



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: Matt Haney, Ahsha Safai, Gordon Mar

Clerk: Linda Wong (415) 554-7719

Wednesday, October 6, 2021

10:30 AM

Regular Meeting

Present: 3 - Matt Haney, Ahsha Safai, and Gordon Mar

The Budget and Finance Committee met in regular session through videoconferencing, and provided public comment through teleconferencing, on Wednesday, October 6, 2021, with Chair Matt Haney presiding. Chair Haney called the meeting to order at 10:01 a.m.

Remote Access to Information and Participation

On March 17, 2020, the Board of Supervisors authorized their Board and Committee meetings to convene remotely (via Microsoft Teams) and will allow remote public comment via teleconference. Visit the SFGovTV website at (www.sfgovtv.org) to stream the live meetings, or to watch meetings on demand. Members of the public are encouraged to participate remotely via detailed instructions on participating via teleconference available at: <https://sfbos.org/remote-meeting-call>.

Members of the public may participate by phone or may submit their comments by email to: linda.wong@sfgov.org; all comments received will be made a part of the official record. Regularly-scheduled Budget and Finance Committee Meetings begin at 10:30 a.m. every Wednesday of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Haney, Vice Chair Safai, and Member Mar were noted present. A quorum was present.

COMMUNICATIONS

There were no communications.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

210940 [Purchase of Real Property - Mahadeva, LLC - 3055-3061 16th Street - Homelessness and Supportive Housing - \$5,715,000]

Sponsors: Mayor; Ronen and Safai

Resolution 1) approving and authorizing the Director of Property, on behalf of the Department of Homelessness and Supportive Housing (“HSH”), to acquire certain property located at 3055-3061 16th Street (“Property”); 2) approving and authorizing HSH, on behalf of the City, to apply to the California Department of Housing and Community Development (“HCD”) for its 2021 Homekey Grant Program (“Project Homekey”) to purchase the Property; 3) approving and authorizing an Agreement of Purchase and Sale for Real Estate for the acquisition of the Property, for \$5,600,000 plus an estimated \$115,000 for typical closing costs for a total amount of \$5,715,000 from Mahadeva, LLC (“Purchase Agreement”); 4) authorizing the Director of Property to execute the Purchase Agreement, make certain modifications, and take certain actions in furtherance of this Resolution and the Purchase Agreement, as defined herein; 5) affirming the Planning Department’s determination under the California Environmental Quality Act; and 6) adopting the Planning Department’s findings that the Purchase Agreement, and the transaction contemplated therein, is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.
(Fiscal Impact)

09/07/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

09/29/21; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Shireen McSpadden, Director, and Emily Cohen (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); Dan Adams (Office of the Mayor); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Eleana Binder (GLIDE); Elsa Lund and Marnee Regan (Larkin Street Youth Services); Jordan Davis; Mary Kate Bacalao; Speaker; spoke in support of the hearing matter.

09/29/21; CONTINUED AS AMENDED.

Heard in Committee. Speakers: Shireen McSpadden, Executive Director, and Emily Cohen (Department of Homelessness and Supportive Housing); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Anastasia Yovanopoulos; Alex; Speaker; Speaker; Michael Nulty; Speaker; Seth Cass; Toby; Patricia; spoke in support of the hearing matter.

Chair Haney moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 2, Line 21 through Page 3, Line 2, by inserting 'WHEREAS, In accordance with California Health and Safety Code Section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20), HCD has issued a Notice of Funding Availability (“NOFA”), dated September 9, 2021 for the Homekey Program, in order to provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness, and who are impacted by the COVID-19 pandemic, a copy of which is on file with the Clerk of the Board in File No. 210940; and'; on Page 3, Line 11, by striking 'forthcoming'; on Page 3, Lines 13-14, by striking 'upon HCD's issuance of the 2021 Project Homekey NOFA, which is expected in Fall 2021'; on Page 3, Line 14, by striking 'HSH anticipates that' and 'will'; on Page 4, Lines 15-18, to read, 'FURTHER RESOLVED, That the Board of Supervisors hereby authorizes HSH, on behalf of the City, to submit an Application to HCD in response to the 2021 Project Homekey NOFA in an amount not to exceed the Acquisition Cost, or the maximum award amount allowable under the 2021 Homekey NOFA, whichever is greater; and, be it'; and by making other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

(Fiscal Impact)

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

Ayes: 3 - Haney, Safai, Mar

210915 [Updated Emergency Declaration - Replacement and Repair of Fences - Increase the Total Not to Exceed Cost to \$10,900,000]

Resolution approving an updated emergency declaration of the San Francisco Public Utilities Commission (SFPUC), pursuant to San Francisco Administrative Code, Section 6.60, to replace and repair fences on SFPUC watershed land in Alameda damaged by the SCU Lightning Complex Fire, increasing the total not to exceed cost from \$4,250,000 to \$11,000,000. (Public Utilities Commission) (Fiscal Impact)

08/27/21; RECEIVED FROM DEPARTMENT.

