



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, Vallie Brown

Clerk: John Carroll (415) 554-4445

Wednesday, September 19, 2018

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Jane Kim, Vallie Brown, and Sandra Lee Fewer

Excused: 1 - Aaron Peskin

The Government Audit and Oversight Committee met in regular session on September 19, 2018, with Chair Jane Kim presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Kim called the meeting to order at 10:04 a.m. On the call of the roll, Chair Kim and Member Brown were noted present. Vice Chair Peskin was noted not present. There was a quorum.

Supervisor Peskin Excused from Attendance

Member Brown moved to excuse Supervisor Peskin from attending the Government Audit and Oversight Committee regular meeting of September 19, 2018. The motion carried by the following vote:

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Chair Kim requested File Nos. 180869, 180870, and 180871 be called together.

180869 [Non-Renewal of a Mills Act Historical Property Contract - 215 and 229 Haight Street]

Sponsor: Peskin

Resolution regarding non-renewal of a Mills Act historical property contract with Alta Laguna, LLC, the owner of 215 & 229 Haight Street (Assessor's Parcel Block No. 0857, Lot No. 002), under Chapter 71 of the San Francisco Administrative Code, notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

09/10/18; REFERRED TO DEPARTMENT. Referred to the Historic Preservation Commission for review and comment pursuant to Charter Section 4.135; to the Assessor-Recorder for informational purposes; and to the Planning Department for environmental review.

09/13/18; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

Heard in Committee. Speakers: Shannon Ferguson (Planning Department); Jon Givner (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Mr. Wright; spoke on various concerns relating to the hearing matter.

Chair Kim, seconded by Member Brown, moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING A NEW TITLE, to specify that the Planning Director is authorized to send the notice of non-renewal at least 60 days before the anniversary date of the Mills Act contract, and that the Planning Director shall cause the notice of non-renewal to be recorded in the City Recorder's office. The motion carried by the following vote:

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

Resolution regarding non-renewal of a Mills Act historical property contract with Alta Laguna, LLC, the owner of 215 and 229 Haight Street (Assessor's Parcel Block No. 0857, Lot No. 002), under Chapter 71 of the San Francisco Administrative Code, notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner and record a notice of non-renewal.

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

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

180870 [Non-Renewal of a Mills Act Historical Property Contract - 627 Waller Street]**Sponsor: Peskin**

Resolution regarding non-renewal of a Mills Act historical property contract with John Hjelmstad and Allison Bransfield, the owners of 627 Waller Street (Assessor's Parcel Block No. 0866, Lot No. 012), under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owners.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

09/10/18; REFERRED TO DEPARTMENT. Referred to the Historic Preservation Commission for review and comment pursuant to Charter Section 4.135; to the Assessor-Recorder for informational purposes; and to the Planning Department for environmental review.

09/13/18; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

Heard in Committee. Speakers: Shannon Ferguson (Planning Department); Jon Givner (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Mr. Wright; spoke on various concerns relating to the hearing matter.

Chair Kim, seconded by Member Brown, moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING A NEW TITLE, to specify that the Planning Director is authorized to send the notice of non-renewal at least 60 days before the anniversary date of the Mills Act contract, and that the Planning Director shall cause the notice of non-renewal to be recorded in the City Recorder's office. The motion carried by the following vote:

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

Resolution regarding non-renewal of a Mills Act historical property contract with John Hjelmstad and Allison Bransfield, the owners of 627 Waller Street (Assessor's Parcel Block No. 0866, Lot No. 012), under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owners and request a notice of non-renewal.

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

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

180871 [Non-Renewal of a Mills Act Historical Property Contract - 973 Market Street]**Sponsor: Peskin**

Resolution regarding non-renewal of a Mills Act historical property contract with Raintree 973 Market Newco LLC, the owner of 973 Market Street (Assessor's Parcel Block No. 3704, Lot No. 069), under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

09/10/18; REFERRED TO DEPARTMENT. Referred to the Historic Preservation Commission for review and comment pursuant to Charter Section 4.135; to the Assessor-Recorder for informational purposes; and to the Planning Department for environmental review.

