



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, Ahsha Safai

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

Wednesday, November 8, 2023

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 2 - Connie Chan, and Rafael Mandelman

Excused: 1 - Ahsha Safai

The Budget and Finance Committee met in a regular session on Wednesday, November 8, 2023, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:02 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan, and Vice Chair Mandelman were noted present. Member Safai 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.

Supervisor Safai Excused from Attendance

Chair Chan moved to excuse Supervisor Safai from attending the Budget and Finance Committee meeting on November 8, 2023. The motion carried by the following vote:

Ayes: 2 - Chan, Mandelman

Excused: 1 - Safai

REGULAR AGENDA

231084 [Accept and Expend Grant - Retroactive - United States Department of Energy - Decarbonizing Deliveries in San Francisco - \$605,620]

Sponsors: Mayor; Mandelman

Resolution retroactively authorizing the Department of the Environment (“Environment Department”) to accept and expend a grant of \$605,620 for a term of three years from September 12, 2023, through September 11, 2026, from the United States Department of Energy’s Vehicle Technologies Office to expand an electric bicycle pilot for delivery workers; and to authorize the Director of the Environment Department to enter into and execute the Grant Agreement and amendments thereto, and to execute the contracts between the City and various agencies consistent with the aforementioned proposal and necessary to carry out the purpose of the grant or this Resolution.

(Fiscal Impact)

10/17/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Joseph Piasecki, and Henna Trewn (Environment Department); 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: 2 - Chan, Mandelman

Excused: 1 - Safai

231062 [Participation Agreement - Retroactive - California Department of Health Care Services - County-Based Medi-Cal Administrative Activities - Anticipated Revenue to the City of \$1,000,000 or More]

Resolution retroactively authorizing the Department of Public Health to enter into a Participation Agreement for County-based Medi-Cal Administrative Activities effective July 1, 2019, that will remain in full force and effect until terminated by either the Department of Public Health or the California Department of Health Care Services, with anticipated revenue to the City of \$1,000,000 or more; and to authorize the Department of Public Health to enter into amendments or modifications to the agreement prior to its final execution by all parties that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the agreement or this Resolution. (Public Health Department)

10/13/23; RECEIVED FROM DEPARTMENT.

10/24/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Rowena Marania (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: 2 - Chan, Mandelman

Excused: 1 - Safai

231059 [Contract Amendment - Retroactive - Bar None Auction - Auction Services - \$2,900,000 Anticipated Revenue]

Resolution retroactively authorizing the Office of Contract Administration to execute a third amendment (Modification 3) to Contract 1000024326 with Bar None Auction for as-needed auction services; extending the duration by one year from October 1, 2023, for a total contract duration of five years from October 1, 2019, through September 30, 2024, with an increase in anticipated revenue of \$800,000 for a total anticipated revenue amount of \$2,900,000. (Office of Contract Administration)

10/10/23; RECEIVED FROM DEPARTMENT.

10/24/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Wil Alderman (City Administrator's Office of Contract Administration); 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: 2 - Chan, Mandelman

Excused: 1 - Safai

231085 [Affirming Compliance with State Housing Laws]

Sponsor: Mayor

Resolution affirming San Francisco's compliance with certain state housing laws in support of the Municipal Transportation Agency's application for funding by the Metropolitan Transportation Commission's One Bay Area Grant Program (OBAG 3).

10/17/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Joel Ramos, and Maia Small (Municipal Transportation Agency); 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: 2 - Chan, Mandelman

Excused: 1 - Safai

Chair Chan requested File Nos. 231117 and 231012 be called together.

231117 [Authorizing Expenditures - SoMa Community Stabilization Fund - \$99,000]

Sponsor: Mayor

Resolution authorizing the Mayor's Office of Housing and Community Development to expend SoMa Community Stabilization Fund dollars in the amount of \$99,000 to engage a consultant team in developing a new five-year strategic plan to address various impacts of destabilization on residents and businesses in SoMa for a term to commence effective upon approval of this Resolution through November 30, 2025. (Mayor's Office of Housing and Community Development)

10/24/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Claudine Del Rosario, and Helen Hale (Mayor's Office of Housing and Community Development); 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: 2 - Chan, Mandelman

Excused: 1 - Safai

231012 [Accept and Expend Grant - Retroactive - U.S. Department of Housing and Urban Development - Housing Opportunities for Persons with AIDS Permanent Supportive Housing Renewal - FY2023-2026 - \$1,510,695]

Sponsors: Mayor; Engardio, Dorsey and Mandelman

Resolution retroactively approving the Fiscal Year (FY) 2022 Housing Opportunities for Persons with AIDS (HOPWA) Permanent Supportive Housing Renewal Grant; and authorizing the Mayor, on behalf of the City and County of San Francisco, to accept and expend the City's FY 2022 HOPWA Permanent Supportive Housing Renewal Grant from the U.S. Department of Housing and Urban Development in the amount of \$1,510,695 for the period of June 1, 2023, through May 31, 2026. (Mayor's Office of Housing and Community Development)

09/26/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Claudine Del Rosario, and Helen Hale (Mayor's Office of Housing and Community Development); 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: 2 - Chan, Mandelman

Excused: 1 - Safai

Chair Chan requested File Nos. 230999, 231000, and 231035 be called together.

