



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, April 19, 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 regular session, in-person with remote access and public comment via telephone, on Wednesday, April 19, 2023, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:00 a.m.

Remote Access to Information and Participation

The Board of Supervisors 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>). Members of the public may also submit their comments by email to the Clerk listed above; all comments received will be made a part of the official record.

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 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 to the Clerk listed above 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

230221 [Accept and Expend Grant - Retroactive - California Coastal Conservancy - Islais Creek Interpretive Program - \$70,000]

Sponsors: Mayor; Walton and Mandelman

Resolution retroactively authorizing the Port of San Francisco to accept and expend grant funds in the amount of \$70,000 from the California Coastal Conservancy to fund the Islais Creek Interpretive Program from February 1, 2023, through February 29, 2024.

02/28/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Noel Aquino (Port Department); Nicolas Menard (Office of the Budget and Legislative Analyst); 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: 2 - Chan, Mandelman

Absent: 1 - Safai

Member Safai was noted present at 10:11 a.m.

230257 [Appropriation - Ambulance Service Revenue - Fire Department - \$4,236,098, and De-Appropriations \$62,348,096 and Appropriations - Various Departments - \$66,584,194 - FY2022-2023]

Sponsor: Mayor

Ordinance appropriating \$4,236,098 in Ambulance Service Revenue in the Fire Department, de-appropriating \$59,465,687 from permanent salaries and mandatory fringe benefits, and appropriating \$62,547,210 to overtime in the Department of Emergency Management, Department of Public Health, Department of Public Works, Fire Department, San Francisco Public Utilities Commission, and the Sheriff's Department and appropriating \$1,154,575 to Materials and Supplies in the Fire Department, in order to support the Departments' projected increases in overtime as required per Administrative Code, Section 3.17, in Fiscal Year (FY) 2022-2023; this Ordinance requires a two-thirds vote of all members of the Board of Supervisors, pursuant to Charter, Section 9.113(c). (Pursuant to Charter, Section 9.113(c), this matter shall require a vote of two-thirds (8 votes) of all members of the Board of Supervisors to approve such appropriation ordinance for passage.)

03/07/23; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 4/6/2023.

Heard in Committee. Speakers: Anna Duning, Budget Director (Mayor's Office of Public Policy and Finance); Nicolas Menard (Office of the Budget and Legislative Analyst); Jennifer Boffi and Luenna Kim (Department of Public Health); Mark Corso (Fire Department); Bruce Robertson (Public Works); Nancy Hom and Joel Prather (Public Utilities Commission); Antonio Guerra (Recreation and Park Department); Tom Paulino (Mayor's Office); provided an overview and responded to questions raised throughout the discussion. Speaker; spoke in support of the hearing matter.

Chair Chan moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by increasing the total amount de-appropriated from permanent salaries and mandatory fringe benefits from '\$59,465,687' to '\$62,348,096'; by increasing the amount appropriated to overtime to various departments from '\$62,547,210' to '\$65,429,619'; on Page 7, by increasing the amount de-appropriated from the Department of Public Health from '\$29,200,000' to '\$30,700,000'; on Page 8, by increasing the amount de-appropriated from Public Works from '\$267,591' to '\$500,000'; on Page 9, by increasing the amount de-appropriated from the Public Utilities Commission from '\$1,400,000' to '\$1,500,000'; on Page 10, by adding the de-appropriated amount of \$1,050,000 from Recreation and Parks; on Page 16, by increasing the amount appropriated to the Department of Public Health from '\$29,200,000' to '\$30,700,000', and by increasing the amount appropriated to Public Works from '\$267,591' to '\$500,000'; on Page 18, by increasing the amount appropriated to the Public Utilities Commission from '\$1,400,000' to '\$1,500,000'; on Page 19, by adding \$1,050,000 to be appropriated to Recreation and Park, and increasing the Total Uses Appropriation from '\$63,701,785' to '\$66,584,194'; and by making other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

