



May 5, 2015

Clerk
Supervisor Mark Farrell
City Hall
1 Dr. Carlton Goodlett Place
San Francisco, CA 94102

File # 150323
Received in
Committee
5/13/15
Jm

Dear Supervisor Farrell,

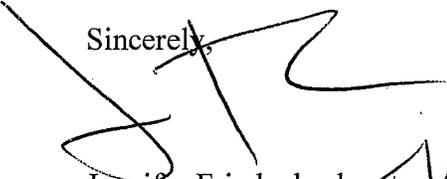
We are here today calling on you to support the Homeless Emergency Services Program Association request. The Homeless Emergency Services Association is a group of 22 service providers looking to protect emergency services and ensure exits out of poverty and homelessness for their clients.

The attached proposal calls for the Board and Mayor to fund \$6.5 million in new funding to house San Franciscans and to keep San Franciscans housed. The investment would fund 169 housing subsidies in the private market for homeless families, transitional aged youth, single adults, elderly and people with disabilities. It would also maximize affordable housing developments by funding subsidies in non-profit affordable housing pipeline building (70) and turnover units in non-profit buildings (89). Lastly, the proposal would halt preventable eviction by funding eviction defense for 500 at-risk households, and tenant rights outreach to about 90,000 households, as well as the creation of an eviction mediation program in publicly funded housing.

The City is seeing record revenues, yet is ironically facing increased poverty and homelessness, mass displacement and a huge housing crisis as it's residents are living worlds apart.

The best way to keep San Franciscans safe is to give them a home!

Sincerely,


Jennifer Friedenbach
Executive Director

Thanks!

Keeping San Franciscans Housed and Housing San Franciscans: A Funding Proposal

*Presented by the
Homeless Emergency Service Providers Association, San Francisco
May 2015*

Executive Summary

San Franciscans cannot help but notice the mushrooming number of people sleeping on our streets, in tents, in doorways, and in cars. In the past year, skyrocketing rents have closed the door for those trying to exit homelessness, while an epidemic of evictions has opened the door for many into the dire state of homelessness. The Homeless Emergency Service Providers Association (HESPA) recognizes that this disastrous situation can be mitigated with wise policy decisions and prioritization by our civic leaders.

This year, we can build on past successes through **an infusion of \$6,502,411 in new funding for FY 2015-16 and \$5,864,821 in new funding for FY 2016-17 into our housing and homeless support systems.** This budget proposal attempts to both prevent homelessness by halting displacement at the front end and maximize exits out of homelessness at the back end. It consists of three parts that aim to keep San Franciscans housed and house San Franciscans.

- Private Market Housing Subsidies:** Fund 169 household subsidies to families, transitional aged youth, single adults, elderly, and people with disabilities in Year 1 and 259 households in Year 2, to support them in moving out of homelessness or retaining permanent rent-controlled housing.
- Non-Profit Housing Subsidies:** Maximize affordable housing developments by funding subsidies in non-profit housing. This proposal would fund LOSP subsidies in new non-profit affordable housing pipeline buildings [70 subsidies in Year 2] and operating subsidies in 89 turnover non-profit housing units; these units would otherwise not be affordable to the most vulnerable San Franciscans.
- Homeless Prevention:** Halt preventable evictions from housing by funding eviction defense for 500 at-risk households, tenant rights outreach to 89,950 households, and a mediation program for 400 tenants in publicly-funded housing.

Context and Summary of Request

In 2012, 2013 and 2014, HESPA developed proposals to ensure safe and dignified emergency services, replace former federal Homeless Prevention and Rapid Re-Housing grants, prevent homelessness, and create additional exits out of homelessness through subsidies and vacant unit rehabilitation. The resulting funds, allocated by the Mayor and Board of Supervisors—\$3,000,000 for FY2012/13, an additional \$2,950,000 for FY2013/14, and \$6,543,884 in FY2014/15—have been indispensable as we strive to alleviate the housing crisis faced by low-income San Franciscans. **As a result of these investments, by the end of this fiscal year, almost 600 households will exit homelessness, thousands of households will maintain their housing, and thousands of homeless people will receive deeply enriched emergency services to enable increased safety and dignity.**

Despite these successes, the system continues to struggle to fill the gap as the housing crisis in San Francisco deepens, and San Franciscans face unprecedented levels of displacement and homelessness. **New initiatives and expanded programs are needed to keep pace with the scope of the crisis.** Funding our proposal for 2015-16 and 2016-17 will provide the tools to **halt preventable displacements** of low-income San Franciscans from rent-controlled housing and relieve the burden on our city's shelters by providing housing subsidies to some of our most vulnerable citizens.

