

File No. 1100638

Committee Item No. 12

Board Item No. 8

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date June 17, 2016

Board of Supervisors Meeting

Date June 28, 2016

#### Cmte Board

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Completed by: Linda Wong Date: June 10, 2016

Completed by: Linda Wong Date: June 21, 2016

BOARD of SUPERVISORS



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## MEMORANDUM

### BUDGET AND FINANCE COMMITTEE

### SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Mark Farrell, Chair  
Budget and Finance Committee

FROM: Linda Wong, Assistant Clerk

DATE: June 20, 2016

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, June 21, 2016

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting, Tuesday, June 21, 2016. This item was acted upon at the Committee Meeting on Friday, June 17, 2016, at 10:00 a.m., by the votes indicated.

**Item No. 21**      **File No. 160638**

Ordinance amending the Administrative Code to establish a new Department of Homelessness and Supportive Housing; transfer homeless-related functions previously performed by the Department of Human Services to the new department; and establish the Local Homeless Coordinating Board to advise the new department on homeless policy and serve as the Continuum of Care governing body in accordance with federal regulations.

AMENDED, SAME TITLE, on Page 2, Line 22, by striking 'Sunset' and adding 'Continued Existence.'

Vote: Supervisor Mark Farrell - Aye  
Supervisor Katy Tang - Aye  
Supervisor Norman Yee - Aye  
Supervisor Jane Kim - Aye  
Supervisor Scott Wiener - Aye

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

Vote: Supervisor Mark Farrell - Aye  
Supervisor Katy Tang - Aye  
Supervisor Norman Yee - Aye  
Supervisor Jane Kim - Aye  
Supervisor Scott Wiener - Aye

c: Board of Supervisors  
Angela Calvillo, Clerk of the Board  
Jon Givner, Deputy City Attorney

1 [Administrative Code - Department of Homelessness and Supportive Housing]

2  
3 **Ordinance amending the Administrative Code to establish a new Department of**  
4 **Homelessness and Supportive Housing; transfer homeless-related functions**  
5 **previously performed by the Department of Human Services to the new department;**  
6 **and establish the Local Homeless Coordinating Board to advise the new department on**  
7 **homeless policy and serve as the Continuum of Care governing body in accordance**  
8 **with federal regulations.**

9 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
10 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
11 **Deletions to Codes** are in ~~*strikethrough italics Times New Roman font*~~.  
12 **Board amendment additions** are in double-underlined Arial font.  
13 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
14 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
15 subsections or parts of tables.

16 Be it ordained by the People of the City and County of San Francisco:

17 Section 1. The Administrative Code is hereby amended by adding Article XXV,  
18 consisting of Section 2A.410, to Chapter 2A, to read as follows:

19 **ARTICLE XXV: HOMELESSNESS AND SUPPORTIVE HOUSING**

20 **SEC. 2A.410. DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING.**

21 (a) Establishment. There is hereby created a Department of Homelessness and Supportive  
22 Housing ("Department"). The Mayor shall appoint a Director who shall serve as department head  
23 and appointing officer for the Department. The Director shall serve at the pleasure of the Mayor. The  
24 Department shall include such officers and employees as are authorized pursuant to the budgetary and  
25 fiscal provisions of the Charter.

1           **(b) Duties and Functions.**

2                   (1) Under the supervision and direction of the Director, the Department shall manage  
3 and direct all housing, programs, and services for homeless persons in the City including, but not  
4 limited to, street outreach, homeless shelters, transitional housing, and permanent supportive housing,  
5 as well as certain designated functions set forth in Chapter 20 of this Code.

6                   (2) The Director or designee of the Director shall attend meetings of the Local  
7 Homeless Coordinating Board, established by Chapter 5, Article XXXI of the Administrative Code, and  
8 the Department shall provide administrative and clerical staffing as needed to the Local Homeless  
9 Coordinating Board and provide the Coordinating Board with the information it requests, in the  
10 exercise of its duties.

11                   (3) The Department shall have such other duties and functions as are assigned by the  
12 Charter, an ordinance, or the Mayor pursuant to Charter Section 4.132.

13  
14           Section 2. Chapter 5 of the Administrative Code is hereby amended to add a new  
15 Article XXXI, consisting of Sections 5.31-1 through 5.31-6, to read as follows:

16                   **ARTICLE XXXI: LOCAL HOMELESS COORDINATING BOARD**

17                   **SEC. 5.31-1. Creation of Local Homeless Coordinating Board.**

18                   **SEC. 5.31-2. Membership.**

19                   **SEC. 5.31-3. Organization and Terms of Office.**

20                   **SEC. 5.31-4. Duties.**

21                   **SEC. 5.31-5. Meetings and Procedures.**

22                   **SEC. 5.31-6. Sunset Continued Existence.**

23                   **SEC. 5.31-1. CREATION OF LOCAL HOMELESS COORDINATING BOARD.**

24                   The Board of Supervisors hereby establishes the Local Homeless Coordinating Board (the  
25 “Coordinating Board”) of the City and County of San Francisco.

