

**SIXTH AMENDMENT  
TO EMERGENCY AGREEMENT  
SHIN INTERNATIONAL, INC.  
COVA HOTEL**

THIS SIXTH AMENDMENT TO EMERGENCY AGREEMENT (this “***Amendment***”), dated as of September 1, 2024, for reference purposes, is entered into by and between Shin International, Inc., a California Corporation (“***Contractor***” or “***Hotel***”), and the City and County of San Francisco, a municipal corporation (“***City***”), acting by and through its Department of Homelessness and Supportive Housing (“***HSH***”), and with reference to the following facts and circumstances:

**RECITALS**

**A.** City and Contractor are parties to that certain Emergency Agreement, dated as of May 15, 2020 (the “***Emergency Agreement***”), pursuant to which Hotel granted City the right to use that certain real property and the improvements thereon consisting of a Ninety-Five (95) room hotel located at 655 Ellis Street, in the City and County of San Francisco, commonly known as the “Cova Hotel” (the “***Improvements***”), to further the public health and safety in connection with City’s response to the Local Emergency declared by Mayor London Breed on Tuesday, February 25, 2020.

**B.** The Emergency Agreement was amended pursuant to that certain First Amendment to Emergency Agreement by and between City and Hotel, dated as of March 22, 2021 (the “***First Amendment***”), as further amended by that certain Second Amendment to Emergency Agreement by and between City and Hotel, dated as of March 1, 2022 (the “***Second Amendment***”), as further amended by that certain Third Amendment to Emergency Agreement by and between City and Hotel, dated as of September 1, 2022 (the “***Third Amendment***”), and as further amended by that certain Fourth Amendment to Emergency Agreement by and between City and Hotel, dated as of September 1, 2022 (the “***Fourth Amendment***”), and as further amended by that certain Fifth Amendment to Emergency Agreement by and between City and Hotel, dated as of September 1, 2024 (the “***Fifth Amendment***”), and together with the Emergency Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, and the Fifth Amendment (the “***Agreement***”).

**C.** The San Francisco Board of Supervisors adopted Ordinance No. 183-24 on July 23, 2024 and effective as of September 1, 2024 (the “***Ordinance***”, attached hereto), to authorize the extension of the Booking Period from September 1, 2024, to March 31, 2025, and to increase the Compensation under the Agreement by One Million Seven Hundred Twenty Eight Thousand One Hundred Ninety Dollars (\$1,728,190), from Fourteen Million Three Hundred Four Thousand Two Hundred Fifty Three Dollars (\$14,304,253), to Sixteen Million Thirty Two Thousand Four Hundred Forty Three Dollars (\$16,032,443).

**D.** City and Contractor now desire to enter into this Amendment to, among other things, (a) extend the Booking Period from September 1, 2024 to March 31, 2025, and (b) increase the Compensation in accordance with the Ordinance and on the terms and conditions set forth herein.

**AGREEMENT**

NOW, THEREFORE, for and in consideration of the foregoing Recitals, which are incorporated into this Amendment by this reference, the mutual covenants and obligations of the parties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Hotel and the City herby agree as follows:

**Section 1. Definitions.** Capitalized terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**Section 2. Amendment of Agreement.** The Agreement is hereby amended as follows:

**(a) Amendment of Section 2.1.** *Section 2.1 of the Agreement is hereby amended and restated in its entirety and shall hereinafter read as follows:*

**2.1 Term.**

2.1.1. The term of this Agreement commenced on **May 26, 2020**, and will expire of its own accord on **March 31, 2025** (the “**Booking Period**”), unless earlier terminated as otherwise provided herein. In accordance with Section 8.1.1, City may terminate this Agreement by providing at least thirty (30) days’ written notice to Hotel of such termination.

2.1.2 On the conditions set forth below, City shall have the right to extend the Booking Period on a month to month basis by providing no less than thirty days’ prior written notice to Hotel; provided, that (a) in no event shall any extension of the Booking Period extend beyond March 31, 2025, and (b) any extension of the Booking Period beyond March 31, 2025, shall require the Executive Director of HSH to first obtain the approval of the San Francisco Board of Supervisors by ordinance waiving any applicable restrictions in the Municipal Code.”