Ordinance appropriating \$4,236,098 in Ambulance Service Revenue in the Fire Department, de-appropriating \$62,348,096 from permanent salaries and mandatory fringe benefits, and appropriating \$65,429,619 to overtime in the Department of Emergency Management, Department of Public Health, Department of Public Works, Fire Department, San Francisco Public Utilities Commission, Sheriff's Department, and the Recreation and Parks Department and appropriating \$1,154,575 to Materials and Supplies in the Fire Department, in order to support the Departments' projected increases in overtime as required per Administrative Code Section 3.17; this Ordinance requires a two-thirds vote of all members of the Board of Supervisors, pursuant to Charter Section 9.113(c).

(Pursuant to Charter, Section 9.113(c), this matter shall require a vote of two-thirds (8 votes) of all members of the Board of Supervisors to approve such appropriation ordinance for passage.)

Chair Chan moved that this Ordinance be CONTINUED AS AMENDED to the Budget and Finance Committee meeting of April 26, 2023. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

230344 [Authorization to Gift Debenham Comedy Recording Collection to Emerson College]

Resolution authorizing the San Francisco Public Library to gift the Debenham Comedy Recording Collection to Emerson College. (Public Library)

03/27/23; RECEIVED FROM DEPARTMENT.

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Susan Goldstein (Public Library); provided an overview and responded to questions raised throughout the discussion. Speaker; spoke in support of the hearing matter.

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

Ayes: 3 - Chan, Mandelman, Safai

230207 [Contract Agreement - Retroactive - Michelin North America, Inc. - SFMTA Tire Lease and Associated Services - Not to Exceed \$18,900,000]

Resolution retroactively authorizing the Office of Contract Administration to enter into Contract 1000028080 between the City and County of San Francisco and Michelin North America, Inc., for the lease of tires and associated services for San Francisco Municipal Transportation Agency (SFMTA) buses and trolleys with an initial contract not to exceed amount of \$13,500,000 for five years and \$5,400,000 for an optional additional two years, for a total not to exceed amount of \$18,900,000 and total contract duration of seven years commencing on April 1, 2023, and ending on March 31, 2030.
(Office of Contract Administration)
(Fiscal Impact)

02/27/23; RECEIVED FROM DEPARTMENT.

03/07/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

04/12/23; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Sailaja Kurella, Director (Office of Contract Administration); Nicolas Menard (Office of the Budget and Legislative Analyst); Ashish Patel and Louis Guzzo (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion.

04/12/23; CONTINUED AS AMENDED.

Heard in Committee. Speakers: Sailaja Kurella, Director (Office of Contract Administration); Louis Guzzo and Ashish Patel (Municipal Transportation Agency); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Speaker; 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

230337 [Contract Amendment - Bay Cities Produce Co, Inc. - Purchase of Fresh and Frozen Produce for ZSFGH and LHH - Not to Exceed \$11,100,000]

Resolution authorizing the Office of Contract Administration to execute a second modification (Modification 2) to Contract 1000015904 with Bay Cities Produce Co, Inc. for the purchase of fresh and frozen produce for Zuckerberg San Francisco General Hospital (ZSFGH) and Laguna Honda Hospital (LHH) by Department of Public Health, increasing the contract amount by \$6,049,853.57 for a total not to exceed amount of \$12,067,569 and extending the term by two years from September 30, 2024, for a total contract duration of seven years from October 1, 2019, through September 30, 2026. (Office of Contract Administration)
(Fiscal Impact)

03/17/23; RECEIVED FROM DEPARTMENT.

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Sailaja Kurella, Director (Office of Contract Administration); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Speaker; shared various concerns relating to the hearing matter.

Chair Chan moved that this Resolution be RECOMMENDED. Before the vote was taken, Chair Chan withdrew this motion to recommend.

