



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

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

Members: Connie Chan, Rafael Mandelman, Myrna Melgar

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

Wednesday, January 24, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Connie Chan, Rafael Mandelman, and Myrna Melgar

The Budget and Finance Committee met in a regular session on Wednesday, January 24, 2024, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:00 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan and Vice Chair Mandelman were noted present. Member Melgar was noted not present. A quorum was present.

COMMUNICATIONS

Brent Jalipa, Budget and Finance Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (brent.jalipa@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

231237 [Accept and Expend Grant - Retroactive - Overdose Prevention Initiative - California Department of Public Health - Substance and Addiction Prevention Branch - Amendment to Annual Salary Ordinance - Fiscal Years 2023-2024 and 2024-2025 - \$1,086,740.83]

Sponsors: Mayor; Mandelman

Ordinance retroactively authorizing the Office of the Chief Medical Examiner to accept and expend a grant in the amount of \$1,086,740.83 from the California Department of Public Health, Substance and Addiction Prevention Branch; and amending Ordinance No. 145-23 (Annual Salary Ordinance for Fiscal Years (FYs) 2023-2024 and 2024-2025) to provide for the addition of grant-funded Class 2403 Forensic Laboratory Analyst, Class 2456 Forensic Toxicologist, and Class 2457 Forensic Toxicologist Supervisor positions, as required, for the period beginning December 1, 2023, through June 30, 2028. (Medical Examiner/Coroner)

12/12/23; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 1/11/2024.

01/17/24; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Dr. Luke Rodda (Office of the Chief Medical Examiner); Sophie Hayward (Office of the City Administrator); provided an overview and responded to questions raised throughout the discussion.

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

01/17/24; CONTINUED AS AMENDED.

Heard in Committee. Speakers: None.

Chari Chan moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Chan, Mandelman

Absent: 1 - Melgar

Member Melgar was noted present at 10:06 a.m.

240005 [Amending Authorizing Agreements - Bank Credit Facility for CleanPowerSF - Public Utilities Commission]

Sponsor: Mandelman

Ordinance amending Ordinance No. 8-18, to authorize the General Manager of the San Francisco Public Utilities Commission to enter into amendments and extensions of, or replacements for, the bank credit facility agreement authorized under Ordinance No. 8-18, to provide liquidity support, as needed, for power purchases, regulatory requirements, and other financial obligations of San Francisco's CleanPowerSF community choice aggregation program for an additional term or terms not exceeding 10 years. (Public Utilities Commission)

12/15/23; RECEIVED FROM DEPARTMENT.

01/09/24; ASSIGNED to Budget and Finance Committee. 1/11/24 - President Peskin waived the 30-day rule pursuant to Board Rule No. 3.22

Heard in Committee. Speaker: Nikolai Sklaroff (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion.

Supervisor Mandelman requested to assume primary sponsorship.

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

Ayes: 3 - Chan, Mandelman, Melgar

231249 [Contract Modification - Alameda Electrical Distributors Inc. - Purchase of Electrical Supplies and Fixtures - Not to Exceed \$10,500,000]

Resolution authorizing the Office of Contract Administration to execute Modification No. 3 to Contract 1000023404 between the City and County of San Francisco and Alameda Electrical Distributors Inc. for the purchase of electrical materials, supplies and fixtures for City departments, increasing the contract amount by \$600,000 for a total contract amount not to exceed \$10,500,000 with no change to the total contract duration of May 1, 2018, through April 30, 2024. (Office of Contract Administration)
(Fiscal Impact)

12/04/23; RECEIVED FROM DEPARTMENT.

12/12/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: None.

Chair Chan moved that this Resolution be CONTINUED to the Budget and Finance Committee meeting of January 31, 2024. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

Chair Chan requested File Nos. 240023 and 240019 be called together.

