



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: Aaron Peskin, Norman Yee, London Breed

Clerk: Erica Major (415) 554-4441

Thursday, May 19, 2016

9:30 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

President London Breed appointed Supervisor David Campos, in place of herself, to the Government Audit and Oversight Committee meeting of May 19, 2016.

Present: 3 - Aaron Peskin, Norman Yee, and David Campos

Excused: 1 - London Breed

The Government Audit and Oversight Committee met in regular session on Thursday, May 19, 2016, with Chair Aaron Peskin presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Peskin called the meeting to order at 9:32 a.m. On the call of the roll Chair Peskin, Vice Chair Yee, and Member Campos were noted present. There was a quorum.

Supervisor Breed Excused from Attendance

Vice Chair Yee moved that Supervisor Breed be excused from attending the Government Audit and Oversight Committee of May 19, 2016. The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

150682 [Administrative Code - Telematic Vehicle Tracking Systems for City Vehicles]

Sponsor: Yee

Ordinance amending the Administrative Code to require the installation and use of telematic vehicle tracking systems in all motor vehicles owned or leased by the City, other than vehicles used for law enforcement, and submission of an annual report by the City Administrator on vehicle use based on data derived from those systems; and affirming the Planning Department's determination under the California Environmental Quality Act.

(Fiscal Impact)

06/23/15; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 7/23/2015.

06/29/15; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review; and City Administrator, San Francisco Airport, Office of the Assessor-Recorder, Department of Building Inspection, Office of Community Investment and Infrastructure, City Controller, District Attorney, Office of Economic and Workforce Development, Department of Elections, Department of Emergency Management, Department of the Environment, Fire Department, Housing Authority, Office of Housing and Community Development, Department of Human Resources, Human Services Agency, San Francisco Library, Municipal Transportation Agency, Planning Department, Police Department, San Francisco Port, Public Defender, Department of Public Health, Public Utilities Commission, Public Works, Recreation and Park Department, San Francisco Unified School District, Sheriff's Department, and Office of the Treasurer & Tax Collector for informational purposes.

06/30/15; RESPONSE RECEIVED. Not defined as a project under CEQA Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

07/14/15; RESPONSE RECEIVED. The Sheriff's Department submitted a response with concerns.

08/31/15; RESPONSE RECEIVED. The Police Department provided their comments and concerns regarding the proposed legislation.

11/19/15; RESPONSE RECEIVED. Juvenile Probation Department supports the ordinance in its intent and requests that law enforcement vehicles and those used by peace officers be exempted.

01/25/16; TRANSFERRED to Government Audit and Oversight Committee. President Breed transferred File No. 150682 from Rules Committee to GAO; 1/25/16

05/03/16; SUBSTITUTED AND ASSIGNED to Government Audit and Oversight Committee.

05/10/16; REFERRED TO DEPARTMENT. Referred to the City Administrator, San Francisco Airport, Office of the Assessor-Recorder, Department of Building Inspection, Office of the Community Investment and Infrastructure, Office of the Controller, District Attorney, Office of the Economic and Workforce Development, Department of Elections, Department of Emergency Management, Department of the Environment, Fire Department, Housing Authority, Mayor's Office of Housing and Community Development, Department of Human Resources, Human Services Agency, San Francisco Library, Municipal Transportation Agency, Planning Department, Police Department, San Francisco Port, Public Defender, Department of Public Health, Public Utilities Commission, Public Works, Recreation and Parks Department, San Francisco Unified School District, Sheriff's Department, and Office of the Treasurer and Tax Collector for informational purposes; Planning Department for environmental review.

Heard in Committee. Speakers: Cathy DeLuca (Walk SF); Janice Li (San Francisco Bike Coalition); Alice Rodgers; spoke in support of the hearing matter.

Member Campos moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

160361 [Administrative Code - Appraisals for the Jurisdictional Transfers and the Acquisition, Conveyance, and Lease of Real Property]**Sponsors: Peskin; Campos**

Ordinance amending the Administrative Code to require appraisals and appraisal reviews for certain City acquisitions, conveyances, and leases of real property; requiring that appraisals conform to the Uniform Standards of Professional Appraisal Practice and be prepared by qualified appraisers; and increasing the rent limits for the Director of Property's existing authority to enter into leases for the City.

04/12/16; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 5/12/2016.

