

CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

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TO: Budget and Finance Committee
FROM: Budget and Legislative Analyst 
SUBJECT: October 23, 2024 Budget and Finance Committee Meeting

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<p>Item 1 File 24-0921</p>	<p>Department: San Francisco International Airport (Airport), Office of Contract Administration (OCA)</p>
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EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would approve an agreement between the City and Gillig LLC for the purchase of electric buses for San Francisco International Airport (Airport), for a term of four years from December 2024 through November 2028, and an amount not to exceed \$68,772,334.

Key Points

- The Airport uses buses to provide ground transportation to employees and passengers throughout the Airport campus and to transportation hubs around the Bay Area. The Airport has a fleet of approximately 50 buses that are nearing the end of their useful lives, and the Airport’s Capital Improvement Plan includes the replacement of these buses with new electric buses. In May 2024, the Office of Contract Administration (OCA) issued an Invitation for Bids (IFB) for manufacturers to provide bids for 40-foot, electric transit buses. Gillig was deemed the only responsive bidder and was awarded a contract.
- Under the agreement, the Airport would purchase up to 50 electric buses at an initial cost of approximately \$1,136,799 per bus, plus sales and tire taxes. The base cost per bus is approximately \$96,049, or 7.8 percent, less than the Airport’s estimate of \$1,232,848, which was based on a previous order of two electric buses in May 2023. The cost per bus may be adjusted once per year at Gillig’s request based on the change in the Producer Price Index (PPI) for truck and bus bodies.

Fiscal Impact

- The proposed agreement would have a total amount not to exceed \$68,772,334. The cost is based on an initial base cost of \$1,136,799 per bus with a two percent contingency and sales and tire taxes. If the Airport only purchases 38 buses rather than 50, then the total cost would be approximately \$51.8 million.
- For Year 1 of the contract, the Airport was awarded a total of \$5,139,750 in Federal and State grants, or 58 percent of the estimated cost. The remaining 42 percent would be paid by Airport Capital Funds. For Years 2 through 4 of the contracts, the Airport would apply for grants to fund approximately 75 percent of vehicle costs, with any amount not covered to be paid by Airport Capital Funds.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

The San Francisco International Airport (Airport) uses buses to provide ground transportation to employees and passengers throughout the Airport campus and to transportation hubs around the Bay Area. The Airport has a fleet of approximately 50 buses that are nearing the end of their useful lives, and the Airport's Capital Improvement Plan includes the replacement of these buses with new electric buses.

In May 2024, the Office of Contract Administration (OCA) issued an Invitation for Bids (IFB) for manufacturers to provide bids for 40-foot, electric transit buses. OCA received two bids, but BYD Coach and Bus, LLC was deemed non-responsive because it did not submit minimum qualification documentation and because its Electric Transit Buses did not meet the equipment specifications of the IFB. Gillig LLC was then deemed the only responsive bidder and was awarded a contract.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve an agreement between the City and Gillig for the purchase of 50 electric buses for the Airport, for a term of four years from December 2024 through November 2028, and an amount not to exceed \$68,772,334.

Under the agreement, the Airport would purchase up to 50 electric buses at an initial cost of approximately \$1,136,799 per bus, plus sales and tire taxes. The base cost per bus is approximately \$96,049, or 7.8 percent, less than the Airport's estimate of \$1,232,848, which was based on a previous order of two electric buses in May 2023. The cost per bus may be adjusted once per year at Gillig's request based on the change in the Producer Price Index (PPI) for truck and bus bodies. The Airport would purchase approximately seven buses in Year 1, six buses in Years 2 and 3, and 31 buses in Year 4. The Airport would receive the first batch of buses approximately 18 months after the order is purchased, and subsequent orders would be delivered in approximately 12 months or less. According to Maria Sio, OCA Principal Administrative Analyst, the number of buses in Year 4 increased from six in the initial IFB to 31 due to a change in the Airport's Capital Improvement Plan. Additionally, the California Air Resources Board (CARB) requires airport shuttle operators have a fully zero-emission fleet by 2035, so the purchase would potentially allow the Airport to reach early compliance.

According to Seth Morgan, Airport Senior Transportation Planner, the Airport's fleet includes six diesel buses built in 2017 and six electric buses built in 2019, which the Airport hopes to continue using in service beyond the term of the proposed contract. If these buses do not need to be replaced, then the Airport would only purchase 38 buses under the proposed contract. The Federal Transit Administration (FTA) designates the useful life of a transit bus as 12 years.

The buses would replace up to 50 buses that were built from 1997 through 2019 and are approaching the end of their useful life. The retired buses would likely be sold at auction, and the Airport reports that recent bus auctions yielded approximately \$1,700 per bus.

Performance

The proposed contract with Gillig contains a liquidated damages provision that allows the City to fine Gillig for each day it is late in delivering buses, spare parts, and user manuals. In addition, the buses are subject to City inspection prior to payment.

Unlike the MTA’s bus purchase contract with New Flyer (File 24-0933), this contract does not include any performance bond to ensure delivery of all buses.¹ In addition, MTA’s New Flyer contract required the contractor obtain higher insurance coverage: \$5 million each for general liability and comprehensive or business automobile insurance versus the proposed contract’s \$1 million requirements for general liability and commercial automobile liability. In addition, MTA’s New Flyer contract required New Flyer to insure and replace all bus parts during the five-year term of the agreement. According to OCA, the Airport determined that the liquidated damages provision of the proposed contract was sufficient security to ensure performance.

FISCAL IMPACT

The proposed agreement would have a total amount not to exceed \$68,772,334. The cost is based on an initial base cost of \$1,136,799 per bus with a two percent contingency and sales and tire taxes. OCA has estimated four percent annual escalation, and adjustments can be made once per year at Gillig’s request based on the annual change in the PPI. The breakdown of costs is shown in Exhibit 1 below.

