



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: Gordon Mar, Aaron Peskin, Matt Haney

Clerk: John Carroll (415) 554-4445

Thursday, November 19, 2020

10:00 AM

Regular Meeting

Present: 3 - Gordon Mar, Aaron Peskin, and Matt Haney

The Government Audit and Oversight Committee met in regular session through videoconferencing, and provided public comment through teleconferencing, on Thursday, November 19, 2020, with Chair Gordon Mar presiding. Chair Mar called the meeting to order at 10:00 a.m.

Remote Access to Information and Participation

In accordance with Governor Newsom's Executive Order No. N-33-20 declaring a State of Emergency regarding the COVID-19 outbreak and Mayor London N. Breed's Proclamation declaring a Local Emergency issued on February 25, 2020, including the guidance for gatherings issued by the San Francisco Department of Public Health Officer, aggressive directives were issued to reduce the spread of COVID-19. On March 17, 2020, the Board of Supervisors authorized their Board and Committee meetings to convene remotely (via Microsoft Teams) and will allow remote public comment via teleconference. Visit the SFGovTV website at (www.sfgovtv.org) to stream the live meetings, or to watch meetings on demand.

Members of the public are encouraged to participate remotely via detailed instructions on participating via teleconference available at: <https://sfbos.org/remote-meeting-call>. Members of the public may participate by phone or may submit their comments by email to: john.carroll@sfgov.org; all comments received will be made a part of the official record. Regularly-scheduled Government Audit and Oversight Committee Meetings begin at 10:00 a.m. on the first and third Thursdays of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Mar and Vice Chair Peskin were noted present. Member Haney was noted not present. A quorum was present.

Member Haney was noted present at 10:02 a.m.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

200822 [Japantown Community Benefit District - Annual Report - FY2018-2019]

Sponsor: Preston

Resolution receiving and approving annual report for the Japantown Community Benefit District for FY2018-2019, 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.

07/28/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

08/05/20; 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); Grace Horikiri, Executive Director (Japantown Community Benefit District); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Mar, Peskin, Haney

201153 [Yerba Buena Community Benefit District - Annual Report - FY2018-2019]

Sponsor: Haney

Resolution receiving and approving an annual report for the Yerba Buena Community Benefit District for Fiscal Year (FY) 2018-2019, 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.

10/06/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/14/20; 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); Cathy Maupin, Executive Director (Yerba Buena Community Benefit District); presented information and answered questions raised throughout the discussion. Speaker; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Mar, Peskin, Haney

Chair Mar requested that File Nos. 201225, 201226, and 201229 be heard together.

201225 [Management Agreement - Owners' Association for Administration/Management - Noe Valley Community Benefit District]

Sponsor: Mandelman

Resolution approving a management agreement with the nonprofit Owners' Association for administration/management of the established property-based Community Benefit District known as the "Noe Valley Community Benefit District," pursuant to California Streets and Highways Code, Section 36651, for a period commencing upon Board approval, through June 30, 2035.

10/27/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

11/13/20; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review.

11/13/20; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Emily Glick (Japantown Community Benefit District); spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Mar, Peskin, Haney

201226 [Management Agreement - Owners' Association for Administration/Management - Castro Community Benefit District]

Sponsor: Mandelman

Resolution approving a management agreement with the nonprofit Owners' Association for administration/management of the established property-based Community Benefit District known as the "Castro Community Benefit District," pursuant to California Streets and Highways Code, Section 36651, for a period commencing upon Board approval, through June 30, 2035.

10/27/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

11/13/20; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review.

11/13/20; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Emily Glick (Japantown Community Benefit District); spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Mar, Peskin, Haney

201229 [Management Agreement - Owners' Association for Administration/Management - Fisherman's Wharf Landside Community Benefit District]**Sponsor: Peskin**

Resolution approving a management agreement with the nonprofit Owners' Association for administration/management of the established property-based Community Benefit District known as the "Union Square Business Improvement District," pursuant to California Streets and Highways Code, Section 36651, for a period commencing upon Board approval, through June 30, 2035.

10/27/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

11/13/20; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review.

11/13/20; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Emily Glick (Japantown Community Benefit District); spoke on various concerns relating to the hearing matter.

Vice Chair Peskin moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Lines 5-6, by striking 'Union Square Business Improvement District' and inserting 'Fisherman's Wharf Landside Community Benefit District'. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

Resolution approving a management agreement with the nonprofit Owners' Association for administration/management of the established property-based Community Benefit District known as the "Fisherman's Wharf Landside Community Benefit District," pursuant to California Streets and Highways Code, Section 36651, for a period commencing upon Board approval, through June 30, 2035.

