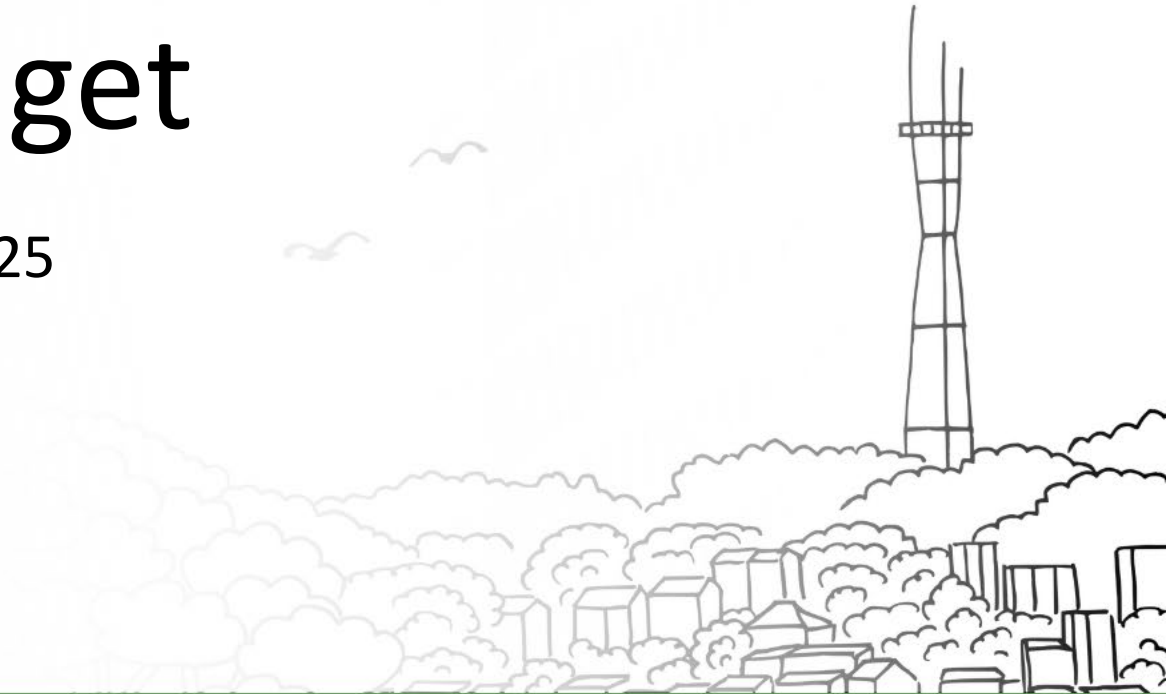




DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

FY 2025-26 & FY 2026-27 Mayor's Proposed Budget

Budget & Appropriations Committee | June 12, 2025





DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Breaking the Cycle and Interim Housing Expansion

1. Breaking the Cycle
2. New Mayoral Initiatives
3. Other Investments

Focus on Street Conditions

Street Conditions

- Three interconnected crises that compound each other's effects
- Necessity for comprehensive, multi-domain interventions

Drug supply & accessibility

- Proliferation of synthetic opioids, particularly fentanyl
- Establishment of open-air drug markets
- High availability coupled with decreased cost barriers

Homelessness

- Limited inventory of the “right beds” and affordable housing capacity
- Systemic barriers to sustained recovery
- Inflow from other cities/counties

Behavioral health crisis

- Inadequate treatment for severe mental illness
- Co-occurring substance use disorders
- Critical shortage of psychiatric facilities and services

Breaking the Cycle

Goal:

Improve our behavioral health and **homelessness response system** to have greater **accountability**, better **integrated service delivery**, and **improved outcomes** that prioritize both compassionate care and responsible governance.

1. Build a system that helps people achieve lasting stability

2. Restore public spaces to achieve clean and safe streets

3. Drive more responsible governance and accountability

New Mayoral Initiatives

HSH's budget includes new investments to support the Mayor's **Breaking the Cycle** initiative.

Interim Housing
Expansion

Addressing
Vehicular
Homelessness

Journey Home

Neighborhood
Street Teams

Capital Investments
& Backfilling
Emergency Rental
Vouchers

Addressing youth
and family
homelessness

Interim Housing Expansion

\$122 million over 3 years to operate **~630** new interim housing beds and maintain current system capacity.

FY 2025-28 Investments

\$91M

- Up to **630 new interim housing beds** at both new and existing sites serving adults, families, people in recovery and people fleeing violence.

\$31M

- Continues projects funded last year with one-time resources including **56 beds** of recovery transitional housing and **130 hotel vouchers** for families.

