



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, Danny Sauter

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

Wednesday, February 11, 2026

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Connie Chan, Matt Dorsey, and Danny Sauter

The Budget and Finance Committee met in regular session on February 11, 2026, 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 Dorsey, and Member Sauter 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

250967 [Health, Business and Tax Regulations, Public Works Codes - Compact Mobile Food Operation Definitions and Fees]

Ordinance amending the Health and Business and Tax Regulations Codes to revise the definition of a mobile food facility permit, add definitions for compact mobile food operations, mobile support unit, and permitted auxiliary conveyance permits to reflect recent amendments to the California Retail Food Code, revise existing definitions of various other terms to reflect State law definitions in that Code, and expand the definition of stadium concession to include food facilities in stadiums with a seating capacity of 5,000 or more; establish annual permit and plan check fees for auxiliary conveyance, compact mobile food operation, and mobile support unit permits; and waive license and permit fees for compact mobile food operations; amending the Public Works Code to include a definition for compact mobile food operations and to expand the Department of Public Works' street vending authority to include regulation of compact mobile food operations, and to require that Department to consult with the Department of Public Health and the Fire Department when issuing rules and regulations that regulate street vendors. (Public Health Department)

09/22/25; RECEIVED FROM DEPARTMENT.

09/30/25; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 10/30/2025.

01/25/26; NOTICED. First 10-Day Fee Ad for February 4, 2026, Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

02/01/26; NOTICED. Second 10-Day Fee Ad for February 4, 2026, Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

02/04/26; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speaker(s): Supervisor Jackie Fielder (Board of Supervisor); Philips Ossai and Jen Callewaert (Department of Public Health); Rafael Moreno (Office of Economic and Workplace Development); provided an overview and responded to questions raised throughout the discussion. Josh Jacobo; Andrea; Speaker; Edgar; Maria; Speaker; Speaker; Speaker; Cecilia Contreras; Speaker; Disenia; Speaker; Speaker; Abby Tessi; Layla Ovando; Alma Castellanos (CLETCHA); spoke on various concerns relating to the ordinance matter.

02/04/26; CONTINUED AS AMENDED.

Heard in Committee. Speaker(s): None.

Chair Chan moved that this Ordinance be CONTINUED to the Budget and Finance Committee meeting of February 25, 2026. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Sauter

260017 [Real Property Lease - Double Wood Investment, Inc. - 111 Pine Street - Initial Base Rent \$2,089,208 - Up to \$4,748,200 in Tenant Improvements]

Resolution approving and authorizing the Director of Property, on behalf of the San Francisco Employees' Retirement System (SFERS), to execute a lease agreement with Double Wood Investment, Inc., a California Corporation, as landlord, for use of a portion of 111 Pine Street, consisting of 47,482 rentable square feet for an initial term of 10 years with two five-year extension options to renew and 12 months of rent credit with an annual base rent of \$2,089,208 with 3% annual increases; SFERS to contribute up to \$4,748,200 on tenant improvement; effective upon approval of the Resolution by the Board of Supervisors and the Mayor and upon execution of the lease by the Director of Property; 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. (Real Estate Department)
(Fiscal Impact)

01/05/26; RECEIVED FROM DEPARTMENT.

01/13/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): None.

Vice Chair Dorsey moved that this Resolution be CONTINUED to the Budget and Finance Committee meeting of February 25, 2026. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Sauter

260078 [Lease Amendment - Choo Laguna LLC - 258-A Laguna Honda Boulevard - Term Extension - \$57,906 Initial Annual Base Rent]

Resolution approving and authorizing the Director of Property, on behalf of the Office of the Public Defender, to execute a First Amendment to Office Lease for the continued use of office space located at 258-A Laguna Honda Boulevard with Choo Laguna LLC, as Landlord, effective upon approval of the Resolution by the Board of Supervisors and the Mayor and upon execution of the Amendment by the Director of Property, with an estimated commencement date of March 1, 2026, and terminating on February 28, 2029, at the monthly base rent of \$4,825.50 for a total annual base rent of \$57,906 increased by \$145.50 and \$148.50 per month in the second and third years, respectively, with one three-year option to extend; and authorizing the Director of Property to take other actions with respect to the Amendment that the Director of Property deems to be in the best interest of City, do not materially increase the obligations or liabilities of the City, do not materially decrease the benefits to the City, are necessary or advisable to effectuate the purposes of the Amendment or this Resolution, and are in compliance with all applicable laws, including the City's Charter. (Real Estate Department)

01/15/26; RECEIVED FROM DEPARTMENT.