This proposal is the result of a careful, data-driven process to analyze our current housing and homeless system,

identify service gaps, and tap into the experience and creativity of our providers to determine the most cost-effective solutions. Please see **Attachment 1 for a detailed budget for our proposal.**

Part 1: Expansion of Private Housing Subsidies

Background

The economic changes the United States and San Francisco are facing today are unprecedented, as income inequality is more significant in the United States than it has ever been. According to San Francisco's chief economist, San Francisco has more economic inequality than the State of California, and California has more inequality than any other state in the union. This translates in San Francisco to extreme disparities between rents and income. **Rents are rising rapidly for everyone, but incomes for the bottom 50% of San Franciscans are stagnant.** For many low-income San Franciscans who do not have access to subsidized housing or who have lost their rent-controlled housing, this has become an impossible situation.

On the supply side, the limited creation of affordable housing units over the last few years has greatly restricted the available inventory for potential placement of impoverished households. This means that more families and individuals must seek housing in the private market. Tenant-based subsidy programs are crucial in order to level the playing field.

Rapid Re-Housing Subsidy for Families and Single Adults

Undoubtedly, the largest contributing factor to homelessness in San Francisco is the inability to afford stable housing in the nation's most expensive rental housing market. Recognizing this reality, the Board of Supervisors funded shallow short-term subsidies to homeless families to exit homelessness in 2007. That funding was later augmented by the federal government for a short time. The program provides financial assistance to families who are homeless or at imminent risk of homelessness to either stay in their homes or pay partial rent on a privately-owned apartment. Typically the subsidy lasts 12 – 18 months and gives families an opportunity to stabilize and improve their financial situation to take over the full cost of the rent. The program in San Francisco has led to over 600 families successfully exiting homelessness since 2007. Last year, we called for several changes to the program to keep up with the evolving housing climate, and those changes were successfully implemented.

In the next two years, CalWORKs is funding 100 short-term subsidies for families in San Francisco each year. In addition, private funding is expected to fund an additional 70 subsidies in 2015 through an initiative in partnership with SFUSD. It is expected that the housing capacity could support an additional 29 subsidies for families in Year 2 of the budget (FY2016-17) estimated at a cost of \$520,710. In addition, we are seeking funding for the shallow subsidy for single adults we sought last year: 50 subsidies for single adults who are also facing largely-diminished options for exiting homelessness, projected to cost \$804,213.

Rapid Re-Housing for Transitional Aged Youth (TAY)

In 2007, the Mayor's Transitional Youth Task Force published *Disconnected Youth in San Francisco: A Road Map to Improve the Life Chances of San Francisco's Most Vulnerable Young Adults*. Since that time, San Francisco has taken several significant steps toward addressing the unique and entrenched challenges that disconnected TAY face in today's difficult job and housing markets. The Mayor's Office and the Department of Children, Youth, and Families (DCYF) have built a strong collaborative network through TAYSF, and we commend their ongoing work to keep the needs of TAY central to policy and funding decisions across the city.

Despite progress and the important work of TAYSF, significant service gaps persist, and San Francisco's disconnected TAY continue to struggle with housing, education, employment, health, and wellness. TAYSF's February 2014 *Policy Priorities for Transition Age Youth* paints a grim picture for the estimated 8,000 disconnected 16 – 24 year olds in San Francisco:

- 9,000 18 – 24 year olds are neither working nor attending school.
- 7,700 18 – 24 year olds have not yet obtained a high school diploma.

- 6,000 16 – 24 year olds lack health insurance coverage.
- 5,700 12 – 24 year olds are homeless/marginally-housed or at risk of becoming homeless each year.
 - 1,902 young people under age 25 were identified as homeless in San Francisco's 2013 Point-In-Time Count.
 - LGBTQ and former foster youth are overrepresented among them.
- 700 students drop out of middle or high school each year, resulting in over \$122 million in lost earnings and societal costs.
- 554 students in SFUSD are currently at risk of not graduating with their peers.
- 42% of San Francisco's homicide victims in 2012 were 25 or younger.

The number of homeless TAY is particularly alarming, as they represent the most disconnected among an already at-risk group. Without adequate housing, these young people are perpetually in crisis, unable to focus on their future, much less make progress toward education or employment goals. Secure housing for up to 24 months plus case management support will enable these young people to stabilize their lives and build a future off the streets.

HESPA requests \$630,738 to provide deep rental subsidies and intensive case management for 30 TAY in community-based housing for up to 24 months. Costs include a \$1,000 monthly subsidy, case management to maintain a 1:15 ratio, plus move-in costs (a portion of first and last month's rent, plus security deposit), furniture grants, and other program costs. The cost-per-household (\$21,025) is higher relative to other rapid re-housing and adult and family subsidy programs because of the lower staff: client ratio. This ratio is critical because the model is transitional for up to 24 months, requiring intensive case management to ensure that youth are fully prepared for independent housing at the end of the 24-month subsidy term.

