

FILE NO.

1 [Charter Amendment - City Administrator Authority and Board of Supervisors Contract
2 Approval]

3 **Describing and setting forth a proposal to the voters at an election to be held on**
4 **November 3, 2026, to amend the Charter of the City and County of San Francisco to 1)**
5 **extend the City Administrator’s term from five to ten years; 2) give the City Administrator**
6 **exclusive authority to introduce ordinances governing most areas of procurement and**
7 **provide that such ordinances are deemed approved after 60 days if not rejected by the**
8 **Board of Supervisors or Mayor; 3) give the City Administrator authority to adopt rules**
9 **and regulations regarding procurement that supersede any conflicting rules and**
10 **regulations adopted by departments, subject to the Municipal Code; direct and supervise**
11 **the acquisition and use of information technology across the City; promote alignment and**
12 **mediate inter-departmental disputes in multi-departmental capital improvement and**
13 **construction projects; and require departments to provide reports of departments’**
14 **operations, contracts, revenues, and expenditures; 4) limit the exclusive authority of the**
15 **Municipal Transportation Agency, the exclusive charge of the Public Utilities Commission,**
16 **and the authority of the Port Commission, Airport Commission, and charitable trust**
17 **departments to the extent consistent with the Charter and with state and federal law such**
18 **that those departments are generally subject to City Administrator’s authority as provided**
19 **in the preceding subsection 3, and the City Administrator’s authority to directly procure**
20 **commodities and services and dispose of personal property belonging to the City; 5)**
21 **remove the requirement that the City Administrator approve any department**
22 **reorganization initiated by the department head; and 6) raise the threshold requiring**
23 **Board of Supervisors’ approval of contracts from \$1,000,000 to \$4,500,000 for revenue**
24 **contracts and revenue real property leases, and from \$10,000,000 to \$25,000,000 for**
25 **expenditure contracts; limit Board of Supervisors review of amendments to such contracts**
to amendments that result in a cumulative increase of 50% or more of the original contract

1 **amount; and require the Controller to adjust these monetary thresholds to reflect any**
2 **increase in the consumer price index.**

3
4 Section 1. The Board of Supervisors hereby submits to the qualified voters of the City
5 and County, at an election to be held on November 3, 2026, a proposal to amend the Charter of
6 the City and County by revising Article II, Sections 2.105 and 2.106, Article III, Section 3.104,
7 Article IV, Sections 4.112, 4.115, and 4.126, Article V, Section 5.101, Article VIIIA, Sections
8 8A.100, 8A.101, 8A.102, and 8A.107, Article VIIIB, Sections 8B.120 and 8B.121, Article IX,
9 Section 9.118, and Appendix B, Section B3.581; by adding Article IXA, consisting of Sections
10 9A.100, 9A.101, and 9A.102; and by deleting Article IV, Section 4.129, to read as follows:

11 NOTE: **Unchanged Charter text and uncodified text** are in plain font.
12 **Additions** are *single-underline italics Times New Roman font*.
13 **Deletions** are ~~*strike-through italics Times New Roman font*~~.
14 **Asterisks (* * * *)** indicate the omission of unchanged Charter
15 subsections.

16 **ARTICLE II: LEGISLATIVE BRANCH**

17 **SEC. 2.105. ORDINANCES AND RESOLUTIONS.**

18 The Board of Supervisors shall meet and transact its business according to rules which
19 it shall adopt.

20 The Board of Supervisors shall act only by written ordinance or resolution, except that
21 it may act by motion on matters over which the Board of Supervisors has exclusive jurisdiction.
22 All legislative acts shall be by ordinance. An ordinance or resolution may be introduced before
23 the Board of Supervisors by a member of the Board, a committee of the Board, the Mayor, ~~or~~ the
24 Commission Streamlining Task Force subject to the limitations set forth in Section 4.100.1, or
25 the City Administrator subject to the limitations set forth in Section 9A.102(a), and shall be

1 referred to and reported upon by an appropriate committee of the Board. An ordinance or
2 resolution may be prepared in committee and reported out to the full Board for action, consistent
3 with the public notice laws of the City, except as otherwise provided in this Charter. ~~Except as~~
4 ~~otherwise provided in this Charter,~~ Passage of an ordinance or a resolution shall require the
5 affirmative vote of a majority of the members of the Board, except as otherwise provided in this
6 Charter.