09/13/18; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

Heard in Committee. Speakers: Shannon Ferguson (Planning Department); Jon Givner (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Mr. Wright; spoke on various concerns relating to the hearing matter.

Chair Kim, seconded by Member Brown, moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING A NEW TITLE, to specify that the Planning Director is authorized to send the notice of non-renewal at least 60 days before the anniversary date of the Mills Act contract, and that the Planning Director shall cause the notice of non-renewal to be recorded in the City Recorder's office. The motion carried by the following vote:

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

Resolution regarding non-renewal of a Mills Act historical property contract with Raintree 973 Market Newco LLC, the owner of 973 Market Street (Assessor's Parcel Block No. 3704, Lot No. 069), under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner and record a notice of non-renewal.

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

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

Chair Kim requested File Nos. 180628 and 180665 be called together.

180628 [Ocean Avenue Community Benefit District - Annual Report - FY2016-2017]

Sponsor: Yee

Resolution receiving and approving an annual report for the Ocean Avenue Community Benefit District for FY2016-2017, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, et seq.), Section 36650, and the District's management agreement with the City, Section 3.4.

06/05/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

06/12/18; REFERRED TO DEPARTMENT. Referred to the Office of the Controller and the Office of Economic and Workforce Development for informational purposes.

Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Dan Weaver, Executive Director (Ocean Ave Community Benefit District); Andrew Robinson, Executive Director (East Cut Community Benefit District); presented information and answered questions raised throughout the discussion. Steve Zeltar; Mr. Wright; spoke on various concerns relating to the hearing matter.

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

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

180665 [Greater Rincon Hill Community Benefit District - Annual Report - FY2016-2017]

Sponsor: Kim

Resolution receiving and approving the annual report for the Greater Rincon Hill Community Benefit District (dba The East Cut Community Benefit District) for FY2016-2017, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, et seq.), Section 36650, and the District's management agreement with the City, Section 3.4.

06/19/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

06/27/18; REFERRED TO DEPARTMENT. Referred to the Office of the Controller and the Office of Economic and Workforce Development for informational purposes.

Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Dan Weaver, Executive Director (Ocean Ave Community Benefit District); Andrew Robinson, Executive Director (East Cut Community Benefit District); presented information and answered questions raised throughout the discussion. Steve Zeltar; Mr. Wright; spoke on various concerns relating to the hearing matter.

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

Ayes: 2 - Kim, Brown

Excused: 1 - Peskin

President Malia Cohen appointed Supervisor Sandra Lee Fewer, in place of Supervisor Aaron Peskin, to the Government Audit and Oversight Committee from 12:01 p.m. to the end of the meeting.

180630 [Hearing - African-American Workforce Hiring, Retention, and Promotional Opportunities - Workplace Discrimination and Complaints]

Sponsors: Kim; Peskin, Fewer, Ronen, Cohen and Safai

Hearing on African-American workforce hiring, retention, promotional opportunities, and data tracking of work place discrimination complaints at the City and County of San Francisco; and requesting the Department of Human Resources, Department of Public Health, City Attorney's Office, Controller's Office, City Administrator, and other applicable departments to report.

06/05/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

06/13/18; REFERRED TO DEPARTMENT. Referred to the Department of Human Resources, the Department of Public Health, the Office of the City Attorney, the Controller, the City Administrator, and the Office of Economic and Workforce Development for informational purposes.