Expansion of New Need Based Subsidy for Families and People With Disabilities

The current subsidy programs have been effective for a sliver of the population: those who require only temporary help until they can cover market rent on their own after a period of time. However, there are many others who will not be able to increase their income in a relatively short period of time in order to afford housing. For example, a typical service worker, earning \$14 per hour, will earn a little over \$2,400 per month before taxes, not enough to cover rent on the average price of a studio apartment. In addition, most households, due to the housing crisis, are placed outside San Francisco, disrupting their community ties, employment, and schooling for their children. **Last year we created a new pilot subsidy program that recognizes this need and fills a gaping hole in our system.** This program has not yet materialized due to a delayed RFP process, but countless potential applicants are waiting anxiously for the program to start, and we propose its further expansion next year.

The program will serve both families and the elderly/disabled who represent homeless households and households at risk of homelessness. The subsidy would be deep enough to enable households to rent in the bottom 20% of the rental market, while contributing 30% of their income toward the rent. Similarly, it would be a need-based subsidy, allowing households to use it as long as necessary. The program would serve people who cannot demonstrate an ability to substantially increase their income, while keeping low-income people of color in San Francisco, close to their communities. It would also have the flexibility to be used in non-profit owned buildings, master lease buildings, or in scattered sites.

We envision this program serving the most vulnerable citizens with the highest barriers to stability. One example population is the aging disabled: the LGBT Aging Policy Task Force and the federally mandated Ryan White CARE Council have both identified an emerging crisis need for rental subsidies to keep disabled seniors in their homes when their employer-sponsored long-term disability policies expire as they reach retirement age. 18.9% of aging people with HIV will lose access to their long-term disability programs when they reach retirement age and are no longer considered disabled. **1,700 older adults with disabling HIV/AIDS are in need of rental assistance to remain in their housing.** In addition, according to the Human Services Agency Planning Division, 4,600 LGBT seniors need access to permanent rental assistance to remain in their homes. This program would serve those most at risk, keeping them in housing and preventing homelessness. Another focus would be immigrants who benefit from San Francisco's Sanctuary City ordinance and who are unable to move out of San Francisco due to safety concerns and threats of deportation.

The families and individuals that will be served by this program are the most likely to become chronically homeless

without intervention. The program will allow us to house these San Franciscans for about \$16,000 per household, while saving several times that amount on long-term emergency services. The time is right for this new subsidy program that makes both humanitarian and fiscal sense.

<i># of households served</i>	<i>Rapid re-housing program for single adults</i>	<i>Rapid re-housing program for families</i>	<i>Rapid re-housing program for 30 youth</i>	<i>New rental subsidy program for families</i>	<i>New rental subsidy program for elderly or disabled adults</i>	<i>Total</i>
Year 1	50	0	30	0	89	199
Year 2	0	29	0	80	150	229

Part 2: Protect and Expand Public/Non-profit Owned Housing Options

Given the limited housing options in the private market, we looked to public housing and non-profit owned housing to increase the options to swiftly move people out of homelessness. The advantage of these forms of housing is twofold: it is less expensive to house homeless households in public and non-profit owned housing than in private market rate housing, and these housing options do not require an arduous search to locate a unit.

Our proposal would fund two separate initiatives to achieve these goals for 139 additional households:

<i>Initiative</i>	<i># of households</i>	<i>New Cost Year 1</i>	<i>New Cost Year 2</i>
Turnover Local Operation Subsidy Program (LOSP)	89	\$1,125,359	\$0
LOSP in new pipeline buildings	Year 2: 70	\$0.00	\$1,210,458.00
Total:	139	\$1,471,204	\$518,768

Turnover Local Operating Subsidy Program (LOSP)

Low-Income Operating Subsidies (LOSPs) have been used in non-profit housing for a number of years to allow extremely low-income people to move into buildings with affordable rents. They are typically attached to newly-constructed units.

The most vulnerable San Franciscans are becoming displaced and homeless at alarming rates:

- San Francisco's family shelter wait list is at its highest.
- More families are doubled up and living in residential hotels, (*SRO Families United, 2013*).
- SFUSD reports that the number of school-aged children registered as homeless has grown by two and a half times in ten years. (*SFUSD, 2012*).
- More elderly and disabled people are losing their homes (*San Francisco Tenants Union, 2/2014*).
- The housing pipeline from the Mayor's Office of Housing is drying up, as funds move over to maintain public housing.
- Non-profits have lost Multifamily Housing Program (MHP) tax credits.
- Rents are skyrocketing and the need is greater than ever.

