



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, February 12, 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 12, 2025, with Chair Connie Chan presiding. Chair Chan called the meeting to order at 10:03 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

250103 [Accept and Expend Grant - Retroactive - Department of Justice - San Francisco General Hospital Foundation - Children and Adolescent Support Advocacy and Resource Center (CASARC) - \$829,025.83]

Sponsor: Mayor

Resolution retroactively authorizing the Department of Public Health to accept and expend a grant in the amount of \$829,025.83 from the Department of Justice through the San Francisco General Hospital Foundation for participation in a program, entitled "Children and Adolescent Support Advocacy and Resource Center (CASARC)," for the period of October 1, 2024, through September 30, 2026. (Public Health Department)

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

Heard in Committee. Speaker(s): Jason Zook (Zuckerberg San Francisco General Hospital); 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

250072 [Contract Amendment - TEGSCO, LLC - Vehicle Towing, Storage, and Disposal Services for Abandoned and Illegally Parked Vehicles - Not to Exceed \$136,700,000]

Resolution approving the ninth amendment to the contract between the Municipal Transportation Agency and TEGSCO, LLC, for services related to the towing, storage, and disposal of abandoned and illegally parked vehicles, to increase the contract amount by \$15,300,000 for a total contract amount not to exceed \$136,700,000 for the balance of the second year and the last three years of the five-year extension, with no changes to the term of April 1, 2016, through March 31, 2026, effective upon approval of this Resolution. (Municipal Transportation Agency)
(Fiscal Impact)

01/13/25; RECEIVED FROM DEPARTMENT.

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

Heard in Committee. Speaker(s): Lorraine Fuqua (Municipal Transportation Agency); Nicolas Menard (Office of the Budget and Legislative Analyst); Luisa Coy (Mayor's Office of Public Policy and Finance); provided an overview and responded to questions raised throughout the discussion. Mark Gleason (Teamsters, Local 665); 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

250071 [Public and Sealed Bid Auction - Tax-Defaulted Real Property]

Resolution authorizing the Office of the Treasurer and Tax Collector to sell at Public Auction and Sealed Bid Auction certain parcels of tax-defaulted real property. (Treasurer-Tax Collector)

01/10/25; RECEIVED FROM DEPARTMENT.

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

Heard in Committee. Speaker(s): Eric Manke (Office of the Treasurer and Tax Collector); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that the Property Subject to Public Tax Sale List be AMENDED, by striking the parcels located at 41 Sears Street, 26 Stanley Street, and 1123 Capitol Avenue. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Chair Chan moved that this Resolution be RECOMMENDED, after accepting the amendments to the Property Subject to Public Tax Sale List. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

241187 [Agreement Amendment - SSP Data Inc. - Palo Alto Software Products - \$40,000,000]

Resolution authorizing the Department of Technology to enter into a first amendment to the enterprise agreement with SSP Data Inc. to purchase Palo Alto Software Products; and to extend the term for three years from May 31, 2026, for a total term of June 1, 2023, through May 31, 2029, for a not to exceed amount of \$40,000,000 pursuant to Charter, Section 9.118. (Department of Technology) (Fiscal Impact)

12/06/24; RECEIVED FROM DEPARTMENT.

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

Heard in Committee. Speaker(s): Hao Xie (Department of Technology); 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

250074 [Contract Agreement - Retroactive - Department of State Hospitals - Early Access and Stabilization Services - \$3,315,647.10]

Resolution retroactively approving a Contract Agreement between the City and County of San Francisco, acting by and through the San Francisco Sheriff's Office and San Francisco Department of Public Health, and the Department of State Hospitals for Early Access and Stabilization Services, for a term of three years from January 1, 2025, through December 31, 2027, and for a total not to exceed the amount of \$3,315,647.10. (Sheriff)

01/16/25; RECEIVED FROM DEPARTMENT.

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

Heard in Committee. Speaker(s): Patrick Leung, Chief Financial Officer (Sheriff's Office); Tanya Mera (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, Dorsey, Engardio

241070 [Administrative Code - Purchase and Sale of Electricity and Related Products - Public Utilities Commission]

Sponsor: Mandelman

Ordinance amending the Administrative Code to modify the waivers of specified contract-related requirements in the Administrative, Labor and Employment, and Environment Codes for electricity and related product transactions, authorizing binding arbitration, and increasing the annual expenditure limit for energy procurements from \$200 million to \$300 million and the revenue collection limit from \$10 million to \$300 million.

(Fiscal Impact)

10/29/24; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 11/28/2024.

11/06/24; REFERRED TO DEPARTMENT. Referred to the SFPUC for informational purposes.

