



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

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

Members: Connie Chan, Rafael Mandelman, Myrna Melgar

Clerk: Brent Jalipa
(415) 554-7712 ~ brent.jalipa@sfgov.org

Wednesday, April 17, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

A quorum of the Board of Supervisors may be present at this committee meeting. If a quorum is present, the meeting will also constitute a Special Meeting of the Board of Supervisors. However, the meeting will be conducted in all respects as a committee meeting, and any substantive decision will constitute a recommendation of the committee rather than an action taken by the Board. The Clerk will make a note of the special meeting in the committee minutes, and discussion will be limited to items noticed on this agenda.

ROLL CALL AND ANNOUNCEMENTS

COMMUNICATIONS

AGENDA CHANGES

REGULAR AGENDA

1. [240161](#) **[Administrative Code - Low-Value Property Tax Exemptions]**
Ordinance amending the Administrative Code to permit the Assessor to either not enroll on the assessment roll certain property exempt from property taxation due to its low value, or to enroll such property and apply the exemption. (Treasurer-Tax Collector)

2/23/24; RECEIVED FROM DEPARTMENT.

3/5/24; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Committee.

2. [240254](#) **[Participant Acknowledgement of Technical Assistance Marketplace Terms and Conditions - California State Department of Healthcare Services - State Technical Assistance Marketplace Program]**
Resolution authorizing the Department of Public Health to participate in the California State Department of Healthcare Services' State Technical Assistance Marketplace program on terms and conditions that include a Release of Claims by the City and County of San Francisco. (Public Health Department)

3/15/24; RECEIVED FROM DEPARTMENT.

3/26/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

3. [240285](#) **[Contract Agreement - Retroactive - Health Advocates LLC - Uncompensated Care Reimbursement Recovery Services - Not to Exceed \$11,391,540]**
Resolution retroactively approving the Agreement between Health Advocates LLC and the Department of Public Health, to provide uncompensated care reimbursement recovery services for an amount not to exceed \$11,391,540 for a total agreement term of five years from January 1, 2024, through December 31, 2028; and to authorize the Department of Public Health to enter into amendments or modifications to the contract prior to its final execution by all parties that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the contract or this Resolution. (Public Health Department)

(Fiscal Impact)

3/19/24; RECEIVED FROM DEPARTMENT.

4/2/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

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4. [240223](#) **[Airport Professional Services Agreement Modification - KONE Inc. - Escalator and Electric Walk Maintenance Services - Not to Exceed \$42,780,241]**
Resolution approving Modification No. 5 to Airport Contract No. 50205, Escalator and Electric Walk Maintenance, Repair, and On-Call Services, with KONE Inc., to increase the contract amount by \$8,314,641 for a new not to exceed contract amount of \$42,780,241 with no change to the contract term, pursuant to Charter, Section 9.118(b). (Airport Commission)

(Fiscal Impact)

3/11/24; RECEIVED FROM DEPARTMENT.

3/19/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.
5. [240191](#) **[Agreement Amendment - Kennedy Jenks Consultants, Inc./Brahman Sheikh Water Reuse Consulting/Water Resources Engineering, Inc. - Westside Recycled Water Project - Not to Exceed \$10,950,000]**
Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute Modification No. 5 to Contract No. CS-109, Specialized Engineering Services for Recycled Water Projects, with Kennedy Jenks Consultants, Inc./Brahman Sheikh Water Reuse Consulting/Water Resources Engineering, Inc., a Joint Venture, to continue providing additional engineering services in support of the Westside Enhanced Water Recycling Project, increasing the contract amount by \$1,000,000 and increasing the contract duration by three years, for a new total not to exceed contract amount of \$10,950,000 for a total contract duration of 16 years and six months, for a contract term from December 1, 2010, through May 31, 2027, effective upon approval of this Resolution, pursuant to Charter, Section 9.118. (Public Utilities Commission)

(Fiscal Impact)

3/1/24; RECEIVED FROM DEPARTMENT.

3/12/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.
6. [240290](#) **[License to Enter and Use - Honeybee Foods Corp. - Hallidie Plaza - \$1,200 Initial Monthly Base Fee]**
Resolution approving and authorizing the Director of Property to enter into a license to enter and use with Honeybee Foods Corp., a Delaware Corporation, dba Jollibee USA for approximately 414 square feet (underground) of Hallidie Plaza, effective upon approval of this Resolution, through December 8, 2034, at an initial rent of \$1,200 per month with 3% annual increases thereafter; and authorizing the Director of Property to enter into any additions, amendments, or other modifications to the License that do not materially increase the obligations or liabilities of the City to effectuate the purposes of this Resolution. (Real Estate Department)

3/19/24; RECEIVED FROM DEPARTMENT.