Our solution is to create a new way of using the LOSP program: **upon vacancy, non-profit housing providers volunteering for the program could designate units in existing affordable housing developments that would become LOSP units.** Providers would receive the difference between what the resident could afford and the unit rent as LOSP funding from the City. Homeless families and individuals would have preference for these units. In addition, LOSP subsidies could be used in those units where households are at risk of displacement due to unaffordable rents.

The following chart reflects the number of units identified by non-profit housing providers (based on estimated turnover) where LOSP subsidies could be inserted.

<i>Housing Provider</i>	<i># of Units</i>
Bernal Heights Neighborhood Center	35
Chinatown CDC	15
TNDC	16
Mission Housing	23
Total	89

Increase the Number of LOSP family subsidies in Non-Profit Pipeline Housing

The Mayor of San Francisco has called for 10,000 affordable housing units by 2020. Looking at the newly constructed units, the projection is that 20% will be for homeless people. Over the past decade, about 40% of combined redevelopment and Mayor’s Office on Housing units went to homeless people.

<i>Year</i>	<i>Project</i>	<i># of affordable units</i>	<i>Current homeless #</i>	<i>Proposed # of family units</i>	<i>New cost</i>
Year Two	Mission Bay China Basin/4th	198	0	40	\$691,690
Year Two	HP Shipyard 49	60	0	15	\$259,384
Year Two	HP Shipyard 54 Hilltop	52	0	15	\$259,384

The projections for units over the next five years have this ratio cut fully in half. These are buildings on public lands, whose financing has already been secured. By simply adding a subsidy, a homeless household would be able to move in.

There has been a huge disparity in this type of housing by household size; while 40% of the homeless population in San Francisco are members of intact families, only 7% of the units over the past decade have been for families. SFUSD reports that approximately 2,352 homeless children are registered in their schools; extrapolating from this data to presume a consistent ration among children aged 0 - 5, San Francisco has an estimated 3,300 children experiencing homelessness. The short- and long-term impacts of homelessness on small children are especially dire. Children in families experiencing homelessness have increased incidence of illness and are more likely to have emotional and behavioral problems than children with consistent living accommodations.

This proposal would call for in Year 2 40 LOSP subsidies to be placed in Mission Bay, and 30 LOSP subsidies at two different sites at the shipyard. Seventy additional homeless families could exit homelessness at a relatively low cost to the City.

Part 3: Eviction Prevention

San Francisco’s ongoing eviction epidemic is well documented, and its contribution to the city’s homelessness crisis is significant. According to the 2013 San Francisco Homeless Count Survey, 35% of respondents reported eviction from their housing immediately prior to becoming homeless. Existing legal and financial services for the prevention of evictions have been invaluable lifelines for many San Franciscans; however, these households represent only a fraction of the thousands who are forced out of their rental units each year. **Creative and well-funded solutions are needed to ensure that all of those in need have a fair shot at staying in their homes.**

Our plan is to put a stop to all preventable evictions among the most vulnerable San Franciscans at risk of homelessness. The following chart illustrates the scope of services we propose:

Program	Description	# of Additional Households Served	New Cost Year 1	New Cost Year 2
Back Rent for Formerly Homeless Families	Ensure formerly homeless families stay in their homes when faced with a temporary one-time shortage of rental funds.	60	\$0	\$212,376
Full-Scope Eviction Defense	Guarantee a “right to counsel” for income-eligible tenants, providing full legal representation in court and improving the chances that they can remain in their homes.	250	\$1,005,675	\$0
Tenant Outreach and Education	Offer a counseling program to proactively address eviction defense, engaging with vulnerable households early in the eviction process and helping them to understand their rights as tenants.	85,950	\$973,363	\$0
Mediation and Engagement in Supportive Housing Program (MESH)	Pilot program to revamp the way the eviction process is handled by supportive housing providers.	400	\$210,450	\$0
Total		87,218	\$2,506,154	\$212,376

Background

Over the last few years, the City has made modest increases in the eviction prevention network, which protects thousands and thousands of San Franciscans from displacement every year. Preventing low-income tenants from homelessness and displacement is the most cost effective way to stabilize our diverse neighborhoods. Thanks both to Mayor Lee and leadership at the Board of Supervisors, small increases in funding over the past two budget cycles have planted the seeds for an increasingly effective eviction prevention network.

The City’s growing commitment to preserving low-income tenancies has led to innovative and effective programs, through which hundreds of preventable evictions have been avoided. Through the Human Services Agency, six non-profit agencies contracted to provide homelessness prevention and rapid re-housing services through nine programs, offering eviction prevention grants, loans and legal assistance, move-in assistance, and shallow rent subsidies for 3 – 24 months to families and individuals. In fiscal year 2012-2013 alone, 1,300 households were able to maintain their homes thanks to the HSA programs.

