



**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](mailto:brent.jalipa@sfgov.org)*

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**Wednesday, March 5, 2025**

**10:00 AM**

**City Hall, Legislative Chamber, Room 250**

**Regular Meeting**

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

*The Budget and Finance Committee met in regular session on Wednesday, March 5, 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](mailto: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

### 250052 [Hearing - Status of First Year Free Program]

**Sponsor: Sherrill**

Hearing on the First Year Free program, including a report on the number of small businesses supported since the program's inception, remaining obstacles to full implementation, and necessary steps to make the benefits to new small businesses permanent; and requesting the Office of Small Business, Office of Economic and Workforce Development, and Office of the Treasurer and Tax Collector to report.

01/14/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

01/17/25; REFERRED TO DEPARTMENT. Referred to the Offices of Small Business, Workforce Development, and the Treasurer and Tax Collector for informational purposes.

*Heard in Committee. Speaker(s): Supervisor Stephen Sherrill (Board of Supervisors); Amanda Fried (Office of the Treasurer and Tax Collector); Katy Tang, Executive Director (Office of Small Business); provided an overview and responded to questions raised throughout the discussion.*

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

Ayes: 3 - Chan, Dorsey, Engardio

*Chair Chan requested File Nos. 241150 and 250001 be called together.*

### 241150 [Business and Tax Regulations Code - Voluntary Disclosure Program; Fee for Advance Determinations]

Ordinance amending the Business and Tax Regulations Code to authorize the Tax Collector to waive taxes, penalties, and/or interest under a program ending December 31, 2027, that allows unregistered taxpayers to voluntarily disclose and pay back taxes; and to authorize the Tax Collector to collect fees through December 31, 2027, for reviewing applications for and providing advance determinations to taxpayers. (Treasurer-Tax Collector)

11/25/24; RECEIVED FROM DEPARTMENT.

12/03/24; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 1/2/2025.

01/14/25; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee. Treasurer and Tax Collector introduced a substitute Ordinance bearing same title.

02/23/25; NOTICED. First 10-Day Fee Ad for March 5, 2025, Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

03/02/25; NOTICED. Second 10-Day Fee Ad for March 5, 2025, Budget and Finance Committee hearing published in the Examiner; per Government Code Section 6062(a).

*Heard in Committee. Speaker(s): Amanda Fried (Office of the Treasurer and Tax Collector); 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

**250001 [Business and Tax Regulations Code - Empty Homes Tax Suspension Pending Litigation]**

Ordinance amending the Business and Tax Regulations Code to suspend the Empty Homes Tax pending a final decision in Eric Debbane, et al. v. City & County of San Francisco, et al., San Francisco Superior Court Case No. CGC-23-604600, retroactive to January 1, 2024, and to reinstate that tax so that the tax first applies in the tax year immediately following the calendar year of that final decision. (Treasurer-Tax Collector)

(In accordance with Section 2961 of Article 29A of the Business and Tax Regulations Code, passage of this ordinance by the Board of Supervisors requires an affirmative vote of two-thirds of the Board of Supervisors.)

(Fiscal Impact)

12/16/24; RECEIVED FROM DEPARTMENT.

01/14/25; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 2/13/2025.

02/24/25; TRANSFERRED to Budget and Finance Committee. President Mandelman transferred this ordinance from the Government Audit and Oversight committee to the Budget and Finance committee.

*Heard in Committee. Speaker(s): Amanda Fried (Office of the Treasurer and Tax Collector); 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

*Chair Chan requested File Nos. 250081 and 250082 be called together.*

**250081 [Airport Professional Services Agreement Modification - Consor PMCM, Inc. Project Management Support Services for the Cargo Building 626.1 Project - Further Modifications Not to Exceed \$13,000,000]**

Resolution approving Modification No. 2 to Airport Contract No. 11918.41, Project Management Support Services for the San Francisco International Airport, Cargo Building 626.1 Project with Consor PMCM, Inc., to increase the Contract amount by \$10,300,000 for a new total not to exceed the amount of \$13,000,000 and extend the Contract for services an additional four years from May 1, 2025, for a total term of May 2, 2024, through May 1, 2029, pursuant to Charter, Section 9.118(b); and making findings under the California Environmental Quality Act. (Airport Commission)  
(Fiscal Impact)

01/17/25; RECEIVED FROM DEPARTMENT.

