



Shireen McSpadden, Executive Director

Daniel Lurie, Mayor

To	Homelessness Oversight Commission
Through	Shireen McSpadden, Executive Director
From	Marion Sanders, Chief Deputy Director Gigi Whitley, Chief of Finance and Administration Edilyn Velasquez, Director, Contracts
Date	March 5, 2026
Subject	New Grant Agreement Approval: Conard House, Inc. McAllister Hotel Elevator Modernization Program

<i>Agreement Information</i>	
FSP#	1000037797
Provider	Conard House, Inc.
Program Name	McAllister Hotel Elevator Modernization Program
Agreement Action	Original Agreement
Agreement Term	April 1, 2026 to December 31, 2026

Agreement Amount

New	Reserves¹	Total Not to Exceed (NTE)
\$102,404	\$20,481	\$122,885

Funding Summary

<i>Funding Information</i>	
Funding Sources²	100% Certificate of Participation (COP) Bonds

The Department of Homelessness and Supportive Housing (HSH) Contracts team requests authorization to enter into a new grant agreement with Conard House, Inc. for the provision of the McAllister Hotel Elevator Modernization Program for the period of April 1, 2026 to December 31, 2026. This new agreement is for new services.

Background

To address marginally operational, obsolete, or unreliable passenger elevators in permanent supportive housing (PSH) sites that directly affect San Francisco PSH residents, the HSH budget included \$10 million sourced by the issuance of Certificate of Participation (COP) Bonds through the City’s Office of Public Finance. HSH awarded Conard House, Inc. a portion of this funding for the repair and/or modernization of the existing passenger elevator at the McAllister Hotel.

¹ 20 percent of the budgeted amount is included in a separate budget for reserves, to be released upon Program Manager approval.

² The funding sources listed reflect current and future years.

Conard House has operated a supportive housing program at McAllister since 2014, initially under a Human Services Agency agreement, and under HSH since the formation of the department.

Services to be Provided

The purpose of this grant is to address essential repairs and modernization of antiquated passenger elevators at permanent supportive housing (PSH), single room occupancy buildings. Grantee shall project manage the completion of repair and/or modernization of the existing passenger elevator and relevant additional work including but not limited to electrical, fire and safety upgrades to comply with all applicable legal requirements. The goal of these services is to improve accessibility, safety, and quality of housing for PSH residents.

Selection

Grantee was selected pursuant to San Francisco Administrative Code Section 21B, which authorizes the Department to enter into, or amend, contracts without adhering to the Administrative Code provisions regarding competitive bidding related to Projects Addressing Homelessness.

The McAllister Hotel is one of 27 PSH sites selected for funding through the Elevator Modernization Program - Phases I, II, and III. Submissions were reviewed based on established criteria and the extent to which the work to be performed addresses necessary major repairs, modernization and alteration of antiquated elevators that may otherwise affect the health and safety of residents residing in PSH. The HSH Housing division carefully considered all funding recommendations to align with Home by the Bay goals and objectives.

Agreement Materials

- HOC Approval Package
 - Appendix A, Services to be Provided
 - Appendix B, Budget



Appendix A, Services to be Provided
by
Conard House, Inc.
McAllister Hotel Elevator Modernization Program

I. Background

To promote viability, improve quality of life, and increase accessibility for San Francisco residents in Permanent Supportive Housing (PSH), the City and County of San Francisco (City) Department of Homelessness and Supportive Housing (HSH) announced an Elevator Improvement Funding Opportunity for the exiting HSH-funded single room occupancy (SRO), PSH provider portfolio. The goal of the Elevator Modernization Program (EMP) is to address necessary critical repairs, modernization and alteration of antiquated elevators that may otherwise affect the health and safety of residents residing in PSH.

II. Purpose of Agreement

To address necessary critical repairs, modernization and alteration of antiquated elevators that may otherwise affect the health and safety of residents residing in PSH.

III. Description of Services

Grantee shall project manage the completion of repair and/or modernization of the existing passenger elevator and relevant additional work required to support the elevator repair/modernization including but not limited to electrical, fire and safety upgrades to comply with all applicable legal requirements, including building codes.

