

San Francisco Democratic County Central Committee

455 Golden Gate Avenue
San Francisco, California
Milton Marks Auditorium
Wednesday, January 28, 2015
7:00 p.m.

Regular Meeting Minutes

1. **Call to Order and Roll Call** at 7:06 pm.

Chair: Mary Jung.

Members: Kat Anderson, David Campos, Malia Cohen, Matt Dorsey, Bevan Dufty, Zoe Dunning, Kelly Dwyer (Eric Mar proxy at 8:40 pm), Tom Hsieh, Hene Kelly (David Campos proxy at 8:40 pm), Meagan Levitan (7:21 pm), Eric Mar, Trevor McNeil, Leah Pimentel, Rebecca Prozan, Alix Rosenthal, Arlo Hale Smith, and Scott Wiener.

Ex Officio: U.S. Senator Dianne Feinstein (proxy George Broder); U.S. Rep. Jackie Speier (proxy Brian Perkins); Attorney General Kamala Harris (proxy Matthew Rothschild); Board of Equalization member Fiona Ma (proxy Bill Barnes 7:37 pm); State Senator Mark Leno (proxy Keith Baraka); Assemblymember Phil Ting (proxy Noriko Shinzato); and Assemblymember David Chiu (proxy Jen Kwart).

Excused with proxy: Petra DeJesus (proxy Hillary Ronen), Bill Fazio (proxy Meagan Levitan), Hene Kelly (proxy Kelly Dwyer – Hene arrived at 7:45 pm and took her seat), and Rafael Mandelman (proxy Matt Dorsey).

Absent excused: Carole Migden, U.S. House Democratic Leader Nancy Pelosi

Other: Eric Mar left at 8:40 pm and tendered his proxy to Kelly Dwyer. David Campos left at 8:40 pm and tendered his proxy to Hene Kelly.

2. **Approval of Meeting Agenda**

(Rosenthal/Dunning) Approved by acclamation.

3. **Approval of Meeting Minutes**

(Hsieh/Prozan) Approval of the minutes of the DCCC's Regular Meeting of October 22, 2014 *with following edit* (per comments below).

Edit: Senator Leno voted to abstain on Item 6, resolution regarding BART Board race.

Member Anderson sought clarification whether member Avalos' move out of Assembly District 17 before the October 22, 2014 DCCC meeting would require a re-count of any votes in which Avalos participated during that meeting. Member Smith commented that removing Avalos' vote from the count on the "Resolution: Fang campaign's use of S.F. Democratic Party's name" would not change the outcome. No action is required.

4. Public Comment

Ivan Abeshaus: on home-sharing legislation. Urges that the law not be suspended. He has had hundreds of guests with Airbnb. Allowed him the freedom to publish a book for 4-year olds.

Peter Kwan: do not vote in favor of the proposal. He is with Home Sharers of San Francisco. Neighbors have intimidated those who home-share with vandalism.

Nancy Niederhauser: with Homesharers of SF. She has a small guest room with private bath. The income makes a huge difference with her standard of living. She would never rent that room full-time, she is always there. Do not support the resolution.

Cathryn B.: with Homesharers of SF. Urges a no vote on the resolution.

Karen Cansino: with Homesharers of SF. Please proceed as of Feb 1 like we are supposed to. No problem with collecting back taxes.

Rodolfo Cansino: I hear that Airbnb is in talks with the Treasurer re: back payment of taxes.

Stephen Henry: also a host with Airbnb. Opposes the resolution. You should see how this affects the Fillmore and the Bayview. It is quite an accomplishment for a black man to be able to buy in SF. If I get a bill for back taxes, I will pay the bill. I am prepared for that. No benefit to delay a two-year process.

Allison Shuttleworth: she works at a hospital. The lower unit of her TIC has a tenant in it that used to be an Airbnb guest. One is a chemist and one in tech. They can now afford a lifestyle in SF because of Airbnb.

Bob Planthold: urges us to support item 7 (Airbnb). Airbnb is a company that is not accessible. This body voted a long time ago to associate only with those things that are accessible.

Chris George: a homesharer of SF. Requests that the Party support legislation that was two years in the making. There is a fair process. Show respect for the legislative process.

Ashley V: is an Airbnb host. She was part of the months of debate. Allow the legislation to move forward. Any holdup affects her stability, legality and peace of mind. Do not hold until back taxes are paid. She wants to register and be transparent.

Sharon Campbell: resident of West Portal. Bought home in 1997, and her husband died the following month. She raised her two children alone. Home-sharing allowed her to stay in her home and provide for her children.