1                   **SEC. 5.31-2. MEMBERSHIP.**

2                   *The Coordinating Board shall be comprised of nine members, appointed as follows:*

3                   *(a) Seat 1 shall be appointed by the Mayor and shall be a homeless or formerly homeless*  
4 *person.*

5                   *(b) Seats 2 through 4 shall be appointed by the Mayor. The appointees shall represent*  
6 *organizations or projects serving one or more of the following homeless subpopulations in San*  
7 *Francisco: families with children; single adults; veterans; the chronically homeless; unaccompanied*  
8 *youth; persons with HIV/AIDS; persons with substance use disorders; the seriously mentally ill; and*  
9 *victims of domestic violence, dating violence, sexual assault, and stalking. One Board member may*  
10 *represent the interests of more than one homeless subpopulation.*

11                   *(c) Seats 5 through 8 shall be appointed by the Board of Supervisors. The appointees shall*  
12 *represent one or more of the homeless subpopulations listed in subsection (b) of this Section 5.31-2.*  
13 *One Board member may represent the interests of more than one homeless subpopulation.*

14                   *(d) Seat 9 shall be appointed by the Controller and shall represent one or more of the homeless*  
15 *subpopulations listed in subsection (b) of this Section 5.31-2. One Board member may represent the*  
16 *interests of more than one homeless subpopulation.*

17                   *(e) All of the homeless subpopulations listed in subsection (b) of this Section 5.31-2 must be*  
18 *represented on the Coordinating Board to the extent that someone is available and willing to represent*  
19 *that subpopulation on the Board. At the time of appointment, the appointing authority shall identify the*  
20 *homeless subpopulation(s) represented by the appointee.*

21                   **SEC. 5.31-3. ORGANIZATION AND TERMS OF OFFICE.**

22                   *(a) Each member of the Coordinating Board shall serve at the pleasure of the member's*  
23 *appointing authority for a term of four years.*

1 (b) If a vacancy occurs in any seat on the Coordinating Board, the appointing authority for the  
2 vacated seat shall appoint a successor to that seat, to complete the remainder of the term of the vacated  
3 seat.

4 (c) Members of the Coordinating Board shall receive no compensation.

5 (d) Any member who misses three regular meetings of the Coordinating Board without the  
6 express approval of the Coordinating Board at or before each missed meeting shall be deemed to have  
7 resigned from the Coordinating Board 10 days after the third unapproved absence. The Coordinating  
8 Board shall inform the appointing authority of the resignation.

9 **SEC. 5.31-4. DUTIES.**

10 The Coordinating Board shall perform the following functions:

11 (a) Serve as the Continuum of Care governing body in accordance with applicable U.S.  
12 Department of Housing and Urban Development ("HUD") rules and regulations, including but not  
13 limited to 24 CFR Part 578 et seq., as amended. The Board shall adopt, and all members shall abide  
14 by, a written conflict of interest policy that complies with 24 CFR Part 578.95(b), as amended.

15 (b) Advise the Department of Homelessness and Supportive Housing on homeless policy and  
16 budget allocations.

17 **SEC. 5.31-5. MEETINGS AND PROCEDURES.**

18 (a) The Coordinating Board shall hold a meeting not less than once every month.

19 (b) The Coordinating Board shall elect officers and shall establish rules or bylaws for its  
20 organization and procedures.

21 **SEC. 5.31-6. CONTINUED EXISTENCE.**

22 The Board of Supervisors intends the Coordinating Board to last until the enactment of an  
23 ordinance removing this Article XXXI from the Administrative Code. Notwithstanding Rule 2.21 of the  
24 Board of Supervisors Rules of Order, which provides that advisory bodies created by the Board should  
25

1 *sunset within three years, the Board of Supervisors intends the Coordinating Board to exist for longer*  
2 *than three years.*

3  
4 Section 3. Local Homeless Coordinating Board; Continuity of Membership and Terms  
5 of Members.

6 Prior to adoption of this ordinance, the Local Homeless Coordinating Board was  
7 constituted through a series of resolutions of the Board of Supervisors, most recently  
8 Resolution No. 208-05. This ordinance is not intended to affect the terms of the current  
9 members of the Local Homeless Coordinating Board. Rather, it is the intent of this ordinance  
10 that all members who are serving on the Local Homeless Coordinating Board at the time of  
11 the effective date of this ordinance shall continue to serve the remainder of their terms, at the  
12 pleasure of their appointing officer.

13  
14 Section 4. Article VI of Chapter 20 of the Administrative Code is hereby amended by  
15 revising Sections 20.54.2, 20.54.3, and 20.54.4, to read as follows:

16 **SEC. 20.54.2. DEFINITIONS.**

17 For purposes of this Article VI the following definitions shall apply.

18 ~~*"Agency" shall mean the Human Services Agency or the Department of Human Services.*~~

19 " CalFresh " shall mean the program that provides monthly benefits to low-income  
20 households that can be used for the purchase of food, as set forth in California Welfare and  
21 Institutions Code Sections 18900 et seq., including any future amendments to those sections.

22 " CALM " shall mean Cash Assistance Linked to Medi-Cal, as set forth in  
23 Administrative Code, Chapter 20, Article X, including any future amendments to that Article.