IV. Location

Grantee shall provide project management at McAllister Hotel located at 270 McAllister Street, San Francisco, CA 94102.

V. Service Requirements

- A. As part of this agreement, Grantee shall, within thirty (30) days following the commencement date of this agreement:
1. Submit a project timeline that includes project start date, milestones, projected completion date.
 2. Agency must submit above documents in .pdf format by e-mail to Rachel Gage, rachel.gage@sfgov.org, with a copy to the assigned HSH program manager for the site.
- B. As part of this agreement, Grantee shall, within thirty (30) days following the commencement date of this agreement:
1. Submit for HSH approval the following: a communication plan that details how Grantee will engage residents about the planned elevator work, a tenant complaint procedure, and an accessibility request policy, and if applicable, a temporary relocation plan as detailed below in subsection H. Furthermore, communication plan shall incorporate the following guidance (where applicable):
 - a. Review the elevator outage guidance published by the SF Mayor's Office of Disability: <https://www.sf.gov/information/maintaining-access-residents-disabilities>.
 - b. Written tenant notices and memos should be issued and posted in appropriate languages and have large format available if needed.

- c. Engage tenants with disabilities regarding reasonable accommodation needs, even if they are not expressed as a formal reasonable accommodation request.
 - d. Confirm with your HSH program manager the number of units that need to be held offline for temporary relocation and the length of time.
2. Agency must submit above documents in .pdf format by e-mail to Rachel Gage, rachel.gage@sfgov.org, with a copy to the assigned HSH program manager for the site.
- C. Construction Management and Contract Negotiation/Administration: Grantee shall ensure that all required permits are in place prior to starting construction. Grantee shall supervise and track the elevator contractor's performance for the duration of the project, which may include but not limited to pre-construction, negotiation of construction contract and during construction, ensuring elevator contractor obtains necessary construction permits, execution of the permitted scope of work through the resolution of any issues that arise during final inspections to ensure timely project completion. Grantee shall also manage such contracts including contract compliance and invoicing, including withholding of retention and the release of retention at the end of this project. Grantee shall ensure the contractor has met all requirements for retention release prior to releasing final payment and retention.
- D. Budget Management and Administration: Grantee shall manage and adhere to the approved budget and make commercially reasonable efforts to promote cost savings and efficiencies. Contingency may only be utilized at HSH's sole discretion and with prior written approval. The construction draw procedure is outlined in Appendix C, Method of Payment. Any unspent contingency funds covered by HSH must be returned to HSH upon final payment to Grantee.
- E. Schedule Management: Grantee is responsible for managing the elevator contractor's schedule and holding them accountable to meet their schedule milestones and completion date, as delineated in elevator contractor's contract with Grantee.
- F. Procurement: As necessary, to effectively perform project management of the improvements, Grantee may subcontract work to subject matter experts and experienced contractors. Grantee may enter into any necessary professional services contracts, such as architect, engineer, general construction contractor, project management, construction management, permit specialist, and other related services, for the duration of the project. Such procurement and administration shall comply with all applicable laws.
- Prior to entering into any agreement for contractor or consultant services for Ten Thousand Dollars (\$10,000.00) or more, Grantee must submit to HSH for review and approval the responsive bids, proposed agreement with Grantee's proposed contractor, information concerning the qualifications and licensing of the proposed contractor or consultant, and any additional information requested by HSH. All proposed contracts must detail the responsibilities, standards and compensation of the contractor or consultant. Reasons for disapproval of such contract may include, but are not limited to, scope of work or budget that does not reflect the Project Budget or Work Program.
- G. Financing and Compliance: Where applicable, Grantee shall coordinate and assist in funding applications to state and federal funding sources (e.g., Office of Public Finance) and/or assist with any audits, reporting and compliance obligations related to applicable local, city, state or federal funding related to the project.
- H. Temporary Relocation: If there are existing occupants that will be affected by the elevator work, Grantee shall work with property management, support services provider, and any other applicable consultants, to develop a phased on-site relocation plan or identify any time-

limited off-site relocation, and manage the temporary relocation process (including working with residents to provide them with communication regarding relocation timing, moving assistance, cleaning of units to allow for on-site relocation, etc.) in compliance with all applicable laws. Review the elevator outage guidance published by the SF Mayor's Office of Disability: <https://www.sf.gov/information/maintaining-access-residents-disabilities>.

