



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: Dean Preston, Catherine Stefani, Connie Chan

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

Thursday, June 20, 2024

10:00 AM

City Hall, Committee Room 263

Regular Meeting

Present: 2 - Dean Preston, and Catherine Stefani

Excused: 1 - Connie Chan

The Government Audit and Oversight Committee met in regular session on Thursday, June 20, 2024, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:02 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Preston, and Vice Chair Stefani were noted present. Member Chan was noted not present. A quorum was present.

COMMUNICATIONS

Monique Crayton, Government Audit and Oversight Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (monique.crayton@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

Supervisor Chan Excused from Attendance

Chair Preston moved that Supervisor Chan be excused from attendance from the Government Audit and Oversight Committee Meeting of June 20, 2024. The motion carried by the following vote:

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

REGULAR AGENDA

240639 [Business and Tax Regulations Code - Transient Occupancy Tax Exemption Increase]

Sponsor: Peskin

Ordinance amending the Business and Tax Regulations Code to increase the daily transient occupancy tax exemption amount from less than \$52 to less than \$60; to increase the weekly transient occupancy tax exemption amount from less than \$130 to less than \$149; and to require review in the September 2027 - September 2029 time frame by the Controller of the exemption amounts for the purpose of considering adjustments in the amounts.

06/04/24; ASSIGNED to Budget and Finance Committee. 6/12/2024 - President Peskin waived the 30-Day Rule.

06/11/24; TRANSFERRED to Government Audit and Oversight Committee. President Peskin transferred the file from the Budget and Finance committee to the Government Audit and Oversight committee.

06/12/24; REFERRED TO DEPARTMENT. Referred to the Office of the Treasurer and Tax Collector and Office of the City Controller for informational purposes.

06/12/24; REFERRED TO DEPARTMENT. Referred to the Small Business Commission for review and comment.

Heard in Committee. Speaker(s): Sunny Angulo (Supervisor Peskin's Office); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

LITIGATION

Chair Preston requested File Nos. 240435, 240468, 240491, 240571, 240572, 240573, 240574, 240579, 240580 and 240581 be called together.

Heard in Committee. Speaker(s): 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.

Chair Preston elected not to convene in Closed Session.

240435 [Settlement of Unlitigated Claims - U.S. Department of Health and Human Services - City to Receive \$441,521.39]

Resolution approving the settlement of unlitigated claims in favor of the City and County of San Francisco against the U.S. Department of Health and Human Services by payment of \$441,521.39 to the City; the administrative claims were filed on December 29, 2016, and August 16, 2016; the claims involve underpayment of Medicare costs by the U.S. Department of Health and Human Services for outlier payments under the Medicare Inpatient Prospective Payer System for Federal Fiscal Years 2005-2006. (City Attorney)

04/24/24; RECEIVED FROM DEPARTMENT.

05/07/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Chair Preston moved that this Resolution be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240468 [Settlement of Lawsuit - Jean Agustin - \$75,000]

Ordinance authorizing settlement of the lawsuit filed by Jean Agustin against the City and County of San Francisco for \$75,000; the lawsuit was filed on February 1, 2023, in San Francisco Superior Court, Case No. CGC-23-604409; entitled Jean Agustin v. City and County of San Francisco; the lawsuit involves alleged personal injury occurring on a City sidewalk. (City Attorney)

04/30/24; RECEIVED FROM DEPARTMENT.

05/14/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240491 [Settlement of Unlitigated Claim - Cindy Ngo - \$37,342.76]

Resolution approving the settlement of the unlitigated claim filed by Cindy Ngo against the City and County of San Francisco for \$37,342.76; the claim was filed on December 29, 2023; the claim involves alleged personal injuries from a fall on a City sidewalk. (City Attorney)

05/13/24; RECEIVED.

05/21/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240571 [Settlement of Lawsuit - Rahul Seth, M.D. - City to Receive \$170,000]

Ordinance authorizing settlement of the lawsuit filed by Rahul Seth, M.D. against the City and County of San Francisco for a payment to the City of \$170,000; the lawsuit was filed on April 19, 2022, in San Francisco Superior Court, Case No. CGC-22-599250; entitled Rahul Seth, M.D. v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury on a City street. (City Attorney)

05/13/24; RECEIVED FROM DEPARTMENT.

06/04/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240572 [Settlement of Lawsuit - Vincent Keith Bell - \$500,000]

Ordinance authorizing settlement of the lawsuit filed by Vincent Keith Bell against the City and County of San Francisco for \$500,000; the lawsuit was filed on December 16, 2013, in United States District Court-Northern District of California, Case No. 13-cv-05820; entitled Vincent Keith Bell v. Ken Lee, et al.; the lawsuit involves alleged civil rights violation. (City Attorney)

05/21/24; RECEIVED FROM DEPARTMENT.

06/04/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240573 [Settlement of Lawsuit - Denise Wear - \$45,000]

Ordinance authorizing settlement of the lawsuit filed by Denise Wear against the City and County of San Francisco for \$45,000; the lawsuit was filed on January 20, 2022, in San Francisco Superior Court, Case No. CGC-22-597744; entitled Denise Wear v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury on a City sidewalk. (City Attorney)

05/21/24; RECEIVED FROM DEPARTMENT.

06/04/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240574 [Settlement of Lawsuit - Wendy Offen and Stephen Offen - \$140,000]

Ordinance authorizing settlement of the lawsuit filed by Wendy Offen and Stephen Offen against the City and County of San Francisco for \$140,000; the lawsuit was filed on December 13, 2021, in San Francisco Superior Court, Case No. CGC-21-597078; entitled Wendy Offen and Stephen Offen v. City and County of San Francisco; the lawsuit involves an alleged injury on a City sidewalk. (City Attorney)
05/23/24; RECEIVED FROM DEPARTMENT.

06/04/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240579 [Tolling Agreement - Maplebear, Inc. - Gross Receipts, Homelessness Gross Receipts, and Payroll Expense Tax Dispute - \$2,204,716]

Resolution approving a Tolling Agreement to extend the statute of limitations for Maplebear, Inc. (doing business as Instacart) to bring potential litigation against the City and County of San Francisco for a refund of \$2,204,716 of gross receipts, homelessness gross receipts, and payroll expense taxes to allow for possible resolution of the matter without litigation. (City Attorney)

05/23/24; RECEIVED FROM DEPARTMENT.

06/04/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240580 [Settlement of Unlitigated Claims - GSW Arena LLC - \$281,289.76]

Resolution approving the settlement of the unlitigated claims filed by GSW Arena LLC against the City and County of San Francisco for \$281,289.76; the claims were filed on August 4, 2023, and April 3, 2024; the claims involve a refund of gross receipts, homelessness gross receipts, and commercial rents taxes. (City Attorney)

05/23/24; RECEIVED FROM DEPARTMENT.

06/04/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

240581 [Settlement of Unlitigated Claim - Bay Area Air Quality Management District - \$42,125]

Resolution approving settlement of the unlitigated claim filed by the Bay Area Air Quality Management District (BAAQMD) against the City and County of San Francisco for \$42,125; the claim involves the resolution of notices of violation issued by the Bay Area Air Quality Management District to the City and County of San Francisco concerning alleged violations of testing requirements governing onsite boilers at the Hall of Justice facility located at 850 Bryant Street; other material terms of the settlement include the resolution of all claims between BAAQMD and the City and County of San Francisco with regard to the dispute, with each party to bear their own costs. (City Attorney)

05/23/24; RECEIVED FROM DEPARTMENT.

06/04/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 10:10 a.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.