09/07/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Tim Ramirez, Division Manager, and Greg Lyman (Public Utilities Commission); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Haney moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by reducing the not to exceed amount by \$100,000, from \$11,000,000 to \$10,900,000. The motion carried by the following votes:

Ayes: 3 - Haney, Safai, Mar

Resolution approving an updated emergency declaration of the San Francisco Public Utilities Commission (SFPUC), pursuant to San Francisco Administrative Code, Section 6.60, to replace and repair fences on SFPUC watershed land in Alameda damaged by the SCU Lightning Complex Fire, increasing the total not to exceed cost from \$4,250,000 to \$10,900,000. (Public Utilities Commission) (Fiscal Impact)

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

Ayes: 3 - Haney, Safai, Mar

210913 [Master Lease Amendment - United States Navy - Treasure Island Land and Structures]

Resolution approving Amendment No. 46 to the Treasure Island Land and Structures Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year to commence December 1, 2021, for a total term of November 19, 1998, through November 30, 2022. (Treasure Island Development Authority)

08/23/21; RECEIVED FROM DEPARTMENT.

09/07/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Bob Beck, Director (Treasure Island Development Authority); provided an overview and responded to questions raised throughout the discussion. Michael Nulty (Alliance for a Better District 6); spoke in support of the hearing matter.

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

Ayes: 3 - Haney, Safai, Mar

210931 [Accept and Expend Grant - Retroactive - California Victim Compensation Board - Compensation for Crime Victims - \$2,530,990.23]

Resolution retroactively authorizing the Office of the District Attorney to accept and expend a grant in the amount of \$2,530,990.23 from the California Victim Compensation Board for a project, entitled "Joint Powers Agreement," to assist victims and witnesses with compensation claims for the period July 1, 2021, through June 30, 2024. (District Attorney)

09/02/21; RECEIVED FROM DEPARTMENT.

09/14/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Tara Anderson (Office of the District Attorney); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Haney, Safai, Mar

210873 [Grant Contract - Retroactive - California Department of Parks and Recreation - Outdoor Recreation Legacy Partnership Grant - Bay View Playground - \$375,225]

Sponsor: Mayor

Resolution retroactively authorizing the Recreation and Park Department (RPD) to enter into and amend a grant contract with the California Department of Parks and Recreation in the amount of \$375,225 that requires RPD to construct improvements at Bay View Playground on the condition that RPD then maintain the Playground as public open space in perpetuity pursuant to Charter, Section 9.118(a); and authorizing the RPD General Manager to record a Declaration of Restriction against Assessor's Parcel Block No. 5420, Lot No. 001, providing notice of these restrictions. (Recreation and Park Department)

07/27/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Toni Moran (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Michael Nulty spoke in support of the hearing matter.

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

Ayes: 3 - Haney, Safai, Mar

210966 [Sublease Agreement - California State Lands Commission - Candlestick Point State Recreation Area - Vehicle Triage Center - In-Kind Rent of \$1,796,090]**Sponsors: Mayor; Walton, Safai, Mar and Haney**

Resolution authorizing and approving the Director of Property, on behalf of the Department of Homelessness and Supportive Housing, to negotiate and enter into a sublease agreement for 312,000 square feet of property owned by the California State Lands Commission and leased to the California Department of Parks and Recreation, for the City's use as a Vehicle Triage Center at Candlestick Point State Recreation Area, for an initial term of two years, commencing on or about November 1, 2021, for the base rent of \$312,000 per year to be paid through in-kind, public services with an estimated value of \$2,143,920; authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the sublease, as defined herein; adopting findings under the California Environmental Quality Act; and finding the proposed sublease is in conformance with the General Plan, and the eight priorities of Planning Code, Section 101.1. (Fiscal Impact)

09/14/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Supervisor Shamann Walton (Board of Supervisors); Shireen McSpadden, Executive Director (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Steven Currier; spoke in support of the hearing matter. Speaker; Speaker; Ramsa Sherma; Shirley Moore (Bayview Neighborhood Association); Speaker; spoke in opposition to the hearing matter. Speaker; Russell Moreen; Speaker; Annette Mongola; RJ Sloan; Speaker; spoke on various concerns neither in support nor opposition to the hearing matter.