240023 [Grant Agreement - Retroactive - Advocates for Human Potential, Inc. - Round 3 - 822 Geary Street - Anticipated Revenue to the City \$6,774,965]

Sponsor: Mayor

Resolution retroactively authorizing the Department of Public Health to enter into a Grant Agreement for a term commencing on execution of the Grant Agreement, through June 30, 2027, between the City and County of San Francisco ("City"), acting by and through its Department of Public Health ("DPH"), and Advocates for Human Potential, Inc., having anticipated revenue to the City of \$6,774,965 for construction at 822 Geary Street, 1st Floor; including a Permitted and Restricted Use; authorizing the Grantor to apply for a Receiver in the event of the City's default; and authorizing DPH to enter into amendments or modifications to the Grant Agreement that do not materially increase the obligations or liabilities of the City and are necessary to effectuate the purpose of the Grant. (Public Health Department)

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Drew Murrell and Nikole Trainor (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240019 [Accept and Expend Grant - Retroactive - California Department of Public Health - California Tobacco Prevention Program (CTPP) - \$3,973,298]

Sponsor: Mayor

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant increase in the amount of \$281,965 for a total amount of \$3,973,298 from the California Department of Public Health for participation in a program, entitled "California Tobacco Prevention Program (CTPP)," for the period of July 1, 2023, to June 30, 2024. (Public Health Department)

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Drew Murrell and Nikole Trainor (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

231278 [Declaration of Restrictions - ARE-SAN FRANCISCO NO. 15 OWNER, LLC - 1450 Owens Street - Initial Annual Payment to City \$72,000]**Sponsor: Dorsey**

Resolution approving a Declaration of Restrictions with the ARE-SAN FRANCISCO NO. 15 OWNER, LLC ("Owner) to establish a no-build zone on a portion of property owned by the City and County of San Francisco, adjacent to the Owner's property at 1450 Owens Street, intended for future public park uses, providing for annual payments in the initial amount of \$72,000 with 3% annual increases, to the City from Owner in exchange for such restrictions for term effective on January 1, 2024, through in perpetuity unless terminated by the City, as defined in the Declaration of Restrictions; and authorizing the Director of Property to execute any amendments, make certain modifications and take certain actions that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the Declaration of Restrictions or this Resolution. (Real Estate Department)

12/12/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Andrico Penick, Director (City Administrator's Real Estate Division); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

231247 [Contract Amendment - San Francisco Pretrial Diversion Project - Pretrial Services - \$19,763,114]

Resolution authorizing the Sheriff's Office to enter into a Fourth Amendment to a contract with the San Francisco Pretrial Diversion Project for pretrial services, increasing the contract amount by \$499,342 for a total not to exceed amount of \$19,763,114 with no change to the term of three years from July 1, 2021, through June 30, 2024, with two one-year options to extend. (Sheriff) (Fiscal Impact)

11/30/23; RECEIVED FROM DEPARTMENT.

12/12/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Patrick Leung (Sheriff's Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

The Committee requested that the Sheriff's Department and the Office of the Controller to assess whether the Pretrial Diversion Project would benefit from technical assistance to ensure its financial condition and governance meet City guidance; that the Sheriff's Department undertake an annual program monitoring process for this contract, including compliance with contract requirements and overall program performance; develop a plan to improve appearance rates for clients in assertive case management supervision; and to perform a cost/benefit analysis of the program.

Chair Chan moved that this Resolution be REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240018 [Accept and Expend Grant - U.S. Department of Transportation, Maritime Administration - Amador Street Infrastructure Improvement Project - \$9,607,500]

Sponsors: Mayor; Walton

Resolution authorizing the Port Commission to accept and expend a grant in the amount of \$9,607,500 from the United States Department of Transportation, Maritime Administration Port Infrastructure Development Program to fund the Amador Street Infrastructure Improvement Project from March 1, 2024, through February 28, 2027; and authorizing the Port Executive Director to enter into modifications to the Grant Agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Grant Agreement or this Resolution.

(Port)

(Fiscal Impact)

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Boris Delepine (Port Department); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240024 [Loan Amendment - San Cristina L.P. - 100% Affordable Housing at 1000 Market Street - Not to Exceed \$12,781,730]

Sponsor: Mayor

Resolution approving and authorizing 1) the execution of a First Amendment to the Amended and Restated Loan Agreement with San Cristina L.P., a California limited partnership, to increase the loan amount by \$1,993,694 for a new aggregate loan amount not to exceed \$12,781,730 to finance additional rehabilitation costs related to a 100% affordable, 58-unit multifamily rental housing development for very-low income formerly homeless households located at 1000 Market Street ("Project"); and 2) the Mayor and the Director of Mayor's Office of Housing and Community Development to execute documents, make certain modifications and take certain actions in furtherance of this Resolution, as defined herein. (Mayor's Office of Housing and Community Development)

(Fiscal Impact)

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: William Wilcox (Mayor's Office of Housing and Community Development); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

Chair Chan requested File Nos. 240020, 240021, and 240022 be called together.

