



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

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

Members: Mark Farrell, Eric Mar, John Avalos

Clerk: Linda Wong (415) 554-7719

Wednesday, September 17, 2014

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Mark Farrell, Eric Mar, and John Avalos

MEETING CONVENED

The meeting convened at 10:15 a.m.

REGULAR AGENDA

140924 [Multifamily Housing Revenue Note (Bill Sorro Community) - Not to Exceed \$25,000,000]

Sponsor: Kim

Resolution authorizing the execution, sale, and delivery of a multifamily housing revenue note in an aggregate principal amount not to exceed \$25,000,000 for the purpose of providing financing for the construction of a 67-unit affordable rental housing development known as Bill Sorro Community; approving the form of and authorizing the execution of a funding loan agreement and a borrower loan agreement; providing the terms and conditions of the note and authorizing the execution and delivery thereof; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; authorizing the collection of certain fees; approving modifications, changes, and additions to the documents; granting general authority to City officials to take actions necessary to implement this Resolution; and ratifying and approving any action heretofore taken in connection with the note and the project, as defined herein.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Kevin Kitchingham (Mayor's Office of Community Development); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140925 [Property Conveyance and Ground Lease - 67 Units Affordable Housing - Mercy Housing California 51 - 1009 Howard Street]**Sponsor: Kim**

Resolution approving and authorizing the conveyance of real property located at 1009 Howard Street from the Office of Community Investment and Infrastructure to the Mayor's Office of Housing and Community Development (as Successor Housing Agency to the San Francisco Redevelopment Agency); approving and authorizing the Mayor's Office of Housing and Community Development to enter into a 99 year ground lease totaling \$99 with Mercy Housing California 51, a California limited partnership, for the development and operation of 66 units of affordable housing (plus one manager's unit) on such property; and making findings that the conveyance and ground lease are in conformance with the California Environmental Quality Act, the General Plan, and the eight priority policies of Planning Code, Section 101.1.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Kevin Kitchingham (Mayor's Office of Community Development); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140903 [Contracts - Various Vendors - Technology Marketplace - Not to Exceed \$12,000,000 Each]

Resolution authorizing the Office of Contract Administration to enter into nine contracts for the Technology Marketplace (Successor to the Technology Store) purchases between the City and County and En Pointe Technologies, Inc., World Wide Technology, Inc., ComputerLand of Silicon Valley, Xtech JV, Technology Integration Group, Central Computers, Stellar Services, Robert Half Technology, and InterVision Systems Technologies, Inc., with initial not to exceed amounts of \$12,000,000 each, for the term ending September 30, 2017, to commence following Board approval, with two options to extend the contracts for up to one year each at the sole and absolute discretion of the City. (Office of Contract Administration)
(Fiscal Impact)

08/22/14; RECEIVED FROM DEPARTMENT.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jaci Fong (Office of Contract Administration); Harvey Rose (Budget and Legislative Analyst's Office); Jon Givner (City Attorney's Office); Monique Zmuda (Controller's Office); presented information concerning the matter and answered questions raised throughout the hearing. Chester Young; spoke in support of the hearing matter. Male Speaker; Wayne Perry; Andrew G.; spoke neither in support nor opposition of the hearing matter.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140503 [Lease and Use Agreement Modification - United Airlines, Inc. - \$92,628,977]

Resolution approving and authorizing the execution of Modification No. 1 to the Lease and Use Agreement L10-0097 with United Airlines, Inc., at the San Francisco International Airport to increase the premises by approximately 92,331 square feet of exclusive use space and with a minimum rent amount of \$10,745,068 per year and a total amount of \$75,215,476 over the remaining seven years of the term, expiring on June 30, 2021. (Airport Commission)

(Fiscal Impact)

05/05/14; RECEIVED FROM DEPARTMENT.

05/20/14; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

09/10/14; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Harvey Rose (Budget and Legislative Analyst's Office); presented information concerning the matter and answered questions raised throughout the hearing.

Supervisor Mar, seconded by Supervisor Avalos, moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution approving and authorizing the execution of Modification No. 1 to the Lease and Use Agreement L10-0097 with United Airlines, Inc., at the San Francisco International Airport to increase the premises by approximately 92,331 square feet of exclusive use space in a total amount of \$92,628,977 over the remaining seven years of the term, expiring on June 30, 2021. (Airport Commission)

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140501 [Lease Amendment - T. Mobile West, LLC - Cellular Service Equipment Sites]

Resolution approving Amendment No. 1 to the Cellular Service Equipment Sites Lease No. 09-0051C between T-Mobile West, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term for five years through June 30, 2019. (Airport Commission)

(Fiscal Impact)

05/05/14; RECEIVED FROM DEPARTMENT.

