



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

Wednesday, July 29, 2020

10:30 AM

Regular Meeting

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

The Budget and Finance Committee met in regular session through videoconferencing, and provided public comment through teleconferencing, on Wednesday, July 28, 2020, with Chair Sandra Lee Fewer presiding. Chair Fewer called the meeting to order at 10:32 a.m.

Remote Access to Information and Participation

In accordance with Governor Newsom's Executive Order No. N-33-20 declaring a State of Emergency regarding the COVID-19 outbreak and Mayor London N. Breed's Proclamation declaring a Local Emergency issued on February 25, 2020, including the guidance for gatherings issued by the San Francisco Department of Public Health Officer, aggressive directives were issued to reduce the spread of COVID-19. 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>.

As the COVID-19 disease progresses, please visit the Board's website (www.sfbos.org) regularly to be updated on the current situation as it affects the legislative process. For more information contact Assistant Clerk Linda Wong at (415) 554-7719.

ROLL CALL AND ANNOUNCEMENT

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

200766 [Loan Documents - 270 Turk Street - Acquisition and Preservation Programs - Up to \$31,870,000]

Sponsor: Mayor

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute documents relating to loans for the acquisition, rehabilitation, or permanent financing of 270 Turk Street pursuant to the Small Sites Program, Preservation and Seismic Safety Program, the Downtown Neighborhoods Preservation Fund, and the Educational Revenue Augmentation Fund for a total loan amount not to exceed \$31,780,000; confirming the Planning Department's determination under the California Environmental Quality Act; and finding that the Project loans are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

07/14/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Caroline McCormack (Mayor's Office of Housing and Community Development); Severin Campbell (Office of the Budget and Legislative Analyst); Amy Chan (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 AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE by replacing the reference of 'Small Sites Program' with 'Acquisition and Preservation Programs' and to make other clarifying and conforming amendment. The motion carried by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman

Chair Fewer moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to accept the recommendations by the Office of the Budget and Legislative to state the requested loan amount is \$31,870,000, to request the MOHCD Executive Director to provide the option for the City to purchase 270 Turk Street at a future date, and to make other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development ("MOHCD") to execute documents relating to loans for the acquisition, rehabilitation, or permanent financing of at-risk housing located at 270 Turk Street ("Project") pursuant to MOHCD's acquisition and preservation programs, including the Preservation and Seismic Safety Program, the Downtown Neighborhoods Preservation Fund, and the Educational Revenue Augmentation Fund for a total loan amount not to exceed \$31,870,000; confirming the Planning Department's determination under the California Environmental Quality Act; and finding that the Project loans are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

Chair Fewer moved that this Resolution be CONTINUED AS AMENDED to the Budget and Finance Committee meeting of September 2, 2020. The motion carried by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman

200768 [Maintenance Agreement - Installation and Maintenance of Transportation Art - California Department of Transportation]**Sponsor: Mayor**

Resolution approving a maintenance agreement between the City and County of San Francisco and the California Department of Transportation ("Caltrans") for the City's maintenance of artwork on right-of-way within Caltrans jurisdiction located at the north and south boarding platforms of the Van Ness Avenue and Geary Street station between Geary and O'Farrell Streets for the Van Ness Bus Rapid Transit Project; and the City's indemnification of Caltrans for any claims occurring by reason of anything done or omitted to be done by City under the agreement.

07/14/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Susan Pontious (Arts Commission); provided an overview and responded to questions raised throughout the discussion. Speaker; 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, Walton, Mandelman

200708 [Supporting the Intent to Fund COVID-19 Rent Resolution and Relief Fund and Social Housing Program Fund]**Sponsors: Preston; Walton**

Resolution supporting housing stability by allocating revenue generated by a November 2020 transfer tax ballot measure, in two equal halves, to a COVID-19 Rent Resolution and Relief Fund and a Social Housing Program Fund.

06/30/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Supervisor Dean Preston (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

(Supervisor Walton requested to be added as a co-sponsor.)

