



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, Connie Chan

Clerk: Monique Crayton
(415) 554-7750 ~ monique.crayton@sfgov.org

Thursday, December 5, 2024

10:00 AM

Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Dean Preston, Connie Chan, and Myrna Melgar

The Government Audit and Oversight Committee met in regular session on Thursday, December 5, 2024, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:04 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Preston and Member Chan were noted present. A quorum was present.

COMMUNICATIONS

Monique Crayton, Government Audit and Oversight Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (monique.crayton@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

231280 [Non-Renewal of a Mills Act Historical Property Contract - 2209 Webster Street]

Sponsors: Peskin; Preston

Resolution regarding non-renewal of a Mills Act historical property contract with Michael Foley and Chiao Mei Lin, as Trustees of The Foley Lin Family Trust dated June 20, 2023, the owners of 2209 Webster Street, Assessor's Parcel Block No. 0612, Lot No. 007, under Chapter 71 of the San Francisco Administrative Code; notifying the Assessor-Recorder's Office of such non-renewal; and authorizing the Planning Director to send notice of the non-renewal of the historical property contract to the owner and record a notice of non-renewal.

12/12/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

12/19/23; REFERRED TO DEPARTMENT. Referred to the Planning Department and the Office of the Assessor-Recorder for informational purposes and requesting the Planning Department provide a CEQA determination.

03/15/24; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

Heard in Committee. Speaker(s): Supervisor Aaron Peskin (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

Supervisor Preston requested to be added as a co-sponsor.

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

Ayes: 2 - Preston, Chan

240067 [Hearing - Assessment of Invoices for San Francisco SAFE (SF SAFE)]**Sponsors: Peskin; Chan**

Hearing on the Controller's report on the assessment of invoices reviewed under a grant agreement between the San Francisco Police Department and San Francisco SAFE (SF SAFE); and requesting the Controller's Office, San Francisco Police Department, Mayor's Office of Economic Workforce Development, and SF SAFE Board of Directors to report.

01/23/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

02/02/24; REFERRED TO DEPARTMENT. Referred to the Controller's Office, San Francisco Police Department, Mayor's Office of Economic Workforce Development, and SF SAFE Board of Directors for informational purposes.

02/15/24; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker(s): Supervisor Aaron Peskin (Board of Supervisors); Mark de la Rosa and Selena Wong (Controllers Office); Diana Oliva Aroche, Patrick Leung, and Catherine McGuire (Police Department); Sarah Dennis-Phillips, Executive Director (Office of Economic and Workforce Development); presented information and answered questions raised throughout the discussion. Joanna Hernandez (Latino Taskforce); Gloria Barry (African American Reparations Advisory Committee); shared various concerns regarding the hearing matter.

10/11/24; CONTINUED. Heard in Committee. Speaker(s): Supervisor Aaron Peskin (Board of Supervisors); Mark de la Rosa (Office of the Controller); David Lazar, Assistant Chief, Diana Aroche, Catherine McGuire, Kimmie Wu (Police Department); Sarah Dennis-Phillips, Director, Jenny Collins (Office of Economic and Workforce Development); provided an overview and responded to questions raised throughout the discussion. Daniel Jeremiah Hoffman; Speaker; Dennis Williams; spoke on various concerns relating to the hearing matter.

11/07/24; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker(s): None.

Heard in Committee. Speaker(s): Supervisors Aaron Peskin and Myrna Melgar (Board of Supervisors); Deputy Chief Bill Walsh, Catherine McGuire (Police Department); provided an overview and responded to questions raised throughout the discussion. Ken; spoke on various concerns relating to the hearing matter.

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

Ayes: 2 - Preston, Chan

210706 [Follow-Up Board Response - Civil Grand Jury Report - Strategic Alignment: Breaking Through to a Living Wage]

Hearing on the 2020-2021 Civil Grand Jury Report, entitled "Strategic Alignment: Breaking Through to a Living Wage." (Government Audit and Oversight Committee)

06/30/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

08/27/21; RESPONSE RECEIVED. The Office of Economic and Workforce Development submitted responses to the Civil Grand Jury Report.

08/30/21; RESPONSE RECEIVED. The San Francisco Community College District submitted responses to the Civil Grand Jury Report.

09/30/21; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Dr. Mohle-Boetani (2020-2021 Civil Grand Jury); Josh Arce (Office of Economic and Workforce Development); John Halpin and Kristin Charles (City College of San Francisco); presented information and answered questions raised throughout the discussion. Michael Hofman (2021-2022 Civil Grand Jury); spoke on various concerns relating to the hearing matter.

Heard in Committee. Speaker(s): Ken; spoke on various concerns relating to the hearing matter.

Chair Preston moved that this Hearing be PREPARED IN COMMITTEE AS A MOTION, updating the Board's response to Recommendation No. R1. The motion carried by the following vote:

Ayes: 2 - Preston, Chan

Motion responding to the Civil Grand Jury's request to provide a status update to Recommendation No. R1 contained in the 2020-2021 Civil Grand Jury Report, entitled "Strategic Alignment: Breaking Through to a Living Wage." (Government Audit and Oversight Committee)

Chair Preston moved that this Motion be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Preston, Chan

President Aaron Peskin appointed Supervisor Melgar to the Government Audit and Oversight Committee for the regular meeting of December 5, 2024, for File No. 241027.

