



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: Alisa Somera
(415) 554-7711 ~ alisa.somera@sfgov.org

Thursday, October 19, 2023

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

President Aaron Peskin appointed Supervisor Rafael Mandelman, in place of Supervisor Catherine Stefani, to the Government Audit and Oversight Committee for the regular meeting of October 19, 2023.

Present: 3 - Dean Preston, Connie Chan, and Rafael Mandelman

Excused: 1 - Catherine Stefani

The Government Audit and Oversight Committee met in regular session, in-person with remote access and public comment via telephone, on Thursday, October 19, 2023, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:08 a.m.

Remote Access to Information and Participation

On October 17, 2023, the Board of Supervisors approved Motion No. M23-129 that discontinued remote public comment and participation at all Board and committee meetings. However, since the remote access to this meeting was posted prior to the Board's action, this meeting had its remote access reinstated.

ROLL CALL AND ANNOUNCEMENTS

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

Supervisor Stefani Excused from Attendance

Chair Preston moved that Supervisor Stefani be excused from the Government Audit and Oversight Committee meeting of October 19, 2023. The motion carried by the following vote:

Ayes: 2 - Preston, Mandelman

Excused: 1 - Stefani

Absent: 1 - Chan

COMMUNICATIONS

Angela Calvillo, Clerk of the Board, informed the Committee that, on October 17, 2023, the Board of Supervisors approved Motion No. M23-129 that discontinued remote public comment and participation at all Board and committee meetings. However, since remote access to this meeting was posted last Thursday, October 12, 2023, prior to the Board's action, this meeting had its remote public comment access reinstated for this meeting only. The public should have no further expectation to access committee meetings remotely going forward.

Alisa Somera, Legislative Deputy, instructed members of the public, when general public comment is called, to contribute live comments in-person or by dialing the telephone number published on the agenda and scrolling across the screen. Clerk Somera further announced that in-person public comment will be taken before remote public comment is called.

(Written comments may be submitted through email (alisa.somera@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.

Member Chan was noted present at 10:13 a.m.

REGULAR AGENDA

231032 [Hearing - UN Plaza Activation Project and Heart of the City Farmers' Market]

Sponsors: Preston; Chan

Hearing on the UN Plaza Activation Project and relocation of the Heart of the City Farmers' Market; and requesting the Recreation and Parks Department and Civic Center Community Benefit District to report.

10/03/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/10/23; REFERRED TO DEPARTMENT. Referred to the Recreation and Parks Department and the Civic Center Community Benefit District for informational purposes and requesting both departments to report.

Heard in Committee. Speaker(s): Sarah Madland (Recreation and Park Department); Helen Sautou (Civic Center Community Benefit District); presented information and answered questions raised throughout the discussion. David Elliot Lewis (Tenderloin People's Congress); Carrie Barnes (Noe Valley Democratic Club); Hillary Brown (Park Recreation and Open Space Advisory Committee); Adele Kramer; Jim; Simon Veloria; Patrick Besh; Casey Rios (Tenderloin People's Congress); Tess Welborn; Liza Muraski (Tenderloin People's Congress); Francisco Leon (Civic Center Community Benefit District); Trader Jeff; Speaker; Jackson Nutt-Beers (San Francisco Chamber of Commerce); spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

220886 [Urging Removal of Third Party Dispatch from the Taxi Upfront Fare Pilot]**Sponsors: Chan; Ronen**

Resolution urging the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors to remove Third Party Dispatch from its Taxi Upfront Fare Pilot Program.

07/26/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/29/22; REFERRED TO DEPARTMENT. Referred to Municipal Transportation Agency, Planning Department, Mayor's Office of Disability, Department of Environment, and Commission on the Environment for informational purposes.

09/29/22; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE. Heard in Committee. Speakers: Kate Toran (San Francisco Metropolitan Transportation Agency); Phil Cranna (San Francisco Metropolitan Transportation Agency); presented information and answered questions raised throughout the discussion. Hansu Kim; Mark Krueger; Evelyn Engle; Mustafa Utar; George; Speaker; Mustafa; Teamsters; Dr. Teresa Palmer; David; Ted Fulborn; Barry Toronto; Ben Valis; Teresa Flandric; Erick Brooks; Lucci; Evelyn Pearson-Golden; Nadine Maines; Alaina Engle; Lori Leiberman; Dennis Moscovian; Matt Sutter; Anastasia Manonopolus; Brent Thompson; spoke on various concerns relating to the hearing matter.

09/29/22; CONTINUED TO CALL OF THE CHAIR AS AMENDED.

