



**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](mailto:brent.jalipa@sfgov.org)*

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**Wednesday, October 9, 2024**

**9:00 AM**

**City Hall, Legislative Chamber, Room 250**

**Regular Meeting**

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

*The Budget and Finance Committee met in regular session on Wednesday, October 9, 2024, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 9:06 a.m.*

## **ROLL CALL AND ANNOUNCEMENTS**

*On the call of the roll, Chair Chan and Member Melgar were noted present. Vice Chair Mandelman was noted not 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](mailto: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 Mandelman was noted present at 9:10 a.m.

### **240860 [Real Property Lease - JQ Properties, LP - 950 Grant Street - San Francisco Public Library - \$168,000 Annual Base Rent]**

Resolution approving and authorizing the Director of Property, on behalf of the San Francisco Public Library, to execute a Lease of real property located at 950 Grant Avenue, with JQ Properties, LP, at a base rent of \$168,000 per year with a \$10,500 annual increase in the second lease year, commencing upon the substantial completion of tenant improvements, following approval of this Resolution, and expiring 30 months later, and a one-year option to extend, cancellable upon 90-days' notice; authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the Lease and this Resolution, as defined herein; and authorizing the Director of Property to enter into any additions, amendments, or other modifications to the Lease that do not materially increase the obligations or liabilities of the City to effectuate the purposes of the Lease or this Resolution. (Real Estate Department)

08/30/24; RECEIVED FROM DEPARTMENT.

09/17/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Andrico Penick, Director (City Administrator's Real Estate Division); Rebecca Alcala (Public Library); 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. 240935 and 240936 be called together.*

### **240935 [Accept and Expend Grant - Retroactive - California Department of Health Care Services - Providing Access and Transforming Health (PATH) Capacity and Infrastructure, Transition, Expansion and Development (CITED) 1B - \$3,862,929.40]**

**Sponsor: Mayor**

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$3,862,929.40 from the California Department of Health Care Services for participation in a program, entitled "Providing Access and Transforming Health (PATH) Capacity and Infrastructure, Transition, Expansion and Development (CITED) 1B," for the period of October 1, 2021, through June 30, 2025.

09/24/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Alex Boyder (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

**240936 [Accept and Expand Grant - Retroactive - California Department of Health Care Services - Capacity and Infrastructure, Transition, Expansion and Development Program - Intergovernmental Transfer - \$1,612,839.48]**

**Sponsor: Mayor**

Resolution retroactively authorizing the City and County of San Francisco to accept and expend \$1,612,839.48 in Grant funds from the California Department of Health Care Services (DHCS) for the Capacity and Infrastructure, Transition, Expansion and Development (CITED) Program - Intergovernmental Transfer (IGT), which is part of the California Providing Access and Transforming Health Initiative, for a Grant term of October 1, 2022, through February 28, 2026, authorizing the City to release all claims against DHCS and its Third-Party Administrator arising out of or relating to the receipt of Grant funds and/or activities associated with the Grant program; and to authorize the Director of Health to enter into amendments or modifications to the Grant that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Grant or this Resolution. (Public Health Department)

09/24/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Alex Boyder (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

**240937 [Predevelopment Agreement Amendment - Retroactive - Potrero Neighborhood Collective LLC - 2500 Mariposa - Potential Termination Payment Not to Exceed \$15,546,566]**

**Sponsors: Mayor; Ronen**

Resolution retroactively approving a Second Amendment to the Predevelopment Agreement between Potrero Neighborhood Collective LLC and the City and County of San Francisco, acting by and through the San Francisco Municipal Transportation Agency, dated for reference purposes as of October 1, 2024, and retroactively effective as of October 17, 2024, to increase the potential termination payment by \$5,556,566 for a total potential termination payment that will not exceed \$15,546,566; and making environmental findings under the California Environmental Quality Act. (Fiscal Impact)

09/24/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Chris Lazaro (Municipal Transportation Agency); 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

**240933 [Agreement - New Flyer of America, Inc. - Purchase 94 40-ft Low Floor Hybrid Electric Buses - Not to Exceed \$117,751,398]****Sponsors: Mayor; Mandelman**

Resolution approving an agreement between the City and County of San Francisco, acting by and through the San Francisco Municipal Transportation Agency (SFMTA), and New Flyer of America, Inc., to procure 94 40-foot low floor hybrid electric coaches, along with spare parts, special tools, manuals, training, and telematics licenses through a cooperative purchasing agreement established by the State of Washington for an amount not to exceed \$117,751,398 for term not to exceed five years effective upon approval of this Resolution; and authorizing SFMTA to enter into any amendments or other modifications to the agreement that do not materially increase the obligations or liabilities, or materially decrease the public benefits accruing to the SFMTA and are necessary or advisable to effectuate the purposes of the Resolution. (Municipal Transportation Agency) (Fiscal Impact)

09/24/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Gary Chang and Julie Kirschbaum, Director of Transit (Municipal Transportation Agency); 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

*Chair Chan requested File Nos. 240899 and 240900 be called together.*

**240899 [Contract Amendment - A1 Protective Services, Inc. - Security Guard Services - Not to Exceed \$34,767,000]**

Resolution approving a first amendment to PeopleSoft Umbrella Contract ID GRP0000005 between the City, acting by and through the Office of Contract Administration ("OCA"), and A1 Protective Services, Inc. ("Contractor") for security guard services, increasing the contract amount by \$26,017,000 for a new total not to exceed amount of \$34,767,000 with no changes to the contract term of August 1, 2023, through July 31, 2028; and to authorize OCA to enter into amendments or modifications to the contract 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. (Office of Contract Administration) (Fiscal Impact)

09/13/24; RECEIVED FROM DEPARTMENT.