7 An ordinance shall deal with only one subject matter, except that appropriations
8 ordinances may cover appropriations with respect to any number of subjects. The title of each
9 ordinance shall clearly reflect the content of the ordinance.

10 Except as otherwise provided in Sections 2.107 and 9A.102(a), passage of an ordinance
11 shall require two readings at separate meetings of the Board of Supervisors, which shall be held
12 at least five days apart. If an ordinance is amended at its second reading, the ordinance shall
13 require a further reading prior to final passage. Resolutions shall require only one reading and
14 may be adopted upon introduction without reference to committee by unanimous affirmative
15 vote of the members of the Board of Supervisors who are present, but in no event less than a
16 quorum.

17 All ordinances shall take effect no sooner than 30 days following the date of passage
18 except for ordinances not subject to referendum and those authorizing bonded indebtedness and
19 lease financings, which shall take effect immediately. Ordinances granting franchises shall take
20 effect no sooner than 60 days after passage. No ordinance granting a franchise may be passed
21 within 90 days of its introduction. Resolutions may take effect immediately upon passage, or at
22 such other time as shall be specified in the resolutions.

1 **SEC. 2.106. VETO OVERRIDE.**

2 The Board of Supervisors may enact an ordinance or resolution which has been vetoed
3 by the Mayor pursuant to Section 3.103 if, within 30 days after such veto, not less than two-
4 thirds of the Board of Supervisors shall vote in favor of such measure, except as provided in
5 Sections 9.104 and 9A.102. If a larger vote is required for the adoption of the measure by
6 provisions of this Charter, such larger vote shall be required to overcome the veto of the Mayor.

7
8 **ARTICLE III: EXECUTIVE BRANCH – OFFICE OF MAYOR**

9 **SEC. 3.104. CITY ADMINISTRATOR.**

10 (a) The Mayor shall appoint or reappoint a City Administrator, subject to confirmation by
11 the Board of Supervisors. The appointee shall have at least ten years' governmental management
12 or finance experience with at least five years at the City, County, or City and County level. The
13 City Administrator shall have a term of office of ~~five~~ten years, and may only be removed by the
14 Mayor with the concurrence of ~~subject to approval by~~ the Board of Supervisors.

15 (b) Except as otherwise provided in the Charter or in state or federal law, the City
16 Administrator shall have authority to do the following ~~responsibility for~~:

17 (1) Appoint and remove department heads under the direct oversight of the City
18 Administrator subject to approval of the Mayor, except as provided in Section 4.102.

19 (2) Direct and supervise the City's information technology, including establishing
20 and implementing citywide policy, standards, practices, and systems for technology uses that are
21 standard across departments, or that impact cross-departmental systems' security, resilience,
22 compatibility, or functionality.

23 (3) In multi-departmental capital improvement and construction projects, promote
24 coordination and alignment of departments and mediate inter-departmental disputes as
25 necessary to ensure successful and timely completion of the project.

1 (4) Introduce ordinances and adopt rules and regulations governing Procurement, as
2 specified in Article IXA.

3 (5) Procure commodities and services required by the City, subject to Controller's
4 certification of funds, or delegate to any department the authority to procure commodities and
5 services required by that department, subject to the Controller's certification of funds.

6 (6) Procure and execute contracts without interference from the Mayor or Board of
7 Supervisors.

8 (7) Exchange, sell, and otherwise dispose of the City's personal property, or delegate
9 to any department the authority to exchange, sell, and otherwise dispose of such property.

10 (8) Conduct long-term capital planning and prepare and recommend General
11 Obligation bond measures for consideration by the Mayor and Board of Supervisors.