Heard in Committee. Speakers: Micki Callahan, Director, and Linda Simon (Department of Human Resources); presented information and answered questions raised throughout the discussion. Mr. Wright; Joseph Bryant (SEIU Local 1021); Gus Vallejo, President (IFPTE Local 21); Brenda Barros and Phelicia Jones (SEIU Local 1021); Speaker; Theresa Rutherford; Amos Brown; Cheryl Thornton, Shinette Steiger, and Nicole Christianson (SEIU Local 1021); Kirk Jiles; David Canham, Aaron Cramer, and James Harris (SEIU Local 1021); Madelyn MacMillan; Steve Zeltar; Delfinia Hardy, Brandon Dawkins, Gail Byrdsong, and Mallory Branch (SEIU Local 1021); Ida Freye; Yaffa Alkez; Rudy Gonzalez; Demetrious Cativo; Evelyn Curiel (SEIU Local 1021); Estelle Yancey; John Wadsworth (SEIU Local 1021); Larry Stephens; Jessica Brown; Amihan Milman (IFPTE Local 21); Twanda Bailey; Schuyler Hudak and Tami Bryant (SEIU Local 1021); Kristin Hardy; Sasha Cuttler and Ellen Lee Zhou (SEIU Local 1021); Isela Ford; Karea Pierce; Queen-Vanessa Banks; Rosland Butler; Michelle Pierce (Bayview Hunters Point Community Advocates); Tony Kelly; Sala-Haquekyah Chandler; Karen Fleishman; Natasha Bell; Keith Baraka; Rafael Picazo (SEIU Local 1021); Eunice Chibundu; Darla Brown (SEIU Local 1021); Speaker; Ms. K.; Vernell Gomez-Boyd; Shelby Nacino (Brightline Defense Project); Norma Nelson; Yeva Johnson; Christopher Christensen (International Longshoremens Worker's Union Local 10); Edward Simpo; Terrence Hall (Transportation Workers Union Local 250A); Audrey Lan; Daniel Becker (SEIU Local 1021); Speaker; Mary Tramil; David Williams; Speaker; Speaker; Speaker; Cindy Wong; Speaker; Speaker; spoke on various concerns relating to the hearing matter.

Member Fewer moved that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

LITIGATION

Chair Kim requested File Nos. 180817, 180818, 180819, 180820, 180821, 180822, 180847, and 180848 be called together.

Speaker: Mr. Wright; spoke on various issues related to the settlement matters.

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 lawsuits and claims in which proposed settlements are being considered by the Committee. 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.

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

Persons in attendance: Jon Givner (Office of the City Attorney); Jesusa Bushong (Department of Human Resources); Jeanine Nicholson, Deputy Chief (Fire Department); and John Carroll (Office of the Clerk of the Board).

Chair Kim moved to convene in closed session. The motion carried by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180817 [Settlement of Lawsuit - Terrance Heyward - \$37,500]

Ordinance authorizing settlement of the lawsuit filed by Terrance Heyward against the City and County of San Francisco for \$37,500; the lawsuit was filed on October 12, 2016, in San Francisco Superior Court, Case No. CGC-16-554799; entitled Terrance Heyward v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury on a City sidewalk. (City Attorney)

07/24/18; RECEIVED FROM DEPARTMENT.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180818 [Settlement of Lawsuit - Suzanne Montes - \$575,000]

Ordinance authorizing settlement of the lawsuit filed by Suzanne Montes against the City and County of San Francisco for \$575,000; the lawsuit was filed on May 23, 2017, in the United States District Court, Case No. 3:17-CV-02928-JSC; entitled Suzanne Montes v. City and County of San Francisco, et al.; the lawsuit involves an employment dispute; other material terms of the settlement are restoring 384 hours of sick leave with pay and 240 hours of vacation to plaintiff. (City Attorney)

08/20/18; RECEIVED FROM DEPARTMENT.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

CONTINUED to the Government Audit and Oversight Committee Meeting of October 3, 2018, by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180819 [Settlement of Lawsuit - Patricia Gambino - \$50,000]

Ordinance authorizing settlement of the lawsuit filed by Patricia Gambino against the City and County of San Francisco for \$50,000; the lawsuit was filed on July 31, 2017, in San Francisco Superior Court, Case No. CGC-17-560484; entitled Patricia Gambino v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury on a City sidewalk. (City Attorney)