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

Ayes: 3 - Mar, Peskin, Haney

Chair Mar requested that File Nos. 201176, 201177, and 201178 be heard together.

201176 [Mills Act Historical Property Contract - 450 Pacific Avenue]

Resolution approving a historical property contract between Pacific Stables Property Owner LLC, the owners of 450 Pacific Avenue, and the City and County of San Francisco, under Administrative Code, Chapter 71; and authorizing the Planning Director and the Assessor-Recorder to execute and record the historical property contract. (Historic Preservation Commission)

10/15/20; RECEIVED FROM DEPARTMENT.

10/27/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Alexandra Kirby (Planning Department); Michael Jine (Office of the Assessor-Recorder); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Mar, Peskin, Haney

201177 [Mills Act Historical Property Contract - 1315 Waller Street]

Resolution approving a historical property contract between AIMKO 2015 Trust, the owners of 1315 Waller Street, and the City and County of San Francisco, under Administrative Code, Chapter 71; and authorizing the Planning Director and the Assessor-Recorder to execute and record the historical property contract. (Historic Preservation Commission)

10/15/20; RECEIVED FROM DEPARTMENT.

10/27/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Alexandra Kirby (Planning Department); Michael Jine (Office of the Assessor-Recorder); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Mar, Peskin, Haney

201178 [Mills Act Historical Property Contract - 59 Potomac Street]

Resolution approving a historical property contract between Jonathan Dascola & Kamariah Sulaiman Dascola, the owners of 59 Potomac Street, and the City and County of San Francisco, under Administrative Code, Chapter 71; and authorizing the Planning Director and the Assessor-Recorder to execute and record the historical property contract. (Historic Preservation Commission)

10/15/20; RECEIVED FROM DEPARTMENT.

10/27/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Alexandra Kirby (Planning Department); Michael Jine (Office of the Assessor-Recorder); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Mar, Peskin, Haney

201081 [Hearing - Consultant Access and Involvement in Building Permit Process]

Sponsors: Ronen; Haney and Peskin

Hearing to review consultant access and involvement in the San Francisco building permit process, in particular situations where a consultant has been charged with criminal conduct; and requesting the Department of Building Inspection and Public Works to report.

09/15/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

09/23/20; REFERRED TO DEPARTMENT. Referred to the Department of Building Inspection and Public Works for informational purposes.

Heard in Committee. Speakers: Supervisor Hillary Ronen (Board of Supervisors); Christine Gasparac and Joseph Duffy (Department of Building Inspection); Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Bob Mason; Speaker; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Mar, Peskin, Haney

201158 [Hearing - Budget and Legislative Analyst's Performance Audit - Ethics Commission]**Sponsors: Mar; Yee**

Hearing on the findings and recommendations of the Budget and Legislative Analyst's 2020 performance audit of the Ethics Commission; and requesting the Budget and Legislative Analyst and Ethics Commission to report.

10/06/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/14/20; REFERRED TO DEPARTMENT. Referred to the Budget and Legislative Analyst and the Ethics Commission for informational purposes.

Heard in Committee. Speakers: Severin Campbell and Christina Malamut (Office of the Budget and Legislative Analyst); Leeann Pelham, Executive Director (Ethics Commission); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Mar, Peskin, Haney

LITIGATION

Chair Mar requested that File Nos. 201161, 201162, 201236, 201238, 201239, 201240, 201241, 201164, and 201242 be heard together.

Heard in Committee. Speakers: None.

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.

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

The Deputy City Attorney reported that the Government Audit and Oversight Committee has met in closed session with the City Attorney, under the provisions of Government Code Section 54956.9 (a) and Administrative Code Section 67.8 (3), for the purpose of conferring with, or receiving advice from, the City Attorney regarding settlements in the lawsuits or claims listed above.

Persons in attendance: Anne Pearson (Office of the City Attorney); Victor Young and John Carroll (Office of the Clerk of the Board).

