



City and County of San Francisco
Meeting Minutes - Final
Budget and Finance Committee

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Members: Connie Chan, Rafael Mandelman, Myrna Melgar

Clerk: Brent Jalipa
(415) 554-7712 ~ brent.jalipa@sfgov.org

Wednesday, May 1, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Connie Chan, Rafael Mandelman, and Myrna Melgar

The Budget and Finance Committee met in regular session on Wednesday, May 1, 2024, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:03 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan, Vice Chair Mandelman, and Member Melgar were noted present. A quorum was present.

COMMUNICATIONS

Brent Jalipa, Budget and Finance Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (brent.jalipa@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

240299 [Administrative Code - Firefighter Personal Protective Equipment Containing PFAS]

Sponsors: Peskin; Safai, Chan, Melgar, Engardio, Mandelman and Stefani

Ordinance amending the Administrative Code to prohibit the Fire Department from providing or using personal protective equipment containing intentionally-added PFAS (perfluoroalkyl and polyfluoroalkyl substances) by June 30, 2026; and requiring the Fire Department to conduct regular meetings with labor representatives, and submit regular reports to the Board of Supervisors and Fire Commission, regarding its progress toward meeting the June 30, 2026, deadline.

(Meet and confer obligations met.)

(Fiscal Impact)

03/26/24; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 4/25/2024.

04/03/24; REFERRED TO DEPARTMENT. Referred to Fire Dept. and Fire Commission for informational purposes. Referred to DHR for meet and confer requirements.

04/17/24; TRANSFERRED to Public Safety and Neighborhood Services Committee. President Peskin transferred this ordinance from the Rules committee to the Public Safety and Neighborhood Services committee.

04/18/24; TRANSFERRED to Budget and Finance Committee. President Peskin transferred this ordinance from the Public Safety and Neighborhood Services Committee to the Budget and Finance Committee.

04/24/24; CONTINUED. Heard in Committee. Speaker(s): None.

Heard in Committee. Speaker(s): Supervisors Aaron Peskin and Ahsha Safai (Board of Supervisors); Jeanine Nicholson, Fire Chief (Fire Department); Adam Wood (San Francisco Firefighters Local 798); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Floyd Rollins, President (San Francisco Firefighters Local 798); spoke in support of the ordinance matter.

Supervisor Mandelman requested to be added as a co-sponsor.

Chair Chan moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240343 [Emergency Declaration - Repair and Restoration of Pine Lake Park Slope - \$5,000,000]**Sponsor: Engardio**

Resolution approving an emergency declaration of the San Francisco Public Utilities Commission pursuant to Administrative Code, Section 6.60, to contract resources for tree removal, slope repair and restoration, debris removal, and geotechnical engineering services in Pine Lake, which was damaged by flooding caused by a failed air valve on a water transmission pipeline, with a total estimated cost of \$5,000,000. (Public Utilities Commission)
(Fiscal Impact)

04/02/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): John Cantu (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240380 [Accept and Expend Grant - Retroactive - Crankstart Foundation - San Francisco Public Defender's Pretrial Release Unit - \$150,000]**Sponsors: Ronen; Mandelman**

Resolution retroactively authorizing the San Francisco Public Defender's Office to accept and expend a grant in the amount of \$150,000 from the Crankstart Foundation to provide representation in Pretrial Release and Pre-Arrest proceedings ensuring the rights of vulnerable detained people accused of crimes through Public Defender Pretrial Legal Representation for the period of January 1, 2024, through September 30, 2024. (Public Defender)

04/16/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Lyslynn Lacoste and Artricia Moore-Jenkins (Office of the Public Defender); provided an overview and responded to questions raised throughout the discussion.

Supervisor Mandelman requested to be added as a co-sponsor.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240303 [Accept and Expend Grant - Bay Area Young Survivors - Golden Gate Park - Approximately \$800,000]**Sponsors: Mayor; Chan**

Resolution authorizing the Recreation and Park Department (RPD) to accept and expend an approximately \$300,000 increase to the grant from the Bay Area Young Survivors (BAYS), with a total funding of approximately \$800,000 so that BAYS can deliver the in-kind grant of a renovated seating area on Conservatory East at Arguello Boulevard for the project term of upon approval of this Resolution until Notice of Substantial Completion; and to authorize the RPD General Manager to enter into amendments or modifications to the grant that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the grant or this Resolution. (Recreation and Park Department)

03/26/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Abigail Maher (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240338 [Grant Agreement Amendment - Compass Family Services - Family Housing Ladder - Not to Exceed \$13,104,997]**Sponsors: Mayor; Mandelman**

Resolution approving the first amendment to the grant agreement between Compass Family Services and the Department of Homelessness and Supportive Housing ("HSH") for services and subsidy administration for the family housing ladder program; extending the grant term by 24 months from June 30, 2024, for a total term of October 1, 2022, through June 30, 2026; increasing the agreement amount by \$7,038,650 for a total amount not to exceed \$13,104,997; and authorizing HSH to enter into any amendments or other modifications to the agreement that do not materially increase the obligations or liabilities, or materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the agreement. (Department of Homelessness and Supportive Housing) (Fiscal Impact)

04/02/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Emily Cohen (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Helen Hale; shared various concerns regarding the hearing matter.

