



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: Stephanie Cabrera (415) 554-7722

Thursday, February 16, 2023

10:00 AM

Regular Meeting

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

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

Present: 3 - Dean Preston, Catherine Stefani, and Connie Chan

The Government Audit and Oversight Committee met in regular session, in-person with remote access and public comment via telephone, on Thursday, February 16, 2023, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:03 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 1st and 3rd 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 Stefani, and Member Chan were noted present. A quorum was present.

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

221114 [Hearing - Citywide Nonprofit Performance Audit Report]

Sponsor: Stefani

Hearing to discuss the findings and recommendations made in the August 30, 2022, Citywide Nonprofit Performance Audit report, entitled "The City Should More Effectively Evaluate the Impact of Services Provided by Community Based Organizations;" and requesting the City Services Auditor and City Performance Division to report.

10/25/22; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/31/22; REFERRED TO DEPARTMENT. Referred to the Office of the Controller for informational purposes and requesting the department to report.

02/02/23; CONTINUED. Heard in Committee. Speakers: Debbi Lerman; Khilynn Fowler (San Francisco Community Health Center); Julian Johnson; Ilsa Lund (Larkin Street Youth Services); Vida Kung (Chinese Cultural Center); Andrew Tan (Safe & Sound); Natalie Tualemoso Ah Soon (Richmond Area Multi-Services); spoke on various concerns relating to the hearing matter.

Heard in Committee. Speakers: Natasha Mihal, Mark de la Rosa, Amanda Kelley, Wendy Lee, and Laura Marshall (Office of the Controller); Sherilyn Adams (Human Services Network); presented information and answered questions raised throughout the discussion. Michael Blecker (Swords to Plowshares); David Linnell (Meals on Wheels); Beverly Upton; Laura Lala-Chávez; spoke in support of the hearing matter. Debbi Lerman (Human Services Network); Wes Saver (GLIDE); Speaker; Marie Hurabiell; Doug Styles (Huckleberry Youth); Jessica; Alani; spoke on various concerns relating to the hearing matter.

Vice Chair Stefani moved that this Hearing be HEARD and FILED. The motion carried by the following vote:

Ayes: 3 - Preston, Stefani, Chan

LITIGATION

Chair Preston requested File nos. 230003, 230004, 230005, 230006, 230007, 230008, and 230040 be called 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.

Vice Chair Stefani noted not present at 12:17 p.m.

Persons in attendance: Anne Pearson (Office of the City Attorney); 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

Absent: 1 - Stefani

Vice Chair Stefani noted present at 12:18 p.m.

230003 [Settlement of Lawsuit - Ludmila Ulitskaya - \$65,000]

Ordinance authorizing settlement of the lawsuit filed by Ludmila Ulitskaya against the City and County of San Francisco for \$65,000; the lawsuit was filed on May 5, 2021, in San Francisco Superior Court, Case No. CGC-21-591299; entitled Ludmila Ulitskaya v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury on a City sidewalk. (City Attorney) 12/19/22; RECEIVED FROM DEPARTMENT.

01/10/23; 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, Stefani, Chan

230004 [Settlement of Lawsuit - Merrill Beth Ferguson - \$7,500,000]

Ordinance authorizing settlement of the lawsuit filed by Merrill Beth Ferguson against the City and County of San Francisco for \$7,500,000; the lawsuit was filed on November 12, 2020, in San Francisco Superior Court, Case No. CGC-20-587638; entitled Merrill Beth Ferguson v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury from a vehicle versus pedestrian collision. (City Attorney)

12/19/22; RECEIVED FROM DEPARTMENT.

01/10/23; 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, Stefani, Chan

230005 [Settlement of Lawsuit - Nicole Spencer - \$225,000]

Ordinance authorizing settlement of the lawsuit filed by Nicole Spencer against the City and County of San Francisco for \$225,000; the lawsuit was filed on January 18, 2021, in San Francisco Superior Court, Case No. CGC-21-589457; entitled Nicole Spencer v. City and County of San Francisco; the lawsuit involves an employment dispute. (City Attorney)

12/19/22; RECEIVED FROM DEPARTMENT.

01/10/23; 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, Stefani, Chan

230006 [Settlement of Lawsuit - Francisco Valle - \$1,950,000]

Ordinance authorizing settlement of the lawsuit filed by Francisco Valle against the City and County of San Francisco for \$1,950,000; the lawsuit was filed on August 30, 2021, in United States District Court-Northern District of California, Case No. 21-cv-5636 EMC; entitled Francisco Valle v. Paolo Morgado, et al.; the lawsuit involves alleged civil rights violations including Brady violations and fabrication of evidence in violation of the Fourteenth Amendment. (City Attorney)

12/19/22; RECEIVED FROM DEPARTMENT.

01/10/23; 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, Stefani, Chan

230007 [Settlement of Unlitigated Claim - AB Taylor Propco LLC - \$2,900,000]

Resolution approving the settlement of the unlitigated claim filed by AB Taylor Propco LLC against the City and County of San Francisco for \$2,900,000; the claim was filed on October 20, 2022; the claim involves allegations of property damage to the Tilden Hotel 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)

12/06/22; RECEIVED FROM DEPARTMENT.

01/10/23; 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, Stefani, Chan

230008 [Settlement of Unlitigated Claim - San Francisco Bay Regional Water Quality Control Board - \$236,500]

Resolution approving the settlement of an unlitigated claim by the San Francisco Bay Regional Water Quality Control Board against the City and County of San Francisco for \$236,500 for alleged violations of combined sewage discharge permit requirements and state laws from 2013 to 2021. (City Attorney)

12/19/22; RECEIVED FROM DEPARTMENT.

01/10/23; 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, Stefani, Chan

230040 [Settlement of Unlitigated Claims - WeWork Companies Inc. - \$13,346,256.40]

Resolution approving the settlement of the unlitigated claims filed by WeWork Companies Inc. against the City and County of San Francisco for \$13,346,256.40; the claims were filed on April 12, 2022, May 2, 2022, and November 22, 2022; the claims involve a refund of Early Care and Education Commercial Rents Tax. (City Attorney's Office)

01/11/23; RECEIVED FROM DEPARTMENT.

01/24/23; 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, Stefani, Chan

[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, Stefani, Chan

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 12:46 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.