



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

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

Members: Malia Cohen, Sandra Lee Fewer, Catherine Stefani

Clerk: Linda Wong (415) 554-7719

Thursday, March 22, 2018

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

President London Breed appointed Supervisor Ahsha Safai, replacing Supervisor Malia Cohen, to the Budget and Finance Sub-Committee meeting of March 22, 2018.

Present: 3 - Sandra Lee Fewer, Catherine Stefani, and Ahsha Safai

Excused: 1 - Malia Cohen

The Budget and Finance Sub-Committee met in regular session on Thursday, March 22, 2018, with Vice Chair Sandra Lee Fewer presiding.

ROLL CALL AND ANNOUNCEMENTS

Vice Chair Fewer called the meeting to order at 10:05 a.m. On the call of the roll, Vice Chair Fewer, Member Stefani, and Member Safai were noted present. Chair Cohen was noted not present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

Supervisor Cohen Excused from Attendance

Member Stefani moved that Supervisor Cohen be Excused from the Budget and Finance Sub-Committee meeting of March 22, 2018. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

REGULAR AGENDA

180160 [Accept and Expend Grant - U.S. Department of Homeland Security - 2016 Port Security Grant Program - \$1,059,000]

Sponsor: Mayor

Resolution retroactively authorizing the Port of San Francisco to accept and expend a grant award in the amount of \$1,059,000 from the U.S. Department of Homeland Security's 2016 Port Security Grant Program, including \$997,500 for the replacement of the San Francisco Police Department Maritime Unit's dock, and \$61,500 to upgrade the Port's DOC video system, for the period of September 1, 2016, through August 31, 2019. (Port)

(Fiscal Impact)

02/13/18; RECEIVED AND ASSIGNED to Budget and Finance Committee.

03/14/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Meghan Wallace (Port of San Francisco); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Stefani moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

180232 [Hearing - Release of Reserved Funds - Mayor's Office of Housing and Community Development - Acquisition and Rehabilitation of the Gran Oriente Filipino Hotel - \$5,000,000]

Hearing to consider the release of reserved funds to the Mayor's Office of Housing and Community Development, in the amount of \$5,000,000 placed on Budget and Finance Committee reserve by Resolution No. 207-17, to provide a Small Sites Program loan to Mission Housing Development Corporation for the acquisition and rehabilitation of the Gran Oriente Filipino Hotel, a 24-unit Single Room Occupancy building located within the boundaries of SoMa. (Mayor's Office of Housing and Community Development)

03/09/18; RECEIVED FROM DEPARTMENT.

03/09/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Ruby Harris (Mayor's Office of Housing and Community Development); Moses Corrette (Office of Supervisor Jane Kim); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Stefani moved that the requested reserved funds of \$5,000,000 be RELEASED to the Mayor's Office of Housing and Community Development and that the Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

180218 [Multifamily Housing Revenue Bonds - 54 McAllister Street (“Dorothy Day Community Apartments”) - Not to Exceed \$45,000,000]**Sponsor: Kim**

Resolution authorizing the issuance and sale of multifamily housing revenue bonds in one or more series in an aggregate principal amount not to exceed \$45,000,000 for the purpose of providing financing for the acquisition and rehabilitation of a 100-unit multifamily rental housing project known as “Dorothy Day Community Apartments;” approving the form of and authorizing the execution of a trust indenture providing the terms and conditions of the bonds and authorizing the issuance thereof; approving the form of and authorizing the execution of a loan agreement providing the terms and conditions of the loan from the City to the borrower; 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; ratifying and approving any action heretofore taken in connection with the bonds and the Project, as defined herein; granting general authority to City officials to take actions necessary to implement this Resolution; and related matters, as defined herein.

03/06/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Adam Cray (Mayor’s Office of Housing and Community Development); Moses Corrette (Office of Supervisor Jane Kim); provided an overview and responded to questions raised throughout the discussion.

Member Stefani moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

180240 [Master Lease - Shahina Holdings, LLC - 149-6th Street - Supportive Housing - Initial Monthly Base Rent of \$39,000]**Sponsors: Mayor; Kim**

Resolution authorizing the execution and acceptance of a Residential Master Lease by and between the City and County of San Francisco and Shahina Holdings, LLC, a California Limited Liability Company, for the real property located at 149-6th Street, providing 51 units of supportive housing, for an initial term of ten years with an initial base monthly rent of \$39,000; finding the proposed transaction is in conformance with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting CEQA findings. (Department of Homelessness and Supportive Housing) (Fiscal Impact; No Budget and Legislative Analyst Report)

03/13/18; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Noelle Duong (Office of Supervisor Jane Kim); Emily Cohen (Department of Homelessness and Supportive Housing); John Updike, Director (Real Estate Division); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Jordan Davis; Dale Seymour; spoke in support of the hearing matter.

