



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, Matt Dorsey, Joel Engardio

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

Wednesday, February 26, 2025

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Connie Chan, Matt Dorsey, and Joel Engardio

The Budget and Finance Committee met in regular session on Wednesday, February 26, 2025, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:02 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Chan, Vice Chair Dorsey, and Member Engardio were noted 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

250142 [Loan Agreement - 1155 Ellis GP LLC - Small Sites Program - 1135, 1155 and 1175 Ellis Street - Not to Exceed \$50,600,000]

Sponsors: Mayor; Sherrill

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development ("MOHCD") to execute loan documents for the permanent financing of 1135, 1155 and 1175 Ellis Street with 1155 Ellis GP LLC, pursuant to the Small Sites Program and the Preservation and Seismic Safety Program, for a total loan amount not to exceed \$50,600,000; confirming the Planning Department's determination under the California Environmental Quality Act; finding that the loan is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing the Director of MOHCD or their designee to make certain modifications to the loan documents, and take certain actions in furtherance of this Resolution, as defined herein.

(Mayor's Office of Housing and Community Development)

(Fiscal Impact)

02/11/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Alea Gage (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. Chris Cummings (Tenderloin Neighborhood Development Corporation); 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, Dorsey, Engardio

Chair Chan recessed the meeting at 10:34 a.m., and reconvened at 11:00 a.m.

250075 [Professional Services Agreement - CDM Smith, Inc. - Engineering Services for Sunol Valley Water Treatment Plant Ozonation - Not to Exceed \$24,600,000]

Resolution approving and authorizing the General Manager of the San Francisco Public Utilities Commission to execute Amendment No. 1 to Contract No. PRO.0120, Engineering Services for Sunol Valley Water Treatment Plant Ozonation with CDM Smith, Inc., increasing the contract amount by \$9,600,000 for a total not to exceed contract amount of \$24,600,000 and increasing the contract duration by four years for a new total contract term of 10 years, from February 2020 through February 2030, to: 1) provide additional engineering support during construction and closeout services for contract WD-2897 Sunol Valley Water Treatment Plant Ozonation and contract WD-2909 Sunol Valley Water Treatment Plant Short-Term Improvements; 2) develop standard operating procedures and preventative maintenance plans; 3) provide asset management assistance and system training services; and 4) conduct treatability water testing; pursuant to Charter, Section 9.118. (Public Utilities Commission)
(Fiscal Impact)

01/17/25; RECEIVED FROM DEPARTMENT.

01/28/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Bryan Dessauere and Jeremy Spitz (Public Utilities Commission); 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, Dorsey, Engardio

250141 [Accept and Expend Grant - Retroactive - James Irvine Foundation - Northern California Apprenticeship Network Sustainability Grant - \$675,000]

Sponsor: Mayor

Resolution retroactively authorizing the Office of Economic and Workforce Development to accept and expend a grant in the amount of \$675,000 from the James Irvine Foundation for the Northern California Apprenticeship Network Sustainability Grant for the grant period of October 11, 2024, through October 11, 2027. (Department of Economic and Workforce Development)

02/11/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Orrian Willis (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, Dorsey, Engardio

250145 [Agreement - New Flyer of America, Inc. - Battery-Electric Buses - Not to Exceed \$13,424,512]**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 four 40-foot and three 60-ft battery-electric buses, 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 \$13,424,512 and a 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)

02/11/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Bhavin Khatri and Jospheh Tabora (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, Dorsey, Engardio

250073 [Grant Agreement Amendment - Brilliant Corners - Flexible Housing Subsidy Pool - Not to Exceed \$59,542,690]

Resolution approving the third amendment to the grant agreement between the City, acting by and through the Department of Homelessness and Supportive Housing ("HSH"), and Brilliant Corners to administer the Flexible Housing Subsidy Pool program; increasing the agreement amount by \$19,381,087 for a new total amount not to exceed \$59,542,690; extending the grant term by 12 months from June 30, 2025, for a total term of February 15, 2021, through June 30, 2026; and authorizing HSH to enter into any amendments or other modifications to the amendment 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)

01/13/25; RECEIVED FROM DEPARTMENT.

