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EIN: 94-3078431

170 9<sup>th</sup> Street  
San Francisco, CA 94103

Phone 415.777.0333  
Fax 415.777.1770

[prcsf.org](http://prcsf.org)

January 20, 2022

LeeAnn Pelham, Executive Director  
Patrick Ford, Senior Policy and Legislative Affairs Counsel  
Michael Canning, Policy Analyst  
San Francisco Ethics Commission  
25 Van Ness Avenue, Suite 220  
San Francisco, CA 94102

RE: Proposed Ballot Measure to Amend the Campaign and Governmental  
Conduct Code

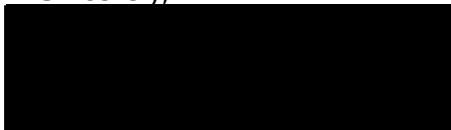
Dear LeeAnn, Patrick, Michael, and other Commissioners of the San  
Francisco Ethics Commission,

PRC stands by the San Francisco department heads and others who have  
already brought forth their concerns in a jointly signed letter and echoes  
concern over the Ethics Commission’s proposed ballot measure’s potential  
negative impact on nonprofits’ fundraising ability.

Restrictions on City officials attending nonprofit fundraising events for  
example, even with the consideration of the very narrow and difficult to  
prove exemption, “so long as attendance at the event is a necessary part of  
the official’s City duties,” prohibits public acknowledgement of the valuable  
partnership between the City and San Francisco’s nonprofit sector that is  
such an integral part of these events. It is critically important that our  
nonprofits’ stakeholders have visibility to and assurance of the strength and  
mutual benefit of this partnership.

Thank you.

Sincerely,



Randi Paul  
Chief Development Officer



YOUTH SERVICES

Larkin Street Youth Services
134 Golden Gate Ave.
San Francisco, CA 94102
Tel (415) 673-0911
Fax (415) 749-3838
larkinstreetyouth.org

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1/21/22

LeeAnn Pelham
Executive Director
San Francisco Ethics Commission
Via ethics.commission@sfgov.org

Re: Proposed ballot measure: Gift laws to Individuals

Dear Ms. Pelham:

Given the recent corruption scandals, Larkin Street Youth Services, one of the City's largest nonprofits empowering young people to move beyond homelessness, supports the City's gift laws that the Ethics Commission has put forth. There are, however, aspects of these laws that could negatively impact the partnerships between City departments and the nonprofit agencies that contract with them.

As such, Larkin Street supports the request from the San Francisco Human Services Network to take a balanced approach to this endeavor. We request that you focus on the major actions that could lead to corruption, as we have already witnessed. At the same time, concurrently, we ask that you protect the non-threatening activities that serve to strengthen the partnerships between the City and the nonprofit contractors and that often are, in fact, part of their day-to-day business dealings. Reiterating the position expressed by the Human Services Network (HSN) in their recent memo, we ask that you thoroughly review, with the support of additional community input, your positions regarding the following:

Attendance at nonprofit fundraisers:

We appreciate that the Ethics staff has proposed language in their recent FAQ that would permit free attendance at events if necessary for the public officials to carry out their duties. Yet we would like the language of the ruling to be clarified to include City department representatives attending fundraisers or other types of events and expressing their support of organizations with whom they have partnered, in some cases, for several years.

A particular example of this would be the Rising Up initiative, a public/private partnership launched by Mayor Breed in 2019. HSH is the lead City department, and they partner with a group of six nonprofit youth-serving organizations led by Larkin Street Youth Services. Rising Up aims to achieve a 50% reduction in the number of young people experiencing homelessness in San Francisco by 2023. To date, through the public and private entities working together almost daily, over 400 young people have found housing or have been able to avoid homelessness altogether.

There may come a time when we wish to celebrate our success with an event that includes City representatives, nonprofit representatives, and private donors. An event of this sort is essential because it is, among other things, a testament to our private donors of the strength and positive impact of the City and the nonprofits working together to reduce homelessness in San Francisco.

Restricted Source - Definition:

Simply put, the suggested increase in the numbers and types of persons categorized as restricted sources would only serve, through its onerous implementation, to draw attention away from the more serious cases of corrupt influence. Moreover, through their recent rejection of similar



legislation regulating behested contributions, the Board of Supervisors has shown their potential support of our position on this.

**Nonprofit boards of directors:**

As proposed, the legislation potentially exposes community leaders who serve on nonprofit boards to civil or criminal liability. This could significantly impact the ability of nonprofits to recruit qualified board members. Therefore, we fully support the HSN recommendation that the definition of a restricted source “*shall not include an individual, solely because the individual is an uncompensated board member of a nonprofit organization that is a restricted source.*”

**Attempt to influence:**

As currently proposed, the definition of restricted sources is overly broad, making this issue unclear, difficult to define, and even more challenging to track. Accordingly, since even the Ethics staff acknowledges that enforcement would be unlikely in many situations, we support the HSN recommendation to adopt, for the Ethics laws, the clarifying language as outlined in Section 3.215(b)1 of the behested contributions legislation.

**Local and state gift exceptions:**

We support the Commission’s willingness to consider retaining the following exceptions to local and state gifts:

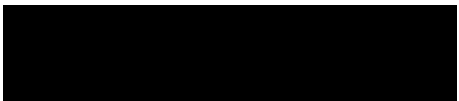
- ***Personalized plaques and trophies of less than \$250 in value.*** This type of recognition does not provide any monetary benefit to a public official. However, it could be, for example, a meaningful way to recognize HSN’s significant role in the success of the Rising Up initiative. And this recognition would serve further to strengthen the partnership between public and private agencies.
- ***Non-cash gifts of \$25 or less per occasion, up to four times per calendar year.*** This generally amounts to simple courtesies such as lunch offered to officials visiting a nonprofit for an event, attending a meeting, etc.

**Process to amend ethics laws:**

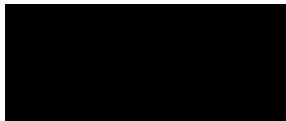
As noted in the HSN memo, the measure, as currently stated, would require a supermajority of both the Board of Supervisors and the Ethics Commission to amend ethics laws. Therefore, if this provision remains, the measure should require a 2/3 supermajority of both policy bodies.

Larkin Street Youth Services acknowledges the importance of the Ethics Commission's work to prevent future corruption scandals. However, we ask that, as part of this process, the Commission recognizes the negative impact that some of the laws, as currently proposed, could have on the partnerships between public and private agencies, partnerships that are crucial to the success of both entities.

Thank you for giving our concerns your serious consideration.



Sherilyn Adams  
Executive Director



Gayle Roberts  
Chief Development Officer

CC: Patrick Ford and Michael Canning