Exhibit 1: Estimated Contract Budget

Year	Unit Price	Contingency per Unit (2%)	Sales Tax per Unit (8.625%)	Total Cost per Unit ²	Estimated Quantity ³	Total Annual Cost
1	\$1,136,799	\$22,736	\$100,010	\$1,259,559	7	\$8,816,912
2	1,182,271	23,645	104,010	1,309,941	6	7,859,644
3	1,229,562	24,591	108,171	1,362,338	6	8,174,026
4	1,278,744	25,575	112,498	1,416,831	31	43,921,751
Total					50	\$68,772,334

Source: OCA

A two percent contingency is included to cover any changes in the design specifications or escalation in the PPI greater than four percent. If the Airport only purchases 38 buses rather than 50, then the total cost would be approximately \$51.8 million.

¹ MTA’s bus purchase contract with New Flyer totaled \$117.7 million and included a \$6 million performance bond during the delivery phase and a \$3 million performance bond to guarantee product warranties.

² The total cost per unit includes \$14 in tire taxes.

³ According to Senior Transportation Planner Morgan, the Airport may purchase more buses in contract Years 2 and 3 and fewer buses in Year 4.

For Year 1 of the contract, the Airport was awarded a \$4,299,750 grant from the Federal Aviation Administration (FAA) and a \$840,000 grant from the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project, for a total grant amount of \$5,139,750, or 58 percent of the estimated cost. The remaining 42 percent would be paid by Airport Capital Funds. For Years 2 through 4 of the contracts, the Airport would apply for grants to fund approximately 75 percent of vehicle costs, with any amount not covered to be paid by Airport Capital Funds.

RECOMMENDATION

Approve the proposed resolution.

<p>Item 2 File 24-0920</p>	<p>Department: Public Health (DPH)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed resolution would approve Amendment No. 4 to the agreement between the Department of Public Health (DPH), and the San Francisco Public Health Foundation (SFPHF). This amendment extends the contract by 18 months, from January 1, 2025, to June 30, 2026, and increases the total contract amount by \$1,302,153, bringing the contract's not-to-exceed total to \$21,329,720. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The Public Health Foundation is a nonprofit that partners with the San Francisco Department of Public Health and other groups to fund health education, outreach, and direct services. • In January 2020, DPH executed a five-year contract with SFPHF, running through December 2024, with an initial budget not-to-exceed \$3,061,930. The contract has since increased to \$20,027,567, and DPH now seeks to extend the contract through June 2026 and increase the budget by \$1,302,153, raising the total to \$21,329,720. • For FY 2023-2024, SFPHF collaborated with seven subcontractors under the Community Health Engagement and Hepatitis C programs, including the "End Hep C SF" initiative and the Community Navigator Program. These subcontractors focused on outreach, education, and safety for vulnerable populations. • Under the Community Health Engagement program going forward, nine subcontractors are planned, with final selections pending. For the Hepatitis C program, three subcontractors have been identified: Glide Foundation, SF AIDS Foundation, and Springboard Health. • Generally, subcontractors met or exceeded their objectives for FY 2023-24, though key deliverables from Curry Senior Center were not provided, and Lighthouse for the Blind and Visually Impaired only spent 49.06% of its allocated funds. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The proposed 1.5-year extension will be funded by the General Fund (88%) and CDC grants (12%). <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

The Department of Public Health’s (DPH) Community Health Engagement Program is a nonprofit organization that partners with the San Francisco Department of Public Health and other community groups to support and fund programs aimed at improving public health outcomes by fostering health education, outreach, and direct services. On October 3, 2019, DPH issued a Request for Qualifications (RFQ 36-2017) for As-Needed Project-Based Support Services. As discussed in our prior report on this contract, the San Francisco Public Health Foundation (SFPHF) submitted a proposal to DPH and was awarded the contract as the highest-ranked proposer.

In January 2020, DPH executed a contract with SFPHF for a term of five years, from January 2020 through December 2024, with an amount not-to-exceed \$3,061,930. In November 2020, DPH executed Amendment No. 1 to the contract, increasing the not-to-exceed amount by \$6,297,375, for a total not-to-exceed \$9,359,305, with no change to the contract term. Neither the original contract nor Amendment No. 1 required Board of Supervisors approval because the contract did not exceed 10 years or \$10 million. In September 2021, the Board of Supervisors approved Amendment No. 2 to the contract, increasing the not-to-exceed amount by \$10,668,262 to \$20,027,567 (File 21-1164). In March 2023, DPH executed Amendment No. 3 to update the scope of work by adding additional program description of services into the appendices and modify the budget categories for community health engagement services. This action did not require Board approval because the contract’s spending authority did not increase more than \$500,000.

DPH now proposes to amend the agreement by extending the term and increasing the not-to-exceed amount. This amendment exceeds the threshold that necessitates approval from the Board of Supervisors.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve Amendment No. 4 to the agreement between the City, acting by and through DPH, and SFPHF for community health engagement services. The amendment would:

- Extend the term by one year and six months from January 1, 2025, through June 30, 2026.
- Increase the spending authority by \$1,302,153 for a total not-to-exceed \$21,329,720.

The new expiration date would be June 30, 2026, instead of December 31, 2024. The contract has options to renew the agreement through December 31, 2027. However, any additional funding beyond \$500,000 would be subject to Board of Supervisors' approval.

SCOPE OF SERVICES

Under the contract, SFPHF provides program administration and support services for various public health programs, including Community Health Engagement, Violence Prevention, Vision Zero, and the Community and Home Injury Prevention Program for Seniors (CHIPPS). The contract budget includes passthrough payments to subcontractors delivering services, as well as overhead costs for SFPHF's administrative functions.

SFPHF's responsibilities include issuing an RFP for community-based organizations (already completed), managing subcontractors, administering programs, building capacity and providing program support to subcontractors, and issuing quarterly summary reports.

SUBCONTRACTORS

During the extended term of this amendment, SFPHF plans to administer contracts for multiple community-based organizations, categorized under two primary funding umbrellas: Community Health Engagement and Hepatitis C programs.

