

A Report of the 2005-2006 Civil Grand Jury
For the City and County of San Francisco

Continuity Report

Cooperation
+
Collaboration,
+
Communication
=
Continuity

Report Released: June 2006

Purpose of the Civil Grand Jury

The purpose of the Civil Grand Jury is to investigate the operations of the various departments, agencies, and officers of the government of the City and County of San Francisco to develop constructive recommendations for improving their operations, as required by law.

Each Civil Grand Jury has the opportunity and responsibility to determine which departments, agencies and officers it will investigate during its one-year term of office. To accomplish this task, the Civil Grand Jury divides into committees. Each committee conducts its research by visiting government facilities, meeting with public officials and reviewing appropriate documents.

The nineteen members of the Civil Grand Jury are selected at random from a pool of thirty prospective jurors. San Francisco residents are invited to apply. More information can be found at: http://www.sfgov.org/site/courts_page.asp?id=3680, or by contacting Civil Grand Jury, 400 McAllister Street, Room 008, San Francisco, CA 94102; (415) 551-3605.

State Law Requirement

Pursuant to state law, reports of the Civil Grand Jury do not identify the names or provide identifying information about individuals who spoke to the Civil Grand Jury.

Departments and agencies identified in the report must respond to the Presiding Judge of the Superior Court within the number of days specified, with a copy sent to the Board of Supervisors. For each finding of the Civil Grand Jury, the response must either (1) agree with the finding, or (2) disagree with it, wholly or partially, and explain why. Further, as to each recommendation made by the Civil Grand Jury, the responding party must report either (1) that the recommendation has been implemented, with a summary explanation of how it was implemented; (2) the recommendation has not been implemented, but will be implemented in the future, with a time frame for the implementation; (3) the recommendation requires further analysis, with an explanation of the scope of that analysis and a time frame for the officer or agency head to be prepared to discuss it (less than six months from the release of this report); or (4) that recommendation will not be implemented because it is not warranted or reasonable, with an explanation of why that is. (California Penal Code, sections. 933, 933.05).

PURPOSE OF THIS REPORT

To demonstrate how four “Cs”-- Cooperation, Collaboration, Communication and Continuity -- can be used to build a dynamic working relationship between the Office of the Mayor, the Office of the Controller and the Civil Grand Jury (CGJ).

I. SUMMARY

“I am pleased to present my response to the 2004-2005 Civil Grand Jury Report entitled ‘Continuity Report’. This underscores my continued commitment to improving the efficiency of the Civil Grand Jury process and improving community services for the citizens of the City and County of San Francisco.”¹

The above quote prefaced the Mayor’s response to the findings and recommendations of the CGJ’s 2004-2005 Continuity Report. The Mayor’s statement of support validates the importance of the CGJ’s work, and sets the tone for a positive working relationship between City government and the CGJ.

An effective way to record and update the status of recommendations by a Civil Grand Jury is by means of a tracking document. This was referred to in the Civil Grand Jury Continuity Committee reports of 2001-2002 and 2004-2005. In concert with the Mayor’s Office and the Controller’s Office the 2005-2006 Civil Grand Jury developed such a document to be used by future Continuity Committees in making their follow-up on responses and follow through easier and more thorough. This document can be found at the end of this report.

In addition to creating this tracking document, the 2005-2006 Continuity Committee identified three past CGJ reports that merited detailed follow-up. Selection of these reports was based upon three factors:

- 1) The recommendations were either in progress or had not yet been addressed,
- 2) There had been changes in leadership within the department since the CGJ investigation, or
- 3) Recent events warranted another review.

The three reports with their current findings and recommendations selected were:

1. 2001-2002 CGJ Report, *Hunters Point Naval Shipyard*

It was found that communications between the community organizations and the City have improved and no further follow-up is presently necessary.

¹ Mayor Newsom’s response to the Continuity Report of the 2004-2005 Civil Grand Jury, September 2005

2. 2002-2003 CGJ Report, *Preferential Treatment Persists In a Department Marked by Political Pressures and a Leadership Void. Civil Grand Jury Report on the Management of the Department of Building Inspection*

There is still much that needs to be accomplished including (1) obtaining updated permit tracking systems and subsequent staff training, (2) finalizing and implementing the “Statement of Incompatible Activities” as well as the “Code of Professional Conduct.”

3. 2003-2004 CGJ Report, *The Merger of Emergency Medical Services and the San Francisco Fire Department: A Match Made in Heaven or a Shotgun Wedding?*²

The San Francisco Fire Department Chief has numerous challenges ahead of her and appears to be well on her way to implementing the recommendations set forth by the 2003-2004 Civil Grand Jury, including (1) Emergency Medical Services vehicles and staff to be deployed by area and time of day based on statistical analysis, (2) consolidation of EMS and SFFD equipment and training activities on Treasure Island , and (3) a drug testing program accompanied by a substance abuse program to achieve “zero” tolerance for on-duty use of drugs and alcohol.

II. INTRODUCTION

Unfortunately, there has been no consistent process to follow through or track the implementation of CGJ recommendations that address findings from previous Civil Grand Jury reports.

Each year the Civil Grand Jury selects the aspects of city and county government that it will investigate. Similarly, the Grand Jury determines whether to pursue issues raised and recommendations made in the reports of previous Grand Juries. As stated in the 2001-2002 Civil Grand Jury report, “This freedom to choose, and thereby to ignore the work of its predecessors, may result in a failure to assure that a previous Civil Grand Jury’s work is complete. For the institution of the Civil Grand Jury to engender faith among the recipients of its recommendations – and to generate interest in and respect of its annual reports—there must be the assurance that the Civil Grand Jury recognizes the worth of the efforts of previous juries.”

The 2005-2006 Grand Jury agreed that it should ensure that recommendations made in the reports of several previous Civil Grand Juries were addressed by their named respondents. Therefore, this year’s Grand Jury reviewed all responses to the reports from 2001 through 2004, contacted several agencies/departments/offices and conducted additional interviews and research in instances where it determined that responses were either inadequate or incomplete. The Civil Grand Jury also inquired about responses to selected reports of previous Civil Grand Juries.

The Jury reviewed how city departments processed previous Civil Grand Jury recommendations related to findings from an initial Civil Grand Jury report; through to the time the department acts upon, plans for, or abandons the recommendations made. Until recently the City

² Reports are available on line at http://www.sfgov.org/site/courts_page.asp?id=3680

had no systematic way to document the follow through of departments to implement or analyze recommendations once the Controller's Financial Audits were published in the fiscal year following issuance of the initial report.

