

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST
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DRAFT Policy Analysis Report

To: Supervisor Shaman Walton
From: Budget and Legislative Analyst's Office
Re: Analysis of Selected San Francisco Charter Amendments Proposed for November 2026 Ballot
Date: [Date of publication]

Summary of Requested Action

Your office requested that the Budget and Legislative Analyst conduct an analysis on [topic of report].

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.

Executive Summary

The Executive Summary may be formatted as either paragraphs or as bullet points, depending on the preference of the Partner in Charge. If using paragraphs, use the standard Text Body style.

- If using bullet points, use the List Paragraph style. The bullet points should be black squares.
- Whichever format you choose, keep it concise.

Project Staff: Fred Brousseau, Alex Thibodo, Avalon Bauman

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I. Changes to Executive Branch Management

1. Appointing & removing department heads

Current State

The Mayor has some degree of appointment authority over the heads of 37 departments, although that authority is constrained in most cases by the Board of Supervisors, the City Administrator, or City boards and commissions. 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, or 8 percent of all department head appointments.

The Mayor has independent authority to appoint the directors of the Department of Early Childhood; 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)

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.¹ Appendix A lists each department and its corresponding level of mayoral appointment authority.

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

Source: BLA Analysis

The Mayor's authority to remove department heads is similarly constrained. Appointment and removal authority are established in different provisions of the Charter and Administrative Code. Although the departments in each category differ, the largest removal authority category is that 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, in which case the commission must act on that recommendation within 30 days by either removing or retaining the department head (Charter Section 4.102(6)). Overall, the Mayor's removal authority is limited in most cases and frequently depends on action by a board or commission, the City Administrator, or the Board of Supervisors. The Mayor has the independent authority to remove only five department heads unilaterally, or 8 percent of departments. Appendix B lists each department and its corresponding level of mayoral department head removal authority.

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

Removal Authority	Number of Departments	% of Departments
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 has authority to remove; cmmsn. can also remove</i>	1	2%
<i>Mayor removes but can be overridden</i>	1	2%
Total	62	100%

Source: BLA Analysis

Proposed Changes

The proposed amendments would make significant changes to how department heads are appointed and removed, shifting power away from boards and commissions and toward the mayor.

Under the proposed Charter amendments, exclusive appointment authority would be granted to the Mayor for six departments and removal authority for 20 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 from Police Accountability and reassigns it to the Police Commission. In total, the mayor would have full appointment authority over 11 department head appointments, up from five.

The Mayor's removal authority expands considerably under the proposed amendments. A broad change in Charter language updates Section 3.100(19) to change 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
No mayoral authority	25	23	-2
Board or commission appoints	11	9	-2
Elected by voters	8	8	0
Other appointment	6	6	0
Some level of mayoral authority	32	28	-4
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
Mayor has complete authority	5	11	6
Total	62	62	0
Removal Authority			
	Current	Proposed	Change
No mayoral authority	27	24	-3
Board or commission removes	15	12	-3
Mayor suspends; Board of Supervisors removes	7	7	0
Other removal	5	5	0
Some level of mayoral authority	30	11	-19
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
Mayor has complete authority	5	27	22
Total	62	62	0

Source: BLA Analysis

Of note, where appointing authority remains “Mayor selects from commission shortlist,” the measure proposes changes to the commission nomination process. Currently, commissions must propose at least three qualified candidates to the Mayor under Section 4.102(5). With the proposed changes, commissions must submit only one or more qualified applicants to the Mayor for selection in situations where the Mayor must select from a shortlist.

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 and used it to project the financial impact of hypothetical scenarios. We first look at historical patterns to understand the range of separation activity the City has experienced in recent years.

Over the five-year period from April 2022 to July 2026, the City experienced 26 department head separations, averaging 5.2 per year, as shown in Exhibit 4.

Exhibit 4: Department Head Separations, April 2022-July 2026

Number of Separations	26
Number of Years	5
Average Annual Separations	5.2

Source: Department of Human Resources, BLA Analysis

The separated positions included those appointed by the Mayor and non-mayoral appointments, showing that turnover occurs regardless of appointing authority.

Severance costs

Severance pay is available to eligible employees with Permanent Civil Service Status in the case of an involuntary separation from City service or an involuntary return to their underlying permanent job code.

Only three departures between 2022 and 2026 incurred severance costs, totaling \$247,225. When factoring in all 26 departures, 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 Separations, April 2022-July 2026

	Total Severance Paid	Department Head Separations	Avg Annual Separations	Avg Severance Per Separation
Total	\$247,225	26	5.2	\$9,509

Source: Department of Human Resources

In addition to severance, vacancies also incur recruitment costs. To estimate the cost of filling a department head vacancy, we examined two components: (1) direct payments to external recruitment firms and (2) the estimated value of City staff time devoted to recruitment activities.

External recruitment firm costs

The Department of Human Resources (DHR) provided actual costs for external recruitment firms used during department head searches in the five-year 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 and totaled \$631,492 for the five-year period.

For the searches for which external recruitment firms were used, the average cost was \$70,166. Across all 26 Executive Director searches, including the 17 searches for which no recruitment-firm cost was incurred, external recruitment firm costs averaged \$24,288 per vacancy. DHR reports that no moving expenses were paid.