For Community Health Engagement, there are currently nine subcontractors planned, with specific organizations to be determined at a later date. Under the Hepatitis C program, three subcontractors are planned to be used and already identified: Glide Foundation, SF AIDS Foundation, and Springboard Health. Hepatitis C funding will support these consultants as well as project coordinators and a strategic director over multiple years to administer Community Health Engagement and Hepatitis C programs, focusing on navigator services for at-risk populations, data collection, meetings, and progress reporting.

PERFORMANCE MONITORING

According to Michelle Ruggels, DPH Business Office Director, each subcontractor has a work plan specific to the goals of their programmatic area, with a DPH program lead assigned to each. SFPHF monitors compliance with each subcontractor's work plan deliverables and standard business practices, such as timely invoice submission, on a monthly basis. SFPHF shares these reports with DPH staff to ensure subcontractors are meeting expectations.

For FY 2023-24, DPH collaborated with seven subcontractors under the Community Health Engagement and Hepatitis C programs, as part of the "End Hep C SF" initiative and the Community Navigator Program. These subcontractors undertook various initiatives focused on outreach, education, and safety improvements for vulnerable populations.

Under the Community Health Engagement funding umbrella, the subcontractors and key deliverables included:

1. CARECEN: Facilitated youth support groups and conducted risk assessments. CARECEN held 17 youth support sessions and made 33 service opportunity referrals.

2. Curry Senior Center: Deliverables not provided by DPH.
3. Chinatown Community Development Center (CDC): Led youth leadership meetings and distributed safety kits to seniors, reaching 220 seniors with safety kits.
4. Rebuilding Together SF: Conducted home safety assessments for seniors, completing 66 home safety assessments.
5. Senior and Disability Action: Provided legal advocacy for vulnerable populations, resulting in a favorable ruling in a lawsuit against BART, aimed at improving transit accessibility.
6. Walk SF Families for Safe Streets: Focused on advocacy for State legislation related to street safety (SB 960 and SB 961).¹ Additionally, they posted fatality signs at all locations of pedestrian death in San Francisco to raise awareness about traffic violence.
7. Lighthouse for the Blind and Visually Impaired: Hosted two Vision Zero forums for discussions on pedestrian-friendly city design and accessibility. They also created an audio-described compilation video of the forums and reached 13,589 people through newsletters. According to the FY 23-24 End of Year Semi-Annual Report, they utilized 50.94% of their allocated funding during this period.

Under the Hepatitis C program, the Community Navigator Program focused on providing health services to at-risk populations:

- Between January and April 2024, 11 Community Navigators had 425 interactions with participants ranging from Outreach and Education (41 shifts), HCV/HIV Testing Support (19 shifts), overdose reversal (5 individuals), and linkage to treatment (1 completed).

Local Business Enterprise Requirements Not Binding

This contract is deemed exempt from Chapter 14B of the San Francisco Administrative Code because funding includes state and federal grants, which disallow local preferences.

FISCAL IMPACT

The proposed Fourth Amendment would increase the not-to-exceed amount of the SFPHF contract by \$1,302,153, bringing the total contract amount to \$21,329,720. The increase in funds will support the continuation of community health engagement services, hepatitis c prevention programs, and the associated administrative functions performed by SFPHF.

¹ SB 960 focuses on incorporating "complete streets" elements, like bike lanes and pedestrian facilities, into state highway projects, while SB 961 would have mandated that starting with 2030 model vehicles, most cars in California must have speed warning systems to alert drivers when they exceed the speed limit by more than 10 mph. SB 961 was vetoed by the Governor. SB 960 was signed into law.

Exhibit 1: Sources and Uses of Funds by Year

Sources	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	TOTAL
General Fund	49,417	702,329	678,657	1,587,046	925,617	972,857	1,002,044	5,917,967
CDC Grant	21,875	25,000	2,599,311	692,079	215,216	140,000	140,000	3,833,481
FEMA Reimbursement		3,573,564	6,331,067					9,904,631
State Funding		693,813						693,813
Dream Keeper's Initiative		111,069	150,339					261,408
OEWD Work Order			205,187	195,123	47,522			447,832
Subtotal	71,292	5,105,775	9,964,561	2,474,248	\$1,188,355	1,112,857	1,142,044	21,059,132
Contingency (12%)						133,543	137,045	270,588
Total Sources	\$71,292	\$5,105,775	\$9,964,561	\$2,474,248	\$1,188,355	\$1,246,400	\$1,279,089	\$21,329,720
Uses	FY 2019 - 2020	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Community Health Engagement	39,000	554,413	558,078	604,603	689,852	730,019	751,920	3,927,885
Hepatitis C Programs	32,292	71,729	246,017	354,902	450,981	382,838	390,124	1,928,883
COVID-19 Programs		4,479,633	8,955,279	1,219,620				14,654,532
OEWD Work Order			205,187	195,123	47,522			447,832
Food as Medicine				100,000				100,000
Total Uses	71,292	5,105,775	9,964,561	2,474,248	1,188,355	1,112,857	1,142,044	21,059,132
Contingency (12%)						133,543	137,045	270,588
Total Not-to-Exceed Amount	\$71,292	\$5,105,775	\$9,964,561	\$2,474,248	\$1,188,355	\$1,246,400	\$1,142,044	\$21,329,720

Source: DPH

The proposed 1.5-year extension will be funded by the General Fund (88%) and CDC grants (12%).

RECOMMENDATION

Approve the proposed resolution.