Follow up is a complex, confusing and frustrating task for each year's newly formed CGJ. Previous CGJ Continuity Reports (2001-2002, 2004-2005) also reported on this issue and suggested that the City needed to develop a method to effectively track recommendations until they were fully implemented or abandoned. The work of this year's Jury began with the following understandings:

1. Each Civil Grand Jury is an independent body that investigates various City departments and subsequently makes findings and recommendations to enhance the functioning of these departments.
2. Penal Code 933.05 requires that officials respond to recommendations.
3. When the Civil Grand Jury makes a recommendation that address findings contained in a report, departments/agencies have the discretion to (1) agree or disagree with its content, (2) indicate that the recommendation requires further study, (3) indicate that it has implemented or will implement the recommendation, or (4) indicate that the recommendation is unreasonable or unwarranted and will not be implemented.

In the course of reviewing and discussing previous CGJ Reports, the following was determined:

1. The responses from the Mayor's and the Controller's Offices to the 2004-2005 CGJ's Continuity Report recommendations for a tracking process were positive.³ The Mayor's Office will institute a tracking process for all CGJ recommendations requesting departmental implementation. The Controller's Office will provide the Mayor and the Board of Supervisors with an annual status report of recommendations. (see Appendix A)
2. After information from the Controller's Audit of Civil Grand Jury reports released in a given year is issued (previously approximately one year after a report was released), no process is in place for the City to follow up on recommendations. As a result, tracking accountability is difficult to accomplish.
3. Until recently, no coordinated process existed between the Civil Grand Jury, the Controller's Office, and the Mayor's Office to monitor responses to Grand Jury reports and the implementation of recommendations by City departments.
4. Many responses to previous recommendations lack specificity with regard to how the City will implement recommendations, even though the department agrees with the

³ Mayor's Response to the 2004 - 2005 Civil Grand Jury Continuity Report, September 12, 2005 and Controller's Response to the 2004 - 2005 Civil Grand Jury Report Continuity Report, July 20, 2005

finding(s) and states in its response that it will implement the recommendation(s) made by the Civil Grand Jury.

5. Vague responses by the Board of Supervisors to CGJ recommendations do not specify any intended actions. The Board's most frequent responses are: "The Board held a hearing and supports the Civil Grand Jury Report." - "The Board conducted ... a public hearing... The Board filed this item."⁴ While the Board is only required to address budgetary or personnel matters over which it has decision making authority, there are examples of recommendations that did address these matters and the response by the Board were vague. The 2004-2005 Continuity Report recommended the Board hold an annual hearing on all outstanding recommendations where implementation is still pending. The Board provided no response to this specific recommendation.

To validate the efforts of former Civil Grand Juries and to encourage accountability by responding entities, the 2005-2006 Continuity Committee report suggests new ways to monitor recommendations and responses. It is in the spirit of cooperation, communication, collaboration and continuity we make recommendations that address:

1. The development of a document and a process to use for tracking CGJ recommendations and responses that demonstrate progress.
2. The implementation of recommendations by categorizing their progress into one of four categories:
 - a. Fully implemented
 - b. In the process of being implemented
 - c. Requires further study
 - d. Abandoned - no longer relevant or feasible
3. Methods of encouraging collaboration among the CGJ, the Mayor's Office and the Controller's Office on continuity issues.
4. Responses by the Board of Supervisors to CGJ recommendations.

The 2005-2006 Civil Grand Jury worked in concert with the members of the Mayor's Office and the City Controller's Office to create a working document - a tracking chart, to assist Continuity Committees of future Civil Grand Juries. Its format helps concerned parties to monitor the findings, recommendations, responses and follow through by respondents from one year to the next.

The 2005-2006 Civil Grand Jury selected one study from each of three years, 2001-2004, to review in depth. These were:

1. The 2001-2002 study on Hunters Point Naval Shipyard

⁴ A random sampling of 12 responses from the Board of Supervisors follow up reports to Judge Dondero and Judge Hitchens

2. The 2002-2003 report on Preferential Treatment in Department of Building Inspections
3. The 2003-2004 study on the merger of the Fire Department and Emergency Medical Services

III. PROCEDURE

Multiple sources were used to ensure the information and data the Civil Grand Jury collected for the tracking document and the three investigative follow-ups were credible and valid. During the study the Civil Grand Jury:

- 1) Examined Civil Grand Jury reports and required responses for the years 2001-2005, the 2001-2005 Controller's Financial Audits, and the Mayor's Policy Pledge Index of 2006.
- 2) Reviewed documents identified in the three separate CGJ reports.
- 3) Interviewed individuals from the Mayor's Office, the Controller's Office, the Ethics Commission, the DBI and the DBI Commission, department heads, department members, members of the Board of Supervisors, neighborhood community members and agencies, and former Civil Grand Jurors.
- 4) Gathered information from the City website (www.sfgov.org), the Internet, the *San Francisco Chronicle*, the *Examiner*, and corresponded with specific departments.

V. DISCUSSION

1) Civil Grand Jury Tracking Document

A new and improved working relationship between the Mayor's Office, the Controller's Office and the Civil Grand Jury has been initiated. Through collaboration, changes have been implemented that should enhance the results of the work done by all three entities.

The development of a tracking document resulted from the meetings with the Mayor's Office, the Controller's Office, and the CGJ. This document is now in the initial phase of being reviewed and authenticated by the two city offices and will facilitate the determination of the status of responses to CGJ recommendations at any given time. The CGJ is confident that consistent use and updating of this document will improve accountability and improve the quality of services for the citizens of the City and County of San Francisco.

Findings:

- 1.1 The responses from the Mayor and the Controller to the 2004-2005 CGJ Continuity Report recommendations were positive.

- 1.2 Until recently, no coordinated process existed for the CGJ, the Controller's Office and the Mayor's Office to work together to monitor recommendations and responses.
- 1.3 Agreement with previous recommendations by departments is cited. However, the Continuity Report of 2004-2005 listed several examples where responses lacked specificity regarding implementation⁵ and hence were not in compliance with Penal Code 933.05.
- 1.4 The Board of Supervisors is required to respond when recommendations address personnel or budgetary issues. Previous responses to CGJ recommendations have not:
 - a. Provided specific direction to those responsible for implementing recommendations, nor
 - b. Requested accountability from respondents.

Recommendations:

- 1.a The tracking document from the Mayor's Office and the Controller's Office, with the addition of the CGJ's findings and recommendations for 2001-2003, should be put online. As a working document, it should be updated as new information becomes available.
- 1.b Develop and maintain a system to update progress on recommendations from material developed by the Civil Grand Jury, the Mayor's Office and the Controller's Office so that all parties are kept apprised of the progress of recommendations and whether they are:
 - (a) Fully implemented
 - (b) Still in process of being implemented
 - (c) Requires further study
 - (d) Abandoned because they are no longer relevant or feasible.
- 1.c The Board of Supervisors should hold an annual hearing on Civil Grand Jury recommendations that are still pending and are more than two years old.
- 1.d The Controller's Office and/or the Mayor's Office should provide information to the CGJ regarding scheduled City departmental meetings when topics related to past CGJ recommendations are part of the agenda.