12 ~~—1. Administrative services within the executive branch, as assigned by the Mayor~~
13 ~~or by ordinance;~~

14 ~~—2. Administering policies and procedures regarding bonded or other long-term~~
15 ~~indebtedness, procurement, contracts and building and occupancy permits, and for assuring that~~
16 ~~all contracts and permits are issued in a fair and impartial manner and that any inspections~~
17 ~~involved with the issuance of permits shall be carried out in a like manner;~~

18 ~~—3. Coordinating all capital improvement and construction projects except~~
19 ~~projects solely under the Airport, Port, Public Utilities and Public Transportation Commissions;~~

20 ~~—4. Preparing and recommending bond measures for consideration by the Mayor~~
21 ~~and Board of Supervisors; and~~

22 ~~—5. Administering, budgeting and control of publicity and advertising~~
23 ~~expenditures.~~

24 ~~—The City Administrator shall have power to:~~

1 of the City as well as the real, personal and financial assets, which are under the Commission's
2 jurisdiction on the operative date of this Charter, or assigned pursuant to Section 4.132, as
3 further specified in Article VIII B.

4
5 **SEC. 4.115. AIRPORT COMMISSION.**

6 The Airport Commission shall consist of five members appointed by the Mayor,
7 pursuant to Section 3.100, for four-year terms. Members may be removed by the Mayor only
8 pursuant to Section 15.105.

9 The Commission shall provide the Mayor with at least three qualified candidates for
10 Director of Airports, related on the basis of executive, administrative and technical
11 qualifications.

12 The Commission shall have charge of the construction, management, supervision,
13 maintenance, extension, operation, use and control of all property, as well as the real, personal
14 and financial assets which are under the Commission's jurisdiction. Notwithstanding the
15 Commission's authority described in this Section 4.115, the Commission shall be subject to the
16 City Administrator's authority under Sections 3.104(b) and (c).

17 Subject to the approval, amendment or rejection of the Board of Supervisors of each
18 issue, the Commission shall have exclusive authority to plan and issue revenue bonds for airport-
19 related purposes.

20
21 **SEC. 4.126. DEPARTMENTS – GENERAL PROVISIONS.**

22 Except as otherwise provided by this Charter, the responsibilities of each department
23 within the executive branch shall be prescribed by ordinance.

24 The administration and management of each department within the executive branch
25

1 shall be the responsibility of the department head. Such officials may:

2 1. Appoint qualified individuals to fill all positions within their departments which are
3 exempt from the Civil Service provisions of this Charter;

4 2. Adopt rules and regulations governing matters within the jurisdiction of their
5 respective departments, subject, if applicable, to Section 4.102; and

6 3. ~~With the approval of the City Administrator, r~~Reorganize their respective
7 departments.

8 No person serving on a board or commission created by state law to discharge a state
9 function specifically within the City and County may be employed as a paid staff member to a
10 board or commission created by this Charter.

11
12 **~~SEC. 4.129. DEPARTMENT OF ADMINISTRATIVE SERVICES.~~**

13 ~~—The director of the Department of Administrative Services shall purchase all supplies,~~
14 ~~equipment and contractual services required by the several departments and offices of the City~~
15 ~~and County, except as otherwise provided in the Administrative Code.~~

16 ~~Except in cases of emergency, the director shall not enter into any contract or issue any~~
17 ~~purchase order unless the Controller shall certify thereon that sufficient unencumbered balances~~
18 ~~are available in the proper fund to meet the payments under such purchase order or contract as~~
19 ~~these become due. The director shall have charge of the central warehouses, central storerooms,~~
20 ~~central garage and shop.~~

21 ~~—The director shall by rules and regulations approved by the Controller, designate and~~
22 ~~authorize appropriate personnel within the Department of Administrative Services to exercise~~
23 ~~the director's signature powers for purchase orders and contract.~~

24 ~~—The director shall have authority to exchange used materials, supplies and equipment~~
25 ~~to the advantage of the City and County, advertise for bids, and to sell and otherwise dispose of~~

1 ~~personal property belonging to the City and County. The director shall have authority to require~~
2 ~~the transfer of surplus property in any department to stores or to other departments.~~

3 ~~—The director shall manage all public buildings, facilities and real estate of the City and~~
4 ~~County, unless otherwise provided for in this Charter.~~

5 ~~Additional duties and functions of the Department of Administrative Services shall be~~
6 ~~assigned the City Administrator, by ordinance or pursuant to Section 4.132.~~

8 **ARTICLE V:**

9 **EXECUTIVE BRANCH – ARTS AND CULTURE**

10 **SEC. 5.101. CHARITABLE TRUST DEPARTMENTS.**

11 For the purposes of this Article, the Asian Art Museum of San Francisco, The Fine Arts
12 Museums of San Francisco and the War Memorial and Performing Arts Center are referred to as
13 the “charitable trust departments.”