Item 3 File 24-0968	Department: Port of San Francisco
EXECUTIVE SUMMARY	
<p>Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed resolution authorizes the Port of San Francisco to accept and expend a total grant award of \$9,162,000 from the California State Transportation Agency's Port Freight Infrastructure Program (CalSTA PFIP). The funds will be used to modernize and improve the Port's Maritime Eco-Industrial Complex. The grant period extends from November 1, 2024, to June 30, 2028, with the Port providing a \$2,291,000 matching contribution from the Port Harbor Fund. <p>Key Points</p> <ul style="list-style-type: none"> • The Port of San Francisco manages 7.5 miles of waterfront property, including the Maritime Eco-Industrial Complex, which serves as a hub for manufacturing and service businesses, spanning Pier 80 through Pier 96. The Port owns the complex, with some facilities leased to private operators. • In January 2023, the Port submitted a \$36.5 million grant proposal to CalSTA for improvements to the Maritime Eco-Industrial Complex. These funds are allocated for three key projects aimed at modernizing and improving the Port's infrastructure: Pier 80 Fendering Project, Amador Street Improvement Project, and the Zero Emissions Marine Terminal Truck Fleet Study. • The U.S. Department of Transportation's Maritime Administration Port Infrastructure Development Program (MARAD PIDP) also awarded the Port a grant of \$9,607,500 for the Amador Street Improvement Project (File 24-0018). <p>Fiscal Impact</p> <ul style="list-style-type: none"> • The resolution authorizes the acceptance and expenditure of a \$9,162,000 grant from CalSTA, with the Port contributing \$2,291,000 in matching funds from the Port Harbor Fund. The grant will reimburse project costs initially covered by the Port. <p>Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT

City Charter Section 9.118(a) states that contracts entered into by a department, board, or commission that (i) have anticipated revenues of \$1 million or more, or (ii) have anticipated revenues of \$1 million or more and require modifications, are subject to Board of Supervisors approval.

City Administrative Code Section 10.170-1 states that accepting Federal, State, or third-party grant funds in the amount of \$100,000 or more, including any City matching funds required by the grant, is subject to Board of Supervisors approval.

BACKGROUND

The Port of San Francisco, a department of the City and County of San Francisco, manages 7.5 miles of waterfront property with a goal of ensuring public access to the waterfront and preserving maritime commerce. The Maritime Eco-Industrial Complex, a hub for a community of manufacturing and service businesses is located in the Southern Waterfront area and encompasses Pier 80 through Pier 96. The complex is owned and operated by the Port, with certain facilities leased to private operators.

In 2022, the California State Legislature provided \$1.2 billion in one-time funding specifically for port and freight infrastructure improvements to improve the resilience of the supply chain. The funding was provided to the California State Transportation Agency (CalSTA) to implement the Port and Freight Infrastructure Program (PFIP).

In January 2023 Port submitted a \$36.5 million grant proposal to CalSTA to improve the Maritime Eco-Industrial Complex. The project's objectives are to increase service offerings to cargo shippers, boost the utilization of existing cargo facilities, create a safer workplace for maritime workers, and develop a plan to reduce air emissions while promoting equity and environmental justice. In July 2023, CalSTA PFIP announced a \$21,582,000 award to the Port for specific projects valued at over \$36.5 million within the Maritime Eco-Industrial Complex Improvement Project. This funding will support pier, roadway, and utility upgrades, as well as the development of a plan to reduce air emissions from the fleet of trucks utilizing Port property.

On February 27, 2024, the San Francisco Port Commission authorized the Port to seek Board of Supervisors' approval to accept the \$21,582,000 CalSTA PFIP grant (Resolution No. 24-13). This portion of that funding in this resolution is for three projects within the \$36,585,000 Maritime Eco-Industrial Complex Improvement Plan: The Pier 80 Fendering Project, Amador Street Improvement Project, and Zero Emissions Marine Terminal Truck Fleet Study. A fourth project, the Pier 80 Subsidence Project, is still currently under design. The Port will approach the Board for future action to accept and expend the remaining \$12,420,000 upon design completion expected in Q1 2025.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution authorizes the Port of San Francisco to accept and expend a total grant award of \$9,162,000 from the California State Transportation Agency's Port Freight Infrastructure Program (CalSTA PFIP). These funds are allocated for three key projects aimed at modernizing and improving the Port's Maritime Eco-Industrial Complex:

1. Pier 80 Fendering Project
2. Amador Street Improvement Project
3. Zero Emissions Marine Terminal Truck Fleet Study

The grant period extends from November 1, 2024, through June 30, 2028. In compliance with the program's guidelines, the Port will provide a matching contribution of \$2,291,000 (25%) from the Port Harbor Fund. Additionally, the U.S. Department of Transportation's Maritime Administration Port Infrastructure Development Program (MARAD PIDP) has awarded a grant of \$9,607,500 for the Amador Street Improvement Project (File 24-0018). The total budget for these projects amounts to \$36,585,000. Notably, the grant terms prohibit the inclusion of indirect costs in the PFIP budget. Additionally, the proposed projects are categorically exempt from the California Environmental Quality Act (CEQA) under Section 15306, which exempts data collection and resource evaluation activities that do not cause significant environmental disturbances.

Pier 80 Fendering Project

This project aims to reinforce a berth at Pier 80 by installing new marine fenders and mooring posts (bollards) where ships can secure their ropes when docking. The enhancements will allow the terminal to handle larger ocean-going vessels, reduce operational limitations, and reduce the likelihood of damage to vessels and cargo, thereby increasing trade efficiency. Construction is expected to be complete in May 2025.

Amador Street Improvement Project

This project addresses the aging roadway, utilities, and wastewater pump station infrastructure on Amador Street, which connects to various industrial Port tenants, including makers of concrete, poultry by product, and cooking oil. Improvements will facilitate efficient transportation, reduce maintenance costs, and promote environmental sustainability. Construction is expected to be complete in April 2026.

Zero Emissions Marine Terminal Truck Fleet Study

This study aims to develop a blueprint for mitigating air emissions from the fleet of over 100 trucks utilizing Port property. The project includes assessing Pier 96 and its infrastructure to enhance electrification and exploring options for a battery recharging station or hydrogen refueling station. The study is expected to be complete in February 2025.

FISCAL IMPACT

The proposed resolution would authorize the Port of San Francisco to accept and expend a grant award of \$9,162,000 from the California State Transportation Agency's Port Freight Infrastructure Program. The Port will provide \$2,291,000 in matching funds from the Port Harbor Fund. This increase in funds will support the Pier 80 Fendering Project, the Amador Street Improvement Project, and the Zero Emissions Marine Terminal Truck Fleet Study, as shown below in Exhibit 1. The grant will reimburse project costs that are initially funded by the Port.

