

File No. 260041

Committee Item No. 6

Board Item No. 13

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee
Board of Supervisors Meeting

Date February 4, 2026
Date February 10, 2026

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| | | • POL Cover Memo |
| | | • MYR Cover Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Notice of Award/Award Letter |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>POL Statement on Retroactivity 1/29/2026</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Completed by: Brent Jalipa Date January 29, 2026

Completed by: Brent Jalipa Date February 5, 2026

1 [Accept and Expend Grant - Retroactive - California Department of Justice - 2025 Tobacco
2 Grant Program - \$1,119,862]

3 **Resolution retroactively authorizing the Police Department to accept and expend a**
4 **grant in the amount of \$1,119,862 from the California Department of Justice (DOJ) for**
5 **the 2025 Tobacco Grant Program to fund personnel and operating expenses for the**
6 **SFPD’s Drug Market Agency Coordination Center (DMACC) with the project period**
7 **beginning on November 21, 2025, through June 30, 2029.**

8
9 WHEREAS, The Administrative Code requires City departments to obtain Board of
10 Supervisors' approval to accept and expend grant funds in the amount of \$100,000 or more
11 (Section 10.170 et seq.); and

12 WHEREAS, The Police Department (SFPD) applied for funding from the California
13 Department of Justice Tobacco Grant Program made available through the California
14 Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56) to support
15 efforts to reduce illegal retail sales and marketing of cigarettes and tobacco products; and

16 WHEREAS, The funding will support SFPD’s Drug Market Agency Coordination Center
17 in its efforts to deter narcotics-related activity, improve neighborhood safety, and restore
18 public trust; and

19 WHEREAS, The California DOJ that provides grant funds to the SFPD requires
20 documentation of the Board's approval of their specific grant funds (Tobacco Grant Program);
21 and

22 WHEREAS, On November 21, 2025, the California DOJ approved SFPD’s application
23 and awarded a grant in the amount of \$1,119,862 for the project period beginning
24 November 21, 2025, through June 30, 2029; and

25 WHEREAS, The grant budget includes provision for indirect costs of \$21,956; and

1 WHEREAS, The grant does not require an Annual Salary Ordinance Amendment; now,
2 therefore, be it

3 RESOLVED, That the Board of Supervisors retroactively authorizes the SFPD to
4 accept and expend the grant award of \$1,119,862 from the California DOJ; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors authorizes the Chief of Police,
6 or his designee, to enter into agreement on behalf of the City and County of San Francisco,
7 as well as execute extensions and amendments for this grant.

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Recommended:

Approved: _____ /s/ _____

Daniel Lurie, Mayor

_____ /s/ _____

Derrick Lew, Chief of Police

Approved: _____ /s/ _____

Greg Wagner, Controller

File Number: 260041
(Provided by Clerk of Board of Supervisors)

Grant Resolution Information Form
(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. Grant Title: **2025 Tobacco Grant Program**
2. Department: **San Francisco Police Department**
3. Contact Person: **Marissa Dong** Telephone: **415-837-7124**
4. Grant Approval Status (check one):
 Approved by funding agency Not yet approved
5. Amount of Grant Funding Approved or Applied for: **\$1,119,862.00**
6. a. Matching Funds Required: **\$0**
b. Source(s) of matching funds (if applicable):
7. a. Grant Source Agency: **California Department of Justice**
b. Grant Pass-Through Agency (if applicable):
8. Proposed Grant Project Summary: **Funding will be used to support law enforcement activities aimed at reducing illegal retail sales of tobacco products to minors and youth**
9. Grant Project Schedule, as allowed in approval documents, or as proposed:
Start-Date: 11/21/2025 End-Date: 06/30/2029
10. a. Amount budgeted for contractual services: **n/a**
b. Will contractual services be put out to bid?
c. If so, will contract services help to further the goals of the Department's Local Business Enterprise (LBE) requirements?
d. Is this likely to be a one-time or ongoing request for contracting out?
11. a. Does the budget include indirect costs?
 Yes No
b. 1. If yes, how much? **\$21,956.00**
b. 2. How was the amount calculated? **It was calculated using two percent of total operating personnel and operating costs as allowable by the grant.**
c. 1. If no, why are indirect costs not included?
 Not allowed by granting agency To maximize use of grant funds on direct services
 Other (please explain):
c. 2. If no indirect costs are included, what would have been the indirect costs?
12. Any other significant grant requirements or comments: **No**

