



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, December 7, 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, December 7, 2022, with Chair Hillary Ronen presiding. Chair Ronen called the meeting to order at 12:34 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/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

221123 [Appropriation - \$4,711,123 in Tax Increment Revenue Bond Proceeds - Treasure Island Infrastructure and Revitalization Financing District - FY2022-2023]

Sponsors: Mayor; Safai and Ronen

Ordinance appropriating \$4,711,123 from the issuance of Treasure Island Infrastructure and Revitalization Financing District (IRFD) No. 1 Tax Increment Revenue Bonds and appropriating to the affordable housing project in the Mayor's Office of Housing and Community Development in Fiscal Year (FY) 2022-2023.

(Fiscal Impact)

11/01/22; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 12/1/2022.

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

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

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

Ayes: 3 - Ronen, Safai, Chan

221173 [Cost-Sharing Agreement - Retroactive - BART - Paratransit Services - Reimbursement by BART]**Sponsors: Mayor; Melgar and Safai**

Resolution retroactively authorizing the Director of Transportation to execute a new Cost-Sharing Agreement for paratransit services between the City and County of San Francisco, through the Municipal Transportation Agency (SFMTA), and the Bay Area Rapid Transit District (BART), under which BART will reimburse the SFMTA for providing BART's paratransit services within San Francisco for a one year period from July 1, 2022, through June 30, 2023, with nine one-year automatic renewal options, for a maximum term of ten years. (Municipal Transportation Agency)

11/15/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Annette Williams (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. David Pilpel; shared various concerns regarding the hearing matter.

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

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

Ayes: 3 - Ronen, Safai, Chan

Chair Ronen requested File Nos. 221156, 221157, 221158, and 221171 be called together.

221156 [Lease and Property Management Agreement - Dolores Street Community Services - 5630-5638 Mission Street - Not to Exceed \$10,741,000; Certain Administrative Code Waivers]

Sponsors: Mayor; Safai

Ordinance 1) approving and authorizing the Director of Property and the Executive Director of the Department of Homelessness and Supportive Housing ("HSH") to enter into a Lease and Property Management Agreement ("Agreement") with Dolores Street Community Services to lease, operate, and maintain the real property and residential improvements at 5630-5638 Mission Street ("Property") for an initial five-year term to commence upon the first day of the month following the effective date of this Ordinance with one five-year option to extend, and base rent of \$1 per year with no annual rent increases, and for net property management and operating costs to be paid by the City in a total five-year amount not to exceed \$11,636,000; 2) determining, in accordance with Administrative Code, Section 23.33, that the below market rent payable under the Agreement will serve a public purpose by providing Permanent Supportive Housing for formerly homeless and low-income households; 3) adopting findings that the Property is "exempt surplus land" under the California Surplus Land Act; 4) exempting the Property from contracting requirements in Administrative Code, Chapter 6, but requiring compliance with the prevailing wage and apprenticeship requirements of Administrative Code, Section 23.61; 5) authorizing the Director of Property and the Executive Director of HSH to make certain modifications to the Agreement and take certain actions in furtherance of the Agreement and this Ordinance, as defined herein; 6) ratifying all prior actions taken by any City employee or official with respect to the Agreement; and 7) affirming the Planning Department's determination under the California Environmental Quality Act, and adopting the Planning Department's findings that the Agreement is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

11/15/22; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Emily Cohen and Gigi Whitley (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); Dan Adams (Mayor's Office); provided an overview and responded to questions raised throughout the discussion. Laura Valdéz, Executive Director (Dolores Street Community Services); Vivian Wong; Megan (Five Keys Schools and Programs); spoke in support of the hearing matter.