Chair Fewer moved that this Resolutin be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Lines 3-4 by adding 'indicating the Board of Supervisor's intent to appropriate'; on Page 3, Line 2, after 'transfer tax on' by adding 'transfers of real property with a consideration or value of'; Line 4, by adding 'would' after 'ballot measure'; Lines 4-5, by adding 'with a consideration or value of' after 'real property'; Lines 7-8, by adding 'It would also provide General fund revenues that the Board of Supervisors by this resolution expresses its intent to use for' before 'a COVID-19 Rent Resolution'; Lines 9-10, by adding 'by this resolution expresses its intent to use for a' before 'Social Housing Program Fund'; Lines 12-15, by clarifying the clause to state 'WHEREAS, The ballot measure would adjust the City's transfer tax rates such that rates for transfers of real property with a consideration or value of at least \$10 million but less than \$25 million would increase from 2.75% to 5.5%, and rates for transfers of real property with a consideration or value of at least \$25 million would increase from 3% to 6%; and'; Lines 16-17, by adding 'will deposited into the General Fund, and by this resolution the Board of Supervisors expresses its intent that such funds' after 'transfer tax'; on Page 4, Lines 1-4, by clarifying the clause to state 'WHEREAS, Any funds that the Board appropriates for the COVID-19 Rent Resolution and Relief Fund that are not availed upon by landlords could be appropriated by the Board to be used for the RADCO program to which tenants who are struggling to make back rent payments can apply through the EDC; and'; Lines 9 and 12, by adding 'intends to' after 'Board of Supervisors; Lines 10 and 13, by adding 'appropriating' before 'funds'; and to make other clarifying and conforming amendments. The motion carried by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman

Resolution supporting housing stability by indicating the Board of Supervisor's intent to appropriate revenue generated by a November 2020 transfer tax ballot measure to a COVID-19 Rent Resolution and Relief Fund and a Social Housing Program Fund.

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

Ayes: 3 - Fewer, Walton, Mandelman

Chair Fewer requested File Nos. 200423 and 200740 be called together.

200423 [Development Agreement - Reservoir Community Partners, LLC - Balboa Reservoir Project]

Sponsor: Yee

Ordinance approving a Development Agreement between the City and County of San Francisco and Reservoir Community Partners, LLC, for the Balboa Reservoir Project (at the approximately 17.6-acre site located generally north of the Ocean Avenue commercial district, west of the City College of San Francisco Ocean Campus, east of the Westwood Park neighborhood, and south of Archbishop Riordan High School), with various public benefits, including 50% affordable housing and approximately four acres of publicly accessible parks and open space; making findings under the California Environmental Quality Act, findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b), and findings of public convenience, necessity, and welfare under Planning Code, Section 302; approving development impact fees and waiving any conflicting provision in Planning Code, Article 4, or Administrative Code, Article 10; confirming compliance with or waiving certain provisions of Administrative Code, Section 6.22 and Chapters 14B, 23, 41B, 56, 82, and 83, Planning Code, Sections 169, 138.1, 414A, 415, and 422, Public Works Code, Section 806(d), Subdivision Code, Section 1348, and Health Code, Article 12C; and ratifying certain actions taken in connection therewith, as defined herein.

(Economic Impact)

(Fiscal Impact)

04/28/20; ASSIGNED UNDER 30 DAY RULE to Land Use and Transportation Committee, expires on 5/28/2020.

05/06/20; REFERRED TO DEPARTMENT. Referred to the Planning Commission pursuant to Planning Code Section 302, for public hearing and recommendation and the Planning Department for environmental review.

06/26/20; TRANSFERRED to Budget and Finance Committee. President Yee transferred the matter from the Land Use and Transportation Committee to the Budget and Finance Committee.

07/14/20; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee. Supervisor Yee introduced a substitute Ordinance bearing a new title.

07/17/20; NOTICED. 10-Day Notice Published in the Examiner and mailed to property owners and local agencies pursuant to Planning Code Section 56.8, 306.3, and 56.14 and Government Code Section 65867.