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

Ayes: 3 - Mar, Peskin, Haney

201161 [California Code of Civil Procedure, Section 998 - Offer to Compromise Litigation - Penny Mims - \$50,000]

Ordinance authorizing the service of an Offer to Compromise under Code of Civil Procedure, Section 998, in the lawsuit filed by Penny Mims against the City and County of San Francisco and Dorian Carr, to include a payment from the City of up to \$50,000 plus reasonable attorneys' fees and costs to be determined by the Court; the lawsuit was filed on March 3, 2020, in San Francisco Superior Court, Case No. CGC-20-583388; entitled Penny Mims v. City and County of San Francisco, Dorian Carr, et al.; the lawsuit involves an employment dispute. (City Attorney)

10/05/20; RECEIVED FROM DEPARTMENT.

10/20/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201162 [Settlement of Lawsuit - Jeffrey Juarez - \$45,000]

Ordinance authorizing settlement of the lawsuit filed by Jeffrey Juarez against the City and County of San Francisco for \$45,000; the lawsuit was filed on September 1, 2016, in Superior Court of the State of California, County of San Francisco, Case No. CGC-16-554000, entitled Jeffrey Juarez v. City and County of San Francisco, et al.; the lawsuit involves an employment dispute. (City Attorney)

10/05/20; RECEIVED FROM DEPARTMENT.

10/20/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201236 [Settlement of Lawsuit - Taulib Ikharo - \$75,000]

Ordinance authorizing settlement of the lawsuit filed by Taulib Ikharo against the City and County of San Francisco for \$75,000; the lawsuit was filed on September 20, 2019, in U.S. District Court for the Northern District of California, Case No. 19-cv-04138 TSH; entitled Taulib Ikharo v. City and County of San Francisco, et al.; the lawsuit involves allegations of civil rights violations. (City Attorney)

10/29/20; RECEIVED FROM DEPARTMENT.

11/10/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201238 [Settlement of Lawsuit - Jeffrey McElroy - \$30,000]

Ordinance authorizing settlement of the lawsuit filed by Jeffrey McElroy against the City and County of San Francisco for \$30,000; the lawsuit was filed on September 3, 2019, in United States District Court, Case No. 19-cv-5528; entitled Jeffrey McElroy v. City and County of San Francisco, et al.; the lawsuit involves an alleged illegal search and use of excessive force. (City Attorney)

10/29/20; RECEIVED FROM DEPARTMENT.

11/10/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201239 [Settlement of Lawsuit - Svetlana Hovhannisyan - \$120,000]

Ordinance authorizing settlement of the lawsuit filed by Svetlana Hovhannisyan against the City and County of San Francisco for \$120,000; the lawsuit was filed on September 26, 2018, in San Francisco Superior Court, Case No. CGC-18-570140; entitled Svetlana Hovhannisyan v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury based on claims including medical negligence and elder abuse. (City Attorney)

10/29/20; RECEIVED FROM DEPARTMENT.

11/10/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201240 [Settlement of Lawsuit - Rudy Perez Mejia - \$150,000]

Ordinance authorizing settlement of the lawsuit filed by Rudy Perez Mejia against the City and County of San Francisco for \$150,000; the lawsuit was filed on April 17, 2017, in San Francisco Superior Court, Case No. CGC-17-558193; entitled Rudy Perez Mejia v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury from a vehicle accident. (City Attorney)

10/29/20; RECEIVED FROM DEPARTMENT.

11/10/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201241 [Settlement of Lawsuit - Richard Denton - \$400,000]

Ordinance authorizing settlement of the lawsuit filed by Richard Denton against the City and County of San Francisco for \$400,000; the lawsuit was filed on September 26, 2013, in San Francisco Superior Court, Case No. CGC 13-534508; entitled Richard Denton v. City and County of San Francisco, et al.; the lawsuit involves an employment dispute. (City Attorney)

11/02/20; RECEIVED FROM DEPARTMENT.

11/10/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201164 [Settlement of Unlitigated Claim - James Neidel - \$67,917]

Resolution approving the settlement of the unlitigated claim filed by James Neidel against the City and County of San Francisco for \$67,917; the claim was filed on December 11, 2019; the claim involves property damage arising from sewer main pipe overflow as a result of heavy rain. (City Attorney)

10/02/20; RECEIVED FROM DEPARTMENT.

10/20/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

201242 [Settlement of Unlitigated Claim - Flint Paul - \$150,000]

Resolution approving the settlement of the unlitigated claim filed by Flint Paul against the City and County of San Francisco for \$150,000; the claim was filed on July 23, 2018; the claim involves an employment dispute. (City Attorney)

10/29/20; RECEIVED FROM DEPARTMENT.

11/10/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

[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.

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

Ayes: 3 - Mar, Peskin, Haney

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 2:23 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.