



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
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Wednesday, March 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, March 26, 2025, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:00 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

240567 [Police Commission - Statement of Purpose]

Resolution approving the Police Commission's Statement of Purpose, pursuant to Charter, Section 4.102(2). (Clerk of the Board)

05/21/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

09/04/24; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker(s): None.

Heard in Committee. Speaker(s): Cindy Elias, President (Police Commission); provided an overview and responded to questions raised throughout the discussion. Paul Allen; 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 requested File Nos. 250053 and 250062 be called together.

250053 [Hearing - Release of Reserved Funds - Port of San Francisco - Pier 94/96 Seismic Improvement Project - \$2,700,000]

Hearing to consider the release of Board of Supervisors reserved funds, delegated to be released by the Budget and Finance Committee by Resolution No. 007-25 once all grant requirements have been met and the fiscal impact report received, to the Port of San Francisco for the Pier 94/96 Seismic Improvement Project, in the amount of \$2,700,000 from the United States Federal Emergency Management Agency Hazard Mitigation Grant Program through the California Office of Emergency Services. (Clerk of the Board)
(Fiscal Impact)

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

Heard in Committee. Speaker(s): Simon Betsalel and Boris Delepine (Port Department); 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 Port in the amount of \$2,700,000 and that the Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250062 [Hearing - Release of Reserved Funds - Port of San Francisco - San Francisco Waterfront Emissions-Free Ferry System - \$55,386,000]

Hearing to consider the release of Board of Supervisors reserved funds, delegated to be released by the Budget and Finance Committee by Resolution No. 006-25 once all grant requirements have been met and the fiscal impact report received, to the Port of San Francisco to fund the San Francisco Waterfront Emissions-Free Ferry System through the Clean Ports Program, in the amount of \$55,386,000 from the United States Environmental Protection Agency. (Clerk of the Board) (Fiscal Impact)

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

Heard in Committee. Speaker(s): Simon Betsalel and Boris Delepine (Port Department); 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 Port in the amount of \$55,386,000 and that the Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250213 [Real Property Lease - Everett & Jones BBQ SF International, LLC - 300 Jefferson Street - Year 1 Monthly Base Rent 5% of Gross Revenues, No Less Than \$10,000]

Sponsors: Mayor; Sauter

Resolution approving Port Commission Lease L-17180 with Everett & Jones BBQ SF International, LLC, a California limited liability company, for approximately 4,363 square feet of a two-story restaurant space located at 300 Jefferson Street for a term of 10 years with two five-year options to renew, with a free rent period of lesser of 180 days or date site opens to the public, rent for the first year is 5% of gross revenues, no less than \$10,000 per month, rent for the second year is \$13,000 per month, rent for the third year is \$15,400 per month, with 3% increases thereafter, percentage rent is equal to 5% of gross revenue in first year and 6% thereafter, to commence after the restaurant opens; and to authorize the Port Executive Director to enter into 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. (Port)

03/04/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Scott Landsittle (Port Department); provided an overview and responded to questions raised throughout the discussion. Dorcia White, Nina Moore, Dottie Moore, and Jamila Richardson (Everett and Jones BBQ); 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

250234 [Accept and Expend Grant - Retroactive - United States Department of Housing and Urban Development - Round 2 Application: Pathways to Removing Obstacles to Housing (PRO Housing) - \$7,000,000]

Sponsors: Mayor; Engardio

Resolution retroactively authorizing the Planning Department to accept and expend a grant award of \$7,000,000 for the period from January 22, 2025, through September 30, 2030, from the United States Department of Housing and Urban Development's Pathways to Removing Obstacles to Housing ("PRO Housing") grant program; approving the grant agreement pursuant to Charter, Section 9.118(a); and authorizing the Director of the Planning Department to enter into amendments or modifications to the grant agreement that are necessary to effectuate the purposes of the grant agreement or this Resolution. (Planning Department)
(Fiscal Impact)

03/11/25; 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, Dorsey, Engardio

250235 [Loan Agreement - Hazel Eddy Woolsey LLC - 1652-1654 Eddy Street, 3554-17th Street, and 195 Woolsey Street - Not to Exceed \$11,595,214]

Sponsor: Mayor

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development ("MOHCD") with Hazel Eddy Woolsey LLC to execute documents relating to a loan in an aggregate total amount not to exceed \$11,595,214 to finance the acquisition, rehabilitation, and permanent financing of three existing affordable multifamily rental housing projects for low-income households, known as the "Bernal Bundle" consisting of a total of 26 residential rental units and two commercial units in three buildings located at 1652-1654 Eddy Street, 3554-17th Street, and 195 Woolsey Street (collectively, the "Project"); affirming the Planning Department's determination under the California Environmental Quality Act; adopting findings that the Project and the proposed transactions are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing the Director of MOHCD or his or her designee to execute the loan documents for the Project and make certain modifications to such loan documents, as defined herein, and take certain actions in furtherance of this Resolution, as defined herein. (Mayor's Office of Housing and Community Development)
(Fiscal Impact)

03/11/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Amanda Fukutome-Lopez (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, Dorsey, Engardio

250228 [Multifamily Housing Revenue Notes - MP Turk Street Associates, L.P. - 850 Turk Street - Not to Exceed \$64,000,000]**Sponsors: Mayor; Sherrill**

