

File No. 171157

Committee Item No. 2

Board Item No. 3

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date December 11, 2017

Board of Supervisors Meeting

Date January 9, 2018

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Memorandum of Understanding (MOU)            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 - Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 700                                     |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Vacancy Notice                               |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Information Sheet                            |
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OTHER (Use back side if additional space is needed)

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Completed by: Alisa Somera Date December 8, 2017

Completed by: Linda Wong Date December 11, 2017

BOARD of SUPERVISORS



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## MEMORANDUM

### BUDGET AND FINANCE COMMITTEE

### SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Malia Cohen, Chair  
Budget and Finance Committee

FROM: Linda Wong, Assistant Clerk

DATE: December 11, 2017

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, December 12, 2017

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting on Tuesday, December 12, 2017, at 2:00 p.m. This item was acted upon at the Special Committee Meeting on Monday, December 11, 2017, at 2:30 p.m., by the votes indicated.

**Item No. 56      File No. 171157**

Resolution declaring an emergency, and authorizing and directing the Director of Public Works, or designee thereof, to construct an access point to front-door services, case management, medical attention, and mental health counseling to individuals affected by homelessness at the Department of Homelessness and Supportive Housing property at 440 Turk Street, pursuant to Administrative Code, Section 6.60(a).

#### **REFERRED WITHOUT RECOMMENDATION AS COMMITTEE REPORT**

Vote: Supervisor Malia Cohen - Excused  
Supervisor Norman Yee - Aye  
Supervisor Katy Tang - Excused  
Supervisor Ahsha Safai - Aye  
Supervisor Jeff Sheehy - Aye

c: Board of Supervisors  
Angela Calvillo, Clerk of the Board  
Jon Givner, Deputy City Attorney  
Alisa Somera, Legislative Deputy Director

1 [Emergency Declaration - Design and Construction of Department of Homelessness and  
2 Supportive Housing's Administrative Offices and Access Point - 440 Turk Street]

3 **Resolution declaring an emergency, and authorizing and directing the Director of**  
4 **Public Works, or designee thereof, to construct an access point to front-door services,**  
5 **case management, medical attention, and mental health counseling to individuals**  
6 **affected by homelessness at the Department of Homelessness and Supportive Housing**  
7 **property at 440 Turk Street, pursuant to Administrative Code, Section 6.60(a).**

8  
9 WHEREAS, The Board of Supervisors of the City and County of San Francisco ("Board  
10 of Supervisors"), after careful study and consideration, has determined that there is a  
11 shortage of safe and sanitary housing within the City and County of San Francisco ("City"),  
12 particularly for no, low, and moderate income persons; and

13 WHEREAS, In Ordinance No. 57-16, enacted on April 22, 2016, the Board of  
14 Supervisors found that a significant number of persons within the City are without the ability to  
15 obtain shelter, and that the situation has resulted in a threat to the health and safety of those  
16 persons; for that reason, and based on factual findings set forth in that ordinance, the Board  
17 of Supervisors declared the existence of a shelter crisis in the City and County of San  
18 Francisco in accordance with California Government Code, Sections 8698 through 8698.2;  
19 and

20 WHEREAS, In Ordinance No. 97-17, enacted May 17, 2017, the Board of Supervisors  
21 reaffirmed the findings of Ordinance No. 57-16, finding that a significant number of persons  
22 within the City continue to be without the ability to obtain shelter, and that the resulting threat  
23 to the health and safety of those persons continues; for that reason, the Board found that the  
24 City needed to expeditiously award contracts to complete repairs or improvements to a  
25 property designated for temporary housing; and

1           WHEREAS, In January 2017, there were 7,499 people experiencing homelessness in  
2 San Francisco, a 12% increase over the 2015 count and a 17% increase over the 2013 count,  
3 58% of whom were unsheltered, and 18% of whom are under the age of 25 years, and 31% of  
4 whom are over the age of 51 years with attendant deteriorating physical health, deteriorating  
5 mental health; and

6           WHEREAS, Department of Homelessness and Supportive Housing (“HSH”) will be  
7 launching a coordinated entry system for adults experiencing homelessness in 2018; the  
8 property at 440 Turk Street (“Property”) will be a critical access point into the newly reformed  
9 homelessness response system; and

10           WHEREAS, In light of the findings of a continued and worsening shelter crisis, the high  
11 and increased number of individuals affected by homelessness, and continued and worsening  
12 threat to the health and safety of those persons affected by the crisis, the Board finds that the  
13 City must expeditiously offer resources to individuals experiencing homelessness; and

