.sf.gov/documents/Charter_Reform_Working_Group_Summary_and_Analysis.pdf)

170 articles on the relationship between merit principles and government performance.<sup>33</sup> The review found limited and mixed evidence regarding the relationship between job security or tenure protection and corruption. Contrary to expectations, the researchers found no statistically significant association between job security and tenure protection and corruption in three of the four articles that focused on this relationship while one found that greater tenure protection was associated with lower corruption.

To the extent that a longer City Administrator term increases job security, the available evidence does not establish that it would meaningfully affect corruption. The literature instead suggests that other features of public-administration systems may have a stronger relationship with good-governance outcomes. In particular, the review found that merit-based recruitment was generally associated with stronger government performance.

### *San Francisco's Fixed Term is Unusual Among Peer Cities*

Chief administrative officers (CAOs) and similarly titled senior administrative officials are common in U.S. cities. The National Civic League reports that 52 percent of mayoral-council cities with a population of 10,000 or more have a CAO.<sup>34</sup> However, the authority, appointment process, term, and removal procedures for these positions vary across jurisdictions.

The Charter Reform Working Group conducted a California peer cities assessment, summarized in Exhibit 15. Among the jurisdictions included in that assessment, San Francisco was the only city with a fixed term for its comparable senior administrative official. All compared cities had mayoral appointments and removal, though some required Board or City Council confirmation. Cities also differed significantly in CAO responsibilities. These differences limit the extent to which the peer review can identify an optimal structure or term length for San Francisco.

---

<sup>33</sup> James L. Perry et al., "What Does the Evidence Tell Us about Merit Principles and Government Performance?" *Public Administration*, published online March 12, 2024, <https://onlinelibrary.wiley.com/doi/10.1111/padm.12945>

<sup>34</sup> National Civic League, "Model City Charter—9th Edition: Appendix 1: Options for Mayor-Council Cities," *National Civic League*, <https://www.nationalcivicleague.org/model-city-charter-9th-edition-appendix-1-options-for-mayor-council-cities/>

### Exhibit 15: Peer Jurisdiction Chief Administrative Officer (CAO) Comparison\*

| City             | CAO Responsibilities                 | Appointment                                 | Term          | Removal                                       |
|------------------|--------------------------------------|---------------------------------------------|---------------|-----------------------------------------------|
| San Francisco    | Internal city services               | Mayor, subject to Board confirmation        | 5 years       | Mayor, with Board approval. Subject to recall |
| Fresno           | All day-to-day government operations | Mayor                                       | No fixed term | Mayor                                         |
| Los Angeles      | Internal city services               | Mayor, subject to City Council confirmation | No fixed term | Mayor. Subject to recall                      |
| Oakland          | All day-to-day government operations | Mayor, subject to City Council confirmation | No fixed term | Mayor                                         |
| Philadelphia     | Internal city services               | Mayor                                       | No fixed term | Mayor                                         |
| Washington, D.C. | All day-to-day government operations | Mayor                                       | No fixed term | Mayor                                         |

Source: Charter Reform Working Group Final Report, 2026.

\*According to the Charter Reform Working Group Final Report, internal city services in this context refers to oversight of functions like procurement, risk management, technology, and asset management, but not general oversight of all city departments.

Overall, San Francisco’s approach is not common among the reviewed jurisdictions. This finding supports broader examination of the appropriate term structure for the City Administrator. Although the ballot measure asks San Franciscans to choose between a five-year and 10-year appointment term, policymakers may also wish to consider whether a fixed term is preferable to an indefinite appointment.

#### Discussion

The proposed extension of the City Administrator’s term from five to 10 years could produce the benefits and drawbacks discussed above. However, little existing research directly evaluates the likely effects of this specific change.

Overall, a 10-year term would reduce one specific form of accountability: the scheduled reappointment decision currently required every five years. Because the proposal retains mayoral appointment and reappointment, Board of Supervisors confirmation, Mayor-initiated removal, and Board concurrence for removal, it would not eliminate many of the forms of ongoing political accountability or Board oversight currently in place.

Given that San Francisco’s structure is unusual and has received limited study, it is unclear whether a 10-year term would produce better outcomes than a five-year term. More broadly, it is unclear whether a fixed-term, mayor-appointed City Administrator is the optimal governance model for the City. Policymakers could consider whether the City Administrator’s term and appointment structure should remain in the Charter or instead be established in the Administrative Code, which would allow the City to modify the structure more readily in response to performance information.

### 3. Increasing the thresholds for Board of Supervisors approval of contracts and property sales

#### *Current State*

Charter Section 9.118(b) identifies the dollar thresholds for Board of Supervisors approval of contracts by resolution. The following require Board of Supervisors review and approval:

- **Expenditure contracts** with anticipated net City expenditures of \$10 million or a term in excess of 10 years, excluding construction contracts. Voters approved Proposition G in 1988, which established this threshold.
- **Modifications or amendments to expenditure contracts** when the proposed amendment has a cost impact of more than \$500,000.
- **Revenue contracts** expected to generate at least \$1 million for the City.
- Any **modification, amendment, or termination of a revenue contract** that was originally expected to generate at least \$1 million.
- **Leases of real property** for a term of 10 years or anticipated revenue to the City of \$1 million or more.
- **Modification or termination of any lease** that, when originally executed, had an anticipated value of at least \$1 million or an initial term of 10 years or more.
- **Any sale or transfer of real property** owned by the City and County of San Francisco.

There is no provision in the Charter at present to adjust these amounts on a regular basis to account for changes in the cost of living.

#### *Proposed Changes*

The proposed amendments to Charter section 9.118 would increase the threshold for Board of Supervisors approval as follows:

The threshold for **expenditure contracts**, as described above, would increase from \$10 million to \$25 million. This reflects an inflation adjustment to the original \$10 million amount established by Proposition G in 1988. The threshold of terms longer than 10 years would not change.

The threshold for **modifications or amendments to expenditure contracts** would also change. Rather than a fixed \$500,000 threshold, Board approval would be required

when an amendment would increase the contract amount by more than *a cumulative 50 percent of the original contract amount beyond the amount last approved by the Board of Supervisors*. For example, for a contract originally valued at \$30 million, the 50 percent threshold would be \$15

*This amendment would raise the dollar amounts that trigger Board of Supervisors' review of contracts. Had the proposed new thresholds applied from 2023 to 2025, the Board would have reviewed 115 expenditure contracts instead of 304, and about \$2.5 billion in contractor spending would not have been reviewed. For some of the contracts that were reviewed, the Board uncovered significant performance issues.*

million. If the Board most recently approved a not-to-exceed amount of \$47 million, Board approval would be required before the contract amount could be increased above \$62 million (\$47 million + \$15 million = \$62 million).

The **revenue contract** threshold, described above, would increase from \$ 1 million to \$4.5 million. The current threshold for **modification, amendment, or termination of a revenue contract** (leases originally valued at \$1 million or more or with terms of 10 years or more) would be replaced by a threshold based on whether proposed changes would increase the lease amount by at least a *cumulative 50 percent of the original lease amount since the Board's last approval*.

**Leases of property** owned by the City and County of San Francisco with anticipated net revenue of \$4.5 million or more or a term of 10 years or more must first be approved by the Board of Supervisors. Major amendments to such leases, defined as modifications or amendments to leases that result in a cumulative increase of 50 percent or more of the original contract or lease amount over the amount last approved by the Board of Supervisors will be subject to approval by the Board of Supervisors.

Any **sale or transfer of real property** owned by the City and County will be first subject to approval by the Board of Supervisors, as is presently the case. Leases of property under the jurisdiction of the Port of San Francisco for maritime use will remain exempt from this requirement under the proposed amendments.