Required Responses: Mayor's Office – 60 days Board of Supervisors – 90 days Controller's Office – 60 days
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Discussion of the three selected follow-up studies of previous Civil Grand Jury reports follows.

⁵ A Report of the 2004-2005 Civil Grand Jury for the City and County of San Francisco, "Continuity Report Released: June, 2005, PP. 10-11.

2) Hunters Point Naval Shipyard

Status of 2001-2002
Civil Grand Jury Report:
*Hunters Point Naval Shipyard*⁶

Hunters Point Naval Shipyard was the subject of a report issued by the 2001-2002 Civil Grand Jury. The CGJ made four “action” recommendations at that time to ensure environmental safety, highlight needed economic development activities, and improve communications with the Bayview-Hunters Point (BVHP) community. The 2002-2003 CGJ Continuity Committee followed up on that report and determined that steps were underway to carry out all but one of the recommendations – “improving communication between the San Francisco Redevelopment Agency’s *Outreach Office* and other community organizations, particularly the *Window on 3rd Street*, and *Arc Ecology*, ‘a community based grass-roots organization for peace, environmental responsibility, a compassionate economy, and a just society in the San Francisco Bay Area, across the nation and around the world,’⁷ and housing those three organizations in a guard house near the entrance to Hunters Point.”

Arc Ecology began monitoring the environmental impacts of the Hunters Point Shipyard in 1984. In 1986 Hunters Point neighborhood groups asked *Arc Ecology* to provide the community with on-going technical support. Since that time, *Arc Ecology* has been actively involved with providing BVHP residents with information resources and technical support around the cleanup, transfer, and redevelopment of the Shipyard.

After providing the BVHP with technical support around the Shipyard cleanup for almost two decades, *Arc Ecology* opened the *Community Window on the Hunters Point Shipyard Cleanup*, a community information clearinghouse. The project is dedicated to empowering the Bayview community with the information and resources needed to become meaningfully involved in the cleanup of the Shipyard. Through the *Community Window*, *Arc Ecology* hosts monthly environmental education discussions and community workshops. *Arc Ecology* also submits written comments to the U.S. Navy about the Navy’s activities to identify and clean up contamination at Hunters Point Shipyard.

Responses to the 2001-2002 CGJ report cited agreement with the recommendation to work on improving communication with the community. However, the 2002-2003 CGJ Continuity Committee concluded “that improved communication, as envisioned by the 2001-2002 Civil Grand Jury, has not been implemented. It is likely that the *Outreach Office* and *Window on 3d Street* need to be convinced that the community would be better served if three offices were housed at the same location.”⁸

⁶ Board of Supervisors: Status of the Implementation of the Recommendations of the 2001-02 San Francisco Civil Grand Jury July 10, 2003, pp.87-112

⁷ <http://www.arcecolgy.org/HuntersPoint.shtml> accessed May, 2006.

⁸ Continuity Report, 2002-2003, San Francisco Civil Grand Jury

The focus of this follow up was limited to the “communication” issue presented in the 2001-2002 CGJ report since the other recommendations are well under way. The others have already been achieved.

Current information was obtained via attendance at a community meeting, an interview with a member of the Board of Supervisors, a visit to physical sites of each agency, conversations with the staff of *Arc Ecology* (also parent agency of *Community Window on the Hunters Point Shipyard Cleanup*), and conversations with the San Francisco Redevelopment Agency’s Outreach Office.

Findings:

- 2.1 Physical relocations of agencies occurred between 2003 and 2006. The main *Arc Ecology* office, now on Third Street, is the parent organization for *Community Window on the Hunters Point Shipyard Cleanup* (formerly referred to as *Window on 3rd Street*). The San Francisco Redevelopment Agency’s *Outreach Office* is mainly responsible for assisting the Citizens’ Advisory Committee (CAC). Since the demolition of shipyard buildings near the guard gate area, temporary quarters (a trailer compound just inside the gate) houses the *Outreach Office* and the developer, Lennar.
- 2.2 The transfer of Parcel A from the Navy to the City occurred in 2004. Planning for its use, increased employment opportunities for local residents, and increased educational activities for the BVHP residents have subsequently occurred.
- 2.3 Community workshops are co-sponsored by *Arc Ecology* and the *Outreach Office*—the agencies of concern in the 2001-2002 CGJ report. Communication problems do not appear to be an issue today.
- 2.4 The agencies that were contacted, the *Outreach Office*, *Arc Ecology* and *Community Window on the Hunters Point Shipyard Cleanup* spoke with pride about their activities with and for the community. They described outreach activities that included educational forums, homebuyer workshops and progress reports on clean-up activities.

Recommendations.

CGJ recommendations from the Hunters Point Shipyard Report of 2001-2002 have been addressed. The 2005-2006 Civil Grand Jury makes no additional recommendations.

3) Department of Building Inspections

**Status of 2002-2003
Civil Grand Jury Report:
*Preferential Treatment Persists In a Department Marked by Political
Pressures and a Leadership Void: Civil Grand Jury Report on the
Management of the Department of Building Inspection.*⁹**

The 2002-2003 CGJ Report entitled *Preferential Treatment Persists in a Department Marked by Political Pressures and a Leadership Void: Civil Grand Jury Report on the Management of the Department of Building Inspection* contained sixteen specific recommendations. The 2004-2005 CGJ Continuity Report indicated that five of the sixteen recommendations remained to be implemented as of June 2005. In two instances, the Department of Building Inspection (DBI) stated it did not understand the recommendation and could not respond. The following discussion focuses on those five recommendations, reflecting findings resulting from interviews with DBI, the DBI Commission, the Ethics Commission, DBI documents, and information from www.sfgov.org.

To address the recommendations not yet implemented, the new DBI Acting Director¹⁰ is initiating a number of complex improvements simultaneously and in a comprehensive and proactive manner. While the Civil Grand Jury continues to have concerns related to the implementation of recommendations made in the 2003 report, the new DBI administration should be given a reasonable amount of time to make the necessary changes. We commend the Acting Director for her professionalism, the progress she has made, and her commitment to making DBI more transparent and more efficient.

Several positive changes are occurring. These include an upgrade of all the basic hardware to support new technology, new training programs, and improved coordination and communication within the department and with the public. As of April 2006, DBI has made substantial progress toward implementation of the following recommendation in the original report.

Develop a bar-coding system to track permits and plans.

The department has taken steps to replace the existing permit tracking system in its entirety and has evaluated systems in other jurisdictions. Additionally, DBI is in the process of overhauling its information systems infrastructure (expected to be completed in August 2006). This will put DBI in a position to support improved software and systems that better track permits and plans.

