



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, Aaron Peskin, Matt Haney

Clerk: John Carroll (415) 554-4445

Thursday, July 2, 2020

10:00 AM

Regular Meeting

Present: 3 - Gordon Mar, Aaron Peskin, and Matt Haney

The Government Audit and Oversight Committee met in regular session through videoconferencing, and provided public comment through teleconferencing, on Thursday, July 2, 2020, with Chair Gordon Mar presiding. Chair Mar called the meeting to order at 10:01 a.m.

Remote Access to Information and Participation

In accordance with Governor Newsom's Executive Order No. N-33-20 declaring a State of Emergency regarding the COVID-19 outbreak and Mayor London N. Breed's Proclamation declaring a Local Emergency issued on February 25, 2020, including the guidance for gatherings issued by the San Francisco Department of Public Health Officer, aggressive directives were issued to reduce the spread of COVID-19. On March 17, 2020, the Board of Supervisors authorized their Board and Committee meetings to convene remotely (via Microsoft Teams) and will allow remote public comment via teleconference. Visit the SFGovTV website at (www.sfgovtv.org) to stream the live meetings, or to watch meetings on demand. Members of the public are encouraged to participate remotely via detailed instructions on participating via teleconference available at: <https://sfbos.org/remote-meeting-call>.

Members of the public may participate by phone or may submit their comments by email to: john.carroll@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. on the first and third Thursdays of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.

As the COVID-19 disease progresses, 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 Assistant Clerk John Carroll at (415) 554-4445.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Mar, Vice Chair Peskin, and Member Haney were noted present. A quorum was present.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

200585 [Declaring a Commitment to Hiring a Transformative Leader for the County's Veterans Service Office]

Sponsors: Haney; Ronen

Resolution urging the City Administrator to immediately nominate an Interim County Veterans Service Officer to safeguard the public health of the veterans in the City and County of San Francisco during the existence of a local emergency due to the ongoing spread of the novel coronavirus COVID-19.

06/02/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

06/10/20; REFERRED TO DEPARTMENT. Referred to the City Administrator for informational purposes.

Heard in Committee. Speakers: Supervisor Catherine Stefani (Board of Supervisors); Myles Tucker (Veterans Affairs Commission); Susie Smith (Human Services Agency); presented information and answered questions raised throughout the discussion.

Member Haney moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 3, Lines 15-20, by striking 'RESOLVED, That the City and County of San Francisco urges the City Administrator to immediately nominate an Interim County Veterans Service Officer to safeguard the public health of the veterans in the City and County of San Francisco during the existence of a local emergency due to the ongoing spread of the novel coronavirus COVID-19; and, be it FURTHER RESOLVED, That the City and County of San Francisco urges the City Administrator to conduct a national search to identify and recruit top talent to serve as a permanent County Veterans Service Officer; and, be it'; and making other conforming and clerical changes. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

Resolution declaring the commitment of the City and County of San Francisco to hiring a transformative leader for the County's Veterans Service Office, to safeguard the public health of the veterans in the City and County of San Francisco during the existence of a local emergency due to the ongoing spread of the novel coronavirus COVID-19.

Member Haney moved that this Resolution be RECOMMENDED AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

200577 [Administrative Code - Goods or Services Contracts for Incarcerated Persons]**Sponsors: Fewer; Walton, Mar, Haney and Peskin**

Ordinance amending the Administrative Code to prohibit the City from entering into an agreement to provide goods or services to incarcerated persons of a jail facility that allows the City to collect some or all of the revenue paid for those goods or services.

06/02/20; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 7/2/2020.

06/10/20; REFERRED TO DEPARTMENT. Referred to the Sheriff, the Police Department, the District Attorney, the Public Defender, the Office of Racial Equity, and the City Administrator for informational purposes.

