

1 [Agreement Amendment - Lombard Hotel Group - Monarch Hotel - Not to Exceed  
 2 \$19,127,760 - Waiver of Certain Administrative and Environment Code Requirements]

3 **Ordinance authorizing the Department of Homelessness and Supportive Housing (HSH)**  
 4 **to amend the booking agreement with the Lombard Hotel Group, operator of the**  
 5 **Monarch Hotel to increase the not to exceed amount by \$4,122,300 for a total amount**  
 6 **not to exceed \$19,127,760, and to extend the term of the agreement from August 31,**  
 7 **2023, for a new term of August 4, 2020, through August 31, 2024; waiving for said**  
 8 **agreement certain requirements of the Administrative and Environment Codes; and**  
 9 **authorizing HSH to enter into amendments that do not increase the obligations or**  
 10 **liabilities to the City and are necessary to effectuate the purpose of the agreement.**

11 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
 12 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
 13 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
 14 **Board amendment additions** are in double-underlined Arial font.  
 15 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
 16 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
 17 subsections or parts of tables.

18 Be it ordained by the People of the City and County of San Francisco:

19 Section 1. Background and Findings.

20 (a) On February 25, 2020, Mayor London Breed proclaimed a state of emergency in  
 21 response to the COVID-19 pandemic (the "Proclamation"). On May 11, 2020, the Mayor  
 22 issued the Thirteenth Supplement to the Proclamation, authorizing City departments to enter  
 23 into COVID-19 related contracts with a term of one year or less without following the  
 24 competitive solicitation and procurement procedures in the Administrative Code. Under the  
 25 authority of the Thirteenth Supplement to the Proclamation, the Human Services Agency

1 (“HSA”) entered into an Emergency Hotel Booking Agreement with Lombard Hotel Group,  
2 operator of the Monarch Hotel (“Monarch Hotel Booking Agreement”), HSA Contract No.  
3 1000019022.

4 (b) On February 19, 2021, the Mayor issued the Thirty-Fifth Supplement to the  
5 Proclamation authorizing departments to extend the terms of COVID-19 related emergency  
6 contracts up to 12 months, without including terms otherwise required by the Administrative  
7 and Environment Codes. Under the Authority of the Thirty-Fifth Supplement, HSA extended  
8 the Monarch Hotel Booking Agreement until February 28, 2022, and increased the total not to  
9 exceed amount to \$8,471,640.

10 (c) On February 10, 2022, the Mayor issued the Forty-Fifth Supplement to the  
11 Proclamation, authorizing HSA to amend any emergency hotel booking agreements in place  
12 as of February 10, 2022, to extend the term of such agreements to August 31, 2022. The  
13 Forty-Fifth Supplement also provided that any further contract extensions would require  
14 approval by the Board of Supervisors. Under the authority of the Forty-Fifth Supplement, HSA  
15 amended the Monarch Hotel Booking Agreement to extend the term through May 26, 2022,  
16 and increased the total not to exceed amount to \$9,986,100.

17 (d) In Ordinance No. 167-22, the Board of Supervisors authorized HSA to extend the  
18 terms of several booking agreements through August 31, 2023. Under the Authority of Ord.  
19 No.167-22, HSA amended the Monarch Hotel Booking Agreement to increase the amount by  
20 \$5,019,360 for a new not-to-exceed amount of \$15,005,460, with a term through August 31,  
21 2023, and to extend the waiver of the provisions in the Administrative and Environment Codes  
22 that HSA previously waived under the authority of the Mayor’s Supplements to the  
23 Proclamation.

1 (e) On January 1, 2023, HSA assigned the Monarch Hotel Booking Agreement to the  
2 Department of Homelessness and Supportive Housing (“HSH”) for continued use as 100 units  
3 of non-congregate shelter for adults experiencing homelessness.

4 (f) The Mayor’s proposed FY2023-24 and FY2024-25 budget makes critical  
5 investments in new shelter, housing, and prevention as called for in the recently released  
6 citywide strategic plan “Home by the Bay: An Equity-Driven Plan to Prevent and End  
7 Homelessness in San Francisco.” The Plan calls for new investments and strategies to  
8 reduce unsheltered homelessness by half over the next five years. In order to make progress  
9 on these goals, it is critical that HSH maintain existing non-congregate shelter capacity.

10 (g) This ordinance extending the term of the Monarch Hotel Booking Agreement for an  
11 additional year is necessary to enable HSH to maintain its inventory of non-congregate  
12 shelter. The ordinance thereby furthers the interests of the City, by allowing for the  
13 uninterrupted use of these hotel rooms, and avoiding the inevitable delay and expenditure of  
14 limited staff resources that would be caused by restarting the procurement process to  
15 reacquire the rooms.

16 (h) The Administrative Code and the Environment Code typically require that new and  
17 amended contracts include provisions requiring the contractor to adhere to various City  
18 policies. Requiring Lombard Hotel Group to comply with these requirements as a condition of  
19 extending the agreement would likely impose costs and delays that would further impede  
20 HSH’s ability to provide uninterrupted non-congregate shelter units.

21  
22 Section 2. Amendment of Existing Contract to Extend Term and Increase Not-To-  
23 Exceed Amounts; Continued Waiver of Provisions of the Administrative and Environment  
24 Codes.

1 (a) Pursuant to Charter Section 9.118(b), the Board of Supervisors hereby approves  
2 the Fourth Amendment to the Monarch Hotel Booking Agreement, to increase the not-to-  
3 exceed amount by \$4,122,300 for a new not-to-exceed amount of \$19,127,760, and to extend  
4 the contract term from August 31, 2023 to August 31, 2024.

5 (b) The Board of Supervisors authorizes HSH to amend the Monarch Hotel Booking  
6 Agreement without adherence to the requirements of Administrative Code Chapters 12K  
7 (Salary History Ordinance), 12P (Minimum Compensation Ordinance), 12T (Consideration of  
8 Criminal History in Hiring and Employment Decisions), 12Y (Slavery Era Disclosure  
9 Ordinance), 14B (Local Business Enterprise and Non-Discrimination in Contracting  
10 Ordinance), 83 (First Source Hiring Program), and 101 (Sugar-Sweetened Beverage Funding  
11 Ban Ordinance), and Environment Code Chapters 8 (Tropical Hardwood and Virgin Redwood  
12 Ban), 13 (Arsenic Treated Wood Products), 16 (Food Service and Packaging Waste  
13 Reduction Ordinance), and 24 (Bottled Water Ordinance).

14 (c) The Board of Supervisors authorizes HSH to enter into any additional  
15 amendments to the Monarch Hotel Booking Agreement approved pursuant to this Section 2  
16 that the department determines, in consultation with the City Attorney, are in the best interest  
17 of the City, do not further extend the term of the agreement or increase the not-to-exceed  
18 amount stated in this ordinance, do not otherwise materially increase the obligations or  
19 liabilities of the City, are necessary or advisable to effectuate the purposes of the agreement,  
20 and are in compliance with all applicable laws.

21 (d) Within 30 days of the Agreement being fully executed by all parties, HSH shall  
22 provide the executed Agreement to the Clerk of the Board of Supervisors for inclusion in File  
23 No. 230762.

