

File No. 241038

Committee Item No. 1

Board Item No. 39

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date Nov 18, 2024

Board of Supervisors Meeting

Date Dec. 3, 2024

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance                                    |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Memorandum of Understanding (MOU)            |
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Completed by: Victor Young Date Nov 14, 2024  
Completed by: \_\_\_\_\_ Date \_\_\_\_\_

[Administrative Code - Rapid Rehousing Policy]

Ordinance amending the Administrative Code to declare that it is City policy to provide up to five years of rapid rehousing assistance to an eligible household where the City has assessed the household's circumstances and concluded that a shorter-term subsidy will create a risk of returning to homelessness; and requiring the Homelessness Oversight Commission to hold an annual hearing and issue an annual report analyzing the City's implementation of this rapid rehousing policy.

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

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

Section 1. Chapter 20 of the Administrative Code is hereby amended by adding Article XX, consisting of Sections 20.20-1 through 20.20-7, to read as follows:

**ARTICLE XX: RAPID REHOUSING PROGRAM**

**SEC. 20.20-1. FINDINGS.**

*(a) From 2022 through 2024, based on the City's annual Point-In-Time Count, the number of unsheltered households in San Francisco with minor children increased by 98%.*

*(b) High rent, wage stagnation, and the high cost of living continues to make housing in San Francisco unaffordable, and as a result, permanent rent subsidies provide families the best chance of*

1 exiting homelessness. Accordingly, short-to-medium-term subsidies are an important resource for a  
2 portion of the homeless population who, with appropriate support over time, are able to assume  
3 responsibility for payment of rent on their own.

4 (c) The City operates a number of programs that offer families rent subsidies that last for a  
5 period of time between three months and three years (“Time-Limited Subsidies”). Some families who  
6 accept a Time-Limited Subsidy may be unable to assume responsibility for paying the rent on their  
7 own at the end of the fixed term, leading to a return to homelessness. With additional time and support,  
8 many such families could become financially self-sufficient and afford their rent on their own. For  
9 example, HSH data shows a higher rate of positive outcomes for family households that were able to  
10 extend their subsidy beyond two 3 years.

11  
12 **SEC. 20.20-2. DEFINITIONS.**

13 For purposes of this Article XX, the following definitions apply:

14 “City” or “San Francisco” means the City and County of San Francisco.

15 “Household” means any person or persons who resides, or intends to reside, in the same  
16 housing unit with at least one person under the age of 18.

17 “HSA” means the Human Services Agency.

18 “HSH” means the Department of Homelessness and Supportive Housing.

19 “Rapid Rehousing Programs” means the Time-Limited Rent Subsidy programs established  
20 by this Article, and operated by HSH or HSA using funding from the City’s General Fund, to  
21 provide rent subsidies to families experiencing or at risk of homelessness.

22 “Time-Limited Rent Subsidy” means a recurring payment made by HSA or HSH, or an  
23 organization acting on behalf of HSA or HSH, provided through a Rapid Rehousing Program to  
24 an eligible Household to supplement their income so that they may afford their rent, with a fixed  
25 term of no more than three years. A Time-Limited Rent Subsidy shall not include any payment to

1 a tenant or landlord for the purpose of preventing eviction by curing a tenant's nonpayment of  
2 rent and/or other charges.

3  
4 **SEC. 20.20-3. RAPID REHOUSING POLICY.**

5 To prevent families from returning to homelessness and~~increase the return on the City's~~  
6 ~~investment in~~enhance the effectiveness of the City's Time-Limited Rent Subsidies, it shall be the  
7 policy of the City, subject to the budgetary and fiscal provisions of the Charter, to:

8 (a) Ensure that every Household that receives a Time-Limited Rent Subsidy is assessed and  
9 ~~prioritized through Coordinated Entry~~no later than twethree months prior to the expiration of that  
10 subsidy to determine if the Household is at risk of returning to homelessness at the end of the fixed  
11 subsidy term; and, where the assessment concludes that termination of the Time-Limited Subsidy is  
12 likely to result in a Household's return to homelessness, ensure that the Household is provided with  
13 anone or more extensions of the rent subsidy through the Rapid Rehousing Program, for a  
14 maximum subsidy term not to exceed five years, ("Extended Subsidy Term"); and