Heard in Committee. Speakers: Supervisor Sandra Lee Fewer (Board of Supervisors); Anne Stuhldreher (Office of the Treasurer/Tax Collector); Manohar Raju, Public Defender (Public Defender's Office); Paul Miyamoto, Sheriff (Sheriff's Department); presented information and answered questions raised throughout the discussion. Paul Conley Briley; Valentina Seden (Young Community Developers); Javier Bremond (Community Housing Partnership); Roma Guy (Taxpayers for Public Safety) Speaker; spoke on various concerns relating to the hearing matter.

Supervisors Mar, Haney, and Peskin requested to be added as co-sponsors.

Chair Mar moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 3, Lines 7-16, by inserting '(g) The funds generated from incarcerated persons and their support networks was primarily used, via the Inmate Welfare Fund, for programs and services in the jails, including but not limited to Prisoner Legal Services, religious services, substance use programs, contracts with community-based organizations who provide parenting classes and violence prevention programs, and program staff to coordinate all jail programming. When this policy change was implemented in 2019, it was done so with the commitment that funding for programming for incarcerated people would not be reduced; rather it was the intent that the City and County provide financial support for these programs, and not rely on incarcerated people and their support networks to do so. It is the intent of the Board, through this legislation, to maintain that commitment to jail programs.'; on Page 4, Lines 9-15, by striking 'SECTION 21E.4. ANNUAL REPORTING. The Sheriff shall report annually to the Board of Supervisors on all Contracts for Goods or Services for Incarcerated Persons. The first report shall be due six months after the effective date of this Chapter 21E, and by December 31st of each calendar year thereafter. The report shall include the names of the contractor, the types of goods or services provided, the dollar amount for each contract, and a link to each contract referenced. The report shall also be posted on the Sheriff's Department's website.' The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

Chair Mar moved that this Ordinance be RECOMMENDED AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

200642 [Urging City Departments to Ensure Clients Brought into COVID-19 Response System be Placed into Shelter or Housing Post-Emergency - Urging Transparency in Hotel Referral and Grievance Policy]**Sponsors: Haney; Walton**

Resolution urging City Departments to ensure that all clients brought into the COVID-19 Response System be placed into shelter or housing post-emergency; requesting a comprehensive plan to prevent shelter in place hotel clients from being discharged to the streets; and urging transparency in hotel referral and grievance policy.

06/16/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

06/24/20; REFERRED TO DEPARTMENT. Referred to the Department of Emergency Management, the Department of Homelessness and Supportive Housing, the Healthy Streets Operations Center, the Human Services Agency, and the Department of Public Health for informational purposes.

Heard in Committee. Speakers: Emily Cohen (Department of Homelessness and Supportive Housing); presented information and answered questions raised throughout the discussion. Francisco da Costa; Linda Chapman; spoke on various concerns relating to the hearing matter.

Member Haney moved that this Resolution be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 2, Lines 17-21, by inserting 'WHEREAS, As part of the citywide post COVID-19 recovery efforts, a Housing and Shelter Workgroup comprised of representatives from the Board of Supervisors, Mayor's Office, HSH, HSA, and community stakeholders was formed in early June to outline a set of options and policy proposals for safely increasing housing and shelter capacity for post COVID-19 response and address; and'; and on Page 4, Lines 17-22, by inserting 'and, be it FURTHER RESOLVED, That the Board urges the Housing and Shelter Workgroup of the Citywide Recovery Workgroup to incorporate the goals outlined in this resolution including ensuring that nobody exits the COVID-19 response system to the street or unsheltered homelessness and ensure behavioral health treatment options are integrated in future system planning.' The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

Member Haney moved that this Resolution be RECOMMENDED AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

200222 [Urging Invalidation of 2019 Revenue Agreement - JC Decaux]**Sponsors: Peskin; Haney and Mar**

Resolution urging Public Works and the Office of the City Attorney to take immediate steps to cancel the City and County of San Francisco's Revenue Agreement with JC Decaux, including ceasing implementation of its lucrative Grant of Advertising Rights.

02/25/20; REFERRED FOR ADOPTION WITHOUT COMMITTEE REFERENCE AGENDA AT THE NEXT BOARD MEETING.