Chair Ronen moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by reducing the total not to exceed amount from '\$11,636,000' to '\$10,741,000' throughout the legislation. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

Ordinance 1) approving and authorizing the Director of Property and the Executive Director of the Department of Homelessness and Supportive Housing (“HSH”) to enter into a Lease and Property Management Agreement (“Agreement”) with Dolores Street Community Services to lease, operate, and maintain the real property and residential improvements at 5630-5638 Mission Street (“Property”) for an initial five-year term to commence upon the first day of the month following the effective date of this Ordinance with one five-year option to extend, and base rent of \$1 per year with no annual rent increases, and for net property management and operating costs to be paid by the City in a total five-year amount not to exceed \$10,741,000; 2) determining, in accordance with Administrative Code, Section 23.33, that the below market rent payable under the Agreement will serve a public purpose by providing Permanent Supportive Housing for formerly homeless and low-income households; 3) adopting findings that the Property is “exempt surplus land” under the California Surplus Land Act; 4) exempting the Property from contracting requirements in Administrative Code, Chapter 6, but requiring compliance with the prevailing wage and apprenticeship requirements of Administrative Code, Section 23.61; 5) authorizing the Director of Property and the Executive Director of HSH to make certain modifications to the Agreement and take certain actions in furtherance of the Agreement and this Ordinance, as defined herein; 6) ratifying all prior actions taken by any City employee or official with respect to the Agreement; and 7) affirming the Planning Department’s determination under the California Environmental Quality Act, and adopting the Planning Department’s findings that the Agreement is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.
(Fiscal Impact)

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

Ayes: 3 - Ronen, Safai, Chan

221157 [Lease and Property Management Agreement - Dolores Street Community Services - 3055-3061 16th Street - Not to Exceed \$7,147,000; Certain Administrative Code Waivers]

Sponsors: Mayor; Ronen and Safai

Ordinance 1) approving and authorizing the Director of Property and the Executive Director of the Department of Homelessness and Supportive Housing (“HSH”) to enter into a Lease and Property Management Agreement (“Agreement”) with Dolores Street Community Services to lease, operate, and maintain the real property and residential improvements at 3055-3061 16th Street (“Property”) for an initial five-year term to commence upon the first day of the month following the effective date of this Ordinance with one five-year option to extend, and base rent of \$1 per year with no annual rent increases, and for net property management and operating costs to be paid by the City in a total five-year amount not to exceed \$7,446,000; 2) determining, in accordance with Administrative Code, Section 23.33, that the below market rent payable under the Agreement will serve a public purpose, by providing Permanent Supportive Housing for formerly homeless and low-income households; 3) adopting findings that the Property is “exempt surplus land” under the California Surplus Land Act; 4) exempting the Property from contracting requirements in Administrative Code, Chapter 6, but requiring compliance with the prevailing wage and apprenticeship requirements of Administrative Code, Section 23.61; 5) authorizing the Director of Property and the Executive Director of HSH to make certain modifications to the Agreement and take certain actions in furtherance of the Agreement and this Ordinance, as defined herein; 6) ratifying all prior actions taken by any City employee or official with respect to the Agreement; and 7) affirming the Planning Department’s determination under the California Environmental Quality Act, and adopting the Planning Department’s findings that the Agreement is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

11/15/22; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Emily Cohen and Gigi Whitley (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); Dan Adams (Mayor’s Office); provided an overview and responded to questions raised throughout the discussion. Laura Valdéz, Executive Director (Dolores Street Community Services); Vivian Wong; Megan (Five Keys Schools and Programs); spoke in support of the hearing matter.

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

Chair Ronen moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by reducing the total not to exceed amount from '\$7,446,000' to '\$7,147,000' throughout the legislation. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

Ordinance 1) approving and authorizing the Director of Property and the Executive Director of the Department of Homelessness and Supportive Housing (“HSH”) to enter into a Lease and Property Management Agreement (“Agreement”) with Dolores Street Community Services to lease, operate, and maintain the real property and residential improvements at 3055-3061 16th Street (“Property”) for an initial five-year term to commence upon the first day of the month following the effective date of this Ordinance with one five-year option to extend, and base rent of \$1 per year with no annual rent increases, and for net property management and operating costs to be paid by the City in a total five-year amount not to exceed \$7,147,000; 2) determining, in accordance with Administrative Code, Section 23.33, that the below market rent payable under the Agreement will serve a public purpose, by providing Permanent Supportive Housing for formerly homeless and low-income households; 3) adopting findings that the Property is “exempt surplus land” under the California Surplus Land Act; 4) exempting the Property from contracting requirements in Administrative Code, Chapter 6, but requiring compliance with the prevailing wage and apprenticeship requirements of Administrative Code, Section 23.61; 5) authorizing the Director of Property and the Executive Director of HSH to make certain modifications to the Agreement and take certain actions in furtherance of the Agreement and this Ordinance, as defined herein; 6) ratifying all prior actions taken by any City employee or official with respect to the Agreement; and 7) affirming the Planning Department’s determination under the California Environmental Quality Act, and adopting the Planning Department’s findings that the Agreement is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.
(Fiscal Impact)