01/27/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Lyslynn Lacoste (Office of the Public Defender); Jeff Seuss (Real Estate Department); 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, Sauter

Chair Chan was noted not present at 10:15 a.m.

251184 [Adopting a Fixed Two-Year Budget in Multiple City Departments, Fiscal Years 2026-2027 and 2027-2028]

Sponsor: Mayor

Resolution adopting a fixed two-year budgetary cycle for the following City departments: Airport, Port, and Public Utilities Commission for Fiscal Years 2026-2027 and 2027-2028; and defining terms and setting deadlines.

12/02/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Sophia Kittler, Budget Director (Mayor's Office of Public Policy and Finance); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Dorsey, Sauter

Absent: 1 - Chan

260085 [Appropriation - General Reserve - Municipal Transportation Agency - Portsmouth Square Garage Parking and Transit Fares - \$311,269 - FY2025-2026]

Sponsors: Chan; Chen, Sauter and Mandelman

Ordinance appropriating \$311,269 from the General Reserve to the Municipal Transportation Agency to support free one-hour parking in the Portsmouth Square Parking Garage from February 7 through March 7, 2026, and transit fares for the Lunar New Year Parade on March 7, 2026, of Fiscal Year (FY) 2025-2026.
(Fiscal Impact)

01/27/26; ASSIGNED to Budget and Finance Committee. 1/29/26 - President Mandelman waived the 30-day rule pursuant to Board Rule No. 3.22.

Heard in Committee. Speaker(s): Robert Aicardi (Municipal Transportation Agency); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Dorsey moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Line 5, by replacing the operative dates of 'February 7 through March 7, 2026' with 'February 8 through March 8, 2026'. The motion carried by the following vote:

Ayes: 2 - Dorsey, Sauter

Absent: 1 - Chan

Ordinance appropriating \$311,269 from the General Reserve to the Municipal Transportation Agency to support free one-hour parking in the Portsmouth Square Parking Garage from February 8 through March 8, 2026, and transit fares for the Lunar New Year Parade on March 7, 2026, of Fiscal Year (FY) 2025-2026.
(Fiscal Impact)

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

Ayes: 2 - Dorsey, Sauter

Absent: 1 - Chan

Chair Chan moved to RESCIND the previous vote. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Sauter

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

Ayes: 3 - Chan, Dorsey, Sauter

Chair Chan was noted present at 10:30 a.m.

260089 [Contract Amendment - Transdev Services, Inc. - Paratransit Services - Not to Exceed \$339,102,572]

Sponsors: Mayor; Mandelman

Resolution approving the 10th Amendment to Contract No. SFMTA-2016-17, Paratransit Broker and Operating Agreement, between the City and County of San Francisco, acting by and through, the Municipal Transportation Agency (SFMTA) and Transdev Services, Inc., to provide paratransit services, to extend the term by two years from June 30, 2026, for a total term from July 1, 2016, through June 30, 2028, and to increase the amount by \$30,831,549 for a total not to exceed amount of \$339,102,572; and to authorize the SFMTA to enter into any amendments or modifications to the agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the agreement or this Resolution. (Municipal Transportation Agency)
(Fiscal Impact)

01/27/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Jonathan Cheng (Municipal Transportation Agency); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Mark Gleeson (Teamsters); 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, Sauter

251248 [Appropriation - Port Harbor Fund - Port - Fund Balance for Stabilization and Removal of Dry Dock - \$18,500,500 - FY2025-2026]**Sponsor: Mayor**

Ordinance appropriating \$18,500,000 of Fund Balance from the Port Harbor Fund to the Port of San Francisco (PRT) for stabilization and disposal of dry docks and other shipyard improvements and safety measures in Fiscal Year (FY) 2025-2026.

(Fiscal Impact)

12/16/25; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 1/15/2026.