1 "CaWORKs " shall mean the California Work Opportunity and Responsibility to Kids  
2 program as set forth in California Welfare and Institutions Code Sections 11200 et seq.,  
3 including any future amendments to those sections.

4 " City " shall mean the City and County of San Francisco.

5 " Client " shall mean any person residing in or seeking to reside in Permanent  
6 Supportive Housing. "Client" shall include any dependent children under 18 years of age  
7 residing with or seeking to reside with the Client in Permanent Supportive Housing.

8 " General Assistance " shall mean the General Assistance Program as set forth  
9 under Article VII of this Chapter, Sections 20.55 et seq.

10 " Housing Provider " shall mean any Person that contracts with the Agency Department  
11 of Human Services or the Department of Homelessness and Supportive Housing to administer  
12 Permanent Supportive Housing.

13 " Housing-Related Contract " shall mean any City-funded contract, lease,  
14 memorandum of understanding, or other agreement or amendment thereto entered into on or  
15 after the operative date of this Article VI between the Agency Department of Human Services or  
16 the Department of Homelessness and Supportive Housing and a Housing Provider that provides for  
17 the administration of Permanent Supportive Housing to Clients of the Agency Department of  
18 Human Services. "Housing-Related Contract" shall not include agreements between the San  
19 Francisco Housing Authority and the City, or contracts to provide City-funded services at  
20 Housing Authority developments.

21 " IHSS " shall mean the In-Home Supportive Services Program, as set forth in  
22 Administrative Code, Chapter 70, including any future amendments to that Chapter.

23 " Medi-Cal " shall mean the Medi-Cal Program as set forth in California Welfare and  
24 Institutions Code Sections 14000 et seq., including any future amendments to those sections.

5

1 " PAES " shall mean the Personal Assisted Employment Services Program, as set  
2 forth in Administrative Code, Chapter 20, Article IX, including any future amendments to that  
3 Article.

4 " Permanent Supportive Housing " shall mean housing units for Clients that include  
5 on-site supportive services, including, without limitation, intake and assessment of Clients'  
6 needs, outreach to the Clients to assist them with health or social needs, management of the  
7 health or social needs of Clients, mediation of disputes with the property management, and  
8 referrals for services to the Clients. "Permanent Supportive Housing" shall not include any  
9 shelter that offers temporary overnight sleeping space on a short-term basis provided by the  
10 City on City-owned or leased property or through a contractual arrangement.

11 " Person " shall mean an individual, proprietorship, corporation, partnership, limited  
12 partnership, limited liability partnership or company, trust, business trust, estate, association,  
13 joint venture, agency, instrumentality, or any other legal or commercial entity, whether  
14 domestic or foreign.

15 " Public Benefits " shall mean CalFresh, CalWORKs, General Assistance, Medi-Cal,  
16 SSI, VA Benefits, PAES, IHSS, SSIP, and CALM.

17 " SSI " shall mean Supplemental Security Income/State Supplementary Program for  
18 Aged, Blind, and Disabled as set forth in California Welfare and Institutions Code Section  
19 12000 et seq., including any future amendments to those sections.

20 " SSIP " shall mean Supplemental Security Income Pending, as set forth in  
21 Administrative Code, Chapter 20, Article XI, including any future amendments to that Article.

22 " VA Benefits " shall mean benefits and entitlements provided by the United States  
23 Department of Veterans Affairs, as set forth in 38 U.S.C. Sections 101 et seq., including any  
24 future amendments to those sections.

25 **SEC. 20.54.3. CONTRACT REQUIREMENTS.**

1 Every Housing-Related Contract executed after the operative date of this Article VI  
2 shall contain provisions in which the Housing Provider agrees to the following requirements:

3 (a) (1) The Housing Provider shall make reasonable efforts to help Clients  
4 determine the Public Benefits for which they may be reasonably eligible, and help Clients  
5 enroll in all Public Benefits for which they may be reasonably eligible. "Reasonable efforts"  
6 within the meaning of the previous sentence shall include but not be limited to meeting, or  
7 attempting to meet, with all Clients within three months of the Client's placement in Permanent  
8 Supportive Housing and at least once per calendar year thereafter to discuss the Public  
9 Benefits the Client is receiving, the Public Benefits for which the Client has applied, and the  
10 Public Benefits for which the Client may be eligible but for which the Client has not applied. A  
11 Housing Provider satisfies the requirement of "attempting to meet" with a Client within the  
12 meaning of the previous sentence if the Housing Provider supplies the Client with a written  
13 notice of the date, time, and location of the proposed meeting at least two weeks before the  
14 meeting, then attempts to notify the Client at least twice by phone and at least once in person  
15 of the date, time, and location of the meeting. A Client "may be reasonably eligible" for a  
16 Public Benefit within the meaning of this Section 20.54.3 if the Housing Provider determines  
17 that the Client satisfies all of the criteria set forth on the worksheet created by the  
18 Agency Department of Human Services pursuant to Section 20.54.4 of this Article VI.