Estimated staff time costs

We also 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 3 full-time employees (FTEs), which reflects about \$18,000 in staff time costs. The Animal Care & Control Department estimated approximately 10 hours across 4 FTEs, reflecting 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.²

Total estimated costs

Combining the average external recruitment-firm cost of \$24,288 with the estimated average staff-time cost of \$9,475 results in an estimated average recruitment cost of \$33,763 per department head vacancy. Exhibit 6 below shows that adding the average cost of severance (\$9,509) results in an estimated total estimated cost of \$43,272 per separation. This figure provides a single baseline for modeling potential financial impacts under varying turnover scenarios.

Exhibit 6: Average Costs of Vacancy-and-Replacement Cost Associated with a Department Head Departure FY2022-26

Severance	\$9,509
Recruitment	\$33,763
Average cost of a separation:	\$43,272

Source: Department of Human Resources, Port & City Administrator's Office

Baseline Costs Under Status Quo

To estimate baseline annual costs under the current system, we start with the historical average number of department head separations. Over the past five years, the City has experienced 5.2 separations per year on average. This figure represents all types of departures, both voluntary and involuntary, and therefore serves as a baseline for projecting future annual activity if no reforms are adopted. As shown in Exhibit 6, the average cost of a single department head separation is \$43,272. Multiplying the average separation cost by the baseline separation rate gives us the expected annual expenditure under existing conditions:

$$5.2 \text{ average annual separations} \times \$43,272 \text{ per separation} = \$225,013 \text{ annual average cost}$$

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

² 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.

If we assume that only direct removals of department heads by the Mayor would be impacted, the cost of the proposed changes to the City would be small. According to the Department of Human Resources, only one out of 26 department heads that separated during the 5-year period was removed involuntarily. The remaining 25 department heads were reported to have voluntarily resigned, retired, or changed roles. This averages 0.2 involuntary removals annually. The Charter amendments result in a five-fold increase in the number of departments directly removable by the Mayor, suggesting that involuntary separations may increase. However, it is plausible that the proposed legislation could impact both voluntary resignations as well as involuntary removals, since changes in administration can influence voluntary resignations.³

Exhibit 7 below shows that a moderate increase of 25 percent in overall turnover would cost the City an additional \$56,253 annually. If overall turnover were to double to 10.4 separations annually, the total annual cost could reach \$450,027, or an increase of \$225,013.

Exhibit 7: Cost of Increase in Overall Turnover

Scenario	Average Separations Per Year	Total Annual Cost of Separations	Amount Increased
Status quo	5.2	\$225,013	\$0
25% increase in turnover	6.5	\$281,267	\$56,253
50% increase in turnover	7.8	\$337,520	\$112,507
100% increase in turnover	10.4	\$450,027	\$225,013

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, the resulting rise in annual costs would be likely no more than about a quarter million dollars. 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.

³ A number of studies find government leadership change to be associated with turnover. For example, [Bolton, de Figueiredo & Lewis \(2021\)](#) analyzed over 3 million federal employees, finding that administration changes increase turnover among senior career staff by up to one third.

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 positions appear to have authority over a portfolio of departments, grouped together to encompass a broad function. In other cases, they appear to be responsible for a functional area such as intergovernmental relations but without clear authority over department heads. A review of annual salaries for deputy mayors in eight other cities identified a median 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 San Francisco Mayor's office staff presently consists of 177.58 total authorized FTE (Full Time Equivalent) positions, headed by a Chief of Staff, responsible for overseeing the entire office staff and serving as the point of contact for City department heads. Four positions in the Mayor's office are designated as Chiefs, each responsible for one of these four functional areas: 1) housing and economic development, 2) public safety, 3) health, homelessness, and family services, and 4) infrastructure, climate and mobility. 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 the 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

By provision of the City Charter, no mayoral staff salary shall be greater than 70 percent of the Mayor's official salary.⁴ The impact of the proposed Charter amendments relative to 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 new 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 \$1,139,908.⁵

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 added to Mayor's office staff 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 companies. 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 15 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 proposed Deputy

⁴ San Francisco City Charter, Section 3.100.

⁵ The City would also incur additional costs for fringe benefits, typically amounting to an additional 30 to 35 percent of salary dollars per position.

Mayor salary of \$284,977 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

Candidate Pool	Comparative Title(s)	Median Salary
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.

If Deputy Mayor positions are reinstated and their salaries are set at \$284,977, or 70 percent of the current Mayor's salary as limited by the Charter, it would be competitive with public sector executive and leadership positions in San Francisco and the Bay Area. This salary would be considerably lower than San Francisco non-profit directors, though Deputy Mayor positions would be more comparable to non-profit leadership positions rather than chief executive officers.

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 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 \$354,000 and \$604,000, or well above the maximum pay that would be allowable for deputy mayors in the City and County of San Francisco.

3. 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 and unless they are disapproved by the Board within 30 days of the notice being sent, the changes become effective.

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

Proposed Changes

The proposed Charter amendments would expand the Mayor's authority to reorganize City departments by allowing the Mayor to transfer functions among executive branch departments and submit related implementing ordinances for expedited Board of Supervisors review. The proposed legislation retains the 30-day approval window but the automatic approval date changes to *30 days after the Clerk of the Board of Supervisors receives the Mayor's notice*.

A new provision allows the Mayor to introduce an implementing ordinance with the reorganization notice for the proposed change(s) if one is needed and that both shall be deemed approved by the Board of Supervisors unless the Board disapproves them within 60 days. 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.

