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# HUMAN RIGHTS COMMISSION

City and County of San Francisco

*Edwin M. Lee, Mayor*

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## ***Meeting Minutes***

**Thursday, February 9, 2012**

**4:30 pm**

**City Hall Room #416**

**1 Dr. Carlton B. Goodlett Place**

### **ROSTER OF COMMISSIONERS**

Michael Sweet, *Chair*

Douglas Chan, *Vice Chair*

Cecilia Chung

Susan Christian

Sheryl Evans Davis

Mark Kelleher

Faye Woo Lee

Todd Mavis

Nazly Mohajer

Michael Pappas

Richard Pio Roda

Executive Director, Theresa Sparks

## Order of Business

Call to Order and Roll Call

Commissioner Sweet called the meeting to order at 4:37 p.m.  
A quorum was present:

Commission Chair Michael Sweet  
Commissioner Douglas Chan  
Commissioner Susan Christian  
Commissioner Mark Kelleher  
Commissioner Faye Woo Lee  
Commissioner Todd Mavis  
Commissioner Nazly Mohajer  
Commissioner Michael Pappas  
Commissioner Richard Pio Roda

Commissioners Not in Attendance:  
Commissioner Cecilia Chung and Commissioner Sheryl Evans-Davis

Staff Present: Executive Director Theresa Sparks, Boris Delepine, Sheryl Cowan, Zoe Polk

### 1. Public Comment on Items Not on the Agenda:

**Peter Mancina:** Graduate student from Vanderbilt University; interviewed former HRC staff and Commission members regarding Sanctuary City. He has written a book chapter based on these and other interviews.

**Mr. Ace Washington:** Spoke regarding African American Out Migration, continued his comments from November 17, 2011 Special Meeting. Made comments about new people on the agenda. Stated that he has spoken with the Director and Commissioner Davis.

## Approval of Minutes

### 2. Adoption of Minutes Dated January 28, 2012

Commissioner Lee comments that the date of the Chinese New Year's Parade should be February 11, 2012.  
No other changes; Adopted.

## Chair's Report

### 3. Commissioners' Activities in the Community

Commissioner Pappas: Commends staff for LGBT Seniors Forum with Nadia Babella and the Hate Crimes Panel Zoe Polk helped to coordinate.

### 4. Opportunity for Commissioners to Provide Feedback on February 9, 2012 Commissioner Retreat

Chair Sweet thanks the Director and staff for the work on retreat.  
Director Sparks will also have the flip chart notes circulated as well as the minutes.

### 5. Discussion of Changing Commission Meeting Start Time from 4:30 p.m. to 5:30 p.m.

Chair Sweet: Has spoken to the Director and others; there is no rule. He notes that Commissioner Christian is often in court later (i.e. making 4:30 p.m. start time difficult). Commissioners Kelleher and Pio Roda are in favor of later time. Commissioner Pio Roda mentions a later start time will help those who are at work at 5:00 p.m. thereby allowing members of the public to attend more easily.

Director Sparks: Mentions there will be incremental increase in costs due to staff presentations after 5:00 p.m. - Wanted to make Commission aware, however, this should not impede using a new start time.

Chair Sweet states that there be a trial set of meetings which start at 5:30 p.m. as a test. Afterward this trial period, the matter will be discussed as far as making amendment to Bylaws to change the start time officially.

## Director's Report

### 6. Report of Current Activities of the Director

**Director Sparks** directs Commissioners to final copy of Rules and Regulations binder given to all Commissioners. Talked about current staffing being at the lowest level in recent memory; Annual Salary Ordinance ("ASO") allows for 41 staff at HRC; we have 27 permanent staff with 2 temporary staff and there are 7 staff on leave. Working with the Mayor's office and Department of Human Resources to try to incrementally increase staff numbers. They have come to conclusion that 41 people in ASO not necessary, however a more reasonable number is 35-36. There will be more ideas presented in the Budget presentation.

On February 23, 2012, a 2012-2012 Budget Presentation will be made in two weeks. Negotiating with different departments re: work orders.

Supervisor David Chiu made presentation at BOS creating a new Chapter 14C; this would implement a program to create incentives and bid preferences for Benefit Corporations which went into effect January 1, 2012 and signed into law by Governor Brown. Director believes there are positive recommendations HRC can make to make to the current draft of this legislation to make it more productive.