The proposed Charter amendments include a provision that the Controller will adjust the monetary thresholds proposed in the amendments detailed above starting in 2032 to reflect changes in the relevant Consumer Price Index starting on July 1, 2027. Such adjustments will be made every five years covering either the preceding five years or the period since the last adjustment if greater than five years.

|                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Requested analysis:</b> Using historical data, estimate how many contracts would have been exempt from Board of Supervisors review under the new thresholds. Project the cumulative effect of these adjustments over the next 10 to 20 years.</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### *San Francisco's Contract Administration System*

Departments are responsible for the ongoing administration and monitoring of their contracts, including preparing solicitations and selecting contractors in conjunction with the Office of Contract Administration, and once under contract, reviewing contractor performance, expenditures, and compliance with agreement terms. Contract amendments that do not meet the thresholds for Board of Supervisors review may be processed administratively, subject to the City's procurement and contracting requirements. In addition to department-level oversight, 16 City departments participate in the Nonprofit Monitoring and Capacity Building Program run by the San Francisco Controller's Office. The program establishes a Citywide framework for fiscal and compliance monitoring of nonprofit contractors, including standardized monitoring procedures, identification and resolution of findings, and technical assistance for capacity building.

When proposed agreements require approval via resolution by the Board of Supervisors, the Board enlists the Budget and Legislative Analyst (BLA) to prepare a written analysis on the proposed item for the presiding committee. The BLA reviews procurement and contract materials,

budget documents, contractor fiscal and performance monitoring reports for existing contractors, and other materials relevant to the proposed agreement. In addition to its summary of the proposed resolution, the BLA analyzes the estimated fiscal impact to the City, identifies relevant policy considerations, and includes a recommendation to accept, amend, or reject the proposed agreement. BLA reports are presented and discussed with Department representatives at public meetings of the Board of Supervisors, where the proposed agreements are also open for public comment. There is no comparable public process for contracts and contract amendments below the Board of Supervisors thresholds that are approved administratively through department and pertinent City staff review of the terms, conditions, and costs of contracts under their purview.

### *Change to Contract Review*

Between calendar years 2023 and 2025, the Board of Supervisors reviewed a total of 304 expenditure contracts, averaging to approximately 100 expenditure contracts per year. Of these contract review items, 220 or 72 percent were new contracts while the remaining 84 or 28 percent of contract items were amendments to existing contracts whose value triggered Board review. We assessed the value of each new contract and contract amendment against the proposed changes to the Charter that would increase the review threshold for new contracts from \$10 million to \$25 million and require review of amendments when they increase a contract's original value by 50 percent or more. As shown in Exhibit 16 below, the number of expenditure contracts requiring Board review between 2023 and 2025 would have declined by 189 items from 304 to 115, or by 62 percent if the proposed new thresholds had been in effect. The number of new contracts requiring review would have declined from 220 to 81, while amended contracts would have declined from 84 to 34.

**Exhibit 16: Expenditure Contracts Requiring Review by the Board of Supervisors:  
Actual and Under Proposed New Standards**

|                                            | <b>2023</b>       | <b>2024</b>       | <b>2025</b>       | <b>Total</b>       |
|--------------------------------------------|-------------------|-------------------|-------------------|--------------------|
| Actual New Contracts                       | 80                | 68                | 72                | 220                |
| New Contracts under Proposed Standards     | 26                | 29                | 26                | 81                 |
| <i>Difference</i>                          | <i>-54</i>        | <i>-39</i>        | <i>-46</i>        | <i>-139</i>        |
| Actual Amended Contracts                   | 31                | 27                | 26                | 84                 |
| Amended Contracts under Proposed Standards | 13                | 7                 | 14                | 34                 |
| <i>Difference</i>                          | <i>-18</i>        | <i>-20</i>        | <i>-12</i>        | <i>-50</i>         |
| <i>Total Actual</i>                        | <i>111</i>        | <i>95</i>         | <i>98</i>         | <i>304</i>         |
| <i>Total Under New Standards</i>           | <i>39</i>         | <i>36</i>         | <i>40</i>         | <i>115</i>         |
| <b><i>Total Difference</i></b>             | <b><i>-72</i></b> | <b><i>-59</i></b> | <b><i>-58</i></b> | <b><i>-189</i></b> |

Source: BLA analysis.

Note: Our analysis focused on the fiscal value of proposed contracts between 2023-2025 and did not look at contract terms. It is possible that some new or amended contracts under the proposed value thresholds could have had terms exceeding 10 years and therefore still be eligible for review. However, these items are not included in the figures above.

The Board of Supervisors reviewed considerably fewer revenue contracts than expenditure contracts; between 2023 and 2025, the Board reviewed 23 new and amended revenue contracts. If the proposed changes to the Administrative Code to increase the review threshold from \$1 million to \$4.5 million were in place during this time, only seven of these 23 contracts would have

required Board approval. As shown in Exhibit 17 below, the proposed thresholds would have reduced the number of contracts requiring Board review by 16, or 70 percent. 15 of these contracts would have been new contracts introduced to the Board for the first time while one amended revenue contract would forego review during this three-year period.

**Exhibit 17: Revenue Contracts Requiring Review by the Board of Supervisors: Actual and Under Proposed New Standards**

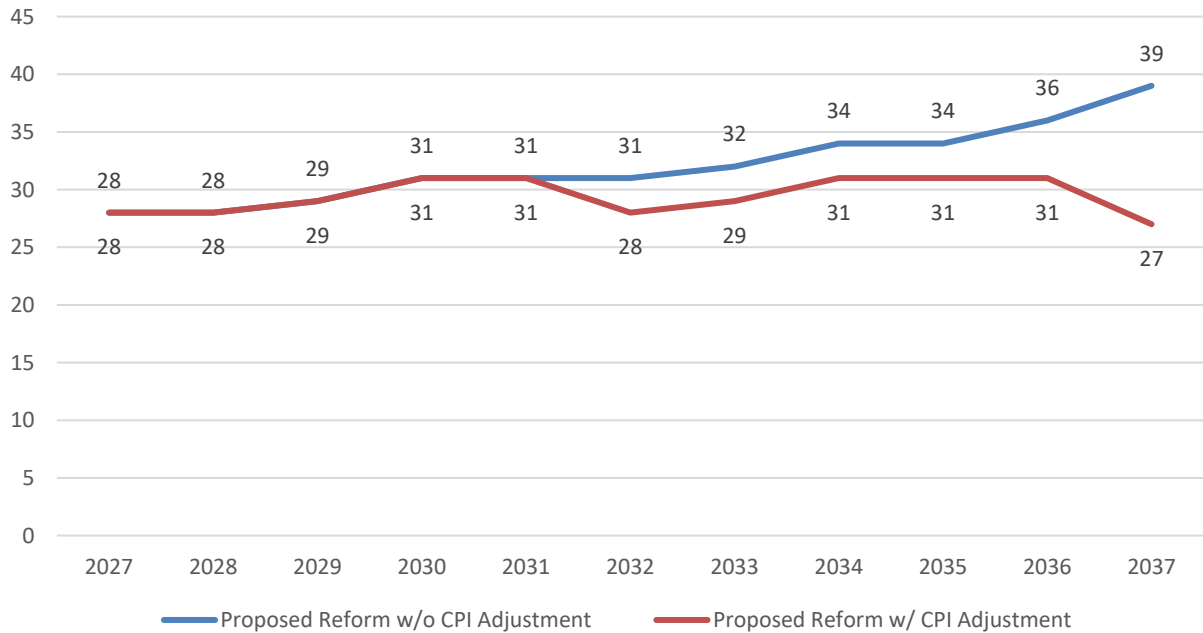
|                                            | 2023       | 2024      | 2025      | Total      |
|--------------------------------------------|------------|-----------|-----------|------------|
| Actual New Contracts                       | 10         | 6         | 6         | 22         |
| New Contracts under Proposed Standards     | 1          | 2         | 4         | 7          |
| <i>Difference</i>                          | -9         | -4        | -2        | -15        |
| Actual Amended Contracts                   | 1          | 0         | 0         | 1          |
| Amended Contracts under Proposed Standards | 0          | 0         | 0         | 0          |
| <i>Difference</i>                          | -1         | 0         | 0         | -1         |
| <i>Total Actual</i>                        | 11         | 6         | 6         | 23         |
| <i>Total Under New Standards</i>           | 1          | 2         | 4         | 7          |
| <b><i>Total Difference</i></b>             | <b>-10</b> | <b>-4</b> | <b>-2</b> | <b>-16</b> |

Source: BLA analysis.