Heard in Committee. Speaker(s): Meghan Wallace (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 that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Sauter

260074 [Master Lease Amendment - United States Navy - Treasure Island Land and Structures - Term Extension]

Resolution retroactively approving Amendment No. 50 to the Treasure Island Land and Structures Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term for one year to commence December 1, 2025, for a total term of November 19, 1998, through November 30, 2026; and to authorize the Treasure Island Director to execute and enter into amendments to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes and intent of this Resolution. (Treasure Island Development Authority)

01/12/26; RECEIVED FROM DEPARTMENT.

01/27/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Peter Summerville (Treasure Island Development Authority); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Chan, Dorsey, Sauter

260075 [Contract Amendment - Vitalant - Blood and Blood Products - Department of Public Health - Not to Exceed \$28,249,000]

Resolution approving Amendment No. 2 between the City, acting by and through the Office of Contract Administration, and Vitalant for blood and blood products for the Department of Public Health, extending the contract by five years for a total term of 10 years from October 1, 2021, through September 30, 2031, and increasing the contract amount by \$18,259,000 for a total not to exceed amount of \$28,249,000 effective upon approval of this Resolution; and to authorize the Office of Contract Administration 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)

01/13/26; RECEIVED FROM DEPARTMENT.

01/27/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Sophie Hayward (Office of the City Administrator); 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, Sauter

260086 [Accept and Expend Grant - Retroactive - TECH Clean California Quick Start Scaling Grant - Clean Air and Repair for Family Child Care - \$299,091]

Sponsors: Mayor; Mandelman

Resolution retroactively authorizing the Department of the Environment ("Environment Department") to accept and expend a grant award from TECH Clean California in the amount of \$299,091 for the period beginning on or about January 20, 2026, through March 31, 2027, to provide heat pump water heaters as part of renovation and repair projects through Low-Income Investment Fund's Child Care Facilities Fund and to expand the reach of electrification training to organizations and contractors working in housing rehabilitation programs; and authorizing the Director of the Environment Department to execute the grant agreement and enter into amendments or modifications to the grant agreement that are necessary to effectuate the purpose of the grant agreement and/or this Resolution. (Environment)

01/27/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Alice Hur and Benny Zank (Environment Department); 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, Sauter

Chair Chan requested File Nos. 260013, 260014, and 260015 be called together.

260013 [Real Property Acquisition - Easement - Katy O. Cheng - Lower Alemany Area Stormwater Improvements - Not to Exceed \$2,500]

Resolution approving and authorizing the terms and conditions and authorizing the General Manager of the San Francisco Public Utilities Commission and/or the Director of Property to execute a Purchase and Sale Agreement and Easement Deed with Katy O. Cheng, for the acquisition of a 9.2-square-foot easement for a subsurface sewer tunnel under and across a portion of Assessor's Parcel Block No. 5861, Lot No. 023, known as 491 Gaven Street, San Francisco, for a total amount not to exceed \$2,500 and effective on the date the Purchase and Sale Agreement is executed by both parties, pursuant to Charter, Section 9.118; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting a finding that the Purchase and Sale Agreement furthers a proper public purpose sufficient to meet Administrative Code, Section 23.30, market value requirements. (Public Utilities Commission)

01/02/26; RECEIVED FROM DEPARTMENT.

01/13/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Dina Brasil and Suzanne Wong (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, Dorsey, Sauter

260014 [Real Property Acquisition - Easement - Robert Tsui and Thuyen Ly Tsui, as Trustees of the Tsui Family Trust - Lower Alemany Area Stormwater Improvements - Not to Exceed \$25,000]

Resolution approving and authorizing the terms and conditions and authorizing the General Manager of the San Francisco Public Utilities Commission and/or the Director of Property to execute a Purchase and Sale Agreement and Easement Deed with Robert Tsui and Thuyen Ly Tsui, as Trustees of the Tsui Family Trust, for the acquisition of a 298.2-square-foot easement for a subsurface sewer tunnel under and across a portion of Assessor's Parcel Block No. 5861, Lot No. 022, known as 495 Gaven Street, San Francisco, for a total amount not to exceed \$25,000 and effective on the date the Purchase and Sale Agreement is executed by both parties, pursuant to Charter, Section 9.118; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting a finding that the Purchase and Sale Agreement furthers a proper public purpose sufficient to meet Administrative Code, Section 23.30, market value requirements. (Public Utilities Commission)

01/02/26; RECEIVED FROM DEPARTMENT.

