



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, Vallie Brown, Aaron Peskin

Clerk: John Carroll (415) 554-4445

Thursday, April 4, 2019

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 4 - Gordon Mar, Vallie Brown, Aaron Peskin, and Sandra Lee Fewer

The Government Audit and Oversight Committee met in regular session on April 4, 2019, with Chair Gordon Mar presiding.

Chair Mar called the meeting to order at 10:07 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Mar, Vice Chair Brown, and Member Peskin were noted present.

A quorum was present.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

190286 [De-Appropriation and Re-Appropriation - Public Utilities Commission Water Enterprise Fund Balance - Payment of Unlitigated Claim of Sambou Makalou - \$124,523.97]

Sponsor: Mandelman

Ordinance de-appropriating \$124,523.97 from the Wastewater Enterprise Fund Balance and re-appropriating the same amount to the Water Enterprise Fund Balance for the Public Utilities Commission to fund the settlement of the unlitigated claim of Sambou Makalou.

03/12/19; ASSIGNED to Government Audit and Oversight Committee. March 26, 2019 - President Yee waived the 30-day rule for this ordinance.

Heard in Committee. Speaker: Jon Givner (Office of the City Attorney); presented information and answered questions raised throughout the discussion.

Member Peskin moved that this Ordinance be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Mar, Brown, Peskin

190207 [CalSAWS Consortium - Creation of a 58-County Joint Powers Authority - Memorandum of Understanding]

Resolution approving the creation of a 58-county Joint Powers Authority to be known as CalSAWS Consortium, and approving the Memorandum of Understanding between the CalSAWS Consortium and the City and County of San Francisco. (Human Services Agency)
(Fiscal Impact)

02/21/19; RECEIVED FROM DEPARTMENT.

03/05/19; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Heard in Committee. Speaker: Nick Menard (Budget and Legislative Analyst's Office); presented information and answered questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Mar, Brown, Peskin

180701 [Hearing - Civil Grand Jury Report - Mitigating the Housing Crisis: Accessory Dwelling Units and Modular Housing]

Hearing on the recently-published 2017-2018 Civil Grand Jury report, entitled "Mitigating the Housing Crisis: Accessory Dwelling Units and Modular Housing." (Clerk of the Board)

07/05/18; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

08/17/18; RESPONSE RECEIVED. The Office of the Controller submitted a response to the Civil Grand Jury Report.

09/03/18; RESPONSE RECEIVED. The Mayor's Office submitted a consolidated response to the Civil Grand Jury Report for the following departments: Office of the Mayor; Mayor's Office of Housing and Community Development; Department of Building Inspection; Planning Department; Office of Community Investment and Infrastructure; Fire Department; Department of Homelessness and Supportive Housing; Public Utilities Commission; and Public Works.

10/03/18; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Lori Campbell and P Segal (2017-2018 Civil Grand Jury); AnMarie Rodgers (Planning Department); Bill Strawn and Dan Lowrey, Deputy Director (Department of Building Inspection); Marcelle Boudreaux (Planning Department); Amy Chan (Mayor's Office of Housing and Community Development); Dan de Cossio, Fire Marshal and Assistant Deputy Chief (Fire Department); presented information and answered questions raised throughout the discussion. Mr. Wright; Ace Washington; spoke on various concerns relating to the hearing matter.

01/31/19; RESPONSE RECEIVED. Received the Budget and Legislative Analyst's report, Permitting Fees and Accessory Dwelling Unit Construction, prepared for Supervisor Mar, Chair of the Government Audit and Oversight Committee.

02/21/19; CONTINUED. Heard in Committee. Speakers: Severin Campbell and Linda Berry (Office of the Budget and Legislative Analyst); presented information and answered questions raised throughout the discussion. Ken; Ace Washington; P Segal; Jim Worschell; spoke on various concerns relating to the hearing matter.

Heard in Committee. Speakers: None.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Mar, Brown, Peskin

190263 [Hearing - Status of City Employee Positions Exempt from Civil Service]**Sponsor: Fewer**

Hearing on the status of permanent and temporary exempt City and County employee positions excluded from the civil service system, including the numbers of exempt positions each year since 2007, the exemption categories, the classifications of these positions, and the race and gender demographics of exempt employees; and requesting the Department of Human Resources, Civil Service Commission, Municipal Transportation Agency, Public Works, Recreation and Parks Department, General Services Agency, Department of Technology, Public Utilities Commission, Department of Public Health, and the Port to report.

