File No. 260677 | Committee Item No. 15
Board Item No. ____________

COMMITTEE/BOARD OF SUPERVISORS

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Board of Supervisors Meeting **Date** ____________

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Completed by: Brent Jalipa **Date** July 9, 2026
Completed by: Brent Jalipa **Date** ____________

Item 15 **File 26-0677**	**Department:** Homelessness & Supportive Housing (HSH)

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed hearing would release $2,430,466 of the $6,861,866 in reserved funds.

Key Points

- In June 2025, the Board of Supervisors placed $6,861,866 in HSH's FY 2025-26 General Fund budget on Budget & Finance Committee reserve. The funds were budgeted for the Mayor's interim housing expansion, however there was no spending plan available for our review of the June 2025 budget.
- HSH no longer plans to use these funds for shelter expansion. Instead, the Department intends to use the funding to continue community ambassador services at two shelter sites operated by Five Keys: (1) the Embarcadero Navigation Center and (2) a semi-congregate shelter at 685 Ellis Street. Both grants received new General Fund support starting in September 2025 to fund community ambassadors to address neighborhood concerns regarding street conditions near the shelter. The Mayor's proposed FY 2026-27 – FY 2027-28 budget does not include new General Fund funding for these services, so the Department is seeking to use previously appropriated funding to continue the services.
- According to HSH, the ambassadors address trash, loitering, drug use and other street conditions, and create a more consistent point of contact for neighbors. While funding for the ambassadors is in each shelter's grant agreements, the agreements do not include service or outcome objectives related to the ambassador services.

Fiscal Impact

- The proposed release of $2,430,466 would be sufficient for the Embarcadero Navigation Center community ambassadors through December 31, 2027, when the lease for the site ends and through June 30, 2028 for the 685 Ellis Street Shelter, when the grant for the program ends. The proposed budgets are essentially the same for the services at each site in FY 2025-26; there is no increase in service levels nor an inflation adjustment.

Recommendations

- Request HSH add service and outcome objectives for ambassador services to all grants that fund ambassador services. The service and outcome objectives should closely mirror the objectives for the citywide ambassador service listed in the Human Services Agency's 2025 Request for Proposals 1191.
- Approve the proposed release of reserved funds.

MANDATE STATEMENT

City Administrative Code Section 3.3(j) states that the Budget and Finance Committee of the Board of Supervisors has jurisdiction over the City's budget and may reserve proposed expenditures to be released at a later date subject to Board of Supervisors approval. The practice of the Board of Supervisors is for the Budget and Finance Committee to approve release of funds placed on reserve by the Committee, without further Board of Supervisors approval.

BACKGROUND

At our recommendation, in June 2025, the Board of Supervisors placed $6,861,866 in HSH's FY 2025-26 General Fund budget on Budget & Finance Committee reserve. The funds were budgeted for the Mayor's interim housing expansion, however there was no spending plan available for our review of the June 2025 budget.

DETAILS OF PROPOSED LEGISLATION

The proposed hearing would release $2,430,466 of the $6,861,866 in reserved funds.

HSH no longer plans to use these funds for shelter expansion. Instead, the Department intends to use the funding to continue community ambassador services at two shelter sites operated by Five Keys: (1) the Embarcadero Navigation Center and (2) a semi-congregate shelter at 685 Ellis Street. Both grants received new General Fund support starting in September 2025 to fund community ambassadors to address neighborhood concerns regarding street conditions near the shelter. The Mayor's proposed FY 2026-27 – FY 2027-28 budget does not include new General Fund funding for these services, so the Department is seeking to use previously appropriated funding to continue the services.

According to Dylan Schneider, HSH Interim Deputy Director for Administration & Finance, ambassador deployments for these two sites came out of conversations with the community and Board of Supervisors to support areas around the two shelters. The ambassadors address trash, loitering, drug use and other street conditions, and create a more consistent point of contact for neighbors. Between September 2025 and March 2026, ambassadors at the Embarcadero Navigation center engaged 402 community members, filled 210 bags of trash, and collected and properly disposed of 41 needles. At 685 Ellis between September 2025 and June 2026, ambassadors reported 5,317 community engagements (including redirecting loitering individuals, resource connections and general communications with community members), 355 needles safely collected, 2,099 trash bags filled and collected, 40 Narcan administrations and 15 overdose reversals, 895 supportive items distributed (shoes, gloves, socks, clothing, etc.) and 25 calls to 311.