15 (b) Ensure that every Household that receives the maximum subsidy term~~Extended~~  
16 ~~Subsidy Term as authorized by subsection (a), is assessed and prioritized through Coordinated~~  
17 ~~Entry~~to determine whether the Household is at risk of returning to homelessness at the end of the  
18 ~~Extended Subsidy Term; and where the assessment concludes that a Household is likely to return to~~  
19 homelessness, ensure that the Household is referred to such vacancies as exist in other City housing  
20 programs; and

21 (c) Ensure that every Households that receives a Time-Limited Rent Subsidyies are is  
22 provided with notice that they may be eligible for an extension of their rent subsidy under this Article  
23 XX-; and

24 (d) Maximize and exhaust all available federal and state funds that may be used to  
25 provide rent subsidies before expending General Funds to comply with this Article XX.

1  
2       **SEC. 20.20-4. REPORTING.**

3       (a) By no later than December 1, 2025, and every year thereafter, the Homeless Oversight  
4 Commission shall hold a hearing to discuss implementation of the Rapid Rehousing Program~~s~~, and  
5 shall issue a report including, but not necessarily limited to:

6       (1) the number of Households served through the Rapid Rehousing Program~~s~~;

7       (2) the average duration of the subsidies received;

8       (3) the number of Households that found permanent housing within or outside the  
9 homelessness response system;

10       (4) the number of unused Rapid Rehousing placements;

11       (5) the number of Households that were assessed for an extension at the end of their  
12 Time-Limited Subsidy;

13       (6) the number of Households that were not eligible for Rapid Rehousing; and

14       (7) any recommendations for changes to the City's Rapid Rehousing Program~~s~~.

15       (b) HSH shall be responsible for gathering information necessary to prepare the report,  
16 including information from HSA, and submitting a draft report to the Homelessness Oversight  
17 Commission.

18  
19       **SEC. 20.20-5. NO CONFLICT WITH FEDERAL OR STATE LAW.**

20       Nothing in this Article XX shall be interpreted or applied so as to create any requirement,  
21 power, or duty in conflict with any federal or state law.

22  
23       **SEC. 20.20-6. SEVERABILITY.**

24       If any section, subsection, sentence, clause, phrase, or word of this Article XX, or any  
25 application thereof to any person or circumstance, is held to be invalid or unconstitutional by a

1 decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining  
2 portions or applications of the Article. The Board of Supervisors hereby declares that it would have  
3 passed this Article and each and every section, subsection, sentence, clause, phrase, and word not  
4 declared invalid or unconstitutional without regard to whether any other portion of this Article or  
5 application thereof would be subsequently declared invalid or unconstitutional.

6  
7 **SEC. 20.20-7. UNDERTAKING FOR THE GENERAL WELFARE.**

8 In enacting and implementing this Article XX, the City is assuming an undertaking only to  
9 promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an  
10 obligation for breach of which it is liable in money damages to any person who claims that such breach  
11 proximately caused injury.

12  
13 Section 2. Effective Date. This ordinance shall become effective 30 days after  
14 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
15 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
16 of Supervisors overrides the Mayor's veto of the ordinance.

17  
18 APPROVED AS TO FORM:  
DAVID CHIU, City Attorney

19 By: /s/  
20 ADAM RADTKE  
21 Deputy City Attorney

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## **LEGISLATIVE DIGEST**

(Revised 11/18/2024)

[Administrative Code - Rapid Rehousing Policy]

**Ordinance amending the Administrative Code to declare that it is City policy to provide up to five years of rapid rehousing assistance to an eligible household where the City has assessed the household's circumstances and concluded that a shorter-term subsidy will create a risk of returning to homelessness; and requiring the Homelessness Oversight Commission to hold an annual hearing and issue an annual report analyzing the City's implementation of this rapid rehousing policy.**

### Existing Law

The City and County of San Francisco ("City") operates a number of rapid rehousing programs that offer families time-limited rental subsidies that last for between three months and three years. These programs include the CalWORKs Housing Support Program ("HSP"), operated by Human Services Agency (HSA) using state funding, and various Rapid Rehousing programs, operated by the Department of Homelessness and Supportive Housing ("HSH") using money appropriated from the General Fund and/or from the Our City, Our Home Fund. Currently, there is no legal requirement that the City assess whether families may need continued support at the end of their time-limited subsidy.