240020 [Accept and Expend Grant - California Department of Housing and Community Development - Infill Infrastructure Grant Program - 850 Turk Street and 750 Golden Gate Avenue - \$8,091,600]

Sponsors: Mayor; Stefani and Mandelman

Resolution authorizing the Mayor's Office of Housing and Community Development to execute a Standard Agreement with California Department of Housing and Community Development (HCD) under the Infill Infrastructure Grant Program for a total award of \$8,091,600 disbursed by HCD as a grant to the City for infrastructure improvements related to property located at 850 Turk Street and 750 Golden Gate Avenue selected by the State of California for 100% affordable housing projects for the period starting on the execution date of the Standard Agreement to June 30, 2030, and as amended.

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Ryan Vanzuylen (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

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

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240021 [Accept and Expend Grant - California Department of Housing and Community Development Affordable Housing and Sustainable Communities Program - 850 Turk Street - \$31,971,048]

Sponsors: Mayor; Stefani and Mandelman

Resolution authorizing the Mayor's Office of Housing and Community Development (MOHCD) to execute the Standard Agreements with the California Department of Housing and Community Development (HCD) under the Affordable Housing and Sustainable Communities Program for a total award of \$31,971,048 including \$22,000,000 disbursed by HCD as a loan to the MP Turk Street Associates, L.P. for a 100% affordable housing project at 850 Turk Street and \$9,971,048 to be disbursed as a grant to the City for public transportation improvements near 850 Turk Street, for the period starting on the execution date of the Standard Agreements to November 30, 2043; and authorizing MOHCD to accept and expend the grant of up to \$9,971,048 for transportation, streetscape and pedestrian improvements, and other transit oriented programming and improvement as approved by HCD. (Mayor's Office of Housing and Community Development)

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Ryan Vanzuylen (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

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

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240022 [Support for the Application for California Department of Housing and Community Development's Local Government Matching Grants Program - MidPen Housing Corporation - Affordable Housing Phase I - 750 Golden Gate Avenue]

Sponsors: Mayor; Stefani and Mandelman

Resolution supporting MidPen Housing Corporation's ("Applicant") submission of an application under the Excess Sites Local Government Matching Grants Program to the California Department of Housing and Community Development to receive Program funds in order to develop and construct an affordable, 75-unit multifamily rental housing development affordable to low-income households, including one resident manager unit (the "Project") as Phase I on a state-owned Excess Site located at 750 Golden Gate Avenue ("Property"); and supporting the Applicant to submit the Project Budget ("Attachment 1") and Anticipated and Committed Project Sources ("Attachment 2") to be included in their application.

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Ryan Vanzuylen (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

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

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

231270 [Appropriation Reserve - Various Departments' Budget Appropriations on Reserve - \$48,403,840 - FY2023-2024]

Sponsor: Chan

Ordinance placing a total of \$48,403,840 in various departments' budget appropriations specified in the Mayor's Fiscal Year (FY) 2023-2024 mid-year budget reduction plan on Board of Supervisors Budget and Finance Committee Reserve in Fiscal Year 2023-2024.

12/12/23; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 1/11/2024.

Heard in Committee. Speakers: Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Marnie Regen (Larkin Street Youth Services); Lucia Obregon, Director (San Francisco Latino Parity and Equity Coalition); Charles Deffarges (Episcopal Community Services of San Francisco); Hope Kamer (Compass Family Services); Sara Shortt (Housing Rights Committee); John Avalos (Council of Community Housing Organizations); spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Chan, Mandelman, Melgar

Chair Chan requested File Nos. 240025 and 240032 be called together.

240025 [Accept and Expend Grant - San Francisco Special Events Committee - APEC-Related Overtime Costs - Total Amount of Up to \$6,500,000]

Sponsor: Mayor

Resolution authorizing the Police Department to accept and expend a grant in two payment installments with an initial payment of \$5,000,000 followed by a payment of available funds of up to \$1,500,000 for a total amount of up to \$6,500,000 from the San Francisco Special Events Committee nonprofit to fund overtime costs incurred by the Police Department in support of the City's hosting of the Asia-Pacific Economic Cooperation (APEC) Summit in November 2023; approving the associated grant agreement; and authorizing the Chief of Police to enter into modifications to the Grant Agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Grant Agreement or this Resolution. (Police Department)