14 Nothing in this Article shall be construed to limit or change the powers and
15 responsibilities of the governing boards of the charitable trust departments insofar as they
16 involve administration of the charitable trusts, gifts and contracts for which they are responsible.

17 The charitable trust departments shall have exclusive charge of the trusts and all other
18 assets under their jurisdiction, which may be acquired by loan, purchase, gift, devise, bequest or
19 otherwise, including any land or buildings set aside for their use. They shall have authority to
20 maintain, operate, manage, repair or reconstruct existing buildings and construct new buildings,
21 and to make and enter into contracts relating thereto, subject, insofar as City funds are to be used,
22 to the budgetary and fiscal provisions of this Charter.

23 Notwithstanding the authority described in this Section 5.101, charitable trust
24 departments shall be subject to the City Administrator’s authority under Sections 3.104(b) and
25 (c), to the extent not inconsistent with their trust obligations.

1
2 **ARTICLE VIII: THE MUNICIPAL TRANSPORTATION AGENCY**

3 **SEC. 8A.100. PREAMBLE.**

4 (a) An effective, efficient, and safe transportation system is vital for San Francisco to
5 achieve its goals for quality of life, environmental sustainability, public health, social justice, and
6 economic growth. The Municipal Transportation Agency must manage San Francisco's
7 transportation system which includes automobile, freight, transit, bicycle, and pedestrian
8 networks to help the City meet those goals. Through this measure, the voters seek to provide the
9 Municipal Transportation Agency with improved resources and expanded independence and
10 authority in order to create a transportation system that is among the best in the world.

11 * * * *

12 (e) At the same time, this Article is intended to ensure sufficient oversight of the
13 Municipal Transportation Agency by, among other things, preserving the role of the City's
14 Controller as to financial matters, the City Attorney as to legal matters, *and* the Civil Service
15 Commission, as to merit system issues, and the City Administrator as to matters covered under
16 Sections 3.104(b) and (c). In addition, this Article requires that outside audits be performed to
17 ensure that required service levels are obtained with a minimum of waste.

18 * * * *

19
20 **SEC. 8A.101. MUNICIPAL TRANSPORTATION AGENCY.**

21 (a) There shall be a Municipal Transportation Agency. The Agency shall include a
22 Board of Directors and a Director of Transportation. The Agency shall include the Municipal
23 Railway and the former Department of Parking and Traffic, as well as any other departments,
24 bureaus or operating divisions hereafter created or placed under the Agency. There shall also be
25 a Citizens Advisory Committee to assist the Agency.

1 * * * *

2 (d) Except as expressly provided in this Article, the Agency shall comply with all of
3 the restrictions and requirements imposed by the ordinances of general application of the City
4 and County, including ordinances prohibiting discrimination of any kind in employment and
5 contracting, such as Administrative Code Chapters 12B et seq., as amended from time to time.
6 The Agency shall be solely responsible for the administration and enforcement of such
7 requirements, subject to the City Administrator's authority under Sections 3.104(b) and (c).

8 (e) The Agency may contract with existing City and County departments to carry out
9 any of its powers and duties. Any such contract shall establish performance standards for the
10 department providing the services to the Agency, including measurable standards for the quality,
11 timeliness, and cost of the services provided. All City and County departments must give the
12 highest priority to the delivery of such services to the Agency.

13 (f) The Agency may not exercise any powers and duties of the Controller or the City
14 Attorney and shall ~~contract~~ enter into memoranda of understanding with the Controller and the
15 City Attorney for the exercise of such powers and duties.