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. Alternately, 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) A department head position could be eliminated. When a department is transferred, its department head would be replaced by the head of the receiving 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 Charter currently does not define the executive branch. The proposed Charter amendments clarify the definition of executive branch to:

- (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 of the City Administrator, Controller, Board of Appeals, Port, Airport, Asian Art Museum, and Fine Arts Museums under the proposed amendments. 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 (DBI) and the City Planning Department (CPC/"Planning")

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.⁶ This initiative reflects the closely connected roles of DBI and Planning in the development 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

⁶ 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>

services, along with oversight by the Building Inspection Commission, must remain intact.⁷ The current division of duties is shown in Exhibit 10 below.

Exhibit 10: DBI and CPC Organization Chart, July 2026



Source: City Planning Department

If the proposed ballot measure passes, the Department plans to transition all DBI core services into the receiving department, as shown in Exhibit 11 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, though would not necessarily, be transferred to the Planning Commission. The Mayor’s statement that any commission adjustments would defer to the Commission Streamlining Task Force suggests that this will not occur, given the task force’s determination to retain the Building Inspection Commission.⁸

⁷ 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.

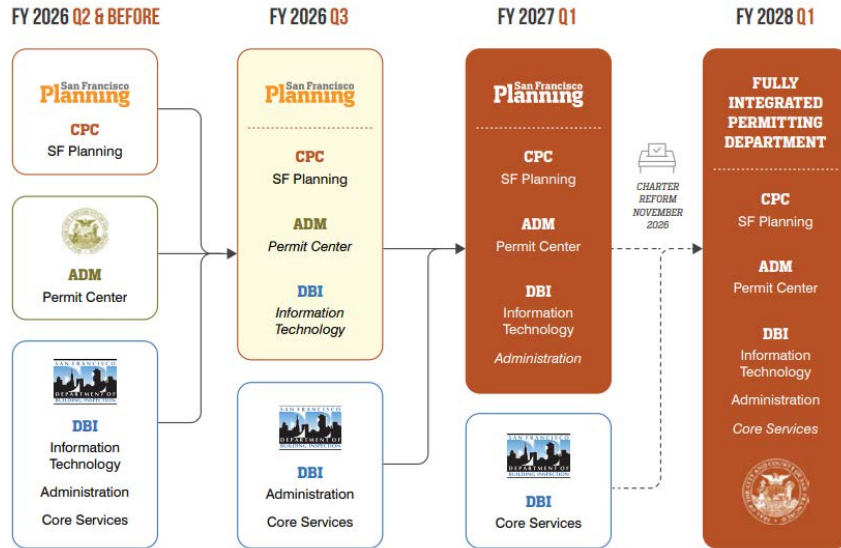
⁸ City and County of San Francisco, Commission Streamlining Task Force, *Commission Streamlining Task Force Final Report*, January 28, 2026

https://media.api.sf.gov/documents/Commission_Streamlining_Task_Force_Final_Report.pdf

Exhibit 11: Proposed Reorganization of Department of Building Inspection (DBI) and City Planning (CPC)

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. This means that savings in redundant information systems costs that might be expected from a merger are not being realized if existing systems continue to function as they do at present.

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 consolidated structure is expected to produce approximately \$3 million in 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 due to the merger. 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 \$393,000.⁹

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 \$134,000.¹⁰ Salary savings between approximately \$221,000 and \$416,000 annually could be realized depending on the individual in the role.¹¹

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.

A key decision affecting costs for future mergers is if duplicate positions are going to be deleted. If not, retaining all staff will represent an ongoing “cost” of the merger or reorganization as efficiency gains that should otherwise occur would not be realized. It is not unusual in public sector mergers for position eliminations to be delayed, minimized, or avoided. A study of municipal and superior court mergers in California found that costs did not decrease after the mergers though the composition of the workforce may have changed, with increased wages for some of the new positions needed because of the mergers. 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 institutional and personal difficulties associated with firing

⁹ Top-step salary of a Department Head III (0963) in FY 2026-27 was \$291,330, with fringe approximated as 35 percent of salary.

¹⁰ 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.

¹¹ 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.

workers.¹² Overall, there is limited academic research on department consolidations, finding mixed results on cost efficiency.¹³ 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 revamping 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 the 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, the 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. By making it easier for the Mayor to initiate reorganizations, the amendment could increase the number of future consolidations and incur unnecessary costs 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.

¹² 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.

¹³ 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. Board and commission appointment and removal, stipends and health insurance

Current State

At present, most City board and commission members can only be appointed and removed by the Mayor or 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.

The City's Administrative Code Section 16.700 specifies 44 San Francisco boards and commissions whose members are eligible for City-paid health insurance through the City's Health Service System during their time of service. However, as discussed further below, many members do not take this coverage likely because they are already covered through a full-time job, a spouse or partner, their own self-insurance, or some other means.

Section 5.1-6 of 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.¹⁴

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 result in increased turnover of board and commission members since it would be easier for the Mayor to remove 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 includes 42 commissions, representing 348 commissioners, eligible to participate in the City's Health Service System under Administrative Code Section 16.700. Not all eligible commissioners receive or use the health insurance stipend: about 69 percent waived coverage in FY 2024-25, according to the San Francisco Health Service System.