Supervisors Safai, Mar, and Haney requested to be added as co-sponsors.

Chair Haney moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Line 1, by replacing 'Base' with 'In-Kind', and replacing '\$312,000' with '\$1,796,090'; on Page 1, Lines 8-9, by replacing 'for base' with 'with', striking 'of \$312,000 per year', and replacing '\$2,143,920' with '\$1,796,090'; on Page 3, Line 9, by inserting 'A portion of' after 'Whereas'; on Page 4, Line 18, by replacing 'unused' with 'underutilized'; on Page 5, Lines 20-21, by striking 'have an estimated value of \$2,143,920'; on Page 6, Line 5, by inserting ('"Term Sheet"') following 'Term Sheet'; on Page 6, Lines 10-11, by replacing 'about November 1, 2021, or upon' with 'after the date of'; on Page 6, Line 12, by inserting 'and execution of the sublease' after 'Lease'; on Page 6, Line 13, by replacing 'fully offset the base' with 'pay'; on Page 6, Lines 15-16, by replacing 'offsite public services set forth' with 'law enforcement and parking enforcement services throughout CPSRA by the San Francisco Police Department and Municipal Transportation Agency, with an estimated value of \$1,796,090'; and by making other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

Resolution authorizing and approving the Director of Property, on behalf of the Department of Homelessness and Supportive Housing, to negotiate and enter into a sublease agreement for 312,000 square feet of property owned by the California State Lands Commission and leased to the California Department of Parks and Recreation, for the City's use as a Vehicle Triage Center at Candlestick Point State Recreation Area, for an initial term of two years, with rent to be paid through in-kind, public services with an estimated value at \$1,796,090; authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the sublease, as defined herein; adopting findings under the California Environmental Quality Act; and finding the proposed sublease is in conformance with the General Plan, and the eight priorities of Planning Code, Section 101.1. (Fiscal Impact)

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

Ayes: 3 - Haney, Safai, Mar

210967 [Purchase of Real Property - Mission Smartspace Senior LLC - 1321 Mission Street - Homelessness and Supportive Housing - \$86,673,000]

Sponsors: Mayor; Haney and Safai

Resolution 1) approving and authorizing the Director of Property, on behalf of the Department of Homelessness and Supportive Housing ("HSH"), to acquire certain property located at 1321 Mission Street ("Property") for \$86,500,000 plus an estimated \$173,000 for typical closing costs, for a total anticipated amount of \$86,673,000 ("Acquisition Cost"); 2) approving and authorizing HSH, on behalf of the City, to apply to the California Department of Housing and Community Development ("HCD") for its 2021 Homekey Grant Program ("Project Homekey") to purchase the Property; 3) approving and authorizing an Agreement of Purchase and Sale for Real Estate for the acquisition of the Property from Mission Smartspace Senior LLC ("Purchase Agreement"), which includes a liquidated damages clause of up to \$5,000,000 in case of default by the City; 4) authorizing the Director of Property to execute the Purchase Agreement, make certain modifications, and take certain actions in furtherance of this Resolution and the Purchase Agreement, as defined herein; 5) affirming the Planning Department's determination under the California Environmental Quality Act; and 6) adopting the Planning Department's findings that the Purchase Agreement, and the transaction contemplated therein, is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

09/14/21; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Shireen McSpadden, Executive Director (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Mary Kate Bacilao (Compass Family Services); Zack Lipton; Sonia (Homeless Prenatal); Miguel Carrera; Wesley Saver (GLIDE); Toby; Seth Cass; Michelle King; Anthony Suarez; Alec; Speaker; Kai Zen; Simone Manganeli; Alejandro Nuno; Calder Lorenz (Gubbio Project); Michael Thomas; George; Jarvis Carpenter; Lawrence Austin; Mr. Smith; Mika; Marsha Lee Watkins; Pau Hernandez; Elaina; Escan; Sue Hestor; Speaker; Speaker; Mimi Clausner; Michael Nulty (Tenant Association of San Francisco); Dominique Grisham; Megan Grubeck; Freddy Martin (Senior and Disability Action); Speaker; Senaida Robollo; Anne Ruben; Speaker; Eric Markoo; Lisa Moreno; spoke in support of the hearing matter. Speaker; Speaker; Speaker; Dr. Abass Sayby; spoke in opposition of the hearing matter. Solange; Ms. Garcia; spoke neither in support nor opposition to the hearing matter.