16
17 **SEC. 8A.102. GOVERNANCE AND DUTIES.**

18 * * * *

19 (b) The Agency shall:

20 1. Have exclusive authority over the acquisition, construction, management,
21 supervision, maintenance, extension, operation, use, and control of all property, as well as the
22 real, personal, and financial assets of the Agency, subject to the City Administrator's authority
23 under Sections 3.104(b) and (c); and have exclusive authority over contracting, leasing, and
24 purchasing by the Agency, subject to the City Administrator's authority under Sections 3.104(b)
25 and (c), and provided that any Agency contract for outside services shall be subject to Charter

1 Sections 10.104(12) and 10.104(15) and that the Agency may not transfer ownership of any of
2 the real property of the City and County without approval from the Board of Directors and the
3 Board of Supervisors;

4 2. Have exclusive authority to enter into such arrangements and agreements for the
5 joint, coordinated, or common use with any other public entity owning or having jurisdiction
6 over rights-of-way, tracks, structures, subways, tunnels, stations, terminals, depots, maintenance
7 facilities, and transit electrical power facilities;

8 3. Have exclusive authority to make such arrangements as it deems proper to
9 provide for the exchange of transfer privileges, and through-ticketing arrangements, and such
10 arrangements shall not constitute a fare change subject to the requirements of Sections 8A.106
11 and 8A.108;

12 4. Notwithstanding any restrictions on contracting authority set forth in the
13 Administrative Code, have exclusive authority to enter into agreements for the distribution of
14 transit fare media and media for the use of parking meters or other individual parking services,
15 subject to the City Administrator's authority under Sections 3.104(b) and (c);

16 * * * *

17 9. Have exclusive authority to establish policies regarding and procure goods and
18 services for the enforcement of regulations limiting parking, stopping, standing or loading and
19 the collection of parking-related revenues, subject to the City Administrator's authority under
20 Sections 3.104(b)(4), (b)(5), and (c); and, along with the Police Department, have authority to
21 enforce parking, stopping, standing or loading regulations;

22 * * * *

1 **SEC. 8A.107. MUNICIPAL TRANSPORTATION QUALITY REVIEW.**

2 (a) The Agency shall biennially contract with a nationally recognized management or
3 transportation consulting firm with offices in the City and County for an independent review of
4 the quality of its operations. The contract shall ~~be competitively bid and~~ comply with applicable
5 contracting requirements in the Municipal Code and City rules and regulations and shall be
6 approved by the Controller ~~and Board of Supervisors~~. The review shall contain:

7 1. A detailed analysis of the extent to which the Agency has met the goals,
8 objectives, and performance standards it is required to adopt under Section 8A.103, and the
9 extent to which the Agency is expected to meet those goals, objectives, and performance
10 standards in the two fiscal years for which the review is submitted, and independent verification
11 of the Agency's reported performance under the performance measures adopted pursuant to
12 Section 4 of this measure; and

13 2. Such recommendations for improvement in the operation of the Agency as the
14 firm conducting the review deems appropriate.

15 (b) The results of the review shall be presented promptly to the Citizens' Advisory
16 Council, the Agency, the Board of Supervisors, and the Mayor by the reviewing firm; and the
17 Citizens' Advisory Council, the Agency, and the Board of Supervisors shall each promptly hold
18 at least one public hearing thereon.

19
20 **ARTICLE VIII B: PUBLIC UTILITIES**

21 **SEC. 8B.120. PREAMBLE.**

22 * * * *

23 This measure is intended to enhance public confidence in the City's stewardship of
24 public utilities by:

1 1. Clarifying that the Public Utilities Commission has exclusive control of water,
2 clean water and power assets owned or maintained by the City and County of San Francisco,
3 subject to the City Administrator's authority under Sections 3.104(b) and (c) to the extent
4 specified in this Article VIII B;

5 2. Establishing rates sufficient to meet operation, maintenance and financial needs of
6 the system based on costs and sound budgeting and auditing procedures to protect retail
7 ratepayers and reduce interest paid on bonds and other indebtedness while ensuring public
8 review;

9 3. Establishing the Public Utilities Commission as an independent revenue department
10 not subject to undue financial pressures to contribute to the City's general fund;

11 4. Requiring the development of long term Capital, Financial and Strategic Plans to
12 ensure that the utilities are operated efficiently in accordance with best public utility practice;

13 5. Authorizing the Public Utilities Commission to independently enter into certain
14 contracts, subject to the City Administrator's authority under Sections 3.104(b) and (c);

15 6. Giving the Public Utilities Commission the ability to finance needed capital
16 improvements through revenue bonds or other financing methods consistent with the powers of
17 other major public utilities in California; and

18 7. Promoting labor stability to ensure that the Capital Improvement Plan is completed
19 expeditiously and efficiently.