¹⁴ Budget and Legislative Analyst survey, 2025

A 2025 survey of commissions conducted by the Budget and Legislative Analyst found that total health insurance expenditures were \$702,723 in FY 2024–25.¹⁵ 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. The relatively low per-commissioner average also reflects commissioners using their coverage only during part of the year in instances of commissioner 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,¹⁶ some receive stipends. For example, the Local Agency Formation Commission pays commissioners \$100 per meeting,¹⁷ Assessment Appeals Board members receive \$125 per hearing up to a maximum of \$375 per day,¹⁸ and the Charter 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 stipend 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 42 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 healthcare benefit at higher rates than departing commissioners. Costs could rise by more than \$1 million annually only under a higher increase scenario where participation increases by 50

¹⁵ 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

¹⁶ Though all commissions are unique, some, like the Film Commission, have Charter-established prohibitions on stipends (Section 57.2(d)).

¹⁷ San Francisco Local Agency Formation Commission, *LAFCo General Policies and Procedures*,

<https://www.sf.gov/lafco-general-policies-and-procedures>

¹⁸ “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>

percent. By contrast, a moderate 25 percent increase in healthcare participation would raise costs by approximately \$175,000.

Exhibit 12: Cost Increases Under Hypothetical Increased Eligible Commissioner Participation in Healthcare¹⁹

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

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 Increased Eligible Commissioner Participation in Healthcare

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

Source: San Francisco Health Service System and BLA Analysis

Higher healthcare costs could result only if newly appointed commissioners use the benefit at a higher rate than departing commissioners. Conversely, costs could decline if replacements do not enroll or if vacancies remain unfilled for a period.

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.

¹⁹ Up to a 200 percent increase in enrollment is feasible based on the FY 2024-25 participation rate of 31 percent, with 69 percent waiving enrollment. This means that enrollment could more than triple should all eligible commissioners participate.

II. City Administrator's Office & Modernizing City Contracting

1. Contracting Changes Updates

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

According to the measure, 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.²⁰

The measure states that a single procurement process 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*,²¹ 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 due to a number of important assumptions made as part of the analysis' methodology. First, the estimate from SPUR samples only three City departments, less than five percent of all City departments. Second, the analysis looked only at 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 figure 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. Policymakers looking to assess the

²⁰Total 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.

²¹ 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

efficiency of the procurement and current costs should undertake a more thorough evaluation that address the limitations of the existing estimate.

According to the ballot measure, 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 contracts.

The measure asserts that 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). The Department of Human Resources could not verify the claim that 20 learning systems exist Citywide; however, it is aware of five major platforms and is currently discussing efforts to consolidate these into a centralized system.

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. Increase in City Administrator's term of office 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. This means that 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 ten years. Although apparently unsubstantial, the proposed amendments adjust the language around removal, stating that removal of the incumbent may be undertaken only by the Mayor with the concurrence of the Board of Supervisors.

Requested analysis: Asses 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.²² William Lee bridged this transition, serving as the San Francisco's CAO starting in 1995,²³ before becoming formally confirmed as San Francisco's first City Administrator in 2000 by the Board of Supervisors.²⁴ The Office of the City Administrator was not established as a City department until 2004.²⁵ The length of the terms of City Administrators in office since the year 2000 are 17, 11, and 5 years (still in progress), in that order.

Proposed Changes: Longer Reappointment Interval; Removal Process Appears Substantively Unchanged

The Charter amendments propose extending the City Administrator's appointment term from five to ten years. It also changes the language around City Administrator removal, although this change appears to be non-substantive. Whereas the Charter currently reads that the City Administrator "may be removed by the Mayor subject to approval by the Board of Supervisors," the proposed Charter text reads that the City Administrator "may *only* be removed by the Mayor with the *concurrence* of the Board of Supervisors". Replacing the requirement for Board "approval" with "concurrence" does not clearly establish a policy change. The measure does not necessarily give

²² 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>.

²³ 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>

²⁴ 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>

²⁵ 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>

the Mayor unilateral removal authority, nor does it prevent removal before the term ends: the principal proposed change is the adjustment in the Administrator's term length.

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. Benefits include greater long-term continuity in administering initiatives within the Administrator's purview. The 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 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. In its April 2026 final report, the 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. As summarized by SPUR's 2024 *Designed to Serve* report, the City Administrator's Office is responsible for the following activities:²⁶

- Administering long-term plans such as bonds
- Coordinating all capital improvement and construction projects
- Administering policies and procedures for contracts, procurement, and permits
- Appointing and removing heads of departments under its direction
- Managing publicity and advertising funds
- Providing administrative services for the executive branch

Exhibit 14 below summarizes to what extent a 5- 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 aligns 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.

²⁶ SPUR, *Designed to Serve: Resetting the City's Governance Structure to Better Meet the Needs of San Franciscans*, SPUR Report, August 2024, https://www.spur.org/sites/default/files/2024-09/SPUR_Designed_to_Serve.pdf

Exhibit 14: City Administrator Activities and Timelines

City Administrator Responsibility	Typical Planning and Delivery Horizon	Implications of 5 vs. 10-Year Appointment Term
Administering long-term plans such as bonds	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. ²⁷
Coordinating all 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.
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.
Providing administrative services for the executive branch	Ongoing	A five-year term is sufficient to manage recurring administrative operations.

Source: SPUR, *Designed to Serve* (2024) & BLA analysis

Costs 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 Administrator’s performance through 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.²⁸

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 systemic review assessed 170 articles on the relationship between merit principles and government performance.²⁹ The review found limited and mixed evidence regarding the relationship between job security or tenure

²⁷ 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

²⁸ 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

²⁹ 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>

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.³⁰ 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.

