



City and County of San Francisco

Meeting Agenda

Government Audit and Oversight Committee

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

Members: Dean Preston, Catherine Stefani, Connie Chan

Clerk: Monique Crayton
(415) 554-7750 ~ monique.crayton@sfgov.org

Thursday, October 17, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

ROLL CALL AND ANNOUNCEMENTS

COMMUNICATIONS

AGENDA CHANGES

REGULAR AGENDA

- [240799](#) **[Administrative Code - “Cash Not Drugs” Sobriety and Recovery Pilot Program]**
Sponsors: Dorsey; Mandelman and Safai
Ordinance amending the Administrative Code to authorize the Human Services Agency, in coordination with the Department of Public Health, to establish a voluntary three-year sobriety and recovery incentive treatment program, known as “Cash Not Drugs,” to provide a weekly payment of up to \$100 to eligible beneficiaries of the County Adult Assistance Programs (“CAAP”) who have been screened for a substance use disorder and referred to substance use disorder treatment as a condition of further receipt of CAAP benefits, and who test negative for illicit drugs once per week; exempting the Cash Not Drugs payments from the CAAP eligibility calculation; providing for a six-month implementation plan before the program becomes operational; and revising the Homelessness and Supportive Housing Fund to include the Cash Not Drugs program as a permitted use of funds.

(Fiscal Impact)

7/30/24; ASSIGNED UNDER 30 DAY RULE to the Rules Committee.

9/3/24; REFERRED TO DEPARTMENT.

9/11/24; TRANSFERRED to the Government Audit and Oversight Committee.

2. [240333](#) **[Police Code - Notice of Supermarket Closure]**
Sponsors: Preston; Peskin
Ordinance amending the Police Code to require large supermarkets to provide six months notice to their customers and the City before permanently closing, and to explore ways to allow for the continued sale of groceries at the location.

4/2/24; ASSIGNED UNDER 30 DAY RULE to the Public Safety and Neighborhood Services Committee.

4/10/24; REFERRED TO DEPARTMENT.

7/10/24; TRANSFERRED to the Government Audit and Oversight Committee.
3. [240914](#) **[Hearing - Investigating the Lack of Oversight of Fraudulent Activities Within Executive Branch Departments, including SFPD and HRC, and the Need to Ensure Corrective Actions and Systemic Reforms]**
Sponsors: Peskin; Safai
Hearing to identify what and when departments knew about fraudulent activities within the Executive Branch Departments, such as the San Francisco Police Department (SFPD) and Human Rights Commission (HRC), and their contractors, as well as what preventative follow-up steps were implemented after, including review for conflicts of any staff taking over these functions and duties; and requesting the Mayor, City Controller, Human Resources Department, and SFPD to report.

9/17/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

LITIGATION

Conference with City Attorney

*[Convene in Closed Session - Existing Litigation - City as Plaintiff and/or Defendant]
Motion that the Government Audit and Oversight Committee of the Board of Supervisors convene in closed session with the City Attorney for the purpose of conferring with, or receiving advice from, the City Attorney regarding the following existing litigation and anticipated litigation. Administrative Code Section 67.10(d) permit this closed session. Discussion in open session concerning these matters would likely and unavoidably prejudice the position of the City in the pending lawsuits and claims listed below.*

4. [240823](#) **[Settlement of Lawsuit - San Francisco Apartment Association, San Francisco Association of Realtors, Coalition for Better Housing, and Small Property Owners of San Francisco Institute - \$93,000]**
Ordinance authorizing settlement of the lawsuit filed by San Francisco Apartment Association, San Francisco Association of Realtors, Coalition for Better Housing, and Small Property Owners of San Francisco Institute against the City and County of San Francisco for \$93,000; the lawsuit was filed on May 12, 2020, in San Francisco County Superior Court, Case No. CPF 20-517087; entitled San Francisco Apartment Association, et al. v. City and County of San Francisco; the lawsuit involves a Petition for Writ of Mandate challenging Ordinance No. 36-20, which amended San Francisco Administrative Code § 37.9E to revise the requirements that landlord must follow when engaging in buyout negotiations with tenants. (City Attorney)

8/14/24; RECEIVED FROM DEPARTMENT.

