

Mayor's Office of Housing & Community Development and Office of the Mayor



MAYOR'S OFFICE OF
HOUSING & COMMUNITY DEVELOPMENT



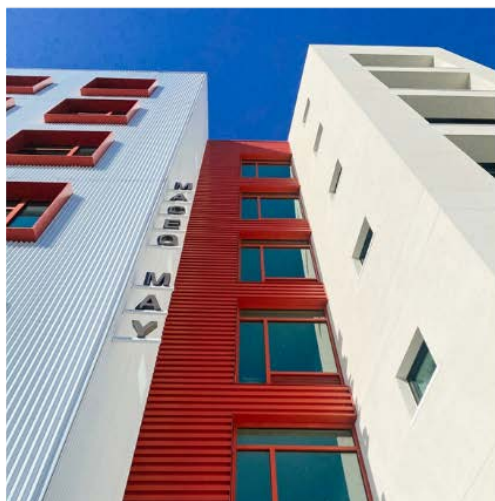
OFFICE OF MAYOR LONDON N. BREED



Proposed Budget

June 12, 2024





MOHCD MISSION

Support San Franciscans with affordable housing opportunities and essential services to build strong communities.



FY 2023-24 AAO BUDGET
\$190.3 million



POSITIONS
126

DIVISIONS

Housing

Community Development

Homeownership and Below Market Rate (HBMR)

Finance and Administration

Families and individuals are stably housed

- Number of new affordable units constructed, rehabilitated, and preserved

Families and individuals are resilient and economically self-sufficient

- Households and neighborhoods served through community grants

Communities have healthy physical, social and business infrastructure

- Households and community-based organizations served through grants
- Implementation of the Cultural District Program

Communities at risk of displacement are stabilized

- Units acquired and stabilized via small sites program
- Households served with Tenant Right to Counsel

Work to eliminate the causes of racial disparities

- Increasing production of affordable units in High Resource neighborhoods
- Households served by digital equity programs
- Households served by HOPE SF and DK1 community programs

KEY PERFORMANCE MEASURES



BUDGET OVERVIEW

MOHCD FY 22-23 REFERENCE POINT

APPROXIMATELY 60% of MOHCD’s budget does not go through the Board’s annual budget process (AAO) and is appropriated at other times.

FUND SOURCES NOT INCLUDED IN THE AAO:

GO BONDS	FY 22-23: 24% of expenditures
FEDERAL AND STATE GRANTS	FY 22-23: 14% of expenditures
DEVELOPMENT IMPACT FEES	FY 22-23: 12% of expenditures
LOAN REPAYMENTS	FY 22-23: 2% of expenditures
OTHER (fees supporting bond issuance and monitoring; legal settlements; development agreements)	FY 22-23: 1% of expenditures

AAO BUDGET
MOHCD FY 23-24

TOTAL BUDGET OF \$190.3M, INCLUDING:

\$57.5M General Fund grants to CBOs (including capital grants), of which \$11.4M were one-time grants in last year's FY23-25 budget

\$44.5M Housing Trust Fund (HTF)

\$31.1M Local Operating Subsidy Program (LOSP)

\$15.8M renter and homebuyer assistance

\$15.7M one-time market-rate housing developer contributions

\$7.7M housing impact fees and former SFRA housing assets

\$5.8M debt service

\$4.9M payments to other City departments

\$3.2M Cultural Districts

MAYOR'S PROPOSED BUDGET
MOHCD FY 24-25

TOTAL PROPOSED BUDGET OF APPROXIMATELY \$192M, an increase of \$1.7M from FY 23-24.



MAJOR INCREASES INCLUDE:

\$20M from residential vacancy tax (on CON reserve pending litigation and verification of revenue collected)

\$3.5M net increase in debt service, primarily from Affordable Housing & Community Facilities COPs

\$3.4M increase in LOSP workorder (163 new units)

\$2.4M increase in Housing Trust Fund per Charter

MAYOR'S PROPOSED BUDGET
MOHCD FY 24-25

TOTAL PROPOSED BUDGET OF APPROXIMATELY \$192M, an increase of \$1.7M from FY 23-24.



