



**City and County of San Francisco**  
**Meeting Minutes**  
**Budget and Finance 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*

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**Wednesday, October 16, 2019**

**9:30 AM**

**City Hall, Legislative Chamber, Room 250**

**Rescheduled Meeting**

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

*The Budget and Finance Committee met in rescheduled session on Wednesday, October 16, 2019, with Chair Sandra Lee Fewer presiding.*

## **ROLL CALL AND ANNOUNCEMENTS**

*Chair Fewer called the meeting to order at 9:32 a.m. On the call of the roll, Chair Fewer and Member Mandelman were noted present. Vice Chair Stefani was noted not present.*

*A quorum was present.*

## **AGENDA CHANGES**

*There were no agenda changes.*

## REGULAR AGENDA

*Vice Chair Stefani was noted present at 9:35 a.m.*

### **190920 [Lease Amendment - Lexington Lion San Francisco, LP - 350 Rhode Island Street-North - \$2,850,000 Rent Credit]**

Resolution authorizing the execution and acceptance of the First Amendment to Lease of that certain lease dated September 28, 2017 ("Lease"), by and between Lexington Lion San Francisco, LP, a Delaware Limited Partnership, and the City and County of San Francisco, for the real property located at 350 Rhode Island Street-North, facilitating the provision of a rent credit to City in the amount of \$2,600,000 in consideration for a waiver of certain real estate expense pass-through protections afforded to the City under the Lease, to commence upon approval by the Board of Supervisors. (Real Estate Department)

(Fiscal Impact)

09/09/19; RECEIVED FROM DEPARTMENT.

09/17/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/02/19; CONTINUED. Heard in Committee. Speakers: None.

10/09/19; CONTINUED. Heard in Committee. Speakers: None.

*Heard in Committee. Speakers: Andrico Penick, Director (Real Estate Department); Nicolas Menard (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 AMENDED to increase the rent credit from \$2,600,000 to \$2,850,000. The motion carried by the following vote:**

Ayes: 3 - Fewer, Stefani, Mandelman

Resolution authorizing the execution and acceptance of the First Amendment to Lease of that certain lease dated September 28, 2017 ("Lease"), by and between Lexington Lion San Francisco, LP, a Delaware Limited Partnership, and the City and County of San Francisco, for the real property located at 350 Rhode Island Street-North, facilitating the provision of a rent credit to City in the amount of \$2,850,000 in consideration for a waiver of certain real estate expense pass-through protections afforded to the City under the Lease, to commence upon approval by the Board of Supervisors. (Real Estate Department)

(Fiscal Impact)

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

Ayes: 3 - Fewer, Stefani, Mandelman

**190980 [Loan Agreement - Block 6 Housing Partners, L.P. - Sunnydale HOPE SF Block 6 - Not To Exceed \$18,647,014]****Sponsors: Mayor; Walton**

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute an Amended and Restated Loan Agreement with Block 6 Housing Partners, L.P., a California limited partnership, for a total loan amount not to exceed \$18,647,014 to finance the construction of a 167-unit multifamily rental housing development for low-income households, which will be known as Sunnydale HOPE SF Block 6; and 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.

(Fiscal Impact)

09/24/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/09/19; CONTINUED. Heard in Committee. Speakers: Sara Amaral (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

*Heard in Committee. Speakers: Sara Amaral (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 Fewer moved that this Resolution be AMENDED to state that the Mayor's Office of Housing and Community Development shall report on the City's procedures to contain the costs of affordable housing development no later than December 9, 2019. The motion carried by the following vote:**

Ayes: 3 - Fewer, Stefani, Mandelman

(Fiscal Impact)

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

Ayes: 3 - Fewer, Stefani, Mandelman

**190703 [Memorandum of Agreement - Issuance of Revocable Licenses and Easements Agreements - City of Mountain View - Waiver of Administrative Code Appraisal Requirements]**

Ordinance approving the terms and conditions of, and authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC) to seek approval from the Board of Supervisors and Mayor to execute a Memorandum of Agreement (MOA) with the City of Mountain View, California with a term of up to 20 years, providing for the SFPUC's issuance to Mountain View of eight revocable licenses (New Licenses) for the use of SFPUC lands for public recreational purposes in exchange for Mountain View's grant to the SFPUC of nine easements (Proposed Easements) and Mountain View's agreement to perform other services, subject to Board of Supervisors approval pursuant to Charter, Section 9.118; exempting the MOA, the New Licenses, and the Proposed Easements from the appraisal requirements of San Francisco Administrative Code, Sections 23.3 and 23.30; affirming the SFPUC's determination under the California Environmental Quality Act; and making findings, including findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b). (Public Utilities Commission)

06/17/19; RECEIVED FROM DEPARTMENT.

06/25/19; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 7/25/2019.

10/09/19; TRANSFERRED to Budget and Finance Committee.

*Heard in Committee. Speaker: Rosanna Russell (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion.*

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

Ayes: 3 - Fewer, Stefani, Mandelman

**190975 [Apply for Grant Application - Centers for Disease Control and Prevention - Integrated HIV Surveillance and Prevention Programs for Health Departments - \$7,008,377]**

**Sponsors: Mayor; Mandelman**

Resolution authorizing the Department of Public Health to submit a one-year application for Calendar Year 2020 to continue to receive funding for the Integrated HIV Surveillance and Prevention Programs for Health Departments from the Centers of Disease Control and Prevention, and requesting \$7,008,377 in HIV prevention funding for San Francisco from January 1, 2020, through December 31, 2020. (Public Health Department)

09/24/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker: John M. Melichar (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.*

**Member Mandelman moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 3 - Fewer, Stefani, Mandelman

**190976 [Apply for Grant Application - Health Resources Services Administration - Ryan White Act HIV/AIDS Emergency Relief Grant Program - \$16,126,350]****Sponsors: Mayor; Mandelman**

Resolution authorizing the Department of Public Health to submit an application to continue to receive funding for the Ryan White Act HIV/AIDS Emergency Relief Grant Program from the Health Resources Service Administration; and requesting \$16,126,350 in HIV Emergency Relief Program funding for the San Francisco Eligible Metropolitan Area for the period of March 1, 2020, through February 28, 2021. (Public Health Department)

09/24/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker: Dean Goodwin (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.*

**Member Mandelman moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 3 - Fewer, Stefani, Mandelman

**190881 [Lease Agreement - MRG San Francisco, LLC - Terminal 2 Specialty Retail Lease No. 2 - \$225,000 Minimum Annual Guarantee]**

Resolution approving the Terminal 2 Specialty Retail Lease No. 2 - Lease No. 19-0053, between MRG San Francisco, LLC, and the City and County of San Francisco, acting by and through its Airport Commission, for a term of seven years, and a minimum annual guarantee of \$225,000 for the first year of the Lease, to commence following Board approval. (Airport Commission)

08/20/19; RECEIVED FROM DEPARTMENT.

09/03/19; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speakers: Dyanna Quizon (Airport Department); Nicolas Menard (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

## ADJOURNMENT

*There being no further business, the Budget and Finance Committee adjourned at the hour of 10:07 a.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.*