01/28/25; 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. William Pickel (Brilliant Corners); spoke in support of the resolution matter.

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

Ayes: 3 - Chan, Dorsey, Engardio

250143 [Execute Standard Agreement and Accept and Expend Grant - Retroactive - California Department of Housing and Community Development - Round 3 Homekey Grant - 42 Otis Street - Not to Exceed \$8,225,095]

Sponsor: Mayor

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 \$8,225,095 of Project Homekey grant funds; to retroactively accept and expend those funds for the acquisition of the property located at 42 Otis Street for permanent supportive housing and to support its operations for costs incurred March 3, 2021, through June 30, 2026; approving and authorizing HSH to commit approximately \$8,710,632 in required matching funds for acquisition of the property and a minimum of 10 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)

02/11/25; 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 AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 4, Lines 5-6, by replacing 'co-applicant' with 'signatory or “contractor” to the Standard Agreement “contract”’. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

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

Ayes: 3 - Chan, Dorsey, Engardio

250096 [Accept and Expend Grant - Retroactive - The Andrew W. Mellon Foundation - Expanding Information Access for Incarcerated People Project - Amendment to the Annual Salary Ordinance for FYs 2024-2025 and 2025-2026 - \$1,966,000]

Sponsor: Mayor

Ordinance retroactively authorizing the San Francisco Public Library to accept and expend a grant award in the amount of \$1,966,000 from the Andrew W. Mellon Foundation for the Jail and Reentry Services Program for the period of November 1, 2024, through December 31, 2027; and amending Ordinance No. 191-24 (Annual Salary Ordinance File No. 240596 for Fiscal Years (FYs) 2024-2025 and 2025-2026) to provide for the addition of one grant-funded full-time position in Class 3630 Librarian 1 (1.0 FTE), one grant-funded full-time position in Class 1822 Administrative Analyst (1.0 FTE), and one grant-funded full-time position in Class 1823 Senior Administrative Analyst (1.0 FTE) at the Public Library for the period of January 1, 2025, though June 30, 2026. (Public Library)

01/28/25; ASSIGNED to Budget and Finance Committee. 2/6/2025 President Mandelman waived the 30-day rule pursuant to Board Rule No. 3.22.

Heard in Committee. Speaker(s): Jeanie Austine (Public Library); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Chan, Dorsey, Engardio

Chair Chan requested File Nos. 250029, 250059, 250060, and 250061 be called together.

250029 [Hearing - Release of Reserved Funds - Department of Public Health - State Vocational Rehabilitation Services Program - \$791,433]

Hearing to consider the release of Board of Supervisors reserved funds, delegated to be released by the Budget and Finance Committee by Resolution No. 011-25 once all grant requirements have been met and the fiscal impact report received, to the Department of Public Health for the State Vocational Rehabilitation Services Program, in the amount of \$791,433 from the United States Department of Education through the California Department of Rehabilitation. (Clerk of the Board)
(Fiscal Impact)

01/28/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Ana Validzic (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 Chan moved to release reserved funds to the Department of Public Health in the amount of \$791,433. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Chair Chan moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250059 [Hearing - Release of Reserved Funds - Department of Public Health - Strengthening STD Prevention and Control for Health Departments (STD PCHD) - \$13,635,302]

Hearing to consider the release of Board of Supervisors reserved funds, delegated to be released by the Budget and Finance Committee by Resolution No. 003-25 once all grant requirements have been met, to the Department of Public Health for participation in a program, entitled "Strengthening STD Prevention and Control for Health Departments," in the amount of \$13,635,302 from the Centers for Disease Control and Prevention. (Clerk of the Board)

01/28/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Ana Validzic (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 Chan moved to release reserved funds to the Department of Public Health in the amount of \$13,635,302. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Chair Chan moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250060 [Hearing - Release of Reserved Funds - Department of Public Health - NIDA Clinical Trials Network: Big South/West Node - \$104,508]