MAJOR DECREASES INCLUDE:

\$11.4M reduction in CBO grants (including one-time capital projects) previously assumed as one-time in the FY 23-25 budget

\$6M decrease in first-time homebuyer assistance as part of FY 23-24 mid-year balancing

\$2.4M net reduction in CBO grants to meet target

\$690K in attrition savings from not filling 4 vacant positions

MAYOR'S PROPOSED BUDGET
MOHCD FY 25-26

TOTAL PROPOSED BUDGET OF APPROXIMATELY \$223M, an increase of \$31.0M from FY 24-25.



MAJOR INCREASES INCLUDE:

\$10M from residential vacancy tax (on CON reserve pending litigation and verification of revenue collected)

\$8.5M in grants to CBOs previously administered by DOSW

\$7.7M increase in LOSP workorder (581 new units)

\$5.8M net increase from developer contributions

\$1.5M increase in debt service

MAYOR'S PROPOSED BUDGET
MOHCD FY 25-26

TOTAL PROPOSED BUDGET OF APPROXIMATELY \$223M, an increase of \$31.0M from FY 24-25.



MAJOR DECREASES INCLUDE:

\$5.8M net additional reduction in CBO grants

\$695K in attrition savings from not filling 4 vacant positions

Minimizing impacts to CBOs



MOHCD's discretionary General Fund budget primarily funds grants to CBOs and 26 FTE (5 of which are at SFHA). No materials, supplies, or professional services are paid by the General Fund.

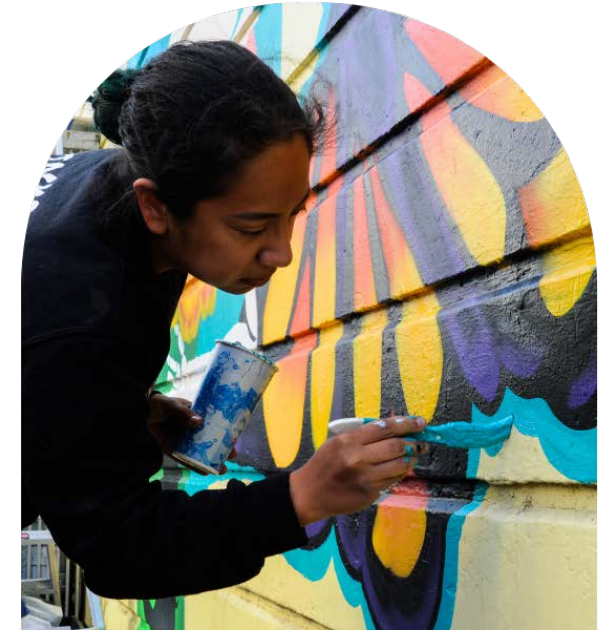
To minimize impact to CBO services grants, we've taken the following steps:

- Utilized FY24-25 increase in Housing Trust Fund to backfill reductions to eligible GF CBO grants (\$2.5M, ongoing).
- Assumed not filling 4 vacant GF FTE (\$690k, ongoing) in addition the 4 vacant FTE not filled as part of FY23-24 budget.
- Eliminated one-time capital grants for community facilities improvements (\$628k, ongoing).

Even after the mitigation steps, the proposed budget still includes a reduction of \$11.6M in grants to CBOs in FY25-26 as compared to FY24-25. We will be conducting a 5-year RFP process starting in Fall 2024 which will determine how this reduction impacts specific program areas.

- \$3.4M reduction from FY23-24 budget which was deferred with one-time solutions in FY23-24 and FY24-25.
- \$1M reduction from exhausting \$5M in one-time FY19-20 ERAF funding spent over 5 years.
- \$850k expiration of one-time Federal funding used to backfill GF reductions.
- \$600k expiration of workorder from DCYF
- \$5.8M new reduction in FY25-26.