Per request of Commission: Waiver Report presentation will be make at future meeting and per Commissioner Mohajer's request, there will be a future presentation regarding the actual implementation of HRC Reports.

## Regular Business

### 7. Presentation by the San Francisco Redistricting Task Force on Redrawing Supervisorial District Boundaries

Mark Shriver from the Task Force makes a presentation about redistricting process. Gives some of the background and explains how the Task Force has been formed, and the process that is followed including outreach to communities. He clarifies that he is on the Task Force but does not ultimately represent the entire Task Force.

They are working hard to come to a good and fair outcome for San Francisco, but it is a challenge. Based on District Elections, Supervisors are chosen. Districts must be based on populations and are based on Census results. 73, 203 is the population number which must be divided between Districts. Change in population has not been uniform; greatest

change has been in District 6. If the population in each district varies, then the voting “power” changes. Based on census results, in May, 2011, the Director of Elections informed the Board of Supervisors that the Districts did not comply. Task Force was formed per the Charter: three were chosen by the Elections Commission, three by the Board of Supervisors, and three were chosen by the Mayor.

September, 2011 public meetings were held. They agreed upon the process and criteria with which to proceed. He noted they have a very limited budget; much less than the 2002 group. They have hired a mapping consultant who actually runs computer simulations. They are holding eleven (11) community meetings in each District to get the maximum public feedback.

They also created a computer model to allow people to try their own hand at redistricting. Advantage Group set up this website [redrawsf.org](http://redrawsf.org) at no charge to the Task Force.

He presented draft maps representing their working plans. Past voting records of Districts will not be considered in criteria. One key criterion is “equal population” representing “one person – one vote” 1% equals 732 people; allowed to go up to 5% to recognize neighborhoods. Very difficult task.

Federal Voting Rights Act, pursuant of 15<sup>th</sup> Amendment of the U.S. Constitution, must be considered. This prohibits discrimination in the elections process; Section 2 addresses the situation where there are significant numbers of minorities in the district and it establishes circumstances where a district needs to be drawn for that minority can be a majority. City Attorney’s office is looking at statistics for District 11 for the Asian population re: Section 2 District.

He explained another criterion: “contiguity” (whether or not the district is connected to each of its parts). Neighborhoods: by some counts, there are 100 neighborhoods. Many neighborhoods are transected in current district maps of only 11 Districts. Communities of interest must be considered and “Compactness” is a factor: how does the neighborhood look? He explained some of their current working drafts. April 15<sup>th</sup> is the end of the process for citywide maps; states Task Force dedication to public comment/outreach as part of the process. Goal is to have maps ready to be adopted by April 14, 2012.

Commissioner Mohajer: Is there a discussion to change/lower the number of Districts because of the disconnect of districts? Answer: No, there has not been discussion along these lines. Not within their power. Also, they are tied by the Charter to using U.S. Census data only.

Commissioner Chan: Seems to be a tendency to include Potrero Hill in District 10. Answer: There has been a substantial public comment on whether Potrero Hill should be in District 6 or 10. Public comment is mixed on the subject.

Is the increase in population in District 6 due to vertical development in the area? Answer: This has certainly played a part in it, but there have been other population growths, ex: Ball Park and the area around it.

Commissioner Chan mentions that he has heard public comment from Portola district residents that they are very concerned; have there been meetings there? Answer: Yes. Task Force is trying to re-unite Portola in one district, however, where the lines are placed is difficult. They remain committed to a reunited Portola area.

Commissioner Pio Roda: Looking at working drafts for District 11 and the Asian population, can you explain them? Answer: The sample working maps shown are a starting place to inform the committee in order to start the discussions.

Commissioner Mavis: Reiterates that April 15, 2012 is the final date. Answer: Task Force adopts the map, and on April 15<sup>th</sup> they will present the map to Board of Supervisors. It is his understanding that the Board of Supervisors does not vote on what comes out of the Task Force. He will check, but this is his understanding.

Commissioner Mohajer: Would it be possible to have HRC informed when meetings are scheduled? Answer: Will add HRC to e-mail list; please provide a contact. Also, all meetings are posted on their website, Facebook and on Twitter. They also send out e-mails to several hundred community groups.

Commissioner Kelleher: When is the date for final vote? Answer: April 14, 2012. This will be a public meeting.