05/20/14; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

09/10/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Harvey Rose (Budget and Legislative Analyst's Office); presented information concerning the matter and answered questions raised throughout the hearing.

Supervisor Mar, seconded by Supervisor Avalos, moved that this Ordinance be AMENDED to be retroactive to July 1, 2014, by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution retroactively approving Amendment No. 1 to the Cellular Service Equipment Sites Lease No. 09-0051C between T-Mobile West, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, extending the term for five years from July 1, 2014, through June 30, 2019. (Airport Commission)

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140502 [Lease and Use Agreement Modification - Hawaiian Airlines, Inc. - \$870,350]

Resolution approving Modification No. 1 to the 2011 Lease and Use Agreement No. L11-0011 between Hawaiian Airlines, Inc., and the City and County of San Francisco, acting by and through its Airport Commission, to add the administrative office (538 square feet) to the lease, for a minimum guarantee of \$698,480 over the remainder of the lease expiring on June 30, 2021. (Airport Commission)

(Fiscal Impact)

05/05/14; RECEIVED FROM DEPARTMENT.

05/20/14; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

09/10/14; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Harvey Rose (Budget and Legislative Analyst's Office); presented information concerning the matter and answered questions raised throughout the hearing.

Supervisor Mar, seconded by Supervisor Avalos, moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution approving Modification No. 1 to 2011 Lease and Use Agreement No. L11-0011 between Hawaiian Airlines, Inc., and the City and County of San Francisco, acting by and through its Airport Commission, to add the administrative office (538 square feet) to the lease, for a minimum guarantee of \$870,350 over the remainder of the lease expiring on June 30, 2021. (Airport Commission)

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140861 [Master Lease Amendment - United States Navy - Treasure Island Childcare]

Resolution approving Amendment No. 10 to the Treasure Island Childcare Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year for the period of December 1, 2014, through November 30, 2015. (Treasure Island Development Authority)

07/21/14; RECEIVED FROM DEPARTMENT.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Peter Summerville (Treasure Island Development Authority); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140862 [Master Lease Amendment - United States Navy - Treasure Island Event Venues]

Resolution approving Amendment No. 26 to the Treasure Island Event Venues Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year for the period of December 1, 2014, through November 30, 2015. (Treasure Island Development Authority)

07/21/14; RECEIVED FROM DEPARTMENT.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Peter Summerville (Treasure Island Development Authority); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140863 [Master Lease Amendment - United States Navy - Treasure Island Fire Fighting Training Center]

Resolution approving the Sixth Amendment to the Treasure Island Fire Fighting Training Center Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year for the period of December 1, 2014, through November 30, 2015. (Treasure Island Development Authority)

07/21/14; RECEIVED FROM DEPARTMENT.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Peter Summerville (Treasure Island Development Authority); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140864 [Master Lease Amendment - United States Navy - Treasure Island Land and Structures]

Resolution approving Amendment No. 39 to the Treasure Island Land and Structures Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year for the period of December 1, 2014, through November 30, 2015. (Treasure Island Development Authority)

07/21/14; RECEIVED FROM DEPARTMENT.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Peter Summerville (Treasure Island Development Authority); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140865 [Master Lease Amendment - United States Navy - Treasure Island Marina]

Resolution approving Amendment No. 18 to the Treasure Island Marina Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year for the period of December 1, 2014, through November 30, 2015. (Treasure Island Development Authority)

07/21/14; RECEIVED FROM DEPARTMENT.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Peter Summerville (Treasure Island Development Authority); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140866 [Master Lease Amendment - United States Navy - Treasure Island South Waterfront]

Resolution approving Amendment No. 30 to the Treasure Island South Waterfront Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year for the period of December 1, 2014, through November 30, 2015. (Treasure Island Development Authority)

07/21/14; RECEIVED FROM DEPARTMENT.

09/02/14; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Peter Summerville (Treasure Island Development Authority); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140846 [Contracting Process for the Police Department Traffic Company and Forensic Services Division Project]

Ordinance modifying the requirements of Administrative Code, Section 6.68(H), to authorize the Director of Public Works to issue Requests for Proposals to pre-qualified Construction Managers/General Contractors (CM/GC) and their teams of pre-qualified core trade subcontractors to design-build the mechanical, electrical, plumbing, and exterior building envelope scopes of work for the Traffic Company and Forensic Services Division Project; use cost and non-cost criteria to evaluate the design-build proposals for the core trade work; and award a prime contract to the CM/GC based in part on an evaluation of cost and non-cost criteria for the core trade work; and making environmental findings. (Public Works Department)
(Fiscal Impact)

07/21/14; RECEIVED FROM DEPARTMENT.