20
21 **SEC. 8B.121. PUBLIC UTILITIES COMMISSION.**

22 (a) Notwithstanding Charter section 4.112, the Public Utilities Commission shall have
23 exclusive charge of the construction, management, supervision, maintenance, extension,
24 expansion, operation, use and control of all water, clean water and energy supplies and utilities
25 of the City as well as the real, personal and financial assets, that are under the Commission's

1 jurisdiction or assigned to the Commission under Section 4.132, subject to the City
2 Administrator’s authority under Sections 3.104(b) and (c).

3 * * * *

4
5 **ARTICLE IXA: PROCUREMENT**

6 **SEC. 9A.100. GENERAL PRINCIPLES.**

7 All City legislation, rulemaking, and policy implementation regarding Procurement, as
8 defined in Section 9A.101, shall serve the following objectives:

9 1. Maximizing the value, measured in terms of cost, quality, and timeliness, of the
10 delivered commodity or service;

11 2. Minimizing administrative operating burdens; and

12 3. Conducting business with integrity, openness, and in a fair and impartial manner.

13
14 **SEC. 9A.101. DEFINITIONS.**

15 For purposes of this Article IXA, “Procurement” and “Procure” mean the requirements
16 for sourcing, selecting, and contracting for: 1) the purchase of commodities and services, 2)
17 public works, and 3) grantmaking, including but not limited to contracts under Administrative
18 Code Chapters 6, 21, and 21G, as those Chapters may be amended from time to time, and any
19 successor or related provisions of the Municipal Code governing procurement of commodities,
20 services, public works, or grants. Requirements include but are not limited to contract terms and
21 conditions and process requirements. Procurement does not include the following: 1) the
22 manner in which the City uses commodities and services after they have been procured; 2)
23 collective bargaining agreements between labor unions and the City; 3) development agreements
24 under Administrative Code Chapter 56, as it may be amended from time to time, or under state
25

1 law; 4) grants or revenue contracts under which the City receives funds and does not pay funds;
2 and 5) agreements for the acquisition, disposition, or lease of real property.

3
4 **SEC 9A.102. CITY ADMINISTRATOR AUTHORITY OVER CITY PROCUREMENT**

5 **(a) Exclusive Authority Over Procurement Legislation.** The City Administrator shall
6 have exclusive authority to introduce ordinances at the Board of Supervisors governing
7 Procurement, except for ordinances that primarily address contractor wage standards, benefits,
8 or workplace health and safety standards; requirements for local business utilization; and
9 project labor agreements. Ordinances introduced by the City Administrator under this Section
10 9A.102(a) shall be approved as follows:

11 (1) The ordinance shall be deemed approved by the Board of Supervisors and Mayor
12 60 days after the date of introduction unless, before the expiration of the 60-day period, the
13 Board of Supervisors by motion, or the Mayor by providing written notice to the City
14 Administrator and the Clerk of the Board of Supervisors, disapproves the ordinance. The date of
15 introduction shall be the date of the meeting of the Board of Supervisors when the ordinance is
16 presented to the Board of Supervisors.

17 (2) Alternatively, the ordinance may be approved by a single vote of the Board of
18 Supervisors together with written notice provided by the Mayor to the Clerk of the Board of
19 Supervisors. The Board of Supervisors may not amend the ordinance.

20 (3) Notwithstanding Section 3.103, the date of passage of the ordinance shall be the
21 earlier of: (A) the date it is deemed approved as set forth in Section 9A.102(a)(1); or (B) the
22 later of the date the Board of Supervisors votes to approve the ordinance as set forth in Section
23 9A.102(a)(2) or the date the Mayor provides written notice of approval to the Clerk of the Board
24 of Supervisors as set forth in Section 9A.102(a)(2).

25 **(b) Authority Over Procurement Rulemaking.**

1 (1) The City Administrator shall have authority to adopt and amend rules and
2 regulations that implement Municipal Code provisions governing Procurement.

