



**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, Shamann Walton, Rafael Mandelman*

*Clerk: Linda Wong (415) 554-7719*

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**Wednesday, May 6, 2020**

**10:00 AM**

**Regular Meeting**

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**Present:** 3 - Sandra Lee Fewer, Shamann Walton, and Rafael Mandelman

*The Budget and Finance Committee met in remote regular session on Wednesday, May 6, 2020, with Chair Sandra Lee Fewer presiding. Chair Fewer called the meeting to order at 10:05 a.m.*

**ROLL CALL AND ANNOUNCEMENTS**

*On the call of the roll, Chair Fewer, Vice Chair Walton, and Member Mandelman were noted present. A quorum was present.*

**AGENDA CHANGES**

*There were no agenda changes.*

## REGULAR AGENDA

*Chair Fewer requested File Nos. 200315 and 200316 be called together.*

### **200315 [Real Property Lease Amendments - KLV Investments, LLC - 3119 Mission Street and 3120 Mission Street - \$2,072,836.48 Annual Base Rent]**

**Sponsor: Mayor**

Resolution authorizing the Director of Property to exercise Lease Amendments for leases of real property located at 3119 Mission Street and 3120 Mission Street for office and service space, with KLV Investments, LLC, as landlord, each for five-year terms to commence on July 1, 2020 and to expire on June 30, 2025, at the combined monthly base rent of \$203,231.60 for a total annual base rent of \$2,438,779.20 with base rent increasing at 3% per year.

(Fiscal Impact)

03/24/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

04/29/20; CONTINUED. Heard in Committee. Speakers: Andrico Penick, Director (Real Estate Division); Severin Campbell (Office of the Budget and Legislative Analyst); Robert Walsh (Human Services Agency); provided an overview and responded to questions raised throughout the discussion.

*Heard in Committee. Speakers: Andrico Penick, Director (Real Estates Division); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.*

**Chair Fewer moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to reduce the combined monthly base rent from \$203,231.60 to \$172,736.37, resulting in a total annual base rent of \$2,072,836.48 with base rent increasing at 3% per year, rather than \$2,438,779.20 with base rent increasing at 3% per year; and to make other conforming and clarifying amendments. The motion carried by the following vote:**

Ayes: 3 - Fewer, Walton, Mandelman

Resolution authorizing the Director of Property to exercise Lease Amendments for leases of real property located at 3119 Mission Street and 3120 Mission Street for office and service spaces, with KLV Investments, LLC as landlord, each for five-year terms to commence on July 1, 2020 and to expire on June 30, 2025, at the combined monthly base rent of \$172,736.37 for a total annual base rent of \$2,072,836.48 with base rent increasing at 3% per year.

(Fiscal Impact)

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

Ayes: 3 - Fewer, Walton, Mandelman

**200316 [Real Property Lease Extension Option - RACHRIS, LLC - 2 Gough Street - \$624,115.76 Annual Base Rent]****Sponsor: Mayor**

Resolution authorizing the Director of Property to exercise an option to extend a Lease of real property located at 2 Gough Street for office space, with RACHRIS, LLC, as landlord, for a five-year term commencing on July 1, 2020, and expiring on June 30, 2025, at a monthly base rent of \$61,211 for a total annual base rent of \$734,532.60 with the base rent increasing at 3% per year.

(Fiscal Impact)

03/24/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

04/29/20; CONTINUED. Heard in Committee. Speakers: Andrico Penick, Director (Real Estate Division); Severin Campbell (Office of the Budget and Legislative Analyst); Robert Walsh (Human Services Agency); provided an overview and responded to questions raised throughout the discussion.

*Heard in Committee. Speakers: Andrico Penick, Director (Real Estates Division); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.*

**Chair Fewer moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by reducing the monthly base rent from \$61,211 to \$52,009.65, resulting in the total annual base rent of \$624,115.76 with base rent increasing at 3% per year, rather than \$734,532.60 with the base rent increasing at 3% per year; and to make other conforming and clarifying amendments. The motion carried by the following vote:**

Ayes: 3 - Fewer, Walton, Mandelman

Resolution authorizing the Director of Property to exercise an option to extend a Lease of real property located at 2 Gough Street for office space, with RACHRIS, LLC, as landlord, for a five-year term commencing on July 1, 2020, and expiring on June 30, 2025, at a monthly base rent of \$52,009.65 for a total annual base rent of \$624,115.76 with base rent increasing at 3% per year. (Fiscal Impact)

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

Ayes: 3 - Fewer, Walton, Mandelman

**200356 [Airport Professional Services Agreement - T1 Partners - Program Management Support Services for the Terminal 1/Boarding Area B Redevelopment Program - Further Modifications Not to Exceed \$38,000,000]**

Resolution approving Modification No. 14 to Airport Contract No. 9185.9, Program Management Support Services for the San Francisco International Airport, Terminal 1/Boarding Area B Redevelopment Program, with T1 Partners, a Joint Venture consisting of The Allen Group, LLC, and EPC Consultants, Inc., to increase the Contract amount by \$6,000,000 for a new not to exceed amount of \$38,000,000 for services, and extending the term through July 7, 2023, to commence following Board approval, pursuant to Charter, Section 9.118(b). (Airport Commission) (Fiscal Impact)

04/02/20; RECEIVED FROM DEPARTMENT.

04/14/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker: Cathy Widener (Airport Department); provided an overview and responded to questions raised throughout the discussion.*

**Chair Fewer moved that this Resolution be CONTINUED to the Budget and Finance Committee meeting of May 13, 2020. The motion carried by the following vote:**

Ayes: 3 - Fewer, Walton, Mandelman

**200401 [Annual Salary Ordinance Amendment - COVID-19 Military Service Qualifying for Supplementation of Military Pay]****Sponsor: Stefani**

Ordinance amending Ordinance No. 170-19, the Annual Salary Ordinance FYs 2019-2020 and 2020-2021, to add active military service related to the COVID-19 pandemic to the enumerated events that qualify for supplementation of military pay.

(Fiscal Impact)

04/21/20; ASSIGNED to Budget and Finance Committee. 4/23/20 - President Yee waived the 30-day rule pursuant to Board Rule No. 3.22.

*Heard in Committee. Speakers: Supervisor Catherine Stefani and President Norman Yee (Board of Supervisors); 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 Ordinance be RECOMMENDED. The motion carried by the following vote:**

Ayes: 3 - Fewer, Walton, Mandelman

**200402 [Accept and Expend Grant - California Department of Housing and Community Development - Affordable Housing and Sustainable Communities Program - Treasure Island - \$20,000,000]****Sponsor: Mayor**

Resolution authorizing the Treasure Island Development Authority ("Authority") to execute a Standard Agreement with the California Department of Housing and Community Development ("HCD") under the Affordable Housing and Sustainable Communities Program for a total award of \$20,000,000 including \$13,753,000 to be disbursed as a loan from HCD to the project sponsor of a 100% affordable housing project at Treasure Island Parcel C3.1 and \$6,247,000 to be disbursed as a grant from HCD to the Authority for public transportation improvements on Treasure Island, for the period starting on the execution date of the Standard Agreement to June 30, 2039; and authorizing the Authority to accept and expend the grant of \$6,247,000 for ferry terminal and Bay Bridge connection improvements and other transit oriented programming and improvement approved by HCD.

(Treasure Island Development Authority)

04/21/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker: Bob Beck, Treasure Island Director (Treasure Island Development Authority); 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, Walton, Mandelman

**ADJOURNMENT**

*There being no further business, the Budget and Finance Committee adjourned at the hour of 10:57 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.*