Supervisor Mandelman requested to be added as a co-sponsor.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240337 [Grant Agreement Amendment - Compass Family Services - Flexible Housing Subsidy Pool - Not to Exceed \$29,151,597]**Sponsors: Mayor; Mandelman**

Resolution approving the second amendment to the grant agreement between the Compass Family Services and the Department of Homelessness and Supportive Housing (“HSH”) for supportive services and administration of a Flexible Housing Subsidy Pool program for families; extending the grant term by 24 months from June 30, 2024, for a total term of October 1, 2022, through June 30, 2026; increasing the agreement amount by \$20,183,620 for a total amount not to exceed \$29,151,597; and authorizing HSH to enter into any amendments or other modifications to the agreement that do not materially increase the obligations or liabilities, or materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the agreement. (Department of Homelessness and Supportive Housing)
(Fiscal Impact)

04/02/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Emily Cohen (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Supervisor Mandelman requested to be added as a co-sponsor.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240373 [Accept and Expend Grant - California Department of Housing and Community Development - Affordable Housing and Sustainable Communities Program - Transbay Block 2 East Family - \$41,011,377]**Sponsors: Mayor; Dorsey and Mandelman**

Resolution authorizing the Mayor’s Office of Housing and Community Development (“MOHCD”) to execute the Standard Agreements with the California Department of Housing and Community Development (“HCD” or “Department”) under the Affordable Housing and Sustainable Communities Program for a total award of \$41,011,377 including \$28,000,000 disbursed by HCD as a loan to the Transbay 2 Family, L.P. a California limited partnership (“Developer”) for a 100% affordable housing project at 200 Folsom (commonly known as Transbay Block 2 East), \$7,711,377 to be disbursed as a grant to the Developer for regional transit and infrastructure and programmatic funding near Transbay Block 2 East, and \$5,300,000 to be disbursed as a grant to the City for public transportation improvements near Transbay Block 2 East, for the period starting on the execution date of the Standard Agreements through November 30, 2043; and authorizing MOHCD to accept and expend the grant of up to \$5,300,000 for transportation, streetscape and pedestrian improvements and other transit oriented programming and improvement as approved by HCD. (Mayor’s Office of Housing and Community Development)

04/16/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Kim Obstfeld (Office of Community Investment and Infrastructure); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240374 [100% Permanent Supportive Housing - 1633 Valencia Street - Mercy Housing California 108, L.P. - Loan Not to Exceed \$41,036,048 - Grant Not to Exceed \$80,785,406]

Sponsors: Mayor; Ronen

Resolution approving and authorizing the Mayor and the Director of the Mayor's Office of Housing and Community Development ("MOHCD") to execute agreements with Mercy Housing California 108, L.P. relating to 1) a loan in an amount not to exceed \$41,036,048 for a minimum term of 55 years to provide permanent financing for a 146-unit (including one manager's unit) permanent supportive housing development, plus resident common areas and supportive services space, on real property located at 1633 Valencia Street (the "Project"), and 2) a grant in an amount not to exceed \$80,785,406 for a 19-year term to provide Local Operating Subsidy Program funds to subsidize operations and debt service for the Project; 3) adopting findings that the Project and proposed transactions are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and 4) authorizing the Director of MOHCD and/or the Director of Property, or their designees, to make certain modifications to the loan and grant documents and take certain actions in furtherance of this Resolution, as defined herein. (Mayor's Office of Housing and Community Development)
(Fiscal Impact)

04/16/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Anne Romero (Mayor's Office of Housing and Community Development); Nicolas Menard (Office of the Budget and Legislative Analyst); Clare Murphy (Mercy Housing); Gigi Whitley (Department of Homelessness and Supportive Services); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

Chair Chan requested File Nos. 240368, 240369, 240370, and 240371 be called together.

240368 [Apply for, Accept and Expend Grant - U.S. Department of Housing and Urban Development - Community Development Block Grant Program - \$25,638,788 - FY2024-2025]

Sponsor: Mayor

Resolution approving the Fiscal Year (FY) 2024-2025 Community Development Block Grant (CDBG) Program; authorizing the Mayor, on behalf of the City and County of San Francisco, to apply for, accept and expend the City's FY2024-2025 CDBG Program entitlement from the United States (U.S.) Department of Housing and Urban Development in the amount of up to \$19,808,788 and to expend estimated program income in the amount of \$5,830,000 for a combined total of approximately \$25,638,788 for a period beginning July 1, 2024, through the date when all funds are expended. (Mayor's Office of Housing and Community Development)

04/16/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Brian Cheu (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240369 [Apply for, Accept, and Expend Grant - U.S. Department of Housing and Urban Development - Housing Opportunities for Persons with AIDS Program - \$13,301,528 - FY2024-2025]

Sponsors: Mayor; Dorsey, Mandelman and Engardio

Resolution approving the Fiscal Year (FY) 2024-2025 Housing Opportunities for Persons with AIDS (HOPWA) Program; and authorizing the Mayor, on behalf of the City and County of San Francisco, to apply for, accept, and expend the City's FY2024-2025 HOPWA Program entitlement from the United States (U.S.) Department of Housing and Urban Development in the amount of \$8,095,766 and to expend program income and reprogrammed funds in the amount of \$5,205,762 for a combined total of \$13,301,528 for the period of July 1, 2024, through June 30, 2027.