4/2/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

7. [240272](#) **[Transfer of Personal Property - Energy Center San Francisco, LLC - Steam Loop Emergency Repair - Not To Exceed \$3,100,000]**

Sponsor: Peskin

Resolution approving and authorizing the Director of Property to execute a transfer agreement for the purchase and sale of the steam distribution infrastructure facilities which run along McAllister Street, Larkin Street, Grove Street and Dr. Carlton B. Goodlett Street to Energy Center San Francisco, LLC, as buyer, for the transfer of ownership and operational responsibility for the Steam Loop; for two easements to allow Buyer to operate and maintain the Steam Loop on property owned by City; for City to reimburse Buyer for certain emergency repairs in an amount not to exceed \$3,100,000; for the City to continue to buy steam from Buyer for five years following the transfer date; affirming the Planning Department's determination under the California Environmental Quality Act, and adopting the Planning Department's findings of consistency with the General Plan, and the eight priority policies of the Planning Code, Section 101.1; and authorizing the Director of Property to execute any amendments, make certain modifications and take certain actions that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the transfer agreement, the easements or this Resolution. (Real Estate Department)

(Fiscal Impact)

3/19/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

8. [240347](#) **[Real Property Lease - TRINITY CENTER, LLC - 1145 Market Street - Initial Base Rent of \$1,368,445.45]**

Sponsor: Peskin

Resolution approving and authorizing the Director of Property, on behalf of the Department of Public Health, Office of Civic Engagement and Immigrant Affairs and Drug Market Agency Coordination Center to lease of a portion of the real property located at 1145 Market Street with TRINITY CENTER, LLC, a Delaware limited liability company, for an initial term of ten years with two five-year extension options to renew at an initial annual base rent of \$1,368,445.45 with 3% annual increases; the Lease will be effective upon approval of this Resolution; and authorizes the Director of Property to enter into amendments or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution. (Real Estate Department)

(Fiscal Impact)

4/2/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

9. [240312](#) **[Lease Agreement - Hudson 1455 Market, LLC - 1455 Market Street - \$0 Base Rent Initial Year - \$6,474,744.80 Annual Base Rent Beginning Year 2]**
Sponsor: Peskin

Resolution approving and authorizing the Director of Property, on behalf of multiple City Departments, to execute a lease agreement with Hudson 1455 Market, LLC, ("Hudson") as landlord, for lease of the property at 1455 Market Street for office space, storage and parking for a term of 21 years, from May 1, 2024, through April 30, 2045, with two five-year options to extend and 12 months of rent credit with an annual base rent of \$6,474,744.80 (year 2) for the lease of approximately 157,154 square feet, with 3% annual increases thereafter, and including the option to add additional leased space for three years and a three-year option to purchase the property subject to subsequent Board of Supervisors approval; authorizing the Director of Real Estate to the extent of available operating budget and to the extent not covered by the tenant improvement allowance to expend an amount not to exceed \$100,000 for digital technology costs, tenant improvements and furniture, fixtures and equipment; affirming the Planning Department's determination under the California Environmental Quality Act; adopting the Planning Department's findings of consistency with the General Plan, and the eight priority policies of the Planning Code, Section 101.1; and authorizing the Director of Property to execute any amendments, options to extend the lease term, make certain modifications and take certain actions that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the lease agreement or this Resolution.

(Fiscal Impact)

3/26/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

10. [240229](#) **[Grant Agreement Amendment - Abode Services - Flexible Housing Subsidy Pool - Not to Exceed \$17,918,683]**
Sponsor: Mayor

Resolution approving the second amendment to the grant agreement between Abode Services and the Department of Homelessness and Supportive Housing ("HSH") for administration of a Flexible Housing Subsidy Pool program; extending the grant term by 12 months from June 30, 2025, for a total term of February 1, 2021, through June 30, 2026; increasing the agreement amount by \$8,018,683 for a total amount not to exceed \$17,918,683; and authorizing HSH to enter into any amendments or other modifications to the agreement that do not materially increase the obligations or liabilities, or materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the agreement. (Department of Homelessness and Supportive Housing)

(Fiscal Impact)

3/12/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

11. [240198](#) **[Development Agreement Amendment - Treasure Island Community Development, LLC - Treasure Island]**
Sponsors: Mayor; Dorsey
Ordinance amending a Development Agreement between the City and County of San Francisco and Treasure Island Community Development, LLC, a California limited liability company, for the Treasure Island project and to amend the Financing Plan; making findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.
- (Fiscal Impact)
- 3/5/24; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Committee.
- 3/8/24; REFERRED TO DEPARTMENT.
- 4/5/24; NOTICED.
- 4/8/24; RESPONSE RECEIVED.
12. [240202](#) **[Amended and Restated Disposition and Development Agreement - Treasure Island and Yerba Buena Island]**
Sponsors: Mayor; Dorsey
Resolution approving an Amended and Restated Disposition and Development Agreement between the Treasure Island Development Authority and Treasure Island Community Development, LLC, for certain real property located on Treasure Island and Yerba Buena Island, including changes to the attached Financing Plan; making findings under the California Environmental Quality Act; and affirming findings of conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b).
- (Fiscal Impact)
- 3/5/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.
- 3/12/24; SUBSTITUTED AND ASSIGNED to the Budget and Finance Committee.
- 4/5/24; NOTICED.