Interim Housing Key Principals

Ensure service and program types are selected to best serve the **different segments of need** in our unsheltered population

Bring services to those who need them, while ensuring communities have the resources they need to serve their unsheltered population and address street conditions, and **ensure sites are as safe outside as they are inside.**

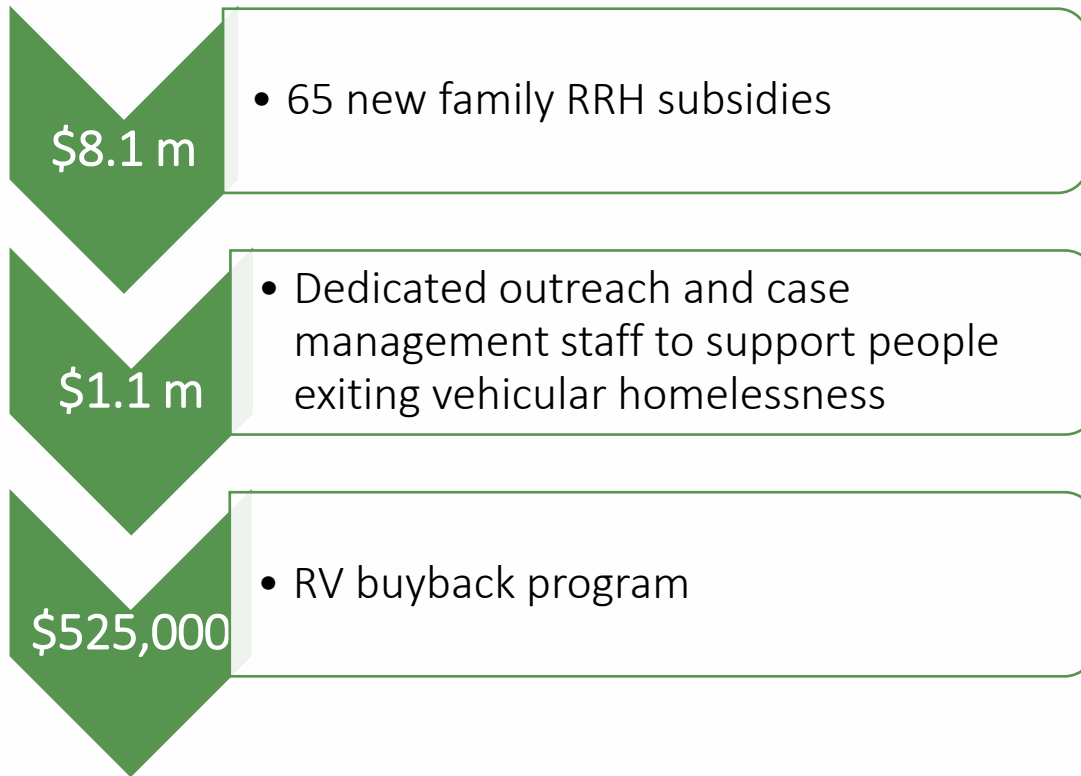
Build transparent, accountable partnerships between the City and service providers to **ensure high quality service delivery** and responsible stewardship of taxpayer resources.

Temporarily surge capacity of interim housing while making **systemic changes** in parallel to improve outflow to stability, that will ultimately allow us to operate efficiently with reduced resources.

Addressing Vehicular Homelessness

The city is proposing a **multipronged strategy** that combines best practices from around the country to address vehicular homelessness.

FY 2025-27 Total Investments



Key Principals

Implement innovative and humane approaches that **reduce vehicular homelessness** by addressing the immediate safety and stability needs as well as **creating pathways to permanent housing** for people living in vehicles, who represent our most vulnerable residents.

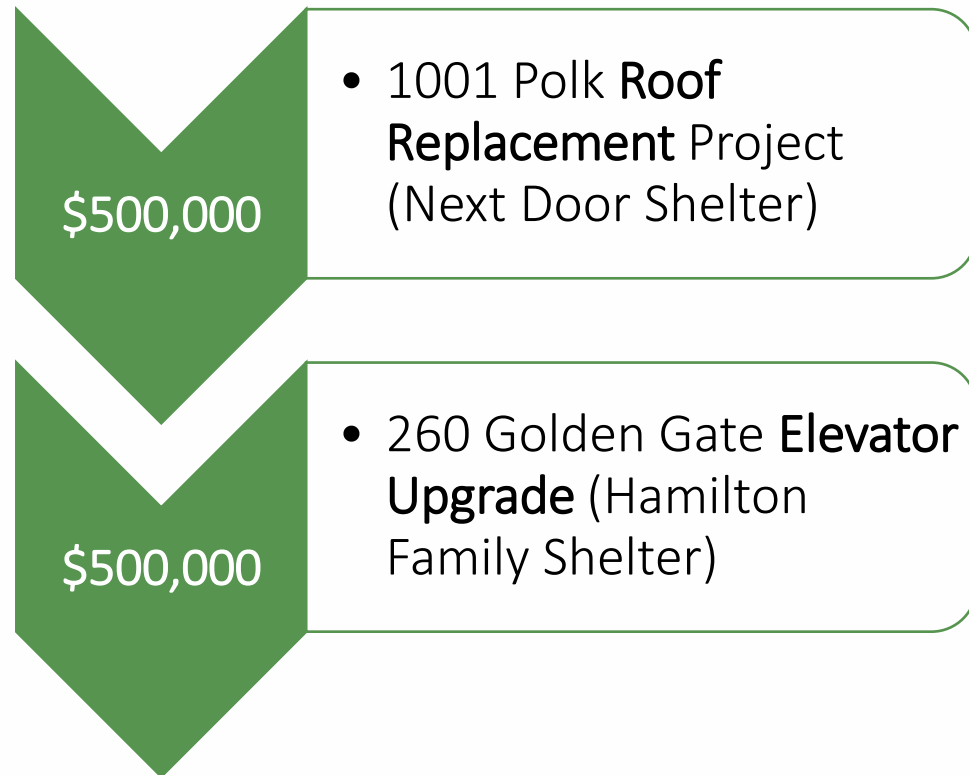
Restore public spaces, **public safety, public health and neighborhood livability** by effectively enforcing and managing oversized vehicle parking **without criminalizing poverty**.