****Disability Access Checklist***(Department must forward a copy of all completed Grant Information Forms to the Mayor's Office of Disability)**

13. This Grant is intended for activities at (check all that apply):

- | | | |
|--|---|---|
| <input type="checkbox"/> Existing Site(s) | <input type="checkbox"/> Existing Structure(s) | <input checked="" type="checkbox"/> Existing Program(s) or Service(s) |
| <input type="checkbox"/> Rehabilitated Site(s) | <input type="checkbox"/> Rehabilitated Structure(s) | <input checked="" type="checkbox"/> New Program(s) or Service(s) |
| <input type="checkbox"/> New Site(s) | <input type="checkbox"/> New Structure(s) | |

14. The Departmental ADA Coordinator or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the DPW Access Compliance Officer or the Mayor's Office on Disability Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:

Comments:

Departmental ADA Coordinator or Mayor's Office of Disability Reviewer:

Penny Si
(Name)

Departmental ADA Coordinator
(Title)

Date Reviewed: 12/17/2025


(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Derrick Lew
(Name)

Chief Of Police
(Title)

Date Reviewed: 12/24/25


(Signature Required)

TOBACCO GRANT BUDGET DETAIL

AGENCY: SAN FRANCISCO POLICE DEPARTMENT

NONE		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL		\$ -	\$ -	\$ -	\$ -	\$ -

Other Expenses (Excludes Equipment and Travel/Training)

Description	Computation	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	TOTALS
Rental Vehicles	Retailer enforcement operations	\$ 14,637	\$ 21,525	\$ 21,525	\$ 6,888	\$ 64,575
Mobile phones & tablets	To support retailer enforcement operations. Must purchase items within the first year of the project.	\$ 9,992	\$ -	\$ -	\$ -	\$ 9,992
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL		\$ 24,629	\$ 21,525	\$ 21,525	\$ 6,888	\$ 74,567

Travel Expenses/Registration Fees*

Description and Destination	Computation	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	TOTALS
Travel to DOJ Tobacco Enforcement Training(s)	Must adhere to state rates in effect at time of travel.	\$ 3,729	\$ 3,729	\$ 3,729	\$ 3,729	\$ 14,916
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -

*For approved tobacco related training and travel only. Travel cannot exceed current state rates.

SUBTOTAL	\$ 3,729	\$ 3,729	\$ 3,729	\$ 3,729	\$ 14,916
-----------------	----------	----------	----------	----------	-----------

TOTAL OPERATING EXPENSES AND EQUIPMENT	\$ 28,358	\$ 25,254	\$ 25,254	\$ 10,617	\$ 89,483
---	-----------	-----------	-----------	-----------	-----------

C. Administrative Costs*

Description	Enter Desired Percentage (up to 5%)	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	TOTAL
Administrative Costs	2.0%	\$ 4,986	\$ 7,165	\$ 7,363	\$ 2,442	\$ 21,956

*Administrative costs must not exceed 5% of the total budget for Sections A & B. TOTAL	\$ 4,986	\$ 7,165	\$ 7,363	\$ 2,442	\$ 21,956
---	----------	----------	----------	----------	-----------

SUMMARY

Budget Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total Request
A. Personnel Services	\$ 220,962	\$ 333,028	\$ 342,928	\$ 111,505	\$ 1,008,423
B. Operating Expenses and Equipment	\$ 28,358	\$ 25,254	\$ 25,254	\$ 10,617	\$ 89,483
C. Administrative Costs	\$ 4,986	\$ 7,165	\$ 7,363	\$ 2,442	\$ 21,956
TOTAL PROJECT COSTS	\$ 254,306	\$ 365,447	\$ 375,545	\$ 124,564	\$ 1,119,862

2025/26 Tobacco Grant Program - Application

3. Agency Profile

Agency Name

San Francisco Police Department

Division/Section/Department

Drug Market Agency Coordination Center

County

San Francisco

Entity Type

Public Agency

Agency Type

Law Enforcement (e.g., PD, Sheriff)

Federal Taxpayer Identification Number

94-6000417

Does agency have authority to enforce state tobacco laws OR local tobacco ordinances covering retail establishments?

Yes

4. Agency Physical Address

Physical Address

1245 3rd Street

City

San Francisco

State

CA

ZIP code (5 or 9 digits w/dash)

94158

5. Agency Mailing Address

Is mailing address the same as physical address?