### Amendments to Current Law

The proposed ordinance would declare that it is the policy of the City to: 1) assess families at the end of their receipt of a time-limited subsidy to determine whether termination of the time-limited rent subsidy would put the family at risk of returning to homelessness; 2) provide families at risk of returning to homelessness with one or more extensions, for a maximum subsidy term of five years, by exhausting all available federal and state funds that may be used before expending General Funds; 3) assess families at the end of their maximum subsidy term to determine whether the family is at risk of returning to homelessness; and 4) and where the assessment concludes that the family is likely to return to homelessness, refer the family to other City housing programs.

The ordinance would require the Homeless Oversight Commission to issue a report every year on the number of families served and program outcomes, and to make recommendations on changes to rapid rehousing program.

### Background Information

This proposed ordinance includes the amendments made during the Rules Committee on November 18, 2024. The amendments made in the Rules Committee include that HSH and HSA must ensure that families are assessed at the end of their subsidy term, and that families at risk of returning to homelessness are provided with one or more extensions for up to the maximum subsidy term of five years through the existing funding source (if possible), and then by using general funds, subject to the budgetary and fiscal provisions of the Charter. The goal of this ordinance is to provide uniformity between the City's rapid rehousing programs so that all families receiving time-limited rental subsidies are assessed and may be eligible for the maximum subsidy term regardless of which program they are enrolled.

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BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. (415) 554-5184  
Fax No. (415) 554-5163  
TDD/TTY No. (415) 554-5227

## MEMORANDUM

TO: Shireen McSpadden, Executive Director, Department of Homelessness and Supportive Housing  
Bridget Badasow; Homelessness Oversight Commission

FROM: Victor Young, Assistant Clerk

A handwritten signature in black ink, appearing to read "Victor Young".

DATE: October 28, 2024

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee received the following proposed Ordinance:

File No. 241038

Ordinance amending the Administrative Code to declare that it is City policy to provide up to five years of rapid rehousing assistance to an eligible household where the City has assessed the household's circumstances and concluded that a shorter-term subsidy will create a risk of returning to homelessness; and requiring the Homelessness Oversight Commission to hold an annual hearing and issue an annual report analyzing the City's implementation of this rapid rehousing policy.

If you have comments or reports to be included with the file, please forward them to Victor Young at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [victor.young@sfgov.org](mailto:victor.young@sfgov.org).

c: Dylan Schneider, Department of Homelessness and Supportive Housing  
Emily Cohen, Department of Homelessness and Supportive Housing



# City and County of San Francisco

## Master Report

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

<b>File Number:</b> 241038	<b>File Type:</b> Ordinance	<b>Status:</b> Pending Committee Action
<b>Enacted:</b>	<b>Effective:</b>	
<b>Version:</b> 1	<b>In Control:</b> Rules Committee	
<b>File Name:</b> Administrative Code - Rapid Rehousing Policy	<b>Date Introduced:</b> 10/22/2024	
<b>Requester:</b>	<b>Cost:</b>	<b>Final Action:</b>
<b>Comment:</b>	<b>Title:</b> Ordinance amending the Administrative Code to declare that it is City policy to provide up to five years of rapid rehousing assistance to an eligible household where the City has assessed the household’s circumstances and concluded that a shorter-term subsidy will create a risk of returning to homelessness; and requiring the Homelessness Oversight Commission to hold an annual hearing and issue an annual report analyzing the City’s implementation of this rapid rehousing policy.	
<b>Sponsors:</b> Ronen; Walton and Peskin		

### History of Legislative File 241038

Ver	Acting Body	Date	Action	Sent To	Due Date	Result
1	President	10/22/2024	ASSIGNED	Rules Committee		
10/24/24 - President Peskin waived the 30-day rule pursuant to Board Rule No. 3.22.						