Heard in Committee. Speakers: President Norman Yee (Board of Supervisors); Leigh Lutenski (Office of Economic and Workforce Development); Michael Carlin (Public Utilities Commission); Joe Kirchofer (Avalon Bay); Severin Campbell (Office of the Budget and Legislative Analyst); Elizabeth Dietrich and Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Christopher Peterson; Speaker; Lilia O'Neal; Sara Louie; George Flashman; Speaker; Francisco DaCosta; Charlie Shammon; David Gray; Melissa McClaire; Erica; Diane Louise; Joseph Smith; Jean Barish; Laura Fried; Mary Harris; Pam Tal Lee; Wynn Kaufman; John Winston; Jessie Fuentes; Milo Charles; Phil Gordon; Robert Tuckman; Jennifer Higgies; Frank; Ms. Snyder; Don Masumi; Speaker; Theodore Randolpn; Dr. Adam Buck; Maluka Goblin; Michael Arons; Speaker; Madeline Miller; C. U.; Hillary Bornstein; Peter Warfield; Vishal; Jonathan Randolph; Setta Tima; Marcus I.; Adam Brandt; Speaker; Kenneth Gaffold; Felicity; Christopher Whitfield; Robin Kim; Speaker; Sam Dorch; David Brackman; Mr. Smith; Daniel Wood; Kaden Miller; spoke on various concerns relating to the hearing matter.

Chair Fewer moved that this Ordinance AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE to request the MOHCD Executive Director to include an option for the City to purchase the Affordable Housing properties on the Balboa Reservoir site in the future financing of the affordable housing development set out in the Agreement. The motion carried by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman

Chair Fewer moved that this Ordinance be AMENDED, Page 3, Line 8, by striking 'approximately 7,500 square feet of neighborhood serving retail space.'. The motion carried by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman

Chair Fewer moved to accept the modifications to to the Development Agreement. The motion by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman
(Economic Impact)

(Fiscal Impact)

Chair Fewer moved that this Ordinance be REFERRED WITHOUT RECOMMENDATION AS AMENDED to the Board of Supervisors meeting of August 11, 2020. The motion carried by the following vote:

Ayes: 3 - Fewer, Walton, Mandelman

200740 [Sale of Real Estate - Reservoir Community Partners, LLC - Balboa Reservoir - \$11,400,000]

Sponsor: Yee

Resolution approving and authorizing the execution of an Agreement for Sale of Real Estate for the conveyance by the City, acting through the San Francisco Public Utilities Commission, to Reservoir Community Partners, LLC of approximately 16.4 acres of real property in Assessor's Parcel Block No. 3180, Lot No. 190, located near Ocean Avenue and Frida Kahlo Way, for \$11,400,000; adopting findings under the California Environmental Quality Act; adopting findings that the conveyance is consistent with the General Plan, and the priority policies of Planning Code, Section 101.1; authorizing the Director of Property and/or the SFPUC's General Manager to execute the Agreement for Sale of Real Estate and related documents for the sale of the property, including an Open Space License, Promissory Note, Deed of Trust, Amended and Restated Easement Agreement and Deed, Declaration of Restrictions, and Recognition Agreement; and authorizing the Director of Property and/or the SFPUC's General Manager to make certain modifications, as described herein, and take certain actions in furtherance of this Resolution, as described herein.

07/07/20; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/17/20; NOTICED.

07/17/20; RESPONSE RECEIVED. Public Utilities Commission confirmed proof of posting as required.

Heard in Committee. Speakers: President Norman Yee (Board of Supervisors); Leigh Lutenski (Office of Economic and Workforce Development); Michael Carlin (Public Utilities Commission); Joe Kirchofer (Avalon Bay); Severin Campbell (Office of the Budget and Legislative Analyst); Elizabeth Dietrich and Anne Pearson (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Christopher Peterson; Speaker; Lilia O'Neal; Sara Louie; George Flashman; Speaker; Francisco DaCosta; Charlie Shammon; David Gray; Melissa McClaire; Erica; Diane Louise; Joseph Smith; Jean Barish; Laura Fried; Mary Harris; Pam Tal Lee; Wynn Kaufman; John Winston; Jessie Fuentes; Milo Charles; Phil Gordon; Robert Tuckman; Jennifer Higgies; Frank; Ms. Snyder; Don Masumi; Speaker; Theodore Randolpn; Dr. Adam Buck; Maluka Goblin; Michael Arons; Speaker; Madeline Miller; C. U.; Hillary Bornstein; Peter Warfield; Vishal; Jonathan Randolph; Setta Tima; Marcus I.; Adam Brandt; Speaker; Kenneth Gaffold; Felicity; Christopher Whitfield; Robin Kim; Speaker; Sam Dorch; David Brackman; Mr. Smith; Daniel Wood; Kaden Miller; spoke on various concerns relating to the hearing matter.

Chair Fewer moved that this Resolution be REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors meeting of August 11, 2020. 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 2:09 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.