Peter Cohen: Council of Community Housing Organizations. This resolution is about hosting platforms that owe back taxes to this City. It is important that you have them pay their fair share. The industry must play by the rules. There are 5,400 Airbnb listings. 66% of those are full units. Support the resolution.

Woody Hooten: Homesharing host. Opposes the proposed ballot measure delaying implementation. Notable benefits happen through homesharing.

D. Riley: on homesharing. There are other women like me in my area who homeshare and benefit from this. We pay our taxes from our 1099, our income taxes. Help us be legal.

Theresa Flandrich: from North Beach Tenants and Landlords. These businesses should pay the taxes and start out "legal." We've experienced 4-unit buildings as Airbnb and VRBO entities.

Michael Theriault: here to talk about the upcoming appointments to the DCCC. Want to support Chair's appointments of Francis Tsang and Joshua Arce – both friends of Labor.

Marcia Weisbrot: I share a small room in my apartment. Please support.

Gea Bellairs: supports Airbnb and the platform. It is transparent in paying its taxes. The community benefits. Guests bring so many dollars into the city. They are not taking away from housing.

Patrick Connors: We are not really talking about "sharing," because you don't make a profit when you "share." We are here to talk about whether they should pay the City. They have been able to make profits for years without being legal or approved.

Treasurer Jose Cisneros: The office...has the authority to collect all taxes...including the transient occupancy tax...our office is diligent in collecting outstanding amounts that remain unpaid....we have confidentiality requirements. We spend all day every day making sure people pay their taxes..."

Public comment closed at 7:36 pm.

5. Reports

a) **Chair** (Jung).

Jung reported about the process for appointment of delegates to the Democratic State Central Committee (DSCC) – noting it is composed of approximately 3,000 delegates with the following approximate breakdown: 1/3 appointed by elected officials, 1/3 elected during the Assembly District ADEM meetings (last held January 10-11, 2015), and 1/3 are from DCCCs. This SFDCCC has 29 appointments: 24 elected members and another 5 appointed by the Chair. These 5 are based on the number of registered Democrats in SF. This year, there are several elected DCCC members who know they cannot attend, and have decided to not take their DSCC seat so other Democratic activists can attend. Jung thanked Bill Fazio, Meagan Levitan, Hale Smith, and Tom Hsieh for providing another generation of leadership with the opportunity to participate and learn.

The Democratic Convention is May 15-17, 2015 in Anaheim. DSCC members will receive registration and hotel information from the CDP soon. Let Jung know if you cannot attend, and she will find a proxy to take your spot. All DSCC members (or their proxies) are expected to attend.

Appointees: Matthew Rothschild (E-board appointee), Leslie Katz (E-board appointee), Vince Courtney, London Breed, Jason Chan, Melanie Nutter, Adam Taylor, Matt Tuchow, Molly Fleischman, Conor Johnston, and Dion-Jay (DJ) Brookter.

Motion to approve the appointees passed by acclamation.
(Hsieh/Anderson)

Mathew Rothschild thanked the committee for the honor to serve.

Chair Jung commented that one of the pleasures of being the Chair of the DCCC is the ability to appoint hard-working Democrats to openings on the DCCC if they become available. Two were created recently by the election of David Chiu to the Assembly and by the move of John Avalos from AD 17 to AD 19. Jung nominated Francis Tsang and Joshua Arce.

Jung met Tsang when they both volunteered against then Governor Schwarznegger's Special Election. In 2010, he was named by Regional Director August Longo as one of the Party's Democrats of the Year.

Joshua Arce is an environmental leader and works with the Building Trades. He served as President of the Commission on the Environment and is a board member of the Sierra Club.

Motion to approve appointments. (Rothschild/Levitan)

Assemblymember Chiu's proxy commented that Chiu wanted to share a letter he wrote. Important that API leadership continue on the east side. Excited about Tsang's appointment. Also excited about Arce's appointment, whose past experiences are invaluable to the Democratic Party.

Member Hsieh commented that he has worked with Tsang on WSCDC matters and with Arce as a member of Local 261. Both are hard workers, effective and professionals.

Member Campos called for a roll-call vote.

After some discussion, it was agreed that Tsang's ratification didn't need a roll call.

Motion to ratify Tsang appointment by acclamation. Accepted.
(Pimentel/Dunning) Tsang took his seat at 7:49 pm.

For the ratification vote for appointing Arce, the vote was 25 Yes, 3 No, and 1 Abstention. Below is the breakdown of the vote:

Yes votes (25): Anderson, Cohen, Dorsey, Dufty, Dunning, Fazio, Hsieh, Jung, Kelly, Levitan, Mar, McNeil, Pimentel, Prozan, Rosenthal, Smith, Tsang, Wiener, Feinstein, Speier, Harris, Ma, Leno, Ting, and Chiu.

