

CITY AND COUNTY OF SAN FRANCISCO



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TO ALL INTERESTED PARTIES:

Attached is the City Attorney's title and summary for the measure entitled by the proponent(s) as "San Francisco Arts and Families Funding Ordinance." In preparing this title and summary, the City Attorney makes no representation regarding the merits or legality of the proposed legislation. Nor does the City Attorney verify or confirm any factual or legal assertion made in the proposal. The title and summary is presented as a "true and impartial statement of the purpose of the proposed measure." Elections Code § 9203.

Very truly yours,

DENNIS J. HERRERA
City Attorney

/s/ Joshua S. White

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DEPARTMENT OF ELECTIONS

Allocation of Hotel Tax Funds

The City imposes an hotel tax on the operation of hotels in San Francisco. The hotel tax consists of an 8% base tax and an additional 6% tax surcharge on the rental of hotel rooms. The City spends half the money raised by the base tax on maintaining, improving, and operating the Moscone Center, which is the City's convention and exhibition complex located in the South of Market neighborhood. The Board of Supervisors ("Board") may appropriate any portion of the remaining money raised by the base tax, less amounts required for tax administration and refunds, for advertising of San Francisco. The City deposits any amount remaining from the base tax into the City's General Fund. Money raised by the surcharge is also deposited in the City's General Fund. The Board may allocate money in the General Fund for any public purpose.

The Arts Commission is a City agency that receives funding from the General Fund. The Arts Commission's functions include funding arts programs, approving the designs of City-owned structures, and overseeing City-owned cultural centers and the selection of art in City buildings and public spaces.

The Arts Commission provides money to the City's Cultural Equity Endowment Fund, from which the City gives grants to: arts organizations that represent historically underserved communities; individual artists and organizations to create art; and non-profit organizations that provide affordable facilities for artists and arts organizations.

The City's War Memorial and Performing Arts Center ("War Memorial") consists of the War Memorial Opera House, Davies Symphony Hall, Herbst Theatre, the Green Room, and Zellerbach Rehearsal Hall. The Board allocates money from the General Fund to maintain and operate the War Memorial.

The City's Grants for the Arts Program provides funding to non-profit arts and cultural organizations. The Board allocates money from the General Fund to this Program.

This measure would require the Board to allocate annually the money raised by the 8% base tax on the rental of hotel rooms for these specific purposes: the Arts Commission would receive 2.9%; the War Memorial would receive 5.8%; the Grants for the Arts Program would receive 7.5% by 2020; the Cultural Equity Endowment Fund would receive 7.5% by 2020; and the Moscone Center would receive up to 50%.

This measure would also establish the Ending Family Homelessness Fund, which each year would receive 6.3% of the money raised by the base tax. The City would use this Fund to provide subsidies and case management programs to help homeless families find housing and stabilize in their current housing; provide services to low-income families that are at-risk of becoming homeless; and develop, rehabilitate, and acquire new housing for homeless families.

This measure would also establish the Neighborhood Arts Program Fund, which each year would receive 6% of the money raised by the base tax by 2020. The City would use this Fund to provide money and assistance to non-profit organizations that establish or improve affordable facilities for artists and arts organizations. The City would also provide money from this Fund to artists and non-profit organizations to create art experiences in San Francisco. The Arts Commission would administer this Fund.

Money raised by the base tax that is not allocated for any of the above purposes and is not spent on tax administration and refunds, would be deposited into the General Fund.

[Department of Elections file no. 16-]