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

Ayes: 3 - Ronen, Safai, Chan

221158 [Lease and Property Management Agreement - Five Keys Schools and Programs - 835 Turk Street - Not to Exceed \$16,682,000; Certain Administrative Code Waivers]

Sponsors: Mayor; Stefani and Safai

Ordinance 1) approving and authorizing the Director of Property and the Executive Director of the Department of Homelessness and Supportive Housing (“HSH”) to enter into a Lease and Property Management Agreement (“Agreement”) with Five Keys Schools and Programs to lease, operate, and maintain the real property and residential improvements at 835 Turk Street (“Property”) for an initial five-year term to commence upon the first day of the month following the effective date of this Ordinance with one five-year option to extend, and base rent of \$1 per year with no annual rent increases, and for net property management and operating costs to be paid by the City in a total five-year amount not to exceed \$16,682,000; 2) determining, in accordance with Administrative Code, Section 23.33, that the below market rent payable under the Agreement will serve a public purpose, by providing Permanent Supportive Housing for formerly homeless and low-income households; 3) adopting findings that the Property is “exempt surplus land” under the California Surplus Land Act; 4) exempting the Property from contracting requirements in Administrative Code, Chapter 6, but requiring compliance with the prevailing wage and apprenticeship requirements of Administrative Code, Section 23.61; 5) authorizing the Director of Property and the Executive Director of HSH to make certain modifications to the Agreement and take certain actions in furtherance of the Agreement and this Ordinance, as defined herein; 6) ratifying all prior actions taken by any City employee or official with respect to the Agreement; and 7) affirming the Planning Department’s determination under the California Environmental Quality Act, and adopting the Planning Department’s findings that the Agreement is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Fiscal Impact)

11/15/22; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Emily Cohen and Gigi Whitley (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); Dan Adams (Mayor’s Office); provided an overview and responded to questions raised throughout the discussion. Laura Valdéz, Executive Director (Dolores Street Community Services); Vivian Wong; Megan (Five Keys Schools and Programs); spoke in support of 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

221170 [Execute Standard Agreement and Accept and Expend Grant - California Department of Housing and Community Development - 2021 Homekey Grant - 333-12th Street - Not to Exceed \$56,578,000]

Sponsors: Mayor; Dorsey and Ronen

Resolution authorizing the Department of Homelessness and Supportive Housing (“HSH”) to execute a Standard Agreement with the California Department of Housing and Community Development for a total amount not to exceed \$56,578,000 of Project Homekey grant funds; to accept and expend those funds for the acquisition of the property located at 333-12th Street for Permanent Supportive Housing for families and to support its operations upon execution of the Standard Agreement through June 30, 2026; approving and authorizing HSH to commit approximately \$98,800,000 in required matching funds for acquisition of the property and a minimum of five years of operating subsidy; affirming the Planning Department’s determination under the California Environmental Quality Act; and adopting the Planning Department’s findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing HSH to enter into any additions, amendments, or other modifications to the Standard Agreement and the Homekey Documents that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City. (Department of Homelessness and Supportive Housing)
(Fiscal Impact)

11/15/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Emily Cohen and Gigi Whitley (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); Dan Adams (Mayor’s Office); provided an overview and responded to questions raised throughout the discussion. Francisco DaCosta; shared various concerns regarding the hearing matter.