Yes

6. Agency Payment Address

Payment Address

1245 3rd Street

City

San Francisco

State

CA

ZIP code (5 or 9 digits w/dash)

94158

7. Authorized Officer

First Name

Paul

Last Name

Yep

Job Title

Chief of Police

Phone Number

(415) 837-7012

Email Address

paul.yep@sfgov.org

Confirm Email Address

paul.yep@sfgov.org

8. Project Director

First Name

Kara

Last Name

Lacy

Job Title

Director of Constitutional Policing

Phone Number

(415) 837-7273

Email Address

kara.lacy@sfgov.org

Confirm Email Address

kara.lacy@sfgov.org

9. Financial Officer

First Name

Kimmie

Last Name

Wu

Phone Number

(415) 837-7213

Email Address

kimmie.wu@sfgov.org

Confirm Email Address

kimmie.wu@sfgov.org

10. Project Summary

Funding Requested

1,119,862

Funding Duration

36 months

Planned Start Date (MM/DD/YYYY)

11/01/2025

Summary of Proposed Project.

This project targets the link between illegal tobacco sales and narcotics activity in San Francisco's high-risk "DMACC Zones," which are marked by open-air drug markets, violence, and public safety issues. In these areas, unlicensed tobacco sales contribute to loitering, attract narcotics users and dealers, and support the broader illegal economy. Traditional enforcement has been ineffective, as retailers often refuse inspections and accept fines without consequence.

Led by the SFPD's Drug Market Agency Coordination Center (DMACC), this project partners with the California Department of Tax and Fee Administration (CDTFA), the San Francisco District Attorney's Office (SFDA), and the City Attorney's Office to conduct undercover operations and inspections. The goal is to identify and take civil and criminal enforcement actions against violators of tobacco laws, particularly those involving licensing, taxation, and sales to minors.

By reducing illegal tobacco access, the project aims to deter narcotics-related activity, improve neighborhood safety, and restore public trust. It aligns with DMACC's mission to disrupt illegal markets and enhance quality of life in San Francisco's most impacted communities.

11. Partnering Agencies

Will your agency have other local agencies, departments, or contractors involved to complete any of the proposed activities?

Yes

12. Partner Agency 1

Partner Agency 1

San Francisco District Attorney

What agreement type is expected with this agency for their involvement?

Interagency Agreement

Partner Agency Roles in Project

The District Attorney's Office will accept and prosecute criminal cases involving illegal tobacco activity and will collaborate closely with SFPD to pursue civil remedies, including injunctions and, when warranted, business closures. The office is prepared to support inspections, investigations, and all necessary legal actions to ensure compliance with state and local tobacco laws.

Partner Experience and Qualifications

The San Francisco District Attorney's Office has a track record of prosecuting public-health-related offenses, including illegal tobacco sales, unlicensed business operations, and violations involving sales to minors. This makes the office well-qualified to support inspections, process enforcement referrals, and take legal action to ensure sustained compliance with California's tobacco laws.

Please upload this partner agency's signed Letter of Commitment (PDF).

[SFDA - SFPD tobacco letter of support.pdf](#)

Do you have additional partnering agencies to add?

Yes

13. Partner Agency 2

Partner Agency 2

San Francisco City Attorney's Office

What agreement type is expected with this agency for their involvement?

Interagency Agreement

Partner Agency Roles in Project

The City Attorney's Code Enforcement Team enforces municipal and state codes that protect the public, including retail tobacco enforcement. The office will civilly prosecute cases referred by SFPD in connection with the Tobacco Enforcement Grant.

Partner Experience and Qualifications

The City Attorney's Code Enforcement deputies routinely seek injunctions, civil penalties, and business-closure orders against entities that violate local health and safety codes, including tobacco laws. The team is expressly tasked with investigating and civilly prosecuting businesses that endanger public health and safety.

Please upload this partner agency's signed Letter of Commitment (PDF).

[City Attorney - SFPD tobacco letter of support.pdf](#)

Do you have additional partnering agencies to add?

No

20. Problem Statement

Geographic Areas Covered by Project

The project will focus on the geographical areas encompassing the San Francisco ZIP codes 94102, 94103, 94110. These ZIP codes have high tobacco retail density, significant youth populations, and proximity to schools increasing illegal tobacco sales and youth access, warranting focused enforcement to address quality of life issues.

Total Population within Project Area

135194

Population % Under Age 21 within Project Area

35.8

Retailers within Project Area

160

Retailers within 1,000 Feet of Schools (within Project Area)

17

Does a local Tobacco Retail License program exist in the project area?

