

1 [Contract Amendment - 1231 Market Street Owner L.P. - Emergency Agreement - 1231  
2 Market Street - Not to Exceed Amount to \$78,972,179]

3 **Resolution approving a fifth amendment to an emergency agreement between the**  
4 **Human Services Agency (HSA) and 1231 Market Street Owner L.P., for the use of 459**  
5 **hotel rooms to house individuals experiencing homelessness or individuals who are at**  
6 **risk of developing severe COVID-19, to extend the contract term to August 31, 2022,**  
7 **with an option to extend further; and increase the contract amount by \$24,456,776 for a**  
8 **total not to exceed amount of \$78,972,179; and to authorize the Executive Director of**  
9 **HSA to enter into amendments or modifications to the contract that do not materially**  
10 **increase the obligations or liabilities to the City and are necessary to effectuate the**  
11 **purposes of the contract or this Resolution.**

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13 WHEREAS, In response to the COVID-19 pandemic, Mayor London Breed declared a  
14 “Local Emergency” on Tuesday, February 25, 2020, as supplemented from time to time,  
15 including the Thirty-Fifth Supplemental Declaration dated February 19, 2021, authorizing the  
16 extension of COVID-19-related contracts; and

17 WHEREAS, The Human Services Agency (“HSA”), in coordination with the Department  
18 of Public Health, the Department of Emergency Management, the Department of  
19 Homelessness and Supportive Housing (“HSH”), the Real Estate Division (“RED”), the Office  
20 of Contract Administration (“OCA”), and other City stakeholders (collectively, the “City’s  
21 COVID-19 Response Team”), procured hotel rooms and related emergency services in  
22 support of the Local Emergency; and

23 WHEREAS, The City uses the rooms to further the public health and safety by  
24 sheltering people who are otherwise within a vulnerable population and have no means to  
25 socially-distance from possible COVID infection; and

1           WHEREAS, The City entered into an Emergency Agreement dated April 4, 2020, with  
2           1231 Market Street Owner L.P. (“Hotel”) for the City’s use of 459 hotel rooms plus associated  
3           services, located at 1231 Market Street and commonly known as “Hotel Whitcomb”, as  
4           amended by a First Amendment to Emergency Agreement dated May 15, 2020, to include  
5           requirements for City’s reimbursement through the Federal Emergency Management Agency  
6           (“FEMA”), as further amended by a Second Amendment to Emergency Agreement dated July  
7           27, 2020, as further amended by a “Third Amendment” to Emergency Agreement dated  
8           August 28, 2020, and as further amended by a “Fourth Amendment” to Emergency  
9           Agreement dated May 3, 2021 (collectively, the “Booking Contract”); and

10           WHEREAS, The Third Amendment was approved by the Board of Supervisors through  
11           Resolution No. 380-20, a copy of the Third Amendment is on file with the Clerk of the Board in  
12           File No. 200819; and

13           WHEREAS, The Fourth Amendment was approved by the Board of Supervisors  
14           through Resolution No. 304-21, a copy of the Fourth Amendment is on file with the Clerk of  
15           the Board in File No. 210500; and

16           WHEREAS, The Booking Contract originally ran from April 8, 2020, through August 7,  
17           2020 (the initial “Booking Period”); through the Third Amendment, the Booking Period was  
18           extended through the night of June 30, 2021; through the Fourth Amendment, the Booking  
19           Period was extended through the night of February 28, 2022; and

20           WHEREAS, Section 2 of the Forty-Fifth Supplement to the February 25, 2020 Mayoral  
21           Proclamation declaring the existence of a local emergency (“Section 2 of the Forty-Fifth  
22           Supplement”) authorizes the Executive Director of the Human Services Agency (“HSA”) to  
23           extend the term of Booking Contract up to and including August 31, 2022, and authorizes a  
24           further extension beyond August 31, 2022, provided that before exercising an option to further  
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1 extend the term, the Executive Director of HSA must first obtain the approval of the Board of  
2 Supervisors by ordinance waiving any applicable restrictions in the Municipal Code; and

3 WHEREAS, City and Hotel now wish to (a) extend the term of the Booking Contract in  
4 accordance with Section 2 of the Forty-Fifth Supplement, and (b) increase the contract sum in  
5 an amount beyond \$10,000,000 in accordance with San Francisco Charter Section 9.118; and

6 WHEREAS, HSA, in consultation with the Office of the City Attorney, negotiated a  
7 proposed Fifth Amendment to Emergency Agreement (the "Fifth Amendment") with the Hotel  
8 to extend the Booking Period through August 31, 2022, with an option for the Executive  
9 Director of the Human Services Agency to further extend the term, and to increase the  
10 contract amount to a not to exceed contract amount of \$78,972,179 and;

11 WHEREAS, A copy of the Fifth Amendment is on file with the Clerk of the Board in File  
12 No. 211236; and

13 WHEREAS, FEMA funding for the Fifth Amendment may be unavailable beyond March  
14 31, 2022; and

15 WHEREAS, Charter, Section 9.118, requires Board of Supervisors approval of the Fifth  
16 Amendment to increase the contract in an amount beyond \$10,000,000; now, therefore, be it

17 RESOLVED, In accordance with Section 2 of the Forty-Fifth Supplement, that the  
18 Board of Supervisors hereby authorizes a Fifth Amendment to extend the term of the Booking  
19 Contract up to and including August 31, 2022, and authorizes a further extension beyond  
20 August 31, 2022, provided that before exercising an option to further extend the term, the  
21 Executive Director of HSA must first obtain the approval of the Board of Supervisors by  
22 ordinance waiving any applicable restrictions in the Municipal Code; and, be it

23 FURTHER RESOLVED, In accordance with San Francisco Charter Section 9.118, that  
24 the Board of Supervisors hereby authorizes an increase to the contract amount of  
25 \$24,456,776 for a total not to exceed amount of \$78,972,179; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive  
2 Director of HSA to enter into any amendments or modifications to the Booking Contract that  
3 HSA determines, in consultation with the City Attorney, do not otherwise materially increase  
4 the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes  
5 of the Booking Contract or this Resolution, and are in compliance with all applicable laws,  
6 including the City's Charter; and, be it

7 FURTHER RESOLVED, That within thirty (30) days of the Fifth Amendment being fully  
8 executed by all parties, HSA shall provide the final Fifth Amendment to the Clerk of the Board  
9 for inclusion into the official file.

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Fiscal Year 2021/2022 increase: \$11,936,427

Fund ID:	10482
Department ID:	149657
Authority ID:	10001
Project ID:	10036803
Account ID:	538010
Activity ID:	0005

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Ben Rosenfield  
Controller

Funding for Fiscal Year 2022/2023 is  
subject to the enactment of the Annual  
Appropriation Ordinance for Fiscal Year  
2022/2023.

RECOMMENDED:

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\_\_\_\_\_/s/  
Human Services Agency  
Executive Director

\_\_\_\_\_/s/  
Department of Homelessness and Supportive Housing  
Director