The proposed change to the Charter concerning a routine inflation-based adjustment to the review threshold is projected to control the volume of expenditure agreements reviewed. We compiled all contracts reviewed by the Board of Supervisors for the first time in 2025 and adjusted the value of each contract for inflation between 2027 when the proposed amendment would go into effect and 2037 using projected CPI figures.<sup>35</sup> During this time frame, the first inflation adjustment would go into effect in 2032. As seen in Exhibit 18 below, we project the number of contracts requiring review would remain relatively stable over time. Without inflation adjustments, the number of contracts reviewed by the Board of Supervisors is projected to otherwise increase year-over-year. 12 or 31 percent fewer expenditure contracts would be reviewed by the Board of Supervisors in 2037 as a result of implementing inflation adjusted thresholds as proposed in the Charter amendments.

<sup>35</sup> CPI projections through 2037 were compiled from regional and national projections from the San Francisco Controller, the Congressional Budget Office, the Office of Management and Budget, and the California Department of Finance.

**Exhibit 18: Number of New Expenditure Contracts Requiring Board of Supervisors Review with CPI Adjustments to Threshold Amounts, 2027-2037**



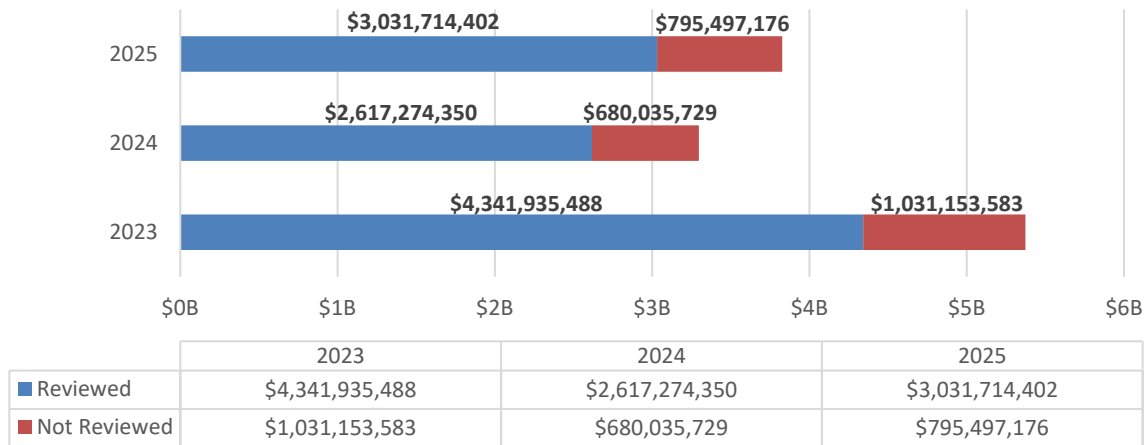
Source: BLA analysis.

Due to the small volume of revenue contracts, the impact of inflation adjustments on those items are projected to be negligible for at least 10 years following the implementation of the proposed threshold change. Furthermore, the inflation adjusted thresholds would have no impact on the number of amended contracts coming before the Board of Supervisors for approval, as the proposed threshold of 50 percent value increase is not a fixed value.

#### *Dollar Impact of Lower Review Volume*

Implementing the proposed contract review thresholds would reduce the total amount of City spending on grants and contracts subject to review by the Board of Supervisors. As shown in Exhibit 19, between 2023 and 2025, the Board reviewed expenditure contracts totaling approximately \$12.5 billion, including \$5.4 billion in 2023, \$3.3 billion in 2024, and \$3.8 billion in 2025. Had the proposed thresholds been in effect during this period, approximately \$2.5 billion or 20 percent of these contract expenditure dollars would not have been subject to Board review, or approximately \$830 million worth of contracts per year. Among contract amendments that would no longer have been subject to review, the median contract increase subject to approval was approximately \$3.6 million, with individual increases as high as \$15.6 million.

**Exhibit 19: Value of Contracts that would not have been Reviewed by the Board of Supervisors under Proposed Charter Amendments 2023-2025**



Source: BLA analysis.

Note: Excludes construction contracts, consistent with the proposed Charter amendments.

The fiscal impact of the proposed thresholds does not fully capture the potential effect of reduced review by the Board of Supervisors. Contract approval also provides an opportunity, in the case of contract amendments, for the Board to evaluate contractor performance, program implementation, and the City's oversight of key services and grant-funded activities. Board review creates an additional accountability mechanism that further incentivizes departments to adequately monitor contractor performance and ensure compliance with contractual and reporting requirements. Additionally, in several instances in the last three years, the Board's review of contracts and amendments identified performance or oversight concerns that resulted in modifications to funding levels for proposed agreements, additional reporting requirements, or continued monitoring. Exhibit 20 highlights selected legislative items from the last three years for which Board review resulted in amendments to proposed agreements, additional reporting requirements, or other oversight actions. If introduced under the new thresholds, these items would not have been submitted to the Board of Supervisors for review.

Board review entails both time and administrative cost. For contracts subject to Board of Supervisors approval, the legislative review process generally adds approximately two to three weeks before final Board action. This is in addition to the City's broader contracting process, which can take six to 12 months, according to the City Administrator's Office. The financial cost includes

Board staff time reviewing and interacting with the sponsoring department, as well as the time of the sponsoring department and other staff.

## Exhibit 20: Sample Legislative Items Excluded from Board of Supervisors Review under Proposed Thresholds

| File No. | Proposed Legislation                                                                                                                                                                                        | Summary of Board Review and Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 24-0994  | Resolution to approve the 5th amendment of the expenditure grant agreement with the Mid-Market Foundation, increasing the grant amount by \$7.7 million for a total not to exceed amount of \$68.9 million. | A performance and fiscal review of the Mid-Market/Tenderloin Community-Based Safety Program determined the City was not tracking outcomes of the program, and that the upcoming RFP should include objective outcome standards such as crime statistics and criteria to evaluate the success of the program. Furthermore, the contractor's use of subcontractors incurred \$850,000 per year in unnecessary administrative expenses. The Board of Supervisors passed an amended version of the grant agreement, reducing the increase to the not to exceed amount to a total of <b>\$3.8 million</b> instead of the originally proposed \$7.7 million. Under the proposed thresholds, this item would not have been heard as the proposed amendment amount would not have exceeded 50% of the agreement's value. |
| 23-1247  | Resolution to approve the 4 <sup>th</sup> amendment of the expenditure grant agreement with the San Francisco Pretrial Diversion Project for a new total not to exceed amount of \$19,763,114.              | A review of the proposed grant agreement found significant weaknesses in the City's oversight of the San Francisco Pretrial Diversion Project, including insufficient monitoring of program performance and financial condition. The Budget and Legislative Analyst found the contractor had insufficient cash on hand and no Chief Financial Officer, and that insolvency would massively disrupt the City's criminal diversion system. Under the proposed thresholds, this item would not have been heard as the not-to-exceed amount of the contract never exceeded \$25,000,000.                                                                                                                                                                                                                             |
| 23-0692  | Resolution to approve the 4 <sup>th</sup> amendment to the grant agreement with the Japanese Community Youth Council for a new total not to exceed amount of \$13,727,411.                                  | The Board's contract review process uncovered discrepancies in client participation data and an unusual set of work orders funding the contract. In addition, many performance data points were not tracked by the City or contractor. The Board approved a smaller contract amount and requested a financial audit by the City Services Auditor. The 2026 financial audit confirmed deficient fiscal controls and mismanagement of the grant agreement, including a finding of \$5.6 million paid to program participants without verifying eligibility. Under the proposed thresholds, this item would not have been heard as the not-to-exceed amount of the grant never exceeded \$25,000,000.                                                                                                               |

Source: BLA analysis.