03/03/20; REFERRED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Jeremy Spitz, and Julia Dawson (Public Works); presented information and answered questions raised throughout the discussion. Bob Schmitt, Regional President (Clear Channel Outdoor Northerns California); spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Mar, Peskin, Haney

200279 [Hearing - Investigations Into Public Corruption]**Sponsors: Mar; Haney and Preston**

Hearing on the progress and findings of investigations into public corruption; and requesting the Controller and City Attorney to report.

03/10/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

03/18/20; REFERRED TO DEPARTMENT. Referred to the Office of the Controller and the City Attorney for informational purposes.

Heard in Committee. Speakers: Todd Rydstrom, Deputy Controller, and Mark de la Rosa (Office of the Controller); Andrew Shen, and Anne Pearson (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Francisco da Costa; Speaker; Speaker; Linda Chapman; Speaker; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Mar, Peskin, Haney

LITIGATION

Chair Mar requested that File Nos. 200538, 200539, 200540, 200560, 200541, and 200561 be heard 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.

Persons in attendance: Anne Pearson, Scott Reiber, and Aileen McGrath (Office of the City Attorney); Alisa Somera and John Carroll (Office of the Clerk of the Board).

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

Ayes: 3 - Mar, Peskin, Haney

200538 [Settlement of Lawsuit - Margaret Hardgrave - \$75,000]

Ordinance authorizing settlement of the lawsuit filed by Margaret Hardgrave against the City and County of San Francisco for \$75,000; the lawsuit was filed on November 14, 2018, in San Francisco Superior, Case No. CGC-18-571308; entitled Margaret Hardgrave v. Ramallah Club, Incorporated, et al.; the lawsuit involves alleged personal injury on a City sidewalk. (City Attorney)

05/12/20; RECEIVED FROM DEPARTMENT.

06/02/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Vice Chair Peskin moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

200539 [Settlement of Lawsuit - Square, Inc. - \$7,017,894.75]

Ordinance authorizing partial settlement of the lawsuit filed by Square, Inc. against the City and County of San Francisco for \$7,017,894.75; the lawsuit was filed on September 6, 2019, in San Francisco County Superior Court, Case No. CGC-19-579061; entitled Square, Inc. v. City and County of San Francisco et al.; the lawsuit involves a claim for a refund of gross receipts taxes paid to the City and County of San Francisco; other material terms of the settlement are: (1) the partial resolution of all claims for refund of gross receipts taxes, payroll expense taxes, and business registration fees filed by Square, Inc. and its related entities for tax years 2016 through 2018 and registration years ending June 30, 2016, through June 30, 2020; and (2) the agreement that Square, Inc. and its related entities shall take certain filing positions with respect to its gross receipts taxes, homelessness gross receipts taxes, payroll expense taxes, and business registration fees for tax years 2019 and subsequent years and registration years ending June 30, 2021, and subsequent years. (City Attorney)

05/14/20; RECEIVED FROM DEPARTMENT.

06/02/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Vice Chair Peskin moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

200540 [Settlement of Lawsuit - Plaintiffs Nicolas Adelman, et al. - \$2,100,000]