04/16/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Brian Cheu (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240370 [Apply for, Accept and Expend Grant - U.S. Department of Housing and Urban Development - HOME Investment Partnership Program - \$7,761,293 - FY2024-2025]

Sponsor: Mayor

Resolution approving the Fiscal Year (FY) 2024-2025 HOME Investment Partnership Program; and authorizing the Mayor, on behalf of the City and County of San Francisco, to apply for, accept and expend the City's FY2024-2025 HOME Program entitlement from the United States (U.S.) Department of Housing and Urban Development in the amount of \$5,761,293 and to expend program income in the amount of \$2,000,000 for a combined total of \$7,761,293 for the term of July 1, 2024, through June 30, 2029. (Mayor's Office of Housing and Community Development)

04/16/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Brian Cheu (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240371 [Apply for, Accept, and Expend Grant - U.S. Department of Housing and Urban Development Emergency Solutions Grants Program - \$1,802,414 - FY2024-2025]

Sponsor: Mayor

Resolution approving the Fiscal Year (FY) 2024-2025 Emergency Solutions Grants (ESG) Program; and authorizing the Mayor, on behalf of the City and County of San Francisco, to apply for, accept, and expend the City's FY2024-2025 ESG Program entitlement from the United States (U.S.) Department of Housing and Urban Development, in the amount of \$1,802,414 for an unspecified period starting July 1, 2024.

04/16/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Brian Cheu (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

Vice Chair Mandelman was noted not present at 11:55 a.m., and for the remainder of the meeting.

240152 [Grant Amendment - Tenderloin Housing Clinic, Inc. - Justice-Involved Transitional Housing and Supportive Services Program - Not to Exceed \$11,143,960]

Resolution approving a fifth amendment to Contract No. 1000020198 for the Justice-Involved Housing and Supporting Services Program between Tenderloin Housing Clinic, Inc. and the City and County of San Francisco, acting by and through its Adult Probation Department, to increase the grant amount by \$1,214,651 for a total not to exceed amount of \$11,143,960 with Board of Supervisors' approval under Charter, Section 9.118, and with no change to the grant term of March 1, 2020, through June 30, 2024. (Adult Probation)
(Fiscal Impact)

02/12/24; RECEIVED FROM DEPARTMENT.

02/27/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Taras Madison (Adult Probation Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors. The motion carried by the following vote:

Ayes: 2 - Chan, Melgar

Absent: 1 - Mandelman

Chair Chan requested File Nos. 240153 and 240154 be called together.

240153 [Grant Amendment - Westside Community Mental Health Center - Minna Program - Not to Exceed \$18,336,834]

Resolution approving a second amendment to Contract No. 1000025153 for the Minna Program between Westside Community Mental Health Center and the City and County of San Francisco, acting by and through its Adult Probation Department, to increase the grant amount by \$10,776,676 for a total not to exceed amount of \$18,336,834; and to extend the performance period for two years and 10 months from July 1, 2024, for a performance period of May 1, 2022, through April 30, 2027, with Board of Supervisors' approval under Charter, Section 9.118. (Adult Probation)
(Fiscal Impact)

02/16/24; RECEIVED FROM DEPARTMENT.

02/27/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Taras Madison (Adult Probation Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

The Committee requested that the Adult Probation Department conduct comprehensive performance monitoring and regular site visits, starting in 2024.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Chan, Melgar

Absent: 1 - Mandelman

240154 [Grant Amendment - Westside Community Mental Health Center - Treatment, Recovery, and Prevention Program - Not to Exceed \$17,308,923]

Resolution approving a third amendment to Contract No. 1000022359 for the Treatment, Recovery, and Prevention (TRP) Program between Westside Community Mental Health Center and the City and County of San Francisco, acting by and through its Adult Probation Department, to increase the grant amount by \$7,803,200 for a total not to exceed amount of \$17,308,923; and to extend the performance period for two years and one month from June 30, 2024, for a performance period of August 1, 2021, through July 31, 2026, with Board of Supervisors' approval under Charter, Section 9.118. (Adult Probation)
(Fiscal Impact)

02/16/24; RECEIVED FROM DEPARTMENT.

02/27/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Taras Madison (Adult Probation Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

The Committee requested that the Adult Probation Department conduct comprehensive performance monitoring and regular site visits, starting in 2024.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Chan, Melgar

Absent: 1 - Mandelman

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 12:17 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Finance Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.