230999 [Real Property Lease Amendment - Retroactive - 716 Sacramento LLC and DLS Sacramento LLC - 716-720 Sacramento Street - \$370,000 Annual Base Rent]

Resolution approving and authorizing the Director of Property, on behalf of the Department of Public Health, to execute a Fourth Amendment to a Lease of real property located at 716-720 Sacramento Street, with 716 Sacramento LLC (73.4%) and DLS Sacramento LLC (26.6%), at a base rent of \$370,000 per year with 3% annual increases, for an initial term commencing upon execution of the Lease and after approval of this Resolution by the Board of Supervisors and Mayor, in their respective sole and absolute discretion, with a total term of December 1, 1996, through June 30, 2026, with two one-year options to extend; and to authorize the Director or Property to enter into any extensions, amendments, or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution. (Public Health Department)
(Fiscal Impact)

09/22/23; RECEIVED FROM DEPARTMENT.

10/03/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Andrico Penick, Director (City Administrator's Real Estate Division); Nicolas Menard (Office of the Budget and Legislative Analyst); Ana Validzic, and David Borgognoni (Department of Public Health); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Lines 3-11, to read ' Resolution retroactively approving and authorizing the Director of Property, on behalf of the Department of Public Health, to execute a Fourth Amendment to a Lease of real property located at 716-720 Sacramento Street, with 716 Sacramento LLC (73.4%) and DLS Sacramento LLC (26.6%), at a base rent of \$370,000 per year with 3% annual increases, for an initial term commencing July 1, 2023, with a total term of December 1, 1996, through June 30, 2026, with two one-year options to extend; and to authorize the Director or Property to enter into any extensions, amendments, or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution.' The motion carried by the following vote:

Ayes: 2 - Chan, Mandelman

Excused: 1 - Safai

Resolution retroactively approving and authorizing the Director of Property, on behalf of the Department of Public Health, to execute a Fourth Amendment to a Lease of real property located at 716-720 Sacramento Street, with 716 Sacramento LLC (73.4%) and DLS Sacramento LLC (26.6%), at a base rent of \$370,000 per year with 3% annual increases, for an initial term commencing July 1, 2023, with a total term of December 1, 1996, through June 30, 2026, with two one-year options to extend; and to authorize the Director or Property to enter into any extensions, amendments, or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution. (Public Health Department)
(Fiscal Impact)

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

Ayes: 2 - Chan, Mandelman

Excused: 1 - Safai

231000 [Lease of Property - J.D. Harney, Inc., et al. - 2205 Jennings Street - Annual Base Rent of \$264,000]

Resolution authorizing and approving the lease of a portion of the real property located at 2205 Jennings Street with J.D. Harney, Inc., a California corporation, John Daniel Harney and Bernadette Patricia Harney, Co-Trustees or Successor Trustee of the John Daniel Harney and Bernadette Patricia Harney Revocable Living Trust Under Agreement dated August 13, 1987, as Community Property, and MM1495Wall LP, a California Limited partnership, for an initial three-year term at an annual base rent of \$264,000 (or the monthly amount of \$22,000); plus 3% annual increases to base rent; plus one five-year extension option to further extend the term of the Lease; the Lease will be effective upon approval of this Resolution; and to authorize the Director of Property to enter into amendments or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution. (Real Estate Department)
(Fiscal Impact)

09/22/23; RECEIVED FROM DEPARTMENT.

10/03/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Andrico Penick, Director (City Administrator's Real Estate Division); Nicolas Menard (Office of the Budget and Legislative Analyst); Ana Validzic, and David Borgognoni (Department of Public Health); Anne Pearson (Office of the City Attorney); 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: 2 - Chan, Mandelman

Excused: 1 - Safai

231035 [Real Property Lease - Gough Club, LLC - 42 Gough Street - \$44,472 Initial Base Rent]

Resolution authorizing and approving the lease of real property located at 42 Gough Street, with Gough Club, LLC, a California limited liability corporation, for a three year term at an initial base rent of \$44,472 per year with annual rent increases based on the Consumer Price Index of 3% to 5%, with one option to extend for one-year, effective upon approval of this Resolution; authorizing the Director of Property to enter into any additions, amendments, or other modifications to the Lease that do not materially increase the obligations or liabilities of the City to effectuate the purposes of the Lease or this Resolution. (Human Services Agency)

09/29/23; RECEIVED FROM DEPARTMENT.

10/17/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Andrico Penick, Director (City Administrator's Real Estate Division); Nicolas Menard (Office of the Budget and Legislative Analyst); Ana Validzic, and David Borgognoni (Department of Public Health); Anne Pearson (Office of the City Attorney); 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: 2 - Chan, Mandelman

Excused: 1 - Safai

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 11:04 a.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.