Maximize efficiency through data-driven approaches and **coordinated interdepartmental efforts** across agencies responsible for homelessness, transportation, public safety, public health, financial empowerment and public works.

Critical One-Time Investments

Additional **one-time investments** make critical **capital improvements** in legacy shelter sites and account for loss of federal funding.

FY25-26 Capital Funding Allocations



EHV Federal Reserve Fund

- **\$27 m** for an **Emergency Housing Voucher (EHV) Reserve Fund** in FY 26-27.
 - Accounts for the loss of federal funding for SF Housing Authority.
- HSH and the San Francisco Housing Authority distributed **over 900 EHV**s.
 - **58%** issued to families and young adults, **33%** issued to households in District 10.

Journey Home & Neighborhood Street Teams

Journey Home

- Merges relocation assistance programs under HSH to serve up to 600 people in Year 1 and expand to up to 900 on an ongoing basis.

\$4.9 million over 2 years

- Funds 24/7 response as well as direct client assistance.
- 8603 Emergency Coordinator from HSA.

Neighborhood Street Teams

- Maintains the SFHOT street outreach model to support the Mayor's Integrated Neighborhood Street Teams.

\$3.4 million over 2 years

- Supports the loss of one-time state grant funding that is sunseting over the next two years.

Addressing Family Homelessness

Adds **new resources** and **continues critical funding** for programs that would have had to wind-down without sustained funding.

Family Housing (\$53.2M)

- 65 new rapid rehousing subsidies **(\$8.1M)**
- Continues 215 medium-term housing subsidies for families released in FY 24-25 as part of the Safer Families Plan **(\$35M)**
- EHV Reserve Fund for Families served through HUD's Emergency Housing Voucher program **(\$10.1M)**

Family Shelter (\$26.8M)

- New family shelter beds at Raphael House (24 beds serving 8 households) **(\$4.2M)**
- 10 new hotel vouchers for households fleeing violence **(\$1.6M)**
- Elevator upgrades at Hamilton Family Shelter **(\$500,000)**
- Continue funding for 80 beds at the SFUSD Family Stayover Program at Downtown High School **(\$2.3M)**
- Continue funding for 130 family hotel vouchers for an additional 18 months. **(\$18.2M)**

Flow of Families in Homelessness Response System

Prevention = ~1,000 families prevented from entering homelessness

Shelter Waiting List: 311 families

Families in Shelter: 253 families

Families in RVs: 147 families

Total Family Population Needing Support: 711 families

15% Self-Resolve =
107 Families Removed

Remaining Families Needing Support: 604 families

Permanently Exit = 576 slots

- Rapid Rehousing / Shallow Subsidies
- Permanent Supportive Housing
- Problem Solving

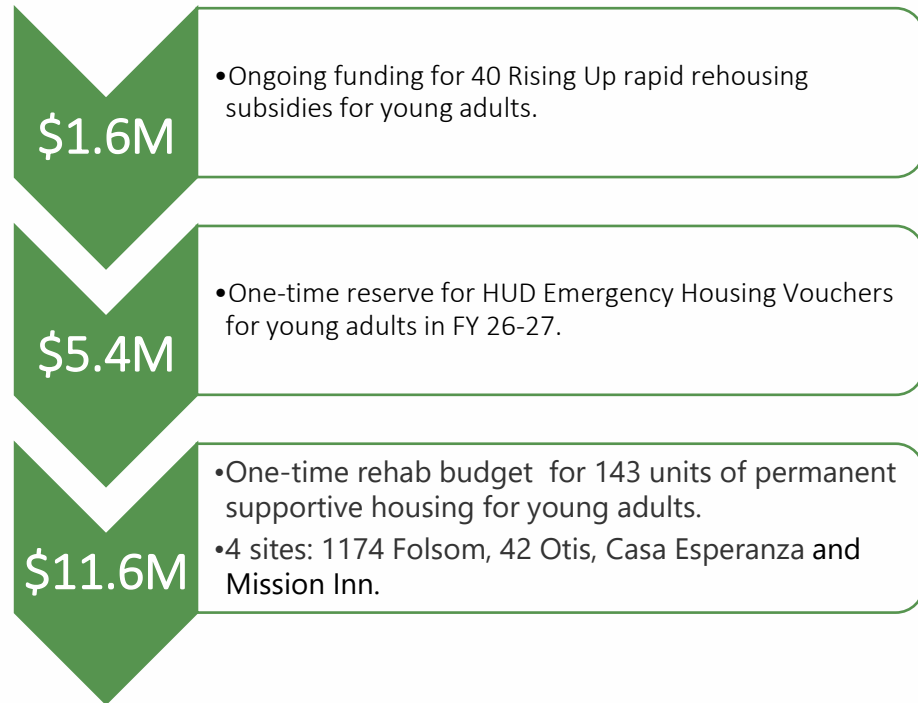
Temporary Housing = 610 slots

- Shelter Beds
- Hotel Vouchers

Addressing Young Adult Homelessness

New investments in the FY 2025-27 budget supplement over **\$30 million investments** made in FY 24-25 for young adults, which are now rolling out.