Impacts to CBO grants in FY25-26





MAYOR'S OFFICE OVERVIEW

THE MAYOR'S ADMINISTRATION supports the Office of the Mayor through policy, budget, communications, and some constituent services.



FY 2024-25 BUDGET
\$11.1 million



POSITIONS
47

DIVISIONS

Mayor and Senior Staff

Policy and Government Affairs

Communications

Budget

Administrative and Operations

MAYOR'S OFFICE
BUDGET SUMMARY

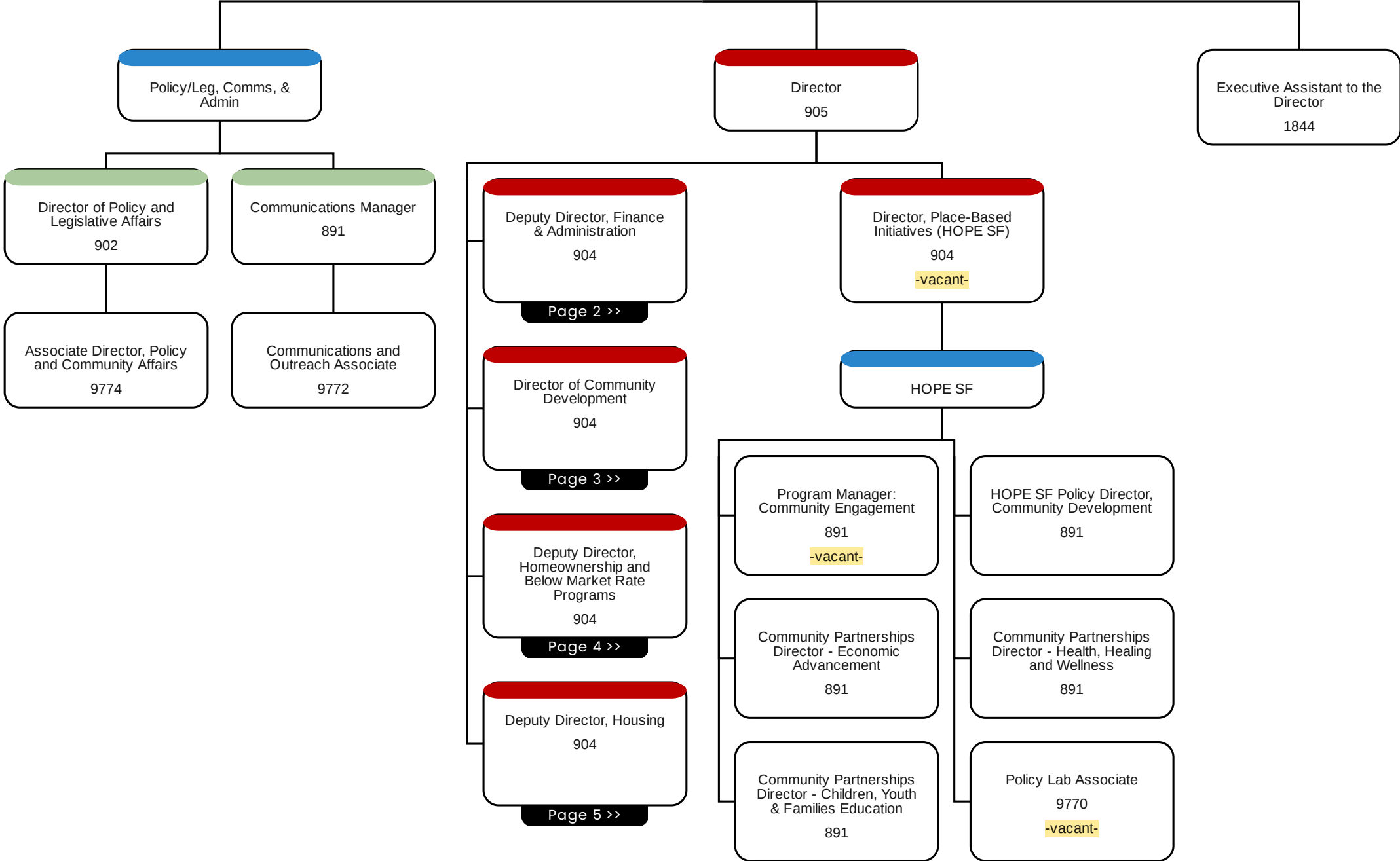
SPENDING CATEGORY	FY 23-24 (Current Year)	FY 24-25	FY 25-26
Salaries and Benefits	8.5	8.9	9.3
Non-Personnel, Projects, Materials, and Supplies	1.4	1.4	1.4
Services of Other Departments	0.8	0.8	0.8
TOTAL	\$10.7 million	\$11.1 million	\$11.5 million