04/18/16; REFERRED TO DEPARTMENT. Referred to the Real Estate Division, Office of the Controller, Public Works, Department of Building Inspection Planning Department, Public Utilities Commission, Recreation and Parks Commission, Port Commission, Airport Commission, and Municipal Transportation Agency for informational purposes.

04/26/16; SUBSTITUTED AND ASSIGNED to Government Audit and Oversight Committee.

05/02/16; REFERRED TO DEPARTMENT. Referred to the Real Estate Division, Office of the Controller, Public Works, Department of Building Inspection Planning Department, Public Utilities Commission, Recreation and Parks Commission, Port Commission, Airport Commission, and Municipal Transportation Agency for informational purposes.

Heard in Committee. Speakers: John Updike, Director (Real Estate Division); Brad Benson (Port Department); presented information and answered questions raised throughout the discussion.

Chair Peskin moved that this Ordinance be AMENDED, AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Line 1, by adding 'Jurisdictional Transfers and' after 'Appraisals for'; on Page 1, Line 4, by adding 'jurisdictional transfers,' after 'certain City'; on Page 1, Line 17, by adding 'Article II, Sections 23.14 and 23.20,' after 'Sections 23.2-23.3'; on Page 5, Lines 7-13, by adding clarifying verbiage to threshold amounts for certain jurisdictional transfers acquisitions, conveyances, and leases of real property by or for the City, but would not apply to acquiring real property that is donated; on Page 5, Lines 16-17, by adding 'no less than 100% of the appraised value,' before 'paid for'; on Page 5, Lines 18-20, by inserting 'except where the Board of Supervisors determines by resolution that a lesser sum will further a proper public purpose, and' before 'provided that'; on Page 7, Line 22, by adding 'a' before 'such Competitive'; on Page 7, Line 24, by adding 'or (b) a lesser sum will further a proper public purpose'; on Page 8, Line 2, by striking 'the Airport Commission'; on Page 8, Line 8, by adding '(1)'; and on Page 8, Lines 10-13, by adding '(2) the Board of Supervisors has found by resolution that a lesser sum will further a proper public purpose, or (3) the Executive Director of the Port determines that applying the Market Rate requirement would conflict with the Port Commission's annually adopted parameter rental rate for the proposed Lease'. The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

Ordinance amending the Administrative Code to require appraisals and appraisal reviews for certain City jurisdictional transfers, acquisitions, conveyances, and leases of real property; requiring that appraisals conform to the Uniform Standards of Professional Appraisal Practice and be prepared by qualified appraisers; and increasing the rent limits for the Director of Property's existing authority to enter into leases for the City.

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

160430 [Central Market Community Benefit District - Annual Reports to the City - Calendar Year 2014]**Sponsor: Kim**

Resolution receiving and approving annual reports for the Central Market Community Benefit District for calendar year 2014, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, et seq.), Section 36650, and the District's management agreement with the City, Section 3.4.

04/26/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

05/03/16; REFERRED TO DEPARTMENT. Referred to the Office of the Controller and the Office of Economic and Workforce Development for informational purposes.

Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Tracy Everwine, Executive Director (Central Market Community Benefit District); Barbara Lopez (Office of Supervisor Jane Kim); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

160490 [Hearing - Implementation of Legacy Business Registry and Historic Preservation Grant]**Sponsors: Campos; Peskin**

Hearing on the implementation of the Legacy Business Registry and Historic Preservation Grant; and requesting the Mayor's Legislative Liaison Nicole Elliott, Acting Budget Director Melissa Whitehouse, Office of Economic and Workforce Development Director Todd Rufo, and Office of Small Business Executive Director Regina Dick-Endrizzi to report.

05/03/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

05/11/16; REFERRED TO DEPARTMENT. Referred to the Mayor's Office, Mayor's Office of Public Policy and Finance, Office of Economic and Workforce Development, and the Small Business Commission for informational purposes and requesting the various departments to report.