Chair Chan moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to reduce the increased contract amount from '\$6,049,853.57' to '\$5,082,284.57'; and reduce the total not-to-exceed amount from '12,067,569' to '\$11,100,000' throughout the legislation. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

Resolution authorizing the Office of Contract Administration to execute a second modification (Modification 2) to Contract 1000015904 with Bay Cities Produce Co, Inc. for the purchase of fresh and frozen produce for Zuckerberg San Francisco General Hospital (ZSFGH) and Laguna Honda Hospital (LHH) by Department of Public Health, increasing the contract amount by \$5,082,284.57 for a total not to exceed amount of \$11,100,000 and extending the term by two years from September 30, 2024, for a total contract duration of seven years from October 1, 2019, through September 30, 2026. (Office of Contract Administration)
(Fiscal Impact)

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

Ayes: 3 - Chan, Mandelman, Safai

Chair Chan requested File Nos. 230169, 230170, and 230171 be called together.

230169 [Accept and Expend Grant - Bay Area Young Survivors - Golden Gate Park - \$500,000]

Sponsors: Mayor; Chan, Mandelman and Safai

Resolution authorizing the Recreation and Park Department to accept and expend cash and/or in-kind grants from the Bay Area Young Survivors valued at up to \$500,000 for the design and construction of the renovated seating area with memorial elements in Golden Gate Park for the project term of upon approval of this Resolution until notice of substantial completion; and authorizes the Recreation and Park General Manager to enter into amendments or modifications to the grant that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the grant or this Resolution. (Recreation and Park Department)

02/14/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Abigail Maher, Toni Moran, and LaMonte Bishop (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Speaker; spoke on various concerns relating to the hearing matter. Maggie Dong; Marie Sayles (Bay Area Ridge Trail Council); Ali Kent (Bay Area Young Survivors); Anni Chung (Self-Help for the Elderly); spoke in support of the hearing matter.

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

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

Ayes: 3 - Chan, Mandelman, Safai

230170 [Accept and Expend Grant - Retroactive - California State Parks Department Specified Grant - Portsmouth Square Renovation Project - \$6,000,000]

Sponsors: Mayor; Peskin, Chan, Mandelman and Safai

Resolution retroactively authorizing the Recreation and Park Department to accept and expend a grant from the California Department of Parks and Recreation in the amount of \$6,000,000 for the Portsmouth Square Renovation Project; approving the associated grant agreement for a term from July 1, 2022, through June 30, 2026; and authorizing the Recreation and Park Department to enter into amendments or modifications to the agreement that do not materially increase the obligations or liabilities of the City and are necessary to effectuate the purposes of the project or this Resolution.

02/14/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Abigail Maher, Toni Moran, and LaMonte Bishop (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Speaker; spoke on various concerns relating to the hearing matter. Maggie Dong; Marie Sayles (Bay Area Ridge Trail Council); Ali Kent (Bay Area Young Survivors); Anni Chung (Self-Help for the Elderly); spoke in support of the hearing matter.

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

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

Ayes: 3 - Chan, Mandelman, Safai

230171 [Accept and Expend Grant - Retroactive - South Sunset Clubhouse and Playground Renovation Project - \$2,300,000]**Sponsors: Mayor; Engardio, Chan, Mandelman and Safai**

Resolution retroactively authorizing the Recreation and Park Department to accept and expend a grant from the California Department of Parks and Recreation in the amount of \$2,300,000 for the South Sunset Clubhouse and Playground Renovation Project; approving the associated grant agreement for a term from July 1, 2022, through June 30, 2026; and authorizing the Recreation and Park Department 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 purposes of the project or this Resolution. (Recreation and Park Department)

02/14/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Abigail Maher, Toni Moran, and LaMonte Bishop (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Speaker; spoke on various concerns relating to the hearing matter. Maggie Dong; Marie Sayles (Bay Area Ridge Trail Council); Ali Kent (Bay Area Young Survivors); Anni Chung (Self-Help for the Elderly); spoke in support of the hearing matter.

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

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. 230204 and 230342 be called together.

