



City and County of San Francisco
Meeting Minutes
Budget and Finance Sub-Committee

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

Members: Sandra Lee Fewer, Catherine Stefani, Rafael Mandelman

Clerk: Linda Wong (415) 554-7719

Wednesday, March 13, 2019

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Sandra Lee Fewer, Catherine Stefani, and Rafael Mandelman

The Budget and Finance Sub-Committee met in a regular session on Wednesday, March 13, 2019, with Chair Sandra Lee Fewer presiding. Chair Fewer called the meeting to order at 10:07 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Fewer and Vice Chair Stefani were noted present. Member Mandelman was noted not present. A quorum was present.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Member Mandelman was noted present at 10:08 a.m.

190058 [Revenue Agreement Amendment - JC Decaux San Francisco, LLC - Extending Term to April 25, 2019]

Sponsor: Peskin

Resolution retroactively approving the Sixth Amendment to the Revenue Agreement between Public Works and JC Decaux San Francisco, LLC, for the Automatic Public Toilet and Public Service Kiosk Program extending the contract term by 90 days, changing the termination date from January 25, 2019, to April 25, 2019.

01/15/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/27/19; CONTINUED. Heard in Committee. Speakers: Jeremy Spitz and Julia Dawson (Public Works); Supervisor Aaron Peskin (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Speaker; spoke neither in support nor opposition to the hearing matter.

03/06/19; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Sunny Angulo (Office of Supervisor Aaron Peskin); provided an overview and responded to questions raised throughout the discussion. Julia Dawson (Public Works); spoke in support of the hearing matter.

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

Ayes: 3 - Fewer, Stefani, Mandelman

Chair Fewer requested File Nos. 190166 and 190167 be called together.

190166 [Lease of City Property - La Cocina, Inc. - 101 Hyde Street - Annual Base Rent \$12,000]

Sponsors: Mayor; Haney

Resolution authorizing the Director of Property to execute a commercial lease between the City and County of San Francisco and La Cocina, Inc., for the lease of City-owned property located at 101 Hyde Street for a term to commence upon full execution of the lease through December 31, 2025, for an annual base rent of \$12,000 plus percentage rent of net income and a \$1,465,000 allowance for tenant improvements; adopting California Environmental Quality Act findings; and making findings that the proposed transaction is in conformance with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

02/12/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/27/19; CONTINUED. Heard in Committee. Speakers: Severin Campbell (Office of the Budget and Legislative Analyst); Lisa Pagan (Office of Economic and Workforce Development); Supervisors Aaron Peskin and Matt Haney (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Linda Espitzo (La Cocina); spoke in support of the hearing matter. Jennifer Friedenbach (Coalition on Homelessness); spoke neither in support nor opposition to the hearing matter.

03/06/19; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Supervisor Matt Haney (Board of Supervisors); Mara Blitzer (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion. Simon Bertrang (Tenderloin Community Benefit District); Dan Williams (Piano Fight); David Elliott Lewis (Central City SRO Collaborative); Abraham Field (La Voz Latina); Gail Seagraves and Pratibha Tekkey (CCSRO); Kim Jackson (Local 2 Hotel Workers Union); David Seward (UC Hastings); John Almaraz; Karina Mora (La Voz Latina); Felicia Smith; Speaker; Sandy Altzar; Johana Ramirez; Lisseth Sanchez (La Cocina); spoke in support of the hearing matter.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190167 [Accept and Expend Gift - San Francisco Foundation - 101 Hyde Street - \$1,000,000]**Sponsors: Mayor; Haney**

Resolution authorizing the Mayor's Office of Housing and Community Development to accept and expend a gift of \$1,000,000 from the San Francisco Foundation to the Neighborhood Development Special Revenue Fund; and approving the City's use of those funds for the interim activation of City property located at 101 Hyde Street.

02/12/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/27/19; CONTINUED. Heard in Committee. Speakers: Severin Campbell (Office of the Budget and Legislative Analyst); Lisa Pagan (Office of Economic and Workforce Development); Supervisors Aaron Peskin and Matt Haney (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Linda Espitzo (La Cocina); spoke in support of the hearing matter. Jennifer Friedenbach (Coalition on Homelessness); spoke neither in support nor opposition to the hearing matter.