03/05/19; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

03/13/19; REFERRED TO DEPARTMENT. Referred to the Department of Human Resources, Civil Service Commission, Municipal Transportation Agency, Public Works, Recreation and Parks Department, General Services Agency, Department of Technology, Public Utilities Commission, Department of Public Health, and the Port for informational purposes.

Heard in Committee. Speakers: Supervisor Sandra Lee Fewer (Board of Supervisors); Michael Brown, Director (Civil Service Commission); Kate Howard, Managing Deputy Director (Department of Human Resources); Theresa Rutherford (SEIU 1021); Zach Goldman (IFPTE Local 21); Chanda Ikeda (Office of the City Administrator); Derek Kim (San Francisco Municipal Transportation Agency); presented information and answered questions raised throughout the discussion. Gus Vallejo, Claudia Espino, Warren Seto, and Aliza Cuenca (IFPTE Local 21); Karl Kramer (San Francisco Living Wage Coalition); Norlissa Cooper, Elizabeth Jagger, and Conor Casey (SEIU 1021); Gerald Rankin; Greg Perieff (SEIU 1021); Danielle Harris and Vivian Chow (IFPTE Local 21); Mary Magee, Connie Liang, and Don Franklin (SEIU 1021); Michael Hawkins, Julie Kendall, Andrea Alfonso, and Damon Louie (IFPTE Local 21); Speaker; Erica Dixon (SEIU 1021); Adrienne Heim; Ellen Lee Zhou and Jennifer Esteen (SEIU 1021); Michael Wright; Asia Harrigan (IFPTE Local 21); Pamela Taylor (Department of Aging and Adult Services); Rudy Gonzalez (San Francisco Labor Council); Kim Thompson (IFPTE Local 21); Cheryl Thornton (SEIU 1021); David Lanham and Frances Hsieh (IFPTE Local 21); David Canham and Freddy Coronado (SEIU 1021); Sarah Larson; Theresa Rutherford (SEIU 1021); Lucy Arianno; Aidan Finn (Living Wage Coalition); spoke on various concerns relating to the hearing matter.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Mar, Brown, Peskin

President Norman Yee appointed Supervisor Sandra Lee Fewer, in place of Supervisor Aaron Peskin, to the Government Audit and Oversight Committee meeting of April 4, 2019, beginning at 12:30 p.m.

Member Peskin was noted absent at 12:27 p.m.

Member Fewer was noted present at 12:27 p.m.

190319 [Opposing California State Senate Bill No. 50 (Wiener) - Housing Development: Incentives - Unless Amended]

Sponsors: Mar; Mandelman, Yee, Fewer, Peskin, Walton, Ronen and Haney

Resolution opposing California State Senate Bill No. 50, authored by Senator Scott Wiener, which would undermine community participation in planning for the well-being of the environment and the public good, prevent the public from recapturing an equitable portion of the economic benefits conferred to private interests, and significantly restrict San Francisco's ability to protect vulnerable communities from displacement and gentrification, unless further amended.

03/19/19; RECEIVED AND ASSIGNED to Land Use and Transportation Committee.

03/27/19; TRANSFERRED to Government Audit and Oversight Committee. President Yee transferred this matter from the Land Use and Transportation Committee to the Government Audit and Oversight Committee.