230204 [Airline and Airport 2023 Lease and Use Agreement]

Resolution approving the 2023 Lease and Use Agreement between the City and County of San Francisco, acting by and through its Airport Commission, and 29 airlines to conduct flight operations at the San Francisco International Airport, for a term of ten years, from July 1, 2023, through June 30, 2033; affirming the Planning Department's determination under the California Environmental Quality Act; and to authorize the Airport Director to enter into 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. (Airport Commission)

02/17/23; RECEIVED FROM DEPARTMENT.

03/07/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

04/05/23; CONTINUED. Heard in Committee. Speaker: David Pilpel; spoke on various concerns regarding the hearing matter.

Heard in Committee. Speaker: David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan moved that this Resolution be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

230342 [Airline and Airport 2023 Lease and Use Agreement - Various Airlines]

Resolution approving the 2023 Lease and Use Agreement between the City and County of San Francisco, acting by and through its Airport Commission, and 11 airlines to conduct flight operations at the San Francisco International Airport, for a term of ten years, from July 1, 2023, through June 30, 2033; affirming the Planning Department's determination under the California Environmental Quality Act; and to authorize the Airport Director to enter into 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. (Airport Commission)
(Fiscal Impact)

03/23/23; RECEIVED FROM DEPARTMENT.

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: David Pilpel; spoke on various concerns relating to the hearing matter.

Chair Chan moved that this Resolution be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai

Chair Chan requested File Nos. 230376, 230377, 230378, 230379, and 230380 be called together.

230376 [Multifamily Housing Revenue Notes - Sunnydale HOPE SF Block 3A - Not to Exceed \$68,761,006]

Sponsors: Mayor; Walton, Mandelman and Safai

Resolution authorizing the execution and delivery of a multifamily housing revenue note (tax-exempt) in a principal amount not to exceed \$43,761,006 and a multifamily housing revenue note (taxable) in an aggregate principal amount not to exceed \$25,000,000 for the purpose of providing financing for the construction of a 80-unit multifamily rental housing project known as "Sunnydale HOPE SF Block 3A," for a total amount not to exceed \$68,761,006; approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the loan from the funding lender identified therein to the City and for the execution and delivery of the notes; approving the form of and authorizing the execution of a borrower loan agreement providing the terms and conditions of the loan from the City to the borrower; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; approving the form of and authorizing the execution of an assignment of deed of trust and loan documents; authorizing the collection of certain fees; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance, execution and delivery of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$53,000,000 (tax-exempt); approving modifications, changes and additions to the documents; ratifying and approving any action heretofore taken in connection with the back-to-back loans, the notes and the project; granting general authority to City officials to take actions necessary to implement this Resolution, as defined herein; and related matters, as defined herein.

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jason Luu, Ryan Vanzuylen, Cindy Heavens, and Lydia Ely (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. Speaker; spoke in support of the hearing matter. Ace Washington; David Pilpel; spoke on various concerns relating to the hearing matter.

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

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

Ayes: 3 - Chan, Mandelman, Safai

230377 [Loan Agreement - Sunnydale Block 3A Housing Partners, L.P. - Sunnydale HOPE SF Block 3A - 100% Affordable Housing - Loan Amount Not to Exceed \$27,272,065] Sponsors: Mayor; Walton, Mandelman and Safai

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to (1) execute an Amended and Restated Loan Agreement with Sunnydale Block 3A Housing Partners, L.P., a California limited partnership, for a total loan amount not to exceed \$14,862,818 to finance the construction of a 80-unit multifamily rental housing development for low-income households, which will be known as Sunnydale HOPE SF Block 3A (the "Project"), and (2) to execute a Loan Agreement with Sunnydale Commercial LLC, a California limited liability company, for a total loan amount not to exceed \$12,409,247 to finance the community-serving commercial parcel connected to the 100% affordable housing Project (the "Commercial Project") for a total amount not to exceed \$27,272,065; and adopting findings that the loan agreements are consistent with the adopted Mitigation Monitoring and Reporting Program under the California Environmental Quality Act, the General Plan, and the eight priority policies of Planning Code, Section 101.1. (Mayor's Office of Housing and Community Development)
(Fiscal Impact)

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jason Luu, Ryan Vanzuylen, Cindy Heavens, and Lydia Ely (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. Speaker; spoke in support of the hearing matter. Ace Washington; David Pilpel; spoke on various concerns relating to the hearing matter.