19 (2) During each meeting with the Client described in subsection (a)(1), the  
20 Housing Provider shall provide the Client with a document listing all Public Benefits for which  
21 the Client may be reasonably eligible and the different manners in which the Client may apply  
22 for those Public Benefits. The Provider shall assist the Client to apply for all Public Benefits for  
23 which the Client may be reasonably eligible by: making an intake appointment for the Client at  
24 the Agency Department of Human Services and providing the date, time and location of the  
25 appointment to the Client in writing; by assisting the Client to apply online; by assisting the

1 Client to fill out and mail a paper application; or by assisting the Client to call the  
2 Agency Department of Human Services to apply by phone.

3 (b) During each meeting with the Client described in subsection (a)(1), the Housing  
4 Provider shall provide the Client with the release described in subsection (b) of Section  
5 20.54.4 of this Article VI. The Housing Provider shall explain to the Client the purpose of the  
6 release.

7 (c) Each Housing Provider shall produce and provide to the Agency Department of  
8 Homelessness and Supportive Housing and Department of Human Services a report each year that  
9 includes the following information:

10 (1) The percentage of Clients enrolled in each Public Benefit;

11 (2) The percentage of Clients who have applied for all of the Public Benefits for  
12 which they may be reasonably eligible;

13 (3) A summary of the reasonable efforts made pursuant to subsection (a) of this  
14 Section 20.54.3 to help Clients enroll in all Public Benefits for which they may be reasonably  
15 eligible; and

16 (4) If all Clients are not enrolled in the maximum Public Benefits for which they  
17 may be reasonably eligible, an explanation as to why a higher percentage of Clients are not  
18 so enrolled and a description of efforts that will be made to enroll more Clients in all Public  
19 Benefits for which they may be reasonably eligible.

20 A Housing Provider's first report required by this subsection (c) shall be due one  
21 year from the execution of any Housing-Related Contract entered into after operative date of  
22 this Article VI.

23 (d) Each Housing Provider shall retain for three years copies of all documents  
24 generated or received pursuant to this Section 20.54.3 of this Article VI.

1 (e) Each Housing Provider shall cooperate fully with the Agency Department of  
2 Homelessness and Supportive Housing when it conducts its annual contract monitoring visit, as  
3 well as any audits and investigations, including allowing the Agency Department full and  
4 complete access to documents and employees.

5 (f) No Housing Provider shall discharge, reduce in compensation, or otherwise  
6 discriminate against any employee for notifying the Agency Department of Homelessness and  
7 Supportive Housing of a possible violation of this Article VI.

8 **SEC. 20.54.4. DOCUMENTS TO BE CREATED BY THE DEPARTMENT OF HUMAN**  
9 **SERVICES AGENCY.**

10 (a) The Agency Department of Human Services shall create a worksheet that lists the  
11 general criteria for eligibility for each Public Benefit. The Department of Homelessness and  
12 Supportive Housing Agency shall provide this worksheet to all Housing Providers and shall post  
13 this worksheet on its website. The Agency Department of Human Services shall regularly update  
14 this worksheet to reflect any changes that are made to the laws regarding eligibility for Public  
15 Benefits.

16 (b) The Agency Department of Human Services shall create a consent to release  
17 information form that allows the Housing Providers, ~~and~~ the Agency Department of Human  
18 Services, and the Department of Homelessness and Supportive Housing to exchange information  
19 regarding the public aid status of the Client. The Agency Department of Homelessness and  
20 Supportive Housing shall provide this release to all Housing Providers and shall post this  
21 release on its website.

22  
23 Section 5. Article XII of Chapter 20 of the Administrative Code is hereby amended by  
24 revising Section 20.305, to read as follows:

25 **SEC. 20.305. MEMBERSHIP AND ORGANIZATION.**

1 (a) The membership of the Committee shall reflect the diversity of the homeless  
2 people that access shelter in the City. The Committee shall consist of 13 members, one of  
3 whom shall be a homeless person (or homeless within the 3 years prior to appointment) with a  
4 disability and one of whom shall be a homeless person (or homeless within the 3 years prior  
5 to appointment) living with their homeless child who is under the age of 18. The 13 members  
6 of the Committee shall be appointed as follows: three members shall be appointed by the  
7 Mayor, including one member from the ~~Department of Human Services~~ Department of  
8 Homelessness and Supportive Housing, one member from the Department of Public Health, and  
9 one member who is homeless or formerly homeless and who has experience providing direct  
10 services to the homeless through a community setting. Six members shall be appointed by the  
11 Board of Supervisors including: two homeless or formerly homeless individuals; one member  
12 who has experience providing direct services to the homeless through a community setting;  
13 one member selected from a list of candidates that are nominated by community agencies  
14 that provide behavioral health, housing placement, or other services to the homeless; and two  
15 members selected from a list of candidates that are nominated by non-profit agencies that  
16 provide advocacy or organizing services to homeless people, one of which is homeless or  
17 formerly homeless. Four members shall be appointed by the Local Homeless Coordinating  
18 Board, including: one member selected from a list of candidates that are nominated by non-  
19 profit agencies that provide advocacy or organizing services to homeless people; two  
20 members who have experience providing direct services to the homeless through a  
21 community setting, one of which is formerly homeless; and one member shall be homeless or  
22 formerly homeless and selected from a list of candidates that are nominated by community  
23 agencies that provide behavioral health, housing placement, or other services to homeless  
24 individuals. In making their appointments to the Committee, the appointing authorities are  
25 encouraged to select people who are bilingual.