Exhibit 1: Grant Funded Projects

Project	CalSTA PFIP Grant (Proposed)	MARAD PIDP Grant	Port Matching Funds	Total Project Costs
Pier 80 Fendering	\$6,320,000	\$0	\$1,580,000	\$7,900,000
Amador Street Improvement	\$2,562,000*	\$9,607,500	\$640,500	\$12,810,000
Zero Emissions Marine Terminal Truck Fleet Study	\$280,000	\$0	\$70,000	\$350,000
Total	\$9,162,000	\$9,607,500	\$2,291,000	\$21,060,000

Source: Port of San Francisco

*The \$2,562,000 CalSTA PFIP grant for the Amador Street Improvement Project will be used as part of the Port's required match for the MARAD PIDP grant previously authorized under File 24-0018, which reduces the Port's local funding for the MARAD grant's matching fund requirement from \$3,202,500 to \$640,500.

RECOMMENDATION

Approve the proposed resolution.

Item 5 File 24-0958	Department: San Francisco International Airport (Airport)
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EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would approve Modification No. 2 to the San Francisco International Airport’s (Airport) project management support services contract with PGH Wong/The Allen Group Joint Venture (PGH/Allen) for the West Field Garage 675 Project, increasing the contract amount by \$14,000,000, for a total not to exceed \$17,000,000, and extending the term by four years through January 25, 2029.

Key Points

- The Airport’s West Field Garage 675 Project includes construction of a new employee parking garage, upgrades to the West Field AirTrain Station, elevated walkways between the garage and the station, and demolition of other facilities to support future development. In 2023, the Airport issued a Request for Qualifications/Request for Proposals (RFQ/RFP) to award a project management support services contract for the West Field Garage 675 Project and potentially to support the West Field Development Program. PGH/Allen was deemed the highest scoring proposer and was awarded a contract for a term of one year and an amount not to exceed \$3,000,000. In April 2024, the Airport executed contract Modification No. 1, which amended the calculation for overhead rates
- Under the contract, PGH’s scope of services include project controls and reporting, project scheduling services, project budget and estimating services, document control services, specialized technical support services, assistance of advancement of the Airport Strategic Plan, stakeholder engagement, commissioning, activation, and simulation (CAS), promoting sustainability, and project coordination. Services are performed during the pre-programming phase, programming phase, design phase, construction phase, activation phase, commissioning phase, and closeout phase. The proposed Modification No. 2 would not change the scope of services.

Fiscal Impact

- The proposed Modification No. 2 would increase the not-to-amount of the PGH/Allen contract by \$14,000,000, for a total not to exceed \$17,000,000. The contract is funded by Airport capital funds.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND

The San Francisco International Airport’s (Airport) West Field Garage 675 Project includes construction of a new employee parking garage, upgrades to the West Field AirTrain Station, elevated walkways between the garage and the station, and demolition of other facilities to support future development. The total project budget is approximately \$318 million, and the project is scheduled to break ground in early 2025 and be completed by mid-2028.

In 2023, the Airport issued a Request for Qualifications/Request for Proposals (RFQ/RFP) to award a project management support services contract for the West Field Garage 675 Project and also potentially to support the West Field Development Program. The Airport received four proposals and an evaluation panel scored them, as shown in Exhibit 1 below.¹ Proposals were evaluated on experience/qualifications (80 points), organization and key personnel (120 points), program approach (100 points), and oral interview (250 points), with a possible two percent bonus for certified local business enterprise (LBE) proposers.

Exhibit 1: Proposals and Scores from RFP

Proposer	Score (550 Possible Points)
PGH Wong/The Allen Group Joint Venture	508.75
Hollins Consulting	481.95
West Field Consultants JV	466.50
AECOM	463.50

Source: Airport

PGH Wong/The Allen Group Joint Venture (PGH/Allen) was deemed the highest scoring proposer and was awarded a contract. In November 2023, the Airport Commission approved a contract with PGH/Allen for an initial term of one year, from January 26, 2024 through January 25, 2025, and an amount not to exceed \$3,000,000. At the time, Airport staff anticipated that the contract would have a total term of approximately four and a half years and an amount of approximately \$14,000,000. In April 2024, the Airport executed Modification No. 1 to the contract, which amended the calculation for overhead rates but did not change the contract term or not-to-

¹ The evaluation panel consisted of two Airport Project Managers, a Project Manager from the San Francisco Municipal Transportation Agency (SFMTA), and a Project Architect/Project Manager from the Department of Public Works (DPW). The DPW Project Architect/Project Manager and one Airport Project Manager did not participate in the oral interviews, but they did score the written proposals.

exceed amount.² In September 2024, the Airport Commission approved Modification No. 2 to the contract to extend the contract term by four years and increased the not-to-exceed amount to \$17,000,000.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve Modification No. 2 to the Airport's project management support services contract with PGH/Allen for the West Field Garage 675 Project, increasing the not-to-exceed amount of the contract by \$14,000,000 for a total not to exceed \$17,000,000, and extending the term by four years through January 25, 2029. The proposed resolution would also affirm the Planning Department's findings under the California Environmental Quality Act (CEQA).

Under the contract, PGH's scope of services include project controls and reporting, project scheduling services, project budget and estimating services, document control services, specialized technical support services, assistance of advancement of the Airport Strategic Plan, stakeholder engagement, commissioning, activation, and simulation (CAS),³ promoting sustainability, and project coordination. Services are performed during the pre-programming phase, programming phase, design phase, construction phase, activation phase, commissioning phase, and closeout phase. The proposed Modification No. 2 would not change the scope of services.

The proposed not-to-exceed amount of \$17,000,000 is \$3,000,000 greater than the initially anticipated amount of \$14,000,000. The increase is due to additional work to support the overall West Field Development Program, and not just the West Field Garage 675 Project. According to Kristin Allen, Terminal 1 and West Field Program Manager, the West Field Garage 675 Project recently completed its programming phase with the design-builder and stakeholders and additional work is needed to support both the project and the overall West Field Development Program.

