

1 [General Assistance—In-kind Assistance; Department of Human Services Care Fund.]

2
3 **Ordinance modifying the City's General Assistance (GA) Program by amending San**
4 **Francisco Administrative Code Sec. 20.57 to reflect the current grant amount;**
5 **amending Administrative Code Sec. 20.59.3 to provide in-kind housing, utilities and**
6 **meals to homeless applicants and recipients; amending Administrative Code Sec.**
7 **20.57.1 to value housing, utilities and meals provided to homeless recipients as in-kind**
8 **assistance; adding Administrative Code Sec. 20.57.6A. to provide a special needs**
9 **allowance to homeless recipients; adding Administrative Code Sec. 20.60.12 to**
10 **establish a baseline GA budget; adding Administrative Code Sec. 20.60.13 to require a**
11 **Controller's evaluation; adding Administrative Code Sec. 20.60.14 to establish an**
12 **operative date for these amendments of on or before July 1, 2003; and amending the**
13 **San Francisco Administrative Code by adding Section 10.100-77, to establish a**
14 **Department of Human Services Care Fund, defining terms, identifying revenues,**
15 **restricting permissible uses, providing for verification and adjustment of**
16 **appropriations, and limiting expenditures in excess of the fund cap.**

17 Note: Additions are single-underline italics Times New Roman;
18 deletions are ~~strikethrough italics Times New Roman~~.
19 Board amendment additions are double underlined.
20 Board amendment deletions are ~~strikethrough normal~~.

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

22 Section 1. The San Francisco Administrative Code is hereby amended by amending
23 Section 20.57 to read as follows:

24 **SEC. 20.57. COMPUTATION AND PAYMENT OF AID GRANTS; AMOUNTS PAYABLE.**
25

1 (a) For each eligible individual or for each eligible family of two or more persons who
2 qualify for aid under the General Assistance Program, the maximum monthly amount of aid to
3 which such recipients are entitled is listed below.

4 MAXIMUM GENERAL ASSISTANCE GRANT AMOUNT

5 Single Individual ~~\$279~~ \$320

6 Number of Eligible Persons in Same Family

7 2 Persons ~~\$501~~ \$574

8 3 Persons ~~\$565~~ \$647

9 4 Persons ~~\$673~~ \$771

10 5 Persons ~~\$767~~ \$877

11 6 Persons ~~\$861~~ \$984

12 7 Persons ~~\$946~~ \$1,081

13 8 Persons ~~\$1,030~~ \$1,179

14 9 Persons ~~\$1,113~~ \$1,273

15 10 Persons ~~\$1,196~~ \$1,367

16 In the case of more than 10 persons in a family budget unit, an additional \$14 each
17 month shall be paid for each additional person in the family budget unit. For the purpose of
18 this Section, a family is defined as an eligible applicant/recipient and his or her spouse or
19 "domestic partner," as defined under Section 62.2 of the San Francisco Administrative Code,
20 and/or any of the applicant/recipient's children who are under age 18, living with, and applying
21 for General Assistance with, such applicant/recipient, provided that such child(ren) was (were)
22 never eligible for TANF/CalWORKs. For family budget units in which members receive cash
23 payments from more than one federal, State or County assistance program, except for
24 SSI/SSP, the total aid payment shall consist of the sum of each individual's proportionate
25

1 share of the aid payment for a family budget unit of the same size within each program ~~to~~ for
2 which each member is eligible.

3 Any individual or family receiving aid pursuant to this subsection shall continue to
4 receive the maximum monthly grant for which they were eligible prior to any reduction in the
5 maximum monthly grant structure enacted by the Board of Supervisors, until that eligible
6 individual or family has applied for and been denied, or has refused to apply for, assistance
7 under the PAES, CALM, or SSIP Programs.

8 (b) With respect to all applicants, initial aid payments shall be conditional upon
9 completion of the Department orientation program. In addition, with respect to each
10 employable recipient, continuing aid shall be conditioned, at the option of the Department,
11 upon either completion of 20 verifiable job applications per month and/or participation in a
12 Department-approved job counseling, vocational rehabilitation, drug or alcohol treatment or
13 work assignment program. Verifiable job applications or job searches within the meaning of
14 this Section, Section 20.58(c), and Section 20.58.2(b)(5) of this Article, shall include, but not
15 be limited to: (1) sending applications, resumes and cover letters to apply for available
16 positions for which the recipient meets the minimum qualifications, with copies of these
17 documents and the telephone number of the prospective employer provided to the
18 Department of Human Services so they can be verified; and (2) participation by a union
19 member in union hiring hall programs that make use of telephone job searches for currently
20 available positions.

