



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: Hillary Ronen, Ahsha Safai, Connie Chan

Clerk: Brent Jalipa (415) 554-7712

Wednesday, September 21, 2022

12:30 PM

Regular Meeting

IN-PERSON MEETING
City Hall, Legislative Chamber, Room 250

(remote access provided)
(remote public comment provided via teleconference)

Present: 3 - Hillary Ronen, Ahsha Safai, and Connie Chan

The Budget and Finance Committee met in a regular session, in-person with remote access and public comment via telephone, on Wednesday, September 21, 2022, with Chair Hillary Ronen presiding. Chair Ronen called the meeting to order at 12:35 p.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: brent.jalipa@sfgov.org; all comments received will be made a part of the official record. Regularly-scheduled Budget and Finance Committee Meetings begin at 12:30 p.m. every Wednesday of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.

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 the Budget and Finance Committee Clerk at (415) 554-7712 or brent.jalipa@sfgov.org.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Ronen, Vice Chair Safai, and Member Chan were noted present. A quorum of the Committee was present with Vice Chair Safai attending remotely.

COMMUNICATIONS

*Brent Jalipa, Budget and Finance Committee Clerk, instructed members of the public, when general public comment is called, to contribute live comments for up to two minutes in-person or by dialing the provided telephone number. In-person public comment will be taken before remote public comment is called. Those who are providing public comment remotely must dial * 3 to be added to the remote queue to speak. Written comments may be submitted through email to the Budget and Finance Committee Clerk (brent.jalipa@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.*

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Vice Chair Safai was noted present in the Chamber at 12:43 p.m.

220959 [Setting Property Tax Rate and Establishing Pass-Through Rate for Residential Tenants - FY2022-2023]

Sponsor: Ronen

Resolution levying property taxes at a combined rate of \$1.17973782 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco County Office of Education, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing a pass-through rate of \$0.0713 per \$100 of assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for the Fiscal Year (FY) ending June 30, 2023.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jamie Whitaker (Office of the Controller); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Ronen, Safai, Chan

220884 [Support for Application of Infill Infrastructure Grant Program Funds - Tenderloin Neighborhood Development Corporation, 730 Stanyan Associates L.P., Mercy Housing - 2550 Irving Street, 730 Stanyan Street, 2530-18th Street]

Sponsors: Mayor; Ronen, Chan and Safai

Resolution supporting Tenderloin Neighborhood Development Corporation, 730 Stanyan Associates L.P., and Mercy Housing (each an "Applicant") submission of applications under the Infill Infrastructure Grant Program ("IIG Program") to the California Department of Housing and Community Development to receive IIG Program funds in order to construct 100% affordable, multifamily rental housing developments affordable to low-income households located at 2550 Irving Street, 730 Stanyan Street, and 2350-18th Street, respectively (each a "Project").

07/26/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Sheila Nickolopoulos (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.

Supervisors Ronen, Chan, and Safai requested to be added as co-sponsors.

Chair Ronen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by replacing '2350-18th Street' with '2530-18th Street' throughout the legislation. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

Resolution supporting Tenderloin Neighborhood Development Corporation, 730 Stanyan Associates L.P., and Mercy Housing (each an "Applicant") submission of applications under the Infill Infrastructure Grant Program ("IIG Program") to the California Department of Housing and Community Development to receive IIG Program funds in order to construct 100% affordable, multifamily rental housing developments affordable to low-income households located at 2550 Irving Street, 730 Stanyan Street, and 2530-18th Street, respectively (each a "Project").

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

Ayes: 3 - Ronen, Safai, Chan

220919 [Contract Agreement - Toyon Associates, Inc. - Regulatory Report and Reimbursement and Revenue Optimization Services - Not to Exceed \$8,492,339]

Resolution approving an original contract agreement between Toyon Associates, Inc. and the Department of Public Health, to provide regulatory report and reimbursement and revenue optimization services, in an amount not to exceed \$6,714,114 for a total contract term of October 1, 2022, through September 30, 2027, and to authorize the Department of Public Health to enter into amendments or modifications to the contract prior to its final execution by all parties that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the contract or this Resolution. (Public Health Department)
(Fiscal Impact)

08/24/22; RECEIVED FROM DEPARTMENT.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Matt Sur (Department of Public Health); 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.

Chair Ronen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by increasing the amount not to exceed from '\$6,714,114' to '\$8,492,339' throughout the legislation. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

Resolution approving an original contract agreement between Toyon Associates, Inc. and the Department of Public Health, to provide regulatory report and reimbursement and revenue optimization services, in an amount not to exceed \$8,492,339 for a total contract term of October 1, 2022, through September 30, 2027, and to authorize the Department of Public Health to enter into amendments or modifications to the contract prior to its final execution by all parties that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the contract or this Resolution. (Public Health Department)
(Fiscal Impact)

Chair Ronen moved that this Resolution be CONTINUED AS AMENDED to the Budget and Finance Committee meeting of September 28, 2022. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

220921 [Emergency Contract - Retroactive - Tryfacta, Inc. - Temporary Staffing Services - Not to Exceed \$1,000,000]

