



Press Release

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As part of Public Integrity Review, Controller's Office releases report on ethical standards of San Francisco commissions and boards for awarding contracts

In conjunction with the City Attorney's investigation stemming from alleged criminal wrongdoing by former Public Works Director Mohammed Nuru, the Controller's Office has released its fourth policy and process assessment report.

SAN FRANCISCO (January 11, 2021) — Controller Ben Rosenfield announced today the release of a preliminary assessment report on the ethical standards of city commissions and boards for awarding contracts, with a focus on the Airport Commission and the Revenue Development and Management unit at San Francisco International Airport (SFO).

This assessment was done because of the allegations in the federal criminal complaint against former Public Works Director Mohammed Nuru that identify former Airport Commissioner Linda Crayton as the target of an alleged bribery scheme by Mr. Nuru. The Airport Commission, whose members are appointed by the mayor, is the policy body that oversees SFO as a city department. Ms. Crayton did not report a meeting she had with Nick Bovis, who allegedly met with her and expressed interest in submitting a proposal to obtain a restaurant concession lease at SFO. She is alleged to have promised to use her position as an Airport commissioner to help Mr. Bovis obtain a lease. Prompted by these allegations, the Controller's Office also compared the Airport Commission's contract award process with those of four other city commissions/boards—the Port Commission, Recreation and Park Commission, San Francisco Municipal Transportation Agency Board of Directors, and San Francisco Public Utilities Commission—and the Transbay Joint Powers Authority Board of Directors.

"Although our office found no substantial structural problems with the procurement standards we examined, there is evidently a need to clarify city policies and codify certain rules," said Controller Ben Rosenfield. "In the case of SFO, the alleged actions by the commissioner may not have violated the department's statement of incompatible activities, but they were unethical and should have been clearly prohibited."

"We want it to be crystal clear. If you are working on behalf of the people, there is zero room for favoritism or backroom deals," said City Attorney Dennis Herrera. "San Franciscans deserve transparency, fairness, and the highest ethical standards of conduct by their officials."

The City Attorney's Office continues to lead San Francisco's investigation into alleged wrongdoing by current and former city employees and contractors. Much of the conduct is outlined in criminal charges brought by the U.S. Attorney's Office against:

- **Mohammed Nuru**, former director of Public Works
- **Nick Bovis**, owner of Lefty's Grill and Buffet at Fisherman's Wharf
- **Sandra Zuniga**, former director of the Mayor's Office of Neighborhood Services
- **Florence Kong**, former commissioner on the Immigrant Rights Commission
- **Baltimore Hernandez**, chief executive of AzulWorks, Inc., an engineering firm with large city contracts
- **Wing Lok "Walter" Wong**, permit expeditor affiliated with several entities that do business with the City
- **Alan Varela** and **Bill Gilmartin**, officers of ProVen Management, Inc.
- **Paul Giusti**, former group government and community relations manager for Recology
- **Harlan Kelly, Jr.**, former general manager of the San Francisco Public Utilities Commission

Beyond involving those facing criminal charges, the investigation led **Tom Hui**, then the director of the Department of Building Inspection, to resign in March because of evidence showing he had accepted improper gifts, violated city law by giving preferential treatment to Mr. Wong and a developer, and abused his official position to help his son and his son's girlfriend obtain city jobs.

What happens next?

Our Public Integrity Review of inadequate policies and procedures that were exposed by the federal criminal charges against Mr. Nuru and other city employees and contractors will continue, with future assessments on citywide ethics reporting, contracting at the San Francisco Public Utilities Commission, and the Department of Building Inspection's inspection and permitting process. In the coming months we will release each assessment report as it is finished and may add additional topics as the investigation progresses.

Tips

Investigators from the Controller's Office consider every allegation of wrongdoing raised by city employees and members of the public. To report suspected public integrity abuses related specifically to the Nuru investigation, please contact the Public Integrity Tip Line. You can provide information via e-mail at publicintegrity@sfgov.org or by phone at (415) 554-7657. All tips may be submitted anonymously and will remain confidential. Reports to this tip line, as well as tips to the Controller's whistleblower hotline, are critical to the City's ability to fight abuses and lapses of public integrity by city employees and contractors. As provided for by the San Francisco Charter, the Controller's Office ensures that complaints are investigated by departments with the appropriate jurisdiction and independence from the alleged wrongdoing.

Information on city payments, searchable by department and vendor, are available on the Controller's public transparency website at openbook.sfgov.org. Anyone may file any allegation of improper or illegal public activity with the City's Whistleblower Program at sfcontroller.org/whistleblower-program. That program, administered by the Controller's Office, often partners with the City Attorney's Office on investigations.

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