Subcontractors

The list of subcontractors is shown in Exhibit 2 below.

² The original billing rates ranged from \$40 to \$150 per hour, adjusted annually by CPI, multiplied by 2.3 – 2.5 to account for overhead and profit. The amended labor rates reduced the overhead and profit rate from 2.3 – 2.5 to 0.94 – 1.6.

³ Commissioning, Activation, and Simulation (CAS) is the standardized process to bring newly constructed or renovated buildings into fully functional Airport facilities.

Exhibit 2: List of Subcontractors

Subcontractors	Tasks
EPC Consultants, Inc.	Program Controls
Conсор PMCM, Inc.	Resident Engineer/Field Engineer
Montez Group Incorporated	Office Engineer
Martin Lee Corporations	Cost Estimating
Chaves & Associates	Document Control
Studio 151, LLC	IT/Utility Review and Coordination
RES Engineers	Material Testing and Special Inspections
Calgeotech Engineering Consultants	Geotech Review
Brightworks Northwest, LLC	Sustainability Commissiong
TY Lin, Inc.	Structural Review

Source: Airport

Performance Monitoring

Airport staff monitors contractor performance through bi-annual evaluations. One evaluation has been completed to date for the period of February through August 2024. Airport staff found that PGH/Allen met or exceeded expectations in 30 of 31 criteria, with one criterion deemed not applicable. No corrective actions were identified.

FISCAL IMPACT

The proposed Modification No. 2 would increase the not-to-amount of the PGH/Allen contract by \$14,000,000, for a total not to exceed \$17,000,000. The estimated contract budget is shown in Exhibit 3 below.

Exhibit 3: Estimated Contract Budget

Task	FY 2023-24 (5 Months)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total
Program Level Support	\$500,000	\$900,000	\$900,000	\$800,000	\$400,000	\$3,500,000
Construction/Design Management	900,000	2,200,000	2,500,000	1,900,000	500,000	8,000,000
Project Controls	300,000	750,000	800,000	750,000	400,000	3,000,000
Material Testing & Special Inspection	-	500,000	1,000,000	500,000	-	2,000,000
Subject Matter Expert Support (AirTrain, Garage, etc.)	100,000	250,000	100,000	50,000	-	500,000
Total	\$1,800,000	\$4,600,000	\$5,300,000	\$4,000,000	\$1,300,000	\$17,000,000

Source: Airport

According to Program Manager Allen, actual contract expenditures to date total \$1,522,296. The contract budget above shows projected expenditures through FY 2027-28, although the contract runs seven months into FY 2028-29. Program Manager Allen anticipates that the \$17,000,000 not-to-exceed amount will be sufficient and that additional funding will not be required for the final seven months of the contract.

The contract is funded by Airport Capital Funds.

RECOMMENDATION

Approve the proposed resolution.

<p>Item 6 File 24-0965</p>	<p>Department: Mayor’s Office, Real Estate Division (RED)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> The proposed ordinance would: (1) authorize the Director of Property to acquire real estate at 2280 Market Street; (2) approve a Purchase and Sale Agreement for an amount not to exceed \$11,620,000; (3) authorize the Director of Property to make certain modifications and take certain actions in furtherance of the Purchase Agreement; (4) adopt findings that the property is exempt surplus land under the California Surplus Land Act; (5) make certain waivers of the Administrative Code and Labor and Employment Code; (6) place the property under the jurisdiction of the Real Estate Division (RED); (7) authorize certain uses of the revenues generated from the property; and (8) affirm the Planning Department’s determination under the California Environmental Quality Act (CEQA) and adopt the Planning Department’s findings that the Purchase Agreement is consistent with the General Plan and Planning Code. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> The Gay, Lesbian, Bisexual, Transgender (GLBT) Historical Society (Historical Society) is a non-profit organization founded in 1985 that operates a small museum and an archives collection. The Historical Society is interested in expanding into a larger museum space to be able to exhibit more materials in its collection. The Mayor’s Office and Supervisor Rafael Mandelman’s Office identified the building at 2280 Market Street and decided to purchase the building to use the 2nd floor for the museum due to the location, size, and tenant income to support the museum’s operations and capital expenses. The Mayor’s Office and Supervisor Mandelman’s Office intend to lease the building to Community Arts Stabilization Trust (CAST), a non-profit that would then sublease the building to the Historical Society. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> The cost to purchase the building is \$11,620,000, which includes \$20,000 in closing costs. The building purchase is funded by a \$12,000,000 FY 2021-22 General Fund appropriation within General City Responsibility. We estimate that the building would generate net positive income of approximately \$300,000 to \$400,000 per year. <p style="text-align: center;">Policy Consideration</p> <ul style="list-style-type: none"> Because the details of the CAST lease are not yet known, and the proposed ordinance includes certain code waivers, we consider approval of the proposed ordinance to be a policy matter for the Board of Supervisors <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> Approval of the proposed ordinance is a policy matter for the Board of Supervisors. 	

MANDATE STATEMENT

Administrative Code Section 23.3 states that the Board of Supervisors must approve acquisitions and conveyances of real property by resolution. An appraisal of the property is required if the Real Estate Division determines that the fair market value is greater than \$10,000 and an appraisal review if the fair market value is greater than \$200,000.

BACKGROUND

The Gay, Lesbian, Bisexual, Transgender (GLBT) Historical Society (Historical Society) is a non-profit organization founded in 1985 that collects, preserves, and exhibits materials to promote understanding of LGBTQ history, culture, and arts. The Historical Society operates a small museum at 4127 18th Street and an archives collection at 989 Market Street. The Historical Society is interested in expanding into a larger museum space to be able to exhibit more materials in its collection.

