FILE NO. 251145 RESOLUTION NO. 587-25

[Grant Agreement - California Department of Social Services - Community Care Expansion Preservation Projects - Anticipated Revenue of $7,431,615]

Resolution approving an agreement between the City and County of San Francisco, acting by and through its Department of Public Health (DPH), and the California Department of Social Services and its third-party administrator BDO Government Services, LLC, having anticipated revenue of $7,431,615 for a performance base period commencing on execution of the Grant Agreement through June 30, 2029; and authorizing DPH to enter into amendments or modifications to the agreement 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.

WHEREAS, California Assembly Bill 172 added sections 18999.97–18999.98 to the Welfare and Institutions Code, providing the statutory basis for the California Department of Social Services ("CDSS") to administer the Community Care Expansion Preservation Program ("Program"); and

WHEREAS, The purpose of the Program is to preserve and avoid the closure of licensed residential adult and senior care facilities that serve applicants and recipients of Supplemental Security Income/State Supplementary Payment and Cash Assistance Program for Immigrants ("Qualified Residents"), with a priority for individuals experiencing or at risk of homelessness; and

WHEREAS, BDO Government Services, LLC ("BDO GS") provides services to CDSS as the third-party administrator of the Program; and

WHEREAS, In response to the Notice of Funding Availability issued for the Program, the San Francisco Department of Public Health ("DPH") elected to receive its noncompetitive

allocation of $7,431,615 for the purpose of funding Operating Subsidy Payments and Capital Projects for existing licensed adult and senior care facilities serving Qualified Residents; and

WHEREAS, DPH will engage the California Mental Health Services Authority ("CalMHSA") or another entity as a third-party administrator to fulfill the City's administrative responsibilities under the Program; and

WHEREAS, San Francisco Charter, Section 9.118(a) requires contracts entered by a department having anticipated revenue to the City of $1,000,000 or more be approved by the San Francisco Board of Supervisors by Resolution; and

WHEREAS, The Board accepted the grant in the Fiscal Year (FY) 2024 appropriations Ordinance No. 144-23 (File No. 230644); and

WHEREAS, The grant does not require an Annual Salary Ordinance amendment; and

WHEREAS, The Program Funding Agreement ("Agreement") requires a minimum match of 10% of the Program Funds allocated to DPH for Capital Projects; and

WHEREAS, The match will be funded from the General Fund; and

WHEREAS, The Agreement includes Dispute Resolution Process clauses that obligate the City to settle disputes under binding arbitration; and the prevailing party, in addition to any damages awarded by the arbitrator, shall be entitled to costs and reasonable attorneys' fees, the amount of which shall be determined by the arbitrator, in the event the parties are unable to agree; and

WHEREAS, The Agreement obligates the City to defend, indemnify, and hold harmless BDO GS, CDSS, and their officers and agents against liabilities to third persons and other losses and for any costs and expenses incurred by BDO GS and CDSS, including reasonable attorneys' fees, judgements, settlements, or penalties against all liabilities, claims, suits, demands or liens for damages to persons or property (collectively, "Claims") arising out of, resulting from, or relating to the City's performance under the Agreement; and

WHEREAS, The indemnification of BDO GS and CDSS shall survive the expiration or termination of the Agreement; and

WHEREAS, The Agreement obligates San Francisco to waive any right to seek any special, consequential, or punitive damages; indirect, or incidental damages; or for any loss of goodwill, profits, data, or loss of use arising out of, resulting from, or in any way connected with the performance or breach of the Agreement, except as otherwise provided in the Agreement or by applicable law; and

WHEREAS, A draft of the Agreement is on file with the Clerk of the Board of Supervisors in File No. 251145, which is hereby declared to be a part of this Resolution as if set forth fully herein; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby authorizes the Director of Health or the Director's designee to enter into the Agreement, for a performance base period commencing on execution of the Grant Agreement through June 30, 2029, having anticipated revenue of $7,431,615; and, be it

FURTHER RESOLVED, That said Agreement shall include Dispute Resolution Process clauses that obligate the City to settle disputes under binding arbitration; and the prevailing party, in addition to any damages awarded by the arbitrator, shall be entitled to costs and reasonable attorneys' fees, the amount of which shall be determined by the arbitrator, in the event the parties are unable to agree; and, be it

FURTHER RESOLVED, That said Agreement shall include a clause obligating the City to defend, indemnify, and hold harmless BDO GS, CDSS, and their officers and agents against Claims arising out of, resulting from, or relating to the City's performance under the Agreement; and, be it

FURTHER RESOLVED, That said Agreement shall include a clause waiving the City's right to seek any special, consequential, or punitive damages; indirect, or incidental damages;

or for any loss of goodwill, profits, data, or loss of use arising out of, resulting from, or in any way connected with the performance or breach of the Agreement, except as otherwise provided in the Agreement or by applicable law; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director of Health or the Director's designee to enter into any amendments or modifications to this agreement, that the Department determines, in consultation with the City Attorney, are in the best interests of the City, do not otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the agreement, and are in compliance with all applicable laws; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Agreement being fully executed by all parties, the Director of Health shall provide the final agreement to the Clerk of the Board for inclusion in File No. 251145.

RECOMMENDED:

/s/

Daniel Tsai

Director of Health

City and County of San Francisco
Tails
Resolution

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

File Number: 251145 **Date Passed:** December 09, 2025

Resolution approving an agreement between the City and County of San Francisco, acting by and through its Department of Public Health (DPH), and the California Department of Social Services and its third-party administrator BDO Government Services, LLC, having anticipated revenue of $7,431,615 for a performance base period commencing on execution of the Grant Agreement through June 30, 2029; and authorizing DPH to enter into amendments or modifications to the agreement 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.

December 03, 2025 Budget and Finance Committee - RECOMMENDED

December 09, 2025 Board of Supervisors - ADOPTED

Ayes: 10 - Chan, Chen, Dorsey, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton
Excused: 1 - Wong

File No. 251145

I hereby certify that the foregoing Resolution was ADOPTED on 12/9/2025 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Daniel Lurie
Mayor

12/17/25

Date Approved