

MEETING MINUTES

Our City, Our Home Oversight Committee Meeting

June 25, 2021

9:05 AM – 9:45 AM

This meeting was held by Webex pursuant to the Governor's Executive Orders and Mayoral Emergency Proclamations suspending and modifying requirements for in-person meetings. During the Coronavirus Disease (COVID-19) emergency, the Our City, Our Home Oversight Committee (OCOH) will convene remotely until the Committee is legally authorized to meet in person.

Note: The Our City, Our Home Oversight Committee meetings are live streamed at SFGovTV.org. The agenda, video recording, audio recording, and caption notes are posted at https://sanfrancisco.granicus.com/ViewPublisher.php?view_id=209. Supporting materials including presentations and reports are posted at <https://sfcontroller.org/meetings/220>.

1) **Call to Order/Roll Call.**

The meeting was called to order at 9:05AM

Roll Call:

Member Andrews: Present
Vice Chair D'Antonio: Present
Member Friedenbach: Present
Member Haines: Absent
Member Leadbetter: Joined late
Member Miller: Present
Member Reggio: Present
Chair Williams: Present

2) Discussion Item/Possible Action:

Presentation of Reclassification of Eligible Advanced Expenses to the OCOH Fund, with discussion and possible action by the Committee.

Controller Ben Rosenfield (CON) reviewed the presentation [Reclassification of Eligible Expenditures into OCOH](#), which summarizes the [memo](#) that was publicly posted and provided to the Committee in advance of the meeting. The presentation and memo describe the context of advanced expenditures and process of calculating eligible advanced expenses to be reclassified into the OCOH Fund.

Vice Chair D'Antonio asked about the increase in costs in FY2019-2020, compared with other years. Ben Rosenfield (CON) explained that the amounts in each year relate to the investments the Mayor and Board made during the fiscal year. Several events converged: Voters passed the measure, the City was sued and couldn't spend the funds, and the City received "windfalls" of several hundred million dollars in excess ERAF/property tax revenue in FY2018-2019 and 2019-2020. The Mayor and Board appropriated excess ERAF to expand homeless services. Since the excess ERAF is a one-time funding source, it was used to pay for permanent housing and homelessness prevention.

FY2020-2021 had a higher rate of spending on homelessness services than the \$26 million for reclassification. The OCOH Fund places maximum caps on certain kinds of spending, and these limits were applied to each year. As well, the Mayor and Board placed a maximum reclassification limit of \$196 million on the total expenses that could be reclassified between FY2018-2019 and FY2020-2021. Without this limit, total amount reclassified into the OCOH Fund would have been

greater. More specifically to Vice Chair D'Antonio's question, FY2020-2021 had more OCOH eligible expenses than the reclassification cap allowed. As a result, the FY2020-2021 reclassification amounts are smaller than in the previous year.

Vice Chair D'Antonio asked about two line-items on page 4 of the attachment to the Memo distributed ahead of the meeting. She asked how "Permanent Housing for Low-Moderate Income Individuals" fits into the eligible homeless services used by OCOH, and what costs are associated with "Ellis Act and Displaced Housing Preferences." The Controller's Office will provide the Committee with more information on these items after the meeting.

Member Friedenbach asked about the process if costs are discovered to be ineligible after reclassification. Ben Rosenfield (CON) said the Controller's Office completed a thorough review of expenses in conversation with some members of the Committee. Should new information surface that shows a reclassified expense is ineligible, it would be reversed. Though the reclassification of expenditures will take place in FY2020-2021, corrections can be made in future fiscal years to ensure that the City adheres to the voter initiative.

Member Reggio made a motion—and incorporated adjustments proposed by Member Andrews and Member Friedenbach—to retroactively endorse the reclassification of Prop C eligible expenses into the Our City, Our Home Fund given the methodology and subsequent decisions made by the Mayor and the Board during fiscal years 2018-19, 2019-20, 2020-21. Member Reggio affirmed that the word smithed version matched the intention of his motion. Member Miller seconded the motion.

Public Comment:

There was a public comment from Francisco Da Costa, who expressed concern that the people have been left out. He said that the City does not have accountability or transparency around the FEMA dollars it has received. The high cost of Safe Sleep has made headlines all over the world. The OCOH Committee and Controller are trying to do their best. As an advocate, the caller said he is focused on "ground zero." The City has reached a saturation point when it comes to corruption, including by nonprofits. The caller said he will continue listening and monitoring.

Roll Call Vote:

Member Andrews: Yes
Vice-Chair D'Antonio: Yes
Member Friedenbach: Yes
Member Haines: Absent
Member Leadbetter: Unable to vote during roll call due to technical difficulties
Member Miller: Yes
Member Reggio: Yes
Chair Williams: Yes

The motion passed.

3) Discussion Item/Possible Action:

Committee discussion of items for future meeting agendas, with possible action by the Committee.

Member Friedenbach suggested status of fund update quarterly if not at every meeting. How much has been expended, how much allocated, how much remaining in the Fund.

Member Reggio suggested having a report from the Strike Team to understand where the City stands toward acquisitions. Hoping to have that update at July meeting. Member Reggio acknowledges that the Strike Team can't share everything, but the Committee would like to know as much as they can tell us.

No public comments.

4) **Adjourn**

Motion to adjourn made by Member Andrews and seconded by Member Reggio.

No discussion.

Roll Call Vote:

Member Andrews: Yes

Vice-Chair D'Antonio: Yes

Member Friedenbach: Yes

Member Haines: Absent

Member Leadbetter: Unable to vote during roll call due to technical difficulties

Member Miller: Yes

Member Reggio: Yes

Chair Williams: Yes

Meeting adjourned at 9:45AM