Yes

Does your local prosecuting agency support enforcement of tobacco laws in your project area?

Yes

Problem Statement Narrative

San Francisco's ZIP codes 94102, 94103, and 94110 face significant challenges related to illegal tobacco sales. These densely populated areas have a high percentage of residents under 21 and a substantial number of tobacco retailers, many situated within 1,000 feet of schools. Enforcement efforts are complicated by some retailers who intentionally identify themselves as "markets" rather than tobacco retailers, thereby evading traditional inspections and regulatory oversight.

For example, on 5/8/25, DMACC conducted an inspection at 64 6th Street (6th Street Market), resulting in the seizure of a significant quantity of illegal tobacco products from the market as they were operating without a valid tobacco retail permit.

The widespread availability of untaxed and unlicensed tobacco products in these neighborhoods increases the risk of youth initiation and addiction, contributing to long-term public health concerns. Additionally, these retailers frequently operate in conjunction with broader illicit markets, including narcotics activity, further undermining neighborhood recovery efforts.

To effectively address these issues, a coordinated multi-agency approach is essential. This strategy will enhance inspections, enforce licensing and sales laws, and specifically target retailers disguising tobacco sales. Strengthening enforcement efforts will reduce tobacco accessibility near schools, protect youth, and improve public health outcomes within these vulnerable communities.

21. Goals and Objectives

Activity Area(s)

Retailer Inspections
Undercover Buys
Prosecution

22. Retailer Inspections

Per year, how many tobacco retailers will be inspected?

20

Inspection Plans

Inspections will begin with an undercover officer conducting a purchase or observation of illegal tobacco sales, primarily flavored and untaxed tobacco products. Upon locating illegal tobacco, the retailer will receive both criminal and civil citations. The case will be referred to the District Attorney and City Attorney, who will pursue a court order or injunction. A follow-up inspection will occur before the court order expires. If further violations are found, efforts will be made to seek closure of the retail establishment.

Inspection Experience

DMACC members have prior experience in tobacco enforcement, including retail inspections and minor decoy operations. A lead investigator has completed the DOJ Tobacco Enforcement Training. Currently, DMACC is conducting a joint operation with the Homeland Security Investigations which is focused on contraband tobacco trafficking within the project area. DMACC has a proven history of successful retail enforcement, including cases that have resulted in court-imposed injunctions against non-compliant businesses.

25. Undercover Buy Operations

Types of Undercover Buy operations planned

Single Sale / Loosie
Flavor (in-store)
Unlicensed

Per year, how many undercover buy operations are planned?

12

Per year, how many retailers will be targeted for these operations?

25

Operational Plans

Retail inspections will be based on geographical location, focusing only on retailers within the DMACC footprint. Priority will be given to locations identified through credible tips involving illegal tobacco sales or related activity. Retailers with visible signs of illegal tobacco activity, such as discarded cigarette packaging, will also be prioritized. Inspection teams will include one Sergeant, one Lieutenant, and approximately four officers in uniform and plainclothes. Retailers found in violation will receive appropriate civil and/or criminal citations, and a follow-up inspection will occur within 60 days to ensure compliance. If violations are observed during the follow-up inspection, SFPD will seek closure of the location.

Operational Experience

DMACC has extensive experience conducting undercover buy operations, a core function of its enforcement efforts. Members are well-versed in tobacco inspections and investigations involving illegal tobacco activity. Retail enforcement is a priority, with ongoing efforts to ensure compliance within the DMACC area. Tips regarding illegal activity at retail locations are common, often leading to follow-up investigations. If violations persist after re-inspection, DMACC may pursue further enforcement actions, including recommending business closure for continued non-compliance.

27. Prosecution

Plans for Prosecuting Violators

Following an inspection, retailers found in violation will be issued both civil and criminal citations. Civil citations impact the business and property owner, while criminal citations are directed at individuals involved in the sale of illegal tobacco. Upon issuance of a civil citation, the San Francisco City Attorney's Office may pursue a court order or injunction requiring compliance with tobacco laws and may impose conditions such as warrantless searches. A follow-up inspection will occur within 60 days. Continued violations may result in a request for business closure. Criminal citations will be referred to the District Attorney's Office for prosecution.

Describe your experience with and knowledge of tobacco laws (or similar) and their enforcement.