During the past few years, programs providing one-time rental assistance have experienced a dramatic increase in demand for eviction prevention assistance. At just one program alone in 2014, more than 1,800 applications for rental assistance were made, though the program had capacity to help only 362 households. In addition to allowing programs to continue rental assistance to families and single adults traditionally served, this increased allocation allowed for the expansion of services to populations who had limited or no access to rental assistance previously, including homeless persons living with HIV/AIDS and low-income tenants with long-term rent-controlled housing who would have become homeless if not for the assistance.

While traditionally fewer than 10% of tenants facing eviction were able to find an attorney to represent them in their case, the City’s increased investment in full-scope eviction defense work has led to an additional 284 families and individuals getting the strongest possible advocacy in their case. The Trial Project piloted as part of the City’s investment in the past two budget cycles has meant more tenants keeping their homes when they are unlucky enough to be sued for eviction.

Putting this funding into the budget baseline will support the continuation of these vital services to keep San Franciscans from becoming homeless and assist them with exiting homelessness. It will allow us to think long-term and to refine our programs for even greater efficacy. It will provide a stable foundation, helping us to build on our success with programs that have a broader scope and greater impact.

Comprehensive Eviction Defense

When a tenant is evicted from a rent-controlled unit, that unit becomes a market-rate unit, if it is returned to the rental market at all. These evictions therefore produce a “double whammy:” the tenant is displaced and their former unit is lost forever from the city’s affordable housing portfolio. Immediate action is needed to halt the eviction epidemic and stave off further disaster to San Francisco’s low-income communities.

We believe that all tenants should have access to an expert eviction defense attorney when they are fighting to defend their home, whether or not that fight takes place inside the courthouse. Due to funding constraints, legal service providers only have the resources to provide legal eviction defense services to a fraction of the most vulnerable households.

The funding added to the last budget cycle is set to provide full-scope eviction defense services to an additional 250 households who have been formally sued for eviction. This proposal seeks funding for representation for the other 250 households requested but not funded in 2014/15. Tenants facing a fast-paced, highly technical lawsuit have a right to legal representation at Court. This proposal includes the seven unfunded eviction defense attorneys who are badly needed to meet the goal of giving every low-income tenant access to a full-scope attorney in their unlawful detainer case.

Tenants who have the bad luck to get formally sued for eviction have the greatest access to legal eviction defense services, yet, there are thousands of tenant households being displaced outside the formal Court system each year. These households are often non-English speaking and in non-central neighborhoods. They are often evicted through illegal and quasi-legal means such as harassment, threats of Ellis Act or Owner Move In, or simply by asking the tenant to leave.

While some tenants are able to get assistance in their formal, unlawful detainer cases, low-income tenants have very little access to legal assistance to combat displacement that occurs outside the Court system. This proposal asks for a modest three FTE eviction defense attorneys to directly serve tenant households being displaced by “non-Court” evictions. The unlawful detainers filed at Court are just the tip of the displacement iceberg, and these “community attorneys” would pilot a project designed to combat extra-judicial, illegal, and quasi legal displacement.

To truly preserve affordable housing for San Francisco’s most diverse and vulnerable neighborhoods, we need a surge in the number of eviction-defense attorneys in all arenas. A good attorney helps to level the playing field and makes an eviction-happy landlord think twice about litigating for profit, thereby keeping thousands of San Franciscans in their homes. We are especially confident in the efficacy of this strategy, thanks to this past year’s partial funding of full scope eviction defense. **It is time to enact a full “right to counsel” for all low-income tenants facing illegal eviction attempts outside the court system so they have a fighting chance.**

Back Rent for Formerly Homeless Families

Back rent has been a critical intervention for households that need one-time assistance to maintain their housing. This assistance prevents them from experiencing the trauma of homelessness, saves the city expensive shelter stays, and ensures stability for the entire family. HESPA has identified 60 families who would benefit from this assistance who would not be served by current funding in Year 2. The expectation is that these families would return to homelessness without assistance, as they have no access to accumulated wealth and have previously experienced homelessness. Year 1 assistance is covered by one-time private funding that is not expected to continue.

Homelessness Prevention Tenant Outreach and Education

As noted above, the majority of evictions never reach the unlawful detainer stage. It is far more common that

residents faced with eviction leave their homes due to landlords' scare tactics. HESPA's aim is to reach San Francisco residents at risk of homelessness with information on Homelessness Prevention rights and resources before they have been harassed into moving out of their homes because they do not understand their rights as tenants. It is vital that low-income San Francisco residents faced with eviction learn their rights in order to maintain their housing.