New Investments in FY 25-27 (\$18.6M)



FY 2024-25 Investments (\$47.5M)

- **50 Rapid Rehousing for Parenting Young Adults**
 - Families headed by young adults
- **Bridge Housing**
 - Planning in process, anticipated to open in FY 25-26
- **Operate 66 new units of permanent housing for young adults**
 - 1174 Folsom and 42 Otis
- **285 Rapid Rehousing Subsidies**
 - 60 for exits from Transitional Housing
 - 50 for TAY-headed family households
 - 15 for households impacted by violence
- **25 Flexible Housing Subsidies**
 - Scattered-site permanent housing
- **12 Housing Ladder Subsidies**
 - Lower-service model for households exiting permanent supportive housing (PSH)

Mayor's Proposed Our City Our Home (OCOH) Budget

- **Maintains** and **sustains** investments in OCOH-funded programs to continue service levels.
 - **No cuts** to any existing OCOH funded programs.
- Invests **\$101 million** to expand interim housing for three years as part of the Mayor's **Breaking the Cycle** initiative, including:
 - Services and operating costs for new Interim Housing beds
 - 10 new hotel vouchers for domestic violence survivors
 - FY25-27 extension of 130 hotel vouchers for families
- Invests **\$9.9 million** to address **vehicular homelessness**.
 - Includes 65 new rapid rehousing subsidies for families
- Allocates **\$27 million** for an **Emergency Housing Voucher reserve** to account for the loss of federal funding for SF Housing Authority.



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Measuring Performance

- Measuring Performance
- Controller's Performance Metrics

Measuring Performance

To support the **standardization** and **optimization** of our contracts including new **performance measures** and **budgets**, HSH is implementing three initiatives to strengthen and simplify our contracting process and monitoring:

- **Multi-Year Procurement Plan (MYPP):** Competitive re-procurement of all HSH contracts by program area.
- **Performance Measurement Plan (PMP):** Identifies performance measure metrics to monitor system and program performance.
- **Contracting Lifecycle Management System (CLMS):** Replacement of HSH's legacy system CARBON.

Related Efforts

Harvard Government Performance Lab (GPL) Pilot: work on Prevention and Problem Solving metrics and performance based contracting practices.

Updates to HSH Program Monitoring Process: Improved program monitoring practices to standardize process across program types and align with MYPP and PMP.

Performance Measures

FISCAL YEAR		FY2023-24		FY2024-25	
Goal	Actual		Projected	Target	Progress Towards Target (%)
Homelessness Prevention					
Number of people at imminent risk of homelessness who receive prevention assistance.	1,396		2,472	1,200	206%
Housing Problem Solving					
Number of households whose homelessness was resolved through Problem Solving interventions.	1,209		1,034	1,000	103%
Temporary Shelter					
Average monthly occupancy rate within all year-round temporary shelter or crisis intervention programs	94%		94%	95%	99%

Performance Measures (cont.)

FISCAL YEAR	FY2023-24		FY2024-25		
Goal	Actual		Projected	Target	Progress Towards Target (%)
Rapid Rehousing (RRH)					
Unduplicated number of households who moved into housing through a Rapid Rehousing program.	544		618	575	107%
Permanent Supportive Housing (PSH)					
Unduplicated number of households who move-in to permanent supportive housing.	1,933		1,722	1,786	96%



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

FY 2025-27 Budget

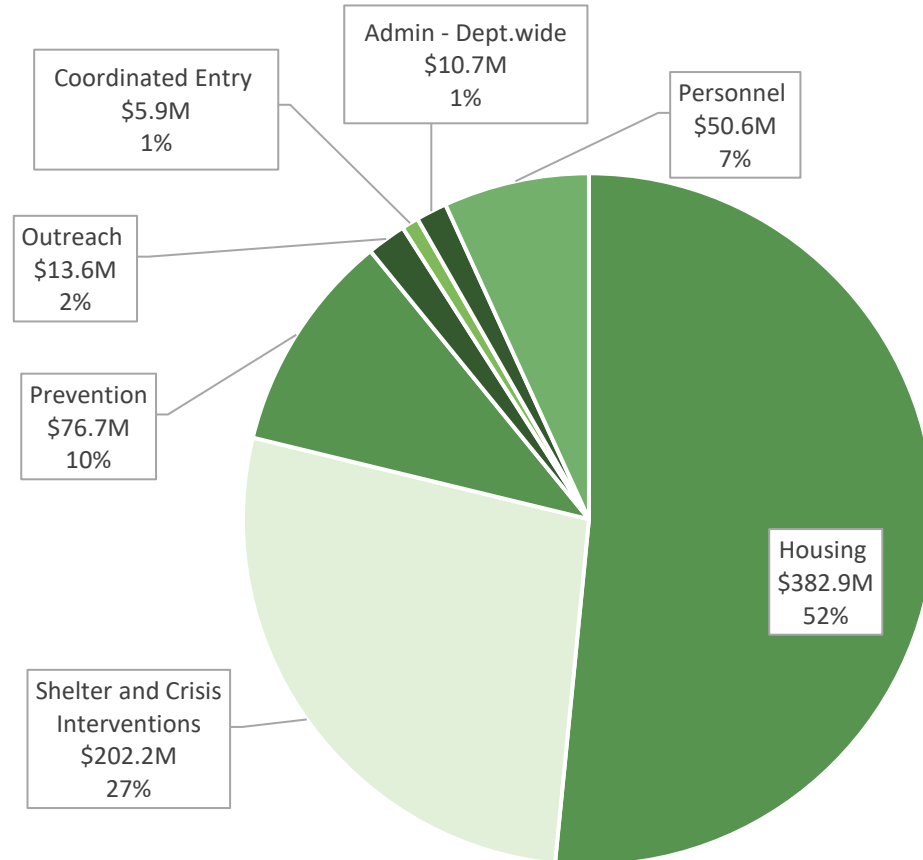
- Budget Overview
- Changes and Reductions