Members of the San Francisco Police Department are trained in tobacco enforcement and possess experience conducting inspections and related operations. Officers are knowledgeable in investigating contraband tobacco trafficking and have made arrests for violations involving illegal tobacco sales. They are well-versed in their authority to conduct inspections and issue both criminal and civil citations. Additionally, SFPD personnel are familiar with common tactics used by non-compliant retailers to evade enforcement, including misclassifying businesses as "markets" and using concealment methods such as trap doors and false walls to hide illicit tobacco products.

31. Project Personnel

Does the applicant agency have personnel that will perform grant activities?

Yes

32. Project Personnel 1

Personnel Classification/Rank

Police Officer

Will project activities by this personnel be done on overtime, straight time, or both?

Overtime

Personnel Duties

Retail Inspections
Undercover Buy Operations

Roles and Responsibilities

Police Officers will conduct undercover buy operations and retailer inspections, including entering stores covertly, documenting violations, and collecting evidence. They will assist with follow-up inspections and prepare incident reports.

Experience and Qualifications

Assigned Officers are part of SFPD's DMACC team and have experience conducting undercover buys and inspections in high-risk environments. They are trained in enforcement tactics and have participated in similar operations involving tobacco and other contraband.

Are there additional personnel that will perform project activities?

Yes

33. Project Personnel 2

Personnel Classification/Rank

Sergeant

Will project activities by this personnel be done on overtime, straight time, or both?

Overtime

Personnel Duties

Retailer Inspections
Undercover Buy Operations

Roles and Responsibilities

Sergeants will supervise operations in the field, coordinate personnel assignments, ensure officer safety, and review reports and evidence before referral. They will also assist in scheduling and follow-up planning.

Experience and Qualifications

SFPD Sergeants assigned to DMACC have led prior tobacco-related enforcement operations and are experienced in supervising undercover inspections. They are familiar with applicable tobacco laws and multi-agency coordination practices.

Are there additional personnel that will perform project activities?

Yes

34. Project Personnel 3

Personnel Classification/Rank

Lieutenant

Will project activities by this personnel be done on overtime, straight time, or both?

Overtime

Personnel Duties

Retailer Inspections
Undercover Buy Operations

Roles and Responsibilities

The Lieutenant will oversee grant-funded operations, approve strategies, and coordinate with partner agencies including the District Attorney and City Attorney. They will also review enforcement outcomes and track project progress.

Experience and Qualifications

The DMACC Lieutenant has extensive experience managing enforcement operations targeting illegal tobacco and narcotics activity. They regularly oversee multi-agency efforts and ensure legal and procedural compliance.

Are there additional personnel that will perform project activities?

No

40. Project Budget

Budget Detail upload (Excel file)

[SFPD Budget Detail Sheet.xlsx](#)

Does your Budget Detail include expenses listed in Section B (Other Operating Expenses and Equipment)?

Yes

Budget Narrative: Please provide justification for each expense listed within Section B of the Budget Detail Sheet (Operating Expenses and Equipment)".

Section B contains three cost types, short-term rental vehicles and travel, each necessary and reasonable for grant activities.

1 SUV (undercover): an unmarked SUV rented for inspection/undercover buys, lets covert officers arrive and depart like ordinary shoppers. The non-police vehicle preserves cover and allows unobtrusive observation of retailer behavior during compliance checks and undercover buys.

2 SUVs (close-cover): a second and third unmarked vehicle for the immediate-backup team provides rapid intervention, safe evidence transport, and officer safety.

Renting these vehicles alleviates the demand on the department's existing fleet, avoids the program's ban on vehicle purchases, and eliminates maintenance costs.

Mobile phones and tablets: iPhones will be used by officers during retailer inspections and undercover operations. iPads will support completing forms, citations, and real-time reporting and documentation.

Travel to Cal DOJ training (11 staff): while course registration is free, this budget accounts for travel funds for staff attending the training. Funds cover state-rate mileage, lodging at CalHR/GSA per-diem, and meals for four sworn officers, two sergeants, and one lieutenant. Training will benefit members with tactics for retailer inspections, undercover operations, evidence handling, and grant reporting, skills directly tied to this project's objectives. All travel follows state caps and cost-saving measures to remain reasonable and necessary.

Budget item(s) that will directly support Retailer Inspections

Police Officer OT; Sergeant OT; Lieutenant OT; car rentals (undercover and close-cover SUVs); mobile phones and tablets; travel including mileage, lodging, meals for 11 staff to Cal DOJ tobacco-enforcement trainings.

Budget item(s) that will directly support Undercover Buy operations

Police Officer OT; Sergeant OT; Lieutenant OT; car rentals (undercover and close-cover SUVs); mobile phones and tablets; travel including mileage, lodging, meals for 11 staff to Cal DOJ tobacco-enforcement trainings.

