



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: Matt Haney, Ahsha Safai, Gordon Mar

Clerk: Linda Wong (415) 554-7719

Wednesday, April 21, 2021

9:00 AM

Rescheduled Meeting

Present: 3 - Matt Haney, Ahsha Safai, and Gordon Mar

The Budget and Finance Committee met in rescheduled session through videoconferencing, and provided public comment through teleconferencing, on Wednesday, April 21, 2021, with Chair Matt Haney presiding. Chair Haney called the meeting to order at 9:05 a.m.

Remote Access to Information and Participation

In accordance with Governor Newsom's Executive Order No. N-33-20 declaring a State of Emergency regarding the COVID-19 outbreak and Mayor London N. Breed's Proclamation declaring a Local Emergency issued on February 25, 2020, including the guidance for gatherings issued by the San Francisco Department of Public Health Officer, aggressive directives were issued to reduce the spread of COVID-19. On March 17, 2020, the Board of Supervisors authorized their Board and Committee meetings to convene remotely (via Microsoft Teams) and will allow remote public comment via teleconference. Visit the SFGovTV website at (www.sfgovtv.org) to stream the live meetings, or to watch meetings on demand. Members of the public are encouraged to participate remotely via detailed instructions on participating via teleconference available at: <https://sfbos.org/remote-meeting-call>.

Members of the public may participate by phone or may submit their comments by email to: linda.wong@sfgov.org; all comments received will be made a part of the official record. Regularly-scheduled Budget and Finance Committee Meetings begin at 10:30 a.m. every Wednesday of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Haney and Member Mar were noted present. Vice Chair Safai was noted not present. A quorum was present.

Vice Chair Safai was noted present at 9:06 a.m.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

210184 [Small Business Emergency Relief Program - Retroactive - Not to Exceed \$7,300,000 Funding/Loan Agreements - California Rebuilding Fund, LLC - Expected Amount \$4,200,000 - Funding/Grant Agreements - Kiva Microfunds - Expected Amount \$3,100,000]

Sponsors: Mayor; Stefani

Resolution authorizing the establishment of a small business emergency financial relief program to be administered by the Office of Economic and Workforce Development (OEWD), and authorizing the Director of OEWD to enter into agreements not to exceed \$7,300,000 including one or more funding/loan agreements with the California Rebuilding Fund, LLC in an expected amount of \$4,200,000 to facilitate the origination of loans to certain small businesses in the City but which may vary depending on available program terms and demand; and one or more funding/grant agreements with Kiva Microfunds in an expected amount of \$3,100,000 to provide monies for an interest buydown fund for loans facilitated by the California Rebuilding Fund to certain small businesses in the City but which may vary depending on available program terms and demand, and to take necessary actions in connection therewith.

(Fiscal Impact)

02/23/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

04/05/21; REFERRED TO DEPARTMENT. Referred to the Small Business Commission.

04/14/21; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Diane Ponce De Leon (Office of Economic and Workforce Development); Luke Brewer (Office of the Controller); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

04/14/21; CONTINUED AS AMENDED.

Heard in Committee. Speakers: Sophia Kittler (Office of the Mayor); Anne Pearson (Office of the City Attorney); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Safai moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE to state that that the Agreements are for retroactive approval, and that the Office of Economic and Workforce Development shall update the Board of Supervisors on loan demand and disbursement progress within 120 days of launching the loan program to the public. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

Resolution retroactively authorizing the establishment of a small business emergency financial relief program to be administered by the Office of Economic and Workforce Development (OEWD), and authorizing the Director of OEWD to enter into agreements not to exceed \$7,300,000, for terms beginning April 1, 2021, through June 30, 2027, including one or more funding/loan agreements with the California Rebuilding Fund, LLC in an expected amount of \$4,200,000 to facilitate the origination of loans to certain small businesses in the City but which may vary depending on available program terms and demand; and one or more funding/grant agreements with Kiva Microfunds in an expected amount of \$3,100,000 to provide monies for an interest buydown fund for loans facilitated by the California Rebuilding Fund to certain small businesses in the City but which may vary depending on available program terms and demand, and to take necessary actions in connection therewith, as defined herein.

