



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, September 20, 2023

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Connie Chan, Rafael Mandelman, and Ahsha Safai

The Budget and Finance Committee met in a regular session, in-person with remote access and public comment via telephone, on Wednesday, September 20, 2023, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:03 a.m.

Remote Access to Information and Participation

The Board of Supervisors (www.sfbos.org) and its committees convene hybrid meetings that allow in-person attendance, in-person public comment (prioritized before remote public comment), remote access (watch: www.sfgovtv.org), and remote public comment via teleconference (<https://sfbos.org/remote-meeting-call>).

ROLL CALL AND ANNOUNCEMENTS

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

COMMUNICATIONS

Brent Jalipa, Budget and Finance Committee Clerk, instructed members of the public, that when general public comment is called, to contribute live comments in-person or by dialing the telephone number published on the agenda and scrolling across the screen. Clerk Jalipa further announced that in-person public comment will be taken before remote public comment is called.

*(Those who are providing public comment remotely must dial *3 to be added to the remote queue to speak. 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

230957 [Setting Property Tax Rate and Establishing Pass-Through Rate for Residential Tenants - FY2023-2024]

Sponsor: Chan

Resolution levying property taxes at a combined rate of \$1.17769382 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco County Office of Education, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing a pass-through rate of \$0.0726 per \$100 of assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for the Fiscal Year (FY) ending June 30, 2024. (Fiscal Impact)

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jaime Whitaker (Office of the Controller); 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, Safai

230939 [Executive Architectural and Engineering Design Services Agreement - RossDrulisCusenbery Architecture, Inc. - Earthquake Safety and Emergency Response Program - SFFD Fire Training Facility - Not to Exceed \$14,085,186]

Sponsors: Mayor; Mandelman and Safai

Resolution authorizing the Director of Public Works to execute a professional services agreement with RossDrulisCusenbery Architecture, Inc. for the design of the new San Francisco Fire Department (SFFD) Fire Training Facility under the Earthquake Safety and Emergency Response bond program, not to exceed \$14,100,000 with a term of five years with options to extend the term for another two years, upon the full execution of the contract and once funding has been certified. (Public Works) (Fiscal Impact)

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Scott Moran (Fire Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Supervisors Mandelman and Safai requested to be added as co-sponsors.

Chair Chan moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by reducing the not-to-exceed amount from '\$14,100,000' to '\$14,085,186' throughout the legislation. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

Resolution authorizing the Director of Public Works to execute a professional services agreement with RossDrulisCusenbery Architecture, Inc. for the design of the new San Francisco Fire Department (SFFD) Fire Training Facility under the Earthquake Safety and Emergency Response bond program, not to exceed \$14,085,186 with a term of five years with options to extend the term for another two years, upon the full execution of the contract and once funding has been certified. (Public Works) (Fiscal Impact)

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

Ayes: 3 - Chan, Mandelman, Safai

230912 [Contract Amendment - Maitri AIDS Hospice - Hospice Services - Not to Exceed \$14,130,444]

Sponsor: Mandelman

Resolution approving Amendment No. 3 to the agreement between Maitri AIDS Hospice and the Department of Public Health (DPH), to provide hospice services for chronically impaired residents of San Francisco, to increase the agreement by \$4,594,103 for an amount not to exceed \$14,130,444; to extend the term by four years, from March 31, 2024, for a total agreement term of July 1, 2017, through March 31, 2027; and to authorize DPH to enter into amendments or modifications to the contract prior to its final execution by all parties that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the contract or this Resolution. (Public Health Department) (Fiscal Impact)

08/22/23; RECEIVED FROM DEPARTMENT.

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Bill Blum (Department of Public Health); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Supervisor Mandelman requested to assume primary sponsorship.

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

Ayes: 3 - Chan, Mandelman, Safai

230915 [Amended and Restated Office Lease - Retroactive - The Lighthouse Building LLC - 1155 Market - Not to Exceed \$6,685,260.20 in Initial Year]

Resolution retroactively approving and authorizing the Director of Property to amend and restate the current lease with The Lighthouse Building LLC, as landlord, for the City's lease of approximately 103,487 square feet of rentable square feet comprised of floors one through eight at 1155 Market Street for use by approximately nine City Departments, to enter into an amended and restated office lease for a lease term of five years, commencing February 1, 2023, through January 31, 2028, with one five-year option to extend to January 31, 2033, at an initial annual rent of \$6,685,260.20 (or \$557,105.02 per month) with 3% annual increases thereafter for the remainder of the initial term; and authorizing the Director of Property to enter into any additions, amendments, or other modifications to the Restated Lease that do not materially increase the obligations or liabilities of the City to effectuate the purposes of this Resolution. (Real Estate Department)
(Fiscal Impact)

08/28/23; RECEIVED FROM DEPARTMENT.