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(b) Officers. At the first calendared meeting and thereafter at the beginning of each even-numbered calendar year, the members of the Shelter Monitoring Committee shall elect members to serve as chair, vice-chair, and secretary of the Committee. The chair, or vice-chair, in the absence of the chair, shall be responsible for developing agendas and conducting meetings. The secretary shall be responsible for approving meeting minutes and committee correspondence prior to distribution.

(c) Committee members who work at a resource center or shelter shall not conduct site visits at that site or any other site that is part of that agency. If they are former employees of a site, they must wait at least six months before conducting a site visit. Committee members who currently reside at a shelter shall not conduct site visits at that site or any other site that is part of that agency. Committee members who used to reside at a shelter must wait at least six months before conducting a site visit at that site or any other site that is part of that agency.

Committee members from the ~~Human Services Agency~~ Department of Homelessness and Supportive Housing and the Department of Public Health shall not conduct official site visits on behalf of the Shelter Monitoring Committee at a site where their respective agency holds a contract with said site or agency.

Section 6. Article XIII of Chapter 10 of the Administrative Code is hereby amended by revising Sections 10.100-77 and 10.100-106, to read as follows:

**SEC. 10.100-77. ~~HUMAN SERVICES CARE~~ HOMELESSNESS AND SUPPORTIVE HOUSING FUND.**

(a) Establishment of Fund. The Department of Homelessness and Supportive Housing of ~~Human Services Care~~ Fund is established as a category eight fund to receive, and account for

1 the expenditure of, savings realized through the implementation of Proposition N, or any other  
2 legislation that provides in-kind benefits in lieu of a full cash grant.

3 (b) Definitions. For the purposes of this Section 10.100-77 Ordinance:

4 The term "baseline figure" shall mean the number of homeless persons in each CAAP  
5 program (GA, PAES, CALM, or SSIP), out of a total of 3,000 individuals, estimated as of May  
6 1, 2002.

7 The term "CAAP" shall mean the County Adult Assistance Program, consisting of the  
8 General Assistance (GA) Program (Article VII of Chapter 20 of the Administrative Code), the  
9 Personal Assisted Employment Services (PAES) Program (Article IX of Chapter 20 of the  
10 Administrative Code), the Cash Assistance Linked to Medi-Cal (CALM) Program (Article X of  
11 Chapter 20 of the Administrative Code), and the Supplemental Security Income Pending  
12 (SSIP) Program (Article XI of Chapter 20 of the Administrative Code).

13 The term "Commission" shall mean the San Francisco Human Services Commission.

14 The term "Department" shall mean the San Francisco Department of Homelessness and  
15 Supportive Housing.

16 ~~The terms "Department of Human Services" or "the Department" shall mean the San Francisco~~  
17 ~~Department of Human Services.~~

18 The term "homeless" shall mean applicants or recipients in CAAP who identify  
19 themselves as homeless.

20 The term "Proposition N" shall mean Proposition N, or the "Care Not Cash Initiative,"  
21 as adopted by the voters at the November 2002 San Francisco general municipal election.

22 \* \* \* \*

23 (d) Uses of the Fund. The Fund shall be used by the Department to provide: (1)  
24 housing, utilities, and meals; (2) drug and alcohol treatment; (3) mental health care; and, (4)  
25 job training, for homeless CAAP recipients whose monthly cash payments have been



1 reduced. In providing these services, the Department may use monies in the Fund to pay for  
2 master lease contracts for SRO hotels, expanded shelter operation contracts, meal contracts,  
3 and other agreements to provide in-kind benefits. Nothing in this section shall be construed to  
4 prevent the City or the Department from providing the same services to other classes of  
5 recipients from other funding sources.

6 To the extent that the Department has met its obligations to provide the basic in-kind  
7 benefits listed above, it may also use money in the Fund to pay for job training, SSI advocacy,  
8 rental/move-in assistance, and any other services the Department deems necessary or  
9 appropriate to help move CAAP recipients in the City's shelter system into permanent housing  
10 or self-sufficiency.

11 The Department may not use any other portion of its overall budget for the direct costs  
12 of new care associated with the implementation of Proposition N, or any other legislation that  
13 provides in-kind benefits in lieu of a full cash grant; provided, however, that the *Department*  
14 *City* may continue to use any other source of funds to provide the same level of such services  
15 to homeless CAAP recipients as it already provided, without any reduction in cash assistance,  
16 before June 30, 2003 for Proposition N, or before the effective date for any other legislation  
17 covered by this ordinance. The Department may only use monies within the Fund for the  
18 provision of new care required to implement Proposition N, or any other legislation that  
19 provides in-kind benefits in lieu of a full cash grant.

20 \* \* \* \*

21 (f) Fund Limits. The Controller shall alert the Department *of Human Services*, the Board  
22 of Supervisors, and the Mayor any time the revenues received by the Fund for any fiscal year  
23 exceed \$11.9 million. The Department may only expend monies from the Fund in excess of  
24 the \$11.9 million amount in any fiscal year by appropriation ordinance.