Other Funding Sources

Traditional enforcement is funded by the City's general fund, but as previously noted has been largely ineffective since retailers often refuse inspections and treat fines as a cost of doing business.

These traditional efforts lack the capacity for sustained undercover operations and coordinated follow-up. This project supplements existing funding by enabling overtime-based staffing for proactive, undercover inspections and buy operations led by SFPD's DMACC, in partnership with CDTFA, the SFDA, and City Attorney's Office. Grant funds will not supplant existing local funding or positions. All proposed activities are new and extend beyond currently funded enforcement work.

41. Agency Capacity

Grant Management Experience

SFPD has experience with complex multi-year grant programs awarded by state and federal agencies. Within the last few years, SFPD was awarded a \$15 million Organized Retail Theft Prevention Grant and a \$6 million Violence Reduction Initiative Grant, both by the Board of State and Community Corrections (BSCC). These grants involve extensive stakeholder coordination, procurement of equipment, hiring of staff, and implementation of data-driven enforcement strategies and community engagement.

SFPD was also recently awarded a \$990,000 innovation grant from the U.S. Department of Justice, Bureau of Justice Assistance (BJA), to support evidence-based carjacking investigations.

These grants require fiscal tracking, outcome reporting, and adherence to state and federal compliance standards. SFPD has grant staff in its Fiscal that oversees grant compliance and reporting. This infrastructure enables SFPD to manage high-value grants and ensures the department is positioned to implement and monitor all aspects of the proposed tobacco enforcement and education project.

Continuity and Contingency Planning

SFPD has structures in place to ensure continuity of grant operations, including cross-trained personnel, project leads embedded in operational units, and grant staff in the department's Fiscal Division. Should a project staff member depart, duties are reassigned promptly to qualified personnel without interrupting program activities. Further, all grant-related documents, procedures, and timelines are tracked and routinely reviewed to mitigate disruption. If necessary, the department may also adjust work plans in consultation with CA DOJ to maintain program progress and compliance.

Community Support Letters

[Letter of Support DA SFPOL CalDOJ Tobacco June 2025.pdf](#)

Has your agency ever received a grant through the DOJ Tobacco Grant Program?

No

43. Certifications And Signature

Authorized Officer signature

Paul Yep



Tobacco Grant Program

Grant Services Branch – Local Assistance

Division of Operations

San Francisco Police Department

DOJ-PROP56-2025-26-1-045

MEMORANDUM OF UNDERSTANDING

PURPOSE

This Memorandum of Understanding (“MOU”) is entered into by the Department of Justice (“DOJ”) and the San Francisco Police Department (“Grantee”), for the purpose of disbursing grant funds to Grantee for reimbursement of expenditures in compliance with the California Code of Regulations and the Fiscal Year 2025-26 Grantee Handbook.

Commencing January 1, 2023, the California Code of Regulations, Title 11, Division 1, Chapter 5: Department of Justice Tobacco Grant Program (“TGP Regulations”) shall govern the policies and procedures of the Tobacco Grant Program.

The TGP Regulations, Request for Proposals, Grantee Handbook (dated April 2025), and Summary of Award document are hereby incorporated by reference into this MOU. Grantee will expend funds for the purposes identified in the approved Summary of Award document. Reimbursements are to be funded under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016, approved by the voters as Proposition 56.

COST REIMBURSEMENT

DOJ agrees to reimburse Grantee in arrears, for Grantee’s actual expenditures in performing the project or scope of work included in the approved Summary of Award document. Reimbursements for line items in the approved Budget Detail will be made upon receipt of invoices from Grantee and approval of the invoices by DOJ, in accordance with the reimbursement procedures set forth in the TGP Regulations and Grantee Handbook.

BUDGET CONTINGENCY CLAUSE

It is mutually agreed, if the Budget Act of the current fiscal year and/or any subsequent years covered under the MOU does not appropriate sufficient funds, the MOU shall be of no further force and effect. In the event this situation occurs, DOJ shall have no liability to reimburse/pay any funds to Grantee, or to furnish any other considerations under this MOU. As well, Grantee shall not be obligated to continue performing the provisions of this MOU, for which the Grantee would have been reimbursed.

If funding for any fiscal year is reduced or deleted in the Budget Act for purposes of this MOU, DOJ shall have the option to either cancel this MOU with no liability occurring to DOJ or offer an addendum to the Grantee to reflect the reduced amount.