(Fiscal Impact)

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

Ayes: 3 - Haney, Safai, Mar

210205 [Annual Fundraising Drive - 2021]

Resolution designating those agencies qualified to participate in the 2021 Annual Joint Fundraising Drive for officers and employees of the City and County of San Francisco. (City Administrator)

03/29/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Joan Lubamersky (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Haney, Safai, Mar

Chair Haney requested File Nos. 210306, 210307, and 210362 be called together.

210306 [Multifamily Housing Revenue Bonds - 6th Street at Avenue C (Treasure Island Parcel C3.1) - Not to Exceed \$100,000,000]

Sponsor: Mayor

Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness in an aggregate principal amount not to exceed \$100,000,000; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$100,000,000 for Treasure Island Parcel C3.1, 6th Street at Avenue C (San Francisco, California 94112); authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

03/23/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

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

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

Ayes: 3 - Haney, Safai, Mar

210307 [Multifamily Housing Revenue Bonds - 241 Sixth Street (Knox SRO) - Not to Exceed \$16,500,000]**Sponsor: Mayor**

Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$16,500,000 for 241 Sixth Street (Knox SRO); authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$16,500,000; authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

03/23/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

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

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

Ayes: 3 - Haney, Safai, Mar

Chair Haney requested File Nos. 210309, 210308, and 210358 be called together.

Vice Chair Safai was noted absent at 9:20 a.m.

210309 [Apply for, Accept, and Expend Grant - Retroactive - United States Department of Housing and Urban Development - Community Development Block Grants Coronavirus Program Round 3 Entitlement Grant (CDBG-CV3) - \$9,626,923]

Sponsor: Mayor

Resolution retroactively approving the CARES Act Community Development Block Grant Coronavirus Round 3 (CDBG-CV3) Program; authorizing the Mayor, on behalf of the City and County of San Francisco, to apply for, accept, and expend the City's CARES-CV3 program entitlement from the United States Department of Housing and Urban Development in the amount of \$9,626,923 for the period beginning December 1, 2020, through June 30, 2023.

03/23/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Eric Shaw, Director (Mayor's Office of Housing and Community Development); Emily Gibbs (Human Services Agency); Leo Levenson (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Haney, Mar

Absent: 1 - Safai

Vice Chair Safai moved to rescind the previous vote. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

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

Ayes: 3 - Haney, Safai, Mar

210308 [Expenditure Schedule Amendment - Retroactive - U.S. Department of Housing and Urban Development Emergency Solutions Grants Program - ESG-CV Round 2 Entitlement Grant - \$10,000,000]

Sponsor: Mayor

Resolution retroactively approving amendment of the CARES Act Emergency Solutions Grants Coronavirus (ESG-CV) Round 2 Entitlement Expenditure Plan from the U.S. Department of Housing and Urban Development in the amount of \$10,000,000 for Operations and Services for a congregate shelter for the period of July 1, 2020, through June 30, 2023.

03/23/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Eric Shaw, Director (Mayor's Office of Housing and Community Development); Emily Gibbs (Human Services Agency); Leo Levenson (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion.

Chair Haney moved that this Resolution be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

210358 [Accept and Expend In-Kind Gift - Software as a Service - All Home and Bay Area Community Services - Valued at \$1,236,373]**Sponsor: Mayor**

Resolution authorizing the Mayor's Office of Housing and Community Development to accept an in-kind gift of software as a service valued at \$1,236,373 from All Home and Bay Area Community Services, for a period of April 2021 through December 2022.