The HESPA Outreach and Education plan includes increased organization and collaboration between eviction defense providers in order to leverage and maximize all city investments in anti-displacement efforts. Our outreach plan would require the following components:

1. Outreach:

- 10-12 housing outreach workers will:
 - o Distribute 'Know Your Rights' educational materials to 86,000 homes in low-income neighborhoods of San Francisco through door-to-door outreach.
 - o Conduct face-to-face contact with approximately 8,000 residents.
 - o Interview residents to see if they have tenant-landlord issues and refer residents to appropriate services.
- Of the face-to-face contacts:
 - o 7% will seek assistance.
 - o 10% will report ability to self solve housing issues and navigate housing.
 - o 80% will report increased knowledge of housing rights.

2. Counseling:

- 8-10 housing counselors will:
 - o Conduct one-on-one tenant counseling at their agencies, helping to relieve the current backlog of clients and waiting times for appointments.
 - o Meet the new influx of low-income clients due to outreach.
 - o Conduct 'Know Your Rights' trainings to 1,400 low-income tenants, focusing on issues that lead to constructive evictions and other forces of displacement, such as harassment and habitability issues, and provide eviction prevention resources.

3. Outreach and Counseling Organization

- Two staff from a lead agency will:
 - o Serve as outreach coordinators to organize a comprehensive and non-duplicative outreach plan for all participating outreach workers and organizations.
 - o Coordinate workshop scheduling and materials development.

Outreach and Geographic Scope

HESPA partners will conduct homelessness prevention outreach in geographic areas with these variables:

- High rate of housing code violations
- High rate of overcrowding
- High concentration of households paying 50% or more of income toward rent
- High concentration of Ellis Evictions and no-fault evictions
- High concentration of vulnerable populations
 - o Low income 0-30%
 - o Majority People of Color/Ethnic populations

<i>District</i>	<i>Households</i>	<i>Population</i>	<i>Zip code</i>
Bayview Hunters Point	9,480	35,890	94124

Chinatown	6,720	14,540	94108
Ocean View	6,590	31,880	94132
Mission	22,190	57,300	94110
South of Market	11,290	31,370	94103
Tenderloin	21,570	44,240	22000
Visitation Valley	5,190	21,130	94134
Excelsior	9,510	37,960	94112
Total	92,540	274,310	

Mediation and Engagement in Supportive Housing Program (MESH)

Evictions from supportive housing, long controversial, have come under new scrutiny as San Francisco analyzes its policies around homelessness. As Bevan Dufty, Director of HOPE, noted in February's Budget and Finance Committee hearing on San Francisco's Ten-Year Plan to Abolish Chronic Homelessness, "We're paying for the supportive housing, we are paying for the attorney that is evicting somebody, we are paying for the attorney that is fighting the eviction, and ultimately we are paying for the services that an individual is going to need that winds up on the street." **A smarter approach to eviction cases in supportive housing is clearly needed.**

As seen in the table below, a significant number of Eviction Defense Collaborative clients came from City-funded housing.

Eviction Defense Collaborative Households Assisted with Eviction

<i>Year</i>	<i>Public</i>	<i>City funded</i>	<i>All others</i>	<i>Total</i>
2009	54	307	1,237	1,598
2010	110	391	1,193	1,694
2011	465	408	1,396	2,269
2012	285	372	1,403	2,060
2013	128	389	1,396	1,913

Our answer to Mr. Dufty's call for common sense is a proposal to launch a two-year pilot program for Mediation and Engagement in Supportive Housing (MESH), with the overall goal of reducing the number of evictions from supportive housing. We would leverage existing relationships with low-income housing providers to establish new norms for eviction procedures, such as early and sustained engagement with problematic tenants, as well as mandatory mediation before involving the courts. Once we have proven the new model successful, we plan to roll it out to all publicly-funded housing (including public housing, non-profit-run housing, and master-leased buildings).

We envision using volunteer mediators and tenant advocates, leveraging the city's funding for the greatest possible impact. The required resources would include a full-time volunteer coordinator and a program director, in addition to operating costs. Over two years, we project a cost of approximately \$200,000, which would be more than offset by the savings in costs to the City associated with legal representation and tenant turnover.

Call to Action

San Francisco's ongoing housing crisis, as Alan Berube of the Brookings Institution observed, has put its very identity as a city at risk. Can a city consider itself progressive if it does not make room for the poorest of its citizens? Low-income San Franciscans should not have to face the awful choice between leaving the city or living on its streets. It is within our power to change this reality, and we need to act swiftly. Please support our proposal to keep San Franciscans housed and to house San Franciscans.