Overview: FY2025-26 & FY2026-27 Budget

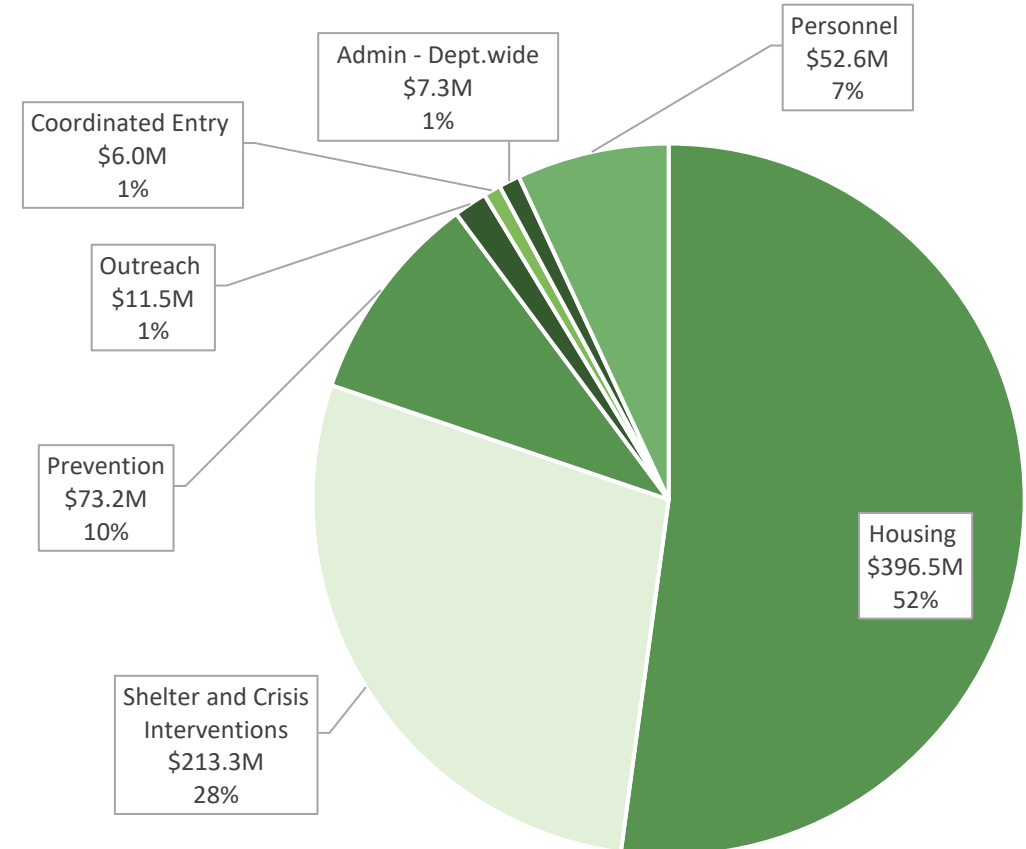
\$ in millions	FY24-25 Adopted	FY25-26 Mayor's Budget	\$ Change from FY25	% Change from FY25	FY26-27 Mayor's Budget	\$ Change from FY26	% Change from FY26
Total Budget	\$846.3	\$742.7	(\$103.7)	(12%)	\$760.3	\$17.7	2%
<i>Revenue</i>	<i>\$530.5</i>	<i>\$463.5</i>	<i>(\$67.0)</i>	<i>(13%)</i>	<i>\$484.7</i>	<i>\$21.2</i>	<i>5%</i>
<i>General Fund</i>	<i>\$315.8</i>	<i>\$279.2</i>	<i>(\$36.7)</i>	<i>(12%)</i>	<i>\$275.7</i>	<i>(\$3.5)</i>	<i>(1%)</i>

FY26-27 Budget Comparison

FY25-26 Budget by Service Area



FY26-27 Budget by Service Area



Total Two-Year Mayor's Budget: \$1.5 Billion

General Fund Operating Budget Expenditures

\$ in millions	FY24-25 Adopted	FY25-26 Mayor	Change from FY25	FY26-27 Mayor	Change from FY27
Salaries and Benefits	\$27.0	\$26.5	(\$0.4)	\$27.1	\$0.6
Grants and HSH Programs	\$169.6	\$164.6	(\$4.9)	\$164.2	(\$0.4)
Professional Services	\$25.7	\$32.4	\$6.6	\$33.7	\$1.4
Materials and Supplies	\$0.2	\$0.2	-	\$0.2	-
Interdepartmental Services	\$48.2	\$12.1	(\$36.1)	\$12.3	\$0.3
TOTAL	\$270.6	\$235.8	(\$34.8)	\$237.6	\$1.8