Conversely, increasing the contract approval thresholds and reducing the volume of legislative items requiring Board of Supervisors consideration could potentially allow greater attention to the contracts and amendments that remain subject to review. To the extent that the reduced volume

creates additional capacity for the Board and its committees, it could enable more detailed consideration of contractor performance, fiscal risk, program outcomes, and other oversight concerns for higher-value or higher-risk agreements. However, this benefit would need to be weighed against the loss of routine Board review for contracts below the proposed thresholds.

*San Francisco's Review Threshold Already Significantly Higher than Peer Jurisdictions*

San Francisco's current \$10 million expenditure contract review threshold already exceeds the thresholds established by other cities and counties in California. As shown in Exhibit 21, contract review thresholds among selected peer jurisdictions generally range from \$25,000 to \$5 million before requiring approval from the presiding City Council or Board of Supervisors. Some jurisdictions establish different thresholds depending on the type of contract, department, or other factors, as reflected by the ranges below. Notably, the legislative review process varies between jurisdictions. Counties and municipalities may review proposed contracts in batches on a consent calendar or through other streamlined approval processes that do not require detailed review of individual contracts, accounting in part for the lower contracting authority ceilings. General law counties, which operate under contracting requirements established in State law rather than locally adopted charter provisions, are generally subject to a \$200,000 threshold. Though none of the peer jurisdictions reviewed below are combined cities and counties like San Francisco, they could nonetheless have high value-contracts.

**Exhibit 21: Expenditure Contract Review Thresholds for Peer Cities and Counties in California**

| <b>Jurisdiction</b>   | <b>Contract Threshold</b> |
|-----------------------|---------------------------|
| City of San Diego     | \$1,000,000-3,000,000     |
| San Diego County      | 2,000,000                 |
| City of San Jose, CA  | 250,000-1,430,000         |
| Santa Clara County    | 200,000-500,000           |
| City of Los Angeles   | 193,000                   |
| County of Los Angeles | 200,000                   |
| City of Sacramento    | 100,000                   |
| County of Sacramento  | 50,000-5,000,000          |
| City of Oakland       | 50,000                    |
| Alameda County        | 25,000                    |
| General Law Counties  | 200,000                   |

Source: BLA analysis.

## 4. Expanding City Administrator contracting authorities; reducing legislative role and oversight

### *Current State*

Under Charter Section 3.104, the City Administrator has power to “award contracts without interference from the Mayor or Board of Supervisors” and to propose rules governing procurement to the Board of Supervisors for consideration. In instances where contract awards are not subject to Board of Supervisors’ review, the City Administrator must award contracts in compliance with applicable laws and the Charter, with such decisions being final.

Charter Section 2.105 establishes that ordinances can only be introduced by a member of the Board of Supervisors, a committee of the Board, the Mayor, or the Commission Streamlining Task Force; the City Administrator may not directly introduce ordinances. Currently, the City Administrator may submit legislation to the Clerk of the Board of Supervisors like any other department, which would then be introduced on their behalf by a member of the Board or the Mayor.

*This amendment shifts control of introducing most procurement legislation from the Board of Supervisors and Mayor to the City Administrator and would eliminate the Board’s authority to amend such legislation. Savings are possible depending on how this new authority is used.*

### *Proposed Changes*

#### **Exclusive Authority to Introduce Procurement Ordinances**

The proposed amendments would add the City Administrator to the list of officials and entities authorized to introduce ordinances pertaining to procurement under Section 2.105, bypassing the existing requirement to obtain sponsorship from a Board member.

Additionally, the proposed new Charter Section 9A.102 would grant exclusive authority to the City Administrator to introduce ordinances at the Board of Supervisors governing procurement, with the following exceptions:

- Ordinances that primarily address contractor wage standards, benefits, or workplace health and safety standards, and
- Ordinances establishing local-business utilization requirements or project labor agreements.

Procurement-related ordinances falling under the City Administrator’s new authority could no longer be introduced by the Board of Supervisors or Mayor, or amended by the Board of Supervisors, as is presently the case. Such ordinances introduced by the City Administrator will adhere to a different process compared to introduction of other ordinances:

- They shall be deemed approved by the Board of Supervisors and Mayor 60 days after introduction unless, during that 60-day period, the Board disapproves the ordinance by motion or the Mayor by notice to the City Administrator and the Clerk of the Board of Supervisors.

- The ordinance may also be approved by the Board of Supervisors by a single vote together with notice of approval provided by the Mayor to the Clerk of the Board of Supervisors.
- Unlike other proposed legislation, the Board of Supervisors may not amend proposed procurement-related legislation introduced by the City Administrator.

By giving the City Administrator exclusive authority to introduce most procurement ordinances, allowing those ordinances to take effect without affirmative Board approval, and removing Board of Supervisors authority to amend such ordinances, the proposed Charter amendments would limit the Board's ability to initiate and shape procurement practices in San Francisco.

### **Expanded Authority Over Procurement Rulemaking**

The proposed Charter amendments add a new Section 9A.102(b), granting the City Administrator the authority to adopt and amend rules and regulations that implement Municipal Code provisions governing procurement. Currently, the Charter provides only that the City Administrator may propose procurement rules for the Board of Supervisors' consideration under Charter Section 3.104(7). That provision would be deleted under the proposed amendments.

Some procurement rulemaking authority already rests within the City Administrator's Office because the Board of Supervisors granted it by ordinance (Ord. 156-99). For example, Administrative Code Chapter 21 (Acquisition of Commodities and Services) directs the Purchaser, with the approval of the Director of Administrative Services and the Controller, to adopt rules implementing the chapter's requirements for acquiring commodities and services. Because this authority is established in the Administrative Code, the Board could modify or withdraw it.

The new Charter Section 9A.102(b) would instead establish the City Administrator's expanded rulemaking authority in the Charter, where the Board could no longer modify or withdraw it by ordinance. The City Administrator could adopt rules and regulations on aspects of procurement for which the Municipal Code does not assign rulemaking authority to a different City department.

The amendment would also allow the City Administrator to set Citywide rules for implementing Municipal Code procurement requirements *that would supersede any conflicting rules or regulations adopted by departments*. Departments could continue to administer procurement, but their rules would need to conform to City Administrator regulations where the two conflict.

### **Additional Changes**

The current provision that the City Administrator has the power to "**award** contracts without interference from the Mayor or Board of Supervisors" will remain in effect under the proposed amendments though worded slightly differently granting the power to **procure** and **execute** contracts without interference from the Mayor or Board of Supervisors.

#### ***Requested analysis:***

Identify what oversight or audit mechanism, if any, would replace Board of Supervisors review for contracts procured and executed by the City Administrator without interference by the Mayor or Board of Supervisors and the costs of implementing those mechanisms.

Provide to the extent available an analysis of the market cost of reduced institutional uncertainty when procurement authority and department structures can be altered administratively rather than through a stable process.