02/04/25; 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

**250082 [Airport Professional Services Agreement - West Field Consultants - Project Management Support Services - Further Modifications Not to Exceed \$13,000,000]**

Resolution approving Modification No. 2 to Airport Contract No. 11984.41, Project Management Support Services for the San Francisco International Airport, Cargo Building 720.1 and GSE Building 742 Project with West Field Consultants, a Joint Venture, a joint venture between WSP USA Inc. and AGS Inc., to increase the Contract amount by \$10,000,000 for a new total not to exceed the amount of \$13,000,000 and extend the Contract for services an additional four years pursuant to Charter, Section 9.118(b) from May 2, 2025, for a total term of May 2, 2024, through May 1, 2029; and making findings under the California Environmental Quality Act. (Airport Commission)  
(Fiscal Impact)

01/17/25; RECEIVED FROM DEPARTMENT.

02/04/25; 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

**250084 [Real Property Lease Amendment - Communication and Control, Inc. - Communication Services Facilities in Alameda County - Monthly Base Rent \$9,080]**

Resolution 1) approving and authorizing the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute Amendment No. 1 (Amendment) to the Radio Communications Site Lease dated April 1, 2015, between the City and County of San Francisco, through the SFPUC, as the tenant, and Communication and Control, Inc., as the landlord, to allow the SFPUC to expand the leased premises on a portion of Assessor's Parcel No. 096-0090-005-07 in unincorporated Alameda County and operate additional radio communication equipment on the tower located on the premises for an initial monthly base rent of \$9,080 for the lease of the expanded premises; 2) affirming the Planning Department's determination under the California Environmental Quality Act, pursuant to Administrative Code, Section 31.04(h); and 3) authorizing the General Manager of the SFPUC 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 Director of Property to enter into any amendments or modifications to the Amendment, including without limitation, the exhibits, that the General Manager determines, in consultation with the City Attorney, are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to effectuate the purposes and intent of the Amendment, or this Resolution, pursuant to Charter, Section 9.118. (Public Utilities Commission)

01/24/25; RECEIVED FROM DEPARTMENT.

02/04/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Joshua 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

**250085 [Emergency Declaration - Restoration of Uninterruptible Standby Power Supply System for Tesla Treatment Facility - \$700,000]**

Resolution approving an emergency declaration of the San Francisco Public Utilities Commission, pursuant to Administrative Code, Section 6.60, to contract resources to restore the Tesla Treatment Facility's uninterruptible standby power supply system, which has become obsolete and was found to have failed on December 11, 2024, during routine maintenance, with a total estimated cost of \$700,000. (Public Utilities Commission)  
(Fiscal Impact)

01/24/25; RECEIVED FROM DEPARTMENT.

02/04/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Angela Cheung (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

*Chair Chan requested File Nos. 250107 and 250108 be called together.*

**250107 [Contract Amendment - Hyland Software, Inc. - Software Facilitating Health Services System Member Documents - Not to Exceed \$574,000]**

**Sponsor: Dorsey**

Resolution approving the Third Amendment to the agreement between the City, acting by and through San Francisco Health Service System ("SFHSS"), and Hyland Software, Inc. ("Hyland") for software that facilitates capture, organization and storage of SFHSS member documents, to extend the term by five years from April 1, 2025, for a total term of January 4, 2016, through March 31, 2030, and to increase the amount by \$191,936 for a total not to exceed amount of \$574,000; and to authorize the Executive Director of SFHSS to enter into amendments or modifications to the contract amendment that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the contract amendment or this Resolution.