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

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

Ayes: 3 - Chan, Mandelman, Safai

230378 [Accept and Expend Grant - California Department of Housing and Community Development Affordable Housing and Sustainable Communities Program - Sunnydale Block 3A - \$21,205,299]

Sponsors: Mayor; Walton, Mandelman and Safai

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" or "Department") under the Affordable Housing and Sustainable Communities Program for a total award of \$21,205,299 including \$10,850,000 disbursed by HCD as a loan to the Sunnydale Block 3A Housing Partners, L.P. ("Developer") for a 100% affordable housing project at 1545 Sunnydale Avenue and \$10,355,299 to be disbursed as a grant to the City for public transportation improvements near 1545 Sunnydale Avenue, for the period starting on the execution date of the Standard Agreements to November 30, 2042; and authorizing MOHCD to accept and expend the grant of up to \$10,355,299 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)

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jason Luu, Ryan Vanzuylen, Cindy Heavens, and Lydia Ely (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. Speaker; spoke in support of the hearing matter. Ace Washington; David Pilpel; spoke on various concerns relating to the hearing matter.

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

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

Ayes: 3 - Chan, Mandelman, Safai

230379 [Multifamily Housing Revenue Note - Hunters View Phase 3 - Vertical - Not to Exceed \$76,000,000]**Sponsors: Mayor; Walton, Mandelman and Safai**

Resolution authorizing the execution and delivery of a multifamily housing revenue note in one or more series in an aggregate principal amount not to exceed \$76,000,000 for the purpose of providing financing for the construction of a 118-unit multifamily rental housing project known as "Hunters View Phase 3 - Vertical"; approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the construction loan from the construction funding lender to the City, and the execution and delivery of the construction note; approving the form of and authorizing the execution of a project loan agreement providing the terms and conditions of the construction loan from the City to the borrower; approving the form of and authorizing the execution of an amended and restated funding loan agreement providing the terms and conditions of the permanent loan from the permanent funding lender to the City, and the execution and delivery of the permanent note; approving the form of and authorizing the execution of an amended and restated project loan agreement providing the terms and conditions of the permanent loan from the City to the borrower; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants for each site of the subject project; authorizing the collection of certain fees; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue bonds by the City in an aggregate principal amount not to exceed \$76,000,000; approving modifications, changes and additions to the documents; ratifying and approving any action heretofore taken in connection with the back-to-back loans, the notes and the project; granting general authority to City officials to take actions necessary to implement this Resolution, as defined herein; and related matters, as defined herein.

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jason Luu, Ryan Vanzuylen, Cindy Heavens, and Lydia Ely (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. Speaker; spoke in support of the hearing matter. Ace Washington; David Pilpel; spoke on various concerns relating to the hearing matter.

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

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

Ayes: 3 - Chan, Mandelman, Safai

230380 [Loan Agreement - HV Partners 3, LP - Hunters View HOPE SF Vertical Phase III - 100% Affordable Housing - Not to Exceed \$50,495,000]**Sponsors: Mayor; Walton, Mandelman and Safai**

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development ("MOHCD") to execute an Amended and Restated Loan Agreement with HV Partners 3, LP, a California limited partnership, for a total loan amount not to exceed \$50,495,000 to finance the construction of a 118-unit multifamily rental housing development for low-income households, which will be known as Hunters View HOPE SF Vertical Phase III (the "Project"); adopting findings that the loan agreement is consistent with the adopted Mitigation Monitoring and Reporting Program under the California Environmental Quality Act, the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing the Director of MOHCD or his or her designee to enter into any amendments or modifications to the loan agreement and any other documents or instruments necessary in connection therewith that the Director determines are in the best interest of the City, do not materially increase the obligations or liabilities for the City or materially diminish the benefits of the City, and are necessary or advisable to effectuate the purposes and intent of this Resolution. (Mayor's Office of Housing and Community Development)
(Fiscal Impact)

04/04/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jason Luu, Ryan Vanzuylen, Cindy Heavens, and Lydia Ely (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. Speaker; spoke in support of the hearing matter. Ace Washington; David Pilpel; spoke on various concerns relating to the hearing matter.

