



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, November 16, 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, November 16, 2022, with Chair Hillary Ronen presiding. Chair Ronen called the meeting to order at 12:32 p.m.

Remote Access to Information and Participation

The Board of Supervisors and its committees convene hybrid meetings that allow in-person attendance, remote access, and public comment via teleconference. Visit the SFGovTV website (www.sfgovtv.org) to stream the live meetings and watch meetings on demand or watch live meetings on San Francisco Cable Channels 26, 28, 78 or 99 (depending on your provider). Members of the public may provide public comment in-person or remotely via teleconference (detailed instructions available at: <https://sfbos.org/remotemeeting-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 and Vice Chair Safai were noted present. Member Chan was noted not present. A quorum of the Committee was present.

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

Member Chan was noted present at 12:34 p.m.

220947 [Contracting Process - Communications Based Train Control System - Waiver of Administrative Code Contract Prohibition and Authorization to Use Negotiated Procurement Procedures]

Sponsors: Mayor; Mandelman, Melgar, Dorsey and Safai

Ordinance authorizing the Municipal Transportation Agency to issue a Request for Proposals for a Communications Based Train Control System to be awarded by a contract with a term exceeding ten years; waiving the Administrative Code prohibition against issuing solicitations for a contract for general or professional services for a term longer than ten years; authorizing use of negotiated procurement procedures, stating that the award of the contract will be subject to the approval of the Board of Supervisors pursuant to Charter, Section 9.118(b); and adopting findings under the California Environmental Quality Act.

09/06/22; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 10/6/2022.

09/19/22; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review.

09/27/22; SUBSTITUTED AND ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee. Mayor Breed introduced a substitute Ordinance bearing a new title.

09/30/22; REFERRED TO DEPARTMENT. Referred the substitute legislation to the Planning Department for environmental review.

10/19/22; CONTINUED. Heard in Committee. Speakers: Joel Ramos, Dan Howard, and Janet Gallegos (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Francisco da Costa; David Pilpel; spoke on various concerns relating to the hearing matter.

Heard in Committee. Speakers: Julie Kirschbaum (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

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

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

Ayes: 3 - Ronen, Safai, Chan

Vice Chair Safai was noted absent from the Chamber 12:55 p.m., and noted attending remotely at 12:57 p.m.

221128 [Agreement Amendment - Clear Channel Outdoor, LLC - Transit Shelter Advertising - Term Extension]

Sponsors: Mayor; Melgar

Resolution approving the Second Amendment to the Transit Shelter Advertising Agreement between the City and County of San Francisco and Clear Channel Outdoor, LLC, to exercise the option to extend the Agreement for five years, from December 7, 2022, through December 7, 2027; adjust the minimum annual guarantee payments, as well as administrative and marketing payments; and increase the maintenance and service obligations of Clear Channel.

11/01/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Jonathan Rewers (Municipal Transportation Agency); Nicolas Menard (Office of the Budget and Legislative Analyst); Bob Schmitt (Clear Channel Outdoor); provided an overview and responded to questions raised throughout the discussion. Mark Gleason (Teamsters Local Union 665); Ramiro Gonzales; David Pilpel; spoke in support of the hearing matter.

Member Chan moved that this Resolution be REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

221092 [Lease Renewal - Hudson 1455 Market, LLC - Transit Management Center - 1455 Market Street - Term Extension - \$1,320,059.49]

Resolution authorizing and approving a first amendment to the lease to the renewal of an office lease for the existing Transportation Management Center with Hudson 1455 Market, LLC, as landlord, for the San Francisco Municipal Transportation Agency, at 1455 Market Street, at a yearly initial base rent of \$1,320,059.49 with annual adjustments of three percent for a term of ten years to commence September 20, 2023, for a total term of September 20, 2023, through September 19, 2033; and to authorize the Director or Property to enter into any extensions, amendments, or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution. (Real Estate Department)
(Fiscal Impact)

10/19/22; RECEIVED FROM DEPARTMENT.

11/01/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Claudia Gorham (Real Estate Division); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Ronen, Safai, Chan

Vice Chair Safai was noted present in the Chamber at 1:53 p.m.

221053 [Master Lease Amendment - United States Navy - Treasure Island Land and Structures]

Resolution approving Amendment No. 47 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, 2022, for a total term of November 19, 1998, through November 30, 2023; and to authorize the Treasure Island Director to execute and enter into amendments to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes and intent of this Resolution. (Treasure Island Development Authority)

09/20/22; RECEIVED FROM DEPARTMENT.