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

Baltimore, Maryland, provides an example of a fixed-term City Administrator. Baltimore's City Administrator serves a term coterminous with the Mayor and may be reappointed. Baltimore is an independent city, rather than a consolidated city-county, and it created a City Administrator

³⁰ 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/>

position in 2021. Its limited experience with the position and different governmental structure limit its usefulness as a performance comparison to San Francisco.³¹

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- 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 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.

³¹ Baltimore City Charter, art. VII, section 136(a), "City Administrator: Appointment, Term, etc.," [https://codes.baltimorecity.gov/us/md/cities/baltimore/charter/VII/136#\(a\)](https://codes.baltimorecity.gov/us/md/cities/baltimore/charter/VII/136#(a))

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

Current State

Charter section 9.118(b) identifies the thresholds for Board of Supervisors approval by resolution for proposed contracts as follows:

- Contracts with anticipated expenditures of \$10 million or a term in excess of ten years, excluding construction contracts. Modifications or amendments to such contracts when their value is more than \$500,000.
- Contracts with anticipated revenue of \$1 million or more or the termination or modification of such contracts which when entered into had a value of \$1 million or more.
- Leases of real property for a term of ten years or anticipated revenue to the City of \$1 million or more or modification or termination of any such lease that when entered into had a value of \$1 million or more or had a term of ten years.
- 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 of proposed City **expenditure contracts**, excluding construction contracts, from anticipated net City expenditures of \$10 million or a term greater than ten years to \$25 million or a term of ten years or more. The threshold for Board review of major amendments to such contracts would change from the current \$500,000 to a 50 percent cumulative increase of the original contract amount over the amount last approved by the Board of Supervisors. For example, an expenditure contract with an original amount totaling \$30 million would trigger Board of Supervisors review once the cumulative value of amendments totals \$15 million. If the most recent value of this contract approved by the Board totaled \$47 million, the not-to-exceed amount triggering review would be an amount equal or greater than \$62 million.

Revenue contracts with anticipated net revenue of \$4.5 million or more to the City and County would require approval by the Board of Supervisors under the proposed Charter amendments. This is an increase from the current threshold for Board approval of \$1 million or more. Major amendments to such leases, or those that result in a cumulative increase of 50 percent or more of the original lease amount over the amount last approved by the Board of Supervisors, would require approval by the Board of Supervisors. Currently termination, amendment or modification of contracts with anticipated revenue of \$1 million when entered into are subject to Board of Supervisors approval.

Under the proposed amendments, any lease 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 ten 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 first 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 (9.118(d)).

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

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 that 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. 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**

	2023	2024	2025	Total
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>
<i>Total Difference</i>	<i>-72</i>	<i>-59</i>	<i>-58</i>	<i>-189</i>

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**

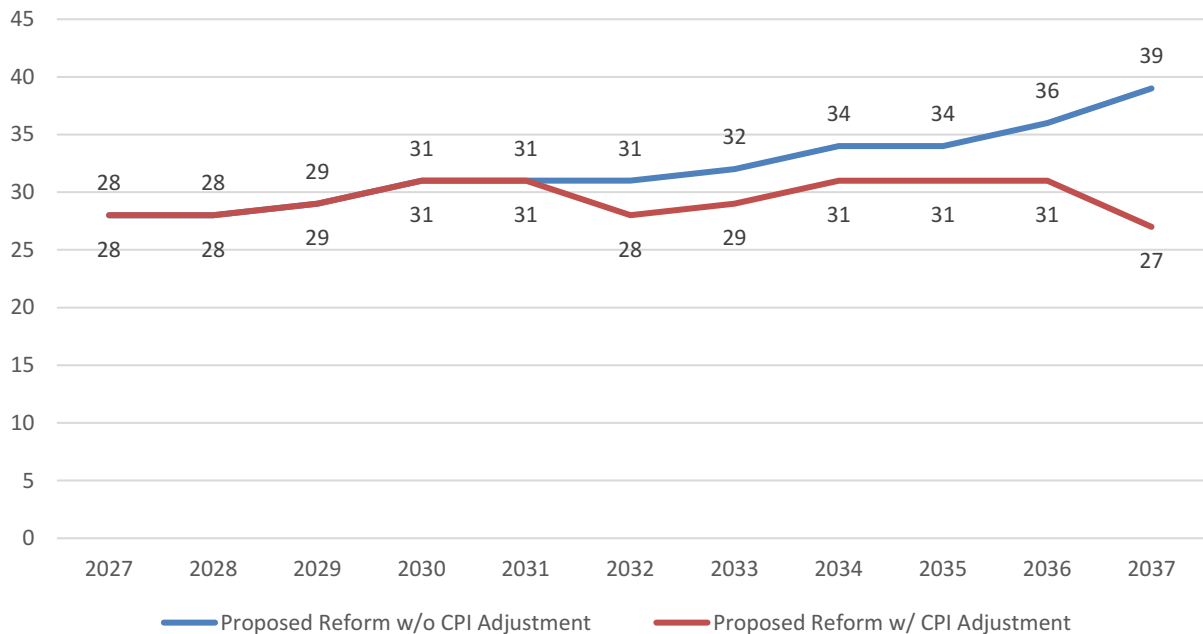
	2023	2024	2025	Total
Actual New Contracts	10	6	6	22
New Contracts under Proposed Standards	1	2	4	7
<i>Difference</i>	<i>-9</i>	<i>-4</i>	<i>-2</i>	<i>-15</i>
Actual Amended Contracts	1	0	0	1
Amended Contracts under Proposed Standards	0	0	0	0
<i>Difference</i>	<i>-1</i>	<i>0</i>	<i>0</i>	<i>-1</i>
<i>Total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

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.³² 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. Twelve 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.