14           WHEREAS, This Board of Supervisors is authorized by San Francisco Administrative  
15 Code, Chapter 6, Section 6.60(a) to declare an emergency, and may direct any department  
16 head to perform any repair or other emergency work in any manner the Board determines to  
17 be in the best interests of the City; and

18           WHEREAS, HSH must better coordinate provision of resources to adults experiencing  
19 homelessness; and

20           WHEREAS, The Property will be a critical access point for HSH to administer the  
21 homelessness response system and better serve individuals experiencing homelessness; and

22           WHEREAS, Public Works intends to enter into one or more agreements to make  
23 renovations and repairs to the Property, so that it may thereafter operate as a access point  
24 that will provide “front door” services including laundry, meals, restrooms, showers, case  
25

1 management, benefits coordination, medical care, and mental health counseling; now,  
2 therefore, be it

3 RESOLVED, That the Board of Supervisors finds and determines that the foregoing  
4 recitals are true and correct; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors hereby declares an emergency;  
6 and, be it

7 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and directs  
8 the Director of Public Works to work with City departments including the Department of  
9 Homelessness and Supportive Housing and do any and all things necessary or advisable to  
10 improve and repair the Property at 440 Turk Street to create an access point and supporting  
11 administrative offices to provide resources for persons experiencing homelessness; and, be it

12 FURTHER RESOLVED, That Public Works may enter into contracts to provide  
13 professional services and/or public works construction services to assist the City in the repair  
14 or improvement of the Property, without adherence to the requirements of Administrative  
15 Code, Chapters 6, 12A, 12B, 12C, and Chapters 14B; and, be it

16 FURTHER RESOLVED, That within thirty (30) days of the execution of any contract for  
17 design or public works construction services, the Director of Public Works shall provide the  
18 signed contract to the Clerk of the Board for inclusion in the official file.

<p><b>Items 1 and 2</b>  <b>Files 17-1256 and 17-1157</b></p>	<p><b>Department:</b>                  Homelessness and Supportive Housing (HSH)</p>
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**EXECUTIVE SUMMARY**

**Legislative Objectives**

- File 17-1256 would declare a homeless shelter emergency, authorizing Public Works to waive certain Administrative Code in order to construct modular structures to serve as temporary shelters, and the Department of Homelessness and Supportive Housing (HSH) to contract for homeless services.
- File 17-1157 would declare an emergency, authorizing the Public Works to waive certain Administrative Code requirements in order construct a homeless service access point at 440 Turk Street.

**Key Points**

- The Board of Supervisors adopted an ordinance in March 2016, declaring the existence of a shelter crisis in San Francisco, and reaffirmed the finding in May 2017. The City's 2017 Point-in-Time count estimated that there are approximately 7,500 people experiencing homelessness on any given night in San Francisco. While the City has added approximately 350 navigation center beds in the past 2.5 years, 300 new permanent supportive housing units in the past year and additional service programs, the City has not expanded access.
- The proposed resolutions would allow Public Works to expedite the contracting and construction of temporary shelters and an access point for homeless services. Legislation is pending before the Board of Supervisors that would allow the City to lease or purchase from Caltrans two sites that could be used as temporary shelters and navigation centers. The access point for homeless services would be on the first floor of 440 Turk Street, which the Board of Supervisors has authorized for purchase by the City from the San Francisco Housing Authority.

**Fiscal Impact**

- The budget to design and construct the 440 Turk Street renovation is \$7,868,000, which includes both the access point for homeless individuals and administrative offices for HSH. Legislation approving funding for the 440 Turk street renovation project is calendared for the December 13, 2017 Budget and Finance Committee (Files 17-1154 and 17-1279).
- HSH's approved FY 2017-18 budget appropriated \$4,000,000 for new navigation or resource centers, increasing to \$8,000,000 in FY 2018-19 as a source of funding for the temporary shelters. HSH intends to return to the Board of Supervisors in January 2018 with more details about the cost of these navigation centers and temporary shelters.

**Policy Consideration**

- While the need for emergency shelter and an access point at 440 Turk Street do not meet the specific definition of an emergency in the Administrative Code as a "as a sudden, unforeseeable and unexpected occurrence", the Board of Supervisors has discretion under Administrative Code Section 6.60(a) to declare an emergency

**Recommendation**

- Approval of the proposed resolutions is a policy decision for the Board of Supervisors.