No votes (3): Campos, DeJesus, and Dwyer.

Abstain (1): Mandelman.

Arce took his seat at 7:52 pm.

Member Jung appointed the following members to the bylaws subcommittee to reform and clarify Conflict of Interest provisions: Smith (chair), Hsieh, Kelly, and Dorsey. Jung asked for any other volunteers. Kelly Dwyer indicated her interest in serving on the subcommittee.

Member Jung circulated the 2015 DCCC meeting calendar and noted it was also posted on the website.

- b) **Voter Registration** (McNeil). No report as McNeil had to leave early.
- c) **Club Chartering** (Pimentel). Nothing to report.
- d) **Finance** (Dunning). Plans for the S.F. Democratic Party's annual "Spring Breakfast" major fundraiser are underway. Waiting for a commitment from a particular senior elected official to speak at the event, which will determine the date of the event.

Member Migden pledged \$300 towards a ticket. One \$1,000 sponsorship from an individual has also already been donated.

- e) **Treasurer (Hsieh)**. Our federal and state accounts are in strong position: \$135,000 total cumulatively. Fair amount of money going to accounting and legal compliance. There will be a report on 2014 next month.
- f) **Executive Director (Medina)**. In 2014, we registered 4,000 local Democrats. This is lower than years previous because we are no longer allowed to hire bounty hunters. We have gotten an increase in voluntary work on getting Democrats registered. Our county “rules” in getting people registered. We had 8 paid interns last summer, who accomplished a large amount of work and who recruited high school volunteers. We did 2.5% of all phone calls made from Ami Bera campaign. Campaign came down to 1,400 votes, most expensive house race last year. We are the most active DCCC in California. We need all hands for our Spring Fundraiser. Joshua Arce and Hene Kelly volunteered for the committee.
- g) **CDP Region 6 Update (Kelly)**. The amazing ADEM election on Saturday had a number of issues: broken elevator, not enough ballots, long lines. Volunteers and voters were thanked. Some waited for over 2 hours to vote. The Sunday election was much smoother. Venue had one floor only and good parking.

Member Wiener commented on the AD17 Caucus – to have so many people come out to vote, and to wait two hours to vote showed the commitment of Democrats in the City. On the other hand, not the best first foray into such things. The venue was horrible and there was a bottleneck in the voting process. He thanked all the volunteers.

At 8:07 pm, member Campos stated that he just learned about a four-alarm fire going on in his district and asked to move item 7 (Airbnb resolution) out of order. The members agreed to this.

6. Resolution: Demanding payment of taxes by Airbnb and other short-term rental hosting platforms (Leno/Campos/Levitan/Kelly)

Resolution demanding that Airbnb and other short-term rental hosting platforms immediately pay past due taxes owed to the city, and urging enforcement referral if necessary.

Member Ma recuses herself from this matter because of possible conflict of interest.

Member Campos commented. Thanked Senator Leno, Meagan Levitan and so many who have worked on this issue. No one working on this questions the value of home-sharing. That is clear. The focus on this resolution is whether any industry should be required to pay taxes that it owes to the City and County of SF. This resolution has nothing to do with any law or amendment to a law before the BOS. We were very clear in having the 3 “whereas” clauses and having the resolution be as factual and simple as possible. In 2012, Cisneros issued a set of regulations that made it clear that hosting platforms are liable for taxes. Expressed gratitude that the City Treasurer is here. It has been difficult to get some information out in public. Airbnb has not verified that it has paid the taxes it owes to CCSF. Airbnb has never received a bill from the City. Only information about the rules that govern its business conduct. If you see the regulation that says you owe taxes, even if there is a question about the amount – you should pay the amount and then go to court or do whatever you need to do to pay the right amount. We just want Airbnb to follow the rules. We want to know whether or not they have followed the law that requires them to pay in accordance to this regulation.

There is a YouTube video going around that I would encourage you to watch.

Member Levitan thanked everyone who came for public comment and participating in the process. This is not about home-sharing. It is about paying your taxes. An up and down vote on what is fair. I do not have a choice on whether or not I pay my taxes.

Member Wiener thanked everyone on all sides who came out today. We held three Land Use committee hearings on this and had quite a turnout. That’s a good thing – such engagement. I am going to assume everyone in this room supports people paying taxes. If there is \$25 million in back-taxes owed, so be it. I am supportive of regulated short-term rentals. This resolution creates a straw man – those not wanting to pay taxes. That by home-sharing, you are like a Republican. There is a reason why in public comments people urged not to slow down the implementation – because right now, there is legislation pending authored by Campos to suspend the implementation of the law until the back taxes are paid. So it’s no surprise that people made such comments.

