



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

Wednesday, July 16, 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, July 16, 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) 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

250717 [Health Service System Plans and Contribution Rates - Calendar Year 2026]

Sponsor: Dorsey

Ordinance approving Health Service System plans and contribution rates for calendar year 2026.

(Pursuant to Charter, Section A8.422, this matter shall require a vote of three-fourths (9 votes) of all members of the Board of Supervisors to approve passage of this Ordinance.)

(Fiscal Impact)

07/01/25; ASSIGNED to Budget and Finance Committee. 7/3/25 - President Mandelman waived the 30-day rule pursuant to Board Rule No. 3.22.

Heard in Committee. Speaker(s): Rey Guillen, Executive Director, and Iftikhar Hussain (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 Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250627 [Lease Amendment - Domestic Terminal 3 Common Use Club - American Express Travel Related Services Company, Inc.]

Resolution approving Amendment No. 3 to the Domestic Terminal 3 Common Use Club Lease No. 13-0006 between American Express Travel Related Services Company, Inc., as tenant, and the City and County of San Francisco, acting by and through its Airport Commission, as landlord, to temporarily relocate the American Express Centurion Lounge from its Terminal 3 premises to Terminal 2 during the construction of the Terminal 3 West construction project, expected to last approximately two years, with a temporary decrease of the Minimum Annual Guarantee amount to \$2,025,827.70 and of the annual Promotional Charge to \$9,035 and a day to day extension of the Lease term from July 18, 2014, through November 5, 2031, during the temporary operation of the Centurion Lounge in Terminal 2. (Airport Commission)

05/28/25; RECEIVED FROM DEPARTMENT.

06/10/25; 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

250622 [Agreement Amendment - Carahsoft Technology Corporation - ServiceNow Products - Not to Exceed \$28,300,000]

Resolution authorizing the Department of Technology to enter into a first amendment to the enterprise agreement (EA) with Carahsoft Technology Corporation to purchase ServiceNow Software Products, increasing the term for an additional four years from August 31, 2025, for a total term from September 1, 2022, through August 31, 2029, and increasing the contract amount by \$18,452,904 for a new not to exceed amount of \$28,300,000 pursuant to Charter, Section 9.118. (Department of Technology) (Fiscal Impact)

05/23/25; RECEIVED FROM DEPARTMENT.

06/10/25; 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

250635 [Accept and Expend Grant - Retroactive - California Department of Transportation Sustainable Transportation Planning Grant - SoMa Under Freeway Park - \$626,000]

Sponsors: Mayor; Dorsey

Resolution retroactively authorizing the Department of Public Works to accept and expend a grant in the amount of \$626,000 from the California Department of Transportation Sustainable Transportation Planning Grant for a performance period from November 4, 2024, through June 30, 2027, to fund the planning of the South of Market (SoMa) Under Freeway Park; and authorizing Public Works to execute all required documents for the project, as defined herein. (Public Works)

06/24/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Katy Taylor (Public Works); provided an overview and responded to questions raised throughout the discussion.

Supervisor Dorsey requested to be added as a co-sponsor.

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. 250662 and 250663 be called together.

250662 [Issuance by California Enterprise Development Authority Revenue Obligations - TEFRA Hearing - La Scuola International School - Not to Exceed \$10,000,000]

Sponsor: Fielder

Resolution approving for purposes of Internal Revenue Code of 1986, as amended, Section 147(f) of the Issuance and Sale of Revenue Obligations by the California Enterprise Development Authority in an aggregate principal amount not to exceed \$10,000,000 to finance and/or refinance the cost of acquisition, construction, improvement and equipping of various educational facilities to be owned and operated by La Scuola International School, a California nonprofit public benefit corporation.

06/10/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Keith Sevigny (Controller's Office of Public Finance); 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

250663 [Issuance by California Enterprise Development Authority Revenue Obligations - TEFRA Hearing - National Center for International Schools, and/or The International School of San Francisco - Not to Exceed \$80,000,000]

Sponsor: Mahmood

Resolution approving for purposes of Internal Revenue Code of 1986, as amended, Section 147(f) of the Issuance and Sale of Revenue Obligations by the California Enterprise Development Authority in an aggregate principal amount not to exceed \$80,000,000 to finance, refinance and/or reimburse the cost of acquisition, construction, installation, rehabilitation, equipping and furnishing of various capital facilities to be owned and operated by National Center for International Schools, a California nonprofit public benefit corporation, and/or The International School of San Francisco, a California nonprofit public benefit corporation.

