



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, July 21, 2021

10:30 AM

Regular Meeting

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

The Budget and Finance Committee met in regular session through videoconferencing, and provided public comment through teleconferencing, on Wednesday, July 21, 2021, with Chair Matt Haney presiding. Chair Haney called the meeting to order at 10:34 a.m.

Remote Access to Information and Participation

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.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

210741 [Waiver of Permit, License, and Business Registration Fees for Certain New Small Business Locations]

Sponsors: Ronen; Haney, Safai and Mar

Ordinance waiving certain first-year permit, license, and business registration fees for businesses that either (1) commence engaging in business within the City from November 1, 2021, through October 31, 2022, have estimated first-year San Francisco gross receipts of \$2,000,000 or less, have a registered business location that is for ground floor commercial use and not formula retail use, and have gross receipts in the next three tax years of \$10,000,000 or less, or (2) open a new business location for ground floor commercial use and not formula retail use, reported San Francisco gross receipts of \$2,000,000 or less on its most recent return, and have gross receipts in the next three tax years of \$10,000,000 or less; and refunding any waived fees paid to the City.
(Fiscal Impact)

06/22/21; ASSIGNED to Government Audit and Oversight Committee. 06/30/2021 - President Walton waived the 30-day rule.

06/30/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

07/14/21; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speaker: Supervisor Hillary Ronen (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Supervisor Mar requested to be added as a co-sponsor.

07/14/21; CONTINUED AS AMENDED.

Heard in Committee. Speaker: Supervisor Hillary Ronen (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Haney, Mar

Absent: 1 - Safai

Vice Chair Safai was noted present at 10:38 a.m.

210749 [Release of Reserved Funds - Public Works - Trash Can Design and Deployment - \$537,000]

Hearing to consider the release of reserved funds to the Public Works, placed on the Full Board of Supervisors reserve by Ordinance No. 165-20 in the amount of \$537,000 to fund for completing detailed design of the new can options and moving forward into the prototyping phase. (Budget and Finance Committee)

06/22/21; RECEIVED FROM DEPARTMENT.

06/23/21; RECEIVED AND ASSIGNED to Budget and Appropriations Committee.

07/06/21; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Alaric Degrafinried, Acting Director, Lisa Zhuo, and Jeremy Spitz (Public Works); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

PREPARED IN COMMITTEE AS A MOTION

Motion authorizing the release of reserved funds in the amount of \$537,000 placed on Board of Supervisors' reserve by Ordinance No. 165-20, to fund the new trash can design and deployment. (Budget and Finance Committee)
(Fiscal Impact)

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

Ayes: 3 - Haney, Safai, Mar

210360 [Accept and Expend In-Kind Gift - Retroactive - Naloxone Distribution Project - Naloxone - Valued at \$73,800]

Sponsor: Mayor

Resolution retroactively authorizing the Police Department to accept and expend an in-kind gift of 984 units of Naloxone valued at \$73,800 through the Naloxone Distribution Project, which is funded by the Substance Abuse and Mental Health Services Administration and administered by the Department of Health Care Services. (Police Department)

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

Heard in Committee. Speaker: Patrick Leung (Police Department); 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

210679 [Accept and Expend Grant - Retroactive - California Governor's Office of Emergency Services - Paul Coverdell Forensic Science Improvement Program - \$61,437]

Sponsor: Mayor

Resolution retroactively authorizing the Police Department to accept and expend a grant in the amount of \$61,437 from the California Governor's Office of Emergency Services for the Paul Coverdell Forensic Science Improvement Program to procure ammunition for forensic testing and controlled-substance hand-held Raman spectrometers for the Criminology Laboratory for the project period beginning on January 1, 2021, and ending on December 31, 2021. (Police Department)

06/08/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

07/14/21; CONTINUED. Heard in Committee. Speakers: None.

Heard in Committee. Speaker: Patrick Leung (Police Department); 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. 201391, 210767, and 210766 be called together.

201391 [Multifamily Housing Revenue Bonds - 600-7th Street - Not to Exceed \$90,000,000]

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; 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 \$90,000,000 for 600-7th Street; 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 \$90,000,000; 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.

12/15/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

05/20/21; REMAIN ACTIVE. Mayor's Office requested that the matter to remain active.

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

210767 [Multifamily Housing Revenue Bonds - 1500 Block of Sunnydale Avenue (Sunnydale HOPE SF Block 3B) - Not to Exceed \$58,750,000]**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 \$58,750,000; 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 \$58,750,000 for 1500 Block of Sunnydale Avenue; 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.

06/29/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the 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

210766 [Multifamily Housing Revenue Bonds - 151 and 351 Friedell Street (Hunters Point Shipyard Phase 1 Blocks 52 and 54) - Not to Exceed \$63,000,000]**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 \$63,000,000; 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 \$63,000,000 for 151 and 351 Friedell Street (Hunters Point Shipyard Phase 1 Blocks 52 and 54); 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; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein. (Mayor's Office of Housing and Community Development)

06/29/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the 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. 210680 and 210681 be called together.

