

File No. 150941

Committee Item No. 5  
Board Item No. 13

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date November 18, 2015

Board of Supervisors Meeting

Date December 8, 2015

#### Cmte Board

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| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
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Completed by: Linda Wong Date November 13, 2015  
Completed by: Linda Wong Date 11/19/15

1 [Administrative Code - Establishing the Navigation Partnerships Fund]

2

3 **Ordinance amending the Administrative Code to establish the Navigation Partnerships**  
4 **Fund.**

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

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

13

14 Section 1. The Administrative Code is hereby amended by adding Section 10.100-160,  
15 to read as follows:

16 **SEC. 10.100-160. THE NAVIGATION PARTNERSHIPS FUND.**

17 **(a) Establishment of Fund.** *The Navigation Partnerships Fund (the "Fund") is established to*  
18 *pay for navigation services provided by the City or contracted community-based organizations.*

19 *"Navigation services" provide low barrier-to-entry alternatives to shelter with the goal of moving*  
20 *homeless individuals off of the streets, providing case management and connection to social service*  
21 *benefits, with an ultimate goal of stabilizing these individuals in housing placements in San Francisco*  
22 *or returning them to family and friends through the Homeward Bound program administered by the*  
23 *Human Services Agency. The Fund is a category eight fund, authorized to receive private donations,*  
24 *grants, gifts, and bequests of money which may be offered to the City to assist in the provision of*  
25 *navigation services.*

**(b) Use of Fund.** *Money received into the Fund shall be used exclusively for the provision of*  
*navigation services. No costs which may be incurred by any City department in administering the Fund*

1 shall be recovered therefrom. Monies in the Fund may only be drawn and expended when the City has  
2 appropriated an equal amount of funds for navigation services in the current fiscal year.  
3 Appropriations include, but are not limited to, the budget process set forth in Article IX of the Charter,  
4 supplemental appropriations, receipt of state or federal grants mid-year, and re-allocation of  
5 departmental budgets mid-year.

6 (c) Administration of Fund. The Mayor's Office shall administer the Fund in consultation with  
7 the Human Services Agency and the Department of Public Health.

8 (d) Reporting Requirement. The Mayor's Office shall report at least annually to the Board of  
9 Supervisors and the Local Homeless Coordinating Board on private donations, grants, gifts, and  
10 bequests of money to and expenditures from the Fund.


11  
12 Section 2. Effective Date. This ordinance shall become effective 30 days after  
13 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
14 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
15 of Supervisors overrides the Mayor's veto of the ordinance.

16  
17 Section 3. Undertaking for the General Welfare. In enacting and implementing this  
18 ordinance, the City is assuming an undertaking only to promote the general welfare. It is not  
19 assuming, nor is it imposing on its officers and employees, an obligation for breach of which it  
20 is liable in money damages to any person who claims that such breach proximately caused  
21 injury.

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

By:   
ANDREW SHEN  
Deputy City Attorney

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**LEGISLATIVE DIGEST**

[Administrative Code - Establishing the Navigation Partnerships Fund]

**Ordinance amending the Administrative Code to establish the Navigation Partnerships Fund.**

Existing Law

The City has established several special funds in Chapter 10, Article XIII of the Administrative Code. But the City has not created any special fund to support navigation services to assist the homeless.

Amendments to Current Law

The proposal would establish the Navigation Partnerships Fund (the "Fund") to pay for navigation services provided by the City or contracted community-based organizations. Navigation services provide low barrier-to-entry alternatives to shelter with the goal of moving homeless individuals off of the streets, providing case management and connection to social service benefits, with an ultimate goal of stabilizing these individuals in housing placements in San Francisco or returning them to family and friends through the Homeward Bound program administered by the Human Services Agency.

The Fund would be a category eight fund, which would provide for automatic appropriation, the accumulation of interest, and that the fund balance would carry forward. See Admin. Code § 10.100-1.

The Mayor's Office would administer the Fund in consultation with the Human Services Agency and the Department of Public Health. Money received into the Fund would be used exclusively for the provision of navigation services, but expenditures from the Fund may only be made if the City has appropriated an equal amount of funds for navigation services.

The Mayor's Office would report at least annually to the Board of Supervisors and the Local Homeless Coordinating Board about donations to and expenditures from the Fund.

Background Information

On October 6, 2015, the sponsors introduced a substitute ordinance that added the reporting requirement in subsection (d).