Attachment: Budget Estimate

HESPA Funding Proposal Summary

	Continue 2013-2014 add backs for eviction prevention	Rapid re-housing program families	Rapid re-housing program for single adults	Rental subsidy program for families	Rental subsidy program for elderly or disabled adults	TAY housing for 30 youth	LCSP subsidies in existing family affordable housing units	LCSP subsidies for new family affordable housing units	Back rent program for families at-risk of eviction	Comprehensive eviction prevention	Pre-eviction mediation in City funded housing	Tenant outreach and education	TOTAL
Funded for 2014-2015	\$950,000	\$374,047	\$0	\$805,754	\$810,083	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$3,948,884
New Funding for 2015-2016	\$316,666	\$0	\$804,213	\$0	\$1,435,948	\$630,738	\$1,125,359	\$0	\$0	\$1,005,675	\$210,450	\$973,363	\$6,502,411
New Funding for 2016-2017	\$0	\$520,710	\$0	\$1,501,140	\$2,420,138	\$0	\$0	\$1,210,458	\$212,376	\$0	\$0	\$0	\$5,964,821
New Baseline	\$1,266,666	\$894,756	\$804,213	\$2,306,894	\$4,675,168	\$630,738	\$1,125,359	\$1,210,458	\$212,376	\$2,005,675	\$210,450	\$973,363	\$16,316,116
Notes	Continuing FY13-14 eviction prevention programs at full funding	Rapid re-housing for 50 new families each year	Rapid re-housing for 50 new single adults each year	Ongoing rental subsidy for 130 families	Ongoing rental subsidy for 300 single adults	Ongoing TAY subsidies for 30 youth	Ongoing LCSP subsidy for 89 families	Ongoing LCSP subsidies for 70 families	Back rent program for 60 families	Comprehensive eviction prevention for 500 households	Mediation for 400 households	Tenant outreach and education for 85,950 households	
	Add Back Subsidies	\$1,266,666											
	Existing Housing Prevention	\$9,311,769											
	Total	\$3,401,864											
		\$16,316,116											

HESPA Funding Proposal FY 15-16: Budget Request - Detail

	Continue 2013-2014 add backs for eviction prevention	Rapid re-housing program single adults	Rental subsidy program for elderly or disabled adults	TAY housing for youth	LOSP subsidies in existing family affordable housing units	Comprehensive eviction prevention	Pre- eviction mediation in City funded housing	Tenant outreach and education	TOTAL
Personnel									
Program Directors	\$0	\$32,500	\$57,850	\$32,500	\$11,570	\$0	\$65,000	\$65,000	\$199,420
Case Managers	\$0	\$75,000	\$133,500	\$90,000	\$35,132	\$0	\$45,000	\$0	\$378,632
Eviction Defense Attorneys	\$0	\$0	\$0	\$0	\$0	\$660,000	\$0	\$0	\$660,000
Tenant Counselor/Outreach Workers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$519,964	\$0
Total Personnel	\$0	\$107,500	\$191,350	\$122,500	\$46,702	\$660,000	\$110,000	\$584,964	\$1,238,052
Payroll Taxes and Benefits (30%)	\$0	\$32,250	\$57,405	\$36,750	\$14,010	\$198,000	\$33,000	\$175,489	\$371,415
Total Personnel and Benefits	\$0	\$139,750	\$248,755	\$159,250	\$60,712	\$858,000	\$143,000	\$760,453	\$1,609,467
Client Financial Assistance									
Client Support/Housing Barriers	\$0	\$12,500	\$0	\$0	\$0	\$0	\$0	\$0	\$12,500
Furniture Grants	\$0	\$25,000	\$0	\$15,000	\$0	\$0	\$0	\$0	\$40,000
Move-in Assistance Grants	\$0	\$80,000	\$0	\$45,000	\$0	\$0	\$0	\$0	\$125,000
Subsidies	\$0	\$480,000	\$1,068,000	\$360,000	\$1,014,600	\$0	\$0	\$0	\$2,922,600
Total Client Financial Assistance*	\$0	\$597,500	\$1,068,000	\$420,000	\$1,014,600	\$0	\$0	\$0	\$3,100,100
Operating Expenses									
Program Costs*	\$316,666	\$40,000	\$71,200	\$24,000	\$35,600	\$16,500	\$40,000	\$85,950	\$543,966
Construction Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$316,666	\$40,000	\$71,200	\$24,000	\$35,600	\$16,500	\$40,000	\$85,950	\$543,966
Indirect Costs at 15%	\$0	\$26,963	\$47,993	\$27,488	\$14,447	\$131,175	\$27,450	\$126,960	\$275,515
Total Expenses	\$316,666	\$904,213	\$1,435,948	\$630,738	\$1,125,359	\$1,005,675	\$210,450	\$973,363	\$6,502,411
Cost/household:		\$16,084.25	\$16,134.25	\$21,024.58	\$12,644.48	\$4,022.70	\$526.13	\$11.32	
Households:		50	89	30	89	250	400	85950	

Add Back	\$316,666
Subsidies	\$2,870,898
Existing Housing	\$1,125,359
Prevention	\$2,189,488
Total	\$6,502,411