21 In addition, with respect to each unemployable recipient, continuing aid shall be
22 conditioned upon application for, and pursuit of, SSI/SSP benefits, if eligible, and participation
23 in a Department-approved rehabilitation program. Aid may be withheld, reduced, or
24 discontinued for failure to meet these requirements.

25

1 (c) The Maximum General Assistance Grant may include Municipal Railway tokens ~~as~~
2 ~~an in-kind grant~~, in which event the cost of the Municipal Railway tokens to the Department of
3 Human Services shall not be deducted from the Maximum General Assistance Grant Amounts
4 listed above to arrive at the Maximum Cash General Assistance Grant Amount which may be
5 issued by means of ~~warrants~~, in-kind assistance, vouchers, checks, two-party checks or
6 electronic benefit transfers. The Municipal Railway tokens shall be for the sole use of the
7 recipient.

8 (d) The Maximum General Assistance Grant Amounts listed in Section 20.57 (a) of this
9 ordinance shall be increased by any annual percentage cost of living increase to the
10 Maximum Aid Payment, and according to the same schedule, if such an increase is
11 implemented by the State of California in the TANF/CalWORKs program.

12 (e) The maximum monthly amount of aid for which an applicant is eligible shall be the
13 Maximum General Assistance Grant Amount prorated as of the eligibility determination date,
14 less minus any nonexempt assets and/or nonexempt personal property available to the
15 applicant during that calendar month, and minus the value of any prorated in-kind housing, utilities
16 and/or meals available or provided to the applicant. Rent, retroactive to the first of the month in
17 which eligibility was determined, may be authorized to prevent eviction from existing housing.
18 Applicants who anticipate receiving first-time income from other sources during the month of
19 their application for General Assistance, shall receive the prorated maximum monthly grant
20 amount for which they are eligible until the verified date of anticipated receipt of such other
21 income.

22 (f) The maximum monthly amount of aid for which a recipient is eligible shall be the
23 Maximum General Assistance Grant Amount, or the amount determined pursuant to
24 Subsection (b) less minus any cash received from sources other than General Assistance
25 which is or will be available to the recipient during the month for which aid is paid unless

1 otherwise exempt, ~~and less~~ minus the fair market value of any nonexempt personal property
2 which is or will be available to the recipient during the month for which aid is paid, and minus
3 the value of any in-kind housing, utilities and/or meals available or provided to the recipient.

4 (g) No grant shall be issued for less than \$5.

5 (h) To promote the transition of General Assistance recipients to gainful employment,
6 the Executive Director of the Department of Human Services may establish an Earned Income
7 and Asset Disregard Program for the recipients who are employed. The Earned Income and
8 Asset Disregard Program shall provide for disregarding a certain amount of gross income
9 which a recipient earns as wages and savings derived therefrom when determining a
10 recipient's General Assistance Program eligibility and grant amount. The total amount of
11 gross income disregarded shall not exceed the sum of the following amounts: (1) all of the first
12 \$200 of recipient gross wage earnings; (2) two-thirds of the next \$150 of recipient gross wage
13 earnings; (3) one-half of the next \$150 of recipient gross wage earnings; (4) one-third of the
14 next \$150 of recipient gross wage earnings; and (5) one-fifth of the next \$150 of recipient
15 gross wage earnings. All recipient gross wage earnings above \$800 shall be offset on a
16 dollar-for-dollar basis against the grant amount to which a recipient would otherwise be
17 entitled. In addition, for recipients participating in this program up to \$2,000 of recipient
18 savings derived from the recipient's gross wage earnings shall be disregarded during the
19 recipient's participation in this program and for up to three months thereafter. Also, if as a
20 result of retrospective budgeting a recipient's total currently available financial resources in a
21 month including his or her adjusted General Assistance grant, wages, and savings are less
22 than the maximum General Assistance grant amount, the recipient shall be eligible for a grant
23 supplement in the form of a rental expense voucher for unpaid rent in that month and up to
24 \$50 in cash so that the recipient's currently available financial resources may total up to the
25 maximum General Assistance grant amount. This grant supplement is available a maximum

1 of three times per year for program participants and is not available to recipients who quit a
2 job without good cause.