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Andrico Penick, Director (Real Estate Division); Nicolas Menard (Office of the Budget and Legislative Analyst); Supervisor Aaron Peskin (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Thierry Fill; Francisco Da Costa; spoke on various concerns relating to the hearing matter.

Chair Chan moved that this Resolution be RECOMMENDED "DO NOT PASS." The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

230952 [Lease Amendment - Volunteers in Medicine - Increasing City Allowance Provided for Tenant Improvements - 35 Onondaga Avenue - Reimbursement of Up to \$2,970,594]

Sponsors: Safai; Mandelman

Resolution authorizing the Director of Property to execute a third amendment to a restated 10-year commercial lease, with two five-year extension options, between the City and County of San Francisco, as Landlord, and Volunteers in Medicine, DBA Clinic By the Bay, as Tenant, for the City-owned property located at 35 Onondaga Avenue; enabling reimbursement of up to a total of \$2,970,594 for Tenant's improvement costs.
(Fiscal Impact)

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Andrico Penick, Director (Real Estate Division); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Francisco Da Costa; spoke on various concerns relating to the hearing matter. Sarah Gordon (Clinic By the Bay); spoke in support of the hearing matter.

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, Safai

Chair Chan requested File Nos. 230905, 230906, and 230907 be called together.

230905 [Contract Amendment - CCT Technologies, Inc. dba Computerland of Silicon Valley Technology Marketplace - Not to Exceed \$66,500,000]

Resolution authorizing the Office of Contract Administration to execute Amendment No. 5 to Contract with CCT Technologies, Inc. dba Computerland of Silicon Valley for the purchase of technology products and specialized services on an as-needed basis; increasing the contract not to exceed amount of \$62,900,000 by \$3,600,000 for a total not to exceed amount of \$66,500,000 effective upon approval of this Resolution, with no changes to the five year contract term from January 1, 2019, through December 31, 2023. (Office of Contract Administration)
(Fiscal Impact)

08/14/23; RECEIVED FROM DEPARTMENT.

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Daniel Sanchez (Office of Contract Administration); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Francisco Da Costa; Thierry Fill; 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, Safai

230906 [Contract Amendment - Insight Public Sector, Inc. - Technology Marketplace - Not to Exceed \$43,800,000]

Resolution authorizing the Office of Contract Administration to execute Amendment No. 5 to Contract 1000018903 with Insight Public Sector, Inc. for the purchase of technology products and specialized services on an as-needed basis; increasing the contract not to exceed amount of \$40,200,000 by \$3,600,000 for a total not to exceed amount of \$43,800,000 effective upon approval of this Resolution, with no changes to the five year contract term from January 1, 2019, through December 31, 2023. (Office of Contract Administration)
(Fiscal Impact)

08/14/23; RECEIVED FROM DEPARTMENT.

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Daniel Sanchez (Office of Contract Administration); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Francisco Da Costa; Thierry Fill; 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, Safai

230907 [Contract Amendment - Zones, LLC Technology Marketplace - Not to Exceed \$26,300,000]

Resolution authorizing the Office of Contract Administration to execute Amendment No. 4 to Contract with Zones, LLC for the purchase of technology products and specialized services on an as-needed basis; increasing the contract not to exceed amount of \$24,100,000 by \$2,200,000 for a total not to exceed amount of \$26,300,000 effective upon approval of this Resolution, with no changes to the five year contract term from January 1, 2019, through December 31, 2023. (Office of Contract Administration)
(Fiscal Impact)

08/14/23; RECEIVED FROM DEPARTMENT.

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Daniel Sanchez (Office of Contract Administration); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Francisco Da Costa; Thierry Fill; 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, Safai

230865 [Amendment of the Salary Ordinance for the Police Department - Fiscal Years 2023-2024 and 2024-2025]

Sponsor: Peskin

Ordinance amending Ordinance No. 145-23 (Salary Ordinance Fiscal Years 2023-2024 and 2024-2025) to reflect the deletion of four positions (4.00 FTE) in Fiscal Year 2023-2024 and the addition of 7.69 positions (7.69 FTE) in Fiscal Year 2023-2024 in the Police Department.
(Fiscal Impact)

07/25/23; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 8/24/2023.

Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Nicolas Menard (Office of the Budget and Legislative Analyst); Anna Duning, Budget Director (Mayor's Office of Public Policy and Finance); William Scott, Chief of Police (Police Department); provided an overview and responded to questions raised throughout the discussion. Francisco Da Costa; Michael Wright; Thierry Fill; Patrick Leung (Police Department); Chriss Romero, Executive Director (Municipal Executives Association); Chris Schulman, Executive Director (Lower Polk Community Benefit District); David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan, moved that this Ordinance be CONTINUED to the Budget and Finance Committee meeting of October 4, 2023. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

230949 [Emergency Declaration - Portsmouth Square Elevators Modernization - Cost of Repairs Not to Exceed \$2,200,000]**Sponsors: Peskin; Chan, Mandelman and Safai**

Resolution approving the Recreation and Park Department General Manager's declaration of emergency under Administrative Code, Section 6.60, for the repair and replacement of the elevators at Portsmouth Square Parking Garage, with an estimated not to exceed amount of \$2,200,000.

(Recreation and Park Department)

(Fiscal Impact)

09/05/23; REFERRED FOR ADOPTION WITHOUT COMMITTEE REFERENCE AGENDA AT THE NEXT BOARD MEETING.

09/12/23; REFERRED to Budget and Finance Committee. Supervisors Chan and Mandelman requested to be added as co-sponsors.

Heard in Committee. Speakers: Stacy Bradley (Recreation and Park Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Chair Chan moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Lines 1 and 5, by striking 'estimated' before the not-to-exceed amount. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

Resolution approving the Recreation and Park Department General Manager's declaration of emergency under Administrative Code, Section 6.60, for the repair and replacement of the elevators at Portsmouth Square Parking Garage, with a not to exceed amount of \$2,200,000. (Recreation and

Park Department)

(Fiscal Impact)

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

Ayes: 3 - Chan, Mandelman, Safai

Member Safai was noted not present at 1:31 p.m. and for the remainder of the meeting.

Supervisor Safai Excused from Attendance

Chair Chan moved to excuse Supervisor Safai from attending the remainder of the Budget and Finance Committee meeting on September 20, 2023. The motion carried by the following vote:

Ayes: 2 - Chan, Mandelman

Excused: 1 - Safai

230911 [Grant Agreement Amendment - Retroactive - San Francisco-Marin Food Bank - Citywide Grocery Access - Not to Exceed \$17,828,328]

Resolution retroactively approving the second amendment to the grant agreement between the City and County of San Francisco and the non-profit San Francisco-Marin Food Bank, for the administration of the Citywide Grocery Access program, to increase the grant amount by \$6,600,000 for a total not to exceed amount of \$17,828,328 and to extend the grant period from July 1, 2023, for a total period of July 1, 2022, through June 30, 2024. (Human Services Agency)
(Fiscal Impact)

08/21/23; RECEIVED FROM DEPARTMENT.

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Susie Smith (Human Services Agency); 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

230925 [Commercial Ground Lease and First Amendment to Residential Ground Lease - 681 Florida Street Commercial LLC and 681 Florida Housing Associates, L.P. - 681 Florida Street, 683 Florida Street, and 2070 Bryant Street - Annual Base Rent of \$1]

Sponsor: Mayor

Resolution 1) approving and authorizing the Director of Property and the Mayor's Office of Housing and Community Development ("MOHCD") to enter into a Commercial Ground Lease for Real Property owned by the City and located at 683 Florida Street and 2070 Bryant Street (together, the "Commercial Property") with 681 Florida Street Commercial LLC, for a lease term of 75 years and one 24-year option to extend and an annual base rent of \$1 ("Commercial Ground Lease"), in order to develop two adjoining ground floor commercial spaces for public benefit or community-serving uses ("Commercial Project"); 2) approving and authorizing the Director of Property and the Director of MOHCD to enter into a First Amendment to Residential Ground Lease to remove the Commercial Property from the leased premises under the Residential Ground Lease between the City and 681 Florida Housing Associates, L.P.; 3) adopting findings that the Project and proposed transactions are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; 4) determining that the less than market rent payable under the Commercial Ground Lease will serve a public purpose by providing commercial spaces for community-serving spaces, in accordance with Administrative Code, Section 23.3; and 5) authorizing the Director of Property and/or the Director of MOHCD to execute the Commercial Ground Lease and the First Amendment to Residential Ground Lease and make certain modifications to such agreements, as defined herein, and take certain actions in furtherance of this Resolution, as defined herein.

(Fiscal Impact)

09/05/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Omar Masry (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: 2 - Chan, Mandelman

Excused: 1 - Safai

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 1:42 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.