## MANDATE STATEMENT

City Administrative Code Section 6.60(a) states that the Board of Supervisors may declare an emergency and direct any department head to perform any repair or emergency work in any manner the Board of Supervisors determines to be in the best interests of the City. If the estimated cost of the emergency work exceeds \$250,000, the department head must first secure approval from the Board of Supervisors. City Administrative Code Section 6.60(c) also defines an actual emergency as a sudden, unforeseeable and unexpected occurrence involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of or damage to life, health, property or essential public services. Emergency contracts are exempt from the requirements of Administrative Code Chapters 6 (Public Works Contracting Policies and Procedures), 12A (Human Rights Commission), 12B (Nondiscrimination in Contracts), 12C (Nondiscrimination in Property Contracts) and 14B (Local Business Enterprise Utilization).

City Administrative Code Section 21.15 states that the Board of Supervisors may declare an emergency to immediately procure commodities or services to make repairs, to safeguard the lives or property of City residents and the City, or to maintain public health or welfare as a result of extraordinary conditions.

## DETAILS OF PROPOSED LEGISLATION

File 17-1157: The proposed resolution would declare an emergency and authorize and direct the Director of Public Works, or designee, to construct an access point to front-door services, case management, medical attention and mental health counseling to individuals affected by homelessness at the Department of Homelessness and Supportive Housing property at 440 Turk Street, pursuant to Administrative Code, Section 6.60(a).

File 17-1256: The proposed resolution would declare a homeless shelter emergency and authorize the Director of Public Works to construct, improve, or repair facilities pursuant to Administrative Code Section 6.60(a); and the Director of the Department of Homelessness and Supportive Housing to contract for homeless services and to offer such services to protect the health, safety, and welfare of individuals affected by homelessness and all San Francisco citizens in accordance with the requirements in Administrative Code Section 21.15

### Emergency Declaration

The Board of Supervisors adopted an ordinance in March 2016, declaring the existence of a shelter crisis in San Francisco pursuant to California Government Code Section 8698, which authorizes the county board of supervisors to declare the existence of a shelter crisis if the board of supervisors finds that a significant number of people within the jurisdiction are without the ability to obtain shelter, resulting in a threat to their health and safety (File 16-0223). The Board of Supervisors reaffirmed the finding in May 2017 (File 17-0467).

According to Ms. Gigi Whitley, Deputy Director for Administration and Finance for the Department of Homelessness and Supportive Housing (HSH), the City's 2017 Point-in-Time count estimated that there are approximately 7,500 people experiencing homelessness on any given night in San Francisco. While the City has added approximately 350 navigation center

beds in the past 2.5 years, 300 new permanent supportive housing units in the past year and additional service programs, Ms. Whitley notes that the City has not expanded access to these services. According to Ms. Whitley, the proposed new coordinated entry access point at 440 Turk Street will allow HSH to help connect homeless clients with appropriate services.

#### **Temporary Shelters (File 17-1256)**

According to Mr. Edgar Lopez, City Architect and Deputy Director of Public Works, the emergency work is necessary to bring temporary utilities including water, sewer and power to support the installation of modular trailers or tents intended to be used as temporary shelters. Public Works' in-house architects and engineers are developing the design documents and technical specifications for the shelter facilities. In order to complete the shelter facilities quickly, Public Works intends to use the design and specifications prepared by its staff to informally solicit bids from various contractors to perform the work. The selected contractors would competitively bid as many of the trades as possible in order to deliver the project at reasonable cost. For example these trades would include, concrete, carpentry, plumbing, and electrical work.

According to Mr. Lopez, the City is considering various sites and is now focused on two sites owned by Caltrans to open new navigation centers and temporary shelters.<sup>1</sup> The first site is a vacant site adjacent to the I-80 freeway on-ramp at the northeast corner of Bryant and 5<sup>th</sup> Streets. The second site is located at the southwest corner of 13<sup>th</sup> Street and South Van Ness Avenue that is currently being leased by the City to park City owned vehicles. The Bryant and 5<sup>th</sup> Street site would accommodate approximately 80 beds, and would include restrooms, showers, storage, laundry facilities, dining hall and open space. The 13<sup>th</sup> Street and South Van Ness site would accommodate approximately 150 beds and the same amenities as the shelter at 5<sup>th</sup> and Bryant St.

#### **440 Turk Street (File 17-1157)**

According to Mr. Lopez, the emergency work to 440 Turk Street is necessary to complete renovations and construction of the 440 Turk Street building on an expedited basis. With the declared emergency, the renovation work to 440 Turk Street could be completed within a five-month period or between January and June of 2018. Without the declaration of emergency, design and construction are estimated to take 12 to 18 months to complete, or not be completed until the winter or summer of 2019. Thus, this emergency declaration will allow Public Works to shorten the construction schedule by 7 to 13 months.