PROJECT BREACH-TERMINATION

Failure of a Grantee to comply with this MOU or the TGP Regulations shall be treated by DOJ as a breach of contract. If an act of noncompliance occurs, DOJ may take actions described within the TGP Regulations, including termination. DOJ may terminate this MOU and be relieved of any obligation to disburse grant funds to Grantee should Grantee fail to perform the scope of work at the time and in the manner provided in this MOU.

MISCELLANEOUS PROVISIONS

Addendum – No addendum or variation of the terms of this MOU is valid unless made in writing and signed by the duly authorized representatives of the parties.

Assignment – This MOU is not assignable by Grantee in whole or in part.

Indemnification – Grantee agrees to indemnify and hold harmless DOJ, its officers, agents and employees from all claims, liabilities, or losses in connection with the performance of this MOU.

Certifications – Grantee certifies that it does not receive funding from a manufacturer, distributor, or advertiser of Cigarettes or Tobacco Products. Grantee further certifies that grant funds will not supplant existing state or local funds dedicated for the same purpose.

TERMS

Grant Duration: **11/21/2025 – 6/30/2029**

Category of Expenditure	Award Amount			
	Budget FY 2025-2026	Budget FY 2026-2027	Budget FY 2027-2028	Budget FY 2028-2029
Personnel Services	\$220,962	\$333,028	\$342,928	\$111,505
Operating Expenses and Equipment	\$28,358	\$25,254	\$25,254	\$10,617
Administrative Costs (Not to Exceed 5%)	\$4,986	\$7,165	\$7,363	\$2,442
TOTAL AWARD AMOUNT	\$1,119,862			

The time limit for reimbursements against this award ends 6/30/2029. Requests for reimbursement received after 7/15/2029 cannot be considered by DOJ.

GRANTEE CONTACT INFORMATION

Fannie Yeung, Grants Manager
 San Francisco Police Department
 1245 3rd St, 6 Fl, San Francisco, CA 94158
 415-837-7212
fannie.w.yeung@sfgov.org

AUTHORIZATION

DOJ and Grantee, by their duly authorized officials, have executed this MOU on the respective dates indicated below. This MOU and any future addendums shall be e-mailed to

TobaccoGrants@doj.ca.gov, care of the Division of Operations, Local Assistance Unit, Tobacco Grant Program, and will become fully executed upon completion of signatures from all parties.

GRANTEE AUTHORIZATIONS



NAME: Derrick Lew
Title: Chief of Police
Agency: San Francisco Police Department

12/24/25

Date



NAME: Kimmie Wu
Title: Chief Financial Officer
Agency: San Francisco Police Department

12/24/25

Date

NAME:
Title:
Agency:

Date

DOJ AUTHORIZATIONS

DOJ GRANT MANAGER
Division of Operations
California Department of Justice

Date

DOJ FISCAL DIRECTOR
Division of Operations
California Department of Justice

Date

DOJ CHIEF OF OPERATIONS
Division of Operations
California Department of Justice

Date



C A L I F O R N I A
DEPARTMENT OF JUSTICE

Rob Bonta
Attorney General

DIVISION OF OPERATIONS
OFFICE OF FISCAL SERVICES
GRANT SERVICES BRANCH
TOBACCO GRANT PROGRAM
P.O. Box 160187
Sacramento, CA 95816-0187
E-Mail Address: TobaccoGrantRFP@doj.ca.gov

November 20, 2025

Paul Yep, Chief of Police
San Francisco Police Department
1245 3rd Street
San Francisco, CA 94158

Re: Tobacco Grant Award Notification Fiscal Year 2025-26 (RFP: DOJ-PROP56-2025-26-1)

Dear: Chief Yep

Congratulations! On behalf of the California Department of Justice (DOJ), Tobacco Grant Program, I am pleased to inform you that your agency's grant application for the fiscal year 2025-26 grant cycle has been approved for grant funds authorized under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016. **The total amount of your agency's grant award is \$1,119,862 under Award # DOJ-PROP56-2025-26-1-045.**

The Tobacco Grant Program award process is highly competitive, and for the 2025-26 grant cycle, the Department received approximately \$50 million in requests. As noted in the application materials, grant funding prioritized support for local retailer enforcement including prosecution and task force collaboration. Consequently, some awards were approved with modifications to align with these funding priorities and because of limited funds. Attached is a Summary of the Award and Budget Detail outlining the funding provided along with any modifications applied.