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



Due to the small volume of revenue contracts, the impact of inflation adjustments on those items are projected to be negligible for at least ten 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.

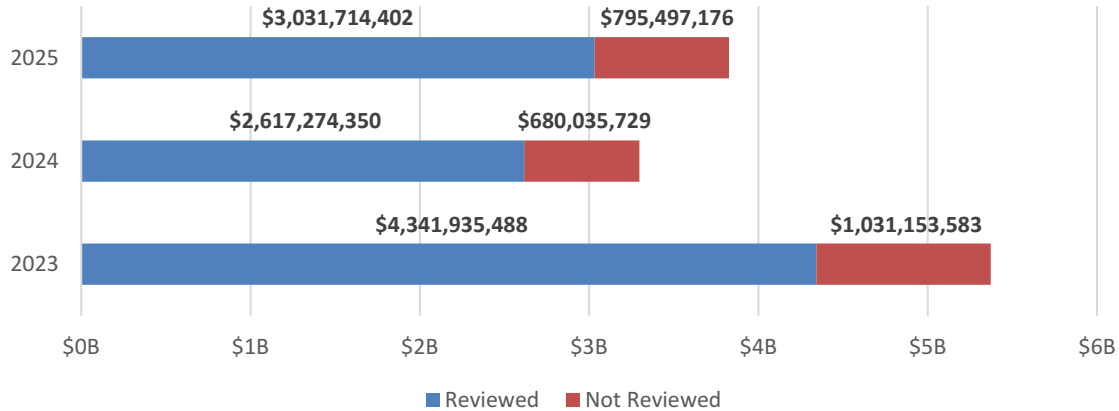
Dollar Impact of Lower Review Volume

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

³² 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.

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 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 accountability mechanism that incentivizes departments to adequately monitor contractor performance and ensure compliance with contractual and reporting requirements. Additionally, in several recent 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.

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 \$3.8 million 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 th 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 th 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 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 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.

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

Jurisdiction	Contract Threshold
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. Changes to Contracting Governance and Oversight and Role of City Administrator

Current State

Under Charter Section 3.014, 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 be only introduced by a member of the Board, a committee of the Board, the Mayor, or the Commission Streamlining Task Force; the City Administrator may not directly introduce ordinances.

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 under Section 2.105. 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
- Ordinances establishing local-business utilization requirements or project labor agreements.

Such ordinances 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 than 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 most procurement policy.

Expanded Authority Over Procurement Rulemaking

The proposed Charter amendments add Section 9A.102(b) which grants the City Administrator the authority to **adopt and amend** rules and regulations that implement Municipal Code provisions governing procurement. This section establishes that these adopted rules and regulations supersede any conflicting rules or regulations adopted by departments. Currently the City Administrator is only authorized to **propose** procurement rules and regulations for consideration by the Board of Supervisors.

As a result, the City Administrator could establish Citywide rules for implementing Municipal Code procurement requirements, including requirements related to solicitations, documentation, proposal evaluation, and contract administration. 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 to Charter-required approval 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 is discussed above, the proposed Charter amendments allows 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, require 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 Charter Amendments

Passage of this measure would reduce legislative 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. Consequently, absent other applicable legal, budgetary, commission, or departmental approval requirements, more contracts and amendments would proceed without Charter-required Board review and approval.

The economic impacts of the 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 could 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.

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 negatively affect bidding processes by creating confusion, 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.³³ The City Administrator has not calculated a current average cost per procurement, but applying this quantity to SPUR's average estimated staff costs of \$25,000 per procurement,³⁴ total annual procurement costs are estimated to be approximately \$76.6 million. Should efficiencies be implemented, Exhibit 22 below shows the magnitude of possible

³³ Includes only procurements of over \$20,000, as this is the threshold for competitive requirements to apply.

³⁴ 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), https://www.spur.org/sites/default/files/2025-04/SPUR_Purchasing_Power_0.pdf

cost savings. Under a moderate savings scenario, a 5 percent reduction in costs could yield estimated annual savings of approximately \$3.8 million. A 15 percent reduction in costs could yield \$11.4 million, and a 30 percent reduction could result in \$23 million in annual savings.

Exhibit 22: Cost Savings Under Hypothetical Procurement Efficiency Scenarios

Scenario	Percent Savings	Amount (\$) Savings	Total Annual Cost Procurement Cost
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. Policymakers should pursue specific procurement policies and operational changes to more reliably achieve efficiency gains and cost savings.

III. Changes to Ballot Initiative Process

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

Current State

The Charter currently requires that proponents of initiatives for the ballot present the City's Director of Elections with a petition containing the initiative and signed by voters in a number equal to two percent of the number of registered voters in the City and County of San Francisco. Once the signatures have been validated by the Director of Elections, the initiative can be presented to the 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.

If an initiative petition requests a special election, the Director of Elections must certify that the petition has been signed by at least ten percent of the votes cast for Mayor in the last preceding general municipal election for Mayor.

An initiative is a proposal by the voters to change any ordinance, act, or other measure within the powers of the Board of Supervisors to enact, any legislative act within the power conferred upon any other official, board commission or other unit of government, or any declaration of policy. Signature requirements for initiatives are different than those for Charter amendments, which are not covered by the proposed amendments discussed in this report section.