Heard in Committee. Speakers: AnMarie Rodgers (Planning Department); presented information and answered questions raised throughout the discussion. Michael Wright; Denis Mosgofian; Theresa Flandrich (Senior and Disability Action); Tony Robles; Stan Hayes; Richard Frisbie; Christopher Pederson; Rose Hillson (see page 6 for a summary submitted by Rose Hillson pursuant to Administrative Code, Section 67.16); George Wooding; Carolyn Kenady (Dolores Heights Improvement Club); Speaker; Anne Harvey; Jim Warshell; Mary Ellen Hannabae; Lorraine Petty; Jeff Rigo; Jennifer Fieber (San Francisco Tenant's Union); Renne Curran; Anastasia Yovanopoulos; Greg Miller; Lisa Fromer (San Francisco Land Use Coalition); Lori Liederman (District 5 Action); James Huynh and Leslie Dryer (Housing Rights Committee); Cherry To; Wendy Wong (San Francisco Coalition for Good Neighborhoods); Lou Ann Bassan; Speaker; Brooke Sampson (Cow Hollow Association); Speaker; Speaker; Fred Muhlheim; Keith Mosher (Mission YIMBY); Dennis Richards; Shawna Heffeman; Seamus McGreever; David Woo; Lian Ladia, Ericka Martunouyen, and Mary Claire Amable (SOMCAN); Marlayne Morgan (Van Ness Corridor Neighbors); Tess Welbourn; Anne Bertrand; David Badroft; Speaker; Lori Heli; Don Emmous; Katherine Howard; Gen Fujioka; Edward Mason; Bruce Bowen (Dolores Heights Improvement Club); Mr. Edwards; Randy Brusai; Trisa Boyd; Eileen Boken; Speaker; Marcy; spoke in support of the hearing matter. Max Billick; Scott Feeny; Mick Abbott; Katie Ettman; Robert Fruchtman; Jon Schwark (SFYIMBY); Sonja Trauss; Laura Foote; Todd David and Cory Smith (SF Housing Action Association); spoke in opposition of the hearing matter. Rudy Gonzalez (San Francisco Labor Council); spoke on various concerns relating to the hearing matter.

Chair Mar moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 1, Lines 15-19, by inserting 'WHEREAS, SB 50 would incentivize market rate housing development unaffordable to most San Franciscans without guaranteeing increased affordable housing development, while 94 percent of the City's market-rate-housing goals through the year 2022 have already been met and less than 30 percent of moderate and low income housing goals have been met, according to the Planning Department's development pipeline report; and;' on Page 1, Line 23-25, by inserting 'and the City has been most successful managing this growth through the adoption of community-driven local plans;' on Page 2, Lines 11-17, by inserting 'WHEREAS, Neighborhoods outside "Sensitive Communities" targeted by SB50 in hot market cities like San Francisco can also experience hidden gentrification and displacement pressures, including on cash poor homeowners, and experience significant barriers for affordable housing production, such that raising land values through upzoning without the certainty of affordable units getting built in these neighborhoods will exacerbate pressures and barriers to develop non-speculative, permanently affordable housing, especially where there is no local community plan to facilitate and guide increased development; and;' on Page 3, Line 3, by inserting 'specifically through community-driven local plans;' and on Page 3, Lines 9-10, by inserting 'adequately guarantee housing affordability, protect vulnerable communities, and;' and making other clerical changes. The motion carried by the following vote:

Ayes: 3 - Mar, Brown, Fewer

Absent: 1 - Peskin

Member Fewer moved that this Resolution be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Mar, Fewer

Noes: 1 - Brown

Absent: 1 - Peskin

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 2:49 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.

ADDENDUM

The following information is provided by speaker(s), pursuant to Administrative Code, Section 67.16. The content is neither generated by, nor subject to approval or verification of accuracy by, the Clerk of the Board or the Board of Supervisors.

Rose Hillson submitted the following additional information during public comment on File No. 190319, as follows:

SB-50 up-zones all SF parcels

Resulting

Loss of residential areas

Developers make zoning decisions (deregulates local zoning)

Won't create affordability

No "trickle-down" effect

Less housing → rising labor, land, materials costs

No "fee-out" for affordable housing

Developer entitlements → ↑property values without certainty of buildings built

Coalition for San Francisco Neighborhoods

Rose Hillson, LUTC Chair, General Assembly authorized

Strongly oppose Senator Scott Wiener's sledge-hammer SB-50:

Leads to increased evictions

Weak renter protections

Landowners sell to developers for increased densities → reduced sunlight, parks, vegetation, parking, open space

↑demolitions of single-family / low-rise multi-unit residential

↑heights up to 75-ft → irreparably destroy neighborhoods' human scale

Overburden → congested roads / public transportation systems

Represents subrogation city's/ citizens' rights to state

Abrogation of elected officials' duties to San Francisco's citizens/residents if they support

Need nuanced tack-hammer → respect current urban fabric of all neighborhoods

Jordan Park Improvement Association

Owen Hart, President