241027 [Budget and Legislative Analyst Performance Audit - San Francisco Zoo - FYs 2024-2025 and 2025-2026]

Sponsors: Melgar; Safai and Chan

Motion directing the Budget and Legislative Analyst to conduct a comprehensive performance and management audit of the San Francisco Zoo for Fiscal Years (FYs) 2024-2025 and 2025-2026.

10/15/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/22/24; REFERRED TO DEPARTMENT. Referred to the Office of the Budget and Legislative Analyst for informational purposes.

Heard in Committee. Speaker(s): Tanya Petersen (SF Zoo); Paula, provided an overview and responded to questions raised throughout the discussion. Melinda Dunn; Rosemary Boccio Jochim; Paula; Chris Connors; Speaker; Corey Hallman, Speaker; Jane Tobin; Timothy Matthews; Michael Angelo Torres; Speaker; Speaker; spoke on various concerns relating to the hearing matter.

Supervisor Chan requested to be added as a co-sponsor.

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

Ayes: 3 - Preston, Chan, Melgar

LITIGATION

Chair Preston requested File Nos. 241013, 241104, 241115, and 241116 be called together.

Heard in Committee. Speaker(s): 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: Brad Russi (Office of the City Attorney); Monique Crayton (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

241013 [Settlement of Unlitigated Claims - Chevron U.S.A. Holdings Inc. and Chevron U.S.A. Inc. - Kern County Property]

Resolution approving the settlement of the unlitigated claims between the City and County of San Francisco, and Chevron U.S.A. Holdings Inc. and Chevron U.S.A. Inc., including the conveyance of real property owned by the City in Kern County, California; the claims involve the condition of and liability for the property; affirming the Planning Department's determination under the California Environmental Quality Act; finding that the disposition of property is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing the Director of Property or their designee to make certain modifications to the settlement and conveyance documents, and take certain actions in furtherance of this Resolution. (City Attorney)

10/07/24; RECEIVED FROM DEPARTMENT.

10/15/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

11/21/24; CONTINUED.

Chair Preston moved that this Resolution be REFERRED WITHOUT RECOMMENDATION AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Preston, Chan

241104 [Settlement of Lawsuit - Gabriel Perez, By His Guardian Ad Litem Victoria Guzman, and Isaiah Perez - \$1,500,000]

Ordinance authorizing settlement of the lawsuit filed by Gabriel Perez, By His Guardian Ad Litem Victoria Guzman, and Isaiah Perez against the City and County of San Francisco for \$1,500,000; the lawsuit was filed on March 16, 2023, in San Francisco Superior Court, Case No. CGC-23-605191; entitled Gabriel Perez, et al. v. City and County of San Francisco, et al.; the lawsuit involves alleged wrongful death from a vehicle collision. (City Attorney)

11/07/24; RECEIVED FROM DEPARTMENT.

11/19/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Chan

241115 [Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of \$220,345,336 and Refund of \$1,716,129, Plus Statutory Interest - Repealing Ordinance No. 262-24]

Sponsor: Mayor

Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts Inc. et al. against the City and County of San Francisco concerning the real property located at 375 Battery Street, San Francisco, CA (Assessor's Parcel Block No. 0229, Lot No. 020) (the "Subject Property") for a stipulated assessed value of the Subject Property of \$220,345,336 as of September 18, 2019, contingent upon the Assessment Appeals Board's approval, and a refund of \$1,716,129 plus statutory interest; the first lawsuit was filed on August 18, 2023, in San Francisco Superior Court, Case No. CGC-23-608468; entitled Park Hotels & Resorts Inc., et al. v. City and County of San Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior Court, Case No. CGC-23-607304; entitled Park Hotels & Resorts Inc. v. City and County of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property for property tax purposes as of the September 18, 2019, change in ownership date and a transfer tax refund; and repealing Ordinance No. 262-24, which authorized a prior settlement of these lawsuits. (City Attorney)

11/19/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Chan

241116 [Settlement of Lawsuits - Park Hotels & Resorts Inc. - Stipulated Assessed Value of \$139,800,000 and Refund of \$983,430 Plus Statutory Interest - Repealing Ordinance No. 260-24]

Sponsor: Mayor

Ordinance authorizing settlement of two related lawsuits filed by Park Hotels & Resorts Inc. et al. against the City and County of San Francisco concerning the real property located at 555 North Point (Assessor's Parcel Block No. 0029, Lot No. 007) (the "Subject Property") for a stipulated assessed value of the Subject Property of \$139,800,000 as of September 17, 2019, contingent upon the Assessment Appeals Board's approval, and a refund of \$983,430 plus statutory interest; the first lawsuit was filed on August 7, 2023, in San Francisco Superior Court, Case No. CGC-23-608156; entitled Park Hotels & Resorts Inc., et al. v. City and County of San Francisco; the second lawsuit was filed on June 27, 2023, in San Francisco Superior Court, Case No. CGC-23-607311; entitled Park Hotels & Resorts Inc. v. City and County of San Francisco, et al.; the lawsuits involve the assessed value of the Subject Property for property tax purposes as of the September 17, 2019 change in ownership date and a transfer tax refund; and repealing Ordinance No. 260-24, which authorized a prior settlement of these lawsuits.

11/19/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, 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: 2 - Preston, Chan

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 12:22 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.