03/06/19; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Supervisor Matt Haney (Board of Supervisors); Mara Blitzer (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion. Simon Bertrang (Tenderloin Community Benefit District); Dan Williams (Piano Fight); David Elliott Lewis (Central City SRO Collaborative); Abraham Field (La Voz Latina); Gail Seagraves and Pratibha Tekkey (CCSRO); Kim Jackson (Local 2 Hotel Workers Union); David Seward (UC Hastings); John Almaraz; Karina Mora (La Voz Latina); Felicia Smith; Speaker; Sandy Altzar; Johana Ramirez; Lisseth Sanchez (La Cocina); spoke in support of the hearing matter.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190168 [Accept and Expend Grant - Retroactive - San Francisco Bay Area Rapid Transit District - Pit Stop Public Toilet Program - \$225,000]**Sponsor: Mayor**

Resolution retroactively authorizing Public Works to accept and expend a grant in an amount up to \$225,000 from the San Francisco Bay Area Rapid Transit District (BART) for the Pit Stop Public Toilet Program for the period of July 1, 2018, through June 30, 2019. (Public Works)
(Fiscal Impact)

02/12/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

03/05/19; SUBSTITUTED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Jeremy Spitz (Public Works); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190220 [Accept and Expend Grant - California State Senate Bill 1 Local Partnership Program - Alemany Boulevard Pavement Renovation - \$1,750,000]**Sponsors: Mayor; Safai**

Resolution authorizing the acceptance and expenditure of California State Senate Bill 1 Local Partnership Program formulaic funding in the amount of \$1,750,000 for San Francisco Public Works' Alemany Boulevard Pavement Renovation project.

(Fiscal Impact)

02/26/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Elizabeth Ramos (Public Works); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190254 [Multifamily Housing Revenue Bonds - 385-387 Eddy Street - Not to Exceed \$35,000,000]**Sponsor: Mayor**

Resolution declaring the intent of the City and County of San Francisco ("City") to reimburse certain expenditures from proceeds of future bonded indebtedness; authorizing the Director of the Mayor's Office of Housing and Community Development ("Director") to submit an application and related documents to the California Debt Limit Allocation Committee ("CDLAC") to permit the issuance of residential mortgage revenue bonds in an aggregate principal amount not to exceed \$35,000,000 for 385-387 Eddy Street; authorizing and directing the Director to direct the Controller's Office to hold in trust an amount not to exceed \$100,000 in accordance with CDLAC procedures; authorizing the Director to certify to CDLAC that the City has on deposit the required amount; authorizing the Director to pay an amount equal to such deposit to the State of California if the City fails to issue the residential mortgage revenue bonds; 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 \$35,000,000; authorizing and directing the execution of any documents necessary to implement this Resolution, as defined herein; and ratifying and approving any action heretofore taken in connection with the Project, as defined herein, and the Application, as defined herein.

03/05/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Omar Cortez (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190139 [Real Property Lease Extension - Prologis, L.P. - 1740 Cesar Chavez Street - \$419,760 Initial Annual Base Rent]

Resolution authorizing the Director of Real Estate to exercise a Lease Extension for the real property located at 1740 Cesar Chavez Street with Prologis, L.P., as Landlord, for a five-year term to commence on April 1, 2019, through March 31, 2024, and a five-year option to extend at the monthly base rent of \$34,980 for a total initial annual base rent of \$419,760 with a 3% annual increase.

(Human Resources Department)

(Fiscal Impact)

02/04/19; RECEIVED FROM DEPARTMENT.

02/12/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/25/19; RECEIVED FROM DEPARTMENT.

03/05/19; SUBSTITUTED AND ASSIGNED to Budget and Finance Sub-Committee. Department of Human Resources introduced a substitute Resolution bearing a new title.

Heard in Committee. Speakers: Claudia Gorham (Real Estate Division); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190193 [Termination of Lease - Orchard Supply Company, LLC - 900 El Camino Real, Millbrae - \$1,304,915]

Resolution approving the terms and conditions of, and authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute a Termination of Lease between the City and County of San Francisco, through its Public Utilities Commission, as Landlord, and Orchard Supply Company, LLC, as Tenant, for a portion of SFPUC Parcel 29, representing approximately 4.438 acres of land in Millbrae, California at a ground rental rate of approximately \$1,304,915 per year over the remaining five-year term of the Lease, with a termination date of April 30, 2019. (Public Utilities Commission)

(Fiscal Impact)

02/11/19; RECEIVED FROM DEPARTMENT.