- I. Accounts and Records: Grantee shall keep such books of account and other records in connection with the elevator repairs and/or modernization, which may include but is not limited to vouchers, statements, receipted bills and invoices and all other records, covering all collections, if any, disbursements, correspondence, and other data in connection with design and construction of the project prior to final completion of the project. Grantee shall deliver copies of all project documents, change orders, invoices, pay applications, etc. to property management and HSH in a format and delivery method acceptable to HSH.
- J. Meetings and Site Visits: Grantee is required to hold regular meetings with elevator contractor, pay app meetings as needed, and other additional meetings as required. HSH and/or designee may conduct periodic site visits with Grantee to review progress on site.
- K. Progress Reports: Grantee shall ensure that contractors are providing monthly schedule updates, review these updates for accuracy and variance, and review and approve any schedule changes as a result of change orders. Grantee shall submit monthly reports to HSH on project timeline and any schedule variances or risks to the scheduled substantial completion date.
- L. Project Close Out: Grantee shall coordinate delivery of project close out documents to property management. Documents include, but not limited to, as-built drawings and specs and warranty doc/binder. Documents shall be stored onsite with property management. Grantee shall coordinate and schedule site inspections, punch walks, and warranty walk two to three months prior to end of the warranty period. Grantee shall follow up and coordinate warranty items with the elevator contractor and property management. Grantee shall ensure warranty items are delivered in a timely manner.

VI. Reporting Requirements

- A. Grantee shall timely and accurately submit invoices, supporting documentation, and pay applications per Appendix C, Method of Payment. Grantee is responsible for the timeliness, accuracy, and proper documentation.
- B. Grantee shall comply with HSH Critical Incident Policy by reporting critical and serious incidents to HSH. Events include, but not limited to, life endangerment or serious injury, significant damage to a unit that cause units to go offline, displacement or unit transfer of a resident, major service interruptions, damage to the building, insurance events, and recordable events as specified in elevator contractor's contract. This section is intended to address incidents that fall under HSH Critical Incident Policy, and does not relieve or affect any legal duty of Grantee to report to applicable regulatory agencies.
- C. As needed, Grantee shall manage other regulatory reporting such as LCPtracker and Local Business Enterprise (LBE)/ Small Business Enterprise (SBE) reporting.

VII. Monitoring Activities

- A. Program Monitoring: Grantee is subject to program monitoring and/or audits, such as, but not limited to review of the following, Grantee's administrative records, site visits, data reported on project reports, documentation of funding match sources, proper accounting for funds and other operational and administrative activities, and back-up documentation for reporting progress towards meeting service and outcome objectives.

- B. Fiscal Compliance and Contract Monitoring: Fiscal monitoring will include review of the Grantee's organizational budget, the general ledger, quarterly balance sheet, cost allocation procedures and plan, State and Federal tax forms, audited financial statement, fiscal and accounting policies, supporting documentation for selected invoices, cash receipts and disbursement journals. The compliance monitoring will include review of Personnel Manual, Emergency Operations Plan, Compliance with the Americans with Disabilities Act, subcontracts, and memorandums of understanding (MOUs), and the current board roster and selected board minutes for compliance with the Sunshine Ordinance.

	A	B	C	D
1	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING			
2	APPENDIX B, BUDGET			
3	Document Date	4/1/2026		
4	Contract Term	Begin Date	End Date	Duration (Years)
5	Current Term	4/1/2026	12/31/2026	1
6	Amended Term	4/1/2026	12/31/2026	1
7	Provider Name	Conard House, Inc.		
8	Program	McAllister Hotel Elevator Modernization Program		
9	F\$P Contract ID#	1000037797		
10				
11	APPROVED SUBCONTRACTORS			
12	None.			

