

Amendment of the Whole  
In Committee, Bearing Same Title  
7/28/11

FILE NO. 110688

RESOLUTION NO.

1 [Board Response to the 2010-2011 Civil Grand Jury Report Entitled “The Parkmerced:  
2 Government by Developer”]

3 **Resolution responding to the Presiding Judge of the Superior Court on the findings**  
4 **and recommendations contained in the 2010-2011 Civil Grand Jury Report entitled “The**  
5 **Parkmerced Vision: Government by Developer” and urging the Mayor to cause the**  
6 **implementation of accepted findings and recommendations through his department**  
7 **heads and through the development of the annual budget.**

8  
9 WHEREAS, Under California Penal Code Section 933 et seq., the Board of  
10 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior  
11 Court on the findings and recommendations contained in Civil Grand Jury Reports; and

12 WHEREAS, In accordance with Penal Code Section 933.05(c), if a finding or  
13 recommendation of the Civil Grand Jury addresses budgetary or personnel matters of a  
14 county agency or a department headed by an elected officer, the agency or department head  
15 and the Board of Supervisors shall respond if requested by the Civil Grand Jury, but the  
16 response of the Board of Supervisors shall address only budgetary or personnel matters over  
17 which it has some decision making authority; and

18 WHEREAS, The 2010-2011 Civil Grand Jury Report entitled “The Parkmerced Vision:  
19 Government by Developer” is on file with the Clerk of the Board of Supervisors in File No.  
20 110687, which is hereby declared to be a part of this resolution as if set forth fully herein; and

21 WHEREAS, The Civil Grand Jury has requested that the Board of Supervisors respond  
22 to Finding Nos. 1, 2, 3, 4, and 5 as well as the Recommendation contained in the subject Civil  
23 Grand Jury report; and

24

25

1           WHEREAS, Finding No. 1 states: “By not explaining how it will override/resolve  
2 potentially conflicting provisions of state law, the Development Agreement does not protect  
3 tenants against rent increases as it claims;” and

4           WHEREAS, Finding No. 2 states: “Having no penalties or disincentives for the  
5 owner/developer in the Development Agreement should it choose to abandon the project  
6 before completion, encourages short term investment speculation over long term collaborative  
7 development with the City, and adds risk to the program;” and

8           WHEREAS, Finding No. 3 states: “The owner/developer fails to address the social and  
9 financial impact to the Parkmerced citizen/tenants, local businesses and citizen users of the  
10 19th Avenue traffic corridor if it elects to abandon re-development of Parkmerced and sell the  
11 property to another party;” and

12           WHEREAS, Finding No. 4 states: “The Development Agreement presumes demolition  
13 is necessary, and presents no alternative, or combination of alternatives, that might satisfy the  
14 programmatic goals of redevelopment without the demolition of 1,583 occupied units;” and

15           WHEREAS, Finding No. 5 states: “The Development Agreement's claim that it provides  
16 rent control protection on newly constructed units under the City's rent stabilization ordinance  
17 is uncertain. It may not be enforceable;” and

18           WHEREAS, the Recommendation states: "In addition to addressing the findings of this  
19 report, the Civil Grand Jury recommends the City and County of San Francisco remove  
20 Section 2.2.2 (h) of the Development Agreement, and enact legislation prior to signing the  
21 Development Agreement that adequately assures the statutory rights of existing tenants to  
22 remain at Parkmerced and enjoy undisturbed continued tenancy. A possible provision would  
23 include: “If a landlord demolishes residential property currently protected under the City's Rent  
24 Stabilization and Arbitration Ordinance, and builds new residential rental units on the same  
25 property within five (5) years, the newly constructed units are subject to the San Francisco

1 Rent Stabilization Ordinance. (See Los Angeles City Ordinance No. 178848, codified as Los  
2 Angeles Municipal Code section 151.28). The new legislation should be applicable to all  
3 development, including Special Use Districts. With such an ordinance, tenants and citizens of  
4 San Francisco can be reasonably assured that the City and County of San Francisco is  
5 making its best efforts to ensure rights are being upheld regardless of development  
6 arrangements in the future;” and

7 WHEREAS, in accordance with Penal Code Section 933.05(c), the Board of  
8 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior  
9 Court on Finding Nos. 1, 2, 3, 4 and 5, as well as the Recommendation contained in the  
10 subject Civil Grand Jury report; now, therefore, be it

11 RESOLVED, That the Board of Supervisors reports to the Presiding Judge of the  
12 Superior Court that it disagrees with Finding 1 of the 2010-2011 Civil Grand Jury Report  
13 Entitled "The Parkmerced Vision: Government by Developer" and incorporates and adopts as  
14 its own the response of the Office of Economic and Workforce Development; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors disagrees with Finding 2 and  
16 incorporates and adopts as its own the response of the Office of Economic and Workforce  
17 Development; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors disagrees with Finding 3 and  
19 incorporates and adopts as its own the response of the Office of Economic and Workforce  
20 Development; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors disagrees with Finding 4 and  
22 incorporates and adopts as its own the response of the Office of Economic and Workforce  
23 Development; and, be it

24  
25

1           FURTHER RESOLVED, That the Board of Supervisors disagrees with Finding 5 and  
2 incorporates and adopts as its own the response of the Office of Economic and Workforce  
3 Development; and, be it

4           FURTHER RESOLVED, That the Board of Supervisors incorporates and adopts as its  
5 own the response of the Office of Economic and Workforce Development to the  
6 Recommendation; and, be it

7           FURTHER RESOLVED, That the Board of Supervisors urges the Mayor to cause the  
8 implementation of accepted findings and the recommendation through his/her department  
9 heads and through the development of the annual budget.

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25