Estimate the actual projected savings from centralizing procurement and technology purchasing under the City Administrator.

### *Reduced Board Oversight of Contracts*

The proposed legislation would reduce the number of contracts and contract amendments subject review by the Board of Supervisors and does not establish a new, comparable independent review or audit requirement for matters no longer subject to that approval.

As discussed above, the proposed Charter amendments allow the approval of significantly larger contracts without obtaining approval from the Board of Supervisors. Currently, Charter Section 9.118(b) requires Board approval for contracts that exceed 10 years, with expenditures of \$10 million or more, or require a modification exceeding \$500,000. For contracts and amendments that require Board approval, the Budget and Legislative Analyst prepares reports that evaluate the proposed action and may identify issues for Board consideration. The ballot measure would raise the Board-approval threshold for contracts from \$10 million to \$25 million and would replace the current \$500,000 threshold for contract modifications with a threshold of 50 percent of the original contract amount.

### *Impacts of Proposed Charter Amendments*

Passage of this measure would reduce the Board of Supervisors' oversight of contracting within the City. The legislation does not establish an additional review process for contract amounts between \$10 million and \$25 million, or for amendments below 50 percent of the contract. Nor does the City Administrator's Office currently plan to establish a new review process for contracts below the proposed thresholds. Contracts would remain subject to all other aspects of the City's existing contract review and approval process. Depending on the contract type and sponsoring department, this process may include review by the City Attorney's Office, Office of Contract Administration, the Controller, departmental boards or commissions, and other City departments responsible for contract approval and programmatic, regulatory, or compliance review.

The economic impacts of the proposed Charter amendments are less clear. Although the measure would expand the City Administrator's authority, it does not require specific procurement-policy changes. As a result, the actions taken under the proposed governance structure, and their fiscal effects, cannot be determined in advance.

The expanded authority would give the City Administrator greater capacity to standardize procurement rules and procedures across departments. To the extent the City Administrator uses this authority to reduce inconsistent processes, duplicative administrative work, or procurement delays, the measure could improve administrative efficiency. If these changes result in more competition, this could also potentially result in additional cost savings for the City.

Although more centralized procurement authority could affect private-sector participation in City contracting, the direction and size of the effect are uncertain. Should the change produce predictable, transparent, and consistent procurement practices, these changes could make the

City easier to navigate for private sector contractors. On the other hand, creating new rules could create confusion in bidding processes, and departments may be less able to customize their procurement procedures to their unique needs.

#### *Possible Cost Savings from Centralized Procurement*

The proposed centralization of procurement and technology purchasing under the City Administrator is a governance change and does not specify any policies that may increase or decrease the costs of procurement and technology purchasing. Therefore, its fiscal effects cannot be estimated. Nonetheless, the ballot measure identifies improved efficiency in the procurement process as a purpose of centralization. If the City Administrator implements changes that increase the efficiency of Citywide procurement, the measure could support long-term cost savings.

The City Administrator reports an average of 3,065 competitive procurements completed annually during the last five fiscal years.<sup>36</sup> The City Administrator has not calculated a current average cost per procurement but using average staff costs of \$25,000 per procurement based on estimates by SPUR in its 2025 *Purchasing Power* report,<sup>37</sup> total annual procurement costs would be approximately \$76.6 million. Should efficiencies be implemented, Exhibit 22 below shows the magnitude of possible cost savings. Under a moderate savings scenario, a five percent reduction in costs could yield estimated annual savings of approximately \$3.8 million. A 15 percent reduction in costs could yield \$11.5 million, and a 30 percent reduction could result in \$23 million in annual savings.

#### **Exhibit 22: Cost Savings Under Hypothetical Procurement Efficiency Scenarios**

| <b>Scenario</b>            | <b>Percent Savings</b> | <b>Amount (\$) Savings</b> | <b>Total Annual Procurement Cost</b> |
|----------------------------|------------------------|----------------------------|--------------------------------------|
| No Efficiency Gained       | 0%                     | \$0                        | \$76,625,000                         |
| Some Efficiency Gained     | 5%                     | \$3,831,250                | \$72,793,750                         |
| Moderate Efficiency Gained | 15%                    | \$11,493,750               | \$65,131,250                         |
| Large Efficiencies Gained  | 30%                    | \$22,987,500               | \$53,637,500                         |

Source: SPUR, *Designed to Serve* (2024), San Francisco City Administrator's Office, BLA analysis.

Overall, the proposed ballot measure could generate savings only if centralizing procurement results in meaningful improvements in how the City purchases goods and services. Because the measures change who oversees procurement, not the purchasing policies themselves, they do not guarantee that these improvements, or any associated savings, will occur.

<sup>36</sup> Includes only procurements of over \$20,000, as this is the threshold for competitive requirements to apply.

<sup>37</sup> Nicole Neditch, *Purchasing Power: Nine Recommendations to Improve San Francisco's Procurement Process and Make It a Core Part of the City's Strategy to Deliver More Equitable Services* (San Francisco: SPUR, April 2025) page 26, [https://www.spur.org/sites/default/files/2025-04/SPUR\\_Purchasing\\_Power\\_0.pdf](https://www.spur.org/sites/default/files/2025-04/SPUR_Purchasing_Power_0.pdf)

---

### III. Proposition D: Changes to Ballot Measure Process

#### 1. Increasing the signature threshold from 2 to 8 percent of registered voters for citizen-driven ballot initiatives

##### *Current State*

A citizen initiative is a proposal by voters to enact an ordinance or other legislative measure within the powers of the Board of Supervisors through an election. Citizen initiatives are one of several ways that local measures may be placed on the ballot. The Board of Supervisors may also place measures on the ballot by a vote of four or more members. Signature requirements for ordinance initiatives to amend the Municipal Code differ from those for proposed Charter amendments, which are not covered by the proposed Charter amendments discussed in this report section.

The Charter currently requires that proponents of a citizen initiative must submit a petition to the City's Director of Elections containing valid signatures equal to at least two percent of the number of registered voters in the City and County of San Francisco. Once the Director of Elections certifies that the petition contains sufficient valid signatures, the initiative qualifies for submission to voters. Votes on such initiatives occur at the next general municipal or statewide election at any time after 90 days from the date a certificate of sufficiency is executed by the Director of Elections.

Different requirements apply when proponents request that an initiative ordinance be submitted to voters at a special election. In that case, the Director of Elections must certify that the petition has been signed by at least 10 percent of the votes cast for Mayor in the last preceding general municipal election for Mayor.

##### *Proposed Changes*

The proposed Charter amendments under Proposition D would require that the signature threshold for citizen-driven ordinance initiatives be raised from two percent to eight percent of the number of registered voters in San Francisco. Votes on such initiatives would continue to be required to occur at the next general municipal or statewide election at any time after 90 days from the date a certificate of sufficiency is executed by the Director of Elections.

For initiatives that request a special election, the petition would need to be signed by a number of voters equal to at least 10 percent of the registered voters in the City and County of San Francisco. This is a change from the current requirement that these petitions be signed by a number of voters equal to at least 10 percent of the votes **cast for Mayor** in the last preceding general municipal election for Mayor.

Proposition D also proposes changes to ballot measures proposed by the Board of Supervisors, requiring a majority of Supervisors to vote in favor of advancing an initiative to the ballot.

|                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Requested analysis:</b> Summarize existing research on the relationship between rising campaign spending, independent expenditure activity, and voter turnout or disengagement, as it relates to raising the signature threshold for citizen initiatives from 2 to 8 percent of registered voters. Estimate the practical cost and organizing capacity required for a grassroots or non-profit backed</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

campaign to meet the proposed 8 percent threshold compared to the current 2 percent threshold.