3 Recipient gross wage earnings are defined for purposes of this Section as any income
4 received by the recipient as payment for a recipient's labor. This Section supersedes the
5 provisions of Subsection 20.55.2(r), Section 20.56.6, Subsections 20.56.10 (a) and (b),
6 Subsections 20.57 (e) and (f), and Subsections 20.59.10 (d), (e) and (f) when determining
7 recipient eligibility and when calculating the maximum monthly amount of aid for program
8 participants. All other recipient income and assets shall continue to be offset on a dollar-for-
9 dollar basis when calculating the grant amount to which a recipient is otherwise eligible. For
10 recipients participating in this program, General Assistance eligibility shall be determined on a
11 monthly basis and a recipient's grant amount shall be adjusted for gross wage earnings on the
12 basis of retrospective budgeting in the month following the recipient's receipt of wage income.
13 Verified expenses which exceed the total sum of a participant's grant, wages, and savings in
14 any given month create a rebuttable presumption of ineligibility for aid.

15 (i) The automatic adjustment provisions of Subsection (d) are hereby suspended for
16 fiscal year 1997-98. Adjustments for subsequent fiscal years made pursuant to this Section
17 shall not include any adjustments for any fiscal year in which the cost of living was
18 suspended.

19
20 Section 2. The San Francisco Administrative Code is hereby amended by amending
21 Section 20.59.3 to read as follows:

22 **SEC. 20.59.3. AID PAYMENTS; IN-KIND AID.**

23 Assistance in the form of in-kind benefits, in-kind orders, ~~vouchers~~ or emergency checks
24 ~~issued at the General Assistance office~~ shall be used for:

25 (a) ~~Emergency assistance~~ As aid payments.

1 (b) For applicants and recipients who declare themselves to be homeless. Applicants and
2 recipients are required to provide a verifiable rent receipt, or verifiable documentation of shared
3 housing, or verifiable documentation of rent-free housing. Self-declared homeless applicants and
4 recipients shall receive in-kind benefits for housing, utilities, and meals. If in-kind benefits are not
5 available, such applicants and recipients shall receive the cash assistance equivalent to the income-in-
6 kind value of housing, utilities, and/or meals, whichever is not available, if otherwise eligible for these
7 amounts, in the form of an emergency check. Failure to comply with the rules of a housing program
8 that results in ejection from that housing program will be considered failure to satisfy the requirements
9 for continuing eligibility for aid and will result in discontinuance from the General Assistance
10 Program, subject to the notice and hearing provisions of this Article. ~~Other short term cases:~~

11 (c1) For Eligible persons awaiting transportation arrangements, provided that aid shall
12 not exceed one week.

13 (d2) For Eligible homeless persons awaiting admission into a hospital or institution.

14 ~~(e3) Cases in which a disability rating of seven days or less has been given by the General~~
15 ~~Hospital and the individual does not appear to be eligible for further aid at the termination of the~~
16 ~~disability period.~~

17 (ee) For Persons who have demonstrated inability to handle cash payments for
18 necessities of life.

19
20 Section 3. The San Francisco Administrative Code is hereby amended by amending
21 Section 20.57.1 to read as follows:

22 **SEC. 20.57.1. HOUSING.**

23 (a) "Housing" shall include, but not be limited to, single occupancy residential hotels, master
24 lease rooms, transitional housing, supportive housing programs, residential treatment facilities,
25 shelter.

1 **(b)** There shall be no reduction in the amount of General Assistance ~~for~~ which an
2 applicant or recipient is eligible ~~entitled~~ because he or she shares housing with others who are
3 not members of the applicant's family as defined in Section 20.57(a). All applicants and
4 recipients shall be required to present a verifiable rent receipt. If the applicant or recipient is not the
5 owner or prime lessee of the premises, a verifiable rent receipt signed by the owner or prime lessee
6 may provide evidence of the applicant's or recipient's place of residence and monthly share of housing
7 costs.