09/24/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Gloria Yuen and Taraneh Moayed (City Administrator's Office of Contract Administration); 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

**240900 [Contract Amendment - Treeline Security, Inc. - Security Guard Services - Not to Exceed \$38,977,000]**

Resolution approving a second amendment to PeopleSoft Umbrella Contract ID GRP0000007 between the City, acting by and through the Office of Contract Administration (“OCA”), and Treeline Security, Inc. for security guard services, increasing the contract amount by \$30,227,000 for a total not to exceed amount of \$38,977,000 with no changes to the contract term of August 1, 2023, through July 31, 2028; and to authorize OCA to enter into amendments or modifications to the contract 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. (Office of Contract Administration) (Fiscal Impact)

09/13/24; RECEIVED FROM DEPARTMENT.

09/24/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Gloria Yuen and Taraneh Moayed (City Administrator’s Office of Contract Administration); 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

*Chair Chan requested File Nos. 240848 and 240847 be called together.*

**240848 [Grant Agreement - Abode Property Management - Property Management Services for Permanent Supportive Housing - Not to Exceed \$14,177,264]  
Sponsor: Mayor**

Resolution approving the grant agreement between Abode Property Management and the Department of Homelessness and Supportive Housing (“HSH”) for property management services for permanent supportive housing at 1174-1178 Folsom Street; approving a term of November 1, 2024, through June 30, 2029, and a total not to exceed amount of \$14,177,264; and authorizing HSH to enter into any amendments or other modifications to the agreement that do not materially increase the obligations or liabilities, or materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the agreement. (Department of Homelessness and Supportive Housing) (Fiscal Impact)

09/03/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Emily Cohen (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion. Keith Hall; spoke on various concerns relating to the hearing matter.*

**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

**240847 [Ground Lease - Abode Property Management - 1174-1178 Folsom Street and 663 Clementina Street - 100% Permanent Supportive Housing - Rent Not to Exceed \$1]**

**Sponsor: Mayor**

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 Ground Lease with Abode Property Management for the real property owned by the City, located at 1174-1178 Folsom Street and 663 Clementina Street (collectively, the "Property"), for an initial lease term of five years with ten automatic extensions of the lease term for an additional period of five years each and a total rent not to exceed \$1 in order to operate the Property as permanent supportive housing; 2) determining in accordance with Administrative Code, Section 23.33, that the below market rent payable under the Ground Lease 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) 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; and 5) authorizing the Director of Property and/or the HSH Executive Director to execute and make certain modifications to the Ground Lease, as defined herein, and take certain actions in furtherance of this Resolution, as defined herein.

(Fiscal Impact)

09/03/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Emily Cohen (Department of Homelessness and Supportive Housing); provided an overview and responded to questions raised throughout the discussion. Keith Hall; spoke on various concerns relating to the hearing matter.*

**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

**240907 [Standard Agreement and Accept and Expend Grant - California Department of Housing and Community Development - Round 3 Homekey Grant - 685 Ellis Street - Not to Exceed \$18,266,702]**

**Sponsors: Mayor; Preston**

Resolution authorizing the Department of Homelessness and Supportive Housing (“HSH”) to execute a Standard Agreement with the California Department of Housing and Community Development having anticipated revenue to the City in a total amount not to exceed \$18,226,702 of Project Homekey grant funds; to accept and expend those funds for the acquisition of the property located at 685 Ellis Street for permanent supportive housing and to support its operations upon execution of the Standard Agreement through June 30, 2026; approving and authorizing HSH to commit approximately \$4,114,702 in required matching funds for acquisition of the property and a minimum of 15 years of operating subsidy; affirming the Planning Department’s determination under the California Environmental Quality Act; 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)

09/17/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Emily Cohen (Department of Homelessness and Supportive Housing); 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

**240881 [Grant Agreement Amendment - Mission Neighborhood Centers - Homelessness Prevention Assistance - Not to Exceed \$20,633,600]**

**Sponsor: Mayor**

Resolution approving the first amendment to the grant agreement between Mission Neighborhood Centers and the Department of Homelessness and Supportive Housing (“HSH”) for homelessness prevention assistance; extending the grant term by 36 months from June 30, 2025, for a total term of August 1, 2022, through June 30, 2028; increasing the agreement amount by \$13,104,262 for a total amount not to exceed \$20,633,600; and authorizing HSH to enter into any amendments or other modifications to the agreement that do not materially increase the obligations or liabilities, or materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the agreement. (Department of Homelessness and Supportive Housing) (Fiscal Impact)

09/10/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Dylan Schneider (Department of Homelessness and Supportive Housing); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Aurora Alvarado; Guadalupe Carmallo; Marina; spoke in support of the resolution matter.*

**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 10:43 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.*