City and County  
of San Francisco



DEPARTMENT OF  
HOMELESSNESS AND  
SUPPORTIVE HOUSING

# Rapid Rehousing Policy

Rules Committee | November 18, 2024



# HSH Rapid Rehousing Programs

- **Rapid Rehousing (RRH)** provides time-limited subsidies to households experiencing or at risk of homelessness with wrap around services.
- As of October 2024, HSH has 1550 **slots** of Rapid Rehousing serving Adults, Families and Young Adults, **~470** serving families.
- **HSH Rapid Rehousing programs have a success rate of ~70%.**
  - 70% of RRH participants exit the program to **permanent housing** situations.
- **52%** of HSH's Rapid Rehousing programs are funded through HUD CoC dollars and have a **2-year** subsidy cap.
- The vast majority of families served by Rapid Rehousing exited to permanent housing **within 3 years (92%)**.
  - **7%** exited to permanent housing **within 4 years**, and **1% within 5 years**.

Family Households Exiting to Permanent Housing by Duration of Subsidy	
0 – 6 months	158
6 months – 1 year	159
1 – 2 years	785
2- 3 years	499
3 – 4 years	120
4- 5 years	19
<b>Total</b>	<b>1,740</b>

# HSA Rapid Rehousing Program

- The **CalWORKs Housing Support Program (HSP)** provides time-limited subsidies to families on CalWORKS who are experiencing or at risk of homelessness. HSP is administered by HSA, but referrals are made through the City's Coordinated Entry System.
- Number of housing placements depends on State funding levels:
  - FY 23-24 – **156 slots**, with funding from a one-time expanded appropriation
  - FY 24-25 – projecting **96 slots**, after the one-time funding expires
- HSP subsidies are for **1 year**, with **extensions available** to prevent families from exiting into homelessness. Annual state allocations, however, are capped so every person extended prevents us from serving a new family.
- **71% of families** who participated in CalWORKs HSP **exited with stable housing**. On average, these families were in HSP for **18 months** before they exited.
- Among **662 families housed** prior to July 2023: **71%** were subsidized for **over 1 year**, **14%** were supported in HSP for **2+ years** and only **4%** for **3+ years**

# Proposed Ordinance: Fiscal Impacts

This policy would have **fiscal impacts** and require new funding in order to be implemented.

The city estimates it would cost **\$32 million** more **annually** to implement the option for all families in the City's RRH portfolio to extend up to 5 years.

- Anticipate the take-up rate of families extending their subsidies would increase if city policy was up to 5-years across all time-limited subsidy programs.
- Average annual cost of family time-limited subsidy is **~\$47,000**.
- New family households not served by RRH would be waiting longer for resources in shelter or on the street.

# Proposed Ordinance: Trade-Offs

There are **operational impacts** to the City's RRH portfolio and larger system of care if the proposed policy were implemented.

- HSH and HSA data reflect that **~70%** of families in RRH **exit to stable housing** situations.
  - The ability to extend up to 5 years may **increase this success rate slightly**, but at the cost of **less families being served** or **higher annual cost** of the program.
- **CalWORKS HSP clients** placed outside the county must transition their public benefits (CW, MC, CF) to their new county. The receiving county should also be providing any extended CalWORKS HSP subsidies to families in their care, rather than bifurcating the system of care and adding unnecessary costs to SF.



City and County  
of San Francisco

# Questions?

# APPENDIX: HSH RRH Notification Protocol

- All non-profit providers of RRH are **required to notice households 90 days prior to the end of their subsidy** and work with them on exit planning or additional assistance, that can include subsidy extensions.
- HSH RRH providers are **required to issue the following notices** and document notices and client files in the ONE System:
  - 90-day, 60-day and 30-day notice to Household
  - 90-day notice to Landlord
  - Formal exit letter to Landlord and Household (upon confirmed exit from the program)

## Example: Client Notice

We are writing to inform you that your housing assistance with the Rapid Rehousing program will come to an end in XX|days.

