Committee	Item No.	<u> 3</u>	
<b>Board Item</b>	No.		

## COMMITTEE/BOARD OF SUPERVISORS

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Committee:	<b>Government Audit and Oversight</b>	Date: <u>July 28, 2011</u>
Board of Su	pervisors Meeting	Date:
Cmte Boa	rd	
	Motion Resolution - Draft Ordinance Legislative Digest Budget Analyst Report Legislative Analyst Report Introduction Form (for hearings) Department/Agency Cover Letter a MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement (Approved as Award Letter	
	Application Public Correspondence	
OTHER	(Use back side if additional space	
• •	- J	ate July 22, 2011
Completed	DY:	11C

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FURTHER RESOLVED, That the Board of Supervisors reports that it {agrees/disagrees} with the Recommendation, for reasons as follows\_\_\_\_\_; and, be it

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