While funding for the ambassadors is in each shelter's grant agreements, the agreements do not include service or outcome objectives related to the ambassador services. HSH should consider adding service and outcome objectives developed for the citywide ambassadors and included in the HSA's 2025 solicitation for those services (RFP 1191). The service and outcome objectives for citywide ambassadors are included in Appendix I to this report.

FISCAL IMPACT

Exhibit 1 below shows the use of the requested $2,430,466.

Exhibit 1: Community Ambassador Budget

Shelter Site	FY 2026-27	FY 2027-28	Total
Embarcadero Navigation Center	559,524	279,762	839,286
685 Ellis Shelter	795,590	795,590	1,591,180
Total	**1,355,114**	**1,075,352**	**2,430,466**

Source: HSH

The proposed release of $2,430,466 would be sufficient for the Embarcadero Navigation Center community ambassadors through December 31, 2027, when the lease for the site ends and through June 30, 2028 for the 685 Ellis Street Shelter, when the grant for the program ends.

The proposed budgets for community ambassadors are essentially the same for the services at each site in FY 2025-26; there is no increase in service levels nor an inflation adjustment.

RECOMMENDATIONS

1. Request HSH add service and outcome objectives for ambassador services to all grants that fund ambassador services. The service and outcome objectives should closely mirror the objectives of the citywide ambassador service listed in the Human Services Agency's 2025 Request for Proposals 1191.
2. Approve the proposed release of reserved funds.

Appendix 1: Service and Outcome Objectives for Citywide Ambassador Services

Service Objectives

A. Successfully execute all programmatic requirements 90 percent of the time.

B. Maintain required staff levels 90 percent of the time.

C. Attend 90 percent of recurring City meetings

D. Participate in at least 80 percent of stakeholder meetings.

E. Complete 90 percent of daily data reports.

F. Submit monthly invoices and reports on time and complete 100 percent of the time.

G. Provide a written strategic ramp-down plan within 30 days of the City's request 90 percent of the time.

H. Track and report critical incidents to DEM within 24 hours using an agreed-upon form 90 percent of the time.

I. Manage staff grievances, conflicts, and personnel issues to the City's satisfaction 90 percent of the time.

Outcome Objectives

J. A 20 percent reduction in relevant 911 calls (e.g., disorderly conduct, public intoxication) in service areas over the initial term of the agreement.

K. A 20 percent reduction in relevant 311 service requests and a 30 percent improvement in response times over the initial term of the agreement.

L. 80 percent compliance with engagement protocols, staffing requirements, and public space cleanliness, verified by no-notice inspections by City staff.

M. A minimum of 70 percent of the staff employed have relevant lived experience.

In addition to the listed objectives, the providers must submit monthly reports to the City tracking staffing hours, blocks covered and their rates, daily deployment averages and totals, any unusual or significant incidents, and the number, nature, and outcomes of interventions, de-escalations, overdose reversals, needle disposals, and calls to 311 and 911.

Source: Human Services Agency's 2025 Request for Proposals 1191

The above service and outcome objectives for street ambassadors can serve as a model for HSH to develop its own performance metrics for the street ambassador services that it funds.

DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Release of Reserve Funds

Budget and Finance Committee | July 15, 2026

Release of Reserve Funds: Request 1

HSH requests release of $4,431,400 from reserve to sustain and expand Community Ambassador services and activate the site at Turk & Hyde to support HSH interim and permanent housing sites as good neighbors.

- Supports SOMA, Tenderloin, 6th Street/Hope House, and Turk & Hyde

This funding compliments the second reserve request for Good Neighbor activations and ambassadors at the Embarcadero Navigation Center and 685 Ellis Street.

Program	FY26-27	FY27-28	Two-Year Budget
SOMA West CBD	$1,632,700	$1,632,700	$3,265,400
Tenderloin (Turk and Hyde)	$750,000		$750,000
Mid-Market CBD	$208,000	$208,000	$416,000
Total	**$2,590,700**	**$1,840,700**	**$4,431,400**

Utilization of Reserve Funds

- **6th Street / Hope House:** Continue Mid-Market CBD Safety Ambassadors around 226 6th Street, 7 days/week, 7pm–5am
- **West SOMA:** Sustain and expand SOMA West CBD ambassador coverage near PSH sites, shelters, and surrounding blocks
- **Turk & Hyde:** Continue activation of the parcel as a positive community space

Release of Reserve Funds: Request 2

- **HSH requests release of $2,430,466** to continue Five Keys Community Ambassador services at the Embarcadero Navigation Center and 685 Ellis Semi-Congregate Shelter