Commissioner Lee: If you vote, when does it go into effect? Answer: It goes into effect for supervisorial elections in November, 2012. How do you notify the public? A: Once it is adopted it goes into the hands of Elections Department, which takes certain steps in terms of notifying the public and setting up the process for candidates.

Chair Sweet: Thanks Mr. Shriver for his detailed presentation.

Public Comment: Mr. Ace Washington state's he was part of the process for redistricting before and the African American out Migration Report. States that he is putting together Community Reform Group and the fact that the presenter did not mention the fact that African American population is going down and there needs to be state of emergency declared in San Francisco.

## **8. Out Migration of African Americans and the Foreclosure Crisis**

Regina Davis (not King); CEO of San Francisco Housing Corporation, a private non-profit affordable housing developers; established in 1988 by people who were concerned about the displacement of African Americans makes a presentation. They provide financial/credit planning, how to put together a loan package for homes. They also build affordable rental units. Thanks HRC with the opportunity to provide data regarding foreclosures.

In 2006, extraordinary increase in foreclosures; at that time, they began to chart the data. This is not only a crisis but an opportunity. Website is available for more information.  
**[sfhdc.org](http://sfhdc.org)**

Mr. Ed Donaldson presents re: pressing matter of foreclosures on the South East section of San Francisco. Huge increase in foreclosures lately and the rate is continuing to rise. Ben Weber from Assessor's office has compiled some of information presented. 215 mortgages are currently at risk for foreclosure. 2006 housing prices declined 39%, but on SE side, they have seen declines of about 65%; significant drop in property value. Some properties sold at a loss, November 2011, 24% of homes sold in SF were sold at a loss. Mortgage rates are hovering at about 4%. Explains: NOD Notice of Default is filed when a family is 90-days delinquent. Peak years were in 2009 and 2010. After NOD filed, a family has 90-days to "cure" the mortgage or the bank will file a NTS Notice of Trustee Sale, which means the family has 21 days before their home is sold. "TD" is a Trustee Deed. In 2006, there were 81 TDs filed in San Francisco, it peaked in 2011 at 211 Trustee Deeds. Makes note of article "The Wrecking Ball: What Foreclosures are Costing San Francisco Neighborhoods." It is estimated that from 2008-end of 2012, there

will be 12,400 foreclosure filings in San Francisco. Well over 2 billion dollars in property value has been lost. Impact on other families in the neighborhoods is estimated at 4.6 billion. Property Tax loss to state and local government is about \$42 million with cost to local government about \$73 million. Activities around foreclosures have severe impact not only on the families, but on the City.

Estimated that about 60% of all foreclosures are taking place in the SE section of SF; this includes zip codes 94124, 94112 (Excelsior District) and 94102.

Regina Davis:

We realized that more homes were being lost in the area than were being built. They hired consultants, traveled across the country, and really tried to look for solutions. They cooperated with the Federal measures "Keep Your Home" programs, but these programs only had 3-13% success rate. Those odds were not considered sufficient.

They started to look at models that were more successful. The most appropriate one they found was the Boston Community Capital a "CDFI" - a community development financial institution, basically a "non-profit" bank. She disclosed that she sits on board of a local CDFI the Northern California Community Loan Fund here in San Francisco.

Opportunity Network was awarding Boston for their SUN Program ("stabilizing urban neighborhoods." The idea is that you meet homeowners where they are. Once they go into foreclosure you negotiate with their bank or loan service, and then negotiate with the homeowners so that you are purchasing their loans not their homes. Families stayed in place. In their program, they raised private money from hedge funds, with targeted goal of impact 2,000 families over a 5-year period. They interviewed applicants, but didn't take everyone. This program ended up with 50% success rate. They provided new mortgages with 6% interest rate. They required direct deposits of paychecks and automatic deductions for mortgage payments every two weeks. Added advantage was that people would pay off mortgages earlier.

ACCE provided the research that was quoted earlier in presentation and Occupy Bernal has used services of the SF Housing Corporation to date. They found that the SUN model needs partnerships. This is what they want to model their new program on to help San Francisco home owners.

Ed Donaldson states that they are partnering with Palladium Capital to begin to raise \$5-10 million to help program get started. They have targeted April 15, 2012 to have model in place and ready to go. They are also partnering with Hunters Point Shipyard 8010 Group which has money coming out this month to help with housing; currently they are negotiating with them to get part of this funding.