01/13/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Dina Brasil and Suzanne Wong (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, Dorsey, Sauter

260015 [Real Property Acquisition - Easement - Waylen Ruiwei Hall, et al - Lower Alemany Area Stormwater Improvements - Not to Exceed \$32,000]

Resolution approving and authorizing the terms and conditions and authorizing the General Manager of the San Francisco Public Utilities Commission and/or the Director of Property to execute a Purchase and Sale Agreement and Easement Deed with Waylen Ruiwei Hall, et al. for the acquisition of a 693.2-square-foot easement for a subsurface sewer tunnel under and across a portion of Assessor's Parcel Block No. 5861, Lot No. 021, known as 499 Gaven Street, San Francisco, for a total amount not to exceed \$32,000 and effective on the date the Purchase and Sale Agreement is executed by both parties, pursuant to Charter, Section 9.118; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and adopting a finding that the Purchase and Sale Agreement furthers a proper public purpose sufficient to meet Administrative Code, Section 23.30, market value requirements. (Public Utilities Commission)

01/02/26; RECEIVED FROM DEPARTMENT.

01/13/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Dina Brasil and Suzanne Wong (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, Dorsey, Sauter

Supervisor Chan Excused From Attendance

Vice Chair Dorsey moved to excuse Supervisor Chan from attending the Budget and Finance Committee meeting on February 11, 2026, for the remainder of the meeting. The motion carried by the following vote:

Ayes: 2 - Dorsey, Sauter

Excused: 1 - Chan

Chair Chan was noted not present at 11:01 a.m.

Vice Chair Dorsey requested File Nos. 260090 and 260091 be called together.

260090 [Tax Exempt and Taxable Lease Revenue Commercial Paper Certificates of Participation (Series 1 and Series 2) - Capital Improvements and Equipment - Not to Exceed \$150,000,000]

Sponsor: Mayor

Resolution re-authorizing the execution and delivery of Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 1 and Series 2, and Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 1-T and Series 2-T, in an aggregate principal amount not to exceed \$150,000,000 to finance the costs of the acquisition, construction, and rehabilitation of capital improvements and capital equipment approved by the Board of Supervisors and the Mayor; authorizing the delivery of an alternate credit facility in the total stated amount of \$163,500,000; and approving and authorizing execution of a third supplement to trust agreement, a third amendment to site lease, a third amendment to sublease, a letter of credit and reimbursement agreement, a fee agreement, an offering memorandum, dealer agreements, and certain other related financing documents, and authorizing other related actions.

(Fiscal Impact)

01/27/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Grant Carson (Controller's Office of Public Finance); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Dorsey, Sauter

Excused: 1 - Chan

260091 [Tax Exempt and Taxable Lease Revenue Commercial Paper Certificates of Participation (Series 3 and Series 4) - Capital Improvements and Equipment - Not to Exceed \$100,000,000]

Sponsor: Mayor

Resolution re-authorizing the execution and delivery of Tax-Exempt Lease Revenue Commercial Paper Certificates of Participation, Series 3 and Series 4, and Taxable Lease Revenue Commercial Paper Certificates of Participation, Series 3-T and Series 4-T, in an aggregate principal amount not to exceed \$100,000,000 to finance the costs of the acquisition, construction, and rehabilitation of capital improvements and capital equipment approved by the Board of Supervisors and the Mayor; authorizing the maintenance of a liquidity facility in the total stated amount of \$109,000,000; and approving and authorizing execution of a second supplement to trust agreement, a third amendment to site lease, a third amendment to sublease, an amended and restated revolving credit agreement, a revolving bank certificate, an amended and restated fee agreement, an offering memorandum, dealer agreements, and certain other related financing documents; and authorizing other related actions, as defined herein.

(Fiscal Impact)

01/27/26; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Grant Carson (Controller's Office of Public Finance); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Dorsey, Sauter

Excused: 1 - Chan

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 11:08 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.