Proposed Changes

The proposed Charter amendments would require that signatures be gathered from at least eight percent of the number of registered voters in San Francisco rather than at least two percent as currently required. 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 ten 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 ten percent of the votes **cast for Mayor** in the last preceding general municipal election for Mayor. This change will set a higher standard for petitions requesting a special election since the number of votes cast for Mayor in the last election would in all likelihood be lower than the number of registered voters.

Requested analysis: Summarize existing research on the relationship between rising campaign sending, 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.

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 petition initiative 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 ordinance initiatives 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

Ballot Initiative	Required Signatures
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 10% of registered voters for incumbents who hold citywide office
Charter amendment	10% of registered voters

Source: San Francisco Charter. 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.

Citizen initiatives are not the only means of placing measures on the ballot; the Board of Supervisors may also submit measures to voters by majority vote. 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 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	Struck	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
Average Cost	\$186,653				\$19.12

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

As part of our analysis, we spoke with multiple 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. Costs of petition circulation were reported to average \$186,653, ranging from a low of \$2,439 to \$398,594. The range of costs reflects different campaign characteristics, including the extent to which volunteers conducted signature gathering, and the use of political consulting or public relations firms.

Organizers reported that the statutory 2 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 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 8 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 2 percent signature threshold and the proposed 8 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. 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 collection targets of approximately 17,000 and 68,000 signatures, respectively. 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 increase by 50 percent under the proposed threshold to account for the larger circulation effort. Under these assumptions, the estimated cost of qualifying an initiative would increase from approximately \$320,000 to \$1.5 million.

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

	2% Threshold (Current)	8% Threshold (Proposed)
Signatures required	10,615	42,460
Signatures sought	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
Total cost incurred	\$320,000	\$1,499,040

Source: BLA analysis.

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.³⁵ 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 8 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.

³⁵ 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	Current Appointment Authority	Proposed Appointing Authority
Academy of Sciences	No mayoral authority	No mayoral authority
Adult Probation	No mayoral authority	No mayoral authority
Airport	Mayor selects from commission shortlist	Mayor selects from commission shortlist
Animal Care & Control	City Administrator appoints with concurrence of Mayor	City Administrator appoints with concurrence of Mayor
Arts Commission	No mayoral authority	Commission nomination to Mayor
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	Mayor selects from commission shortlist	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 appoints; Board of Supervisors confirms	Mayor appoints; Board of Supervisors confirms
City Attorney	No mayoral authority	No mayoral authority
City Planning	Mayor selects from commission shortlist	Mayor has complete authority
Civil Service	No mayoral authority	No mayoral authority
Controller	Mayor appoints; Board of Supervisors confirms	Mayor appoints; Board of Supervisors confirms
Convention Facilities	City Administrator appoints with concurrence of Mayor	City Administrator appoints with concurrence of Mayor
County Clerk	City Administrator appoints with concurrence of Mayor	City Administrator appoints with concurrence of Mayor
Disability & Aging Services	Mayor selects from commission shortlist	Mayor selects from commission shortlist
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	Mayor selects from commission shortlist	Mayor has complete authority
Environment	Mayor selects from commission shortlist	Mayor selects from commission shortlist
Ethics	No mayoral authority	No mayoral authority
Fine Arts	No mayoral authority	No mayoral authority

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

Status of Women	Mayor selects from commission shortlist	Mayor selects from commission shortlist
Superior Court	No mayoral authority	No mayoral authority
Technology	City Administrator appoints with concurrence of Mayor	City Administrator appoints with concurrence of Mayor
Treasurer-Tax Collector	No mayoral authority	No mayoral authority
War Memorial	No mayoral authority	Commission nomination to Mayor

Appendix B: Department Head Removal Authority, Current & Proposed

Department	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
Fire	Commission removes independently or at Mayor's request	Mayor has complete authority
Health Service System	No mayoral authority	No mayoral authority
Homelessness and Supportive Housing	Commission removes independently or at Mayor's request	Mayor has complete authority

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

BOARD OF SUPERVISORS
CITY & COUNTY OF SAN FRANCISCO



OFFICE OF THE CLERK OF THE BOARD

Phone: (415) 554-5184
Email: Angela.Calvillo@sfgov.org

July 15, 2026

Budget and Legislative Analyst
1390 Market Street, Suite 1150
San Francisco, CA 94102
Via Email

Dear Budget and Legislative Analyst,

At the July 14, 2026, Board of Supervisors meeting, Supervisor Shamann Walton issued the attached inquiry to the Budget and Legislative Analyst (BUD). Please review the attached letter of inquiry, which provides the Supervisor's request.

The inquiry, in summary, requests an independent cost analysis regarding Charter reform measures proposed by Mayor Daniel Lurie for the November 2026 ballot.

Please contact Natalie Gee, Natalie.Gee@sfgov.org, Chief of Staff to Supervisor Walton, for any questions related to this request, and copy BOS@sfgov.org on all communications to enable my office to track and close out this inquiry. Please provide your response no later than September 8, 2026.

For questions pertaining to the administration of this inquiry, do not hesitate to contact me in the Office of the Clerk of the Board at (415) 554-5184.

Very Truly Yours,

A handwritten signature in blue ink that reads "Angela Calvillo".

