



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: Connie Chan, Rafael Mandelman, Myrna Melgar

Clerk: Brent Jalipa
(415) 554-7712 ~ brent.jalipa@sfgov.org

Wednesday, April 3, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Connie Chan, Rafael Mandelman, and Myrna Melgar

The Budget and Finance Committee met in a regular session on Wednesday, April 3, 2024, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:01 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan, Vice Chair Mandelman, and Member Melgar were noted present. A quorum was present.

COMMUNICATIONS

Brent Jalipa, Budget and Finance Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (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

240190 [Agreement Amendment - Santa Clara Valley Water District - Long-Term Operation and Maintenance of Intertie Facility]

Resolution approving the Second Amendment to the Agreement between the San Francisco Public Utilities Commission (SFPUC) and Santa Clara Valley Water District (District) for long-term operation and maintenance of the Intertie Facility located in Milpitas pursuant to Charter, Section 9.118, to re-designate the District as the Operation and Maintenance (O&M) Party of the Intertie Facility from July 1, 2024, through June 30, 2029, with the SFPUC and the District meeting and conferring before the end of the five-year period to determine, by mutual written agreement, which of them shall be the O&M Party beyond June 30, 2029. (Public Utilities Commission)

03/01/24; RECEIVED FROM DEPARTMENT.

03/12/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Angela Cheung (San Francisco Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Chan, Mandelman, Melgar

Chair Chan requested File Nos. 240268 and 240267 be called together.

240268 [Accept and Expend Grant - Retroactive - San Francisco General Hospital Foundation - Transform Mental and Behavioral Health - \$909,095]

Sponsors: Mayor; Mandelman and Ronen

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$909,095 from the San Francisco General Hospital Foundation for participation in a program, entitled "Transform Mental and Behavioral Health," for the period of September 30, 2023, through September 29, 2028. (Public Health Department)

03/19/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Angelica Journagin, Chief Administrative Officer (Zuckerberg San Francisco General Hospital); Jennifer Callewaert (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Chan, Mandelman, Melgar

240267 [Accept and Expend Grant - Retroactive - California Department of Justice - Tobacco Grant Award Notification Fiscal Year 2023-24 - \$2,888,144]**Sponsors: Mayor; Dorsey, Walton, Melgar and Mandelman**

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$2,888,144 from the California Department of Justice for participation in a program, entitled "Tobacco Grant Award Notification Fiscal Year 2023-24," for the period of January 1, 2024, through June 30, 2026.

03/19/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Angelica Journagin, Chief Administrative Officer (Zuckerberg San Francisco General Hospital); Jennifer Callewaert (Department of Public Health); provided an overview and responded to questions raised throughout the discussion.

Supervisors Melgar and Mandelman requested to be added as co-sponsors.

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

Ayes: 3 - Chan, Mandelman, Melgar

240264 [Authorizing Expenditures - SoMa Community Stabilization Fund - \$890,000]**Sponsors: Mayor; Dorsey**

Resolution authorizing the Mayor's Office of Housing and Community Development to expend SoMa Community Stabilization Fund dollars in the amount of up to \$890,000 to address various impacts of destabilization on residents and businesses in SoMa from July 1, 2024, through June 30, 2025.

(Mayor's Office of Housing and Community Development)

(Fiscal Impact)

03/19/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Grace Lee (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.

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

Ayes: 3 - Chan, Mandelman, Melgar

240258 [Lease Agreement Exemption - SkyStar Wheel, LLC]**Sponsor: Mayor**

Resolution exempting from the competitive bidding policy set forth in Administrative Code, Section 2.6-1, the potential lease on a portion of the east end of Sea Wall Lot (SWL) 301, with SkyStar Wheel, LLC, for the continued operation of an observation wheel; and adopting environmental findings under the California Environmental Quality Act. (Port)

03/15/24; RECEIVED FROM DEPARTMENT.

03/19/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): None.

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

Ayes: 3 - Chan, Mandelman, Melgar

240266 [Accept and Expend Grant - Retroactive - Governor's Office of Business and Economic Development - Union Square Park Revitalization - \$2,000,000]**Sponsor: Mayor**

Resolution retroactively authorizing the Recreation and Park Department to accept and expend a \$2,000,000 Grant from the Governor's Office of Business and Economic Development for the Union Square Park Revitalization for the period of January 1, 2024, through December 31, 2026; to enter into a Grant Contract with the Governor's Office of Business and Economic Development; and to authorize the General Manager of the Recreation and Park Department to enter into any modifications and amendments to the Grant Contract that do not materially increase the obligations or liabilities of the City. (Recreation and Park Department)

03/19/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Neal Patel (Recreation and Park Department); Jacob Bintliff (Office of Economic and Workforce Development); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Chan, Mandelman, Melgar

231153 [Lease Amendment - DFS Group, L.P. - The International Terminal Duty Free and Luxury Lease - Modify and Extend a Reduced Percentage Rent Structure to December 31, 2026 - Establish a Temporarily Reduced Minimum Annual Guarantee - \$30,000,000]

Resolution approving Amendment No. 4 to the International Terminal Duty Free and Luxury Store Lease No. 17-0303 between DFS Group, L.P. and the City and County of San Francisco, acting by and through its Airport Commission, which continues the temporary reduced Percentage Rent structure, but increases the percentage amount to 36% of gross revenues, commencing with Lease Year 5 (2024) and continuing through Lease Year 7 (2026), and establishing a temporarily reduced Minimum Annual Guarantee of \$30,000,000 for Lease Year 5, adjusting annually in accordance with the Lease through Lease Year 7, with the original Base Rent structure recommencing in Lease Year 8 (2027), with each such rent accommodation being conditioned upon Tenant's timely completion of the construction of its remaining facilities in Harvey Milk Terminal 1 no later than December 31, 2024, with no change to the 14-year term, to be effective upon approval of this Resolution. (Airport Commission)
(Fiscal Impact)

11/02/23; RECEIVED FROM DEPARTMENT.

11/14/23; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): 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 Chan moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Mandelman, Melgar

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 10:49 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.