**(b) Amendment of Section 3.3.1.** *The fourth sentence of Section 3.3.1 is hereby amended and restated in its entirety and shall hereinafter read as follows:*

“In no event shall the amount of this Agreement exceed Sixteen Million Thirty Two Thousand Four Hundred Forty Three Dollars (\$16,032,443).”

**(c) Amendment of Appendix B.** *The following amounts within Section 1 of Appendix B “Maximum Not-to-Exceed Compensation” are hereby amended and fully incorporated into the Agreement:*

**Maximum Not-to-Exceed Amount of Agreement:**

a. <b>Total Not-to-Exceed Compensation:</b>	<b>\$16,032,443</b>
b. Not-to-Exceed Compensation without Reimbursable Amount: (95 x \$79 x 766) + (95 x \$73 x 792) + (95 x \$74.97 x 211)	\$12,744,124
c. Not-to-Exceed Reimbursable Amount: (Contingency, 15% of b.)	\$1,911,619
d. Not-to-Exceed Reimbursable Amount (Food Service in Appendix E) (food service terminated 12/22/20)	\$1,376,700

**Section 3. Effective Date.** Each of the amendments set forth in Section 2 above shall be effective retroactively as of the date of this Amendment.

**Section 4. Reference.** No reference to this Amendment is necessary in any instrument or document at any time referring to the Agreement. Any future reference to the Agreement will be deemed a reference to the Agreement, as amended by this Amendment.

**Section 5. No Other Amendment; Entire Agreement.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect. The Agreement as amended by this Amendment constitutes the entire agreement between City and Hotel with respect to the subject matter of the Agreement and supersedes and cancels any and all previous negotiations, agreements, or understandings, if any, regarding the matters contained in the Agreement. In the event of any conflict between the terms of the Agreement and the terms of this Amendment, the terms of this Amendment will control.

**Section 6. Reserved.**

**Section 7. Applicable Law.** This Amendment will be governed by, construed, and enforced in accordance with the laws of the State of California and City's Charter. Any legal suit, action, or proceeding arising out of or relating to this Amendment shall be instituted in the Superior Court for the City and County of San Francisco, and each party agrees to the exclusive jurisdiction of such court in any such suit, action, or proceeding (excluding bankruptcy matters). The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action, or proceeding in such court and irrevocably waive and agree not to plead or claim that any suit, action, or proceeding brought in San Francisco Superior Court relating to this Amendment has been brought in an inconvenient forum. The Parties also unconditionally and irrevocably waive any right to remove any such suit, action, or proceeding to Federal Court.

**Section 8. Further Instruments.** The parties to the Agreement and this Amendment agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this Amendment.

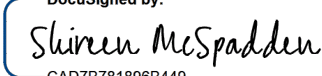
**Section 9. Counterparts; Electronic Signature.** This Amendment may be executed in two or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument. The Parties may execute this Amendment by electronic signature.

***[SIGNATURES ON FOLLOWING PAGE]***

**IN WITNESS WHEREOF**, Contractor and City have executed this Amendment as of the date first referenced above.

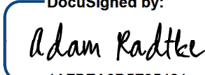
**CITY**

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

DocuSigned by:  
  
CAD7B781896B449...  
Shireen McSpadden  
Executive Director  
Homelessness and Supportive Housing

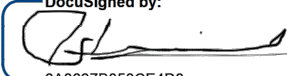
Approved as to Form:

David Chiu,  
City Attorney

By:   
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Adam Radtke  
Deputy City Attorney

**HOTEL**

SHIN INTERNATIONAL, INC.,  
a California corporation

DocuSigned by:  
  
6A8637B058GE4D8...  
Simon Sin  
GM & Owner  
655 Ellis Street  
San Francisco, CA 94109

Supplier ID: 0000043408

**Exhibit A**

**Appendix E “Food Service By Hotel”**

The Hotel and City previously developed and incorporated a food service program, which ended on December 22, 2020. The compensation of \$1,376,700 was previously paid and is included in Appendix B.

The parties acknowledge that the food service program is no longer in effect and is confirmed as terminated.

