



Mayor's Proposed Budget FY 2021-22 and FY 2022-23

June 2021



Budget Overview

- Mayor's proposed FY 2021-22 and FY 2022-23 budget is \$13.1 billion and \$12.8 billion, respectively
- Supports critical investments in:
 - COVID Response & Recovery
 - Public Safety, Justice Innovations, and Victims' Services
 - Homelessness & Behavioral Health
 - Nonprofit sustainability & Citywide Equity
 - Capital & Affordable Housing
 - Children & Youth
- Proposed budget ensures the City's financial reliance by reducing the structural deficit and reserving funds for future uncertainty



Response & Recovery Initiatives

Mayor's proposed budget invests \$477 million over the next two years on critical COVID-19 response and recovery initiatives, including:

- \$41 million in food security funding, including \$14 million in neighborhood-based feeding grants
- \$19.8 million for targeted workforce, small business, and economic relief
- \$6 million for continued support for Community Resource Hubs, and \$6 million for arts, culture, and recreational support
- Support for shelter-in-place hotels through the end of FY 2021-22, including staffing for massive rehousing effort
- Sustained, but reduced, support for essential health operations such as testing, vaccination, and central public communications



Response & Recovery Initiatives

- Downtown Ambassadors & Activation - \$25.6 million
- Hotel Tax for the Arts Backfill - \$16.2 million
- Learning Loss Recovery – \$15 million
- Women & Families First Initiative - \$6 million
- Moscone Rent Subsidy - \$4.6 million
- Trans Basic Income Pilot - \$2 million



Public Safety & Alternative Response

- Strengthening non-law enforcement response
 - Street Wellness Response Team
 - Street Overdose Response Team
 - Street Crisis Response Team
 - Behavioral Health Response Team in DPH clinics and hospitals
- Call Diversion & Citywide Coordination
 - Additional 311 resources
 - Citywide Call Diversion Coordination & Project Management
- Resources to maintain police staffing levels
 - Academies to backfill for retirements
 - Restores pre-COVID overtime budget
 - Resources for SB1421



Violence Prevention & Victims' Services

Mayor's proposed budget includes nearly \$11 million over the two years in resources to expand violence prevention efforts and expand victims' services

- **Violence Prevention and API Victim Services** - SVIP expansion and API-specific victim wraparound services, multi-racial bridge-building, legal advocacy, and senior escorts
- **Victims' Rights Advocacy** - Staffing in the Mayor's Office to serve as a centralized victims' rights resource to provide independent oversight and accountability of victims' services, identify systemic flaws, and develop improvements, as part of the Mayor's Office of Justice Innovations
- **API Equity Advisor** - Tasked with convening an API policy and planning body comprised of community leaders and stakeholders, identifying systemic issues of concern, and developing recommendations to enable the City to better deploy resources and deliver services San Francisco's API communities



Homelessness

- Leverages over **\$1 billion** over two years in state, federal, and local funds to advance and significantly expand the work started through the Homelessness Recovery Plan
- In addition to 6,000 placements announced last year, budget includes:
 - Up to 4,000 new housing placements, including acquiring 800-1,000 new units, flex pool rental subsidies, short- and medium-term rental subsidies, and new housing vouchers from the federal government
 - Interventions to prevent homelessness and eviction for up to 7,300 households, including capping all PSH rent at 30% of tenant income and fully funding tenant right to counsel
 - Two new safe parking sites, with up to 100 spaces each
 - New 40-bed emergency shelter for families



Behavioral Health & Substance Use

- Leverages **\$300 million over two years** in OCOH funds to support:
 - Acquisition and operation of treatment beds
 - Case management and care coordination
 - Expanding services as the Behavioral Health Access Center
 - Targeted services for transgender and TAY clients
 - Preventing overdose through medication assisted treatment, street response, drug sobering site, and expanded naloxone distribution
 - Increased services for clients in shelter and PSH



Nonprofit Sustainability & Citywide Equity

- Nonprofit Sustainability
 - Annualize one-time 3% COLA from FY 2021 - \$37.6 million over two years
 - Additional 3% ongoing COLA - \$38.8 million over two years
- Citywide Equity Investments
 - Baselines \$60 million per year for the Dream Keeper Initiative
 - Fee & Fine Waivers - \$0.9 million in reduced fees/fines per year
 - Diversity, Equity, and Inclusion resources for DHR and ORE - \$1.5 million over two years



Capital & One-Time Projects

- Includes over \$200 million to support critical capital projects including fiber to affordable housing, seismic retrofits to cultural centers and shelters, and other critical street and park infrastructure improvements
- Sets aside funds to purchase a site for the LGBT Cultural Museum and Fire Training Facility
- Replaces aging equipment in the Fire and Police departments



Affordable Housing

Invests over \$50 million in affordable housing projects including:

- Gap Financing for 600 7th Street - \$17.6 million
- Hunters View Infrastructure - \$23 million
- Housing Innovation Fund - \$10 million



Children & Youth

- Invests \$144 million over the two years to lay the groundwork for early learning and universal preschool in San Francisco
 - \$35 million annually for childcare subsidies
 - \$25 million annually to support workforce compensation
 - \$5 million annually to support the Family Resources Centers
- Maintains prior investments in Children & Youth including mental health for SFUSD students and Opportunities for All



Financial Resilience

- Proposed budget ensures the City's financial resiliency, reducing the structural deficit and setting aside reserve funds for future uncertainty
- Reduces structural deficit by \$50 million in FY 2023-24
- Proposes to move the balance of the COVID reserve (\$395 million) to establish two new reserves to hedge against FEMA disallowance (\$100 million) and future fiscal cliff (\$295 million)