The City’s FY 2021-22 General Fund budget included a \$12 million appropriation within General City Responsibility to purchase a building that could house a new LGBTQ history museum. In June 2024, the Board of Supervisors approved the acceptance and expenditure of a grant from the California Natural Resources Agency for \$5,500,000 for tenant improvements (\$5,000,000) and programming (\$500,000) for the museum (File 24-0562).

The Mayor’s Office and Supervisor Rafael Mandelman’s Office considered approximately 12 sites in the Castro District for a new museum location and eventually identified the building at 2280 Market Street because the 2nd floor office space was vacant and advertised for lease. The building includes approximately 11,558 square feet of occupied retail space on the ground floor and 10,772 square feet of vacant office space on the 2nd floor, as well as 37 parking spaces. The ground floor includes two suites, a 9,377 square foot space leased to Garfield Beach CVS, LLC (CVS) and subleased to BBC 2280 Market Street LLC (Barry’s Bootcamp), and a 2,181 square foot space leased to Dignity-GoHealth Urgent Care Management, LLC (Dignity Health). The Barry’s Bootcamp lease runs through January 30, 2030, with two 5-year options to extend through January 30, 2040, and the Dignity Health lease runs through April 14, 2026, with two 5-year options to extend through April 14, 2036. The Mayor’s Office and Supervisor Mandelman’s Office decided to proceed to purchase 2280 Market Street and use the 2nd floor for the museum due to the location, size, and tenant income to support the museum’s operations and capital expenses. The Real Estate Division (RED) has negotiated a Purchase and Sale Agreement with the property owner.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would

- 1. authorize the Director of Property to acquire real estate at 2280 Market Street;
- 2. approve a Purchase and Sale Agreement for an amount not to exceed \$11,620,000 including closing costs;

3. authorize the Director of Property to make certain modifications and take certain actions in furtherance of the Purchase Agreement;
4. adopt findings that the property is exempt surplus land under the California Surplus Land Act;
5. exempt the property management operation, repair, and maintenance of the property from the contracting and procurement requirements in Administrative Code Chapters 6, 14B, and 21, and Labor and Employment Code Articles 131 and 132;
6. place the property under the jurisdiction of RED;
7. authorize the Director of Property to use revenues generated from the property for
 - a. property-related costs;
 - b. 10 percent of gross revenues for RED's administrative costs for the property; and
 - c. the remainder to be retained in an account for the benefit of the museum's capital improvements, operating expenses and reserves, tenant improvements, and programming expenses; and
8. affirm the Planning Department's determination under the California Environmental Quality Act (CEQA) and adopt the Planning Department's findings that the Purchase Agreement is consistent with the General Plan and Planning Code.

An appraisal conducted by Colliers International in September 2024 found that the proposed purchase price of \$11,600,000 was fair market value. An appraisal review conducted by R. Blum and Associates affirmed the appraised value.

Purchase and Sale Agreement

As noted above, the cost of acquiring 2280 Market Street is \$11,600,000 plus \$20,000 in closing costs. Prior to closing, the City must review and approve all leases and subleases, building profit and loss statements for the past three years. The City is also entitled to inspect the property's structural, mechanical, and electrical conditions and hazardous materials. The City would assume the existing leases in the building. According to the Real Estate Division, the Historical Society inspected the building and it meets their needs. The Real Estate Division did not have copies of the inspection records.

Under the proposed purchase and sale agreement for 2280 Market Street, the Board of Supervisors and the Mayor must approve the proposed resolution by November 30, 2024.

Future CAST Lease

The Mayor's Office and Supervisor Mandelman's Office intend to lease the building to Community Arts Stabilization Trust (CAST), an arts-focused real estate non-profit organization that would then sublease the building to the Historical Society. According to the proposed ordinance, CAST will manage and operate the property. Rather than use a competitive procurement process consistent with the City's procurement regulations, the property management service provider was selected by the Mayor's Office and Supervisor Mandelman's Office and, in part for that reason, the proposed ordinance includes a waiver from Administrative

Code Chapters 21 and 6. According to Victor Ruiz-Cornejo, Mayor's Office Policy Advisor, CAST was selected due to the limited number of non-profit organizations that provide similar services.¹ The Mayor's Office and Supervisor Mandelman's Office plan to bring a CAST lease to the Board of Supervisors in early 2025. The details of the lease are not yet known, but the City intends to include an option for the Historical Society to purchase the property for a nominal amount if certain conditions are met. If the Historical Society is unable to meet those conditions, CAST would then have an option to purchase the property.

The museum would initially occupy the vacant 2nd floor office space of the building. Upon expiration of the Barry's Bootcamp and Dignity Health leases, the Historical Society would have the opportunity to potentially expand the museum into the ground floor spaces.

Building Revenues and Property Management

Under the proposed ordinance, the revenues from the commercial tenants would go first to cover the building's operations, maintenance, and repairs, and then 10 percent of gross revenues going to RED to cover its administrative costs as landlord. After that, the remainder of the funds would be placed in an account on Controller's Reserve for the museum's capital improvements, operating expenses and reserves, tenant improvements, and programming expenses.

RED would contract with Edmonson Maintenance, the current property management company in place, to manage the building. According to Andrico Penick, Director of Property, RED is requesting waivers from certain Administrative Code and Labor and Employment Code provisions (such as public works contracting procedures, local business enterprise utilization, competitive bidding, and non-discrimination in contracts) due to the need for the City to act as quickly as a landlord with issues that arise.

Tenant Improvements

According to Adam Thongsavat, District 8 Legislative Aide, the tenant improvements would be completed and the museum would open by approximately June 2027. The total estimated cost for tenant improvements is approximately \$10.2 million. The Historical Society is fundraising to cover \$5.2 million of the tenant improvement cost and the remaining portion will be covered by a \$5 million State grant. To date, the non-profit has raised \$300,000. The State grant must be spent by March 1, 2026 and requires the museum to remain operational and maintained for at least 25 years.