04/05/23; REMAIN ACTIVE. Supervisor Chan requested this matter remain active for an additional six months until October 5, 2023.

Heard in Committee. Speaker(s): None.

Chair Preston moved that this Resolution be CONTINUED to the Government Audit and Oversight Committee meeting of November 16, 2023. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

LITIGATION

Chair Preston requested File Nos. 230959, 230960, 230996, 230963, 230981, and 230997 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.

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); Alisa Somera (Office of the Clerk of the Board).

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

Ayes: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

230959 [Settlement of Lawsuit - Katy Sullivan - \$207,500]

Ordinance authorizing settlement of the lawsuit filed by Katy Sullivan against the City and County of San Francisco for \$207,500; the lawsuit was filed on August 13, 2021, in San Francisco Superior Court, Case No. CGC-21-593827; entitled Katy Sullivan v. City and County of San Francisco, et al.; the lawsuit involves an employment dispute. (City Attorney)

09/06/23; RECEIVED FROM DEPARTMENT.

09/19/23; 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: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

230960 [Settlement of Lawsuit - Twilio Inc. - \$18,000,000]

Ordinance authorizing settlement of the lawsuit filed by Twilio Inc. against the City and County of San Francisco for \$18,000,000; the lawsuit was filed on May 27, 2021, in San Francisco Superior Court, Case No. CGC-21-592267; entitled Twilio Inc. v. City and County of San Francisco; the lawsuit involves a claim for refund of telephone users taxes and access line taxes, and related penalties and interest, for tax periods June 1, 2009, through and including December 31, 2018; other material terms of the settlement are that the City will not impose additional telephone users taxes and access line taxes, and any related penalties and interest, for any periods through two months after the settlement is paid, and Twilio Inc. will collect and remit telephone users taxes and access line taxes in a certain manner for all subsequent periods. (City Attorney)

09/07/23; RECEIVED FROM DEPARTMENT.

09/19/23; 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: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

230996 [Settlement of Lawsuit - Adam Smith, et al. - \$130,401.66]

Ordinance authorizing settlement of the lawsuit filed by Adam Smith, et al., against the City and County of San Francisco for return of the Expedited Conversion Program fee in the amount of \$130,401.66; the lawsuit was filed on September 28, 2021, in San Francisco Superior Court, Case No. CPF-21-517578; entitled Adam Smith, et al. v. City and County of San Francisco; the lawsuit challenges the Board of Supervisors' denial of Petitioners' application to convert their six-unit building at 424-434 Francisco Street to condominiums under the City's Expedited Conversion Program (Subd. Code, Section 1396.4); the settlement includes return of Petitioners' Expedited Conversion Program fee and waiver of the City's litigation costs; other material terms of the settlement are the parties' agreement to withdraw their respective appeals. (City Attorney)

09/25/23; RECEIVED FROM DEPARTMENT.

10/03/23; 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: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

230963 [Settlement of Unlitigated Claim - Macquarie Holdings (U.S.A.) Inc. - \$252,526.71]

Resolution approving the settlement of the unlitigated claim filed by Macquarie Holdings (U.S.A.) Inc. against the City and County of San Francisco for \$252,526.71; the claim was filed on May 1, 2023; the claim involves a refund of gross receipts and homelessness gross receipts taxes. (City Attorney)

09/06/23; RECEIVED FROM DEPARTMENT.

09/19/23; 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: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

230981 [Settlement of Unlitigated Claims - The Bank of New York Mellon Trust Company, N.A. - \$1,355,943.09]

Resolution approving the settlement of the unlitigated claims filed by The Bank of New York Mellon Trust Company, N.A. against the City and County of San Francisco for \$1,355,943.09; the claims were filed on July 13, 2023; the claims involve a refund of gross receipts and homelessness gross receipts taxes. (City Attorney)

09/12/23; RECEIVED FROM DEPARTMENT.

09/26/23; 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: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

230997 [Settlement of Unlitigated Claims - PFP Holdings, Inc. - \$1,039,237.26]

Resolution approving the settlement of the unlitigated claims filed by PFP Holdings, Inc. against the City and County of San Francisco for \$1,039,237.26; the claims were filed on May 4, 2023; the claims involve a refund of payroll expense, gross receipts, and homelessness gross receipts taxes. (City Attorney)

09/25/23; RECEIVED FROM DEPARTMENT.

10/03/23; 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: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

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

Ayes: 3 - Preston, Chan, Mandelman

Excused: 1 - Stefani

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 12:26 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.