02/26/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Tony Bardo and Michael Carlin (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190219 [Accept and Expend Grant - Bay-Peninsula Regional Planning Unit - North Valley Consortium Workforce Development Board - Tech Sector Apprenticeship System Design - \$176,532]

Sponsors: Mayor; Walton

Resolution authorizing the Office of Economic and Workforce Development to accept and expend a grant in the amount of \$176,532 from the Bay-Peninsula Regional Planning Unit's fiscal agent, the North Valley Consortium (NOVA) Workforce Board, to develop a regional tech sector apprenticeship network and a strategy for a Bay Area apprenticeship model within one or more occupations within the tech sector, for the period of April 1, 2019, through September 30, 2020. (Department of Economic and Workforce Development)

02/26/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Krysti Specht (Office of Economic and Workforce Development); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190217 [Accept and Expend Grant - Retroactive - Association of Bay Area Governments - Bay Area Regional Network - Energy Efficiency Program Implementation - \$2,948,331]

Sponsors: Mayor; Brown

Resolution retroactively authorizing the Department of the Environment to accept and expend grant funds from the Association of Bay Area Governments in the amount of \$2,948,331 to perform energy efficiency program implementation, as part of the Bay Area Regional Energy Network Program, an energy efficiency program, for the term of January 1, 2019, to December 31, 2019.

02/26/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Charles Sheehan (Department of the Environment); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190203 [Contract Amendment - Leaders in Community Alternatives, Inc. - Home Detention and Electronic Monitoring Program Rules and Regulations and Program Administrator's Evidence of Financial Responsibility - 2019 Calendar Year - Not to Exceed \$2,465,000]

Resolution authorizing the Sheriff's Department to enter into a third amendment to the existing contract with Leaders in Community Alternatives, Inc. ("LCA") to administer the Sheriff's Department's home detention and electronic monitoring program; extending the term by three months for a total contract term of May 1, 2014, through July 31, 2019, and increasing the amount by \$465,000 for a total amount not to exceed \$2,465,000; approving the Sheriff Department's home detention and electronic monitoring program rules and regulations; and approving evidence of financial responsibility demonstrated by program administrator LCA for the 2019 calendar year. (Sheriff) (Fiscal Impact)

02/19/19; RECEIVED FROM DEPARTMENT.

03/05/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: None.

Chair Fewer moved that this Resolution be CONTINUED to the Budget and Finance Committee meeting of March 20, 2019. The motion carried by the following vote:

Ayes: 3 - Fewer, Stefani, Mandelman

Chair Fewer requested File Nos. 190260 and 190261 be called together.

**190260 [Acquisition of Real Property - 493 Sunrise Way - Wei San Deng and Jenny HJ Deng - Total Not to Exceed \$50,000]
Sponsor: Walton**

Resolution approving and authorizing the Real Estate Division, on behalf of Public Works, to acquire a portion of residential real property, located at 493 Sunrise Way, from Wei San Deng (50% ownership interest) and Jenny HJ Deng (50% ownership interest), at a purchase price of \$25,000 plus associated transaction and closing costs not to exceed \$25,000 for a total amount not to exceed \$50,000; adopting Planning Department's findings that the conveyance is consistent with the General Plan, the eight priority policies of Planning Code, Section 101.1, and California Environmental Quality Act findings; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the Purchase and Sale Agreement and this Resolution, as defined herein.

03/05/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Sara Amaral (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

190261 [Acquisition of Real Property - 494 Sunrise Way - Can Yuan Yu, Bao Yan Yu, and Cui Yan Yu - Total Not to Exceed \$50,000]**Sponsor: Walton**

Resolution approving and authorizing the Real Estate Division, on behalf of Public Works, to acquire a portion of residential real property, located at 494 Sunrise Way, from Can Yuan Yu (33.33% ownership interest), Bao Yan Yu (33.33% ownership interest) and Cui Yan Yu (33.34% ownership interest), at a purchase price of \$25,000 plus associated transaction and closing costs not to exceed \$25,000 for a total amount not to exceed \$50,000; adopting Planning Department's findings that the conveyance is consistent with the General Plan, the eight priority policies of Planning Code, Section 101.1, and California Environmental Quality Act findings; and authorizing the Director of Property to execute documents, make certain modifications, and take certain actions in furtherance of the Purchase and Sale Agreement and this Resolution, as defined herein.

03/05/19; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Sara Amaral (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fewer, Stefani, Mandelman

ADJOURNMENT

There being no further business, the Budget and Finance Sub-Committee adjourned at the hour of 11:12 a.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Finance Sub-Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.