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Staffing

- HSH Staffing Overview
- Year over year staffing comparison

Changes in HSH Personnel Funding

	FY2024-25 Adopted	FY2025-26 Mayor's	Change from FY25 Increase/ (Decrease)	FY2026-27 Mayor's	Change from FY26 Increase/ (Decrease)	Two Year Budget Change
Total Full-Time Equivalent (FTE)*	256.63	254.67	(1.96)	253.95	(0.72)	(2.68)
<i>Permanent FTE</i>	<i>250.41</i>	<i>245.65</i>	<i>(4.76)</i>	<i>244.93</i>	<i>(0.72)</i>	<i>(5.48)</i>
<i>Temp FTE</i>	<i>6.22</i>	<i>9.02</i>	<i>2.8</i>	<i>9.02</i>	<i>-</i>	<i>2.8</i>

FY26 FTE decrease detail:

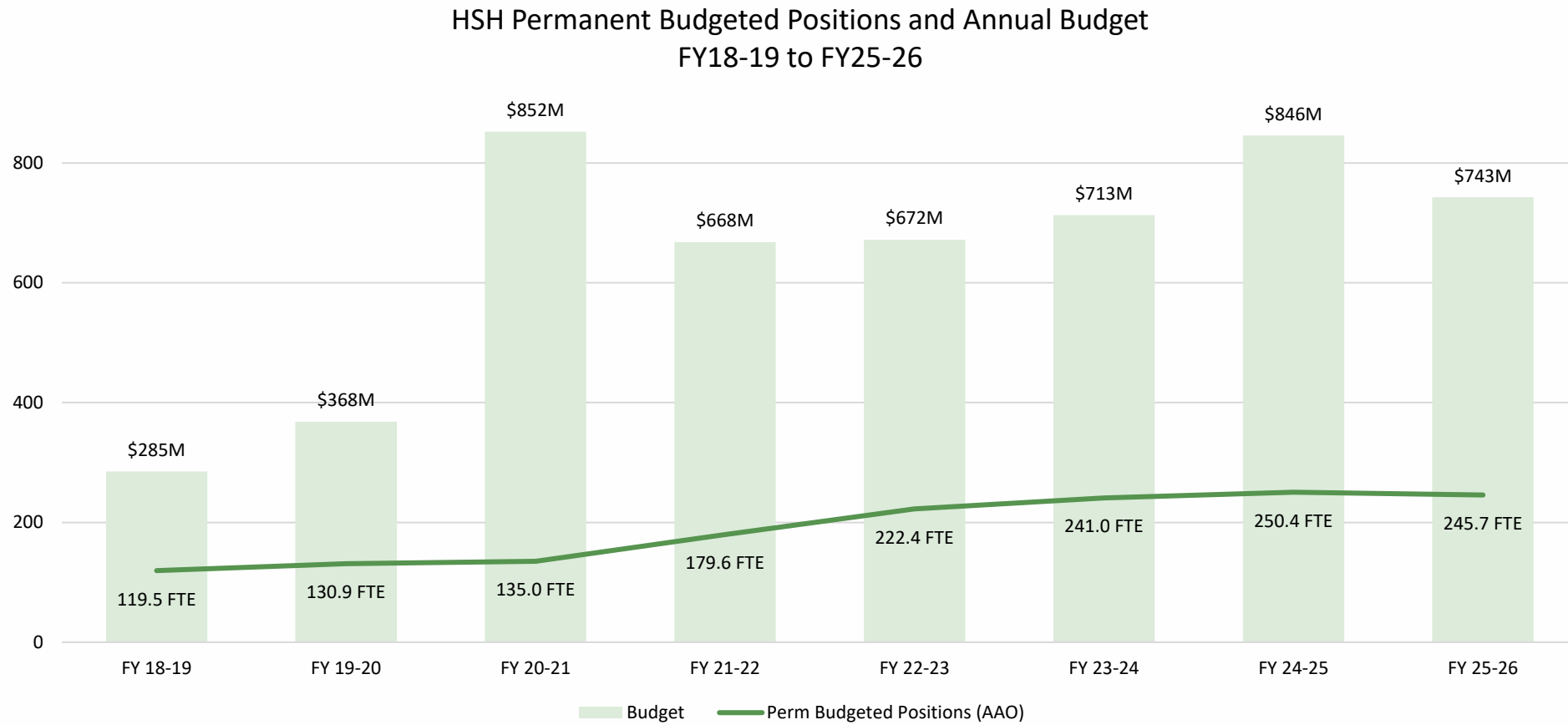
- 1.96 net FTE decrease: 4.76 FTE funding for permanent positions offset by 2.8 FTE increase for temporary staffing.
- Change in year-over-year attrition level from 17.8 FTE to 4.6 FTE
- 1.4 FTE to annualize new positions added as partial positions last fiscal year

*Position summary does not include “off-budget” positions funded outside of the annual budget