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

*Heard in Committee. Speaker(s): Michael Visconti (Health Service System); 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, Engardio

**250108 [Contract Amendment - P & A Administrative Services, Inc. - Administers COBRA, AB528 Programs, Flexible Spending and Health Spending Accounts - Not to Exceed \$4,667,457]**

**Sponsor: Dorsey**

Resolution approving the 10th Amendment to an agreement between the City, acting by and through San Francisco Health Service System ("SFHSS"), and P & A Administrative Services, Inc. ("P & A") to administer COBRA, AB 528 programs, health care spending accounts, and flexible spending accounts, to extend the term by 18 months for a total term of approximately 12 years from March 1, 2015, through December 31, 2026, and to increase the amount by \$555,000 for a total not to exceed amount of \$4,667,457; and to authorize the Executive Director of SFHSS enter into amendments or modifications to the contract amendment that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the contract amendment or this Resolution. (Health Service System)  
(Fiscal Impact)

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

*Heard in Committee. Speaker(s): Michael Visconti (Health Service System); 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: 3 - Chan, Dorsey, Engardio

Chair Chan requested File Nos. 250086 and 250087 be called together.

**250086 [Real Property Lease - FACES SF - 1099 Sunnydale Avenue - \$48,867.12 Initial Yearly Base Rent]**

Resolution approving and authorizing the Director of Property to enter into a real property lease with Family & Child Empowerment Services (FACES SF), a California nonprofit public benefit corporation, for approximately 3,039 square feet of The Village Community Facility located at 1099 Sunnydale Avenue, San Francisco, effective upon approval of this Resolution for an initial term of five years with two five-year options to extend, at an initial rent of \$48,867.12 per year (\$4,072.26 per month) with three percent annual increases thereafter; the initial rent includes approximately 822 square feet of office space in support of a temporary grant and programming collaboration with Family Connections Centers, a California non-profit, providing services to the community; should future grants for said collaboration not be funded after the first year of the lease or any subsequent year thereafter, during the initial five-year term, whereby the new adjusted rent will be \$2,970.78 per month, or \$35,649.36 per year, with a three percent annual increase; a finding that competitive bidding procedures required under San Francisco Administrative Code, Chapter 23, Section 23.33, are impractical or impossible; a finding that the Lease furthers a proper public purpose sufficient to meet Administrative Code, Section 23.30, market value requirements; and authorizing the Director of Property to enter into any additions, amendments, or other modifications to the Lease that do not materially increase the obligations or liabilities of the City to effectuate the purposes of this Resolution. (Real Estate Department)

01/27/25; RECEIVED FROM DEPARTMENT.

02/04/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Andrico Penick, Director (City Administrator's Real Estate Division); 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

**250087 [Real Property Lease - Felton Institute - 1099 Sunnydale Avenue - \$24,216.48 Initial Yearly Base Rent]**

Resolution approving and authorizing the Director of Property to enter into a real property lease with Felton Institute, a California nonprofit public benefit corporation, for approximately 1,506 square feet of The Village Community Facility located at 1099 Sunnydale Avenue, for an initial term of five years with two five-year options to extend, at an initial rent of \$24,216.48 per year (\$2,018.04 per month) with 3% annual increases thereafter effective upon approval of this Resolution; a finding that competitive bidding procedures required under Administrative Code, Chapter 23, Section 23.33, are impractical or impossible; a finding that the Lease furthers a proper public purpose sufficient to meet Administrative Code, Section 23.30, market value requirements; and authorizing the Director of Property to enter into any additions, amendments, or other modifications to the Lease that do not materially increase the obligations or liabilities of the City to effectuate the purposes of this Resolution. (Real Estate Department)

01/27/25; RECEIVED FROM DEPARTMENT.

02/04/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

*Heard in Committee. Speaker(s): Andrico Penick, Director (City Administrator's Real Estate Division); 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

## ADJOURNMENT

*There being no further business, the Budget and Finance Committee adjourned at the hour of 11:32 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.*