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

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

Ayes: 3 - Ronen, Safai, Chan

221171 [Lease and Property Management Agreement - Housing for Independent People, Inc. - 333-12th Street - Not to Exceed \$20,080,000]**Sponsors: Mayor; Dorsey and Safai**

Resolution 1) approving and authorizing the Director of Property and the Executive Director of the Department of Homelessness and Supportive Housing (“HSH”) to enter into a Lease and Property Management Agreement (“Agreement”) with Housing for Independent People, Inc. to lease, operate, and maintain the real property and residential improvements located at 333-12th Street for an initial five-year term to commence on February 1, 2023, with an option to extend for up to an additional five years, and base rent of \$1 per year with no annual rent increases, and for net property management and operating costs to be paid by the City in a total five-year amount not to exceed \$20,080,000; 2) determining in accordance with Administrative Code, Section 23.33, that the below market rent payable under the Agreement will serve a public purpose by providing Permanent Supportive Housing for formerly homeless and low-income households; 3) adopting findings declaring that the Property is “exempt surplus land” under the California Surplus Land Act; 4) authorizing the Director of Property and the Executive Director of HSH to execute the Agreement, make certain modifications, and take certain actions in furtherance of the Agreement and this Resolution, as defined herein; 5) ratifying all prior actions taken by any City employee or official with respect to the Agreement, as defined herein; and 6) affirming the Planning Department’s determination under the California Environmental Quality Act, and adopting the Planning Department’s findings of consistency with the General Plan, and the eight priority policies of the Planning Code, Section 101.1.

(Fiscal Impact)

11/15/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Emily Cohen and Gigi Whitley (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); Dan Adams (Mayor’s Office); provided an overview and responded to questions raised throughout the discussion. Laura Valdéz, Executive Director (Dolores Street Community Services); Vivian Wong; Megan (Five Keys Schools and Programs); spoke in support of the hearing matter.

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

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 12:41 p.m.

221069 [Public Works Code - Exemption of Banner Fees and Inspection Fees - Leather and LGBTQ Cultural District and SoMa Pilipinas-Filipino Cultural Heritage District]

Sponsors: Dorsey; Ronen and Safai

Ordinance amending the Public Works Code to exempt the Leather and Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Cultural District from banner permit fees and inspection fees for the placement of up to 200 banners on up to 200 City-owned poles within that Cultural District; and to codify the existing exemption of the SoMa Pilipinas - Filipino Cultural Heritage District from banner permit fees and inspection fees for the placement of up to 300 banners on up to 300 City-owned poles within that Cultural District; and affirming the Planning Department's determination under the California Environmental Quality Act.

10/18/22; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 11/17/2022.

10/21/22; REFERRED TO DEPARTMENT. Referred to Public Works for informational purposes; and Planning Department for environmental review.

Heard in Committee. Speaker: Bob Goldfarb, President (Leather and Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Cultural District); provided an overview and responded to questions raised throughout the discussion.

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

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

Ayes: 3 - Ronen, Safai, Chan

221169 [Apply for Grant - California Natural Resources Agency's Urban Greening Program - Planting Trees and Growing Green Jobs Project - South of Market Tree Nursery - \$456,250]

Sponsors: Mayor; Dorsey, Ronen, Chan and Safai

Resolution authorizing the Department of Public Works to apply to the California Natural Resources Agency's Urban Greening Program for a grant in the amount of \$456,250 to fund the Planting Trees and Growing Green Jobs Project at the South of Market Tree Nursery; and affirming the Planning Department's determination under the California Environmental Quality Act. (Public Works)

11/15/22; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Jon Swae (Public Works); 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 RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Ronen, Safai, Chan

221106 [Public Works Code - Waiver of Temporary Street Space Occupancy Permit Fee - Sidewalk Sales During the Holiday Season]**Sponsors: Stefani; Mandelman, Dorsey, Chan, Preston, Ronen and Safai**

Ordinance waiving the fee required under Public Works Code, Section 724.1(b), for temporary street space occupancy permits on San Francisco streets on November 25-27, December 2-4, and December 9-11, 2022, to promote sidewalk sales of merchandise during the holiday season; and affirming the Planning Department's determination under the California Environmental Quality Act. 10/25/22; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 11/24/2022.

10/28/22; REFERRED TO DEPARTMENT. Referred to Public Works for informational purposes; Planning Department for environmental review; and Small Business Commission for comment and recommendation.

10/28/22; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

Heard in Committee. Speaker: Dominica Donovan (Office of Supervisor Catherine Stefani); provided an overview and responded to questions raised throughout the discussion.

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

Chair Ronen moved that this Resolution be RECOMMENDED. 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 2:18 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.