1 At the same time that the Department submits any such proposed appropriation  
2 ordinance in excess of the \$11.9 million cap, it must also submit to the Board of Supervisors a  
3 plan explaining how the Department intends to spend the money. The plan must include, at a  
4 minimum, estimates of the amounts to be spent for various purposes, as well as an  
5 explanation of who is to benefit from these expenditures, how many people will benefit, and  
6 how the proposed benefits will be provided. The Board shall approve the plan by resolution  
7 before adopting the appropriation ordinance.

8 \* \* \* \*

9 **SEC. 10.100-106. MAYOR'S FUND FOR THE HOMELESS.**

10 (a) Establishment of Fund. The Mayor's Fund for the Homeless is established as a  
11 category six fund to receive all donations which may from time to time be received by the City  
12 and County of San Francisco for providing shelter, food and other assistance for the  
13 homeless.

14 (b) Use of the Fund. The fund is to be used exclusively for the purpose of providing  
15 food, shelter and supportive services to the homeless and for costs incurred for promotion of  
16 the fund. Funds which are donated for a specific project for the homeless shall be expended  
17 only for that project.

18 (c) Administration of Fund. The Director of the Department of Homelessness and  
19 Supportive Housing ~~Mayor's Office of Housing Opportunities, Partnerships and Engagement (HOPE)~~,  
20 or his designee, is authorized to administer the Mayor's Fund for the Homeless and to  
21 determine expenditures from the fund, in keeping with the original intended uses of the fund.  
22 The director or his designee shall report regularly to the City's Local Homeless Coordinating  
23 Board on gifts to and expenditures from the fund.

1 Section 7. The Administrative Code is hereby amended by revising Sections 20.1500,  
2 20.1501, and 20.1502 of Article XV, to read as follows:

3 **ARTICLE XV: CAAP DISCONTINUANCE RENTAL ASSISTANCE PILOT PROJECT**

4 **SEC. 20.1500. FINDINGS.**

5 The San Francisco Human Services Agency ("HSA") administers the County Adult  
6 Assistance Programs (CAAP) for the City and County of San Francisco ("City"), which  
7 programs provide financial assistance and social services to indigent adults who have no  
8 other source of income or benefits. CAAP consists of General Assistance (GA), Personal  
9 Assisted Employment Services (PAES), Cash Assistance Linked to Medi-Cal (CALM), and  
10 Supplemental Security Income Pending (SSIP), as those programs are set forth in Articles VII  
11 through XI of Chapter 20 of the Administrative Code.

12 The San Francisco Department of Homelessness and Supportive Housing ("DHS") manages  
13 and directs all housing, programs, and services for homeless persons in the City including, but not  
14 limited to, street outreach, homeless shelters, transitional housing, and permanent supportive housing.

15 California Welfare and Institutions Code Section 17001.5, governing the operation of  
16 programs that provide aid and care for indigent persons, provides that a recipient's aid may be  
17 discontinued, or a sanction imposed, if the recipient fails or refuses without good cause to  
18 follow program requirements. Lack of good cause under State law may be demonstrated by a  
19 showing of either (a) willful failure or refusal to follow program requirements or (b) not less  
20 than three separate acts of negligent failure to follow program requirements.

21 For CAAP participants who are placed in supportive housing through HSA's-the City's  
22 Care Not Cash program, benefits consist of placement in housing and a monthly cash grant  
23 paid directly to the participant, a portion of which is required to be used to pay rent to the  
24 housing provider. HSAThe City further subsidizes the cost of housing for Care Not Cash  
25 participants through direct contracts with the housing provider.

1 After the third instance in which HSA determines that a CAAP participant has engaged  
2 in a negligent failure to comply with program rules, HSA notifies the participant that his or her  
3 benefits will be discontinued. CAAP participants who face discontinuance of their benefits  
4 have the option to request an administrative hearing to challenge the grounds for the  
5 discontinuance, which may result in restoration of benefits without a break in cash aid. GA  
6 and PAES participants whose benefits are not restored are sanctioned and cannot reapply to  
7 CAAP for thirty days. But sanctioned clients typically have no source of income to pay rent.  
8 Therefore, CAAP discontinuances have the potential to threaten the housing security of CAAP  
9 participants.

10 As of the adoption of this Article XV, HSA practice is to provide advance notice to HSA-  
11 funded supportive housing providers when a CAAP participant in their building is at risk of  
12 discontinuance. Housing providers are contractually obligated to follow up with the participant  
13 to attempt to prevent the discontinuance of CAAP aid or to assist the participant to reinstate  
14 CAAP aid. HSA-funded supportive housing providers are also authorized to forgive one  
15 month of rent debt in such situations so that the client can reestablish benefits without  
16 jeopardizing their housing stability.