10/18/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Peter Summerville (Treasure Island Development Authority); 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

Chair Ronen requested File Nos. 221107 and 221108 be called together.

221107 [Accept and Expend Grant - Retroactive - California Department of Insurance - Automobile Insurance Fraud Program - \$314,180]

Sponsor: Mayor

Resolution retroactively authorizing the Office of the District Attorney to accept and expend a grant in the amount of \$314,180 from the California Department of Insurance for the Automobile Insurance Fraud Program, for the grant period of July 1, 2022, through June 30, 2023. (District Attorney)

10/25/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Tina Nunes Ober, (Office of the District Attorney); 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

221108 [Accept and Expend Grant - Retroactive - California Department of Insurance - Workers' Compensation Insurance Fraud Program - \$1,008,768]

Sponsor: Mayor

Resolution retroactively authorizing the Office of the District Attorney to accept and expend a grant in the amount of \$1,008,768 from the California Department of Insurance for the Workers' Compensation Insurance Fraud Program, for the grant period July 1, 2022, through June 30, 2023. (District Attorney)

10/25/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Tina Nunes Ober, (Office of the District Attorney); 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

221127 [Accept and Expend Grant - Retroactive - California Board of State and Community Corrections - Proposition 47 STARR - Cohort III - \$6,000,000]**Sponsor: Mayor**

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$6,000,000 from the California Board of State and Community Corrections for participation in a program, entitled "Proposition 47 Supporting Treatment & Reducing Recidivism - Cohort III," for the period of September 1, 2022, through June 1, 2026. (Public Health Department) (Fiscal Impact)

11/01/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Angelica Almeida (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 SAME TITLE, On Page 2, Lines 1-3, by inserting 'WHEREAS, DPH will provide a report on the occupancy of this program, and the finding status of the twenty-two treatment beds no longer funded in the proposed grant agreement no later than May 31, 2023'. The motion carried by the following vote:

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

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

Ayes: 3 - Ronen, Safai, Chan

Chair Ronen requested File Nos. 220981 and 220982 be called together.

220981 [Hearing - Economic Impact Review of Vacancies and Reduced Daytime Population in the Economic Core]**Sponsor: Safai**

Hearing to review the economic impact, real estate valuations and potential tax revenue loss, and City budget consequence of vacant office buildings and reduced daytime population in the Economic Core, including the Financial District, SOMA and Embarcadero; and requesting the Office of Economic and Workforce Development, Assessor-Recorder, Department of Building Inspection, Controller's Office, Small Business Commission, Planning Department, the City Economist, and Assessment Appeals Board to report.

09/13/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

09/19/22; REFERRED TO DEPARTMENT. Referred to the Office of Economic and Workforce Development, Office of the Assessor/Recorder, Department of Building Inspection, Office of the Controller, Office of Small Business, Planning Department, Chief Economist, and Assessment Appeals Board for informational purposes.

Heard in Committee. Speakers: Supervisor Catherine Stefani (Board of Supervisors); Ted Egan, Michelle Allersma, and Ben Rosenfield, Controller (Office of the Controller); Joaquín Torres, Assessor-Recorder (Office of the Assessor-Recorder); Alistair Gibson (Assessment Appeals Board); provided an overview and responded to questions raised throughout the discussion. Speaker; Francisco Da Costa; Sharky Laguana; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Ronen, Safai, Chan

220982 [Hearing - Future of Commercial Real Estate and the Impact on the Local Economy and Tax Revenue]**Sponsor: Stefani**

Hearing on the pandemic's impact on the future of commercial real estate in San Francisco and the effects on the local economy and tax revenue; and requesting the Assessor-Recorder's Office, Office of Economic and Workforce Development, Office of the Controller, and City Economist to report.

09/13/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

09/19/22; REFERRED TO DEPARTMENT. Referred to the Office of Economic and Workforce Development, Office of the Assessor/Recorder, and the Office of the Controller for informational purposes.

Heard in Committee. Speakers: Supervisor Catherine Stefani (Board of Supervisors); Ted Egan, Michelle Allersma, and Ben Rosenfield, Controller (Office of the Controller); Joaquín Torres, Assessor-Recorder (Office of the Assessor-Recorder); Alistair Gibson (Assessment Appeals Board); provided an overview and responded to questions raised throughout the discussion. Speaker; Francisco Da Costa; Sharky Laguana; spoke on various concerns relating to the hearing matter.

Vice Chair Safai moved that this Hearing 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 4:04 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.