FILE NO. 231129

ORDINANCE NO. 038-24

[Administrative Code - Extending Sunset Date of Contracting Waivers for Homeless Services]

Ordinance amending the Administrative Code to extend by five years, from May 5, 2024, through May 5, 2029, the sunset date of the provisions authorizing the Department of Homelessness and Supportive Housing ("HSH") to enter into and amend contracts without requiring competitive bidding for services relating to sites and programs for people experiencing homelessness ("Projects Addressing Homelessness"), and the Department of Public Works to enter into and amend contracts without adhering to the Environment Code or to provisions relating to competitive bidding, equal benefits, local business enterprise utilization, and other requirements, for construction work and services relating to Projects Addressing Homelessness; and affirming the Planning Department's determination under the California Environmental Quality Act.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

(a) California Government Code Sections 8698 through 8698.2 authorize the governing body of a political subdivision to declare the existence of a shelter crisis upon a finding by the governing body that a significant number of persons within the jurisdiction are

Mayor Breed; Supervisors Ronen, Mandelman **BOARD OF SUPERVISORS**

without the ability to obtain shelter, and that the situation has resulted in a threat to the health and safety of those persons. In 2016, the Board of Supervisors made the requisite finding in Ordinance No. 57-16, declaring the existence of a shelter crisis in San Francisco.

(b) In April 2019, the City enacted Ordinance No. 61-19 to streamline the contracting and siting of homeless shelters, and Ordinance No. 60-19 to expedite the permitting process for homeless shelters during a declared shelter crisis.

(c) Ordinance No. 61-19 added Chapter 21B and Section 6.76 to the Administrative Code to waive competitive bidding requirements for the Department of Homelessness and Supportive Housing ("HSH") and the Department of Public Works ("DPW") contracts for professional and other services related to Projects Addressing Homelessness and authorized DPW to enter into and amend contracts without adhering to the Environment Code or to provisions relating to competitive bidding, equal benefits, local business enterprise utilization, and other requirements, for construction work and professional and other services relating to Projects Addressing Homelessness. "Projects Addressing Homelessness" means projects designed to prevent homelessness through the provision of housing subsidies or other services, and projects designed to provide shelter, housing, food, and/or social services to people experiencing homelessness.

(d) Chapter 21B and Section 6.76 will sunset on May 5, 2024, or on the effective date of an ordinance making the finding that according to the most recent Point in Time ("PIT") Homeless Count that there are fewer than 5,250 homeless persons in San Francisco, whichever date is earlier.

(e) For all HSH-funded projects that involve new construction, a change in use, or a significant expansion of an existing use at a specific location, HSH complies with the requirements of Administrative Code Chapter 79 (Citizens' Right-to-Know Act of 1998) and Chapter 79A by providing community notice that it is considering approval of such a project,

and by establishing a process by which members of the public may obtain additional information about the project, and submit comments. Before opening a new facility, HSH staff collaborate with the member of the Board of Supervisors who represents the district in which the facility will be located, to conduct a thorough community outreach process that includes, at a minimum, written notice to neighbors located within 300 feet of the facility, information about how neighbors may provide input into the proposed programming at the facility, and the hosting of at least one public community meeting. After opening a facility, HSH works closely with the selected non-profit provider to be a good neighbor to the host community by following the contractually required Good Neighbor Policy.

(f) According to the 2022 PIT Count, since 2019, San Francisco has had a 15% decrease in unsheltered homelessness and a 3.5% decrease in overall homelessness. The decreases reflected in the 2022 PIT Count were due to a number of initiatives and investments in services across the homelessness response system including: preventing homelessness for 5,500 at-risk households and placing approximately 2,300 formerly homeless households into permanent housing in Fiscal Year 2021-22, adding over 3,000 new units and subsidies of permanent supportive housing between 2020 and 2022, permanently housing nearly 1,800 guests from the COVID-19 emergency Shelter in Place Hotel Program, and re-opening and expanding the shelter system to a greater capacity than before the COVID-19 pandemic. In April 2023, HSH released a five-year, citywide strategic plan, "Home by the Bay: An Equity-Driven Plan to Prevent and End Homelessness", that calls for an expansion of prevention, shelter, and housing to meet the strategic plan's goals, including a 50% reduction of unsheltered homelessness from the 2022 PIT Count. The City has made progress addressing homelessness over the past few years, but the City has not reduced homelessness below 5,250 people in the 2022 Point in Time Count, which was the goal

articulated in Ordinance 61-19, therefore more time is needed to build on progress and achieve the new strategic plan goal of reducing unsheltered homelessness by 50% by 2028.

(g) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. <u>231129</u> and is incorporated herein by reference. The Board affirms this determination.

Section 2. The Administrative Code is hereby amended by revising Chapter 21B, Sections 21B.2 through 21B.4, to read as follows:

SEC. 21B.2. WAIVER OF COMPETITIVE BIDDING REQUIREMENTS.