210680 [Accept and Expend Grant - Retroactive - United States Homeland Security - California Office of Emergency Services - Bay Area Urban Areas Security Initiative - \$33,012,500]**Sponsor: Mayor**

Resolution retroactively authorizing the Department of Emergency Management, on behalf of the City and County of San Francisco, as the fiscal agent for the Bay Area Urban Areas Security Initiative (UASI), to accept and expend an increase to Fiscal Year (FY) 2020 UASI grant funds in the amount of \$1,012,500 for a total of \$33,012,500 from the U.S. Department of Homeland Security through the California Office of Emergency Services, for the period of September 1, 2020, through May 31, 2023. (Department of Emergency Management)

06/08/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

Heard in Committee. Speaker: Mary Landers (Department of Emergency Management); 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

210681 [Accept and Expend Grant - Retroactive - United States Homeland Security - Securing the Cities Program - FY2020 - \$3,065,800]**Sponsor: Mayor**

Resolution retroactively authorizing the Department of Emergency Management, on behalf of the City and County San Francisco, as the primary grantee of Homeland Security Grant funds for the Bay Area Urban Areas Security Initiative (UASI) and as the fiscal agent for the UASI Approval Authority, to accept and expend an increase to Fiscal Year (FY) 2020 Securing the Cities Program grant funds in the amount of \$1,065,800 for a total of \$3,065,800 from the United States Department of Homeland Security for the period of March 9, 2021, through October 30, 2021. (Department of Emergency Management)

06/08/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

Heard in Committee. Speaker: Mary Landers (Department of Emergency Management); 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

210721 [Apply for Grants - FY2021, FY2022, and FY2023 Emergency Preparedness Grants]**Sponsor: Mayor**

Resolution authorizing designated City and County officials to execute and file on behalf of the City and County of San Francisco any actions necessary, as defined herein, for the purpose of obtaining State and Federal financial assistance under various grant programs, including: the Fiscal Year (FY) 2021, FY2022, and FY2023 Urban Areas Security Initiative Grant, the FY2021, FY2022, and FY2023 State Homeland Security Grant Program, the FY2021, FY2022, and FY2023 Emergency Management Performance Grant, the FY2021, FY2022, and FY2023 Local Government Oil Spill Contingency Plan Grant, and the FY2021, FY2022, and FY2023 Hazard Mitigation Grant Program.

06/15/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

Heard in Committee. Speaker: Mary Landers (Department of Emergency Management); 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

210607 [Accept and Expend Grant - Retroactive - University of California San Francisco - Construction Community Outreach Program - \$136,000]**Sponsor: Mayor**

Resolution retroactively authorizing the Office of Economic and Workforce Development to accept and expend a grant in the amount of \$136,000 from the University of California San Francisco (UCSF) for supporting the Community Construction Outreach Program with referrals of local residents to contractors on UCSF projects to meet the volunteer 30% goal during the grant period of July 1, 2020, through June 30, 2021. (Department of Economic and Workforce Development)

05/25/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

Heard in Committee. Speaker: Ken Nim (Office of Economic and Workforce 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

210775 [Lease of Real Property - SFSPE TG, LLC, SFSPE T1, LLC, SFSPE MH, LLC and SFSPE OBI LLC - 1360 Mission Street - \$644,404 Annual Base Rent - Up to \$200,000 in Tenant Improvements]**Sponsor: Mayor**

Resolution approving and authorizing the Director of Property, on behalf of the Department of Public Health, to lease real property located at 1360 Mission Street, for an initial term of four years, from SFSPE TG, LLC, SFSPE T1, LLC, SFSPE MH, LLC and SFSPE OBI LLC, at a base rent of \$644,404 per year with 3% annual increases; authorizing the City to contribute up to an additional \$200,000 in tenant improvements to commence upon substantial completion of the installation of the Tenant Improvements necessary for the City's occupancy, which is expected to occur on or around August 1, 2021; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the Lease and this Resolution, as defined herein. (Public Health Department)

(Fiscal Impact)

06/29/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

Heard in Committee. Speakers: Andrico Penick, Director (Real Estate Department); Lisa Zayas-Chien and Rita Nguyen (Department of Public Health); 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: 3 - Haney, Safai, Mar

210737 [Real Property Lease Amendment - Townsend Associates, LLC - 650-5th Street - \$159,200 Annual Base Rent]

Resolution approving and authorizing the Director of Property, on behalf of the Department of Public Health, to amend the lease of real property located at 650-5th Street, with Townsend Associates, LLC, at a base rent of \$159,200 per year with 3% annual increases, for an initial term commencing upon approval of this Resolution and expiring on June 30, 2026, plus two one-year options to extend; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the First Amendment, the Lease and this Resolution, as defined herein. (Public Health Department)

06/21/21; RECEIVED FROM DEPARTMENT.

06/29/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

Heard in Committee. Speaker: Claudia Gorham (Real Estate Department); 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

210738 [Real Property Lease Extension - Mattison Family Trust - 555-575 Polk Street - \$500,364 Annual Base Rent]

Resolution approving and authorizing the Director of Property, on behalf of the Department of Public Health, to extend the lease of real property located at 555-575 Polk Street, with Mattison Family Trust, at a base rent of \$500,364 per year with no annual increases, commencing upon the later of August 1, 2021, or approval of this Resolution and expiring on July 31, 2026; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the Lease and this Resolution, as defined herein. (Public Health Department)
(Fiscal Impact)

06/21/21; RECEIVED FROM DEPARTMENT.

06/29/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/21; TRANSFERRED to Budget and Finance Committee. President Walton transferred this matter from the Government Audit and Oversight Committee to the Budget and Finance Committee.

Heard in Committee. Speakers: Claudia Gorham (Real Estate Department); 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: 3 - Haney, Safai, Mar

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 12:19 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.