### *Qualifying Initiatives for the Ballot in San Francisco by Petition*

Under the San Francisco City Charter, voters may propose an ordinance or other policy measure for consideration by voters through the initiative petition process. As noted above, proponents of an initiative ordinance must obtain signatures from registered San Francisco voters equal to at least two percent of the City's registered voters. Based on current voter registration, this represents approximately 10,600 valid signatures. The signature requirement for initiative ordinances is lower than for other forms of voter petitions: Charter amendments require signatures from 10 percent of registered voters, while recall petitions require signatures from 10 percent of registered voters for Citywide elected officials and 15 to 20 percent for district-elected officials, depending on the number of registered voters in the district. These other requirements are not affected by the proposed amendments discussed in this report section.

#### **Exhibit 23: Current Signature Requirements for San Francisco Petitions**

| <b>Ballot Initiative</b>                        | <b>Required Signatures</b>                                                                                                         |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Ordinance or policy change                      | 2% of registered voters                                                                                                            |
| Recall removing an elected official from office | 15-20% of registered voters for incumbents elected by district<br>10% of registered voters for incumbents who hold citywide office |
| Charter amendment                               | 10% of registered voters                                                                                                           |

Source: San Francisco Charter, San Francisco Elections Code. Signature requirements for Charter amendments are set in State law, not the Charter itself (see California Elections Code 9255(c)(2)).

Qualifying an initiative requires proponents to complete several steps before and after petition circulation. Proponents submit the proposed measure and required materials to the Department of Elections, publish a notice of intention, and circulate petitions during a prescribed circulation period. Following submission of the petitions, the Department determines whether the measure has obtained the required number of valid signatures by verifying that petition signers are eligible registered voters. Depending on the number of signatures submitted and applicable verification procedures, the Department may verify a sample of submitted signatures or conduct an individual review. If the Department certifies that the petition contains sufficient valid signatures and satisfies other applicable requirements, the initiative qualifies for placement on the ballot.

Because of the costs associated with qualifying an initiative through the petition process, citizen initiatives are more commonly concentrated in higher-turnout elections, such as November presidential and midterm elections. For example, of the eight measures on the June 2022 primary ballot, seven were placed by the Board of Supervisors and one qualified by petition; by comparison, for the November 2026 general election, three measures were placed by the Board and seven qualified through the petition process.

### *Historical Petition Circulation Costs*

Petition circulation expenditures are a required campaign finance reporting category under California law, and the data for San Francisco measures is maintained by the San Francisco Ethics Commission. These costs may include paid petition circulators, consulting, legal fees, printing, and

other relevant expenditures. We reviewed this data for ordinance initiatives that pursued petition qualification since 2021. As shown in Exhibit 24, reported petition-related expenditures for the ordinance initiatives reviewed ranged from approximately \$2,400 to \$399,000, with an average of approximately \$19 per legally required signature. Most campaigns reviewed incurred costs equivalent to approximately \$10 to \$37 per required signature, although expenditures varied substantially across campaigns. Variations can reflect the extent to which some campaigns rely more on volunteers rather than paid workers to collect signatures.

**Exhibit 24: Reported Petition Circulation Costs for Proposed Ordinance Initiatives, 2021-2026**

| Initiative                          | Petition Costs   | Election      | Signatures Received | Signature Threshold | Cost per Required Signature |
|-------------------------------------|------------------|---------------|---------------------|---------------------|-----------------------------|
| Prop K: Guaranteed Income           | \$211,046        | <i>Struck</i> | 19,895              | 8,979               | \$23.50                     |
| Prop O: City College Parcel Tax     | 171,339          | Nov. 2022     | 20,432              | 8,979               | 19.08                       |
| Prop I: JFK Drive and Great Highway | 308,790          | Nov. 2022     | 17,578              | 8,979               | 34.39                       |
| Prop L: Fund the Bus                | 96,170           | Nov. 2024     | 20,000*             | 10,029              | 9.59                        |
| Prop C: Small Business Tax Cuts     | 398,954          | June 2026     | 20,000*             | 10,643              | 37.49                       |
| Prop H: MUNI Parcel Tax             | 189,248          | Nov. 2026     | 18,469              | 10,615              | 17.83                       |
| Prop G: Reopen Great Highway        | 2,439            | Nov. 2026     | 15,924              | 10,615              | 0.23                        |
| Prop I: Real Estate Transfer Tax    | 115,234          | Nov. 2026     | 20,598              | 10,644              | 10.86                       |
| <b>Average Cost</b>                 | <b>\$186,653</b> |               |                     |                     | <b>\$19.12</b>              |

Source: Ethics Commission Campaign Finance Transactions, Department of Elections certification documentation.

Note: (\*) Count of signatures received reflect estimated values from media reporting.

**Costs to Grassroots Campaigns**

To understand what it takes to qualify a measure in practice, we interviewed representatives of organizations that have led signature-gathering efforts for campaigns in San Francisco, asking about the time, labor, and funding their campaigns required and how an eight percent threshold would change those demands.

Specifically, we spoke with community organizers who have worked for coalitions that pursued the petition process to qualify ordinance measures to the ballot in San Francisco in the last five years. Of the grassroots ballot measures discussed in our interviews, one solicited petition signatures using both volunteer labor (75 percent of signatures) and paid circulators (25 percent of signatures) while the remaining campaigns were entirely volunteer-driven efforts.

Organizers reported that the statutory two percent threshold understates the number of signatures campaigns seek to collect because

some submitted signatures will not be validated by the Department of Elections. One organizer

*This Charter amendment would quadruple the number of required signatures to place ordinance initiatives on the ballot, likely causing volunteer-driven campaigns to rely on paid signature gatherers. This increases the estimated cost of qualifying an initiative from about \$320,000 to \$1.5 million.*

estimated that approximately 70 percent of collected signatures are from eligible San Francisco registered voters, and organizers reported generally collecting an additional buffer to reduce the risk of failing verification. Because an insufficient number of valid signatures requires proponents to restart the qualification process, campaigns may also conduct internal verification before submitting petitions to the Department of Elections.

Organizers interviewed for this analysis stated that increasing the signature requirement fourfold would substantially change the resources needed for a grassroots campaign. All reported that the proposed eight percent threshold would make qualification through a predominantly volunteer effort impractical and would necessitate reliance on paid circulators. Organizers cited the cost of paid signature gathering as a principal constraint, with one estimating that a seven-figure expenditure solely for petition circulation could approach the total resources available for an entire grassroots ballot campaign.

Exhibit 25 below illustrates the potential labor and financial requirements of a grassroots initiative campaign under the current two percent signature threshold and the proposed eight percent threshold. Based on the number of registered voters as of September 2026, the statutory requirement would increase from 10,615 to 42,460 valid signatures.

**Exhibit 25: Comparison of Fiscal and Labor Impact from 2% and 8% Signature Thresholds on Grassroot Campaigns for Ordinance Initiatives**

|                                           | <b>2% Threshold<br/>(Current)</b> | <b>8% Threshold<br/>(Proposed)</b> |
|-------------------------------------------|-----------------------------------|------------------------------------|
| Signatures required                       | 10,615                            | 42,460                             |
| Signatures sought (+60%)                  | 16,984                            | 67,936                             |
| Signatures verified by Elections          | 550-10,615                        | 2,200-42,460                       |
| Petition circulation administrative costs | \$320,000                         | \$480,000                          |
| Costs paid to petition circulators        | \$0*                              | \$1,019,040                        |
| Cost per required signature               | \$30.15                           | \$35.30                            |
| <b>Total cost incurred</b>                | <b>\$320,000</b>                  | <b>\$1,499,040</b>                 |

Source: BLA analysis.

\*Assumes all volunteers.

