

1 [Emergency Declaration - Repairs at Laguna Honda Hospital - 375 Laguna Honda Boulevard -
2 Estimated Cost Not to Exceed \$28,400,000]

3 **Resolution approving the Director of Public Works' declaration of emergency under**
4 **Administrative Code, Section 6.60 for repair work at Laguna Honda Hospital and**
5 **Rehabilitation Center, located at 375 Laguna Honda Boulevard, estimated to cost in**
6 **excess of \$250,000, but not to exceed \$28,400,000.**

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8 WHEREAS, Laguna Honda Hospital and Rehabilitation Center (LHH) is located at 375
9 Laguna Honda Boulevard; and

10 WHEREAS, In April 2022, after deeming LHH out of compliance with applicable
11 Medicare regulations, the California Department of Public Health (CDPH) and the federal
12 Centers for Medicare & Medicaid Services (CMS) terminated LHH's CMS Medicare/Medicaid
13 Provider Agreements and its certification in the Medicare/Medicaid program; and

14 WHEREAS, LHH intends to reapply for certification in the Medicare/Medicaid
15 programs; and

16 WHEREAS, Should the San Francisco Department of Public Health's (SFDPH)
17 recertification efforts fail, SFDPH would begin to lose up to \$16.5 million monthly in
18 Medicare/Medicaid funding, and without this funding, SFDPH could be forced to close LHH;
19 and

20 WHEREAS, As a 769-bed skilled nursing facility, closure of LHH would have a
21 significant negative impact on the availability of skilled nursing beds in San Francisco to serve
22 patients, such as those recovering from an injury, stroke or significant illness, who require
23 ongoing medical, nursing or rehabilitative care; and

1 WHEREAS, To obtain new Provider Agreements and its recertification into the
2 Medicare/Medicaid programs, SFDPH must demonstrate LHH substantially complies with all
3 applicable Medicare regulations and pass certification surveys; and

4 WHEREAS, Non-conforming conditions that could jeopardize LHH's ability to achieve
5 certification and maintain substantial compliance may include, but are not be limited to, the
6 capital improvement and/or maintenance of kitchen freezer area repairs, fire alarm separation
7 project, HVAC 3B project, fuel line replacement, pharmacy compounding room repairs and
8 renovation, station X-ray project, and water tank replacement project, and emergency power
9 replacement; and

10 WHEREAS, Public Works staff determined that the extensive and technical scope of
11 work necessitate that an outside contractor or contractors be hired to perform the critical
12 repairs and upgrades; and

13 WHEREAS, Public Works staff analyzed the circumstances extensively and
14 determined that the estimated cost of the repairs and remediation is expected to exceed
15 \$250,000; and

16 WHEREAS, Pursuant to Section 6.60(c)(3) of the Administrative Code, which states an
17 "actual emergency" includes "Unforeseen occurrences of unusual character resulting in an
18 insufficient number of hospital beds or the lack of hospital beds or the lack of hospital,
19 surgical, mental health or hospital ancillary services so as to leave patients of the City without
20 required hospital or medical services," the Interim Director of Public Works declared an
21 emergency on May 12, 2023, at the request of SFDPH; and

22 WHEREAS, Under authority granted by Administrative Code, Section 6.60(b), the
23 Interim Director of Public Works gave notice of the emergency declaration to the Board of
24 Supervisors, Mayor, and Controller on May 15, 2023; and
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1 WHEREAS, Administrative Code, Section 6.60(d), requires that the Board of
2 Supervisors approves emergency work with an estimated cost in excess of \$250,000; and

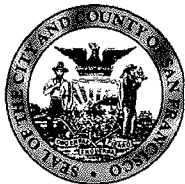
3 WHEREAS, SFDPH estimates the cost of the emergency work to be no more than
4 \$28,400,000; and

5 WHEREAS, SFDPH has the necessary funds appropriated in their budget for these
6 projects; now, therefore, be it

7 RESOLVED, That the Board of Supervisors approves the Interim Director of Public
8 Works' emergency declaration for the necessary repair work at Laguna Honda Hospital and
9 Rehabilitation Center for the projects listed on page 31 of the Budget and Legislative Analyst's
10 report dated September 1, 2023, a copy of which is on file with the Clerk of the Board of
11 Supervisors in Board File No. 230811, with estimated costs not to exceed \$28,400,000.

12
13 RECOMMENDED

14
15 /s/
16 San Francisco Public Works
17 Interim Director, Carla Short
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City and County of San Francisco

Tails
Resolution

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

File Number: 230811

Date Passed: September 12, 2023

Resolution approving the Director of Public Works' declaration of emergency under Administrative Code, Section 6.60, for repair work at Laguna Honda Hospital and Rehabilitation Center, located at 375 Laguna Honda Boulevard, estimated to cost in excess of \$250,000 but not to exceed \$28,400,000.

September 06, 2023 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE


September 06, 2023 Budget and Finance Committee - RECOMMENDED AS AMENDED

September 12, 2023 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 230811

I hereby certify that the foregoing Resolution was ADOPTED on 9/12/2023 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board



London N. Breed
Mayor

9/21/23

Date Approved