06/10/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Keith Sevigny (Controller's Office of Public Finance); 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

250629 [Contract - The Dutra Group - Custom Crane Barge - Not to Exceed \$16,747,196]

Resolution approving an agreement between the City, acting by and through the Office of Contract Administration ("OCA"), and The Dutra Group ("Dutra") for a custom crane barge for the Port of San Francisco, for an initial term of approximately two years from final execution of the Contract by all parties ("Effective Date") to July 14, 2027, with an option to extend for a period of one year, for a total not to exceed amount of \$16,747,196; and to authorize OCA to make necessary, non-material changes 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 or advisable to effectuate the purposes of the Agreement. (City Administrator)
(Fiscal Impact)

06/02/25; RECEIVED FROM DEPARTMENT.

06/10/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Sailaja Kurella, Director and City Purchaser (City Administrator's Office of Contract Administration); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Jonathan; 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

250509 [Administrative Code - Procurement of Goods and Services]

Ordinance amending the Administrative Code to expand the scope of emergency procurement provisions for goods and services; and to allow City departments to modify agreements in ways not contemplated in the original solicitations. (City Administrator)

05/09/25; RECEIVED FROM DEPARTMENT.

05/20/25; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 6/19/2025.

05/29/25; REFERRED TO DEPARTMENT. Referred to all city departments via the Mayor's Office for informational purposes.

06/05/25; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Stephanie Tang (Office of the City Administrator); Sailaja Kurella, Director and City Purchaser (City Administrator's Office of Contract Administration); provided an overview and responded to questions raised throughout the discussion.

Chair Chan moved that this Ordinance be CONTINUED to the Budget and Finance Committee meeting of July 23, 2025. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Chair Chan, moved to RESCIND the previous vote to continue to the Budget and Finance Committee meeting of July 23, 2025. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

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

Ayes: 3 - Chan, Dorsey, Engardio

250683 [Accept and Expend Grant - Retroactive - California Energy Commission - Electric Vehicle Charging Infrastructure for Government Fleets - \$5,047,167]

Sponsors: Mayor; Mandelman and Engardio

Resolution retroactively authorizing the Office of the City Administrator to accept and expend a grant award in the amount of \$5,047,167 from April 21, 2025, through June 30, 2028, from the State of California Energy Commission for electric vehicle charging infrastructure for government fleets. (City Administrator)
(Fiscal Impact)

06/17/25; 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.

Supervisor Engardio requested to be added as a co-sponsor.

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

Ayes: 3 - Chan, Dorsey, Engardio

250721 [Accept and Expend In-Kind Gift - San Francisco Police Community Foundation - Support Officer Wellness Events and Initiatives, Community Engagement Events - Equipment to District Stations - Estimated Market Value of \$866,500]

Sponsors: Mayor; Engardio

Resolution authorizing the Police Department to accept and expend various gifts valued at approximately \$866,500 from the San Francisco Police Community Foundation to distribute to the ten Police Department district stations to support officer wellness events and initiatives, support community engagement events and provide equipment for the Police Department district stations. (Police Department)

07/01/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Sergeant James O'Meara (Police Department); provided an overview and responded to questions raised throughout the discussion.

Member Engardio moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

250704 [Real Property Acquisition - Pacifica SFO LLC - 601-617 Laguna Street - Not to Exceed \$20,000,000 - Certain Administrative Code Waivers]**Sponsors: Mayor; Mandelman and Mahmood**

Ordinance 1) approving and authorizing the Director of Property to acquire certain real property located at 601-617 Laguna Street (Assessor's Parcel Block No. 0806, Lot No. 002) (the "Property"); 2) approving and authorizing an Agreement of Purchase and Sale for Real Estate (the "Purchase Agreement") for the acquisition of the Property from Pacifica SFO LLC, a California limited liability company ("Seller"), for \$11,030,000 together with a Construction Management Agreement attached as Exhibit E to the Purchase Agreement for the completion of certain improvements and the repair of deficiencies on the Property (the "Project") by Seller for an amount not to exceed \$8,140,000 that includes a construction management fee, an amount not to exceed \$800,000 for the City contingency, and an amount not to exceed \$30,000 for closing costs for a total anticipated not to exceed project cost of \$20,000,000; 3) authorizing the Director of Property to make certain modifications to the Purchase Agreement and take certain actions in furtherance of the Purchase Agreement, as defined herein; 4) exempting the Project from contracting requirements in Administrative Code, Chapter 6 and Chapter 14B; 5) approving the Seller and its architect, consultants, general contractor, subcontractors, employees and affiliates without competitive bidding, but requiring the payment of prevailing wages, implementation of a local business enterprise utilization program, and compliance with the City's local hire policy and first source hiring Ordinance; and 6) placing the Property under the jurisdiction of the Real Estate Division; affirming the Planning Department's determination under the California Environmental Quality Act; and adopting the Planning Department's finding that the Purchase Agreement, and the transactions contemplated therein, are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

