

Mayor's Proposed Budget

FY 2025-27

June 11, 2025

Overview: FY25-27

Mayor Lurie's FY25-27 budget takes a first step towards long-term fiscal responsibility while continuing to invest in the core city services will drive the City's financial recovery.

- *FY 2025-26: \$15.9B (no change from CY)*
FY 2026-27: \$16.3B
- Closes an \$817M two-year deficit
- Nearly \$300M reduction in the structural deficit
- \$400M Federal and State Uncertainty Reserve
- *Position Reduction: 1400 positions*

Budget Goals



**Sustain
Core Services**



**Improve
Fiscal Stability**



**Drive
Service Delivery**

*The Mayor's budget is focused on creating the conditions
for economic recovery & future revenue growth*

Invest in Core Services

Clean and Safe Streets

Public Safety

- Sustained service levels for sworn officers
- Restructured command for street outreach teams
- Streamlined public safety ambassadors under DEM

Clean Streets

- Maintains funding for street cleaners, inspectors
- Dedicated street cleaning resources for neighborhood streets teams

Invest in Core Services

Direct Services for Residents

Youth Services

- Continues **\$105M** grant portfolio through DCYF
- Directs over **\$190M** to SFUSD for enrichment, educational support, and general operations
- Launches 400 housing interventions for TAY experiencing homelessness

Housing & Care

- Expands Rapid Rehousing and hotel-based shelter for families
- Plans for known federal cuts to Emergency Housing vouchers

Food Access

- Over **\$60M** in food-access related funding across DPH, HSA, and OEWD

Legal Services

- Fully funds tenant right to counsel
- Continues over **\$13M** for direct immigrant legal services
- Maintains funding for victims of GBV, including legal and housing services

Improve Fiscal Stability

Federal & State Uncertainty Reserve

Creates \$400M reserve to protect against significant revenue shocks to state & federal revenues

One-Time Sources

Limits new uses of non-recurring revenues to capital, technology, and one-time costs

Capital Investments

Invests in city property through facilities maintenance, road resurfacing, ADA access, etc.

Drive Service Delivery

New Agencies & Department Realignment

City Arts Agency (*Film, Grants, and Arts Agency*)

Drives economic recovery through city's cultural institutions by offering better customer service for artists and arts organization

Agency on Human Rights

Aligns charter-mandated and back-office functions for Human Rights Commission, Status of Women, and Office of Trans Initiatives with complimentary missions to advance civil rights & oversight in SF

Drive Service Delivery

Breaking the Cycle, RV programs, and Mental Health

Interim Housing & Healthcare expansion

Over \$160M 2-year investment, coordinated across DPH and HSH, to expand access to interim housing, sober living, and hotel vouchers

Street Teams

Invests in additional personnel, technology, and equipment to improve coordination and outcomes for both pro-active and responsive street teams

Oversized Vehicle program

Funds coordinated HSH + MTA initiative for outreach, case management, vehicle buybacks, parking enforcement, and placements

Mental & Behavioral Health

Reallocates over **\$50M** DPH dollars + **\$20M** of Prop C annually to increase treatment, including: Psych emergency Service capacity, Detox & Withdrawl Management, Board and Care facilities, and 5150 follow-up

Reallocation Strategy:
Proposed legislation reallocates \$88.5M of fund balance & earned interest to fund the types of beds needed for the people living on our streets

Trailing Legislation

- Our Children Our Families Earned interest credit
- Our City, Our Home \$88.5M redistribution
- 12 Continuing Prop Js
- 6 DPH items
 - Includes HHIP grants, patient revenues, state grants, and code amendment
- Revenue policy changes at DPW, RPD, and ADM
- A&Es for RPD, PDR, LIB