



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: Malia Cohen, Norman Yee, Katy Tang

Clerk: Linda Wong (415) 554-7719

Thursday, October 26, 2017

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Malia Cohen, Norman Yee, and Katy Tang

The Budget and Finance Committee met in regular session on Thursday, October 26, 2017, with Chair Malia Cohen presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Cohen called the meeting to order at 10:13 a.m. On the call of the roll Chair Cohen and Member Tang were noted present. Vice Chair Yee was noted absent. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Vice Chair Yee was noted present at 10:14 a.m.

170994 [Revenue Agreement Amendment - JC Decaux San Francisco, Inc. - Extending Term to February 14, 2018]**Sponsor: Peskin**

Resolution approving the Third Amendment to the Revenue Agreement between San Francisco Public Works and JC Decaux San Francisco, LLC, for the Automatic Public Toilet and Public Service Kiosk Program extending the contract term by 120 days, changing the termination date from October 17, 2017, to February 14, 2018.

09/12/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/05/17; AMENDED. Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Julia Dawson (Public Works); Severin Campbell (Office of the Budget and Legislative Analyst); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

10/05/17; CONTINUED AS AMENDED.

10/19/17; AMENDED. Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Julia Dawson (Public Works); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

10/19/17; CONTINUED AS AMENDED.

Heard in Committee. Speaker: Julia Dawson (Public Works); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Cohen, Yee, Tang

Chair Cohen requested File Nos. 170863, 170986, and 170988 be heard together.

170863 [Development Agreement - FC Pier 70, LLC - Pier 70 Development Project]**Sponsors: Mayor; Cohen**

Ordinance approving a Development Agreement between the City and County of San Francisco and FC Pier 70, LLC, for 28 acres of real property located in the southeast portion of the larger area known as Seawall Lot 349 or Pier 70; and bounded generally by Illinois Street on the west, 22nd Street on the south, and San Francisco Bay on the north and east; waiving certain provisions of the Administrative Code, Planning Code, and Subdivision Code; and adopting findings under the California Environmental Quality Act, public trust findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b).
(Economic Impact)

07/25/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 8/24/2017.

10/06/17; NOTICED. 10-Day Notice for 10/19/2017 Budget and Finance Committee hearing published in the Examiner, posted, and mailed, pursuant to Government Code Section 65090 et seq.

10/18/17; RECEIVED. Economic Impact Report received from the Office of Economic Analysis.

10/19/17; CONTINUED. Heard in Committee. Speakers: Elaine Forbes, Executive Director and Brad Benson (Port of San Francisco); Jack Sylvan (Forest City); Severin Campbell (Office of the Budget and Legislative Analyst); Carlie Paine (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Vanessa Keno; Female Speaker; Margaret McKey; Bill Blackhole; spoke in support of the hearing matter.

Heard in Committee. Speakers: Sarah Dennis Phillips (Office of Economic & Workforce Development); Brad Benson (Port of San Francisco); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE to correct the Forest City entity and references to the Administrative Code, to add a waiver of the Administrative Code on Page 7, Line 24, and to make clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang
(Economic Impact)

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170986 [Disposition and Development Agreement - FC Pier 70, LLC - Pier 70 Project]**Sponsors: Mayor; Cohen**

Resolution approving a Disposition and Development Agreement between the Port and FC Pier 70, LLC, for 28 acres of real property located in the southeast portion of the larger area known as Seawall Lot 349 or Pier 70; adopting findings under the California Environmental Quality Act; adopting findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); and adopting public trust consistency findings.
(Fiscal Impact)

09/12/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/19/17; CONTINUED. Heard in Committee. Speakers: Elaine Forbes, Executive Director and Brad Benson (Port of San Francisco); Jack Sylvan (Forest City); Severin Campbell (Office of the Budget and Legislative Analyst); Carlie Paine (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Vanessa Keno; Female Speaker; Margaret McKey; Bill Blackhole; spoke in support of the hearing matter.

Heard in Committee. Speakers: Sarah Dennis Phillips (Office of Economic & Workforce Development); Brad Benson (Port of San Francisco); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE to correct the Forest City entity, to add language that the Executive Director of the Port shall provide an annual report to the Board of Supervisors on the status of the project, and to make clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang
(Fiscal Impact)

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170988 [Memorandum of Understanding Regarding Interagency Cooperation - Pier 70 Project]**Sponsors: Mayor; Cohen**

Resolution approving the Memorandum of Understanding between the Port and other City Agencies regarding Interagency Cooperation; and adopting findings under the California Environmental Quality Act.

09/12/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/19/17; CONTINUED. Heard in Committee. Speakers: Elaine Forbes, Executive Director and Brad Benson (Port of San Francisco); Jack Sylvan (Forest City); Severin Campbell (Office of the Budget and Legislative Analyst); Carlie Paine (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Vanessa Keno; Female Speaker; Margaret McKey; Bill Blackhole; spoke in support of the hearing matter.

Heard in Committee. Speakers: Sarah Dennis Phillips (Office of Economic & Workforce Development); Brad Benson (Port of San Francisco); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be AMENDED to correct the Forest City entity. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT by the following vote:

Ayes: 3 - Cohen, Yee, Tang

171070 [Accept and Expend Gift - Comfort Women Justice Coalition - Gift of Artwork and Funds for the Maintenance of the Artwork Entitled "Comfort Women's" Column of Strength - Total Gift Value of 398,000]

Sponsors: Kim; Fewer and Peskin

Resolution retroactively authorizing the Arts Commission to accept and expend a donation from the "Comfort Women" Justice Coalition of \$208,000 for the purpose of maintaining the artwork titled the "Comfort Women's" Column of Strength for a period not less than 20 years.