13. [240307](#) **[Multifamily Housing Revenue Notes - Transbay 2 Family, L.P. - Not to Exceed \$115,845,218]**

Sponsors: Mayor; Dorsey

Resolution authorizing the execution and delivery of multifamily housing revenue notes in one or more series in an aggregate principal amount not to exceed \$115,845,218 for the purpose of providing financing for the construction of a 184-unit multifamily rental housing project known as "Transbay Block 2 East"; approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the construction loan from the funding lender to the City, and the execution and delivery of the notes; approving the form of and authorizing the execution of a borrower loan agreement providing the terms and conditions of the construction loan from the City to the borrower; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants for the project; authorizing the collection of certain fees; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue notes by the City in an aggregate principal amount not to exceed \$115,845,218; approving modifications, changes and additions to the documents; ratifying and approving any action heretofore taken in connection with the funding loan, the borrower loan, the notes and the project; granting general authority to City officials to take actions necessary to implement this Resolution; and related matters, as defined herein.

3/26/24; RECEIVED AND ASSIGNED to the Budget and Finance Committee.

ADJOURNMENT

LEGISLATION UNDER THE 30-DAY RULE

NOTE: The following legislation will not be considered at this meeting. Board Rule 3.22 provides that when an Ordinance or Resolution is introduced which would CREATE OR REVISE MAJOR CITY POLICY, the Committee to which the legislation is assigned shall not consider the legislation until at least thirty days after the date of introduction. The provisions of this rule shall not apply to the routine operations of the departments of the City or when a legal time limit controls the hearing timing. In general, the rule shall not apply to hearings to consider subject matter when no legislation has been presented, nor shall the rule apply to resolutions which simply URGE action to be taken.

240189

[Park Code - Marina Fees]

Ordinance amending the Park Code to raise the fees for various goods and services at the Marina Small Craft Harbor; and affirming the Planning Department's determination under the California Environmental Quality Act. (Recreation and Park Department)

2/28/24; RECEIVED FROM DEPARTMENT.

3/12/24; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Committee.

The Levine Act

Pursuant to California Government Code, Section 84308, Members of the Board who have received campaign contributions totaling more than \$250 may be required to disclose that fact on the record of the proceeding. Parties and their paid agents may also be required to disclose on the record any campaign contributions made to a Member of the Board that meets the following qualifications for disclosure. A Member of the Board of Supervisors is disqualified and must recuse themselves on any agenda item involving business, professional, trade, and land use licenses or permits and all other entitlements for use, if they received more than \$250 in campaign contributions from the applicant or contractor, an agent of the applicant or contractor, or any financially interested participant within the 12 months prior to the final decision; and for 12 months following the date of the final decision, a Member of the Board shall not accept, solicit, or direct a campaign contribution of \$250 or more from the applicant or contractor, an agent of the applicant or contractor, or any financially interested participant. The foregoing statements do not constitute legal advice. Parties, participants, and their agents are urged to consult their own legal counsel regarding the requirements of the law. For more information about these disclosures, visit www.sfethics.org.

Agenda Item Information

Each item on the Consent or Regular agenda may include the following 1) Legislation; 2) Budget and Legislative Analyst report; 3) Department or Agency cover letter and/or report; 4) Public correspondence. These items are available for review at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244 or at www.sfbos.org/legislative-research-center-lrc.

Meeting Procedures

The Board of Supervisors is the legislative body of the City and County of San Francisco. The Board has several standing committees where legislation is the subject of hearings at which members of the public are urged to testify. The full Board does not hold a second public hearing on measures which have been heard in committee.

Board procedures do not permit: 1) vocal or audible support or opposition to statements by Supervisors or by other persons testifying; 2) ringing and use of cell phones or electronic devices; 3) bringing in or displaying signs in the meeting room; or 4) standing in the meeting room. Each member of the public will be allotted the same maximum number of minutes to speak as set by the President or Chair at the beginning of each item or public comment, excluding City representatives; except that public speakers using interpretation assistance will be allowed to testify for twice the amount of time. Members of the public who want to display a document should place it on the overhead during their public comment and remove the document when they want the screen to return to live coverage of the meeting.