Position Changes

- Proposed FY2025-27 Budget **reduces 20** General Fund vacant positions and **transfers 11** General Fund filled positions to DPH.
- No proposed layoffs.
- 11 new Non-General Fund positions added to implement the Mayor's Breaking the Cycle Directive:
 - 0932 Director of Special Projects
 - 1823 Senior Special Initiatives Analyst (2)
 - 2917 Shelter Program Support Analyst
 - 1634 Principal Account Clerk (Fiscal Billing)
 - 1823 Senior Data Analyst
 - 7334 Stationary Engineer (2)
 - 7524 Institution Utility Worker (2)
 - 1823 Senior Contracts Analyst
- 1 position (8603 Emergency Services Coordinator) transferred from HSA for Journey Home program.
- Adds 2 positions to temporary salaries to analyze permanent supportive housing portfolio

HSH Permanent Budgeted Positions and Annual Budget





DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Trailing Legislation

- HSH Fund
- OCOH Funding Reallocation

HSH Fund: Trailing Legislation

- Administrative Code Sec. 10-100.77(f) requires the Department to submit an **expenditure plan** if the proposed appropriations from the HSH Fund exceed \$11.8 million.
- The HSH fund supports formerly homeless recipients of the Human Service Agency's **County Adult Assistance Program (CAAP)**.
- Resolution approves the FY 2025-26 and FY2026-27 Expenditure Plans.

Our City Our Home (OCOH) Fund: Trailing Legislation

- The legislation supports the City to **address the crisis** on our streets and **does not make any cuts** to existing OCOH funded programs. It includes:
 - **One-time reallocation of \$88.5M** in unencumbered funds and expected interest earnings to fund the Mayor's Breaking the Cycle Initiative.
 - **Suspends 12%** cap on short-term (<5 years) rental subsidies.
 - Authorizes the City to **expend future OCOH Fund revenue** on any eligible programs, rather than allocating funds based on expenditure percentages specified in the tax code.

Our City, Our Home (OCOH) Fund: Trailing Legislation

<u>Expenditure Categories</u> (\$ in Millions)	<u>FY25-26</u>	<u>FY26-27</u>	<u>FY27-28</u>	<u>Total Expenditures</u>
Shift From:				
General Housing	\$6.1	\$12.4	\$8.9	\$27.4
TAY Housing	\$2.2	\$8.5	\$20.7	\$31.4
Family Housing	\$2.8	\$9.1	\$7.9	\$19.8
Homelessness Prevention	\$3.3	\$6.5	-	\$9.8
Expenditure Category Total	\$14.5	\$36.5	\$37.5	\$88.5
Shift To:				
Shelter & Hygiene	\$14.5	\$36.5	\$37.5	\$88.5
Mayor's Proposed Budget Total	\$14.5	\$36.5	\$37.5	\$88.5



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Questions

Thank you.

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General Housing	FY25-26 OCOH Spending Plan			FY26-27 OCOH Spending Plan		
	Use of PY Carryforward	2025-26 Mayor's Budget	Total 2025-26 Spend Plan	Use of PY Carryforward	2026-27 Mayor's Budget	Total 2026-27 Spend Plan
PSH Acquisition	-	-	-	-	-	-
PSH Operations	-	21,769,537	21,769,537	-	22,946,096	22,946,096
PSH Rehab	27,530,000	-	27,530,000	-	-	-
Medium Term Housing Subsidies	-	12,636,524	12,636,524	-	10,080,841	10,080,841
Bayview Flex Pool	-	1,134,660	1,134,660	-	1,161,892	1,161,892
Adult and Senior Flexible Hsg Pool	12,208,603	23,534,254	35,742,857	-	38,075,192	38,075,192
Women Housing Subsidies (Flex Pool)	-	2,082,526	2,082,526	-	2,315,638	2,315,638
Emergency Housing Voucher Services	-	4,599,828	4,599,828	-	4,757,536	4,757,536
PSH Equity Services	-	7,398,830	7,398,830	-	7,576,402	7,576,402
PSH Rent Money Management (Rep Payee)	-	2,500,000	2,500,000	-	2,560,000	2,560,000
Shallow Subsidies	-	1,169,500	1,169,500	-	1,179,733	1,179,733
HSH Allocated Costs	-	4,756,363	4,756,363	-	4,951,970	4,951,970
Expenditure Reserve	-	9,064,678	9,064,678	-	11,475,000	11,475,000
Total Spending	39,738,603	90,646,700	130,385,303	-	107,080,300	107,080,300
Projected Prop C Revenue		90,646,700			107,080,300	

TAY Housing	FY25-26 OCOH Spending Plan			FY26-27 OCOH Spending Plan		
	Use of PY Carryforward	2025-26 Mayor's Budget	Total 2025-26 Spend Plan	Use of PY Carryforward	2026-27 Mayor's Budget	Total 2026-27 Spend Plan
TAY Flexible Housing Subsidy Pool	-	3,853,827	3,853,827	-	4,114,103	4,114,103
TAY PSH Operations	-	8,882,866	8,882,866	-	9,258,933	9,258,933
TAY PSH Rehab	7,598,394	4,061,484	11,659,878	-	-	-
TAY Rapid Rehousing Program	29,626,342	9,881,787	39,508,129	-	10,304,920	10,304,920
TAY Bridge Housing	6,000,000	2,000,000	8,000,000	-	2,048,000	2,048,000
TAY Emergency Housing Vouchers	-	1,412,473	1,412,473	-	1,435,611	1,435,611
TAY PSH Acquisition	5,526,083	808,201	6,334,284	-	471,451	471,451
PSH Equity - TAY Housing	-	1,023,176	1,023,176	-	1,047,732	1,047,732
HSH Allocated Costs	-	2,565,509	2,565,509	-	2,670,978	2,670,978
Expenditure Reserve	-	3,296,247	3,296,247	-	5,400,000	5,400,000
Total Spending	48,750,819	37,785,570	86,536,389	-	36,751,728	36,751,728
Projected Prop C Revenue		37,785,570			36,751,728	