8 **(c)** ~~Rent free housing shall not be considered an alternative means of support. Where~~ When an
9 applicant or recipient obtains rent-free housing, such housing shall be valued according to the
10 ~~Value of~~ Income-in-Kind Values Chart set forth in Title 22 of the California Code of Regulations,
11 Section 50511 (the "Income-in-Kind Chart"), rather than at fair market value. The value of the
12 rent-free housing, which is presumed to include utilities, as determined under the Income-in-Kind
13 Chart, shall be deducted from the maximum monthly grant amount. If the applicant or recipient
14 receives rent-free housing, but pays for utilities, the applicant or recipient must present a verifiable bill
15 for utilities at that address, and a verifiable receipt for payment of any portion of that utility bill.

16 **(d)** ~~(b)~~ Verified payments made directly to a housing provider on behalf of an applicant
17 or recipient for the entire amount of the rent and/or utilities, or rent-free housing, or housing
18 received in exchange for work, shall be assigned an in-kind value as specified by the Income-
19 in-Kind Chart, and that value shall be deducted from the maximum monthly grant ~~to~~ for which
20 that applicant or recipient is eligible.

21 **(e)** ~~(e)~~ Housing, utilities and/or meals provided to applicants and recipients who are unable to
22 provide a verifiable rent receipt, or verifiable documentation of shared housing, or verifiable
23 documentation of rent-free housing shall be valued as in-kind housing, utilities and/or meals as
24 specified by the Income-In-kind Chart, and that value shall be deducted from the maximum monthly
25 grant for which that applicant or recipient is eligible.

1 (f) Nothing in this Section shall be construed as requiring an otherwise eligible
2 applicant or recipient to accept housing in a facility which is either the subject of a pending
3 nuisance abatement proceeding before a duly authorized agency or department of the City
4 and County or before a court of competent jurisdiction, or which theretofore has been found to
5 be a public nuisance pursuant to any provision of any San Francisco Municipal Code by a
6 duly authorized agency or department of the City and County or by a court of competent
7 jurisdiction and which nuisance has not been abated.

8
9 Section 4. The San Francisco Administrative Code is hereby amended by adding
10 Section 20.57.6A. to read as follows:

11 **SEC. 20.57.6A. SPECIAL ALLOWANCES; INCOME-IN-KIND VALUE EXCEEDS MONTHLY**
12 **MAXIMUM GRANT.**

13 *A special allowance of up to \$59.00 per month shall be made available, in the form of an*
14 *emergency check, to any recipient when the income-in-kind value of housing, and/or utilities, and/or*
15 *meals provided to that recipient exceeds the maximum monthly grant for which that recipient is*
16 *eligible. If such income-in-kind value does not exceed the maximum monthly grant for which that*
17 *recipient is eligible, but allows for less than \$59.00 cash per month, that recipient shall receive an*
18 *amount, in the form of an emergency check, that when added to the maximum monthly grant for which*
19 *that recipient is eligible equals \$59.00 cash per month. This section shall not affect the collection of*
20 *overpayments due to fraud, negligent failure to report facts, or administrative error as set forth in this*
21 *Article.*

22
23 Section 5. The San Francisco Administrative Code is hereby amended by adding
24 Section 20.60.12 to read as follows:

25 **SEC. 20.60.12. FUNDING.**

1 A baseline appropriation for housing and related services provided as in-kind aid shall be
2 established using the City and County of San Francisco FY 2002-2003 Annual Appropriation
3 Ordinance and any supplemental appropriations for the amount of cash aid payments to applicants and
4 recipients who declare themselves to be homeless. In subsequent fiscal years, this baseline amount
5 shall be appropriated to the Department of Human Services to fund housing and related services for
6 homeless adults without dependents. This funding may be used to support, but shall not be limited to,
7 some or all of the following: hotel master lease programs, permanent supportive housing,
8 improvements of conditions in existing shelters, expansion of shelter capacity, mental health and
9 substance abuse treatment, outreach, a fund for rental deposits, SSI advocacy programs, rep-payee
10 services, case management and meals for the homeless population through direct services and/or
11 contracts.

12
13 Section 6. The San Francisco Administrative Code is hereby amended by adding
14 Section 20.60.13 to read as follows:

15 **SEC. 20.60.13 EVALUATION.**

16 The provision of in-kind aid is to be evaluated by the Office of the Controller of the City and
17 County of San Francisco every three years for program effectiveness and cost efficiency.