Four recommendations warrant continued monitoring by future Civil Grand Juries: (1) Implement a Code of Professional Conduct, (2) Purchase equipment to allow DBI inspectors to enter data remotely from the field, (3) Conduct random secondary field inspections, (4) Develop a “strategic plan” for DBI. Of these, the most critical is to:

⁹ Board of Supervisors: Status of the Implementation of the Recommendations of the 2002-03 San Francisco Civil Grand Jury, August 30, 2004, pp 173-200

¹⁰ Charlie Goodyear, “Building Panel names Lee to Guide Inspections”, *San Francisco Chronicle*, April 19, 2005.

1. *Implement a Code of Professional Conduct.*

The Controller's Office developed "The Handbook for Professional Conduct" for the Department of Building Inspection in 2002 to "make DBI staff aware of the existing laws and policies which affect employees and provide guidelines that will ensure the public's trust is well-placed." The Code of Professional Conduct has four sections: Code of Professional Conduct (see Appendix B for example of pages 1 & 2) Guidelines, Policies Regarding Conduct, and Resources.

In 2003, voters adopted Prop E, which, among other things, requires all City departments, boards and commissions to develop a Statement of Incompatible Activities ("SIA"), identifying activities that conflict with the official duties of employees and officers. Under Prop E, the Ethics Commission must approve and adopt an SIA for each department.¹¹

In February 2006, the San Francisco Department of Building Inspection and San Francisco Building Commission submitted a draft Statement of Incompatible Activities or SIA to be reviewed and approved by the Ethics Commission.¹² The SIA is intended to guide employees and officers of DBI and the Building Inspection Commission (BIC) on the types of activities that are incompatible with their public duties and therefore prohibited. The SIA serves as a companion guide to the Code of Professional Conduct for ethical behavior within DBI. A specific timeline for the review and approval of these documents has not been set by the Ethics Commission.

Once the Ethics Commission approves the SIA, the Acting Director of DBI will confer with the affected unions and develop a training program to ensure all employees are aware of the provisions of the "Code of Professional Conduct," the "Statement of Incompatible Activities," and all other appropriate rules and regulations governing the conduct of DBI employees. Finalizing these two documents is an important part of the effort to change the culture at DBI, a department that has been perceived as being unfair and/or under inappropriate influence, as noted in the Acting Director's May 3, 2006 letter to the Civil Grand Jury (See Appendix C).

There also is a one-page document entitled "Permit Processing Code of Conduct"¹³ posted around the DBI offices (see Appendix D), which in itself is inadequate in providing clear guidance for the staff involved in processing building permit applications. Training of staff is needed for their cooperation in understanding what behavior is unacceptable, to systemize penalties for infractions, and to develop an approach to thoroughly educate and train DBI employees about expectations.

Although not mentioned in the 2002-2003 Civil Grand Jury Report, several people being interviewed for this report referred to community frustration with promises made but not kept regarding neighborhood concerns about new building projects. At times, there appears to have

¹¹ This statement is adopted under the provisions of the San Francisco Campaign & Governmental Conduct Code section 3.218.

¹² [http://www.sfgov.org/site/uploadedfiles/ethics/conflictinterest_/SIA_2_3_06\(2\).pdf](http://www.sfgov.org/site/uploadedfiles/ethics/conflictinterest_/SIA_2_3_06(2).pdf), accessed May, 2006.

¹³ Adopted by Ethics Commission January 10, 2005.

been poor communication between the Planning Department and DBI concerning agreements on things like set-backs and exterior building finishes and appearance. Sometimes agreements between the Planning Dept and neighbors got lost prior to or during actual construction. As an example, the plans might say the finish on the exterior wall is to "match existing" - which happens to be wood - but the contractor used stucco. The inspector approves the stucco because it meets code. The result of this apparent lack of communication also feeds into the negative perception of DBI. Adoption, implementation and enforcement of the "Code of Professional Conduct," the SIA, and the enhanced field technology could all help to mitigate mistakes and negative perceptions.

2. *Purchase equipment to allow DBI inspectors to remotely enter data from the field.*

The implementation of this recommendation is contingent upon finding a new permit tracking system that allows remote entry of data by DBI inspectors. Staff needs technical training in implementing the new quality control¹⁴ and quality assurance¹⁵ programs. In July 2005, an acting director was hired in the Information Technology Group and one of his tasks is to develop these training programs. A project manager has also been hired through DTIS to assist the department in moving forward in the permit tracking system overhaul.

3. *Conduct random secondary field inspections.*

DBI recently hired two analysts to assist in the development and implementation of two programs; 1) a quality control program to ensure that services are designed to meet customer requirements and expectations, and 2) a quality assurance program that ensures the services fulfill or exceed customer expectations. These programs will include, but not be limited to random secondary field inspections.

4. *Develop a "Strategic Plan."*

The Building Inspection Commission approved a Strategic Plan for DBI in June 2004. DBI submitted a summary of the Strategic Plan to the Board of Supervisors in its 2005-2006 Efficiency Plan (All City departments must submit an Efficiency Plan to the Mayor and the Board of Supervisors by October of each year).¹⁶ One of the new analysts (hired in May) is responsible for updating and completing the strategic plan by November 1, 2006.

The Civil Grand Jury recognizes that the Acting Director of DBI faces several challenges and is taking positive steps to improve efficiency and professionalism in the department. Though not mentioned in the recommendations of the 2002-2003 Civil Grand Jury Report or the Continuity Report of 2004-2005, several additional issues needing attention came to light during

¹⁴ Definition: Inspection, analysis and action required to ensure quality of output.

¹⁵ Definition: All those planned or systematic actions necessary to provide adequate confidence that a product or service is of the type and quality needed and expected by the customer.

¹⁶San Francisco Administrative Code 88.4 Efficiency Plans. The head of each department shall prepare and submit to the Mayor by October 1st and to the Board of Supervisors by November 1st a departmental efficiency plan. Each plan shall include a customer service element, a strategic planning element, an annual performance element, and a performance evaluation element for the previous fiscal year... the Plan shall cover a period of not less than three years forward from the fiscal year in which it is submitted.

our interviews and in the Acting Director's May 3, 2006 letter to the Civil Grand Jury (See Appendix C).

1. *Recruitment* - The department has had difficulty recruiting. This is partly due to cumbersome Civil Service hiring procedures and negative publicity surrounding DBI. Recruitment is also difficult because of lower pay rates than in the private sector. Positive steps have been taken however, and as of May 6, 2006 the department has filled 26 new positions and 20 DBI employees have been promoted.
2. *Empowering Decision-making* - There is a sense of uneasiness among many of the staff related to decision-making. This uneasiness seems based on the negative focus the Building Inspection Commission had on highlighting past staff decisions. As a result, employees are reluctant to make decisions to expedite the permit process. At the same time, the Department still suffers from negative press and poor public perceptions. The public is quick to blame DBI for any delay in the permit process even if it is due to actions of another agency. As of May 3, 2006, the Acting Director selected one employee to work full time on customer outreach and public relations in an effort to change the perceptions of DBI.

3. *Inherent City Bureaucratic Delays* – It is often difficult to make the necessary improvements because of bureaucratic delays.