04/06/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Eric Shaw, Director (Mayor's Office of Housing and Community Development); Emily Gibbs (Human Services Agency); Leo Levenson (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Haney, Mar

Absent: 1 - Safai

Vice Chair Safai moved to rescind the previous vote. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

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

Ayes: 3 - Haney, Safai, Mar

210362 [Multifamily Housing Revenue Bonds - 4101 Noriega, 363 Noe, 200 Randolph/409 Head, 2206-2268 Great Highway, 1353-1367 Eddy (SFHA Scattered Sites) - Not to Exceed \$60,000,000]**Sponsor: Mayor**

Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness in an aggregate principal amount not to exceed \$60,000,000; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$60,000,000 for the scattered sites located at 4101 Noriega, 363 Noe, 200 Randolph/409 Head, 2206-2268 Great Highway, 1353-1367 Eddy; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

04/06/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

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

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

Ayes: 3 - Haney, Safai, Mar

210363 [Loan Agreement - 4200 Geary Associates, L.P. - 100% Affordable Housing - 4200 Geary Boulevard - Not to Exceed \$14,538,982]**Sponsors: Mayor; Chan**

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute loan documents relating to a loan to provide financing for the acquisition of real property located at 4200 Geary Boulevard, and predevelopment activities for the construction of a 100% affordable multifamily rental housing project consisting of 98 units for senior households and ancillary commercial space, known as 4200 Geary Boulevard, in an aggregate amount not to exceed \$14,538,982; approving the form of the loan agreement and ancillary documents; ratifying and approving any action heretofore taken in connection with the project; granting general authority to City Officials to take actions necessary to implement this Resolution, as defined herein; and finding that the loan is consistent the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

04/06/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jonathan Gagen (Mayor's Office of Housing and Community Development); Ian Fregosi (Office of Supervisor Connie Chan); Amy Chan (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Haney moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE to state that it is the City's intent to enter into a purchase and sale agreement in the future at the closing of the closing of the construction loan, in which the City will take ownership of the land at 4200 Geary Boulevard, and enter into a ground lease for the land with Tenderloin Neighborhood Development Corporation. The motion carried by the following vote:

Ayes: 2 - Haney, Mar

Absent: 1 - Safai

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute loan documents relating to a loan to provide financing for the acquisition of real property located at 4200 Geary Boulevard, and predevelopment activities for the construction of a 100% affordable multifamily rental housing project consisting of 98 units for senior households and ancillary commercial space, known as 4200 Geary Boulevard, in an aggregate amount not to exceed \$14,538,982; approving the form of the loan agreement and ancillary documents; ratifying and approving any action heretofore taken in connection with the project, as defined herein; granting general authority to City Officials to take actions necessary to implement this Resolution, as defined herein; and finding that the loan is consistent the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

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

Ayes: 2 - Haney, Mar

Absent: 1 - Safai

210338 [Contract Modification - Thales Transport & Security Inc. - Advanced Train Control System for Central Subway - Increase Contract Amount - Not to Exceed \$27,730,300.40]

Resolution approving Modification No. 3 to Contract CN 1266-2, Design Review, Software, Implementation and Testing Services for an Advanced Train Control System (ATCS) for the Central Subway Project, with Thales Transport & Security Inc., to modify ATCS software and designs to conform to national fire codes, correct track speed limits, modify installation requirements, accelerate completion of work, and compensate Thales for costs and impacts it incurred arising from delay to the Project, increasing the contract amount by \$12,831,743.60 for a modified contract amount of \$27,730,300.40; to extend the substantial completion of the ATCS by 670 days for a total contract term of December 3, 2013, through April 29, 2022, and to extend the contract warranty period to April 29, 2025, to commence upon approval by the Board of Supervisors. (Municipal Transportation Agency)

(Fiscal Impact)

03/29/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Tom Maguire and Lisa Walton (Municipal Transportation Agency); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Haney, Mar

Absent: 1 - Safai

Vice Chair Safai was noted present 10:28 a.m.