18
19 Section 7. The San Francisco Administrative Code is hereby amended by adding
20 Section 20.60.14 to read as follows:

21 **SEC. 20.60.14 OPERATIVE DATE OF AMENDMENTS.**

22 The provisions of this amendment, Sections 20.59.3(b); 20.57.1(a),(b),(c),(e); 20.57.6A;
23 20.60.12; and 20.60.13 shall become operative on or before July 1, 2003.

24
25

1 Section 8. The City has proposed reducing direct cash assistance payments to
2 homeless individuals and providing in-kind benefits -- such as meals, housing, and other
3 services -- directly. In order to track expenditures for this purpose and match them with
4 reductions in direct cash assistance, the Board of Supervisors desires to create a special
5 fund, including the amounts to be taken from direct cash assistance payments, and to use that
6 fund as the specific source of funding for these new services.

7
8 Section 9. The San Francisco Administrative Code is hereby amended by adding
9 Section 10.100-77, to read as follows:

10 **SEC. 10.100-77. HUMAN SERVICES CARE FUND.**

11 (a) Establishment of Fund. The Department of Human Services Care Fund is established as a
12 category eight fund to receive, and account for the expenditure of, savings realized through the
13 implementation of Proposition N, or any other legislation that provides in-kind benefits in lieu of a full
14 cash grant.

15 (b) Definitions. For purposes of this Ordinance:

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

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

24 The term "Commission" shall mean the San Francisco Human Services Commission.
25

1 The terms “Department of Human Services” or “the Department” shall mean the San
2 Francisco Department of Human Services.

3 The term “homeless” shall mean applicants or recipients in CAAP who identify themselves as
4 homeless.

5 The term “Proposition N” shall mean Proposition N, or the “Care Not Cash Initiative,” as
6 adopted by the voters at the November 2002 San Francisco general municipal election.

7 (c) **Revenues.** The Fund shall include the following revenues:

8 Category One: Each year, the Commission shall, as part of its budget, estimate the number of
9 homeless individuals it expects will participate in each of the separate CAAP programs (GA, PAES,
10 CALM, and SSIP) during the upcoming fiscal year. If those numbers are less than the baseline figures,
11 the City shall credit the Fund with the full amount of the average annual maximum cash grant for each
12 program, multiplied by the difference between the baseline figure and the estimated number of
13 homeless participants in each program for the upcoming fiscal year.

14 Category Two: Each year, the Commission shall, as part of its budget, estimate the number of
15 homeless individuals in each of the separate CAAP programs (GA, PAES, CALM, and SSIP) the
16 Commission expects will be provided in-kind benefits in lieu of a full cash grant for the upcoming
17 fiscal year. The City shall credit the Fund with the difference between the average annual maximum
18 cash grant for each program and the average annual special allowance or other residual cash
19 payment provided by the City, multiplied by the estimated number of homeless individuals in the
20 program that the Commission expects will be provided in-kind benefits in lieu of a full cash grant
21 during the year. .

22 Fund revenues may also include any other monies donated or appropriated to the Fund.

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

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

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

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

17 (e) **Certification.** The Human Services Commission shall conduct a public hearing or hearings
18 and adopt findings prior to submitting the annual estimates required under subsection (c).

19 No later than 30 days after the end of each quarter, the Department of Human Services shall
20 report on whether the estimates under subsection (c) were accurate for that quarter. The Controller
21 shall review that report, and the Human Services Commission shall conduct a hearing and transmit its
22 findings to the Board of Supervisors. The Board may hold additional hearings and may adjust any
23 appropriations to the Fund; provided, however, that the Board may choose to reconcile the amounts in
24 the Fund at the end of the fiscal year.

1 (f) **Fund Limits.** The Controller shall alert the Department of Human Services, the Board of
2 Supervisors, and the Mayor any time the revenues received by the Fund for any fiscal year exceed
3 \$11.9 million. The Department may only expend monies from the Fund in excess of the \$11.9 million
4 amount in any fiscal year by appropriation ordinance.

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

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12
13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

15
16 By: _____
17 THOMAS J. OWEN
18 Deputy City Attorney