Ordinance authorizing settlement of three consolidated lawsuits filed by the plaintiffs Nicolas Adelman a.k.a. Nicholas Addleman; Patrick Alba-Crocker; Michael Alexis; Jesse Ali; Akai Allen Sr.; Dontae Allen; Jaun-Carlos Alvarez; Andre Alvert; Lawrence Anderson; David Archer; Jamar Babers; Christopher Bailey; Ryan Baker; Tyrell Baldwin; De'lon Barker a.k.a. Delon Barker; Joseph Barnett; Khalid Barrow; Jason Edward Bell; Harry Benton; Deshawn Blake; Edward Blanche III; Tommy Boggs; Michael Boyle; Elijah Brandon; Michael Brown, individually and on behalf of the class; Richard Terron Brown; Ty-Rell Brown a.k.a. Tyrell Brown; Matthew Brugman, individually and on behalf of the class; Silas Omari Bryant; Darrell Buckins; Don Jaun Burrell; Cory Butler; Armando Carlos; Vernon Carmichael; Roman Carrasco; Anthony Carrion; Jose Fernandez Catala; Michael Cavness; Jesse Chamberland a.k.a. Jesse James Chamberlin; Teryll Chaplin; Ben Chase; Deshun Jamal Cobia-Augman a.k.a. Deshawn Cobia-Augman; Darius Cole; Leonard Colvin; Louis Conceicao; Justin Cooper a.k.a. Justin Cooper or Justin L Cooper; Crazy Bull a.k.a. Teo CrazyBull; Danty Curry a.k.a. Dante Curry; Temu Curry; Andre Dangerfield; Mark Dascenzo; James Davenport; Mark Dennis; Antoine DeWhitt; Ralph Dominguez a.k.a. Roger Dominguez, individually and on behalf of the class; LaCarl Dow; Jihad Earl; Peter Elisary; Justin Eliot a.k.a. Justin Elliot; Reginald Elmore; Alejandro Estevez; Lee Farley; Ray Farr; Esau Ferdinand; Walter Ferretti; Travis Fields; Arthur D. Finch; James Flanagan; William Flubacher; Paul Frazier; Mathew Fredrickson; Dana Gains a.k.a. Dana Gaines; Delonzo Gallon; Edilberto Garcia a.k.a. Ediberto Garcia; Rene Garcia; Lance Gardner; Robert Gibson; Antonio Gilton; Barry Gilton; Clayton Gonzalez; Adrian Gordon; Korey Gray; Fred Green; Bryon Gross; Donell Guidry; Tyshaun Guillory; Michael Haga; Craig Hall; Henry Hall; Christopher Hardee; Monzell Harding; La Vondre Harper; Marshall Harris; Shelly Hart; Charles Heard; Nigel Henry, individually and on behalf of the class; Victor Hernandez; Phillip Hill Jr. a.k.a. Phillip Hill; Raman Hill a.k.a. Raymon Hill; Rashaad Hill; Adrian Holden; Douglass Hughes; Derrick Hunter; James R Isham a.k.a. James Isham; Kevin Jackson; Marcel Jackson; Judd Janice; Russell Jefferson; Fabian Johnson; Joseph Johnson; Damion Jones a.k.a. Damien Jones; Jarel Jones; Lavon Jones; Travis Jones; Samuel Jordan; Melvin Junior; Adrian K. Williams a.k.a. Adrian Williams; Thomas Kaina Jr. a.k.a. Thomas Kaina; Paul Kegl; Pierre Kittress-Leaks a.k.a. Pierre Kittrell-Leaks; Christopher Kjelson; Billy Ladd; Ronald Latney III a.k.a. Ronald Latney; Antoine Lax; Kem LeBlanc; Milton LeClaire, individually and on behalf of the class; Devante Lindsey; Fernando Madrigal; Alexis Mencia a.k.a. Alexis Mancia; Rudy Martinez; Homer Matthews a.k.a. Homer Mathews; Samaje McClure; Winston McDonald; Thomas McKay; Richard McNeil; Anthony Medina; Hiubert Mendoza; Richard Merrill; Joseph Meyers a.k.a. Joseph Meyer; Lamonte Mims; Frank Mozeke; John Norman; Dejah Northcut; Michael O'Brian; Michael Onate; Sedred D. Parmer; Maurice Perry; Shawn Pettway; Joshua Pittman; Jose Poot, individually and on behalf of the class; Shaka Pope; Rashad Preston; Junior Pulou a.k.a. Pulou Junior Pulou; Ricky Quarels; Deandre Quinnine; Matthew Rabbitt; Joseph Ramirez; Marcus Ransburg; Gerald Reader; Sedric Reynolds; Derell Richards; Troy Richardson; Derrium Riggins; Carey Paul Robertson; Damon Robinson; Sean Robinson; David Henry Rodriguez; Neville Roebuck; Travis Rosette; Joseph Rowe; Alfredo Ruiz, individually and on behalf of the class; Jacques Samuel a.k.a. Samuel Jacques; Miguel Sanchez; Jonathan Santos; Kenneth Scarborough; Larry Raymond Scarbrough; Vincent Scott; Leonard Seeley; Marvin Sexten; Dewayne Shelton; Jullian Shoats; Kareem Simms; Anthony Sims; Michael Smith; Roland Smith; Ruben Soto, individually and on behalf of the class; Saer Sow; Marvin Spencer; Robert Steinmiller; Bryan Stevens; Eugene Stevens; Antonio Stewart; Walter Stokes III a.k.a. Walter Stokes; Darnell Sullivan; Dion Taylor a.k.a. Dionn Taylor, individually and on behalf of the class; Dontae Taylor; Bernard Thomas Jr. a.k.a. Bernard Thomas; Craig Thomas; Isaiah Thompson-Bolden; Keil Thurmon; Nicholas Tiller; Geoffrey Tobias; Terrance Turner; Greg Valentine; Jesse Ray Vaughn; Robert Vella; Louise Villareal; Cameron Vincent; Charles Walker; Frank Wallace; MC Ward; Antoine Washington; Terrence Watkins; Henry White; Eddie Whitfield; Alfonzo Williams; Morzell Willis; Lewis Wingfield; Derick Woods a.k.a. Dereik D Woods a.k.a. Derrick Woods; Candido Zayas, individually and on behalf of the class; Dylan Zirpoli; against the City and County of San Francisco for \$2,100,000; the lawsuits were filed on August 10, 2018, August 12, 2018, and October 6, 2018, in the United States District Court for the Northern District of California, Case Nos. 18-cv-04890 JCS, 18-cv-06155 JCS and 18-cv-4857 JCS; entitled Johnson, et al. v. City and County of San Francisco, et al., Zayas, et al. v. City and County of San Francisco, et al., and Taylor v. City and County of San Francisco, et al.; the lawsuits involve claims that between January 1, 2017, and September 30, 2018, frequent toilet overflows in County Jail 4 created unconstitutional conditions of confinement for the inmates; other material terms