Public Works is responsible for overseeing the design, construction and management of the proposed renovations to 440 Turk Street, on behalf of HSH. Given the expedited timeframe allowed under emergency declarations, Public Works contacted Pankow Builders, a design-builder that Public Works has worked with in the past and knows can deliver the construction projects in a competent manner, especially within a short time frame. Mr. Lopez advises that Pankow Builders has previously been awarded City contracts based on being the low bidder for

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<sup>1</sup> Legislation was introduced on December 5, 2017 to authorize the Director of the Real Estate Division to negotiate with Caltrans to purchase or lease Caltrans property to provide homeless services.



the Veterans Memorial Building seismic upgrade, construction of the new Public Safety Building and the current rebuild of Central Shops.

Mr. Lopez states that Public Works is now negotiating with Pankow Builders based on these previous project costs. Under the proposed contract, Pankow Builders will act as the general contractor and competitively bid subcontractor trade packages (electrical, mechanical, painting, carpeting, etc.) to complete the tenant improvements. If approved, Public Works intends to enter into an agreement with Pankow Builders in January 2018, and to immediately commence construction.

#### **Emergency Services**

Administrative Code Section 21.15 provides for expedited procurement of commodities and services if an emergency has been declared. According to Code Section 21.15, the Department Head or Purchaser may enter directly into contracts, subject to written approval by the Mayor. Board of Supervisors approval is required for contracts of \$100,000 or more.

According to Mr. Lopez, Public Works expects to procure commodities needed to operationalize the navigation centers; these would include things such as chairs, tables, washers and dryers. Public Works intends to secure quotes from various vendors in order to procure these commodities at competitive prices.

### **FISCAL IMPACT**

#### **440 Turk Street Renovation (File 17-1157)**

The budget to design and construct the 440 Turk Street renovation is \$7,868,000, which includes both the access point for homeless individuals and administrative offices for HSH staff. Legislation approving funding for the 440 Turk street renovation project is calendared for the December 13, 2017 Budget and Finance Committee (Files 17-1154 and 17-1279).

#### **Emergency Shelters (File 17-1256)**

Public Works is refining tenant improvements costs for each navigation center and temporary shelter site during the next two weeks. According to Ms. Whitley, based on those estimates, HSH intends to return to the Board of Supervisors in January 2018 with more details about the cost of these navigation centers and temporary shelters. HSH's approved FY 2017-18 budget appropriated \$4,000,000 for new navigation or resource centers, increasing to \$8,000,000 in FY 2018-19 as a source of funding. The State of California Budget Act of 2017 also appropriated \$10,000,000 for new navigation centers in San Francisco. HSH plans to introduce a resolution to accept and expend the State funding in January 2018 as well.

### **POLICY CONSIDERATION**

#### **Emergency Declaration**

The declaration of an emergency allows Public Works to enter into contracts that waive Administrative Code competitive bidding and other requirements, as noted above. By declaring this emergency, Public Works will be able to expedite (a) the installation of modular structures

to serve as temporary shelters and navigation centers, and (b) the renovation of 440 Turk Street by waiving Administrative Code requirements and immediately entering into contracts for construction and related services. While the need for emergency shelter and an access point at 440 Turk Street do not meet the specific definition of an emergency in the Administrative Code as a "as a sudden, unforeseeable and unexpected occurrence", the Board of Supervisors has discretion under Administrative Code Section 6.60(a) to declare an emergency.

**RECOMMENDATION**

Approval of the proposed resolutions is a policy decision for the Board of Supervisors

OFFICE OF THE MAYOR  
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: *Ed* Mayor Edwin M. Lee *Edwin M. Lee*  
RE: Emergency Declaration - Design and Construction of Department of Homelessness and Supportive Housing's administrative offices and access point at 440 Turk Street  
DATE: October 31, 2017

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Attached for introduction to the Board of Supervisors is a resolution declaring an emergency, and authorizing and directing the Director of San Francisco Public Works ("Director"), or designee thereof, to construct an access point to front-door services, case management, medical attention, and mental health counseling to individuals affected by homelessness at the Department of Homelessness and Supportive Housing ("HSH") property at 440 Turk Street ("Property") pursuant to Administrative Code Section 6.60(a).

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

2017 OCT 31 PM 2:12  
AK