9/3/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.
5. [240824](#) **[Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of \$140,700,000 and Refund of \$943,740 Plus Statutory Interest]**
Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts Inc. et al. against the City and County of San Francisco concerning the real property located at 555 North Point, San Francisco, CA (Assessor's Parcel Block No. 0029, Lot No. 007) (the "Subject Property") for a stipulated assessed value of the Subject Property of \$140,700,000 as of September 17, 2019, contingent upon the Assessment Appeals Board's approval, and a refund of \$943,740 plus statutory interest; the first lawsuit was filed on August 7, 2023, in San Francisco Superior Court, Case No. CGC-23-608156; entitled Park Hotels & Resorts Inc., et al. v. City and County of San Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior Court, Case No. CGC-23-607311; entitled Park Hotels & Resorts Inc. v. City and County of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property for property tax purposes as of the September 17, 2019 change in ownership date and a transfer tax refund. (City Attorney)

8/14/24; RECEIVED FROM DEPARTMENT.

9/3/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

6. [240825](#) **[Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of \$93,237,202 and Refund of \$785,531 Plus Statutory Interest]**
Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts Inc. et al. against the City and County of San Francisco concerning the real property located at 542-550 Geary Street, San Francisco, CA (Assessor's Parcel Block No. 0305, Lot No. 008 and Assessor's Parcel Block No. 0305, Lot No. 009) (the "Subject Property") for a stipulated assessed value of \$93,237,202 as of September 18, 2019, contingent upon the Assessment Appeals Board's approval, and a refund of \$785,531 plus statutory interest; the first lawsuit was filed on August 18, 2023, in San Francisco Superior Court, Case No. CGC-23-608476; entitled Park Hotels & Resorts Inc., et al. v. City and County of San Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior Court, Case No. CGC-23-607309; entitled Park Hotels & Resorts Inc. v. City and County of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property for property tax purposes as of the September 18, 2019 change in ownership date and a transfer tax refund. (City Attorney)

8/14/24; RECEIVED FROM DEPARTMENT.

9/3/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

7. [240826](#) **[Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of \$222,145,336 and Refund of \$1,636,749 Plus Statutory Interest]**
Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts Inc. et al. against the City and County of San Francisco concerning the real property located at 375 Battery Street, San Francisco, CA (Assessor's Parcel Block No. 0229, Lot No. 020) (the "Subject Property") for a stipulated assessed value of the Subject Property of \$222,145,336 as of September 18, 2019, contingent upon the Assessment Appeals Board's approval, and a refund of \$1,636,749, plus statutory interest; the first lawsuit was filed on August 18, 2023, in San Francisco Superior Court, Case No. CGC-23-608468; entitled Park Hotels & Resorts Inc., et al. v. City and County of San Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior Court, Case No. CGC-23-607304; entitled Park Hotels & Resorts Inc. v. City and County of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property for property tax purposes as of the September 18, 2019, change in ownership date and a transfer tax refund. (City Attorney)

8/14/24; RECEIVED FROM DEPARTMENT.

9/3/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

8. [240830](#) **[Settlement of Unlitigated Claims - Maplebear, Inc. - \$8,250,342.21]**
Resolution approving the settlement of the unlitigated claims filed by Maplebear, Inc. against the City and County of San Francisco for \$8,250,342.21; the claims were filed on February 28, 2023, and February 9, 2024; the claims involve a refund of payroll expense, gross receipts, and homelessness gross receipts taxes, and business registration fees for the 2019 to 2022 tax years; other material terms of the settlement are that Maplebear, Inc. shall take certain filing positions with respect to its gross receipts, homelessness gross receipts, and overpaid executive gross receipts taxes, as applicable, for the 2023 and subsequent tax years, and the City will not impose penalties arising from those filing positions for the 2023 tax year. (City Attorney)

8/14/24; RECEIVED FROM DEPARTMENT.

9/3/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

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9. [240831](#) **[Settlement of Unlitigated Claim - Bechtel Group, Inc. - \$43,235.10]**
Resolution approving the settlement of the unlitigated claim filed by Bechtel Group, Inc. against the City and County of San Francisco for \$43,235.10; the claim was filed on May 8, 2024; the claim involves a refund of commercial rents taxes. (City Attorney)

8/14/24; RECEIVED FROM DEPARTMENT.

9/3/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.
10. [240861](#) **[Settlement of Claims for Stolen Property - Brian McSharry - Not to Exceed \$2,117.88]**
Resolution approving the settlement of claims for cost of personal property of City and County Employee damaged/stolen in the line of duty in the amount of \$2,117.88 subject to Board of Supervisors approval under Administrative Code, Section 10.25-9. (Public Utilities Commission)

9/6/24; RECEIVED FROM DEPARTMENT.

9/17/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on October 22, 2024.
11. [240894](#) **[Settlement of Lawsuit - Yulanda Williams - \$625,000]**
Ordinance authorizing settlement of the lawsuit filed by Yulanda Williams against the City and County of San Francisco for \$625,000; the lawsuit was filed on May 29, 2019, in San Francisco Superior Court, Case No. CGC-19-576323; entitled Yulanda Williams v. City and County of San Francisco et al.; the lawsuit involves an employment dispute. (City Attorney)

9/12/24; RECEIVED FROM DEPARTMENT.