¹ CAST has delivered one lease-to-own project: CounterPulse, a performing arts non-profit located at 80 Turk Street. The building was purchased by CAST and then acquired by CounterPulse in 2023. In addition, in 2014, CAST acquired 1007 Market Street, renovated it, and leases it to the Luggage Store, an arts gallery, which may ultimately purchase the building. CAST is also in the early stages of managing a similar project in San Jose and two in Oakland. The Mayor's Office and District 8 staff also considered two other real estate service providers: Community Vision and Ventura Partners.

FISCAL IMPACT

The cost to purchase the building is \$11,620,000, which includes \$20,000 in closing costs. The building purchase is funded by the \$12,000,000 FY 2021-22 General Fund appropriation within General City Responsibility.

Building Profit and Loss

The Barry’s Bootcamp and Dignity Health leases are “triple net,” meaning that all operating expenses, taxes, and insurance are passed through to the tenants. In 2023, the total building income was \$1,442,103 and the total building expenses were \$829,793, for total net income of \$612,310. The 2023 income includes approximately \$304,000 in base rent paid by Zephyr, the 2nd floor tenant that has since vacated its space. Director Penick reports that the building will likely require security guard services upon transfer to the City. After accounting for the loss of rent from Zephyr, the added cost of security services, as well as the reduction of certain expenses like interest and one-time costs paid by the landlord, we estimate that the building would generate net positive income of approximately \$300,000 to \$400,000 per year.

The Barry’s Bootcamp lease runs through January 30, 2030, with two 5-year options to extend through January 30, 2040, and the Dignity Health lease runs through April 14, 2026, with two 5-year options to extend through April 14, 2036. During the base rent periods, the City would receive approximately \$3,063,088 in base rent from the Barry’s Bootcamp lease from January 2025 through January 30, 2030, and approximately \$207,168 in base rent from Dignity Health from January 2025 through April 14, 2026. If the options to renew the leases are exercised, the base rent would be reset to fair market rent at that time.

POLICY CONSIDERATION

The proposed purchase of the building is funded by a General Fund appropriation in the FY 2021-22 budget. The overall proposal to convert the building into a museum includes a potential lease with CAST that the Mayor’s Office and Supervisor Mandelman’s Office plan to bring to the Board of Supervisors for approval in early 2025. The lease would include a potential option for the Historical Society or CAST to purchase the building at a later date. Because the details of this lease are not yet known, and the proposed ordinance waivers Chapters 6, 14B, and 21 of the Administrative Code, we consider approval of the proposed ordinance to be a policy matter for the Board of Supervisors.

RECOMMENDATION

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

<p>Item 8 File 24-0986</p>	<p>Department: Technology (TIS)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed resolution would authorize the Department of Technology (TIS) to accept and expend a \$10,393,500 California Public Utilities Commission (CPUC) grant and approve the underlying grant agreement. The agreement would be effective upon approval of the proposed resolution and ends May 30, 2026. The grant would fund work to provide high-speed internet access to 432 single-family and multi-family residential buildings in the Bayview, Chinatown, and Tenderloin <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The Department of Technology’s Fiber to the Home program connects low-income housing sites to the City’s fiber network and provides residential units within those buildings free high-speed wireless internet access. In August 2024, the CPUC awarded TIS a \$10,393,500 grant to help fund an expansion of these efforts. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The proposed grant provides up to \$10,393,500 for eligible costs and has a 20 percent matching requirement or \$2,079,100. According to Brian Roberts, Special Projects Manager at the Department of Technology, \$1,575,500 of the City match will be in the form of work already completed since the grant was awarded and \$503,600 will be from TIS’s General Fund budget for the Fiber to Home program. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed resolution. 	

MANDATE STATEMENT

City Charter Section 9.118(a) states that contracts entered into by a department, board, or commission that (i) have anticipated revenues of \$1 million or more, or (ii) have anticipated revenues of \$1 million or more and require modifications, are subject to Board of Supervisors approval.

City Administrative Code Section 10.170-1 states that accepting Federal, State, or third-party grant funds in the amount of \$100,000 or more, including any City matching funds required by the grant, is subject to Board of Supervisors approval.

BACKGROUND

The Department of Technology’s (TIS) Fiber to the Home program connects low-income housing sites to the City’s fiber network and provides residential units within those buildings free high speed wireless internet access. In August 2024, the California Public Utilities Commission (CPUC) awarded TIS a \$10,393,500 grant to help fund an expansion of these efforts.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the Department of Technology to accept and expend a \$10,393,500 CPUC grant and approve the underlying grant agreement. The agreement would be effective upon approval of the proposed resolution and ends May 30, 2026. The grant would fund work to provide high-speed internet access to single-family and multi-family residential buildings in the Bayview, Chinatown, and Tenderloin, as shown below.

Exhibit 1: Buildings and Units Funded by Proposed Fiber to the Home Grant

Neighborhood	Buildings	Units
Bayview	173	2,242
Chinatown	151	2,086
Tenderloin	108	2,908
Total	432	7,236

Source: TIS

FISCAL IMPACT

The proposed grant provides up to \$10,393,500 for eligible costs and has a 20 percent matching requirement or \$2,079,100. According to Brian Roberts, Special Projects Manager at the Department of Technology, \$1,575,500 of the City match will be in the form of work already completed since the grant was awarded and \$503,600 will be from TIS’s General Fund budget for the Fiber to Home program. Exhibit 2 below shows the breakdown of the grant-funded projects for the 432 buildings.

Exhibit 2: Grant Budget

Cost Category	Grant	City Match	Total
Network Access Equipment	\$657,000	\$224,100	\$881,100
Design	\$156,800	\$39,200	\$196,000
Exterior Fiber Connection, City Staff	\$4,779,000	\$959,000	\$5,738,000
Exterior Fiber Connection, Contract	\$1,795,000	\$305,000	\$2,100,000
Fiber Optic Materials	\$2,820,000	\$539,100	\$3,359,100
Permits & Fees	\$59,800	\$12,700	\$72,500
Indirect	\$125,700	\$0	\$125,700
Total	\$10,393,300	\$2,079,100	\$12,472,400

Source: TIS

RECOMMENDATION

Approve the proposed resolution.