Wiener offered amendments.

Motion to submit amendments. (Wiener/Dunning)

Campos: is the motion to add the amendments?

Wiener: it is a motion to fully amend in its entirety. I would like to combine Whereas 1 and 2 and combine the 3 final ones into one Whereas.

Levitan: Point of clarification? There is a motion on the floor to amend. This requires a super majority, right?

Smith: That would be a proper amendment, but the committee has to first vote on Scott's motion to amend.

Kwart, Proxy for Chiu: In 2012, Chiu was the first official to support Airbnb being subject to transient occupancy tax. There was no intent to allow any entity to get out of back-tax liability. Confident that the Treasurer is working on this. Chiu supports the minor amendments.

Member Dufty offered an amendment to the amendment. Seconded by Kelly.

Rosenthal: that is not an amendment to the amendment. We vote on Dufty's amendment first. Then we vote on the resolution.

Dufty: I am simply removing what is objectionable.

Jung: Dufty moves to amend the original.

Dorsey: When our policymakers put legislation into practical existence, we had leverage to collect taxes on behalf of the city, but we chose to surrender that leverage. I don't disagree that the Treasurer has what he needs, that the City Attorney can do what he needs....we sat on that. I would have gone further at that time. I support Dufty's amendment.

Campos: It was never my intent to call out any one individual. One thing I would say about the Treasurer is that I have every confidence that he is doing everything he can. I support the Dufty amendment.

Dwyer: Emphasized the importance of the back taxes being paid to the city. I am a renter and I only heard from home-owners. I am a big advocate of affordable housing, so I want this money to go back to the City as soon as possible to support that.

Hsieh: I like Supervisor Dufty's amendment, but I am hearing from Supervisor Campos that they are concerned about back taxes. Would you consider striking \$25 million – let's just change it to all taxes owed.

Dufty and Campos accepted.

Member Anderson would like to call the question.

Wiener commented that he appreciated the further amendments. He also commented that when you delay implementation of legislation, it does not hurt just Airbnb, but the people engaging in short-term rentals.

Broder, Feinstein's proxy - commented that the Senator will vote in favor of this resolution as amended by member Dufty with said amendments accepted by member Campos.

In a voice vote, the resolution passed with one abstention (Kamala Harris) and one recusal (Fiona Ma).

Jung thanked Treasurer Cisneros for coming.

- 7. Resolution: Honoring the *San Francisco Bay Guardian* and urging access to its archives** (Rosenthal/Dorsey/Fazio/Chiu/Mandelman/Dwyer/Kelly/Anderson. Jane Morrison is honorary co-sponsor.)

In the introduction of the resolution, Rosenthal recognized former editor Tim Redmond (who was present) for helping to write the SF Sunshine Ordinance. Rosenthal commented that people loved the Guardian and loved to hate the Guardian, and that the Guardian (and its archives) is an essential public record. Rosenthal acknowledged the presence of Bruce Brugmann and Jean Dibble (co-founders) as well as Joe Fitzgerald Rodriguez and Tim Redmond (former staff). She invited Brugman to speak.

Bruce Brugmann stated, "When we were in business, we did not seek political support. . .We only endorsed a Republican once."

Anderson commented that she was as broken-hearted as anyone else when she got word that the Guardian had been shuttered. She hopes to be a part of bringing the Guardian back to life, if not at least ensuring the continued security of the Guardian archives. She thanked Brugmann and Dibble for the service their publication provided to the community and praised Redmond,

Jones, Fitzgerald Rodriguez, Bowe and all the great Guardian writers for doing their part in helping to ensure government transparency and thereby protecting the Democratic process.

Dufty commented about the amazing experience he had every time he encountered Guardian staff.

Dorsey thanked Rosenthal for putting this together. Has had opportunity to work with everyone at Guardian. Appreciates the “hell raised.” Glad to see everyone is still writing.

Kelly noted that they were politically ‘fun.’ Particularly enjoyed personal ads and impact on cousin’s life.

Rosenthal held up final issue of Guardian (Guardian in Exile), which can be found in the newsstands.

The members passed the resolution by acclamation.

8. New Business

Member Hsieh proposed closing the meeting in memory of Bob Morales, whose memorial service will be on Thursday. Morales was Secretary-Treasurer of Teamsters Local 350.

Kelly commented that Morales was a great labor leader, mentor and her husband’s roommate in Israel. “We will remember him, and perhaps be unable to replace him.”

Wiener added that this is a huge loss for the Teamsters, the trades and the Democratic party.

9. Adjournment at 8:54 pm.

*Respectfully submitted,
Kat Anderson
DCCC Recording Secretary*