of the settlement are that the court approve the settlement. (City Attorney)
05/19/20; RECEIVED FROM DEPARTMENT.

06/02/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Vice Chair Peskin moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

200560 [Settlement of Lawsuit - Sandra Hernandez, Clarisse Hernandez, Diego Hernandez, and David Hernandez - \$214,000]

Ordinance authorizing settlement of the lawsuit filed by Sandra Hernandez, Clarisse Hernandez, Diego Hernandez, and David Hernandez against the City and County of San Francisco for \$214,000; the lawsuit was filed on June 7, 2017, in San Francisco Superior Court, Case No. CGC-17-559385; entitled Sandra Hernandez, et al. v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury from collision with City vehicle. (City Attorney)

06/01/20; RECEIVED FROM DEPARTMENT.

06/09/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Vice Chair Peskin moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Mar, Peskin, Haney

200541 [Settlement of Unlitigated Claim - Bundox Restaurant Corporation - \$0]

Resolution approving the settlement of the unlitigated claim filed by Bundox Restaurant Corporation against the City and County of San Francisco for no refund, the discharge of unpaid unsecured property taxes of \$573,848.77, plus statutory interest, and the release of all future unsecured property tax assessments against the Claimant for tax years 2000 through 2016; the claim was filed on September 25, 2019; the claim involves a refund of unsecured property taxes for tax years 2000 through 2016. (City Attorney)

05/15/20; RECEIVED FROM DEPARTMENT.

06/02/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

200561 [Settlement of Unlitigated Claim - State Farm Insurance as Subrogee for Richard I. Klein - \$34,495.14]

Resolution approving the settlement of the unlitigated claim filed by State Farm Insurance as subrogee for Richard I. Klein against the City and County of San Francisco for \$34,495.14; the claim was filed on December 10, 2019; the claim involves a cast iron water main break that caused significant flooding to the property. (City Attorney)

05/26/20; RECEIVED FROM DEPARTMENT.

06/09/20; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Mar, Peskin, Haney

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

Ayes: 3 - Mar, Peskin, Haney

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 3:27 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.