Example: DBI's top choice for a vendor to conduct process assessment could not be selected because the vendor had reached its citywide salary cap. It took more than three months to find out that it would take even longer for the vendor's contract to be reinstated. After much delay, a second-choice vendor was hired.

Example: It took nearly eight months to hire a public outreach person, due to Civil Service procedures.

Findings

- 3.1 DBI management plans to complete the new permit tracking system by August 2006.
- 3.2 DBI staff lacks technical skills necessary to implement the new permit tracking system and the quality control and quality assurance programs, including random secondary field inspection.
- 3.3 DBI hired a manager to be responsible for developing Information Technology training for all department staff.
- 3.4 The "Code of Professional Conduct" is in the process of being modified and has still not been implemented.
- 3.5 In February 2006, DBI submitted The Statement of Incompatible Activities (SIA) to the Ethics Commission but the Ethics Commission has yet to approve it.

- 3.6 DBI has hired two analysts as of May 3, 2006 to develop and implement quality control and quality assurance programs (see footnotes 12 & 13 for definitions).
- 3.7 DBI included a summary of its strategic plan, developed in 2004, in its 2005 Efficiency Plan submitted to the Mayor and the Board of Supervisors. An update to the plan is due to be printed by November 2006.

Recommendations:

- 3.a The Acting Director should set a timeline for meeting with officials of the affected unions and finalizing a draft of the policies and guidelines of the Code of Professional Conduct.
- 3.b The Statement of Incompatible Activities (SIA) should be approved by the Ethics Commission within the next 90 days. The Acting Director should then confer with the affected unions and develop and implement a training program for the DBI staff.
- 3.c The Mayor's Office and Board of Supervisors should stand behind the efforts of the Acting Director of DBI to ensure the improvements already in progress continue and the recommendations are implemented.

Required Responses:

Mayor's Office- 60 days

Board of Supervisors - 90 days

Department of Building Inspection (DBI) - 60 day

Department of Building Inspection Commission -60days

Ethics Commission - 60 days

4) San Francisco Fire Department and Emergency Medical Services

Status of 2003-2004
Civil Grand Jury Report:
*The Merger of Emergency Medical Services and the San Francisco Fire
Department: A Match Made in Heaven or a Shotgun Wedding?*¹⁷

Twenty-five recommendations were made in the CGJ report of *2003-2004 The Merger of Emergency Medical Services and the San Francisco Fire Department: A Match Made in Heaven or a Shotgun Wedding?* All of the recommendations received responses. Review of the recommendations disclosed that 17 responses have been implemented, 5 were in process, and 3 were not applicable. The Controller's Financial Audit of August 2005¹⁸ listed status updates for 15 of the recommendations.

Members of the Civil Grand Jury met with the Fire Chief regarding the current status of the 2003-2004 CGJ report. The San Francisco Fire Department (SFFD) is on track to complete every recommendation listed in the report. We have no additional recommendations. In our interviews, we did get an update on several recommendations and chose to add that information to this report. We thank the Fire Chief for her time, her openness, and her thorough understanding of the challenges that are still present. We commend her for her professionalism and for the progress the Fire Department has made since 2004. A synopsis of the information is included in the CGJ Tracking Document, a copy of which can be found at the end of this report.

Findings:

- 4.1 In answer to the question, "What has the Fire Department done to find more efficient mechanisms to deliver its services?" the Fire Chief said the new EMS configuration deployment plan of Emergency Medical Services (EMS) vehicles and staff will be done by area and time of day, based upon statistical analysis. The first dynamically deployed units will be on City streets in the latter half of 2006.
- 4.2 Continuing efforts are being made to communicate that EMS and the fire department are equal partners. On Treasure Island, EMS and fire suppression equipment and training equipment is now consolidated under one roof.
- 4.3 In June 2004, the Controller's Office made two recommendations concerning the delivery of EMS services by the Department. The Controller recommended: (1) the use of peak period staffing¹⁹ and (2) the implementation of alternative staffing and shifts.²⁰ Both of these recommendations are being implemented as part of the Department's EMS Reconfiguration plan. Ambulances will no longer be stationed and will be flexible and moved around the City during peak period staffing.

¹⁷ 2003-2004 Civil Grand Jury Report, City and County of San Francisco, California, released June, 2004.

¹⁸ Board of Supervisors: Status of the Implementation of the Recommendations of the 2003-2004 San Francisco Civil Grand Jury, Financial Audits, August 30, 2005, pp1-91

¹⁹ A Review of the San Francisco Fire-EMS-System, Office of the Controller, April 2004, pg.12.

²⁰ IBID, pg. 20

- 4.4 The Fire Chief was very aware of the problem of drug and alcohol abuse. She assured the Civil Grand Jury of her “zero tolerance” for on-duty use. She is very proud of the fact that San Francisco is the only county in the state to have a departmental substance abuse program. Random testing began in September of 2005. The goal is to test 25% of the force each year (this equates to 400 firefighters per year). To date, 120 members of the department have been tested and only one test has proven positive. The department has established an outreach program and a two-member stress unit to help identify and assist those members with drug and alcohol abuse problems.

Recommendations:

The Civil Grand Jury commends the Fire Chief for the progress she has made in the implementation of the CGJ recommendations put forth in its 2003-2004 report and recommends that she continues her work to this end.

GLOSSARY

ALS	Advanced Life Support
BIC	Building Inspection Commission
BVHP	Bayview Hunters Point
CAC	Citizens' Advisory Committee
CGJ	Civil Grand Jury
DBI.....	Department of Building Inspection
DTIS.....	Department of Telecommunications and Information Services
EMS	Emergency Medical Services
SIA	<i>Statement of Incompatible Activities</i> : Statement regulating activities that conflict with the official duties of employees and officers.

RESOURCES

Interviews with Representatives of:

Community Representative from the Citizens' Advisory Committee
San Francisco Department of Building Inspection
San Francisco Department of Building Inspection Commission
San Francisco Ethics Commission
San Francisco Fire Department
Mayor's Office, City & County of San Francisco
Board of Supervisors, City and County of San Francisco
Office of the Controller, City and County of San Francisco
Office of Contract Administration, City & County of San Francisco
International Federation of Professional and Technical Engineers, Local 21

Documents Referenced:

Mayor's Policy Pledge Index, January 2006, accessed on March 6, 2006,
http://www.sfgov.org/site/uploadedfiles/mayor/press/1_19_06%20NewsomPolicyIndex.pdf.

May 2, 2005 Minutes of Building Inspection Commission (BIC) Meeting accessed on March 26, 2006, http://www.sfgov.org/site/dbi_page.asp?id=31594.

Board of Supervisors: Status of the Implementation of the Recommendations of the 2001-2002 San Francisco Civil Grand Jury, Financial Audits, July 10, 2003.

