



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, Connie Chan, Rafael Mandelman

Clerk: Stephanie Cabrera (415) 554-7722

Thursday, December 1, 2022

10:00 AM

Regular Meeting

IN-PERSON MEETING
City Hall, Legislative Chamber, Room 250

(remote access provided)
(remote public comment provided via teleconference)

President Shamann Walton appointed Supervisor Matt Dorsey, in place of Supervisor Rafael Mandelman, to the Government Audit and Oversight Committee for the regular meeting of December 1, 2022

Present: 3 - Dean Preston, Connie Chan, and Matt Dorsey
Excused: 1 - Rafael Mandelman

The Government Audit and Oversight Committee met in regular session, in-person with remote access and public comment via telephone, on Thursday, December 1, 2022, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:02 a.m.

Remote Access to Information and Participation

The Board of Supervisors and its committees convene hybrid meetings that allow in-person attendance, remote access, and public comment via teleconference. Visit the SFGovTV website at (www.sfgovtv.org) to stream the live meetings and watch meetings on demand or watch live meetings on San Francisco Cable Channels 26, 28, 78 or 99 (depending on your provider). Members of the public may provide public comment in-person or remotely via teleconference (detailed instructions available at: <https://sfbos.org/remote-meeting-call>).

Members of the public may submit their comments by email to: Stephanie.Cabrera@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. every first and third Thursday of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.

Please visit the Board's website (www.sfbos.org) regularly to be updated on the current situation as it affects the legislative process. For more information contact the Clerk, Stephanie Cabrera, at (415) 554-7722 or Stephanie.Cabrera@sfgov.org.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Preston, Vice Chair Chan, and Member Dorsey were noted present. Member Mandelman was noted absent. A quorum was present.

Supervisor Mandelman Excused from Attendance

Chair Preston moved that Supervisor Mandelman be excused from the Government Audit and Oversight Committee meeting of December 1, 2022. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Dorsey
Excused: 1 - Mandelman

AGENDA CHANGES

There were no agenda changes.

COMMUNICATIONS

*Stephanie Cabrera, Government Audit and Oversight Committee Clerk, instructed members of the public, when general public comment is called, to contribute live comments for up to two minutes in-person or by dialing the provided telephone number. In-person public comment will be taken before remote public comment is called. Those who are providing public comment remotely must dial * 3 to be added to the remote queue to speak. Written comments may be submitted through email (Stephanie.Cabrera@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.*

REGULAR AGENDA

221093 [Hearing - Proactive Citywide Trauma Response to Gun Violence]

Sponsors: Preston; Walton, Chan and Stefani

Hearing to discuss the Department of Public Health's Draft Plan to create a proactive citywide trauma response to gun violence; and requesting the Department of Public Health and the Mayor's Office of Public Safety to report.

10/18/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/25/22; REFERRED TO DEPARTMENT. Referred to the Department of Public Health and the Mayor's Office for informational purposes and requesting both departments to report.

11/04/22; REFERRED TO DEPARTMENT. Referred to the Youth Commission for comment and recommendation.

11/15/22; RESPONSE RECEIVED. Response received from the Youth Commission regarding their recommendations and support of the hearing.

Heard in Committee. Speakers: Stephanie Felder and Max Rocha (Department of Public Health); presented information and answered questions raised throughout the discussion. Kate Robinson (North of Market/Tenderloin Community Benefit District); Nate; Dennis Williams; spoke in support of the hearing matter. Francisco DaCosta; Gloria Berry; Leo Hamilton; spoke on various concerns relating to the hearing matter.

Chair Preston moved that this Hearing be HEARD AND FILED by the following vote:

Ayes: 3 - Preston, Chan, Dorsey

Excused: 1 - Mandelman

Chair Preston requested File Nos. 220863, 220865, 220891, and 221089 be called together.

220863 [Fisherman's Wharf Landside Community Benefit District and Fisherman's Wharf Portside Community Benefit District - Annual Report - FY2020-2021]

Sponsor: Peskin

Resolution receiving and approving the annual report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside Community Benefit District for Fiscal Year (FY) 2020-2021, 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 Districts' Management Agreements with the City, Section 3.4.

07/19/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/27/22; REFERRED TO DEPARTMENT. Referred to 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); Debra Niemann, Executive Director (Noe Valley Community Benefit District); Randall Scott, Executive Director (Fisherman's Wharf Landside and Fisherman's Wharf Portside Community Benefit Districts); Kate Robinson, Executive Director (North of Market/Tenderloin Community Benefit District); presented information and answered questions raised throughout the discussion. Cheryl Lipton; Dennis Williams; Francisco DaCosta; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Preston, Chan, Dorsey

Excused: 1 - Mandelman

220865 [Japantown Community Benefit District - Annual Report - FY2020-2021]

Sponsors: Preston; Chan

Resolution receiving and approving an annual report for the Japantown Community Benefit District for Fiscal Year (FY) 2020-2021, 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.

07/19/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/27/22; REFERRED TO DEPARTMENT. Referred to 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); Debra Niemann, Executive Director (Noe Valley Community Benefit District); Randall Scott, Executive Director (Fisherman's Wharf Landside and Fisherman's Wharf Portside Community Benefit Districts); Kate Robinson, Executive Director (North of Market/Tenderloin Community Benefit District); presented information and answered questions raised throughout the discussion. Cheryl Lipton; Dennis Williams; Francisco DaCosta; spoke on various concerns relating to the hearing matter.

Supervisor Chan requested to be added as a co-sponsor.