9/24/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.
12. [240895](#) **[Settlement of Lawsuit - Jane Doe - \$200,000]**
Ordinance authorizing settlement of the lawsuit filed by Jane Doe against the City and County of San Francisco for \$200,000; the lawsuit was filed on September 12, 2022, in United States District Court, Northern District of California, Case No. 22-cv-05179; entitled Jane Doe v. City and County of San Francisco, et al.; the lawsuit involves an alleged civil rights violation. (City Attorney)

9/12/24; RECEIVED FROM DEPARTMENT.

9/24/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.
13. [240896](#) **[Settlement of Lawsuit - Barnard Jones and Patricia Farrell - \$475,000]**
Ordinance authorizing settlement of the lawsuit filed by Barnard Jones and Patricia Farrell against the City and County of San Francisco for \$475,000; the lawsuit was filed on June 28, 2023, in San Francisco Superior Court, Case No. CGC-23-607339; entitled Barnard Jones, et al. v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury on a City street. (City Attorney)

9/12/24; RECEIVED FROM DEPARTMENT.

9/24/24; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

After a closed session, if one occurs, the Committee shall adopt a motion either to disclose or not to disclose.

[Elect To Disclose]

Motion that the Board finds it is in the public interest to disclose information discussed in closed session, and directs the Chair immediately to disclose that information.

[Elect Not To Disclose]

Motion that the Committee finds that it is in the best interest of the public that the Committee elect at this time not to disclose its closed session deliberations listed above.

ADJOURNMENT

LEGISLATION UNDER THE 30-DAY RULE

NOTE: The following legislation will not be considered at this meeting. Board Rule 3.22 provides that when an Ordinance or Resolution is introduced which would CREATE OR REVISE MAJOR CITY POLICY, the Committee to which the legislation is assigned shall not consider the legislation until at least thirty days after the date of introduction. The provisions of this rule shall not apply to the routine operations of the departments of the City or when a legal time limit controls the hearing timing. In general, the rule shall not apply to hearings to consider subject matter when no legislation has been presented, nor shall the rule apply to resolutions which simply URGE action to be taken.

(There is no legislation pending under the 30-Day Rule.)

The Levine Act

Pursuant to California Government Code, Section 84308, Members of the Board who have received campaign contributions totaling more than \$250 may be required to disclose that fact on the record of the proceeding. Parties and their paid agents may also be required to disclose on the record any campaign contributions made to a Member of the Board that meets the following qualifications for disclosure. A Member of the Board of Supervisors is disqualified and must recuse themselves on any agenda item involving business, professional, trade, and land use licenses or permits and all other entitlements for use, if they received more than \$250 in campaign contributions from the applicant or contractor, an agent of the applicant or contractor, or any financially interested participant within the 12 months prior to the final decision; and for 12 months following the date of the final decision, a Member of the Board shall not accept, solicit, or direct a campaign contribution of \$250 or more from the applicant or contractor, an agent of the applicant or contractor, or any financially interested participant. The foregoing statements do not constitute legal advice. Parties, participants, and their agents are urged to consult their own legal counsel regarding the requirements of the law. For more information about these disclosures, visit www.sfethics.org.

Agenda Item Information

Each item on the Consent or Regular agenda may include the following 1) Legislation; 2) Budget and Legislative Analyst report; 3) Department or Agency cover letter and/or report; 4) Public correspondence. These items are available for review at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244 or at www.sfbos.org/legislative-research-center-lrc.

Meeting Procedures

The Board of Supervisors is the legislative body of the City and County of San Francisco. The Board has several standing committees where legislation is the subject of hearings at which members of the public are urged to testify. The full Board does not hold a second public hearing on measures which have been heard in committee.

Board procedures do not permit: 1) vocal or audible support or opposition to statements by Supervisors or by other persons testifying; 2) ringing and use of cell phones or electronic devices; 3) bringing in or displaying signs in the meeting room; or 4) standing in the meeting room. Each member of the public will be allotted the same maximum number of minutes to speak as set by the President or Chair at the beginning of each item or public comment, excluding City representatives; except that public speakers using interpretation assistance will be allowed to testify for twice the amount of time. Members of the public who want to display a document should place it on the overhead during their public comment and remove the document when they want the screen to return to live coverage of the meeting.