To accept the 2025-26 grant award, please complete and return a signed copy of your Letter of Intent (see template and instructions attached) by email within 15 calendar days of the date of this letter. This letter will affirm one of the following:

1. Your agency will seek a resolution from the governing body to accept the award (*if your agency has a governing body*)
2. Your agency has a governing body but does not require a resolution to accept the award, OR
3. No governing body exists and therefore no resolution is required.

Please email the signed Letter of Intent as noted above to TobaccoGrantRFP@doj.ca.gov with the subject line including the name of your agency: "FY 25-26_Letter of Intent_San

November 20, 2025

Page 2

Francisco Police Department.” Upon receipt of this information, DOJ will provide your agency with additional documents for execution/use (e.g., Memorandum of Understanding, Governing Body Resolution template, Grantee Handbook, etc.). These documents will contain more information about the process for reimbursement and other important details. Activities for reimbursement under this grant may commence on or after the date of this letter, depending upon your selected start date.

Should you have any questions regarding this letter or the required follow up information, please email TobaccoGrantRFP@doj.ca.gov.

Sincerely,



JENNIFER IVERY JOHNSON
Manager, Grant Services Branch

For ROB BONTA
 Attorney General

Attachments:
Letter of Intent
Summary of Award
Budget Detail



DANIEL LURIE
MAYOR

CITY AND COUNTY OF SAN FRANCISCO
POLICE DEPARTMENT
HEADQUARTERS
1245 3RD Street
San Francisco, California, 94158



DERRICK J. LEW
CHIEF OF POLICE

TO: Budget and Finance Committee of the Board of Supervisors

FROM: Carl Nicita, Police Department Government Affairs

DATE: January 29, 2026

SUBJECT: File No. 260041 - Accept and Expend Grant - Retroactive - California Department of Justice 2025 Tobacco Grant Program - \$1,119,862

The San Francisco Police Department (SFPD) is submitting a retroactive resolution for the California Department of Justice 2025 Tobacco Grant Program to accept and expend \$1,119,862 to support targeted retailer inspections, undercover buy operations, and coordinated civil and criminal enforcement related to illegal tobacco sales that contribute to broader public safety and quality-of-life concerns. The project period begins on November 21, 2025, and runs through June 30, 2029.

The Department of Justice approved SFPD's application and awarded the grant on November 21, 2025. Because the grant term commenced upon award, SFPD is seeking retroactive approval. However, the Department of Justice requires documentation of governing body approval as proof of authority to execute the grant agreement, and to date, no funds have been expended.

SFPD respectfully requests retroactive approval to accept and expend the California Department of Justice Tobacco Grant funds.



DANIEL LURIE
MAYOR

CITY AND COUNTY OF SAN FRANCISCO
POLICE DEPARTMENT
HEADQUARTERS
1245 3RD Street
San Francisco, California 94158



DERRICK LEW
CHIEF OF POLICE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: San Francisco Police Department
DATE: December 9, 2025
SUBJECT: Accept and Expend Resolution for Subject Grant
GRANT TITLE: 2025 Tobacco Grant Program

Attached please find the original* and 1 copy of each of the following:

- 01** - Proposed grant resolution; original* signed by Department, Mayor, Controller
- 02** - Grant information form, including disability checklist
- 03** - Grant budget
- 04** - Grant application
- 05** - Grant award letter
- 06** - Grant agreement
- Ethics Form 126 (if applicable)
- Contracts, Leases/Agreements (if applicable)
- Other (Explain):

Special Timeline Requirements: A&E resolution must be returned to grantor with signed grant agreement by March 4, 2026

Departmental representative to receive a copy of the adopted resolution:

Name: **Kimmie Wu / Marissa Dong** Phone: **415-837-7124**

Interoffice Mail Address: **SFPD Fiscal, 1245 3rd Street, 6th Floor**

Certified copy required Yes No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).

OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Adam Thongsavat, Liaison to the Board of Supervisors
RE: Accept and Expend Grant – Retroactive - California Department of Justice – 2025 Tobacco Grant Program - \$1,119,862
DATE: January 13, 2026

Resolution retroactively authorizing the Police Department to accept and expend a grant in the amount of \$1,119,862 from the California Department of Justice (DOJ) for the 2025 Tobacco Grant Program to fund personnel and operating expenses for the SFPD's Drug Market Agency Coordination Center (DMACC) with the project period beginning on November 21, 2025, through June 30, 2029.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org