Resolution retroactively authorizing the Department of Public Health to award an emergency contract to Tryfacta, Inc., as authorized under Section 21.15 of the Administrative Code, for the purpose of providing temporary staffing services, in an amount not to exceed \$3,500,000 for a term of six months, from June 17, 2022, through December 17, 2022; and to authorize the Department of Public Health to enter into any amendments or modifications to the contract that do not otherwise materially increase the obligations or liabilities to the City and are necessary or advisable to effectuate the purposes of the contract or this Resolution. (Public Health Department)
(Fiscal Impact)

08/12/22; RECEIVED FROM DEPARTMENT.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Baljeet Sangha (Department of Public Health); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Ronen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by reducing the not to exceed amount from '\$3,500,000' to '\$1,000,000' throughout the legislation; on Page 2, Lines 16-21, by striking 'FURTHER RESOLVED, That the Board of Supervisors authorizes DPH to extend the term and/or increase the amount of the agreement, not to exceed ten (10) years or \$10,000,000, to the extent that DPH determines, in consultation with the City Attorney, that such modification is in the best interests of the City, does not otherwise materially increase the obligations or liabilities of the City, is necessary or advisable to effectuate the purposes of the agreement, and is in compliance with all applicable laws'; and on Page 3, Lines 3-6, by striking 'FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed by all parties, the Director of Health and/or the Director of the Office of Contract Administration/Purchaser shall provide the final contracts to the Clerk of the Board for inclusion into the official File No. 220921.'. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

Resolution retroactively authorizing the Department of Public Health to award an emergency contract to Tryfacta, Inc., as authorized under Section 21.15 of the Administrative Code, for the purpose of providing temporary staffing services, in an amount not to exceed \$1,000,000 for a term of six months, from June 17, 2022, through December 17, 2022; and to authorize the Department of Public Health to enter into any amendments or modifications to the contract that do not otherwise materially increase the obligations or liabilities to the City and are necessary or advisable to effectuate the purposes of the contract or this Resolution. (Public Health Department)
(Fiscal Impact)

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

Ayes: 3 - Ronen, Safai, Chan

220922 [Contract Amendment - Retroactive - Health Services Advisory Group, Inc. - Specialized Consulting Services - Not to Exceed \$6,989,564]

Resolution retroactively approving Amendment No. 1 to the agreement between Health Services Advisory Group, Inc., and the Department of Public Health, as authorized under Section 21.15 of the Administrative Code, for the purpose of providing specialized consulting services, to increase the agreement by \$5,211,317 for an amount not to exceed \$6,989,564 for a total agreement term of seven and one-half months, with no changes to the term of May 9, 2022, through December 31, 2022; and to authorize the Department of Public Health to enter into any amendments or modifications to the contract that do not otherwise materially increase the obligations or liabilities to the City and are necessary or advisable to effectuate the purposes of the contract or this Resolution. (Public Health Department)
(Fiscal Impact)

08/12/22; RECEIVED FROM DEPARTMENT.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Baljeet Sangha (Department of Public Health); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Patrick Monette-Shaw; spoke on various concerns regarding the hearing matter.

Chair Ronen moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 2, Lines 18-23, by striking 'FURTHER RESOLVED, That the Board of Supervisors authorizes DPH to extend the term and/or increase the amount of the agreement, not to exceed ten (10) years or \$10,000,000, to the extent that DPH determines, in consultation with the City Attorney, that such modification is in the best interests of the City, does not otherwise materially increase the obligations or liabilities of the City, is necessary or advisable to effectuate the purposes of the agreement, and is in compliance with all applicable laws'; and on Page 3, Lines 5-8, by striking 'FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed by all parties, the Director of Health and/or the Director of the Office of Contract Administration/Purchaser shall provide the final contacts to the Clerk of the Board for inclusion into the official File No. 220922.'. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

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

Ayes: 3 - Ronen, Safai, Chan

220923 [Contract Amendment - Denali Water Solutions LLC - Biosolids and Grit Hauling Services Oceanside and Southeast Wastewater Treatment Plants - Not to Exceed \$18,800,000]

Resolution authorizing the Office of Contract Administration to amend PeopleSoft Contract ID 1000015461 between the City and County of San Francisco and Denali Water Solutions LLC for the hauling of biosolids and grit from Public Utilities Commission's Oceanside and Southeast wastewater treatment plants, increasing the contract amount by \$10,200,000 for a total not to exceed amount of \$18,800,000 and extending the contract end date by four years, with a contract duration of seven years for a total term of October 1, 2019, through September 30, 2026. (Office of Contract Administration)
(Fiscal Impact)

08/29/22; RECEIVED FROM DEPARTMENT.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Sailaja Kurella, Director (Office of Contract Administration); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Francisco DaCosta; spoke on various concerns regarding the hearing matter.