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

Chair Haney moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 2, Line 21, through Page 3, Line 2, to read 'WHEREAS, In accordance with California Health and Safety Code Section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20), HCD has issued a Notice of Funding Availability ("NOFA"), dated September 9, 2021 for the Homekey Program, in order to provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness, and who are impacted by the COVID-19 pandemic, a copy of which is on file with the Clerk of the Board in File No. 210967; and'; on Page 3, Line 18, by striking 'forthcoming'; on Page 3, Line 19-20, by striking 'upon HCD's issuance of the 2021 Project Homekey NOFA, which is expected in Fall 2021'; on Page 3, Line 22, by striking 'HSH anticipates that' and 'will'; on Page 4, Line 24, by replacing 'the' with 'an', 'upon' with 'to', 's issuance of' with 'in response to', and on Page 5, Lines 1-2, by inserting 'in an amount not to exceed the Acquisition Cost, or the maximum award amount allowable under the 2021 Homekey NOFA, whichever is greater'; and by making other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

(Fiscal Impact)

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

Ayes: 3 - Haney, Safai, Mar

211009 [Appropriation - Special Tax Bond Proceeds - \$35,000,000; Special Tax Revenues - \$11,620,000 - Controller's Reserve - Transbay Transit Center Project - FY2021-2022]

Sponsor: Mayor

Ordinance appropriating \$35,000,000 from the issuance of one or more series of Special Tax Bonds of the City's Community Facilities District 2014-1 (Transbay Transit Center) and placing such amounts on Controller's reserve; and appropriating \$11,620,000 of special tax revenues for funding related to the Transbay Transit Center Project in Fiscal Year (FY) 2021-2022.

09/21/21; ASSIGNED to Budget and Finance Committee. 9/23/21 - President Walton waived the 30-day rule pursuant to Board Rule No. 3.22.

Heard in Committee. Speaker: Luke Brewer (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Haney, Safai, Mar

211010 [Appropriation and De-Appropriation - Office of Economic and Workforce Development - Legacy Businesses - \$400,000 - FY2021-2022]

Sponsors: Chan; Peskin, Ronen, Mar, Haney and Safai

Ordinance de-appropriating \$400,000 previously appropriated to the Office of Economic and Workforce Development (ECN) for the Office of Small Business' Legacy Business Historic Preservation Fund and re-appropriating \$400,000 to ECN to provide a new grant program for Legacy Businesses in Fiscal Year (FY) 2021-2022.

(Fiscal Impact)

09/21/21; ASSIGNED to Budget and Finance Committee. 9/23/21 - President Walton waived the 30-day rule pursuant to Board Rule No. 3.22.

Heard in Committee. Speakers: Ian Fregosi (Office of Supervisor Connie Chan); Regina Dick-Endrizzi, Executive Director, and Richard Kurylo (Office of Small Business); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Supervisors Mar, Haney, and Safai requested to be added as co-sponsors.

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

Ayes: 3 - Haney, Safai, Mar

210582 [Hearing - City's Shelter in Place Hotel Rehousing Plan]**Sponsor: Haney**

Hearing on the City's plan to transition those currently housed in Shelter in Place Hotels into permanent supportive housing; and requesting the Department of Homelessness and Supportive Housing to report.

05/18/21; RECEIVED AND ASSIGNED to Public Safety and Neighborhood Services Committee.

05/26/21; REFERRED TO DEPARTMENT. Referred to the Department of Homelessness and Supportive Housing for informational purposes.

09/20/21; TRANSFERRED to Budget and Finance Committee.

09/29/21; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker: Eleana Binder (GLIDE); spoke on various concerns relating to the hearing matter.

Heard in Committee. Speakers: None.

Chair Haney moved that this Hearing be CONTINUED to the Budget and Finance Committee meeting of October 20, 2021. The motion carried by the following vote:

Ayes: 3 - Haney, Safai, Mar

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 1:52 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.