11/15/24; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Henry DeRuff (Office of President Rafael Mandelman); Julia Olguin (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 Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250070 [Sale Agreement - City of San Bruno - 67,802 Square Feet of Portion of APNs 093-340-020 and 093-340-060 in San Bruno, San Mateo County - \$5,000]

Resolution 1) approving and authorizing the sale to the City of San Bruno of approximately 67,802 square feet of real property designated as San Mateo County Assessor's Parcel Nos. (APNs) 093-340-060 and 093-340-020 for \$5,000; 2) adopting findings declaring that the property is "surplus land" and "exempt surplus land" pursuant to California Surplus Lands Act; 3) adopting findings under San Francisco Administrative Code, Section 23.3, that offering the property for sale through competitive bidding would be impractical and not in the public interest; 4) affirming the City of San Bruno's determination under the California Environmental Quality Act; 5) adopting findings that the sale is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; 6) authorizing the San Francisco Public Utilities Commission (SFPUC) General Manager and/or City's Director of Property to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution, as defined herein; and to authorize the SFPUC General Manager and/or City's Director of Property to enter into any additions, amendments, or other modifications to the Sale Agreement that do not materially decrease the benefits to the City with respect to the Property, and do not materially increase the obligations or liabilities of either the SFPUC or the City, and are necessary or advisable to complete the transaction contemplated in the Sale Agreement, to effectuate the purpose and intent of this Resolution. (Public Utilities Commission) 01/10/25; RECEIVED FROM DEPARTMENT.

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

Heard in Committee. Speaker(s): Josh Keene (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, Engardio

241106 [Airport Specialty Retail Minimum Annual Guarantee Rent Reduction Program]

Resolution approving the Specialty Retail Minimum Annual Guarantee Rent Reduction Program for certain specialty retail concession tenants, allowing the Airport to do a one-time adjustment of the Minimum Annual Guarantees due under the leases, and changing the method for future adjustments of the Minimum Annual Guarantees. (Airport Commission)
(Fiscal Impact)

11/07/24; RECEIVED FROM DEPARTMENT.

11/19/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Dyanna Volek (Airport 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 Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

240923 [Lease Termination Agreement - Minute Suites Travelers Retreat SFO, LLC - Harvey Milk Terminal 1 Retail Concession Lease 8 - Termination Fee \$75,000]

Resolution approving Lease Termination Agreement for the Harvey Milk Terminal 1 Retail Concession Lease 8 at San Francisco International Airport, Lease No. 20-0045, between Minute Suites Travelers Retreat SFO, LLC, as tenant, and the City and County of San Francisco, acting by and through its Airport Commission. (Airport Commission)

09/20/24; RECEIVED FROM DEPARTMENT.

10/01/24; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Dyanna Volek (Airport 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, Engardio

250104 [Accept and Expend Grant - Retroactive - California Department of Social Services - Center for Immigrant Protection - \$250,000 - FY2024-2027]

Sponsors: Mayor; Mandelman, Chan and Dorsey

Resolution retroactively authorizing the Mayor's Office of Housing and Community Development ("MOHCD"), on behalf of the City and County of San Francisco (the "City"), to execute and submit a Certification of Acceptance of Allocation Requirements (the "Certification") to the California Department of Social Services and take all actions in compliance with the Certification for a grant of \$250,000 under the Special Programs appropriated through the Budget Act of 2024, Section 195; and authorizing the City to accept and expend the grant in the amount of \$250,000 under the Special Programs appropriated through the Budget Act of 2024, Section 195, for the period of July 1, 2024, through June 30, 2027, for the Center of Immigrant Protection to provide supportive services and programming for the immigrant community in San Francisco.

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

Heard in Committee. Speaker(s): Julia Sabory (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion. Kenan Arun (Center for Immigrant Protection); spoke in support of the resolution matter.

Supervisors Chan and Dorsey requested to be added as co-sponsors.

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

Ayes: 3 - Chan, Dorsey, Engardio

250102 [Grant Agreement Amendment - Mid-Market Foundation - Mid-Market/Tenderloin Community-Based Safety Program - Not to Exceed \$68,851,756]**Sponsors: Mayor; Mahmood, Dorsey and Mandelman**

Resolution approving Amendment No. 6 to a grant agreement between the Office of Economic and Workforce Development and Mid-Market Foundation for the management of the Mid-Market /Tenderloin Community-Based Safety Program; to increase the grant amount by \$4,000,000 for a total not to exceed amount of \$68,851,756 for the period of July 1, 2022, through June 30, 2025, effective upon approval of this Resolution; and to authorize the Executive Director of the Office of Economic and Workforce Development to enter into amendments or modifications to the contract prior to its final execution by all parties that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the contract. (Department of Economic and Workforce Development)
(Fiscal Impact)

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

Heard in Committee. Speaker(s): Chris Corgas (Office of Economic and Workforce Development); Sam Dodge (Department of Emergency Management); 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 REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

241102 [Hearing - Board of Supervisors/Clerk of the Board Annual Budget Guidelines - FY 2025-2026 and FY 2026-2027]

Hearing to consider the review and approval of the Budget Guidelines for the Board of Supervisors/Clerk of the Board Annual Budget for Fiscal Year (FY) 2025-2026 and FY 2026-2027. (Clerk of the Board)

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

12/04/24; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker(s): Edward de Asis (Office of the Clerk of the Board); provided an overview and responded to questions raised throughout the discussion.

Heard in Committee. Speaker(s): Angela Calvillo, Clerk of the Board of Supervisors (Office of the Clerk of the Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved to authorize the Clerk of the Board to submit the department's proposed budget, as presented, to the Mayor's Office of Public Policy and Finance and Office of the Controller. 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

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 12:05 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.