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

Ayes: 3 - Ronen, Safai, Chan

220929 [Contract Amendment - Bar None Auction - Auction Services - \$2,100,000 Anticipated Revenue]

Resolution authorizing the Office of Contract Administration to execute Amendment 2 to Contract 1000024326 with Bar None Auction for auction services on an as-needed basis; extending the duration by one year for a total contract duration of four years from October 1, 2019, through September 30, 2023, with an increase in anticipated revenue of \$800,000 for a total anticipated revenue amount of \$2,100,000. (Office of Contract Administration)

07/29/22; RECEIVED FROM DEPARTMENT.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Sailaja Kurella, Director (Office of Contract Administration); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Ronen, Safai, Chan

220845 [Lease Amendment No. 4 - World Duty Free Group North America, LLP - Terminal 2 Newsstands, Coffee and Specialty Store Lease No. 10-0232 - Reduction of Premises]

Resolution approving Amendment No. 4 to the Terminal 2 Newsstands, Coffee and Specialty Store Lease No. 10-0232, between World Duty Free Group North America, LLP, as tenant, and the City and County of San Francisco, acting by and through its Airport Commission, for a reduction in the total leasehold square footage of the demised premises by approximately 20% which results in a reduction in the Minimum Annual Guarantee of \$302,625 with no change to the term of May 1, 2011, through June 30, 2023, effective upon approval by the Board of Supervisors. (Airport Commission)

07/13/22; RECEIVED FROM DEPARTMENT.

07/26/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Dyanna Volek (Airport Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Ronen, Safai, Chan

220844 [Real Property Lease - Aardvark Storage Unlimited, Inc. - 600 Amador Street, Seawall Lot 344 - Initial Monthly Rent of \$99,961.20]

Resolution approving Port Commission Lease No. L-16846 with Aardvark Storage Unlimited, Inc., a California corporation, dba American Storage, located at 600 Amador Street within Seawall Lot 344 for approximately 279,740 square feet of paved land for an initial monthly rent of \$99,961.20 and a term of five years with one one-year option to extend the term, to commence upon Board of Supervisors approval; and to authorize the Executive Director of Port to enter into any additions, amendments, or other modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of this Resolution. (Port)

07/11/22; RECEIVED FROM DEPARTMENT.

07/26/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Rebecca Benassini (Port Department); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Ronen, Safai, Chan

220791 [Planning and Engineering Services Agreement - Brown and Caldwell - Southeast Plant Biosolids Digester Facilities - Not to Exceed \$208,500,000]

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute Amendment No. 2 to Wastewater Enterprise Contract No. CS-235, Planning and Engineering Services, Southeast Plant (SEP) Biosolids Digester Facilities, with Brown and Caldwell, to increase the contract amount by \$55,000,000 for a total not to exceed amount of \$208,500,000 and increase the contract duration by three years and six months, for a total duration of 16 years from July 29, 2013, through July 28, 2029, pursuant to Charter, Section 9.118. (Public Utilities Commission) (Fiscal Impact)

07/01/22; RECEIVED FROM DEPARTMENT.

07/12/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Howard Fung and Carolyn Chiu (San Francisco Public Utilities Commission); 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. Pooja Rajani (En2Action); Tanya Yurovsky; Peter Yu; Nicole Quinto (Young Community Developers); spoke in support of the hearing matter. Francisco DaCosta; spoke on various concerns regarding the hearing matter.

Vice Chair Safai moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 2, Lines 20-22, by adding 'FURTHER RESOLVED, That the SFPUC shall submit all future annual performance monitoring evaluations for Contract CS-235 to the Clerk of the Board for inclusion into the official file.' The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan
(Fiscal Impact)

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

Ayes: 3 - Ronen, Safai, Chan

220948 [Apply for Grant - United States Department of Housing and Urban Development - Continuum of Care Program - Not to Exceed \$54,655,600]

Sponsors: Mayor; Dorsey

Resolution approving the 2022 grant application for the United States Department of Housing and Urban Development Continuum of Care Program in an amount not to exceed \$54,655,600; and fulfilling the Board of Supervisors review and approval process for all annual or otherwise recurring grants of \$5,000,000 or more.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Dylan Schneider (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Ronen, Safai, Chan

220931 [Real Property Lease Extension - SFII 1390 MARKET ST, LLC - 1390 Market Street - Not to Exceed \$4,959,042 in Initial Year]

Resolution approving a lease amendment extending the term from January 1, 2023, to December 31, 2032, for approximately 69,402 square feet at 1390 Market Street (Fox Plaza), with SFII 1390 MARKET ST, LLC as Landlord, for use by the Office of the City Attorney, at an initial annual rent of \$4,959,042 (or \$413,253.50 per month) with 3% annual increases thereafter; approving the continued use of a portion of the premises for childcare services; and to authorize the Director of Property to enter into any amendments to the Lease or the Day Care License that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City, and are necessary or advisable to effectuate the purposes of the lease or this Resolution. (Real Estate Department)
(Fiscal Impact)

08/15/22; RECEIVED FROM DEPARTMENT.

09/06/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Andrico Penick, Director (Real Estate Division); Nicolas Menard (Office of the Budget and Legislative Analyst); Katharine Porter (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Safai moved that this Resolution be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 2:54 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.