17 The City wishes to reduce the risk that CAAP participants who have negligently failed  
18 to comply with program requirements will be evicted or otherwise become housing insecure  
19 through the establishment of a pilot project. Under the CAAP Discontinuance Rental  
20 Assistance Pilot Project established in this Article XV, CAAP participants who reside in ~~HSA-~~  
21 ~~funded~~ supportive housing funded by HSA or DSHS and have engaged in three acts of negligent  
22 failure to comply with program requirements will be ineligible to receive cash assistance for  
23 one month, but ~~HSA~~ the agency funding the housing contract will make a rental payment during  
24 that month on their behalf directly to the housing provider if pilot criteria are met.  
25

1            HSA/DHSH will collect and analyze data concerning the number of individuals who  
2 receive rental assistance under this pilot project and will submit an annual report to the Board  
3 of Supervisors describing the program's effectiveness and including recommendations for  
4 improvement as appropriate.

5            **SEC. 20.1501. THE CAAP DISCONTINUANCE RENTAL ASSISTANCE PILOT**  
6 **PROJECT.**

7            (a) The Board of Supervisors hereby establishes the CAAP Discontinuance Rental  
8 Assistance Pilot Project ("Pilot Project").

9            (b) The purpose of the Pilot Project is to preserve the housing security of individuals  
10 who participate in the County Adult Assistance Programs (CAAP) and who reside in HSA-  
11 funded or DHSH-funded supportive housing where such persons have engaged in three  
12 negligent acts of noncompliance with program requirements.

13            (c) To be eligible for rental assistance under the Pilot Project, a person must:

14            (1) be a recipient of financial assistance through General Assistance (GA),  
15 the Personal Assisted Employment Services (PAES) Program, Cash Assistance Linked to  
16 Medi-Cal (CALM), or Supplemental Security Income Pending (SSIP), as those programs are  
17 set forth in Articles VII through XI of this Chapter 20 of the Administrative Code;

18            (2) reside in HSA-funded or DHSH-funded Single Room Occupancy (SRO)  
19 buildings; and

20            (3) be facing the discontinuance of financial assistance resulting from three  
21 acts of negligent failure to comply with CAAP program requirements.

22            (d) Notwithstanding subsection (c), persons will be ineligible for rental assistance  
23 under the Pilot Project if the discontinuance of their assistance is due to fraud, willful  
24 noncompliance with program requirements or loss of program eligibility due to other reasons,  
25 including increased income or assets or eligibility for another cash assistance program.

1 (e) Individuals who receive rental assistance under the Pilot Project shall be required  
2 to: (1) reinstate to CAAP during the first month of the sanction period in order to reestablish an  
3 income source that will allow the individual to resume rental payments the following month;  
4 and (2) re-establish participation in a third-party rent payment service upon reinstatement to  
5 CAAP.

6 (f) The Pilot Project shall be implemented as follows:

7 (1) The Human Services Agency ("HSA") and DSHS shall administer the Pilot  
8 Project.

9 (2) When a CAAP recipient satisfies the eligibility criteria set forth in Section  
10 20.1501(c), HSA shall discontinue cash benefits, but DSHS shall pay the client's share of rent  
11 directly to the housing provider for a period of one month following discontinuance.

12 (3) Eligible CAAP recipients may receive rental assistance benefits under the  
13 Pilot Project no more than once every six months, provided, however, that an eligible CAAP  
14 recipient shall not receive rental assistance benefits more than once if he or she has not  
15 complied with the program requirements set forth in Section 20.1501(e).

16 **SEC. 20.1502. ANNUAL REPORT TO BOARD OF SUPERVISORS.**

17 By October 1 of each year, ~~the Human Services Agency~~ DSHS shall submit to the Board  
18 of Supervisors a report describing the number of individuals who received benefits under the  
19 Pilot Project during the prior fiscal year and estimating the effectiveness of the Pilot Project at  
20 preserving housing security, and including recommendations as appropriate.

21 \* \* \* \*

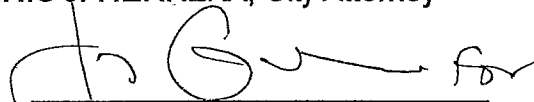
22  
23 Section 8. Effective Date. This ordinance shall become effective 30 days after  
24 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
25

1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
2 of Supervisors overrides the Mayor's veto of the ordinance.

3  
4 Section 9. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
5 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
6 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
7 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
8 additions, and Board amendment deletions in accordance with the "Note" that appears under  
9 the official title of the ordinance.

10  
11 APPROVED AS TO FORM:  
12 DENNIS J. HERRERA, City Attorney

13 By:

  
14 FRANCESCA GESSNER  
Deputy City Attorney

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AMENDED IN COMMITTEE  
6/17/16

FILE NO. 160638

**LEGISLATIVE DIGEST**

[Administrative Code - Department of Homelessness and Supportive Housing]

**Ordinance amending the Administrative Code to establish a new Department of Homelessness and Supportive Housing; transfer homeless-related functions previously performed by the Department of Human Services to the new department; and establish the Local Homeless Coordinating Board to advise the new department on homeless policy and serve as the Continuum of Care governing body in accordance with federal regulations.**

Existing Law

There is no single City department currently charged with overseeing all housing, programs, and services for homeless persons in San Francisco. Various homeless-related functions are currently performed by the Department of Human Services and the Department of Public Health.

There is no codified City law establishing a Local Homeless Coordinating Board.