**Exhibit B**

**Ordinance**

*[Attached]*

[Amendment to Agreement with Shin International, Inc. - Cova Hotel - Not to Exceed \$16,032,443 - Waiver of Certain Administrative, Labor and Employment, and Environment Code Requirements]

**Ordinance authorizing the Department of Homelessness and Supportive Housing ("HSH") to amend the booking agreement with Shin International, Inc., the operator of the Cova Hotel, to increase the not to exceed amount by \$1,728,1903,414,393 for a total amount not to exceed \$16,032,443, and to extend the term of the agreement by seven months from August 31, 2024, for a new term of May 26, 2020, through March 31, 2025; waiving for said agreement certain requirements of the Administrative, Labor and Employment, and Environment Codes; and authorizing HSH to enter into amendments that do not increase the City's obligations or liabilities and are necessary to effectuate the purposes of the agreement.**

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

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

Section 1. Background and Findings.

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

Emergency Hotel Booking Agreement with Shin International Inc., operator of the Cova Hotel (“Cova Hotel Booking Agreement”), HSA Contract No. 1000018023.

(b) On February 19, 2021, the Mayor issued the Thirty-Fifth Supplement to the Proclamation authorizing departments to extend the terms of COVID-19 related emergency contracts up to 12 months, without including terms otherwise required by the Administrative and Environment Codes. Under the Authority of the Thirty-Fifth Supplement, HSA extended the Cova Hotel Booking Agreement until February 28, 2022, and increased the total not-to-exceed amount to \$6,926,272.

(c) On February 10, 2022, the Mayor issued the Forty-Fifth Supplement to the Proclamation, authorizing HSA to amend any emergency hotel booking agreement in place as of February 10, 2022, to extend the term of such agreements to August 31, 2022. The Forty-Fifth Supplement also provided that any further contract extensions would require approval by the Board of Supervisors. Under the authority of the Forty-Fifth Supplement, HSA amended, the Cova Hotel Booking Agreement to extend the term through August 31, 2022, and increased the total not-to-exceed amount to \$8,514,330.

(d) In Ordinance No. 167-22, the Board of Supervisors authorized HSA to extend the terms of several booking agreements through August 31, 2023. Under the Authority of Ord. No.167-22, HSA amended the Cova Hotel Booking Agreement to increase the amount by \$2,870,981 for a new not-to-exceed amount of \$11,385,311, with a term through August 31, 2023, and to extend the waiver of the provisions in the Administrative and Environment Codes that HSA previously waived under the authority of the Mayor’s Supplements to the Proclamation.

(e) On September 1, 2022, HSA executed a Fourth Amendment to the Cova Hotel Booking Agreement that amended the Appendix B to add a surcharge of \$2.83 per room/day



1 for the period commencing on September 1, 2022 to be paid from contingency, for a total not-  
2 to-exceed amount of \$11,385,311 as authorized by Ordinance 167-22.

3 (f) On January 1, 2023, HSA assigned the Cova Hotel Booking Agreement to the  
4 Department of Homelessness and Supportive Housing ("HSH") for continued use as 95 units  
5 of non-congregate shelter for adults experiencing homelessness in order to maintain stable  
6 housing for individuals who might otherwise be discharged to the streets.

7 (g) The Fiscal Year 2023-24 and Fiscal Year 2024-25 budget made critical  
8 investments in new shelter, housing, and prevention as called for in the citywide strategic plan  
9 "Home by the Bay: An Equity-Driven Plan to Prevent and End Homelessness in San  
10 Francisco." The Plan calls for new investments and strategies to reduce unsheltered  
11 homelessness by half over the next five years. In order to make progress on these goals, it is  
12 critical that HSH maintain existing non-congregate shelter capacity.

13 (h) On July 27, 2023, the City adopted Ordinance No. 148-23 that amended the Cova  
14 Hotel Booking Agreement to increase the amount by \$2,918,942 for a new not-to-exceed  
15 amount of \$14,304,253, extend the term by 12 months through August 31, 2024, and extend  
16 the waiver of the provisions in the Administrative and Environment Codes that HSA previously  
17 waived under the authority of the Mayor's Supplements to the Proclamation.