Heard in Committee. Speakers: Melissa Whitehouse, Acting Budget Director (Mayor's Office); Todd Rufo, Director (Office of Economic and Workforce Development); presented information and answered questions raised throughout the discussion. Nicki Cooper; Male Speaker; Marilyn Sainer; Tony Huerta (The Lone Star); Scott Wright; Dan Macchiarini (Macchiarini Creative Design); Yeta Zabi (Café Trieste); Mundt Craig, President (North Business Beach Association); Brenda Storey (Mission Area Health Association); Darlene Weide, Executive Director (Community Boards); Billy Lemon (Castro Country Club); Male Speaker (Gilman's Kitchen and Baths); Chris Martin (Lower Polk Community Benefit District); Albert Jao; Mike Buehler; Justine (SF Party); Kelly (ATA); Ani Rivera (Galeria De La Raza); George Rush (Roxy Theatre); Carey Suckow (Doc's Clock); Nancy Gharib (Twin Peaks Auto Care); Ferah Kalipji; Kelly Ernhill; Susan Cervantez (Precita Eyes); Terry and Roseann Grimm (Anchor Oyster Bar); Gabrielle Medina (Mission Economic Development Agency); Bettina Cohen; Samantha Higgins (Golden Gate Restaurant Association); Commissioner Diane Matsuda (Historical Preservation Commission); spoke on various concerns relating to the hearing matter.

Member Campos moved that this matter be CONTINUED to the June 2, 2016, Government Audit and Oversight Committee meeting. The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

160442 [Hearing - Below-Market-Rate Housing Policies and Procedures]**Sponsors: Kim; Breed**

Hearing on the Below-Market-Rate Housing policies and procedures utilized throughout the City and County of San Francisco; and requesting the Mayor's Office of Housing and Community Development to report.

04/26/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

05/03/16; REFERRED TO DEPARTMENT. Referred to the Mayor's Office of Housing and Community Development for informational purposes and requesting the department to report.

05/05/16; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: None.

Heard in Committee. Speakers: Supervisor Jane Kim (Board of Supervisors); Maria Benjamin (Mayor's Office of Housing and Community Development); presented information and answered questions raised throughout the discussion. Karen Fleshman; Caroline Calderon, Theresa Imperial, and Gloria Calonsag (Bill Soro Housing Program); Bianca Polovina (Human Rights Commission); Laura Daza (Bill Soro Housing Program); Chirag Bhakta (Dolores Street Community Services); Laura; Socorro Campos (South of Market Community Action Network); Laura Melgarejo (Poder); Ana DeCorolis (Mujeres Unidas y Activas); Amy Aguilera and Flor Ramos (Poder); Gabrielle Medina (South of Market Community Action Network); Charlie Sciammas (Poder); Marilyn Duran (Poder); Angelica Cabande (South of Market Community Action Network); Raymond Castillo; Fis Jerraza; spoke on various concerns relating to the hearing matter.

Member Campos moved that this matter be CONTINUED to the June 2, 2016, Government Audit and Oversight Committee meeting. The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

LITIGATION

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 lawsuits and claims in which proposed settlements are being considered by the Committee. 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.

Persons in attendance: Jon Givner, Deputy City Attorney (Office of the City Attorney), and Erica Major (Office of the Clerk of the Board).

After a closed session, if one occurs, the Committee shall adopt a motion either to disclose or not to disclose.

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

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

160277 [Settlement of Unlitigated Claim - Henry L. Thompson - \$225,000]

Resolution approving the settlement of the unlitigated claim filed by Henry L. Thompson against the City and County of San Francisco for \$225,000; the claim was filed on May 1, 2015; the claim involves an employment dispute. (City Attorney)

03/21/16; RECEIVED FROM DEPARTMENT.

04/05/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

04/21/16; CONTINUED TO CALL OF THE CHAIR.

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

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

160379 [Settlement of Unlitigated Claim - RBS Securities, Inc. - \$67,807.47]

Resolution approving the settlement of the unlitigated claim filed by RBS Securities, Inc., against the City and County of San Francisco for \$67,807.47; the claim involves a payroll expense tax refund; claim was filed on May 29, 2015. (City Attorney)

04/12/16; RECEIVED FROM DEPARTMENT.

04/26/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

160511 [Settlement of Claims and Litigation - Landslide Damage - Casitas Avenue and Miraloma Drive - Not to Exceed \$5,000,000]

Sponsor: Yee

Ordinance authorizing the Public Utilities Commission and the City Attorney's Office to approve settlements of claims or litigation arising out of the January 25, 2016, landslide between Casitas Avenue and Miraloma Drive, for amounts exceeding \$25,000 per claim, notwithstanding Administrative Code, Sections 10.22, 10.22-1, and 10.22-2, for amounts up to \$1,000,000 and not to exceed \$5,000,000 in total, if the Controller certifies availability of funds, and subject to periodic reporting to the Board of Supervisors Government Audit and Oversight Committee.

05/10/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

Deputy City Attorney Jon Givner 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.

[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.

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

Ayes: 3 - Peskin, Yee, Campos

Excused: 1 - Breed

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 1:06 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.