HESPA Funding Proposal FY 16-17: Budget Request - Detail

	Rapid re-housing program families	Rental subsidy program for families	Rental subsidy program for elderly or disabled adults	LOSP subsidies for new family affordable housing units	Back rent program for families at-risk of eviction	TOTAL
Personnel						
Program Directors	\$18,850	\$52,000	\$97,500	\$45,500	\$7,800	\$221,650
Case Managers	\$65,250	\$120,000	\$225,000	\$63,000	\$27,000	\$500,250
Eviction Defense Attorneys	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Counselor/Outreach Workers	\$0	\$0	\$0	\$0	\$0	\$0
Total Personnel	\$84,100	\$172,000	\$322,500	\$108,500	\$34,800	\$721,900
Payroll Taxes and Benefits (30%)	\$25,230	\$51,600	\$96,750	\$32,550	\$10,440	\$216,570
Total Personnel and Benefits	\$109,330	\$223,600	\$419,250	\$141,050	\$45,240	\$938,470
Client Financial Assistance						
Client Support/Housing Barriers	\$14,500	\$0	\$0	\$0	\$0	\$14,500
Furniture Grants	\$29,000	\$0	\$0	\$0	\$0	\$29,000
Move-in Assistance Grants	\$46,400	\$0	\$0	\$0	\$0	\$46,400
Subsidies	\$278,400	\$1,152,000	\$1,800,000	\$1,008,000	\$150,000	\$4,388,400
Total Client Financial Assistance*	\$368,300	\$1,152,000	\$1,800,000	\$1,008,000	\$150,000	\$4,478,300
Operating Expenses						
Program Costs*	\$23,200	\$80,000	\$120,000	\$35,000	\$9,000	\$267,200
Construction Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$23,200	\$80,000	\$120,000	\$35,000	\$9,000	\$267,200
Indirect Costs at 15%	\$19,880	\$45,540	\$80,888	\$26,408	\$8,136	\$180,851
Total Expenses	\$520,710	\$1,501,140	\$2,420,138	\$1,210,458	\$212,376	\$5,864,821
Cost/household:	\$17,955.50	\$18,764.25	\$16,134.25	\$17,292.25	\$3,539.60	
Households:	29	80	150	70	60	

Add Back	\$0
Subsidies	\$4,441,987
Existing Housing	\$1,210,458
Prevention	\$212,376
Total	\$5,864,821

HESPA Funding Proposal FY 14-15: Budget Request Funded

	Continue 2013- 2014 add backs for eviction prevention	Expand rapid re- housing program for 21 families	New rental subsidy program for 50 families	New rental subsidy Program for 61 elderly or disabled adults	Full scope eviction prevention for 250 households	TOTAL
Personnel						
Program Directors	\$0	\$13,650	\$32,500	\$39,650	\$0	\$85,800
Case Managers	\$0	\$42,000	\$66,667	\$81,333	\$0	\$190,000
Eviction Defense Attorneys	\$0	\$0	\$0	\$0	\$648,750	\$648,750
Tenant Counselor/Outreach Workers	\$0	\$0	\$0	\$0	\$0	\$0
Total Personnel	\$0	\$55,650	\$99,167	\$120,983	\$648,750	\$924,550
Payroll Taxes and Benefits (30%)	\$0	\$16,695	\$29,750	\$36,295	\$194,625	\$277,365
Total Personnel and Benefits	\$0	\$72,345	\$128,917	\$157,278	\$843,375	\$1,201,915
Client Financial Assistance						
Client Support/Housing Barriers	\$0	\$10,500	\$0	\$0	\$0	\$10,500
Furniture Grants	\$0	\$21,000	\$0	\$0	\$0	\$21,000
Move-in Assistance Grants	\$0	\$33,600	\$0	\$0	\$0	\$33,600
Subsidies	\$0	\$201,600	\$600,000	\$585,600	\$0	\$1,387,200
Total Client Financial Assistance*	\$0	\$266,700	\$600,000	\$585,600	\$0	\$1,452,300
Operating Expenses						
Program Costs*	\$950,000	\$21,000	\$50,000	\$45,750	\$27,000	\$1,093,750
Construction Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$950,000	\$21,000	\$50,000	\$45,750	\$27,000	\$1,093,750
Indirect Costs at 15%	\$0	\$14,002	\$26,838	\$30,454	\$129,625	\$200,919
Total Expenses	\$950,000	\$374,047	\$805,754	\$819,083	\$1,000,000	\$3,948,884
Cost/household:		\$17,811.75	\$16,115	\$13,428	\$4,000.00	

Add Back	\$950,000
Subsidies	\$1,998,884
Existing Housing	\$0
Prevention	\$1,000,000
Total	\$3,948,884