Amendments to Current Law

**Department of Homelessness and Supportive Housing**

The ordinance would create a new Department of Homelessness and Supportive Housing ("DHS") to manage and direct all housing, programs, and services for homeless persons in the City including, but not limited to, street outreach, homeless shelters, transitional housing, and permanent supportive housing. The Mayor would appoint a Director to serve as department head. The Director would serve at the pleasure of the Mayor.

**Local Homeless Coordinating Board**

The ordinance would establish the Local Homeless Coordinating Board ("LHCB") as a nine-member advisory body with four members appointed by the Mayor, four by the Board of Supervisors, and one by the Controller. The LHCB would advise the DHS on homeless policy and budget allocations. The DHS would provide administrative support to the LHCB. The LHCB also would serve as the Continuum of Care governing body in accordance with applicable U.S. Department of Housing and Urban Development ("HUD") rules and regulations. The composition of the LHCB would conform to current HUD regulations which require that the Board include at least one homeless or formerly homeless individual, and represent the relevant organizations and projects serving homeless subpopulations in San Francisco.

**Public Benefits Utilization Ordinance**



AMENDED IN COMMITTEE  
6/17/16

FILE NO. 160638

The ordinance would amend the recently enacted Public Benefits Utilization Ordinance, which requires City-funded housing providers to assist residents to apply for public benefits, by replacing references to the Human Services Agency or Department of Human Services with DSHS for certain purposes.

**CAAP Discontinuance Rental Assistance Pilot Project**

The ordinance would amend the recently enacted County Adult Assistance Programs (CAAP) Discontinuance Rental Assistance Pilot Project to replace references to the Human Services Agency with the City and/or DSHS.

**Shelter Monitoring Committee**

The ordinance would revise the composition of the Shelter Monitoring Committee to replace the existing Committee member from the Department of Human Services with a member from DSHS.

**Human Services Care Fund**

The ordinance would re-name the existing Human Services Care Fund as the "Homelessness and Supportive Housing Fund," and would replace the Department of Human Services with DSHS for certain purposes related to administration of the Fund.

**Mayor's Fund for the Homeless**

The ordinance would transfer administration of the Mayor's Fund for the Homeless from the director of the Mayor's Office of Housing Opportunities, Partnerships and Engagement (HOPE) to the Director of DSHS.

Background Information

The Local Homeless Coordinating Board ("LHCB") was initially established by resolution of the Board of Supervisors in 1997. Since that time, the Board of Supervisors has adopted several subsequent resolutions regarding the composition and duties of the LHCB but it has never codified the LHCB by ordinance.

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Member, Board of Supervisor  
District 2



MARK FARRELL

RECEIVED  
BOARD OF SUPERVISORS  
City and County of San Francisco

2016 JUN -9 PM 3:30

*fw*

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DATE: June 9, 2016

TO: Angela Calvillo  
Clerk of the Board of Supervisors

FROM: Supervisor Farrell  
Chairperson

RE: Budget and Finance Committee  
COMMITTEE REPORT

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Pursuant to Board Rule 4.20, as Chair of the Budget and Finance Committee, I have deemed the following matters are of an urgent nature and request they be considered by the full Board on June 21, 2016, as Committee Reports:

**160638 Administrative Code – Department of Homelessness and Supportive Housing**  
Ordinance amending the Administrative Code to establish a new Department of Homelessness and Supportive Housing; transfer homeless-related functions previously performed by the Department of Human Services to the new department; and establish the Local Homeless Coordinating Board to advise the new department on homeless policy and serve as the Continuum of Care governing body in accordance with federal regulations.

**160652 Real Property Purchase – 440 Turk Street – San Francisco Housing Authority – Not to Exceed \$5,000,000**  
Resolution authorizing the execution and acceptance of a Purchase and Sale Agreement by and between the City and the Housing Authority of the City and County of San Francisco (“Seller”), for the real property located at 440 Turk Street (Assessor’s Parcel Block No. 0336, Lot No. 005) for no greater than \$5,000,000; and finding the proposed transaction is in conformance with the City’s General Plan, and the eight priority policies of Planning Code, Section 101.1

**160653 Homelessness and Supportive Housing Fund – Approval of FYs 2016-207 and 2017-2018 Expenditure Plans**  
Resolution approving the FYs 2016-2017 and 2017-2018 Expenditure Plans for the Department of Homelessness and Supportive Housing Fund.

This matter will be heard in the Budget and Finance Committee on June 17, 2016, at 10:00 a.m.

OFFICE OF THE MAYOR  
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Mayor Edwin M. Lee *EWL*  
RE: Administrative Code - Department of Homelessness and Supportive Housing  
DATE: May 31, 2016

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Attached for introduction to the Board of Supervisors is an ordinance amending the Administrative Code to establish a new Department of Homelessness and Supportive Housing; transfer homeless-related functions previously performed by the Department of Human Services to the new department; and establish the Local Homeless Coordinating Board to advise the new department on homeless policy and serve as the Continuum of Care governing body in accordance with federal regulations.

I respectfully request a waiver of the 30-day hold and that this item be heard in Budget & Finance Committee on June 17, 2016.

Should you have any questions, please contact Nicole Elliott (415) 554-7940.

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2016 MAY 31 PM 1:35  
BY *[Signature]*