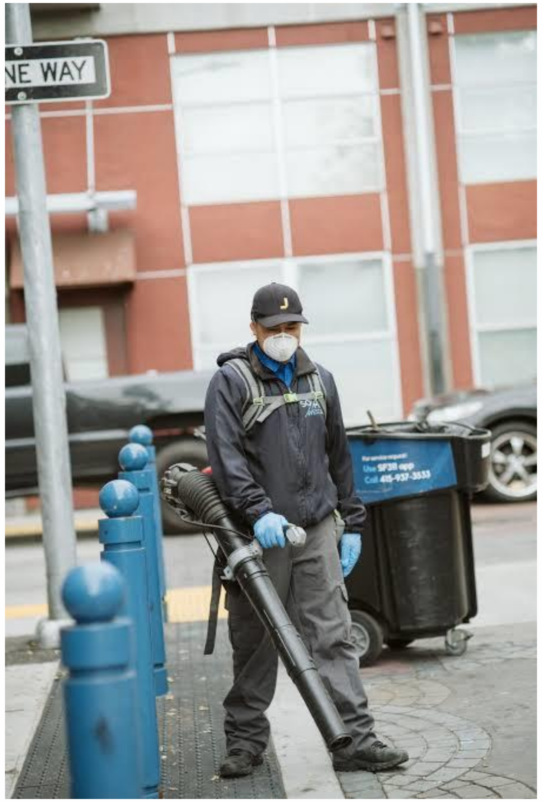
- These funds are part of the $6,861,866 placed on reserve last year for interim housing and supports HSH's Good Neighbor Policy and community agreements.

Program	FY26-27	FY27-28	Two-Year Budget
Embarcadero	$559,524	$279,762	$839,286
685 Ellis St	$795,590	$795,590	$1,591,180
Total	**$1,355,114**	**$1,075,352**	**$2,430,466**

Importance of Ambassadors

- Provide **visible, proactive presence** around high-impact corridors
- **Respond to neighborhood concerns** in real time
- Deter loitering, sidewalk blocking, unsafe activity, and public health/safety issues
- **Connect people** in crisis to services with trauma-informed support
- Help City agencies **respond more quickly** by assessing conditions first

Examples of Impact



- **SOMA West** services since July 2025 included responses to sidewalk blocking, welfare checks, loitering, encampment contact, and thousands of community call-line service calls

- **Turk & Hyde Oasis** welcomed more than 11,000 visits from January–May 2026 and provided coffee, water, activities, exercise equipment, and dog area activation

- **Ambassadors** support both housed neighbors and unhoused residents by creating safer, more managed public spaces near service interim and permanent housing sites

Ongoing Support for Interim Housing Good Neighbor Work

- **Five Keys ambassadors** help address street conditions around shelter sites by:
  - Providing immediate response
  - Picking up trash
  - Discouraging loitering
  - Connecting people to appropriate agencies or services

- Together, both reserve requests support HSH sites and surrounding neighborhoods through activation of public space and ambassadors.

DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Thank you.

DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Shireen McSpadden, Executive Director

Daniel Lurie, Mayor

Friday, May 29, 2026

Angela Cavillo, Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244
San Francisco, CA 94102
Sent Via Email: angela.calvillo@sfgov.org

Supervisor Connie Chan, Chair, Budget and Finance Committee
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244
San Francisco, CA 94102
Sent Via Email: connie.chan@sfgov.org

Re: Release of $2,430,466 reserve for the Department of Homelessness and Supportive Housing

Dear Madam Clerk and Chair Chan,

I request the release of $2,430,466 in reserve from the Budget and Finance Committee to support the Department of Homelessness and Supportive Housing's (HSH) ongoing community ambassador services at two shelter programs. Community Ambassador services at these two sites support implementation of HSH's Good Neighbor Policy and uphold community agreements.

Per File No. 250589, the City and County of San Francisco has placed $6,861,866 of the Department's budget in reserve. These funds are needed to continue community ambassador services provided by Five Keys Schools and Programs at the Embarcadero Navigation Center and 685 Ellis Semi-Congregate Shelter. Community ambassador services provided by Five Keys have been a critical tool in addressing street conditions around the two shelter sites, providing immediate response, picking up trash, discourage loitering and providing appropriate referrals to agencies or services.

Therefore, we respectfully request that the Committee release the funds held in reserve so the Department can meet its commitment to the Good Neighbor Policy and community agreements. We appreciate your consideration of this request and remain available to provide any additional information.

Sincerely,

Dylan Schneider
Interim Deputy Director of Administration and Finance