	A	B	C	D	G	AK
1	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING					
2	APPENDIX B, BUDGET					
3	Document Date	4/1/2026				
4	Contract Term	Begin Date	End Date	Duration (Years)		
5	Current Term	4/1/2026	12/31/2026	1		
6	Amended Term	4/1/2026	12/31/2026	1		
7	Provider Name	Conard House, Inc.				
8	Program	Allister Hotel Elevator Modernization Program				
9	F\$P Contract ID#	1000037797				
10	Contract Action	New Agreement				
11	Effective Date	4/1/2026				
12	Budget Name	Certificate of Participation -One-time - Elevator Modernization Program, Certificate of Participation - Elevator Modernization Program Reserves				
13	Funding:	Current	New	0%		
14	Term Budget	\$ -	\$ 122,885			
15		\$ -	\$ -			
16	Total Budget	\$ -	\$ 122,885			
17	Contingency	\$ -	\$ -			
18	Not-To-Exceed (NTE)	\$ -	\$ 122,885			
19					Year 1	All Years
20					4/1/2026 - 12/31/2026	4/1/2026 - 12/31/2026
21					9 Months	
22					New	New
23	EXPENDITURES				New	New
30	Other Expenses (Not Eligible for Indirect %)				\$ 20,481	\$ 20,481
31	Capital Expenditures				\$ 102,404	\$ 102,404
33	TOTAL EXPENDITURES				\$ 122,885	\$ 122,885
34						
35	HSH REVENUES*					
36	Certificate of Participation (COP)				\$ 122,885	\$ 122,885
64	TOTAL HSH + OTHER REVENUES				\$ 122,885	\$ 122,885
65	Total Adjusted Salary FTE (All Budgets)				0.00	
66	Rev-Exp (Budget Match Check)				\$ -	\$ -
67						
68	Approved by:	Paul Schmidt				
69	Title:	Director of Real Estate				
70	Phone Number:	415-864-7822 xt. 228				
71	Email:	pauls@conard.org				
72						
73	* NOTE: HSH budgets typically project out revenue levels across multiple years, strictly for budget-planning purposes. All program budgets at any given year are subject to Mayoral / Board of Supervisors discretion and funding availability, and are not guaranteed. For further information, please see Article 2 of the G-100 Grant Agreement document.					
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	A	B	C	D	G	AK
1	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING					
2	APPENDIX B, BUDGET					
3	Document Date	4/1/2026				
4	Contract Term	Begin Date	End Date	Duration (Years)		
5	Current Term	4/1/2026	12/31/2026	1		
7	Provider Name	Conard House, Inc.				
8	Program	McAllister Hotel Elevator Modernization Program				
9	F\$P Contract ID#	1000037797				
10	Contract Action (Select)	New Agreement				
11	Effective Date	4/1/2026				
12	Budget Name	Certificate of Participation -One-time - Elevator Modernization Program				
13	Funding:	Current	New			
14	Term Budget	\$ -	\$ 102,404	0%		
16	Contingency	\$ -	\$ -			
17	Not-To-Exceed (NTE)	\$ -	\$ 122,885			
18					Year 1	All Years
19					4/1/2026 - 12/31/2026	4/1/2026 - 12/31/2026
20					9 Months	
21					New	New
22						
23	EXPENDITURES					
30	Capital Expenditures			\$ 102,404	\$ 102,404	
32	TOTAL EXPENDITURES			\$ 102,404	\$ 102,404	
33						
34	HSH REVENUES* (Select)					
35	Certificate of Participation (COP)			\$ 102,404	\$ 102,404	
63	TOTAL HSH + OTHER REVENUES			\$ 102,404	\$ 102,404	
64	Rev-Exp (Budget Match Check)			\$ -	\$ -	
65						
66						
67						
68	Approved by:	Paul Schmidt				
69	Title:	Director of Real Estate				
70	Phone Number:	415-864-7822 xt. 228				
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76						

	A	B	E	AI
1	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING			
2	APPENDIX B, BUDGET			
3	OPERATING DETAIL			
4	Document Date	4/1/2026		
5	Provider Name	Conard House, Inc.		
6	Program	McAllister Hotel Elevator Modernization Program		
7	F\$P Contract ID#	1000037797		
8	Budget Name	Certificate of Partticipation -One-time - Elevator Modernization Program		
9				
10			Year 1	All Years
11			4/1/2026 - 12/31/2026	4/1/2026 - 12/31/2026
12			9 Months	
13			New	New
14	OPERATING EXPENSES		Budgeted Expense	Budgeted Expense
95	CAPITAL EXPENSES			
96	Elevator Repair Materials/Equipment		\$ 46,236	\$ 46,236
97	Elevator Repair Labor		\$ 52,668	\$ 52,668
98	State Inspection		\$ 3,500	\$ 3,500
104	TOTAL CAPITAL EXPENSES		\$ 102,404	\$ 102,404