Board of Supervisors: Status of Implementation of the Recommendations of the 2002-03 San Francisco Civil Grand Jury, Financial Audits, August 30, 2004.

Board of Supervisors: Status of Implementation of the Recommendations of the 2003-04 San Francisco Civil Grand Jury, Financial audits, August 20, 2005.

Board of Supervisors Reports to Judge Dondero and Judge Hitchenson in response to Civil Grand Jury Reports 2003-2004.

Continuity Report Responses from:

Planning Department, September 2, 2005
Building Inspection Commission, November 1, 2005
Office of the Mayor, September 12, 2005
Office of the Controller, July 20, 2005

Civil Grand Jury Reports:

2001-2002 City and County of San Francisco, California
2002-2003 City and County of San Francisco, California
2003-2004 City and County of San Francisco, California
2004-2005 City and County of San Francisco, California

DBI Strategic Plan, final draft dated March 26, 2004.

The Statement of Incompatible Activities (SIA), draft March 31, 2006, accessed May 19, 2006, [http://www.sfgov.org/site/uploadedfiles/ethics/conflictinterest_/SIA_2_3_06\(2\).pdf](http://www.sfgov.org/site/uploadedfiles/ethics/conflictinterest_/SIA_2_3_06(2).pdf)

DBI Code of Professional Conduct, dated 2002

Redevelopment Plan for the Bayview Hunters Point Redevelopment Project, San Francisco Redevelopment Agency, Corrected Version March 27, 2006.

DBI Fiscal Year 2005 – 2006 Efficiency Plan, Oct 31, 2005.

Newspaper Articles

Sward, Susan, and Jaxon Vanderbeken, “Permit Official Faces Bribery Charges, District Attorney and FBI Probe S.F. Building Department,” *San Francisco Chronicle*, August 5, 2005.

Fancher, Emily “Troubled Building Department Continues to Search for a Leader,” *San Francisco Examiner*, August 8, 2005.

Vanderbeken, Jaxon and Todd Wallack, “New Details in Bribery Case Against S.F. Official Permit Manager Received Loan After Condo OKd, Papers Show,” *San Francisco Chronicle*, August 22, 2005.

Wallack, Todd and Cecilia M. Vega, “Ethics a Perennial Issue at S.F. Agency Building Office Critics Say Influence Abused,” *San Francisco Chronicle*, August 23, 2005.

Jouvenal, Justin “SFFD Starts Randomly Testing Firefighters,” *The San Francisco Examiner*, September 26, 2005

Derbeken, Jason Van, “Fire Dept. Sued Over Alcohol Usage, Firefighters, Officers Want Action to Stem “Notorious” Abuse,” *San Francisco Chronicle*, March 18, 2005.

Vanderbeken, Jason, “Firefighter Drug Test Leads to Hearing,” *San Francisco Chronicle*, March 19, 2005.

Correspondence with Members of:

San Francisco Police Department
San Francisco Police Commission
San Francisco Adult Probation Department
Human Rights Commission
Department of Elections
San Francisco Recreation and Parks
Department of Planning

Open Meetings Attended:

Government Audit and Oversight Committee, October 17, 2005

Appendixes

- Appendix A** Letter from Office of the Controller accompanied by a sample of the Office's Response form (2 pages)

- Appendix B** Sample from Department of Building Inspection "Code of Professional Conduct" (2 pages)

- Appendix C** Letter to the 2005-2006 Civil Grand Jury dated May 3, 2006 (4 pages)

- Appendix D** Department of Building Inspections Permit Processing Code (1 page)

Appendix A



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER
FINANCIAL AUDITS DIVISION

Ed Harrington
Controller
Monique Zmuda
Deputy Controller

TO:
FROM: Noriaki Hirasuna, Director, Controller's Financial Audits Division
DATE: March 20, 2006
SUBJECT: Responses to the Recommendations of the Civil Grand Jury

The Office of the Controller is required by Section 2.10 of the San Francisco Administrative Code to report on the status of the implementation of the recommendations of the San Francisco Civil Grand Jury (Civil Grand Jury). The Civil Grand Jury has further requested the Controller to report on each agree-to-be implemented recommendation until the respondent indicates it is fully implemented or abandoned because it is no longer reasonable or warranted. We will be issuing a report summarizing the findings and recommendations of the Civil Grand Jury reports, and the current status of the implementation of those recommendations.

California Penal Code Sections 933.05(a) and (b) requires the responding party to report for each recommendation of the Civil Grand Jury one of the following actions:

- 1) The recommendation has been implemented, with a summary of the implemented action.
- 2) The recommendation has not yet been implemented, but will be implemented in the future, with an anticipated timeframe for implementation.
- 3) The recommendation requires further analysis, with an explanation and the scope and parameters of any analysis or study; and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
- 4) The recommendation will not be implemented because it is not warranted or it is not reasonable, with an explanation thereof.

We have identified the reports in which a Civil Grand Jury required responses from your department in fiscal years 2003-04 and/or 2004-05. Enclosed is a listing of the specific recommendations that includes your department. Please respond only to those recommendations directed to your department. Please send us your responses on the status of the implementation of those recommendations:

No Later Than April 21, 2006

We would appreciate it if you would attach your responses in an email to:

Patti.Erickson@sfgov.org

if you have any questions, please contact Winnie Woo at 415-554-7652.

2004-05 Civil Grand Jury Report:

What is the Difference Between a Contract and a Grant?

California Penal Code Sections 933.05(a) and (b) requires the responding party to report for each recommendation of the Civil Grand Jury one of the following actions:

<p>1. Recommendation Implemented</p> <ul style="list-style-type: none"> - Date Implemented - Summary of Implemented Action 	<p>2. Will Be Implemented in the Future</p> <ul style="list-style-type: none"> - Anticipated Timeframe for Implementation 	<p>3. Requires Further Analysis</p> <ul style="list-style-type: none"> - Explanation - Timeframe (Not to exceed six months from date of publication of grand jury report) 	<p>4. Will Not Be Implemented: Not Warranted or Not Reasonable</p> <ul style="list-style-type: none"> - Explanation
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For each recommendation below, indicate which action you have taken or plan to take and provide the required information.

Recommendation	Responses Required From: Response: 1, 2, 3, or 4
----------------	---

(The Civil Grand Jury indicated that the named departments should reply to those recommendations that are within their jurisdictions.)