We use the following assumptions to arrive at the estimates shown above in Exhibit 25:

- Consistent with organizer experience, we assume that campaigns would seek signatures equal to 160 percent of the statutory requirement to account for signatures that may not ultimately be validated, resulting in estimated collection targets of 16,984 and 67,936 signatures, respectively. This accounts for the assumption amongst organizers that 70% of acquired signatures are invalid, plus an additional buffer beyond that amount.
- For purposes of illustrating a grassroots campaign that maximizes volunteer collection, we assume that the first 16,984 signatures under either threshold are collected by volunteers and that signatures above this amount are obtained through paid circulators at \$20 per signature. The average cost per required signature, including petition circulation administrative costs, would increase from approximately \$30 to \$35. We further assume

petition circulation administrative costs of \$320,000 under the current threshold and that these costs conservatively increase by 50 percent under the proposed threshold to account for the larger circulation effort.

Under these assumptions, the cost of qualifying an initiative would rise from . approximately \$320,000 to \$1.5 million, or from about \$30 to \$35 per required signature.

### *What the Research Says*

Research on campaign finance in the context of direct democracy, including petition circulation, is limited but generally supports the perspectives expressed by local organizers: higher signature thresholds can reduce access to the ballot and widen disparities between grassroots campaigns and campaigns backed by large donors.<sup>38</sup> The literature also suggests that ballot initiatives are rarely the preferred strategy for advocacy organizations because collecting and validating petition signatures is both labor-intensive and costly; organizations generally pursue initiatives when other avenues for achieving policy change, such as legislative advocacy, are unavailable or unsuccessful. Based on available research, campaign expenditure data, and interviews with local organizing committees, increasing the signature requirement to eight percent of registered voters would likely make qualification through predominantly volunteer signature gathering substantially more difficult and increase campaigns' reliance on paid petition circulators. Because community organizations and nonprofit coalitions generally have less capacity to raise funds for signature gathering than well-financed interests, the higher threshold could disproportionately constrain citizen-led campaigns and reduce the range of organizations able to qualify measures for the ballot.

---

<sup>38</sup> New America, *The Economics of Direct Democracy: Cost, Access, and Value*, July 2026, <https://www.newamerica.org/insights/direct-democracy-cost-access-value/>.

## Appendices

### Appendix A: Department Head Appointment Authority, Current & Proposed

| Department <sup>39</sup>                    | Current Appointment Authority                         | Proposed Appointing Authority                         |
|---------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| <b>Academy of Sciences</b>                  | No mayoral authority                                  | No mayoral authority                                  |
| <b>Adult Probation</b>                      | No mayoral authority                                  | No mayoral authority                                  |
| <b>Airport</b>                              | Mayor selects from commission shortlist               | Mayor selects from commission shortlist               |
| <b>Animal Care &amp; Control</b>            | City Administrator appoints with concurrence of Mayor | City Administrator appoints with concurrence of Mayor |
| <b>Arts Commission</b>                      | No mayoral authority                                  | Commission nomination to Mayor                        |
| <b>Asian Arts Museum</b>                    | No mayoral authority                                  | No mayoral authority                                  |
| <b>Assessor-Recorder</b>                    | No mayoral authority                                  | No mayoral authority                                  |
| <b>Board of Appeals</b>                     | No mayoral authority                                  | No mayoral authority                                  |
| <b>Board of Supervisors</b>                 | No mayoral authority                                  | No mayoral authority                                  |
| <b>Building Inspection</b>                  | Mayor selects from commission shortlist               | Mayor has complete authority                          |
| <b>Child Support Services</b>               | No mayoral authority                                  | No mayoral authority                                  |
| <b>Children, Youth &amp; Their Families</b> | Mayor has complete authority                          | Mayor has complete authority                          |
| <b>City Administrator</b>                   | Mayor appoints; Board of Supervisors confirms         | Mayor appoints; Board of Supervisors confirms         |
| <b>City Attorney</b>                        | No mayoral authority                                  | No mayoral authority                                  |
| <b>City Planning</b>                        | Mayor selects from commission shortlist               | Mayor has complete authority                          |
| <b>Civil Service</b>                        | No mayoral authority                                  | No mayoral authority                                  |
| <b>Controller</b>                           | Mayor appoints; Board of Supervisors confirms         | Mayor appoints; Board of Supervisors confirms         |
| <b>Convention Facilities</b>                | City Administrator appoints with concurrence of Mayor | City Administrator appoints with concurrence of Mayor |
| <b>County Clerk</b>                         | City Administrator appoints with concurrence of Mayor | City Administrator appoints with concurrence of Mayor |
| <b>Disability &amp; Aging Services</b>      | Mayor selects from commission shortlist               | Mayor selects from commission shortlist               |
| <b>District Attorney</b>                    | No mayoral authority                                  | No mayoral authority                                  |
| <b>Early Childhood</b>                      | Mayor has complete authority                          | Mayor has complete authority                          |
| <b>Economic &amp; Workforce Development</b> | Mayor has complete authority                          | Mayor has complete authority                          |
| <b>Elections</b>                            | No mayoral authority                                  | No mayoral authority                                  |
| <b>Emergency Management</b>                 | Mayor has complete authority                          | Mayor has complete authority                          |
| <b>Entertainment</b>                        | Mayor selects from commission shortlist               | Mayor has complete authority                          |

<sup>39</sup> Entities included in this analysis if included in the Mayor's Budget Book; See: [https://media.api.sf.gov/documents/Mayors\\_June\\_1st\\_Proposed\\_FY27\\_and\\_FY28\\_Budget\\_Budget\\_Book.pdf](https://media.api.sf.gov/documents/Mayors_June_1st_Proposed_FY27_and_FY28_Budget_Budget_Book.pdf)

|                                                          |                                                                        |                                                       |
|----------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------|
| <b>Environment</b>                                       | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Ethics</b>                                            | No mayoral authority                                                   | No mayoral authority                                  |
| <b>Fine Arts</b>                                         | No mayoral authority                                                   | No mayoral authority                                  |
| <b>Fire</b>                                              | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Health Service System</b>                             | No mayoral authority                                                   | No mayoral authority                                  |
| <b>Homelessness and Supportive Housing</b>               | Mayor selects from commission shortlist                                | Mayor has complete authority                          |
| <b>Housing &amp; Community Development</b>               | Mayor has complete authority                                           | Mayor has complete authority                          |
| <b>Human Resources</b>                                   | Mayor selects from commission shortlist; Board of Supervisors confirms | Mayor selects from commission shortlist               |
| <b>Human Rights</b>                                      | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Human Services</b>                                    | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Juvenile Probation</b>                                | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Law Library</b>                                       | No mayoral authority                                                   | No mayoral authority                                  |
| <b>Medical Examiner</b>                                  | City Administrator appoints with concurrence of Mayor                  | City Administrator appoints with concurrence of Mayor |
| <b>Municipal Transportation Agency</b>                   | No mayoral authority                                                   | Commission nomination to Mayor                        |
| <b>Office of Community Investment and Infrastructure</b> | No mayoral authority                                                   | No mayoral authority                                  |
| <b>Office of Small Business</b>                          | Mayor selects from commission shortlist                                | Mayor has complete authority                          |
| <b>Police</b>                                            | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Police Accountability</b>                             | Commission nominates, Mayor Selects, Board of Supervisors confirms     | Commission has full authority                         |
| <b>Port</b>                                              | Commission nominates, Mayor Selects                                    | Commission nominates, Mayor Selects                   |
| <b>Public Defender</b>                                   | No mayoral authority                                                   | No mayoral authority                                  |
| <b>Public Health</b>                                     | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Public Library</b>                                    | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Public Utilities</b>                                  | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |
| <b>Public Works</b>                                      | Mayor selects from commission shortlist                                | Mayor has complete authority                          |
| <b>Purchaser/Contract Administration</b>                 | City Administrator appoints with concurrence of Mayor                  | City Administrator appoints with concurrence of Mayor |
| <b>Real Estate</b>                                       | City Administrator appoints with concurrence of Mayor                  | City Administrator appoints with concurrence of Mayor |
| <b>Recreation &amp; Parks</b>                            | Mayor selects from commission shortlist                                | Mayor selects from commission shortlist               |