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<b>Item 5</b> <b>File 15-0941</b>	<b>Department:</b> Mayor's Office
<b>EXECUTIVE SUMMARY</b>	
<b>Legislative Objectives</b>	
<ul style="list-style-type: none"> <li>• Ordinance amending the Administrative Code to add Section 10.100-160 to establish the Navigation Partnerships Fund as a category eight fund to receive private donations, grants, gifts and bequests of money offered to the City to pay for navigation services provided by the City or contracted community-based organizations.</li> </ul>	
<b>Key Points</b>	
<ul style="list-style-type: none"> <li>• A new Navigation Center opened in March, 2015 at 1950 Mission Street to assist homeless persons, funded with an anonymous \$2,925,000 gift through the San Francisco Interfaith Council, and approved retroactively by the Board of Supervisors in July 2015.</li> </ul>	
<b>Fiscal Impact</b>	
<ul style="list-style-type: none"> <li>• The proposed ordinance requires that monies in the Navigation Partnerships Fund only be expended when the City has appropriated an equal amount of funds for navigation services in the current fiscal year. The FY 2015-16 budget includes \$1,500,000 of General Fund revenues for the existing Navigation Center operations, in the HSA budget. There would be no additional costs to administer this Special Fund.</li> <li>• The Mayor has challenged the private sector to contribute at least \$3 million annually to the new Navigation Partnerships Fund. Given that it is difficult to predict the public's willingness to donate to this newly created Navigation Partnerships Fund, future anticipated contributions, allocations and expenditures cannot be projected.</li> </ul>	
<b>Policy Consideration</b>	
<ul style="list-style-type: none"> <li>• Under the proposed ordinance, there would be no appropriation authorization by the Board of Supervisors, or reports to the Board of Supervisors regarding the donations made to or expenditures from this Fund.</li> </ul>	
<b>Recommendations</b>	
<ul style="list-style-type: none"> <li>• Amend the proposed ordinance to require the Mayor's Office to report at least annually to the Board of Supervisors on private donations, grants, gifts and bequests of money to and expenditures from the proposed new Navigation Partnerships Fund.</li> <li>• If the Board of Supervisors wants to have appropriation authority for this new Navigation Partnerships Fund, amend the proposed ordinance to be a category four fund, instead of a category eight fund.</li> <li>• Approval of the proposed ordinance, as amended, is a policy decision for the Board of Supervisors.</li> </ul>	

**MANDATE STATEMENT**

Section 10.100 of the Administrative Code establishes various special funds and specifies categories to assist with the financial management of each special fund.

**BACKGROUND**

According to Mr. Jason Elliott, Deputy Chief of Staff to the Mayor, a new Navigation Center was opened in late March, 2015 at 1950 Mission Street, between 15<sup>th</sup> and 16<sup>th</sup> Streets in the Mission District, to assist homeless people by providing rehabilitation programs to move toward more stable permanent housing and/or reunite with their families through the City's Homeward Bound Program. The Navigation Center provides comprehensive services and assistance for up to 75 homeless adults and their pets at any one time, including beds, showers, bathrooms, laundry facilities, meals, health care, substance abuse services, mental health treatment, case management and access to benefits. Mr. Elliott advises that this new Navigation Center was funded by an anonymous donation of \$2,925,000 through the San Francisco Interfaith Council and has assisted 245 people since it opened.

In July 2015, the Board of Supervisors approved a resolution to retroactively authorize the Mayor's Office to accept and expend a \$2,925,000 grant from the San Francisco Interfaith Council to renovate and open the Navigation Center and assist with supportive housing for one-year from January 26, 2015 through January 31, 2016 (File 15-0733; Resolution No. 294-15).

**DETAILS OF PROPOSED LEGISLATION**

The proposed ordinance would amend the Administrative Code by adding Section 10.100-160 to establish the Navigation Partnerships Fund, which would be authorized to receive private donations, grants, gifts and bequests of money offered to the City, to pay for navigation services provided by the City or contracted community-based organizations. Navigation services are defined as providing low barrier-to-entry alternatives to shelter with the goal of moving homeless individuals off of the streets, and providing case management and connection to social service benefits, with an ultimate goal of stabilizing these homeless individuals in housing placements in San Francisco or returning them to family and friends through the Homeward Bound program administered by the Human Services Agency (HSA).