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

Ayes: 3 - Preston, Chan, Dorsey

Excused: 1 - Mandelman

220891 [Noe Valley Community Benefit District - Annual Report - FY2020-2021]**Sponsor: Mandelman**

Resolution receiving and approving an annual report for the Noe Valley Community Benefit District for Fiscal Year (FY) 2020-2021, 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.

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

07/29/22; REFERRED TO DEPARTMENT. Referred to 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); Debra Niemann, Executive Director (Noe Valley Community Benefit District); Randall Scott, Executive Director (Fisherman's Wharf Landside and Fisherman's Wharf Portside Community Benefit Districts); Kate Robinson, Executive Director (North of Market/Tenderloin Community Benefit District); presented information and answered questions raised throughout the discussion. Cheryl Lipton; Dennis Williams; Francisco DaCosta; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Preston, Chan, Dorsey

Excused: 1 - Mandelman

221089 [North of Market/Tenderloin Community Benefit District - Annual Report - FY2020-2021]**Sponsors: Preston; Dorsey**

Resolution receiving and approving an annual report for the North of Market/Tenderloin Community Benefit District for Fiscal Year (FY) 2020-2021, 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.

10/18/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/25/22; REFERRED TO DEPARTMENT. Referred to the Office of Economic and Workforce Development, and the North of Market/Tenderloin Community Benefit District for informational purposes and requesting the Community Benefit District to report.

Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Grace Horikiri, Executive Director (Japantown Community Benefit District); Debra Niemann, Executive Director (Noe Valley Community Benefit District); Randall Scott, Executive Director (Fisherman's Wharf Landside and Fisherman's Wharf Portside Community Benefit Districts); Kate Robinson, Executive Director (North of Market/Tenderloin Community Benefit District); presented information and answered questions raised throughout the discussion. Cheryl Lipton; Dennis Williams; Francisco DaCosta; spoke on various concerns relating to the hearing matter.

Supervisor Dorsey requested to be added as a co-sponsor.

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

Ayes: 3 - Preston, Chan, Dorsey

Excused: 1 - Mandelman

Supervisor Dorsey noted not present at 11:55 a.m. and for the remainder of the meeting

Supervisor Dorsey Excused from Attendance

Chair Preston moved that Supervisor Dorsey be excused beginning at 11:55 a.m. and for the remainder of the meeting. The motion carried by the following vote:

Ayes: 2 - Preston, Chan

Excused: 2 - Mandelman, Dorsey

Chair Preston requested File Nos. 221052, 221174, and 221118 be called together.

LITIGATION

Heard in Committee. Speakers: Ron Temple; Mark Gleason; David Pilpel; spoke on various concerns relating to the hearing matter.

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; Keslie Stewart; Ari Baruth (Office of the City Attorney); Erica Major and Stephanie Cabrera (Office of the Clerk of the Board).

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

Ayes: 2 - Preston, Chan

Excused: 2 - Mandelman, Dorsey

221052 [Settlement of Unlitigated Claim - 100-120 Powell Owner L.P., L.L.C. - \$5,362,325]

Resolution approving the settlement of the unlitigated claim filed by 100-120 Powell Owner L.P., L.L.C. against the City and County of San Francisco for \$5,362,325; the claim was filed on January 14, 2022; the claim involves allegations of property damage to the Hotel Union Square caused by shelter-in-place (SIP) hotel guests during the COVID-19 pandemic and resulting loss of use; other material terms of the settlement include a mutual full and final release, with each party to bear their own costs. (City Attorney)

09/30/22; RECEIVED FROM DEPARTMENT.

10/18/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

11/17/22; CONTINUED.

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

Ayes: 2 - Preston, Chan

Excused: 2 - Mandelman, Dorsey

221174 [Settlement of Unlitigated Claims against Sunset Scavenger Company, et al. - San Francisco Refuse Ratepayers to Receive \$25,000,000 Credit to Offset Cost of Living Adjustments and Rate Increases]

Sponsors: Mayor; Peskin

Resolution approving the settlement of pre-litigation claims against Sunset Scavenger Company, Golden Gate Disposal & Recycling Company, Recology San Francisco, and Recology Properties Inc. through the acceptance of a \$25,000,000 reimbursement to San Francisco ratepayers; the claims involve alleged retention of profits above the 9 percent target profit approved in the 2017 public rate setting process, and the timing and appropriateness of cost of living adjustments to rates; additional material terms of the settlement are that rental costs of select real properties will not be passed through to ratepayers once acquisition costs are paid, and ratepayers will be reimbursed for up to approximately \$26,000,000 in rental payments in the event that those properties are no longer available for the benefit of San Francisco refuse ratepayers.

11/15/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

11/18/22; CLERICAL CORRECTION. Clerical corrections were made to the Resolution to correct "Ecology" to "Recology" throughout the legislation.

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

Ayes: 2 - Preston, Chan

Excused: 2 - Mandelman, Dorsey

221118 [Settlement of Lawsuit - Victor Jimenez - \$100,000]

Ordinance authorizing settlement of the lawsuit filed by Victor Jimenez against the City and County of San Francisco for \$100,000; the lawsuit was filed on July 20, 2021, in San Francisco Superior Court, Case No. CGC-21-593613; entitled Victor Jimenez v. City and County of San Francisco; the lawsuit alleged property damage and personal injuries arising from a dangerous condition of public property, i.e., a sinkhole that opened in the roadway underneath plaintiff's vehicle. (City Attorney)

10/28/22; RECEIVED FROM DEPARTMENT.

11/08/22; 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, Chan

Excused: 2 - Mandelman, Dorsey

[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: 2 - Preston, Chan

Excused: 2 - Mandelman, Dorsey

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 12:55 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.