Angela Calvillo
Clerk of the Board
San Francisco Board of Supervisors

WN/JKA

Attachments:

- Letter of Inquiry
- Introduction Form

7/15/26
D10 – BUD
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Cc: Nicolas Menard, BUD, Nicolas.Menard@sfgov.org
Dan Goncher, BUD, Dan.Goncher@sfgov.org
Gabriela Loeza, BUD, Gabriela.Loeza@sfgov.org

Member, Board of Supervisors
District 10



City and County of San Francisco

SHAMANN WALTON

July 14, 2026

TO: Budget and Legislative Analyst

Re: Budget and Legislative Analyst Request for Independent Cost Analysis of Charter Reform Ballot Measures in Advance of the November 2026 Election

Dear Budget & Legislative Analyst,

I am writing to request that the Budget & Legislative Analyst prepare an independent cost analysis of the three Charter reform measures proposed by Mayor Lurie for the November 2026 ballot:

- **Changes to Executive Branch Management**
- **Extending the City Administrator's Duties and Changes to City Contracting**
- **Changes to Ballot Measure Process**

Legal text for each measure is linked below for reference:

- Changes to Executive Branch Management:
https://media.api.sf.gov/documents/LT_ExecutiveBranchAccountability.pdf
- Extending the City Administrator's Duties and Changes to City Contracting:
https://media.api.sf.gov/documents/LT_ModernizingCityContracting.pdf
- Changes to Ballot Measure Process:
https://media.api.sf.gov/documents/Legal_Text_Changes_to_Ballot_Measure_Process.pdf

These measures are currently in the verification process of the signature submissions phase at the Department of Elections, and given the timeline to Election Day on November 3, 2026, I am requesting that this analysis be completed by **September 8, 2026**, so that voters, city officials, the press, and community organizations have time to review and act on this information well ahead of ballots being cast, not after the fact. Below are specific questions organized by measure, several of which are drawn directly from the language and stated findings in the legal text itself.

Changes to Executive Branch Management

- The measure's findings state that the Mayor currently has direct hire-and-fire authority over only a small fraction of department heads despite them controlling the vast majority of City staff and resources. ***Please estimate the administrative cost 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.***

- The measure removes the Charter's current express prohibition on the Mayor designating "deputy" positions, opening the door to deputy mayor appointments with no defined cap on number or salary. ***Please provide a stand-alone projection of salary and benefits packages for the proposed deputy mayor positions, benchmarked against comparable private sector roles, including the prior compensation of individuals named in connection with these positions, such as Alicia Jean Baptiste's prior compensation at SPUR.***
- New Section 4.132 allows the Mayor to reorganize or consolidate departments by notice, which takes effect automatically unless the Board disapproves within 30 to 60 days. ***Please estimate the cost of implementing department consolidations under this expedited process, including staff transfers, system integration, and potential severance for displaced department heads.***
- As a case study in what this new coordination authority is intended to prevent, ***please analyze the Potrero Yard NOFA process, including the value of the 465-unit affordable housing proposal that was not realized, set against the projected cost of the roughly \$1 billion Muni yard rebuild that replaced it.***
- ***Please 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.***
- ***Please estimate the additional staffing, overtime, or administrative burden costs associated with implementing this measure across affected departments.***

Extending the City Administrator's Duties and Changes to City Contracting

- The measure's own findings state that the City oversees over \$5 billion in annual contracts, that a single procurement process costs roughly \$25,000 and can take six to 12 months, that more than 14 departments can be involved in approving one contract, and that the City runs five separate Microsoft contracts, 20 training systems, and 14 document management platforms. ***Please verify and update these figures and estimate the actual projected savings from centralizing procurement and technology purchasing under the City Administrator.***
- The City Administrator's term is extended from five years to ten, removable only by the Mayor rather than requiring Board concurrence. ***Please assess the cost/benefit tradeoff of this reduced accountability, decade-long term structure.***
- The Board approval threshold for contract expenditures rises from \$10 million to \$25 million, the contract/lease revenue threshold rises from \$1 million to \$4.5 million, and the "Major Amendment" standard requiring Board review is changed from a \$500,000 increase to a 50% cumulative increase. ***Using historical contract data, please estimate how many contracts over the last five years would have escaped Board review under these new thresholds, and their aggregate value.***
- The City Administrator would gain authority to procure and execute contracts "without interference from the Mayor or Board of Supervisors," along with sole authority to introduce procurement ordinances that are deemed approved after 60 days absent action. ***Please identify what oversight or audit mechanism, if any, would replace Board review for these contracts, and the cost of implementing it.***

- The thresholds above are set to auto-adjust for CPI every five years beginning July 1, 2032.
Please project the cumulative effect of this adjustment schedule on the volume of contracts exempted from Board review over the next 10 to 20 years.
- *Please provide, to the extent available, an analysis of the market cost of reduced institutional certainty when procurement authority and department structures can be altered administratively rather than through a stable process, drawing on developer commentary from the inclusionary TAC process and the recent SFAC/GFTA/Film Office consolidation as comparable examples.*

Changes to Ballot Measure Process

- *Please 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% of registered voters.*
- *Please estimate the practical cost and organizing capacity required for a grassroots or non-profit-backed campaign to meet the proposed 8% threshold, compared to the current 2% threshold.*

Given the September 8, 2026, deadline, I would ask that your office confirm receipt of this request and let me know as soon as possible whether any of the above items require narrowing to be feasible on this timeline. My legislative aide, Natalie Gee will be staffing on this and I would welcome the chance to discuss further.

Thank you for your consideration,



Supervisor Shamann Walton
San Francisco Board of Supervisors, District 10