Member Safai moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

180155 [Real Property Lease Renewal and Amendment - HLS 2, LLC. and 716 Sacramento, LLC. - 720 Sacramento Street - Initial Annual Base Rent \$471,750]

Resolution authorizing a five year extension and approving a Third Amendment to a Lease for approximately 9,250 square feet of space at 720 Sacramento Street, with HLS 2, LLC. (26.6%), and 716 Sacramento, LLC. (73.4%), as Landlord, for use by the Department of Public Health for the period of July 1, 2018, through June 30, 2023, at an initial monthly base rent of \$39,312.50 for a total cost of \$471,750 in the initial year, with 3% annual increases thereafter, and one five-year option to extend. (Real Estate Department)
(Fiscal Impact)

02/09/18; RECEIVED FROM DEPARTMENT.

02/27/18; RECEIVED AND ASSIGNED to Budget and Finance Committee.

03/15/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: John Updike, Director (Real Estate Division); Dan Goncher (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Safai moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

171179 [Lease Agreement - Bank of America, N.A. - Automated Teller Machines - \$211,000 Minimum Annual Guarantee]

Resolution approving the Domestic Terminals Automated Teller Machines Lease B No. 17-0195 between Bank of America, N.A., and the City and County of San Francisco, acting by and through its Airport Commission, for a term of five years, to commence following Board approval, with a two-year option to extend, and a minimum annual guarantee of \$211,000 for the first year of the Lease. (Airport Commission)

11/03/17; RECEIVED FROM DEPARTMENT.

11/14/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

03/15/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Dan Goncher (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Safai moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

180154 [Ground Lease - United States Postal Service - Plot 10F - \$1,497,000 Initial Annual Rent]

Resolution retroactively approving a Ground Lease between the United States Postal Service, and the City and County of San Francisco, acting by and through its Airport Commission, for occupancy of approximately 8.61 acres of land, at an initial annual rent of \$1,497,000 and four five-year options to extend the term, for the period of September 1, 2017, through August 31, 2022. (Airport Commission) 02/05/18; RECEIVED FROM DEPARTMENT.

02/27/18; RECEIVED AND ASSIGNED to Budget and Finance Committee.

03/15/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Dan Goncher (Office of the Budget and Legislative Analyst); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

Member Safai moved that this Resolution be AMENDED to state that the four five-year options to extend the term is subject to Board of Supervisors' approval. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

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

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

170872 [Administrative Code - Naming Terminal 1 at the San Francisco International Airport After Harvey Milk]

Sponsors: Ronen; Sheehy

Ordinance amending the Administrative Code to name Terminal 1 of the San Francisco International Airport after former Supervisor Harvey Milk.

(Fiscal Impact)

07/25/17; ASSIGNED UNDER 30 DAY RULE to Land Use and Transportation Committee, expires on 8/24/2017.

08/02/17; REFERRED TO DEPARTMENT. Referred to the Airport Department and the Airport Commission for informational purposes.

08/23/17; TRANSFERRED to Budget and Finance Committee. President Breed transferred this matter from Land Use and Transportation Committee to Budget and Finance Committee.

03/14/18; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Severin Campbell (Office of the Budget and Legislative Analyst); Supervisor Hillary Ronen (Board of Supervisors); Former Supervisor David Campos; Former Senator Mark Leno; provided an overview and responded to questions raised throughout the discussion. Roma Guy; Jordan Davis; Ryan Khojasteh; Alan Beard; Alex Walker; Kirk Linn; Rafael Mandelman (CCSF Board of Trustee); Ruth Landy; Tom Temprano (Harvey Milk Democratic Club and CCSF Board of Trustee); Rebecca Rolfe (San Francisco LGBT Center); Nick Large (Rice Rockettes/University of San Francisco); Honey Mahogany (Harvey Milk Democratic Club); Gwenn Craig; Ms. Morales; Moses Perez; Sharon Johnson; spoke in support of the hearing matter.

Vice Chair Fewer moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 2, Lines 10-16, by adding 'By no later than September 1, 2018, the Director of the Airport shall submit to the Arts Commission for the Commission's approval a plan for design and placement of artwork in the terminal memorializing the life and legacy of Harvey Milk. If the Arts Commission makes a decision to not approve the plan for design or placement of the artwork, the Director shall submit an alternative plan for design or placement of the artwork to the Arts Commission within 30 days. (c)'; and on Page 2, Lines 18-19, by adding ', including plans for signage in the Airport and plans to place artwork in the terminal'. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

(Fiscal Impact)

Member Stefani moved that this Ordinance be RECOMMENDED AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Safai

Excused: 1 - Cohen

ADJOURNMENT

There being no further business, the Budget and Finance Sub-Committee adjourned at the hour of 11:42 a.m.

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