Resolution authorizing the execution and delivery of multifamily housing revenue notes in one or more series in an aggregate principal amount not to exceed \$64,000,000 for the purpose of providing financing for the construction of a 92-unit multifamily rental housing project known as "850 Turk Street"; approving the form of and authorizing the execution of a funding loan agreement providing the terms and conditions of the construction loan from the funding lender to the City, and the execution and delivery of the notes; approving the form of and authorizing the execution of a borrower loan agreement providing the terms and conditions of the construction loan from the City to MP Turk Street Associates, L.P. (the "Borrower"); approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants for the project; authorizing the collection of certain fees; approving, for purposes of the Internal Revenue Code of 1986, as amended, the issuance and sale of residential mortgage revenue notes by the City in an aggregate principal amount not to exceed \$64,000,000; approving modifications, changes and additions to the documents; ratifying and approving any action heretofore taken in connection with the funding loan, the borrower loan, the notes and the project; granting general authority to City officials to take actions necessary to implement this Resolution, as defined herein; and related matters, as defined herein. (Mayor's Office of Housing and Community Development)

03/11/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Andrew Strong (Mayor's Office of Housing and Community 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

250193 [Real Property Lease - Retroactive - Lombard Hotel Group – Monarch Hotel - 1015 Geary Street - Non-Congregate Temporary Shelter - Annual Base Rent of \$1,597,320 and Final Payment of \$100,000]

Sponsor: Mayor

Resolution approving and authorizing the Director of Property, on behalf of the Department of Homelessness and Supportive Housing, to execute a lease of real property with Lombard Hotel Group, for use of the Monarch Hotel located at 1015 Geary Street for a non-congregate temporary shelter program with 102 units for an initial term of one year, effective upon approval of this Resolution, with four one-year options to extend and an annual base rent of \$1,597,320 with 3% annual increases if the City exercises the options to extend; 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 authorizing the Director of Property to execute any amendments, options to extend the agreement term, make certain modifications and take certain actions that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the lease agreement or this Resolution.

(Fiscal Impact)

02/25/25; 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); Brad Russi (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. John Willard; Saoirse Riley McLaughlin (3rd Street Youth Center and Clinic); spoke in support of the resolution matter. Pratibha Tekkey (Tenderloin Housing Clinic); Barbara Swan (Lower Nob Hill Neighborhood Alliance); Cathy Vaughn; Paula Hendricks (O'Farrell Neighbors Group); Chris Schulman (Lower Polk Community Benefit District); Riannon Bailard (University of California Law, San Francisco); Cynthia Gomez (Unite Here, Local 2); Brendan Murphy (Tenderloin Business Coalition); shared various concerns relating to the resolution matter. Dr. Miller; spoke in opposition to the resolution matter.

Chair Chan moved that this Resolution be **AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE**, on Page 1, Lines 1-2, to read 'Real Property Lease - Retroactive - Lombard Hotel Group - Monarch Hotel - 1015 Geary Street - Non-Congregate Temporary Shelter - Annual Base Rent of \$1,597,320 and a Final Payment of \$100,000', and Lines 4-15, to read 'Resolution retroactively approving and authorizing the Director of Property, on behalf of the Department of Homelessness and Supportive Housing, to execute a lease of real property with Lombard Hotel Group, for use of the Monarch Hotel located at 1015 Geary Street for a non-congregate temporary shelter program with 102 units for a term of 1 year, to commence on April 1, 2025, through March 31, 2026, with an annual base rent of \$1,597,320, and a final payment of \$100,000 upon surrender of the property; affirming the Planning Department's determination under the California Environmental Quality Act; and authorizing the Director of Property to execute any amendments, make certain modifications and take certain actions that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the lease agreement or this Resolution.'; on Page 2, Line 22, through Page 3, Line 5, to read 'WHEREAS, On behalf of HSH, the Real Estate Division ("RED") negotiated a lease with the Landlord for an initial term of 1 year with no options to extend to commence on April 1, 2025, through March 31, 2026, with an annual base rent of \$1,597,320, and a final payment of \$100,000 upon surrender of the property ("final payment") (the "Lease"); a copy of the Lease is on file with the Clerk in File No. 250193; and WHEREAS, The final payment of \$100,000 is to compensate the landlord for the short-term use of the property and any incidental expenses related to the exit from the Property; and'; by striking references to adopting findings of consistency with the General Plan throughout the legislation; and by making other clarifying and conforming changes throughout the resolution text. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Resolution retroactively approving and authorizing the Director of Property, on behalf of the Department of Homelessness and Supportive Housing, to execute a lease of real property with Lombard Hotel Group, for use of the Monarch Hotel located at 1015 Geary Street for a non-congregate temporary shelter program with 102 units for a term of 1 year, to commence on April 1, 2025, through March 31, 2026, with an annual base rent of \$1,597,320, and a final payment of \$100,000 upon surrender of the property; affirming the Planning Department's determination under the California Environmental Quality Act; and authorizing the Director of Property to execute any amendments, make certain modifications and take certain actions that do not materially increase the obligations or liabilities to the City, do not materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the lease agreement or this Resolution. (Fiscal Impact)

Chair Chan moved that this Resolution be **CONTINUED AS AMENDED** to the Budget and Finance Committee meeting of April 9, 2025. 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 11:48 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.