Hearing to consider the release of Board of Supervisors reserved funds, delegated to be released by the Budget and Finance Committee by Resolution No. 004-25 once all grant requirements have been met, to the Department of Public Health for participation in a program, entitled "NIDA Clinical Trials Network: Big South/West Node," in the amount of \$104,508 from the National Institutes of Health through the University of Texas Southwestern Medical Center. (Clerk of the Board)

01/28/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Ana Validzic (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 Chan moved to release reserved funds to the Department of Public Health in the amount of \$104,508. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Chair Chan moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250061 [Hearing - Release of Reserved Funds - Department of Public Health - Comprehensive Opioid, Stimulant, and Substance Use Site-Based Program - \$1,600,000]

Hearing to consider the release of Board of Supervisors reserved funds, delegated to be released by the Budget and Finance Committee by Resolution No. 005-25 once all grant requirements have been met, to the Department of Public Health for participation in a program, entitled " Comprehensive Opioid, Stimulant, and Substance Use Site-Based Program," in the amount of \$1,600,000 from the Department of Justice. (Clerk of the Board)

01/28/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Ana Validzic (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 Chan moved to release reserved funds to the Department of Public Health in the amount of \$1,600,000. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Chair Chan moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

241095 [Accept and Expend Grant and Grant Agreement - BXP Embarcadero Plaza LP - Embarcadero Plaza and Sue Bierman Park - \$12,500,000]

Sponsors: Mayor; Sauter

Resolution authorizing the Recreation and Park Department (RPD) to enter into an agreement with BXP Embarcadero Plaza LP (BXPE), the Downtown San Francisco Partnership, and the Office of Economic and Workforce Development regarding potential improvements and renovations at Embarcadero Plaza and Sue Bierman Park; and to accept cash and in-kind grants from BXPE of approximately \$2,500,000 for design and RPD project management services; and to accept potential additional grants of approximately \$10,000,000 that could include cash grants from Downtown Community Benefit District (known as the Downtown San Francisco Partnership) or in-kind grants of construction services from BXPE, for the period starting on the execution date of the agreement through December 2028; and authorizing the RPD to enter into amendments or modifications to the agreement provided they do not materially increase the obligations or liabilities of the City and are necessary to effectuate the purposes of the Project or this Resolution. (Recreation and Park Department)

11/05/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

12/04/24; RECOMMENDED. Heard in Committee. Speaker(s): Lisa Bransten (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Aaron Fenton (BXP, Inc); Matthew Bernstein; Speaker; spoke in support of the resolution matter.

12/10/24; RE-REFERRED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Supervisor Danny Sauter (Board of Supervisors); Lisa Bransten and Stacy Bradley (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Aaron Fenton (BXP); Mark Gleason (International Brotherhood of Teamsters); Julia Rome (San Francisco Travel Foundation); Robbie Silver (Downtown SF Partnership); Bernadette King; Toby Leavitt (San Francisco Shakespeare Festival); Speaker; Chris Keene (Embarcadero Bricks); 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, Dorsey, Engardio

241214 [Accept and Expend Grant - Retroactive - California State Coastal Conservancy - Great Highway Promenade Planning Project - \$1,000,000]**Sponsors: Mayor; Engardio**

Resolution retroactively authorizing the Recreation and Park Department (RPD) to accept and expend grant funds in the amount of \$1,000,000 from the California State Coastal Conservancy for the Great Highway Promenade Planning Project, for a grant performance period from December 4, 2024, through March 31, 2027; retroactively approve the Grant contract with the Conservancy, pursuant to Charter, Section 9.118(b), and authorize the RPD General Manager to enter into amendments or modifications to the Grant contract that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Grant contract or this Resolution. (Recreation and Park Department)

12/17/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Toni Moran and Beverly Ng (Recreation and Park Department); provided an overview and responded to questions raised throughout the discussion. Eileen Boken; spoke on various concerns relating to the resolution matter. Zack Lipton; spoke in support of the resolution matter.

Member Engardio moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 1:03 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.