08/24/18; RECEIVED FROM DEPARTMENT.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180820 [Settlement of Lawsuit - Sam Percival Stewart - \$150,000]

Ordinance authorizing settlement of the lawsuit filed by Sam Percival Stewart against the City and County of San Francisco for \$150,000; the lawsuit was filed on June 2, 2016, in San Francisco Superior Court, Case No. CGC-16-552341; entitled Sam Percival Stewart v. City and County of San Francisco et al., removed to federal court on November 22, 2016, and re-captioned as Sam Percival Stewart v. City and County of San Francisco et al., United States District Court, Case No. 3:16-cv-6744; the lawsuit involves an alleged civil rights violation; other material terms of the settlement are waiver of the Zuckerberg San Francisco General Hospital lien in the amount of \$735. (City Attorney)

08/24/18; RECEIVED FROM DEPARTMENT.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180821 [Settlement of Lawsuit - Juanita Stockwell, et al. - \$400,000]

Ordinance authorizing settlement of the lawsuit filed by Guillermo Amigo, E.R. Balinton, Mike Bolte, Nikolaus Borthne, Edward Browne, Peter Busalacchi, Gary Castel, Philip Fleck, Severo Flores, George S. Fogarty, Malcolm Fong, Mary Godfrey, Jason Hui, Terry Ivy, Jacklyn Jehl, Bartholomew Johnson, James Jones, Richard Jue, Robert Leung, Michael Lewis, Paul Lozada, D.H. Bud Massey, Bruce Meadors, Vince Neeson, Thomas O'Connor, Susan Rolovich, Juanita Stockwell, Jessie A. Washington, and Michael Wells against the City and County of San Francisco for \$400,000; the lawsuit was filed on December 17, 2015, in San Francisco Superior Court, Case No. CGC 15-549482; entitled Juanita Stockwell, et al. v. City and County of San Francisco; the lawsuit involves an employment dispute. (City Attorney)

08/24/18; RECEIVED FROM DEPARTMENT.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180822 [Settlement of Lawsuit - Cui Ying Zhou, Jian Cong Tan, Angelina Tan, and Arosia Tan - \$14,500,000]

Ordinance authorizing settlement of the lawsuit filed by Cui Ying Zhou, Jian Cong Tan, Angelina Tan, and Arosia Tan against the City and County of San Francisco for \$14,500,000; the lawsuit was filed on November 26, 2016, in San Francisco Superior Court, Case No. CGC-16-555523; entitled Cui Ying Zhou, et al. v. City and County of San Francisco, et al.; the lawsuit involves an alleged personal injury in Washington Square Park. (City Attorney)

08/24/18; RECEIVED FROM DEPARTMENT.

09/04/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180847 [Settlement of Lawsuit - Nikolas P. Lemos - \$100,000]

Ordinance authorizing settlement of the lawsuit filed by Nikolas P. Lemos against the City and County of San Francisco for \$100,000; the lawsuit was filed on February 16, 2017, in San Francisco Superior Court, Case No. CGC 17-557100; entitled Nikolas P. Lemos v. City and County of San Francisco; the lawsuit involves an employment dispute. (City Attorney)

08/31/18; RECEIVED FROM DEPARTMENT.

09/11/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

180848 [Settlement of Lawsuit - Quincy Lewis - \$60,000]

Ordinance authorizing settlement of the lawsuit filed by Quincy Lewis against the City and County of San Francisco for \$60,000; the lawsuit was filed on November 2, 2017, in United States District Court, Case No. 17-cv-06405; entitled Quincy Lewis v. City and County of San Francisco, et al.; the lawsuit involves alleged civil rights violation. (City Attorney)

08/31/18; RECEIVED FROM DEPARTMENT.

09/11/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

[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.

Member Brown moved not to disclose closed session deliberations. The motion carried by the following vote:

Ayes: 3 - Kim, Brown, Fewer

Excused: 1 - Peskin

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 2:54 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.