3 (2) The City Administrator shall adopt or amend rules and regulations under this
4 Section 9A.102(b) only after publishing the proposed rules and regulations in a location and
5 format easily accessible to the public and providing a minimum of 10 days for the public to
6 submit comments on the proposed rules and regulations. After adoption, the rules and
7 regulations shall be published in a location and format easily accessible to the public.

8 (3) Subject to the Municipal Code, rules and regulations adopted by the City
9 Administrator under this Section 9A.102(b) shall supersede any conflicting rules or regulations
10 adopted by departments.

11 (4) Departments shall coordinate with the City Administrator to ensure that
12 Procurement and Procurement-related activities conducted by departments conform to
13 standards established by the City Administrator.

ARTICLE IX: FINANCIAL PROVISIONS

SEC. 9.118. CONTRACT AND LEASE LIMITATIONS.

17 (a) Unless otherwise provided for in this Charter, contracts entered into by a
18 department, board or commission having anticipated net revenue to the City and County of
19 \$4,500,000~~one million dollars~~ or more, ~~or the termination of such contracts, and each Major~~
20 ~~Amendment the modification, amendment or termination of any such~~ contracts ~~which when~~
21 ~~entered into had anticipated revenue of one million dollars or more~~, shall be subject to approval
22 of the Board of Supervisors by resolution.

23 (b) Unless otherwise provided for in this Charter, and with the exception of
24 construction contracts ~~entered into by the City and County~~, any ~~other~~ contracts or agreements
25 entered into by a department, board, or commission having a term ~~in excess of~~ ten years or more,

1 or requiring anticipated net expenditures by the City and County of ~~\$25,000,000~~*ten million*
2 *dollars or more, and each Major Amendment of such contracts, or the modification or*
3 *amendments to such contract or agreement having an impact of more than \$500,000* shall be
4 subject to approval of the Board of Supervisors by resolution.

5 (c) Unless otherwise provided for in this Charter, any lease of real property for a
6 period of ten ~~or more~~*years or more*, including options to renew, or having anticipated net
7 revenue to the City and County of ~~\$4,500,000~~*one million dollars* or more; the ~~modification,~~
8 ~~amendment or~~ termination of any such lease; ~~each Major Amendment of such lease, which when~~
9 ~~entered into was for a period of ten or more years, including options to renew, or had~~
10 ~~anticipated revenue to the City and County of one million dollars or more;~~ and any sale or other
11 transfer of real property owned by the City and County, shall first be approved by resolution of
12 the Board of Supervisors. Leases of property under the jurisdiction of the Port Commission for
13 maritime use shall be exempt from the requirements of this section.

14 (d) Beginning on July 1, 2032, the Controller shall adjust the monetary thresholds
15 specified in subsections (a) through (c) to reflect any increase in the relevant consumer price
16 index, as determined by the Controller, since July 1, 2027. The Controller shall perform a
17 consumer price index adjustment of the monetary thresholds in subsections (a) through (c) every
18 five years thereafter covering either the preceding five-year period or the period since the last
19 adjustment if longer than five years. The monetary thresholds as recalculated by the Controller
20 shall be rounded to the nearest \$500,000 and shall take effect by operation of law on July 1,
21 2032, and on July 1 every five years thereafter. The Controller shall publish the current
22 thresholds in a location and format easily accessible to the public.

23 (e) For the purposes of this Section 9.118, a “Major Amendment” means each
24 modification or amendment to a contract or lease that results in a cumulative increase of 50% or
25 more of the original contract or lease amount over the amount last approved by the Board of

1 Supervisors. As used in this definition, “amount” means monetary amount, not the length or
2 term of a contract or lease.

3 (f) Transition provision. A contract executed prior to January 1, 2027, with a term of ten
4 years that was not subject to approval by the Board of Supervisors at the time of execution, but
5 as of January 1, 2027, would be subject to approval by the Board of Supervisors under 9.118(b)
6 or (c), will be subject to first-time approval by the Board of Supervisors only if the contract is
7 amended on or after January 1, 2027, to extend the term beyond ten years, or to increase the
8 amount of expenditures or revenue under the contract to equal or exceed the threshold amounts
9 set forth above.