Proposed Budget for FY 24-25 & FY 25-26 included salary and benefit increases due to MOU changes, an update to the Office’s federal lobbyist contract & minimal citywide workorder changes.

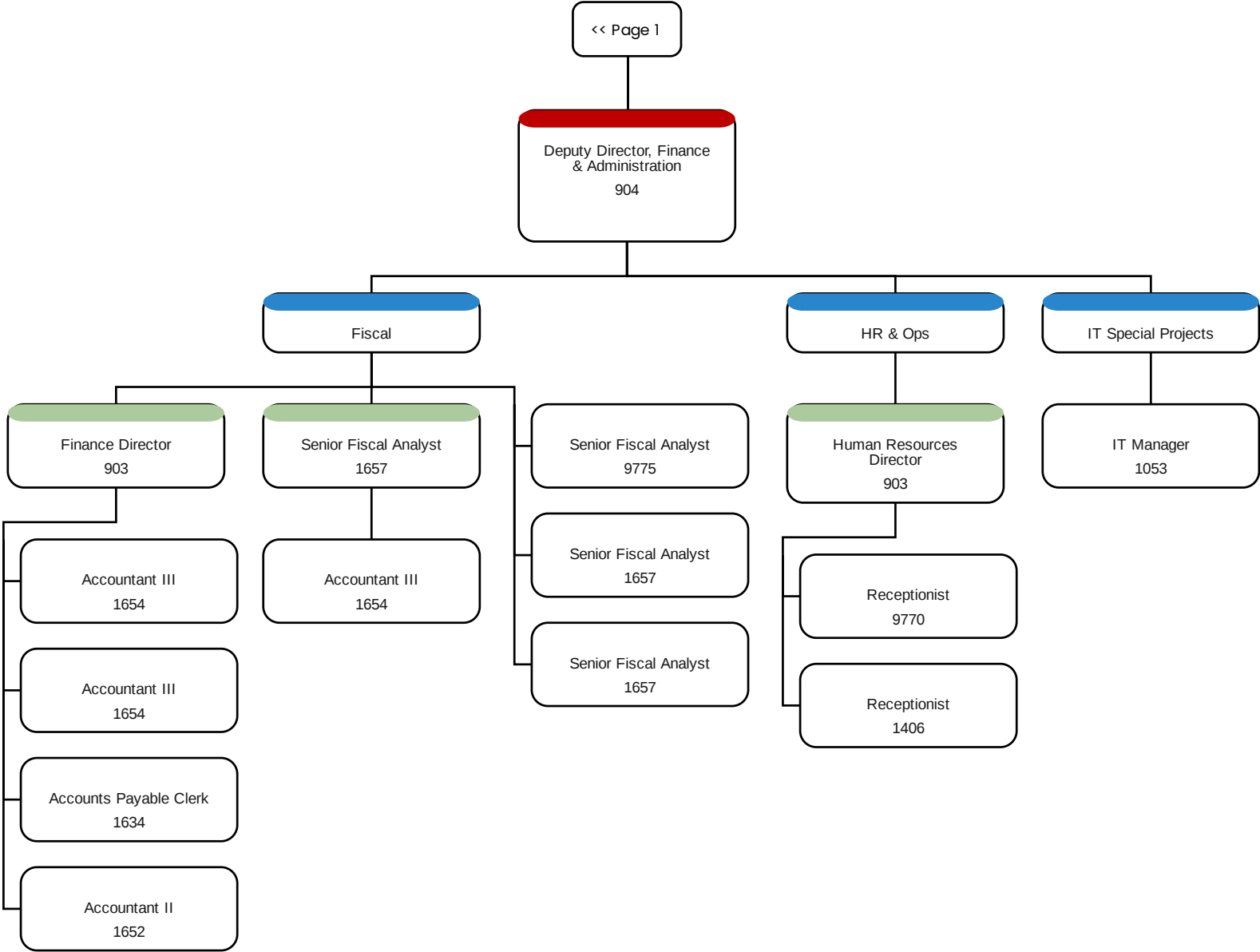


THANK YOU

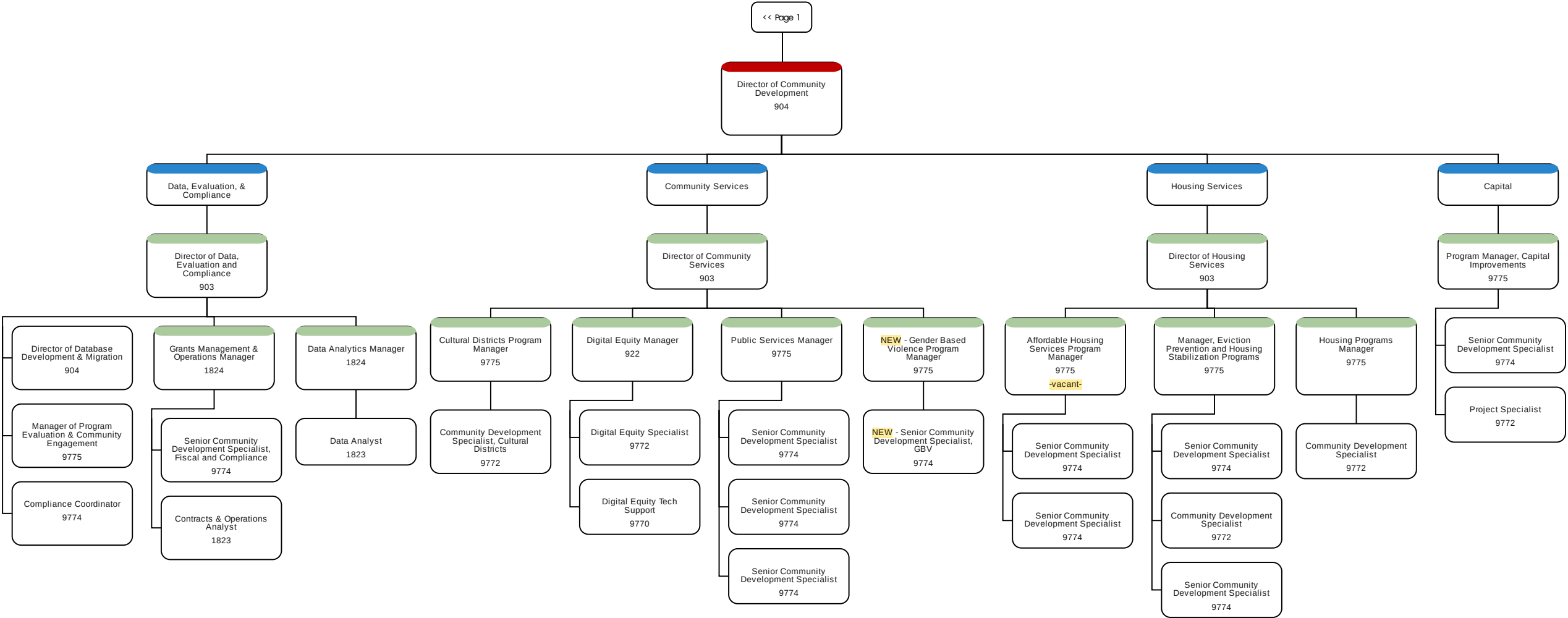
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FY24-26 Proposed Budget