IMPORTANT INFORMATION: The public is encouraged to testify at Board and Committee meetings. Persons unable to attend the meeting may submit to the City, by the time the proceedings begin, written comments regarding agenda items for the official public record. Written communications should be submitted to the Clerk of the Board or the Clerk of the Committee: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Communications not received prior to the hearing may be delivered to the Clerk of the Board or the Clerk of the Committee and will be shared with the Members.

COPYRIGHT: All system content that is broadcasted live during public proceedings is secured by High-bandwidth Digital Content Protection (HDCP), which prevents copyrighted or encrypted content from being displayed or transmitted through unauthorized devices. Members of the public who wish to utilize chamber digital, audio and visual technology may not display copyrighted or encrypted content during public proceedings.

LANGUAGE INTERPRETERS: Language services are available in Spanish, Chinese and Filipino for requests made at least two (2) business days in advance of the meeting, to help ensure availability. For more information or to request services, contact bos@sfgov.org or call (415) 554-5184.

傳譯服務：所有常規及特別市參事會會議和常務委員會會議將提供西班牙文，中文以及菲律賓文的傳譯服務，但必須在會議前最少兩（2）個工作日作出請求，以確保能獲取到傳譯服務。將因應請求提供交替傳譯服務，以便公眾向有關政府機構發表意見。如需更多資訊或請求有關服務，請發電郵至 bos@sfgov.org 或致電（415）554-5184 聯絡我們。

INTÉRPRETES DE IDIOMAS: Para asegurar la disponibilidad de los servicios de interpretación en chino, filipino y español, presente su petición por lo menos con dos (2) días hábiles de antelación previo a la reunión. Para más información o para solicitar los servicios, envíe su mensaje a bos@sfgov.org o llame al (415) 554-5184.

TAGA SALIN-WIKA: Ipaabot sa amin ang mga kahilingan sa pag salin-wika sa Kastila, Tsino at Pilipino ng hindi bababa sa dalawang araw bago ang pulong. Makakatulong ito upang tiyakin na ang mga serbisyo ay nakalaan at nakahanda. Para sa dagdag kaalaman o para humiling ng serbisyo, maki pagugnayan po sa bos@sfgov.org o tumawag sa (415) 554-5184.

Americans with Disabilities Act (ADA) and Reasonable Accommodations

Title II of the ADA requires that all programs offered through the state and local government such as the City and County of San Francisco be accessible and usable to people with disabilities. The ADA and City policy require that people with disabilities have equal access to all City services, activities, and benefits. If you believe your rights under the ADA are violated, contact the ADA Coordinator. Ordinance No. 90-10 added Section 2A.22.3 to the Administrative Code, which adopted a Citywide Americans with Disabilities Act Reasonable Modification Policy.

Meetings are real-time captioned and cablecast open-captioned on SFGovTV (www.sfgovtv.org) or Cable Channels 26, 28, 78 or 99 (depending on your provider). Board and Committee meeting agendas and minutes are available on the Board's website www.sfbos.org and adhere to web development Federal Access Board's Section 508 Guidelines. For reasonable accommodations, please contact (415) 554-5184 or (415) 554-5227 (TTY). Board of Supervisors' Rules of Order 1.3.3 does not permit remote public comment by members of the public at meetings of the Board and its committees, except as legally required to enable people with disabilities to participate in such meetings. If you require remote access as a means of reasonable accommodation under ADA, please contact the Clerk's Office to request remote access, including a description of the functional limitation(s) that precludes your ability to attend in person. Requests made at least two (2) business days in advance of the meeting will help to ensure availability. For further assistance, please call (415) 554-5184.

Know Your Rights Under The Sunshine Ordinance

Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For information on your rights under the Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) or to report a violation of the ordinance, contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102; phone at (415) 554-7724; fax at (415) 554-5163; or by email at sotf@sfgov.org. Citizens may obtain a free copy of the Sunshine Ordinance by printing the San Francisco Administrative Code, Chapter 67, on the Internet at www.sfbos.org/sunshine.

Ethics Requirements

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (Campaign & Governmental Conduct Code, Section 2.100) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; (415) 252-3100; fax (415) 252-3112; website www.sfgov.org/ethics.

Under Campaign and Governmental Conduct Code, Section 1.127, no person or entity with a financial interest in a land use matter pending before the Board of Appeals, Board of Supervisors, Building Inspection Commission, Commission on Community Investment and Infrastructure, Historic Preservation Commission, Planning Commission, Port Commission, or the Treasure Island Development Authority Board of Directors, may make a campaign contribution to a member of the Board of Supervisors, the Mayor, the City Attorney, or a candidate for any of those offices, from the date the land use matter commenced until 12 months after the board or commission has made a final decision, or any appeal to another City agency from that decision has been resolved. For more information about this restriction, visit www.sfethics.org.