Under the proposed ordinance, the newly created Navigation Partnerships Fund would be a category eight fund. In accordance with Administrative Code Section 10.100-1, a category eight fund accumulates interest, the fund balance carries forward, and the fund is automatically appropriated. Therefore, any donations into this Fund would not be subject to appropriation approval by the Board of Supervisors. Mr. Elliott advises that in order to allow for rapid response to fluctuating donations and revenue opportunities, this proposed new Fund would not be subject to Board of Supervisors appropriation approval.

In accordance with the proposed ordinance, the Mayor's Office would be responsible for administering the Fund in consultation with HSA and the Department of Public Health (DPH).

However, as specified in the proposed ordinance, costs incurred by the City to administer the Fund could not be recovered from the Navigation Partnerships Fund, such that all monies deposited into the Fund could only be used to provide homeless navigation services. In addition, the proposed ordinance specifies that monies in the Navigation Partnerships Fund can only be expended when the City has appropriated an equal amount of funds for navigation services in the current fiscal year. Such appropriations would include annual budget appropriated funds, supplemental appropriations, receipt of State or federal grants and re-allocation of City department budgets mid-year.

The proposed ordinance also requires the Mayor's Office to report at least annually to the Local Homeless Coordinating Board on private donations, grants, gifts and bequests of money to and expenditures from the proposed new Navigation Partnerships Fund.

### **FISCAL IMPACT**

Mr. Elliott advises that the Mayor has challenged the private sector to contribute at least \$3 million annually to the proposed new Navigation Partnerships Fund to enable the City to develop more Navigation Centers to address the homeless population's needs. However, given that it is difficult to predict the public's willingness to donate to this newly created Navigation Partnerships Fund, future anticipated contributions, allocations and expenditures cannot be projected.

As noted above, the proposed ordinance specifies that monies in the Navigation Partnerships Fund can only be expended when the City has appropriated an equal amount of City, State or federal funds for navigation services in the current fiscal year. Mr. Elliott advises that this provision is included because the Mayor wants to assure donors that their funds would not supplant existing City expenditures for navigation services, but instead would be used to enhance existing City-funded programs. In addition, Mr. Elliott advises that providing City contributions to at least the level of donor contributions for navigation services will ensure greater success in raising funds from the private sector.

The FY 2015-16 budget includes \$1,500,000 of General Fund revenues for the City's one existing Navigation Center operations, in the HSA budget. Mr. Elliott advises that if the Navigation Partnerships Fund is successful in generating significant additional revenues from private donations, additional City funds would be reallocated within the HSA and Department of Public Health budgets to further address the homeless population's navigation services.

According to Mr. Elliott, there would be no additional costs to administer the proposed new Navigation Partnerships Special Fund.



**POLICY CONSIDERATION**

Under Section 10.100, the Mayor currently has the following 17 special funds specified in the City's Administrative Code, including a Mayor's Fund for the Homeless:

- Mayor's Community Support Fund (Section 10.100-95)
- Mayor's Convention Promotion and Services Fund (Section 10.100-97)
- Mayor's Emergency Mercy Fund (Section 10.100-102)
- Mayor's Excelsior Youth Center Fund (Section 10.100-104)
- Mayor's Fund for the Homeless (Section 10.100-106)
- Mayor's Home Ownership Assistance Loan Fund (Section 10.100-108)
- Mayor's Housing Affordability Fund (Section 10.100-110)
- Mayor's Neighborhood Beautification and Graffiti Clean-Up Fund (Section 10.100-114)
- Mayor's Housing Programs Fees Fund (Section 10.100-117)
- Mayor's Performing Arts Loan Fund (Section 10.100-119)
- Mayor's Protocol and Host Fund (Section 10.100-121)
- Mayor's San Francisco Arts Wall of Fame Fund (Section 10.100-125)
- Mayor's Sister-City Committee Fund (Section 10.100-127)
- Mayor's Small Business Revolving Loan Fund (Section 10.100-129)
- Mayor's Supportive Housing Service Fund (Section 10.100-131)
- Mayor's Urban Development Action Grant Revolving Fund (Section 10.100-136)
- Mayor's Voluntary Arts Contributions Fund (Section 10.100-138)

The proposed ordinance would create another special fund, to be administered by the Mayor's Office, the Navigation Partnerships Fund. As noted above, Section 10.100-106 already provides for a Mayor's Fund for the Homeless in the City's Administrative Code, to receive all donations to provide shelter, food and other supportive services assistance for the homeless. The Mayor's Fund for the Homeless states that "Funds which are donated for a specific project for the homeless shall be expended only for that project", such that if future donors wished to donate funds specifically toward navigation services for the homeless, the existing Mayor's Fund for the Homeless special fund already allows for that option. In response, Mr. Elliott advises that the proposed provisions to require equal City fund contributions each year for navigation services is not required for the existing Fund for the Homeless.