Rapid Rehousing is a time-limited program. Your subsidy began on XX/XX/XXXX and will end on XX/XX/XXXX. [Provider] will pay your rental assistance for the last time in MONTH YEAR. After MONTH 2024, [Provider] will no longer pay your housing subsidy.

Don't worry! Before your assistance comes to an end, we will do everything we can to support you in making an exit plan. If you can make rental payments on your own, you may stay in your unit. If you are unable to make rental payments, we will work together to identify your next steps.

Please reach out to your case manager to begin exit planning and to talk through any questions you may have. If we are unable to reach you during this time, it will impact our ability to help you prepare for your next steps.



## COALITION ON HOMELESSNESS

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October 31, 2024

Supervisor Joel Engardio  
City Hall  
1 Dr. Carlton Goodlett Place  
San Francisco, CA 94102

Dear Supervisor Engardio,

This letter is in support of legislation that is before the Rules Committee on Monday, November 4, 2024, sponsored by Supervisor Ronen that would extend 1, 2, and 3-year family housing subsidies to five years if the family is at risk of returning to homelessness. This legislation was crafted with input from homeless families and providers who would like to halt the revolving door many families face with repeat episodes of homelessness. Here are some of the many reasons this legislation is critical.

**Length of Subsidy Correlates with Success:** Families receiving subsidies for 25+ months have an 86% chance of exiting to stable, permanent housing. Shorter subsidy periods show lower success rates, with a notable dip at 19-21 months (50% success rate). When help ends too early, families are more likely to struggle and face homelessness again.

**Race, Health, and Family Size Are Not Strong Indicators:** Contrary to some expectations, factors like race, family size, and health status do not significantly predict stable housing exits. What really helps families is how long they get support and whether they can find work and grow their income—not their race, family size, or health conditions.

**Higher success rates for Calworks Families.** Calworks subsidies through HSA are often limited to 1 year.

This program has the lowest success rate and this legislation will ensure families on CalWorks who would return to homelessness can extend their subsidy with homeless department resources.

**Keep Black Families in SF.** According to city data that started being collected in 2023, 50% of Black individuals and families in the program were housed in San Francisco, compared to 82% of white people, (source: SF Standard) Alternatively, in long term subsidies, over 85% of households were placed in private units in SF. We believe by lengthening the subsidy option, more landlords will be attracted to the program in SF.

**Promoting Self Sufficiency.** We know that some families will not be able to become self-sustaining and pay their full rent within one year of a program. Some can do it in 2 or 3, while others need a little more time to off-ramp and address the multiple barriers to achieving this goal.

**Preventing Adverse Childhood Events.** This legislation captures families who might fall through the cracks and would otherwise return to homelessness if not for this extension. A return to homelessness is devastating to a child's development and often results in the loss of stability a school provides. Homelessness negatively impacts children, creating adverse childhood events that will haunt them for a lifetime.

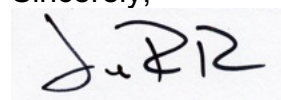
**Landlord Retention and Expansion** It takes a lot to find landlords who will rent to subsidized tenants, when you force that landlord to evict a family because they are not yet ready and can't afford to pay full rent when their subsidy ends, you end up losing that landlord for life. This will make the program more attractive to SF landlords, halting the disparate practice of pushing mostly African American families out of town.

**Halts the Revolving Door** We have to stop the revolving door of poor families in San Francisco going from shelter to shelter, to finally being housed, only to return to homelessness again. The goal of this legislation is to give families the time and support to help them transition to becoming stable and successfully housed.

**Time to Transfer Inappropriate Placements.** Many families are placed in time limited subsidies for whom it will not work out and they will not be able to take over the rent on their own because of the socio-economic barriers they face. The city now has a transfer program into Permanent Supportive Housing but it takes time for a vacancy to occur. This will allow ample time for transfer and thus avoid return to homelessness.

For all these reasons and for the success of impoverished San Francisco families, we thank you for your support.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Friedenbach", is placed over a light blue rectangular background.

Jennifer Friedenbach  
Executive Director