IMPORTANT INFORMATION: The public is encouraged to testify at Board and Committee meetings. Persons unable to attend the meeting may submit to the City, by the time the proceedings begin, written comments regarding agenda items for the official public record. Written communications should be submitted to the Clerk of the Board or the Clerk of the Committee: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Communications not received prior to the hearing may be delivered to the Clerk of the Board or the Clerk of the Committee and will be shared with the Members.

COPYRIGHT: All system content that is broadcasted live during public proceedings is secured by High-bandwidth Digital Content Protection (HDCP), which prevents copyrighted or encrypted content from being displayed or transmitted through unauthorized devices. Members of the public who wish to utilize chamber digital, audio and visual technology may not display copyrighted or encrypted content during public proceedings.

LANGUAGE INTERPRETERS: Language services are available in Spanish, Chinese and Filipino for requests made at least 48 hours in advance of the meeting, to help ensure availability. For more information or to request services: Contact (415) 554-5184.

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傳譯服務: 所有常規及特別市參事會會議和常務委員會會議將提供西班牙文, 中文以及菲律賓文的傳譯服務, 但必須在會議前最少48小時作出請求, 以確保能獲取到傳譯服務. 將因應請求提供交替傳譯服務, 以便公眾向有關政府機構發表意見. 如需更多資訊或請求有關服務, 請致電 (415) 554-5184聯絡我們.

AVISO EN ESPAÑOL: Los servicios de idiomas están disponibles en español, chino, y filipino en todas las reuniones regulares y reuniones especiales de la Junta, de los Comités, si se solicita por lo menos 48 horas antes de la reunión para ayudar a garantizar su disponibilidad. Para más información o solicitar servicios, por favor contactar a (415) 554-5184.

PAUNAWA: Mayroong serbisyong pang-wika sa Espanyol, Tsino at Pilipino para sa lahat ng mga regular at espesyal na pagpupulong ng Board, at Komite ng Board. Sa kasalukuyan, mayroong serbisyo sa wikang Pilipino na maaaring hilingin, 48 oras (o mas maaga) bago ng pagpupulong upang matiyak na matutugunan ang inyong kahilingan. Para sa karagdagang impormasyon o para humiling ng serbisyo pang-wika, tawagan lamang ang (415) 554-5184.

Americans with Disabilities Act (ADA) and Reasonable Accommodations

Title II of the ADA requires that all programs offered through the state and local government such as the City and County of San Francisco be accessible and usable to people with disabilities. The ADA and City policy require that people with disabilities have equal access to all City services, activities, and benefits. If you believe your rights under the ADA are violated, contact the ADA Coordinator. Ordinance No. 90-10 added Section 2A.22.3 to the Administrative Code, which adopted a Citywide Americans with Disabilities Act Reasonable Modification Policy.

Meetings are real-time captioned and cablecast open-captioned on SFGovTV (www.sfgovtv.org) or Cable Channels 26, 28, 78 or 99 (depending on your provider). Board and Committee meeting agendas and minutes are available on the Board's website www.sfbos.org and adhere to web development Federal Access Board's Section 508 Guidelines. For reasonable accommodations, please contact (415) 554-5184 or (415) 554-5227 (TTY). Board of Supervisors' Rules of Order 1.3.3 does not permit remote public comment by members of the public at meetings of the Board and its committees, except as legally required to enable people with disabilities to participate in such meetings. If you require remote access as a means of reasonable accommodation under ADA, please contact the Clerk's Office to request remote access, including a description of the functional limitation(s) that precludes your ability to attend in person. Requests made at least 48 hours in advance of the meeting will help to ensure availability. For further assistance, please call (415) 554-5184.

Know Your Rights Under The Sunshine Ordinance

Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For information on your rights under the Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) or to report a violation of the ordinance, contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102; phone at (415) 554-7724; fax at (415) 554-5163; or by email at sotf@sfgov.org. Citizens may obtain a free copy of the Sunshine Ordinance by printing the San Francisco Administrative Code, Chapter 67, on the Internet at www.sfbos.org/sunshine.

Ethics Requirements

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (Campaign & Governmental Conduct Code, Section 2.100) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; (415) 252-3100; fax (415) 252-3112; website www.sfgov.org/ethics.

Under Campaign and Governmental Conduct Code, Section 1.127, no person or entity with a financial interest in a land use matter pending before the Board of Appeals, Board of Supervisors, Building Inspection Commission, Commission on Community Investment and Infrastructure, Historic Preservation Commission, Planning Commission, Port Commission, or the Treasure Island Development Authority Board of Directors, may make a campaign contribution to a member of the Board of Supervisors, the Mayor, the City Attorney, or a candidate for any of those offices, from the date the land use matter commenced until 12 months after the board or commission has made a final decision, or any appeal to another City agency from that decision has been resolved. For more information about this restriction, visit www.sfethics.org.