<p>1. The Controller's Office and the City Attorney's Office should conduct an analysis of grants made from City fund ought to be—any legal or functional dis</p> <p>SAMPLE RESPONSE FORM</p> <p>per: <i>Office of the Controller</i> <i>March 20, 2006</i></p> <p>2. The analysis by the Controller's Office whether or not all grants presently reported properly categorized as such.</p> <p>3. The City Attorney's Office should not unless existing policies are revised to be revised, they must provide specific just</p> <p>4. If there is a meaningful or functional grants, the Board of Supervisors should</p>	<p>Board of Supervisors Attorney's Office Commission</p> <p>Board of Supervisors Attorney's Office Commission</p> <p>Board of Supervisors Attorney's Office Commission</p> <p>Board of Supervisors Attorney's Office Commission</p>	
<p>5. Such legislation should include Citywide procedures for the application and award process for grants.</p>	<p>Board of Supervisors City Attorney Controller's Office Ethics Commission</p>	

Appendix B

DEPARTMENT OF BUILDING INSPECTION CODE OF PROFESSIONAL CONDUCT

Recognizing the public trust placed on individuals engaged in the administration and enforcement of building regulatory codes, the Department of Building Inspection is committed to the highest values and principles of professional conduct. For the benefit and guidance of department staff and for the enlightenment of the public we serve, these ideals and the standards that support them are characterized below in a Code of Professional Conduct. This Code is designed to support consistent adherence to high standards, foster mutual respect, help prevent misunderstandings and avoid circumstances that could have the appearance of less than responsible professional behavior.

SERVICE

- I will convey the City's commitment to the public and generate customer confidence by being customer-centered, receptive, patient, and courteous.
- I will address customer concerns by providing information, recommending—when possible—a resolution, or by directing the customer to the appropriate person, division or other department for help.
- I will refrain from personal discussions with coworkers in the presence of customers.
- I will not allow personal opinions to affect the performance of my duties or how I represent department policies, staff or the codes we enforce.

FAIRNESS

- I will not give preferential service in any component of my assigned duties.
- I will enforce compliance with building codes equally and neutrally for all customers regardless of relationship, special interest, political association, other affiliation or lack thereof.

SAFETY

- I will place public safety and public interest above individual, group or special interests.
- I will uphold all building codes because they are designated to protect the lives and safety of the public and are dependent upon my judgments and decisions for enforcement.

INTEGRITY

- I will demonstrate the highest standards of personal integrity in order to inspire public confidence and trust in City employees.

- **I will** not compromise the integrity of the permitting process by exceeding or appearing to exceed my authority; attempting to expedite plans or permits not assigned to me; providing unauthorized service outside of my area of responsibility; allowing extraordinary or unsupervised access to submitted plans or paperwork by any customer; or by asking others to do so.
- **I will** use my title or position only when conducting official City business or for informational purposes. In no case will I use my title or position to advance personal or political interests or secure advantage or favor for myself, my family or my friends.
- **I will** accept no gift, special favor, privilege, or benefit offered by a member of the public or by persons or businesses regulated by the department, doing business with the department or seeking to do business with the department for doing my job. When accepting a lawful gift, I will be aware that public perception may make a negative judgment of me or the department.

HONESTY

- **I will** be truthful in communicating with customers and staff, do what I say I will do, and be dependable.
- **I will** express an opinion or offer a suggestion to customers only when it is based on informed practical experience and honest conviction based on the codes we enforce.
- **I will** depict facts and situations honestly and without bias when presenting a problem for resolution by another member of staff.

CONSISTENCY

- **I will** enforce the codes and requirements in a consistent manner for all customers.
- **I will** maintain a consistent minimum standard for every customer where there is flexibility of requirement of the building code, and will support that standard throughout the department.
- **I will** work towards and support a consistent interpretation of codes that require interpretation throughout the department.

PROFESSIONALISM

- **I understand** that I am a representative of the City and will set an example by conducting myself at all times to create respect for the City, the Department, and myself.
- **I will** be punctual and prepared for appointments and field visits.
- **I will** continue training to maintain my skills. I will stay current on policy and code changes. If required to be certified, I will maintain my certification to ensure compliance with law.
- **I will** make suggestions and participate in the improvement of the operations of the department to the best of my ability.

Appendix C

CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF BUILDING INSPECTION



GAVIN NEWSOM, MAYOR
AMY LEE, ACTING DIRECTOR

May 3, 2006

Grand Jury 2005-2006
400 McAllister Street, Dept. 206
San Francisco, CA 94102

Dear

Please find below the Department of Building Inspection's latest update on the recommendations of the Civil Grand Jury. Please note that this transmittal updates the submission made on November 1, 2005 and March 2006 and includes only additions to the status of each recommendation. Where no additional information is available, we've noted that in our response.

Recommendation #1: Develop a bar-coding system to track permits and plans.

We have completed our RFI (Request for Information) which will give us a better indication of software that is presently available for not just this function, but to entirely replace the existing Permit Tracking System. We have reviewed systems in other jurisdictions, including San Jose. We are in the process overhauling our information systems infrastructure which should be complete no later than August 2006. This will allow us to support improved software and systems that better track permits and plans.

Recommendation #2: Purchase equipment to allow DBI inspectors to remotely enter data from the field.

As with recommendation #1, implementation of this recommendation is contingent upon finding a new permit tracking system. Notwithstanding, we do not feel our inspectors are necessarily equipped to handle the technology involved in the use of handheld devices in the field. Our earlier pilot project in the Electrical Division showed us that a great deal of technology training, not just in the use of handheld devices, but training for the use of technology of all kinds, is required for DBI staff. We have recently hired (July 1, 2005) an acting director for our IT group and one of the tasks he has been given is to develop a training regimen for all department staff. In addition, we have also hired a project manager through DTIS to assist us as we move forward in our permit tracking system overhaul.

Recommendation #3: Implement a Code of Professional Conduct

DBI is well on the way to modifying its existing Code of Professional Conduct. Additionally, DBI is one of the first departments that submitted a draft Statement of Incompatible Activities (SIA) to the Ethics Commission for their review and approval. While it was submitted both to the Ethics and Building Inspection Commission, due to comments from the staff and public, both Commissions have asked that we incorporate the comments as much as possible. The challenge will be in finalizing a draft that is mutually agreed upon by all the parties. Once the SIA is approved, we will meet and confer with our affected unions and then develop a training regimen to ensure that all employees are aware of the provisions of the Code of Professional

1660 Mission Street, Sixth Floor - San Francisco, CA 94103
Office (415) 558-6131 - FAX (415) 558-6225
Email: Amy.Lee@sfgov.org

Conduct, the Statement of Incompatible Activities and all other appropriate rules and regulations.

Recommendation #4: Conduct random secondary field inspections

We will be interviewing and, hopefully, hiring two analysts to assist each of our programs in the development and implementation of quality control and quality assurance programs. These programs will include, but not be limited to, random secondary field inspections.

Recommendation #5: Development of a strategic plan

This recommendation is also waiting the hiring of the two analysts mentioned in the previous recommendation. To date, as of May 3, 2006, we have hired our analysts and they will start work May 22, 2006. I will assign one of the analysts to dedicate his entire time to update and print a final plan by November 1, 2006.