11 **APPENDIX B: PORT AGREEMENTS**

12 **B3.581. POWERS AND DUTIES.**

13 The Port Commission shall have all the powers and duties given to boards and
14 Commissions by Section ~~3.5004.102~~ of the Charter and shall have the power to establish such
15 departments and bureaus as may be necessary or convenient for the conduct of its affairs. Subject
16 to the terms and conditions of the transfer and any supplemental agreements relating thereto, the
17 Port Commission shall have the control and management of all real and personal property
18 transferred under the Statutes 1968, ch. 1333, or otherwise acquired or purchased with funds
19 under its control or acquired or purchased by it within the scope of its authority, or otherwise
20 placed under its management, supervision and control. The property under the control and
21 management of the Commission shall be known as the port area. The Port Commission shall
22 have the power and duty to use, conduct, operate, maintain, manage, regulate, and control the
23 port area of San Francisco and to do all things it deems necessary in connection with the use,
24 conduct, operation, management, maintenance, regulation, improvement and control of said port

1 area, or which may further the interests of the port in world trade, including, without limiting the
2 generality of the foregoing, the exclusive power to perform or accomplish the following:

3 (a) The improvement, operation and conduct of the harbor, and any and all
4 improvements or facilities located thereon;

5 * * * *

6 (h) The power to nominate for appointment a Port Director who shall be the chief
7 executive of the Port Commission and who shall have the management of all the affairs and
8 activities placed under the jurisdiction of the Commission. The Mayor shall appoint a Port
9 Director. ~~He~~The Director shall devote ~~his~~their entire time to the duties of ~~his~~the office and
10 ~~his~~their salary shall be fixed by the Commission. ~~He~~The Director shall ~~hold his office~~serve at the
11 pleasure of the Commission and shall have the management of said harbor and of all of the
12 facilities and equipment thereof and all bureaus and departments established for the operation of
13 said harbor or for the operation of any equipment or facility thereof. Subject to the approval of
14 the Commission, the Director ~~he~~ shall appoint and remove any and all heads of departments or
15 bureaus, who may not be subject to the civil service provisions of the Charter. ~~He~~The Director
16 shall possess the ~~necessary~~ administrative, executive and technical qualifications necessary to
17 ~~enable him to~~ perform the duties of ~~his~~the office. ~~His~~The Director's compensation shall not
18 exceed prevailing salaries paid those holding similar positions in comparable maritime
19 employment. The Commission may confer on ~~him~~the Director such additional powers and
20 authority as it may see fit;

21 * * * *

22 (t) This section does hereby vest in the Port Commission all of the powers set forth in
23 Section 3 and Section 5 of the Statutes of 1968, Chapter 1333, which provisions are hereby
24 incorporated in the Charter by this reference.

1 Notwithstanding the Port Commission’s authority described in Sections B3.581 and
2 B3.582, the Port Commission shall be subject to the City Administrator’s authority under
3 Sections 3.104(b) and (c), to the extent consistent with the Burton Act and Transfer Agreement.
4

5 Section 2. In enacting this Charter amendment, the qualified voters of the City and
6 County intend to amend only those words, phrases, paragraphs, subsections, sections, articles,
7 numbers, punctuation marks, or any other constituent parts of the Charter that are explicitly
8 shown in this Charter amendment as additions or deletions in accordance with the “Note” that
9 appears under the official title of the Charter amendment.

10
11 Section 3. Severability. If any section, subsection, sentence, clause, phrase, or word of
12 this Charter amendment, or any application thereof to any person or circumstance, is held to be
13 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall
14 not affect the validity of the remaining portions or applications of the Charter amendment. The
15 qualified voters of the City and County of San Francisco hereby declare that they would have
16 voted in favor of this Charter amendment, and each and every section, subsection, sentence,
17 clause, phrase, and word not declared invalid or unconstitutional without regard to whether any
18 other portion of this Charter amendment or application thereof would be subsequently declared
19 invalid or unconstitutional.

20
21 APPROVED AS TO FORM:
22 DAVID CHIU, City Attorney

23 By: _____
24 ATTORNEY'S NAME
25 Deputy City Attorney

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