	A	B	C	D	E
1	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING				
2	APPENDIX B, BUDGET				
3	BUDGET NARRATIVE		Fiscal Year		
4	Certificate of Partticipation -One-time - Elevator Moderniz		FY25-26		
136	<u>CAPITAL EXPENSES</u>		<u>Amount</u>		<u>Justification</u>
137	Elevator Repair Materials/Equipment		\$	46,236	Replace swing doors on all 6 floors, install new locks, closers, and perform D.O.S.H. inspection
138	Elevator Repair Labor		\$	52,668	Elevator modernization labor
139	State Inspection		\$	3,500	Mandatory state inspection
145	TOTAL CAPITAL EXPENSES		\$	102,404	
146					

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3	Document Date	4/1/2026				
4	Contract Term	Begin Date	End Date	Duration (Years)		
5	Current Term	4/1/2026	12/31/2026	1		
6	Amended Term	4/1/2026	12/31/2026	1		
7	Provider Name	Conard House, Inc.				
8	Program	Allister Hotel Elevator Modernization Progr				
9	FSP Contract ID#	1000037797				
10	Contract Action	New Agreement				
11	Effective Date	4/1/2026				
12	Budget Name	Certificate of Participation - Elevator Modernization Program Reserves				
13	Funding:	Current	New			
14	Term Budget	\$ -	\$ 20,481	0%		
17	Not-To-Exceed (NTE)	\$ -	\$ 122,885			
18					Year 1	All Years
19					4/1/2026 -	4/1/2026 -
20					12/31/2026	12/31/2026
21					9 Months	
22					New	New
23	EXPENDITURES					
29	Other Expenses (Not Eligible for Indirect %)				\$ 20,481	\$ 20,481
32	TOTAL EXPENDITURES				\$ 20,481	\$ 20,481
33						
34	HSH REVENUES					
35	Certificate of Participation (COP)				\$ 20,481	\$ 20,481
63	TOTAL HSH + OTHER REVENUES				\$ 20,481	\$ 20,481
64	Rev-Exp (Budget Match Check)				\$ -	\$ -
65						
66						
67						
68	Approved by:	Paul Schmidt				
69	Title:	Director of Real Estate				
70	Phone Number:	415-864-7822 xt. 228				
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1	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING			
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4	Document Date	4/1/2026		
5	Provider Name	Conard House, Inc.		
6	Program	McAllister Hotel Elevator Modernization Program		
7	F\$P Contract ID#	1000037797		
8	Budget Name	Certificate of Participation - Elevator Modernization Program Reserves		
9				
10			Year 1	All Years
11			4/1/2026 - 12/31/2026	4/1/2026 - 12/31/2026
12			9 Months	
13			New	New
14	OPERATING EXPENSES		Budgeted Expense	Budgeted Expense
64	OTHER EXPENSES (Not Eligible for Indirect Cost %)			
65	Reserves		\$ 20,481	\$ 20,481
91	TOTAL OTHER EXPENSES		\$ 20,481	\$ 20,481
92				
93	SUBCONTRACTOR INDIRECT (First \$50k Only)		\$ -	\$ -

	A	B	C	D	E	F
1	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING					
2	APPENDIX B, BUDGET					
3	BUDGET NARRATIVE		Fiscal Year			
4	Certificate of Participation - Elevator Modernization Program Reserves		FY25-26			
104						
105	<u>OTHER EXPENSES (Not Eligible for Indirect Cost %)</u>		<u>Amount</u>		<u>Justification</u>	<u>Calculation</u>
106	Reserves		\$ 20,481		Reserves to account for unanticipated expenses	20% of budgeted project amount of \$102,404
133	TOTAL OTHER EXPENSES		\$ 20,481			
134						