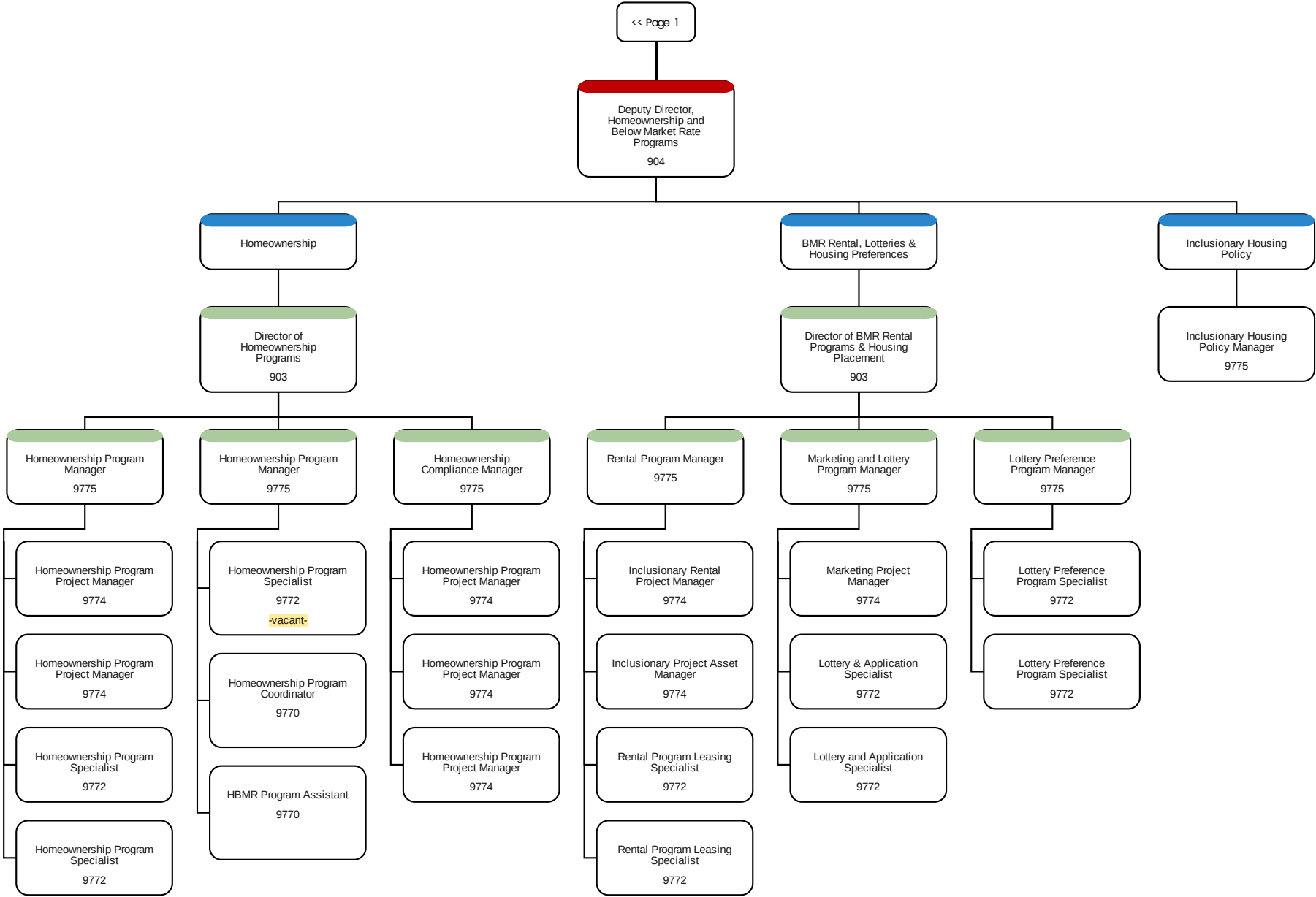
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