201187 [Administrative Code - Safe Sleep Program]**Sponsor: Mandelman**

Ordinance amending the Administrative Code to require the Department of Homelessness and Supportive Housing to establish a Safe Sleeping Sites Program to provide unsheltered persons with a safe place to sleep overnight; and affirming the Planning Department's determination under the California Environmental Quality Act.

(Fiscal Impact)

10/20/20; ASSIGNED UNDER 30 DAY RULE to Public Safety and Neighborhood Services Committee, expires on 11/19/2020.

10/28/20; REFERRED TO DEPARTMENT. Referred to the Department of Homelessness and Supportive Housing, and the Office of the Controller for informational purposes. Referred to the Planning Department for environmental review.

10/30/20; REFERRED TO DEPARTMENT. Referred to the Youth Commission by request, for review and comment.

11/02/20; RESPONSE RECEIVED. On November 2, 2020, the Youth Commission voted to take no position on the ordinance.

11/23/20; TRANSFERRED to Budget and Finance Committee. President Yee transferred the matter from the Public Safety and Neighborhood Services Committee to the Budget and Finance Committee, pursuant to Board Rule, Section 3.3.

Heard in Committee. Speakers: Supervisor Rafael Mandelman (Board of Supervisors); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Mark Dango; Speaker; Naomi Wilson; Santi Mannen; Mary Ann Dreserler; Lindsey; Mason; Ben Blinden; Jen Diamond; Michela Callis; Jennifer Laska; Bruce Brolin; Caroline Thomas; Dave Carraker; Matt Brizena; David Bullock; Aubrey Rome; Richard Frisbee; George Willings; Steven Cornell; Fred W.; Daniel Bergerack; William Jenk; Jeff Fregal; Karen Brooni; Brian Wallace; Marlene Morgan; Speaker; Laurie Brad; Gilbert K.; Charles Steam; Mr. Pegan; Mark Bruno; Steven Callo; Simon Burch; Andrea Aryello; Mr. Cramer; David Goldman; Charles Head; spoke in support of the hearing matter. Jordan Davis; Flo Kelly; Kelly Cutler; Erica Sandler; Brian Cosnego; Carlos; Marty Regan; Mary Kate Bacalau; Kristen Evans; Larry Ackerman; Speaker; Christopher Mica; Speaker; Chris Marvin; Jessica Hernandez; Kate Johnson; Susan Marge; Tracy Nickson; Evan B.; Martha; Julie Wallace Swan; Jeremy; John Segal; Harvey W.; Ian; Roxy Gorgan; Speaker; Carly; Speaker; Erica White; Shanti Sing; Sam Wu; Patricia Boyd; Judy; May; Tina; Matthew; Leslie Dryer; Miguel Carrilla; Emily; Adam; Francisco Da Costa; Bridget Markman; Calvin Quick; Speaker; Amy Farrell Weiss; Catalina; Zach; Gracie; Tomas Thompson; spoke in opposition to the hearing matter. Jennifer Friedenbach; spoke on various concerns relating to the hearing matter.

Chair Haney moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to make clear that the adoption of City policy and duty to operate the Program are contingent on the Board's adoption of legislation appropriating funding to finance the Program; to allow the operation of temporary shelter facilities other than Safe Sleep Sites as part of the Program; to expand the operational requirements for Safe Sleep Sites; to require HSH and the Director of Real Estate to submit to the Board of Supervisors within four months of the effective date an Implementation Plan and survey of real estate; and to make other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

Ordinance amending the Administrative Code to require the Department of Homelessness and Supportive Housing (HSH) to establish a Safe Sleep Program to offer all unsheltered persons a safe place to sleep; to require HSH to submit to the Board of Supervisors a plan to implement the Safe Sleep Program, including a cost estimate of implementation; to provide that the Safe Sleep Program shall not become operative until the Board of Supervisors has approved the appropriation of general funds to finance the program; and affirming the Planning Department's determination under the California Environmental Quality Act.
(Fiscal Impact)

Chair Haney moved that this Ordinance be CONTINUED TO CALL OF THE CHAIR AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 2:20 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.