18 (i) The City, through the Director of Property, is in the process of negotiating leases for  
19 potential shelter sites to support the continuation of this emergency bed capacity. This  
20 ordinance extending the term of the Cova Hotel Booking agreement for an additional seven  
21 months is necessary to enable HSH to maintain its inventory of non-congregate shelter during  
22 this process.

23 (j) The Administrative Code, Labor and Employment Code (which did not exist as a  
24 distinct component of the Municipal Code until recently), and Environment Code typically  
25 require that new and amended contracts include provisions requiring the contractor to adhere

to various City policies. Requiring Shin International, Inc. to comply with these requirements as a condition of extending the agreement would likely impose costs and delays that would further impede HSH's ability to provide uninterrupted non-congregate shelter units. It is therefore in the public interest to waive certain of the requirements in those Codes.

Section 2. Amendment of Existing Contract to Extend Term and Increase Not-To-Exceed Amount; Continued Waiver of Provisions of the Administrative, Labor and Employment, and Environment Codes.

(a) Pursuant to Charter Section 9.118(b), the Board of Supervisors hereby approves the Sixth Amendment to the Cova Hotel Booking Agreement, to increase the not-to-exceed amount by ~~\$1,728,1903,414,393~~ for a new not-to-exceed amount of \$16,032,443, and to extend the contract term from August 31, 2024, through March 31, 2025.

(b) The Board of Supervisors authorizes HSH to amend the Cova Hotel Booking Agreement without adherence to the requirements of Administrative Code Chapters 12Y (Slavery Era Disclosure Ordinance), 14B (Local Business Enterprise and Non-Discrimination in Contracting Ordinance), 83 (First Source Hiring Program), and 101 (Sugar-Sweetened Beverage Funding Ban Ordinance); Labor and Employment Code Articles 111 (Minimum Compensation), 141 (Salary History), and 142 (Consideration of Criminal History in Hiring and Employment Decisions); and Environment Code Chapters 8 (Tropical Hardwood and Virgin Redwood Ban), 13 (Arsenic Treated Wood Products), 16 (Food Service and Packaging Waste Reduction Ordinance), and 24 (Bottled Water Ordinance).

(c) The Board of Supervisors authorizes HSH to enter into any additional amendments to the Cova Hotel Booking Agreement approved pursuant to this Section 2 that HSH determines, in consultation with the City Attorney, are in the best interest of the City, do not further extend the term of the agreement or increase the not-to-exceed amount stated in this

ordinance, do not otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the agreement, and are in compliance with all applicable laws.

(d) Within 30 days of the Agreement being fully executed by all parties, HSH shall provide the executed Agreement to the Clerk of the Board of Supervisors for inclusion in File No. 240632.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:  
DAVID CHIU, City Attorney

By: /s/  
ADAM RADTKE  
Deputy City Attorney

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## City and County of San Francisco

### Tails Ordinance

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

**File Number:** 240632

**Date Passed:** July 23, 2024

Ordinance authorizing the Department of Homelessness and Supportive Housing ("HSH") to amend the booking agreement with Shin International, Inc., the operator of the Cova Hotel, to increase the not to exceed amount by \$1,728,190 for a total amount not to exceed \$16,032,443 and to extend the term of the agreement by seven months from August 31, 2024, for a new term of May 26, 2020, through March 31, 2025; waiving certain requirements of the Administrative, Labor and Employment, and Environment Codes for said agreement; and authorizing HSH to enter into amendments that do not increase the City's obligations or liabilities and are necessary to effectuate the purposes of the agreement.

July 10, 2024 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

July 10, 2024 Budget and Finance Committee - RECOMMENDED AS AMENDED

July 16, 2024 Board of Supervisors - PASSED ON FIRST READING

Ayes: 10 - Chan, Dorsey, Engardio, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

Noes: 1 - Mandelman


July 23, 2024 Board of Supervisors - FINALLY PASSED


Ayes: 10 - Chan, Dorsey, Engardio, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

Noes: 1 - Mandelman

File No. 240632

I hereby certify that the foregoing  
Ordinance was **FINALLY PASSED** on  
7/23/2024 by the Board of Supervisors of the  
City and County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

  
London N. Breed  
Mayor

7/25/24  
Date Approved