(Real Estate Department)

(Fiscal Impact)

06/24/25; ASSIGNED to Budget and Finance Committee. 6/26/25 - President Mandelman waived the 30-day rule pursuant to Board Rule No. 3.22.

Heard in Committee. Speaker(s): Andrico Penick, Director, and Jeff Suess (City Administrator's Real Estate Division); Kelly Kirkpatrick (Department of Public Health); 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

250651 [Sublease Agreement - Retroactive - California State Lands Commission - Candlestick Point State Recreation Area - Vehicle Triage Center - Base Rent of \$312,000]

Resolution retroactively authorizing and approving the Director of Property, on behalf of the Department of Homelessness and Supportive Housing, to negotiate and enter into a new sublease agreement for 312,000 square feet of property owned by the California State Lands Commission and leased to the California Department of Parks and Recreation, for the City's use as the Bayview Vehicle Triage Center at Candlestick Point State Recreation Area, for a term of approximately one year and four months, with a retroactive commencement date of January 13, 2024, through April 11, 2025, for a base rent of \$312,000 per year; affirming findings under the California Environmental Quality Act; and finding the sublease is in conformance with the General Plan, and the eight priorities of Planning Code, Section 101.1; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the new sublease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the sublease or this Resolution. (Department of Homelessness and Supportive Housing)

06/04/25; RECEIVED FROM DEPARTMENT.

06/17/25; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker(s): Emily Cohen (Department of Homelessness and Supportive Housing); 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

250684 [Grant Agreement Amendment - Abode Services - Problem Solving Fiscal Agent Services - Not to Exceed \$17,136,514]

Sponsor: Mayor

Resolution approving the third amendment to the grant agreement between Abode Services and the Department of Homelessness and Supportive Housing ("HSH"), for problem solving fiscal agent services, extending the term by 22 months from August 1, 2025, for a total term of August 1, 2022, through June 30, 2027, and increasing the agreement amount by \$7,236,514 for a new total amount not to exceed \$17,136,514, and authorizing HSH to enter into any amendments or other modifications to the amendment that do not materially increase the obligations or liabilities, or materially decrease the benefits to the City and are necessary or advisable to effectuate the purposes of the Agreement. (Department of Homelessness and Supportive Housing)
(Fiscal Impact)

06/17/25; 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); provided an overview and responded to questions raised throughout the discussion. Speaker; 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

250487 [Administrative Code - Equitable Citywide Access to Shelters, Transitional Housing, and Behavioral Health Services]**Sponsors: Mahmood; Walton, Dorsey, Sauter, Fielder and Melgar**

Ordinance amending the Administrative Code to require the City to approve one new homeless shelter, transitional housing facility, behavioral health residential care and treatment facility, or behavioral health specialized outpatient clinic (collectively, "Covered Facilities") in each Supervisorial District by June 30, 2026, and prohibiting the City from approving a Covered Facility that would be located within 1,000 feet of another Covered Facility unless the Board of Supervisors waives the 1,000 foot rule by Resolution based on a finding that approving the Covered Facility at the proposed location is in the public interest.

(Fiscal Impact)

05/06/25; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 6/5/2025.

05/13/25; REFERRED TO DEPARTMENT. Referred to Dept. of Homelessness and Supportive Housing and Real Estate Division for informational purposes.

05/28/25; TRANSFERRED to Budget and Finance Committee. President Mandelman transferred this ordinance from the Rules Committee to the Budget and Finance Committee.