07/29/14; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 8/28/2014.

Heard in Committee. Speakers: Edgar Lopez (Department of Public Works); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); presented information concerning the matter and answered questions raised throughout the hearing. Male Speaker; spoke neither in support nor opposition to the hearing matter.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140851 [Appropriation and De-Appropriation - Surplus Expenditure of \$12,292 Supporting Increased Overtime Expenditures - FY2013-2014]**Sponsor: Mayor**

Ordinance retroactively appropriating \$12,292 to overtime and de-appropriating \$12,292 in fringe benefits in the Public Utilities Commission Bureau Operating Budget to support the department's projected increases in overtime as required per Ordinance No. 194-11 in FY2013-2014.

07/22/14; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 8/21/2014.

Heard in Committee. Speakers: Todd Rydstrom (Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); presented information concerning the matter and answered questions raised throughout the hearing.

Supervisor Avalos, seconded by Supervisor Mar, moved that this Ordinance be AMENDED to be retroactive to June 30, 2014, by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Ordinance appropriating \$12,292 to overtime and de-appropriating \$12,292 in fringe benefits in the Public Utilities Commission Bureau Operating Budget to support the department's projected increases in overtime as required per Ordinance No. 194-11 retroactive to June 30, 2014.

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140852 [Appropriation and De-Appropriation - Surplus Expenditure of \$79,437 Supporting Increased Overtime Expenditures - FY2013-2014]**Sponsor: Mayor**

Ordinance retroactively appropriating \$79,437 to overtime and de-appropriating \$79,437 in salaries in the Public Utilities Commission Water Enterprise Department Operating Budget to support the department's projected increases in overtime as required per Ordinance No. 194-11 in FY2013-2014.

07/22/14; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 8/21/2014.

Heard in Committee. Speakers: Todd Rydstrom (Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); presented information concerning the matter and answered questions raised throughout the hearing.

Supervisor Avalos, seconded by Supervisor Mar, moved that this Ordinance be AMENDED to be retroactive to June 30, 2014, by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Ordinance appropriating \$79,437 to overtime and de-appropriating \$79,437 in salaries in the Public Utilities Commission Water Enterprise Department Operating Budget to support the department's projected increases in overtime as required per Ordinance No. 194-11 retroactive to June 30, 2014.

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140853 [Appropriation and De-Appropriation - Surplus Expenditure of \$193,935 Supporting Increased Overtime Expenditures - FY2013-2014]

Sponsor: Mayor

Ordinance retroactively appropriating \$193,935 to overtime and de-appropriating \$193,935 in salaries in the Public Utilities Commission Wastewater Enterprise Department Operating Budget to support the department's projected increases in overtime as required per Ordinance No. 194-11 in FY2013-2014.

07/22/14; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 8/21/2014.

Heard in Committee. Speakers: Todd Rydstrom (Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); presented information concerning the matter and answered questions raised throughout the hearing.

Supervisor Avalos, seconded by Supervisor Mar, moved that this Ordinance be AMENDED to be retroactive to June 30, 2014, by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Ordinance appropriating \$193,935 to overtime and de-appropriating \$193,935 in salaries in the Public Utilities Commission Wastewater Enterprise Department Operating Budget to support the department's projected increases in overtime as required per Ordinance No. 194-11 retroactive to June 30, 2014.

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

140917 [Remarketing of Finance Corporation Lease Revenue Bonds Series 2008-1 and 2008-2 (Moscone Center Expansion Project)]

Sponsor: Mayor

Ordinance approving the remarketing of the City and County of San Francisco Finance Corporation Lease Revenue Refunding Bonds, Series 2008-1 (Moscone Center Expansion Project) and City and County of San Francisco Finance Corporation Lease Revenue Refunding Bonds, Series 2008-2 (Moscone Center Expansion Project); approving the form of a reimbursement agreement among the City and County of San Francisco, the City and County of San Francisco Finance Corporation, and the State Street Bank and Trust Company; approving the form of an amended and restated reimbursement agreement; approving the form of a fee agreement; approving the form of an amended and restated fee agreement; approving the form of a remarketing supplement; approving the form of custodian agreement; approving the form of amended and restated custodian agreement; granting general authority to City officials to take necessary actions in connection with the remarketing of the Bonds; approving modifications to documents; approving the execution and delivery of certain documents described herein and ratifying previous actions taken in connection therewith.

(Fiscal Impact)

09/02/14; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Anthony Ababon (Controller's Office); Harvey Rose (Budget and Legislative Analyst's Office); presented information concerning the matter and answered questions raised throughout the hearing.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

ADJOURNMENT

The meeting adjourned at 11:30 a.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.