**Report to Supervisor Walton  
October 8, 2026**

|                                |                                                       |                                                       |
|--------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| <b>Rent Arbitration</b>        | Mayor selects from commission shortlist               | Mayor selects from commission shortlist               |
| <b>Retirement System</b>       | No mayoral authority                                  | No mayoral authority                                  |
| <b>Sheriff</b>                 | No mayoral authority                                  | No mayoral authority                                  |
| <b>Sheriff Accountability</b>  | No mayoral authority                                  | No mayoral authority                                  |
| <b>Status of Women</b>         | Mayor selects from commission shortlist               | Mayor selects from commission shortlist               |
| <b>Superior Court</b>          | No mayoral authority                                  | No mayoral authority                                  |
| <b>Technology</b>              | City Administrator appoints with concurrence of Mayor | City Administrator appoints with concurrence of Mayor |
| <b>Treasurer-Tax Collector</b> | No mayoral authority                                  | No mayoral authority                                  |
| <b>War Memorial</b>            | No mayoral authority                                  | Commission nomination to Mayor                        |

Source: BLA analysis.

## Appendix B: Department Head Removal Authority, Current & Proposed

| Department <sup>40</sup>         | Current Removal Authority                              | Proposed Removal Authority                             |
|----------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Academy of Sciences              | No mayoral authority                                   | No mayoral authority                                   |
| Adult Probation                  | No mayoral authority                                   | No mayoral authority                                   |
| Airport                          | Commission removes independently or at Mayor's request | Mayor has complete authority                           |
| Animal Care & Control            | City Administrator removes with concurrence of Mayor   | City Administrator removes with concurrence of Mayor   |
| Arts Commission                  | No mayoral authority                                   | Mayor has complete authority                           |
| Asian Arts Museum                | No mayoral authority                                   | No mayoral authority                                   |
| Assessor-Recorder                | No mayoral authority                                   | No mayoral authority                                   |
| Board of Appeals                 | No mayoral authority                                   | No mayoral authority                                   |
| Board of Supervisors             | No mayoral authority                                   | No mayoral authority                                   |
| Building Inspection              | Commission removes independently or at Mayor's request | Mayor has complete authority                           |
| Child Support Services           | No mayoral authority                                   | No mayoral authority                                   |
| Children, Youth & Their Families | Mayor has complete authority                           | Mayor has complete authority                           |
| City Administrator               | Mayor removes with concurrence of Board of Supervisors | Mayor removes with concurrence of Board of Supervisors |
| City Attorney                    | No mayoral authority                                   | No mayoral authority                                   |
| City Planning                    | Commission removes independently or at Mayor's request | Mayor has complete authority                           |
| Civil Service                    | No mayoral authority                                   | No mayoral authority                                   |
| Controller                       | Mayor removes with concurrence of Board of Supervisors | Mayor removes with concurrence of Board of Supervisors |
| Convention Facilities            | City Administrator removes with concurrence of Mayor   | City Administrator removes with concurrence of Mayor   |
| County Clerk                     | City Administrator removes with concurrence of Mayor   | City Administrator removes with concurrence of Mayor   |
| Disability & Aging Services      | Commission removes independently or at Mayor's request | Mayor has complete authority                           |
| District Attorney                | No mayoral authority                                   | No mayoral authority                                   |
| Early Childhood                  | Mayor has complete authority                           | Mayor has complete authority                           |
| Economic & Workforce Development | Mayor has complete authority                           | Mayor has complete authority                           |
| Elections                        | No mayoral authority                                   | No mayoral authority                                   |
| Emergency Management             | Mayor has complete authority                           | Mayor has complete authority                           |
| Entertainment                    | Commission removes independently or at Mayor's request | Mayor has complete authority                           |
| Environment                      | Commission removes independently or at Mayor's request | Mayor has complete authority                           |
| Ethics                           | No mayoral authority                                   | No mayoral authority                                   |
| Fine Arts                        | No mayoral authority                                   | No mayoral authority                                   |

<sup>40</sup> Entities included in this analysis if included in the Mayor's Budget Book; See: [https://media.api.sf.gov/documents/Mayors\\_June\\_1st\\_Proposed\\_FY27\\_and\\_FY28\\_Budget\\_Budget\\_Book.pdf](https://media.api.sf.gov/documents/Mayors_June_1st_Proposed_FY27_and_FY28_Budget_Budget_Book.pdf)

|                                                          |                                                           |                                                      |
|----------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------|
| <b>Fire</b>                                              | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Health Service System</b>                             | No mayoral authority                                      | No mayoral authority                                 |
| <b>Homelessness and Supportive Housing</b>               | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Housing &amp; Community Development</b>               | Mayor has complete authority                              | Mayor has complete authority                         |
| <b>Human Resources</b>                                   | Mayor removes but can be overridden                       | Mayor removes but can be overridden                  |
| <b>Human Rights</b>                                      | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Human Services</b>                                    | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Juvenile Probation</b>                                | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Law Library</b>                                       | No mayoral authority                                      | No mayoral authority                                 |
| <b>Medical Examiner</b>                                  | City Administrator removes with concurrence of Mayor      | City Administrator removes with concurrence of Mayor |
| <b>Municipal Transportation Agency</b>                   | No mayoral authority                                      | Mayor has complete authority                         |
| <b>Office of Community Investment and Infrastructure</b> | No mayoral authority                                      | No mayoral authority                                 |
| <b>Office of Small Business</b>                          | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Police</b>                                            | Mayor has authority to remove; Commission can also remove | Mayor has complete authority                         |
| <b>Police Accountability</b>                             | No mayoral authority                                      | Commission has full authority                        |
| <b>Port</b>                                              | Commission has full authority                             | Commission has full authority                        |
| <b>Public Defender</b>                                   | No mayoral authority                                      | No mayoral authority                                 |
| <b>Public Health</b>                                     | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Public Library</b>                                    | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Public Utilities</b>                                  | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Public Works</b>                                      | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Purchaser/Contract Administration</b>                 | City Administrator removes with concurrence of Mayor      | City Administrator removes with concurrence of Mayor |
| <b>Real Estate</b>                                       | City Administrator removes with concurrence of Mayor      | City Administrator removes with concurrence of Mayor |
| <b>Recreation &amp; Parks</b>                            | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Rent Arbitration</b>                                  | Commission removes independently or at Mayor's request    | Commission Removal at Mayor Request                  |
| <b>Retirement System</b>                                 | No mayoral authority                                      | No mayoral authority                                 |
| <b>Sheriff</b>                                           | No mayoral authority                                      | No mayoral authority                                 |
| <b>Sheriff Accountability</b>                            | No mayoral authority                                      | No mayoral authority                                 |
| <b>Status of Women</b>                                   | Commission removes independently or at Mayor's request    | Mayor has complete authority                         |
| <b>Superior Court</b>                                    | No mayoral authority                                      | No mayoral authority                                 |

|                         |                                                      |                                                      |
|-------------------------|------------------------------------------------------|------------------------------------------------------|
| Technology              | City Administrator removes with concurrence of Mayor | City Administrator removes with concurrence of Mayor |
| Treasurer-Tax Collector | No mayoral authority                                 | No mayoral authority                                 |
| War Memorial            | No mayoral authority                                 | Mayor has complete authority                         |

Source: BLA analysis.