There is no need for city money, but they do need the city to stand behind them for support. What would a partnership with the city look like? This is something they are researching. They are hoping the City will stand behind the model to help families if something happens while the families are in the program.

Commissioner Mohajer: Confirms that SF Housing Development Corporation wants to help with loan modifications as well as being a loan provider. Asked if the Boston Group basically looked at employed people and stated her concern that many whose homes are in foreclosure are unemployed. Mr. Donaldson says that in many cases, the people are employed but have taken pay cuts, so that now they cannot afford their payments. Something has happened to prevent them making their payments. This model is an opportunity to help those who do have an income. Excelsior is hit harder than the Bayview.

In context of African American Out Migration, this has really hit seniors hard. The types of loans they have received have been at issue also.

Commissioner Mohajer mentions group in Detroit. They have had individual investors have purchased homes and leased them back to families. Have you looked at systems for those who are unemployed and on limited incomes? Answer: Yes, they are looking at various options to help stabilize people. Fanny and Freddie have announced they are releasing properties they have on the books. These will be coming on the market. He has not yet been able to ascertain the number in San Francisco.

Commissioner Pio Roda: He assumes they are keeping list of lenders who are doing the foreclosures. Sure that Supervisor Avalos would like to know who those lenders are. Also presumes that the restrictions that helped get people in their homes are being kept for others who may now qualify. Answer: They are holding workshops for home owners. Redevelopment Agency did not have right to survivorship but the city policy does. It is important to try to save some of these restrictions going forward. In some cases, the City Attorney's inability to articulate those restrictions, has caused them to be lost during the process. This is why it will be important to have the City as a partner.

Commissioner Chan: To what extent are property taxes a factor? Answer: Often, taxes accrue during foreclosure and the taxes will be paid first. The City loses tax revenue. What is the policy of the City Assessor's office? Answer: Not sure, the office has been great. The recorder sends out a letter with a list of approved lenders to help home owners renegotiate.

Do you have in mind some legislative proposals we would endorse to create a more formal relationship? Answer: Looking more for a resolution from the Board of Supervisors. He states his appreciation for Mayor Lee who has had an open door policy and has told them to bring him new programs/new ideas.

Director mentions the Surety Bond Program and the letter of credit issued for companies. Perhaps the letter of credit would give stability to their program. Commissioner Chan mentions a leveraged loan pool. Director mentions this program has very low default rates. Mr. Donaldson is looking for some kind of guarantee from the city; might help the banks do more loan modifications.

Commissioner Christian: Moving toward Out Migration: are you participating with people who make use of structures you are creating to try to increase home ownership to make reasonable loans to people based on their ability to pay. Answer: Under the SUN model, the loan is fully underwritten, fully documented so the decision to loan is based on ability to pay. They have also been talking to the San Francisco Community Land Trust too to help preserve property values. Important to remember these are socially responsible models and are built on affordability and community stabilization, but not making money.

Commissioner Lee asks about who can participate. Answer: There will be an underwriting component; not everyone will qualify.

Commissioner Kelleher: Asked if they talked to City Administrator re: potential of city owned properties being sold off or other development approach to fund this initiative.

Director mentions that in the HRC Policy Unit is developing an initiative regarding African American out Migration. This could be a piece of those recommendations. Mr. Donaldson impresses that they are on a tight time line to be running by April 15, 2012.

Public Comment:

Mr. Ace Washington: He is appalled about these proceedings. He will not step aside from any programs that think they will come in on the back of 20-years. He should be involved in anything that pertains to the African American Out Migration. Also, he wants to be on the agenda to do a report. He has vested interest in the African American Out Migration issue.

Director Sparks mentions an upcoming seminar at Koret Auditorium, Main Library re: the State of Black San Francisco. This is another opportunity to discuss African American issues. As Mr. Washington knows, the foreclosure situation and dealing with affordable housing is exactly one of the recommendations of several of the many African American reports the City has done.

Chair Sweet: Asks staff Zoe Polk, to the extent she is able due to time constraints, to work as interface to draw up a resolution in support of this new program. Hopefully staff can help given the very short time line. Let us know if the HRC can be more helpful.

#### **9. Matters of Interest for Possible Inclusion on Future Agendas**

None mentioned at this time.

### **Adjournment**

#### **10. Adjournment**

Meeting ended 6:43 p.m.