I understand the Grand Jury is anxious to see its recommendations implemented and I am committed to making this department more transparent and more efficient. I believe we have greatly improved both in the time I have been Acting Director, but I also know there is a long way to go. I have been asked by the members of the grand jury to identify challenges that this Department faces in making the necessary improvements that the public desires of DBI. They are as follows:

- Recruitment. In several classifications, we have had difficulty recruiting partly due to the limitation of the civil service classifications and procedures. For example, DBI utilizes "senior clerk typist" who the city qualifies based on how fast they type with no assessment of their communication and analytical skills. However, DBI utilizes these positions for sophisticated public contacts, intake of permits, input of permit data and associated paperwork, and general permit processing. All these functions rely more on their analytical and communication skills and less on the speed of their typing. Recruitment is also difficult not only because of the pay disparity from the private sector but also the negative publicity surrounding DBI which makes other city departments more attractive to work for than DBI.
- Empowering Decision-making. There remains a subconscious "fear" of decision-making in a large portion of staff. This "fear" is somewhat historical based on the negative focus the Building Inspection had on highlighting past staff decisions. It also stems from over scrutiny and quick to jump to negative conclusions about staff decisions. As a result, employees are reluctant to make decisions that will expedient the permit process.
- Public Image. The Department suffers from negative press and poor public perceptions. The public is quick to blame DBI for any delays in the permit process even if it is due to another agency, i.e., Planning or Fire since we are the permit issuing agency for all permitting departments. Most importantly, the Department needs to be perceived as a professional organization.
- Limited Office and Customer Space. We do not have sufficient space for staff to work or to improve our customer service. We are in the process of relocating Planning Department so that DBI can expand our office and customer space.
- Improve Management of Staff on All Levels. Overall improvement to management of DBI is necessary. Management related factors such as performance appraisals,

discipline, and time management should be improved. However, other "management" related factors such as team spirit, collaboration, empowering decision making, and employee incentives are equally important.

- Transitioning the culture of the Department. DBI has historically been under heavy political pressure whether from the politicians themselves such as the Mayor or Board of Supervisors but also from outside interest groups. It will take time to train the politicians and interest groups along with our employees to remove the politics out of the permit process and emphasize sound public policy decision-making.
- Inherent city bureaucratic delays. Similar to many departments, it is often difficult to make the necessary improvements and most often than not, there are always delays. For example, during the selection of a vendor to conduct process assessments, the top choice vendor could not be selected even though they were previously registered as a city store vendor, because they had reached their citywide contract cap. It took more than three months to find out that it would take even longer for them to reinstate their contract. After much delay, DBI turned to its second choice vendor to conduct the analysis. Another example is in the hiring process. It is the norm for most departments to get budget authority to hire someone new in October of each fiscal year. However, recruitment often takes nearly 6 to 12 months to hire. In the case of DBI hiring a public outreach manager, we were told we had to post the opening for at least two weeks only to find that there was a list. After sending out requests to interview to the candidates on the list (whose qualifications did not seem to meet DBI's needs), conducting the interviews and determining indeed, none of them met our needs, we had to "exhaust" the list before we could openly post the job announcement again. That process took nearly 5 months. After we posted the job again, we conducted a broad recruitment, held interviews and selected a candidate. That portion of the process took an additional 2 months. Now that we have selected the candidate, we have to post the position again for two weeks so that there are no protests to our selection. Cumulatively, the entire process took nearly 8 months!

Notwithstanding these challenges, the Department has embarked on making long lasting and foundation building improvements. Additionally, DBI has begun to make positive steps forward in facing our challenges head on:

- ▶ Overhaul information systems infrastructure. To date, the Gartner Group has completed our process assessment and completed its recommendations on the implementation of an integrated citywide permit tracking system. We are set to conduct requests for proposals of this new system by the end of June 2006 and hope to select a vendor no later than October 2006. We have also finished signing lease agreements with HP to replace all of our IT hardware including all employees' desktop computers and monitors.
- ▶ Citywide Centralized Permit Tracking System. After extensive collaboration with the Planning, Assessor, Bureau of Street Use and Mapping, Fire, DTIS, Controller's Office, DBI, and to some extent, the general public users, we have completed our requirements and will have a draft request for proposal as listed above. Although the entire implementation may take up to 18 months or more, we have established interim milestones such as the Address Street Validation project to be delivered within 6 months to the date that a vendor is selected.

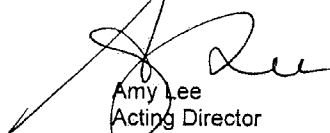
May 3, 2006
Page 4

- ▶ 33 new budgeted positions with heavy recruitment of new employees and promotive opportunities for existing staff. To date, we have filled over 26 new positions and have also promoted over 20 DBI employees.
- ▶ Aggressive comprehensive training for all staff and making it a priority amongst our workload.
- ▶ Better coordination and communication with the Planning Department.
- ▶ Better collaboration and support from the Building Inspection Commission.
- ▶ Establishing a responsible Statement of Incompatible Activities.
- ▶ During the month of March 2006, we conducted 3 required training for staff to guide them on accurately completing their Form 700 Statement of Economic Interest.
- ▶ Updating the Code of Professional Conduct and drafting a "Code of Conduct for Permit Expeditors" to be published by June 2006.
- ▶ Recruiting a full time employee dedicated to customer outreach and public relations. As of May 3, we have selected our candidate.
- ▶ Expansion of DBI to the 4th and 5th floors of 1660 Mission Street.

I believe the operations of the Department to be dynamic and as such will continue to improve daily resulting in positive milestones ahead. It is what the staff wants and what the public is entitled to.

Should you have any questions or require additional information, please feel free to contact me at 558-6131.

Sincerely,



Amy Lee
Acting Director
Department of Building Inspection

Appendix D

Sent By: DEPT OF BLDG INSP;

415 558 6226 ;

Mar-24-06 3:51PM;

Page 2/2



DEPARTMENT OF BUILDING INSPECTION

City and County of San Francisco
1660 Mission Street, San Francisco, California 94103-2414

PERMIT PROCESSING CODE OF CONDUCT

(adopted by Ethics Commission January 10, 2005)

Preamble

The people of San Francisco are entitled to fair and equitable processes for the review and approval of permit applications by City departments. To this end and pursuant to section 3.400(c) of the San Francisco Campaign and Governmental Conduct Code, the Ethics Commission adopts this Permit Processing Code of Conduct to guide the Department of Building Inspection, the Planning Department and the Department of Public Works, and members of the public who use their services.

For the Staff

As an employee or officer working on matters related to permits issued by the Department of Building Inspection, the Planning Department or the Department of Public Works, I will be honest in my dealings with permit applicants, permit consultants, members of the public and my colleagues. I will enforce compliance with Building, Planning and Public Works Codes and requirements in a consistent manner.

For the Public

I will be sensitive to the fact that officers and employees of the City must adhere to laws and rules that govern their conduct and I will respect their procedures. I will provide full, clear and accurate information to the officers and employees of the City.