Heard in Committee. Speaker(s): Supervisors Bilal Mahmood and Shamann Walton (Board of Supervisors); 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. Randy Shaw (Tenderloin Housing Clinic); Del Seymour; Adam Hong; Brendan; Speaker; spoke on various concerns relating to the ordinance matter. Riannon Bailard; Pratibha Tekkey (Tenderloin Housing Clinic); Danna Duchovna; David Singer; Jeniffer Kiss (Dignity Moves); Speaker; Barbara Swan (Lower Nob Hill Neighborhood Alliance); Abdo Hadwan (SEIU, Local 87); Kristen; Linda Mantell; Esan Looper (Tenderloin Community Benefit District); Dr. Meghan Rohrer (Compass Family Services); spoke in support of the ordinance matter.

Vice Chair Dorsey moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Lines 3-16, to read 'Ordinance amending the Administrative Code to promote equitable access to shelter and behavioral health services by prohibiting the City from siting a new, City-funded homeless shelter, transitional housing facility, behavioral health residential care and treatment facility, or behavioral health specialized outpatient clinic (collectively, "Covered Facilities") in a neighborhood where the neighborhood's share of the City's shelter and transitional housing beds exceeds the neighborhood's share of the City's unsheltered persons, and prohibiting the City from siting a new City-funded homeless shelter within 300 feet of an existing homeless shelter; and authorizing the Board of Supervisors to waive these prohibitions upon a finding that approving the Covered Facility or homeless shelter at the proposed location is in the public interest; and providing that this ordinance shall sunset on December 31, 2031.'; on Page 7, Lines 10-14, by defining 'Neighborhood' in accordance with the American Community Survey Neighborhood Profile Boundaries Map and 'Point-in-Time Homeless Count' as a biennial count of sheltered and unsheltered people experiencing homelessness that San Francisco performs as a condition of receiving funding from the U.S. Department of Housing and Urban Development; on Page 8, Lines 6-19, to require HSH and the Planning Department to prepare a Shelter Equity Analysis biennially aligned with the PIT Count to assess each neighborhood's unsheltered count and current bed share to inform future siting; on Page 8, Lines 20-24, by establishing a neighborhood-based Fair Share Rule prohibiting the City from approving new Covered Facilities in neighborhoods where the share of shelter/transitional beds exceeds the share of unsheltered persons based on PIT data to ensure facilities are sited in areas with demonstrated need; on Page 9, Lines 1-4, to apply a 300-foot buffer between all new and existing homeless shelters; Page 9, Lines 5-12, to clarify the Board of Supervisors may waive the Fair Share and Spacing rules by resolution if finding that Approval of the Covered Facility or Homeless Shelter at the proposed location is in the public interest and is justified by the demand for the facility type, the cost of siting the Covered Facility or Homeless Shelter at the proposed location as compared to alternative sites, and the commitment made by the sponsoring department to address neighborhood concerns, if any; on Page 9, Line 22, through Page 10, Line 12, to add exceptions to the Fair Share and Spacing rules including projects with financing applications submitted before the ordinance's effective date, projects sited within an existing facility's footprint, and projects replacing a recently closed facility in the same neighborhood; on Page 10, Lines 21-25, to expand reporting requirements to include addresses, facility types, waiver use, and neighborhoods considered but not Approved with reasons; on Page 11, Lines 4-7, to add 'SEC. 124.5. SUNSET DATE. This Chapter 124 shall expire by operation of law on December 31, 2031. Upon expiration of this Chapter 124, the City Attorney is authorized to cause the removal of the Chapter from the Administrative Code.; on Page 11, Line 20, to add '(b) This ordinance shall become operative on January 1, 2026.'; and by making other clarifying and conforming changes throughout the ordinance text. The motion carried by the following vote:

Ayes: 3 - Chan, Dorsey, Engardio

Ordinance amending the Administrative Code to promote equitable access to shelter and behavioral health services by prohibiting the City from siting a new, City-funded homeless shelter, transitional housing facility, behavioral health residential care and treatment facility, or behavioral health specialized outpatient clinic (collectively, "Covered Facilities") in a neighborhood where the neighborhood's share of the City's shelter and transitional housing beds exceeds the neighborhood's share of the City's unsheltered persons, and prohibiting the City from siting a new City-funded homeless shelter within 300 feet of an existing homeless shelter; and authorizing the Board of Supervisors to waive these prohibitions upon a finding that approving the Covered Facility or homeless shelter at the proposed location is in the public interest; and providing that this ordinance shall sunset on December 31, 2031.

(Fiscal Impact)

Vice Chair Dorsey moved that this Ordinance be CONTINUED AS AMENDED to the Budget and Finance Committee meeting of July 23, 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 12:48 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.