Notwithstanding Section<u>s</u> 21.1 <u>and 21G.3</u> of the Administrative Code or any other provision of the Municipal Code, the Department of Public Works and the Department of Homelessness and Supportive Housing may enter into and/or amend contracts <u>for services or</u> <u>commodities or grants for, including grants, for</u> professional and other services or commodities relating to Projects Addressing Homelessness without adhering to the requirements of Section 21.1, <u>21G.3</u>, or any other competitive procurement requirements. <u>The power to amend such</u> <u>contracts and grants extends to contracts and grants entered into prior to the effective date of the</u> <u>ordinance in Board File No. 190047 enacting this Chapter 21B.</u>

SEC. 21B.3. REPORTING.

Within one year of the effective date of this Chapter 21B, and every year thereafter, t<u>The</u> Department of Homelessness and Supportive Housing and the Department of Public Works shall submit to the Board of Supervisors a<u>n annual</u> report that includes the following information for each contract or grant that the <u>respective</u> department<u>s</u> executed during the prior year without adhering to the requirements of Section 21.1 <u>or Section 21G.3</u>, pursuant to the authority in <u>this</u> Section 21B.<u>32</u>: the name of the contractor or grantee; the services to be provided under the contract or grant; the amount of funds conveyed; the duration of the contract or grant; and any measurable outcomes of the contract or grant.

SEC. 21B.4. SUNSET PROVISIONS.

This Chapter 21B shall expire by operation of law *five years from its effective dateon May* 5, 2029, or on the effective date of an ordinance making the finding that according to the most recent Point in Time Homeless Count, *that there are no more than 2,199 people experiencing unsheltered homelessness which is a 50% reduction in unsheltered homelessness from the 2022 Point in Time Count-there are fewer than 5,250 homeless persons in San Francisco*, whichever date is earlier. Upon expiration of this Chapter 21B, the City Attorney *shall-is authorized to* cause this Chapter to be removed from the Administrative Code.

Section 3. Article IV of Chapter 6 of the Administrative Code is hereby amended by revising Section 6.76, to read as follows.

SEC. 6.76. PUBLIC WORKS ADDRESSING HOMELESSNESS.

(a) The Department of Public Works is authorized to enter into and/or amend any contract for any Public Work or Improvement, as defined in Administrative Code Section 6.1, including any professional services for a Public Work or Improvement, without adherence to the requirements of this Chapter 6, Administrative Code Chapters 12B and 14B, and the Environment Code; provided, however, that the Public Work or Improvement is for the construction, repair, or improvement of one or more sites that will be used for the primary

purpose of providing housing, shelter, or services to people experiencing homelessness. *The power to amend such contracts extends to contracts entered into prior to the effective date of the ordinance in Board File No. 190047 enacting this Chapter 21B.*

(b) This Section 6.76 shall expire by operation of law *five years from its effective date <u>on</u> <u>May 5, 2029</u>, or on the effective date of an ordinance making the finding that according to the most recent Point in Time Homeless Count, <i>that there are no more than 2,199 people experiencing* <u>unsheltered homelessness which is a 50% reduction in unsheltered homelessness from the 2022 Point</u> <u>in Time Count-there are fewer than 5,250 homeless persons in San Francisco</u>, whichever date is earlier. Upon expiration of this Section 6.76, the City Attorney <u>shall-is authorized to</u> cause this Section to be removed from the Administrative Code.

Section 4. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

Section 6. Undertaking for the General Welfare. In enacting and implementing this ordinance, the City is assuming an undertaking only to promote the general welfare. It is not

assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: <u>/s/</u> ADAM RADTKE Deputy City Attorney

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City and County of San Francisco Tails Ordinance

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 231129

Date Passed: March 05, 2024

Ordinance amending the Administrative Code to extend by five years, from May 5, 2024, through May 5, 2029, the sunset date of the provisions authorizing the Department of Homelessness and Supportive Housing ("HSH") to enter into and amend contracts without requiring competitive bidding for services relating to sites and programs for people experiencing homelessness ("Projects Addressing Homelessness"), and the Department of Public Works to enter into and amend contracts without adhering to the Environment Code or to provisions relating to competitive bidding, equal benefits, local business enterprise utilization, and other requirements, for construction work and services relating to Projects Addressing Homelessness; and affirming the Planning Department's determination under the California Environmental Quality Act.

December 06, 2023 Budget and Finance Committee - CONTINUED TO CALL OF THE CHAIR

February 07, 2024 Budget and Finance Committee - CONTINUED

February 14, 2024 Budget and Finance Committee - REFERRED WITHOUT RECOMMENDATION

February 27, 2024 Board of Supervisors - PASSED ON FIRST READING

Ayes: 7 - Engardio, Mandelman, Melgar, Preston, Ronen, Stefani and Walton Noes: 4 - Chan, Dorsey, Peskin and Safai

March 05, 2024 Board of Supervisors - FINALLY PASSED

Ayes: 7 - Engardio, Mandelman, Melgar, Preston, Ronen, Stefani and Walton Noes: 4 - Chan, Dorsey, Peskin and Safai File No. 231129

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 3/5/2024 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

d. C 2

London N. Breed Mayor

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Date Approved