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Anna Duning, Budget Director (Mayor's Office of Public Policy and Finance); Sean Elsbernd (Mayor's Office); Nicolas Menard (Office of the Budget and Legislative Analyst); Madison Tam (Office of Supervisor Matt Dorsey); provided an overview and responded to questions raised throughout the discussion. Karl Kramer (Budget Justice Coalition); Jimena Costallanos; Lorena Carillo; Marcella; Rachel Church and Junebug (Parent Voices); Salma Vellis; Raul Rivera; Lourdes Larcon; JD and Kylie Benson (Malaya Movement San Francisco); Amanda Alvarado Ford and Juan Villavazo (La Raza Centro Legal); Lucia Obregon, Director (San Francisco Latino Parity and Equity Coalition); Francisco Guerra; Selilo Nicolas; Leon; Petromillo Cervantes; Camilo Pérez-Bustillo. Executive Director National Lawyers Guild-San Francisco Bay Area; Adrian; Rithik; Miguel Carrera (Coalition on Homeless); Kristin; Zie Wei So; Chun May Chow; Casey Ho; Beck; Julia Sebastian and Keane Chukwuneta (Jobs for Justice); Alex Lalama and Cali Tamayo-Lee (San Francisco Rising); Jorge Blanco; Ines Lasarte; PJ Eugenio and Zachary Frial (SOMCAN); Jane Willford; Lorenzo Listana and Janet Daniels (Filipino Community Development Corporation); David Woo (SOMA Pilipinas); Megan; Shara; MB; Jared (Filipino Community Center); Laura Cohen; Raquel Redondiez, Director (SOMA Pilipinas); Dr. Carl Tang, Executive Director (Children's Creativity Center); Scott Rowitz, Executive Director (Yerba Buena Community Benefit Center); Nicole (Anakbayan CCSF); spoke on various concerns relating to the hearing matter.

Chair Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

240032 [Hearing - Release of Reserved Funds - Mayor's Office - Costs Related to APEC Leaders' Summit - \$6,500,000]

Hearing to consider the release of reserved funds to the Mayor's Office, placed on Budget and Finance Committee reserve by Ordinance No. 144-23 (File No. 230644), in the amount of \$6,500,000 to fund various City Departments, including the Police Department, Sheriff's Department, and Department of Emergency Management, due to costs related to the Asia-Pacific Economic Cooperation (APEC) Leaders' Summit. (Mayor's Office)

01/09/24; RECEIVED FROM DEPARTMENT.

01/09/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Anna Duning, Budget Director (Mayor's Office of Public Policy and Finance); Sean Elsbernd (Mayor's Office); Nicolas Menard (Office of the Budget and Legislative Analyst); Madison Tam (Office of Supervisor Matt Dorsey); provided an overview and responded to questions raised throughout the discussion. Karl Kramer (Budget Justice Coalition); Jimena Costallanos; Lorena Carillo; Marcella; Rachel Church and Junebug (Parent Voices); Salma Vellis; Raul Rivera; Lourdes Larcon; JD and Kylie Benson (Malaya Movement San Francisco); Amanda Alvarado Ford and Juan Villalvazo (La Raza Centro Legal); Lucia Obregon, Director (San Francisco Latino Parity and Equity Coalition); Francisco Guerra; Selilo Nicolas; Leon; Petromillo Cervantes; Camilo Pérez-Bustillo. Executive Director National Lawyers Guild-San Francisco Bay Area; Adrian; Rithik; Miguel Carrera (Coalition on Homeless); Kristin; Zie Wei So; Chun May Chow; Casey Ho; Beck; Julia Sebastian and Keane Chukwuneta (Jobs for Justice); Alex Lalama and Cali Tamayo-Lee (San Francisco Rising); Jorge Blanco; Ines Lasarte; PJ Eugenio and Zachary Frial (SOMCAN); Jane Willford; Lorenzo Listana and Janet Daniels (Filipino Community Development Corporation); David Woo (SOMA Pilipinas); Megan; Shara; MB; Jared (Filipino Community Center); Laura Cohen; Raquel Redondiez, Director (SOMA Pilipinas); Dr. Carl Tang, Executive Director (Children's Creativity Center); Scott Rowitz, Executive Director (Yerba Buena Community Benefit Center); Nicole (Anakbayan CCSF); spoke on various concerns relating to the hearing matter.

Chair Chan moved to release reserved funds to the Mayor's Office of Public Policy and Finance in the amount of \$6,500,000 and that the Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 1:29 p.m.

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