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

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. 230319 and 230318 be called together.

230319 [Loan Amendment - TURK 500 ASSOCIATES, L.P. - 100% Affordable Housing - 555 Larkin Street - Not to Exceed \$23,805,311]

Sponsors: Mayor; Preston and Mandelman

Resolution approving and authorizing the execution of a First Amendment to the Amended and Restated Loan Agreement with TURK 500 ASSOCIATES, L.P., a California limited partnership, to increase the loan amount by \$4,266,311 for a new total loan amount not to exceed \$23,805,311 to finance additional construction costs and loss of permanent financing related to the 100% affordable, 108-unit multifamily rental housing development (plus one staff unit) for low and moderate income households located at 555 Larkin Street in the Tenderloin neighborhood ("Project"); adopting findings that the First Amendment to the Amended and Restated Loan Agreement is consistent with the General Plan, and the priority policies of Planning Code, Section 101.1; and to authorize the Mayor and the Director of Mayor's Office of Housing and Community Development to enter into amendments or modifications to the First Amendment 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. (Fiscal Impact)

03/21/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Lydia Ely and Sara Amaral (Mayor's Office of Housing and Community Development); Nicolas Menard (Office of the Budget and Legislative Analyst); Catherine Spaulding (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion. Smitha Seshadri (Bridge Housing); Elizabeth Madrigal and Kevin Kitchingham (Mission Housing); Charlie Sciammas (Council of Community Housing Organizations); Mitchell Mankin (San Francisco Housing Development Corporation); spoke in support of the hearing matter. Speaker; David Pilpel; spoke on various concerns relating to the hearing matter.

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

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, Safai

230318 [Loan Amendment - 4840 Mission Associates, L.P. - 100% Affordable Housing - 4840 Mission Street - Not to Exceed \$37,728,757]**Sponsors: Mayor; Safai and Mandelman**

Resolution approving and authorizing the execution of a First Amendment to the Loan Agreement with 4840 Mission Associates, L.P., a California limited partnership, to increase the loan amount by \$8,977,307 for a new total loan amount not to exceed \$37,728,757 to finance additional construction costs related to the 100% affordable, 137-unit multifamily rental housing development (plus two staff unit) for low and moderate income households located at 4840 Mission Street; authorizing 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; and to authorize the Mayor and the Director of Mayor's Office of Housing and Community Development to enter into amendments or modifications to the First Amendment 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. (Mayor's Office of Housing and Community Development)
(Fiscal Impact)

03/21/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Lydia Ely and Sara Amaral (Mayor's Office of Housing and Community Development); Nicolas Menard (Office of the Budget and Legislative Analyst); Catherine Spaulding (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion. Smitha Seshadri (Bridge Housing); Elizabeth Madrigal and Kevin Kitchingham (Mission Housing); Charlie Sciammas (Council of Community Housing Organizations); Mitchell Mankin (San Francisco Housing Development Corporation); spoke in support of the hearing matter. Speaker; David Pilpel; spoke on various concerns relating to the hearing matter.

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

Chair Chan moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 4, Lines 18-23, by striking 'FURTHER RESOLVED, That the Board of Supervisors hereby finds that the public interest or necessity will not be inconvenienced by the grant of the Easements, and that offering the Easement by competitive bidding process or auction would be impractical because PG&E must facilitate utilities for the Project, which is serving a public purpose by allowing the construction of affordable housing for low-income households in need on the Property; and, be it'. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Safai
(Fiscal Impact)

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

Ayes: 3 - Chan, Mandelman, Safai

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 1:26 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.