10/03/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/17/17; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee. Supervisor Kim introduced a substitute Resolution bearing a new title.

Heard in Committee. Speakers: Susan Pontious, Program Director (Arts Commission); Ivy Lee (Office of Supervisor Jane Kim); provided an overview and responded to questions raised throughout the discussion. Gwyn Kirk; Grace Shimizu; Inez Hollander, Ph.D.; spoke in support of the hearing matter.

Chair Cohen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to make clarifying amendments. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Resolution retroactively authorizing the San Francisco Arts Commission to accept a gift of art entitled The "Comfort Women's" Column of Strength valued at \$190,000 and accept and expend a donation from the "Comfort Women" Justice Coalition of \$208,000 for the purpose of maintaining the artwork titled the "Comfort Women's" Column of Strength for a period not less than 20 years.

Chair Cohen moved that this Resolution be CONTINUED AS AMENDED to the Budget and Finance Committee meeting of November 2, 2017. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Chair Cohen requested File Nos. 171109, 171110, and 171111 be heard together.

171109 [Real Property Lease - Lexington Lion San Francisco LP - 350 Rhode Island Street - San Francisco District Attorney, Police Investigations - \$4,319,445 Initial Maximum Annual Base Rent]

Sponsor: Mayor

Resolution authorizing a Lease for up to 125,122 square feet consisting of a portion of the first floor and entire second, third, and fourth floors at 350 Rhode Island Street - North, for the San Francisco District Attorney and Police Investigations, with Lexington Lion San Francisco L.P., a Delaware limited partnership, for 15 years, to be occupied in phases, for the period of July 1, 2018, through June 30, 2033, with one five-year option to extend, at an initial monthly base rent not to exceed \$359,953.75 for a total annual maximum base rent of \$4,319,445 in the initial year with increases as set forth in the schedule of the Lease; and finding the proposed Lease is in conformance with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact.)

10/17/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Naomi Kelly, City Administrator (Office of the City Administrator); John Updike, Director (Real Estate Division); Heather Green, Director (Office of Resilience and Capital Planning); Severin Campbell (Office of the Budget and Legislative Analyst); Supervisor Ahsha Safai (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Bob Muscat; spoke in support of the hearing matter. Michael Weinberg; spoke neither in support nor opposition to the hearing matter.

Member Tang moved that this Resolution be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

171110 [Negotiate Real Property Lease - LCL Global - 777 Brannan Street, LLC - 777 Brannan Street - San Francisco Police Department - \$1,004,698 Initial Annual Base Rent]

Sponsor: Mayor

Resolution authorizing the Director of Property to negotiate a Lease for up to 27,154 square feet consisting of the entire three floors of 777 Brannan Street, for the San Francisco Police Department, with LCL Global - 777 Brannan Street, LLC, a limited liability corporation, for a term of ten years from July 1, 2018, through June 30, 2028, with two five-year options for renewal, at an initial monthly base rent not to exceed \$83,724.83 for a total annual base rent of \$1,004,698 in the initial year with increases as set forth in the schedule of the Letter of Intent; and finding the proposed Lease is in conformance with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact.)

10/17/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Naomi Kelly, City Administrator (Office of the City Administrator); John Updike, Director (Real Estate Division); Heather Green, Director (Office of Resilience and Capital Planning); Severin Campbell (Office of the Budget and Legislative Analyst); Supervisor Ahsha Safai (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Bob Muscat; spoke in support of the hearing matter. Michael Weinberg; spoke neither in support nor opposition to the hearing matter.

Member Tang moved that this Resolution be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

171111 [Negotiate Real Property Lease - Bridgeton 945 Bryant Fee LLC - 945 Bryant Street - San Francisco Adult Probation - \$1,763,968 Initial Maximum Annual Base Rent]

Sponsor: Mayor

Resolution authorizing the Director of Property to negotiate a Lease for up to 41,744 square feet consisting of the entire three floors of 945 Bryant Street, for the San Francisco Adult Probation Office, with Bridgeton 945 Bryant Fee LLC, a limited liability corporation, for twenty years, to be occupied in phases, for the period of July 1, 2018, through June 30, 2038, at an initial monthly base rent not to exceed \$146,997.33 for a total maximum base rent of \$1,763,968 in the initial year with increases as set forth in the schedule of the Letter of Intent; and finding the anticipated Lease is in conformance with the General Plan, and the eight priority policies of Planning Code, Section 101.1. (Fiscal Impact.)

10/17/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Naomi Kelly, City Administrator (Office of the City Administrator); John Updike, Director (Real Estate Division); Heather Green, Director (Office of Resilience and Capital Planning); Severin Campbell (Office of the Budget and Legislative Analyst); Supervisor Ahsha Safai (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Bob Muscat; spoke in support of the hearing matter. Michael Weinberg; spoke neither in support nor opposition to the hearing matter.

Member Tang moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE on Page 4, Line 10, to add, 'FURTHER RESOLVED, That the Director of Real Estate and Director of Capital Planning shall work with the Controller's Office to analyze the space utilization needs of the Adult Probation Department to determine the efficacy of co-locating another use from the Hall of Justice into the premises of the Lease.' The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang
(Fiscal Impact.)

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT by the following vote:

Ayes: 3 - Cohen, Yee, Tang

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 11:55 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.