Family Housing	FY25-26 OCOH Spending Plan			FY26-27 OCOH Spending Plan		
	Use of PY Carryforward	2025-26 Mayor's Budget	Total 2025-26 Spend Plan	Use of PY Carryforward	2026-27 Mayor's Budget	Total 2026-27 Spend Plan
Family Flexible Housing Subsidy Pool	-	11,142,181	11,142,181	-	11,409,593	11,409,593
Family Emergency Housing Vouchers	-	1,333,069	1,333,069	-	1,365,063	1,365,063
Family PSH Operations	-	3,764,690	3,764,690	-	4,328,550	4,328,550
Family PSH Rehab	168,000	-	168,000	-	-	-
SRO/Doubled Up - Housing Subsidies	-	4,245,454	4,245,454	-	4,347,345	4,347,345
Family Housing Ladder	-	4,160,673	4,160,673	-	4,275,090	4,275,090
Family Rapid Rehousing	18,786,075	12,482,259	31,268,334	-	4,421,585	4,421,585
Family PSH Acquisition	-	-	-	-	-	-
PSH Equity Services - Family Housing	-	3,364,954	3,364,954	-	3,445,713	3,445,713
Shallow Subsidies	3,554,703	1,432,491	4,987,194	-	1,474,645	1,474,645
HSH Allocated Costs	-	3,156,633	3,156,633	-	3,286,471	3,286,471
Expenditure Reserve	-	4,120,308	4,120,308	-	10,125,000	10,125,000
Total Spending	22,508,778	49,202,712	71,711,490	-	48,479,055	48,479,055
Projected Prop C Revenue		49,202,712		-	48,479,055	

Prevention	FY25-26 OCOH Spending Plan			FY26-27 OCOH Spending Plan		
	Use of PY Carryforward	2025-26 Mayor's Budget	Total 2025-26 Spend Plan	Use of PY Carryforward	2026-27 Mayor's Budget	Total 2026-27 Spend Plan
Homelessness Prevention & Fin Svcs	-	30,574,492	30,574,492	-	31,308,280	31,308,280
PSH Shallow Subsidies	-	6,583,496	6,583,496	-	6,741,500	6,741,500
Eviction Prevention	-	12,617,500	12,617,500	-	12,920,320	12,920,320
Problem Solving	-	9,639,668	9,639,668	-	9,424,655	9,424,655
Mental Health Svcs - DPH	-	1,900,000	1,900,000	-	1,400,000	1,400,000
HSH Allocated Costs	-	2,707,404	2,707,404	-	2,819,030	2,819,030
Prev Asst for Latine Youth	-	960,000	960,000	-	983,040	983,040
RV Intervention & Problem Solving	-	561,733	561,733	-	1,150,430	1,150,430
Expenditure Reserve	-	4,944,370	4,944,370	-	-	-
Total Spending	-	70,488,663	70,488,663	-	66,747,255	66,747,255
Projected Prop C Revenue		70,488,663			66,747,255	

Shelter & Hygiene	FY25-26 OCOH Spending Plan			FY26-27 OCOH Spending Plan		
	Use of PY Carryforward	2025-26 Mayor's Budget	Total 2025-26 Spend Plan	Use of PY Carryforward	2026-27 Mayor's Budget	Total 2026-27 Spend Plan
Navigation Centers	-	12,088,407	12,088,407	-	12,378,529	12,378,529
Navigation Services for Justice-involved Adults	-	1,549,954	1,549,954	-	1,587,153	1,587,153
Domestic Violence Survivors - Hotel Vouchers	-	825,797	825,797	-	845,616	845,616
Families/Pregnant People - Hotel Vouchers	4,338,876	3,211,664	7,550,540	-	9,284,788	9,284,788
TAY - Hotel Vouchers	-	608,590	608,590	-	623,196	623,196
Vehicle Triage Center	-	-	-	-	-	-
Family Shelter	-	2,972,843	2,972,843	-	3,044,191	3,044,191
Cabin Shelter Program	-	5,126,034	5,126,034	-	5,251,876	5,251,876
District 10 Shelter Program	-	2,543,688	2,543,688	-	4,460,463	4,460,463
Shelter Meals	-	1,612,000	1,612,000	-	1,650,688	1,650,688
HSH Allocated Costs	-	3,357,873	3,357,873	-	3,939,264	3,939,264
Expenditure Reserve	-	3,296,247	3,296,247	-	-	-
Interim Housing Expansion	-	17,732,398	17,732,398	-	31,191,767	31,191,767
Interim Housing Expansion - FY27-28 Reserve	-	-	-	-	37,490,582	37,490,582
Total Spending	4,338,876	54,925,495	59,264,371	-	111,748,113	111,748,113
Projected Prop C Revenue		54,925,495			111,748,113	