



City and County of San Francisco
Meeting Minutes
Government Audit and Oversight Committee

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

Members: Jane Kim, Aaron Peskin, London Breed

Clerk: Erica Major (415) 554-4441

Wednesday, July 19, 2017

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Jane Kim, Aaron Peskin, and London Breed

The Government Audit and Oversight Committee met in regular session on July 19, 2017, with Chair Jane Kim presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Kim called the meeting to order at 10:02 a.m. On the call of the roll, Chair Kim and Vice Chair Peskin were noted present. Member Breed was noted not present. There was a quorum.

Member Breed was noted present at 10:11 a.m.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

170039 [Hearing - Update on Street Resurfacing Program and Analysis of the 2016 TRIP Report]

Sponsors: Peskin; Fewer

Hearing on San Francisco's poor road conditions as outlined in the November 2016 TRIP report, including analysis and mitigation strategies, and an update on Public Work's Street Resurfacing Program; and requesting Public Works, the Municipal Transportation Agency, the Planning Department, and the San Francisco Public Utilities Commission to report.

01/10/17; RECEIVED AND ASSIGNED to Land Use and Transportation Committee.

01/17/17; REFERRED TO DEPARTMENT. Referred to Public Works, Municipal Transportation Agency, Planning Department, and Public Utilities Commission for informational purposes.

04/11/17; TRANSFERRED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Supervisor Sandra Lee Fewer (Board of Supervisors); John Thomas (Public Works); Luis Montoya (Municipal Transportation Agency); David Briggs (Public Utilities Commission); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Kim, Peskin, Breed

170577 [Hearing - Performance Audit of the Real Estate Division]

Sponsor: Kim

Hearing on the Performance Audit of the Real Estate Division, prepared by the Budget and Legislative Analyst, report dated April 3, 2017; and requesting the Budget and Legislative Analyst and the Real Estate Division to report.

05/09/17; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

05/16/17; REFERRED TO DEPARTMENT. Referred to the Budget and Legislative Analyst and the Real Estate Division for informational purposes.

Heard in Committee. Speakers: Severin Campbell and Jennifer Millman (Office of the Budget and Legislative Analyst); John Updike, Director (Real Estate Division); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Kim, Peskin, Breed

170745 [Real Property Lease - Evans Investment Partners, LLC - 752 Vallejo Street - \$40,125 Rent in the Base Year - Estimated \$62,819 Tenant Improvements Cost]**Sponsor: Peskin**

Resolution authorizing the Director of Property, on behalf of the Police Department, to execute a lease of 750 rentable square feet at 752 Vallejo Street, with Evans Investment Partners, LLC, for an initial term of five years plus one five-year option to extend, at an initial base-rent of \$40,125 per year; and construction of tenant improvements costing the City an estimated \$66,750.

06/13/17; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

07/10/17; TRANSFERRED to Government Audit and Oversight Committee. President Breed transferred this matter from the Budget and Finance Committee to the Government Audit and Oversight Committee.

Heard in Committee. Speakers: John Updike, Director (Real Estate Division); Severin Campbell (Office of the Budget and Legislative Analyst); presented information and answered questions raised throughout the discussion.

Vice Chair Peskin moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, by decreasing the cost to the City of tenant improvements from \$66,750 to \$62,819; on Page 1, Lines 10-12, by striking 'WHEREAS, The SFPD's investigative unit had been quartered at the Station in the basement area since April 2016 when the Department of Public Health ("DPH") investigating a complaint determined the basement space was uninhabitable as a work environment; and'; by changing the date of the lease from July 1, 2017, to August 1, 2017; on Page 2, Lines 10-13, by inserting 'WHEREAS, The Real Estate Division on behalf of SFPD submitted a General Plan Referral application for the Lease of the property located at 752 Vallejo Street and the Planning Department's found the Project, on balance, in-conformity with the General Plan, Case No. 2016-006168GPR; and'; by adding reference to the General Plan and Planning Code, Section 101.1 findings for the project; and by making other clerical, clarifying, and conforming changes. The motion carried by the following vote:

Ayes: 3 - Kim, Peskin, Breed

Resolution authorizing the Director of Property, on behalf of the Police Department, to execute a lease of 750 rentable square feet at 752 Vallejo Street, with Evans Investment Partners, LLC, for an initial term of five years plus one five-year option to extend, at a base-year rent expense to the City of \$40,125; construction of tenant improvements costing the City an estimated \$62,819; and finding the proposed transaction is in conformance with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

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

Ayes: 3 - Kim, Peskin, Breed

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 12:07 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Government Audit and Oversight Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.