The proposed ordinance also does not require any reporting of contributions or donations and/or expenditures and uses of the Fund to the Board of Supervisors. The proposed ordinance should be amended, to at a minimum, require reporting at least annually of all sources and expenditures from the Navigation Partnerships Fund to the Board of Supervisors.

In addition, the proposed ordinance would create a new Navigation Partnerships Fund, as a category eight fund, which would not be subject to appropriation approval by the Board of Supervisors. As noted above, in July 2015, the Board of Supervisors approved a resolution to retroactively authorize the Mayor's Office to accept and expend a \$2,925,000 grant from the San Francisco Interfaith Council for the initial new Navigation Center in the Mission District, such that the Board of Supervisors approved this donation and its expenditures. Because expenditures from this newly created special Navigation Partnerships Fund would not be subject to prior Board of Supervisors approval, the proposed ordinance is considered a policy decision for the Board of Supervisors. If the Board of Supervisors wants to have appropriation authority, the proposed ordinance could be amended to be a category four fund, which would still allow the Fund to accumulate interest and carry forward its annual balance, similar to the proposed category eight fund, but would not be automatically appropriated, instead requiring Board of Supervisors appropriation approval.

## RECOMMENDATIONS

1. Amend the proposed ordinance to require the Mayor's Office to report at least annually to the Board of Supervisors on private donations, grants, gifts and bequests of money to and expenditures from the proposed new Navigation Partnerships Fund.
2. If the Board of Supervisors wants to have appropriation authority for this new Navigation Partnerships Fund, amend the proposed ordinance to be a category four fund, instead of a category eight fund.
3. Approval of the proposed ordinance, as amended, is a policy decision for the Board of Supervisors.

BOARD of SUPERVISORS



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

## MEMORANDUM

TO: Trent Rhorer, Executive Director, Human Services Agency  
Barbara Garcia, Director, Department of Public Health

FROM: Linda Wong, Assistant Clerk, Budget and Finance Committee, Board of Supervisors

DATE: October 15, 2015

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Budget and Finance Committee has received the proposed substitute legislation, introduced by Mayor Edwin Lee:

**File No. 150941**

### **Administrative Code - Establishing the Navigation Partnerships Fund**

If you have any additional comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Louise Rainey, Human Services Agency  
Greg Wagner, Department of Public Health  
Colleen Chawla, Department of Public Health

BOARD of SUPERVISORS



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San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: Trent Rhorer, Executive Director, Human Services Agency  
Barbara Garcia, Director, Department of Public Health

FROM: Linda Wong, Assistant Clerk, Budget and Finance Committee, Board of Supervisors

DATE: October 5, 2015

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS

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The Board of Supervisors' Budget and Finance Committee has received the proposed legislation, introduced by Mayor Edwin Lee:

**File No. 150941**

**Ordinance amending the Administrative Code to establish the Navigation Partnerships Fund.**

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Louise Rainey, Human Services Agency  
Greg Wagner, Department of Public Health  
Colleen Chawla, Department of Public Health

## Wong, Linda (BOS)

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**From:** Wong, Linda (BOS)  
**Sent:** Monday, October 05, 2015 4:45 PM  
**To:** Rhorer, Trent (HSA) (DSS); Garcia, Barbara (DPH)  
**Cc:** Rainey, Louise (HSA) (DSS); Wagner, Greg (DPH); Chawla, Colleen (DPH)  
**Subject:** File No. 150941 - REFERRAL FROM BOARD OF SUPERVISORS (Budget & Finance Committee)  
**Attachments:** 150941.pdf

Good afternoon,

Attached is a referral for BOS File No. 150941, which is being sent to you for informational purposes. If you have any comments or reports to be included with the file, please respond to this email or forward them to me at the address listed below.

Thank you for your attention.

Sincerely,

Linda Wong  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102-4689  
Phone: 415.554.7719 | Fax: (415) 554-5163  
[Linda.Wong@sfgov.org](mailto:Linda.Wong@sfgov.org) | [www.sfbos.org](http://www.sfbos.org)

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OFFICE OF THE MAYOR  
SAN FRANCISCO



EDWIN M. LEE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: *for* Mayor Edwin M. Lee *NR*  
RE: ~~Substitute Ordinance - File # 150941 - Administrative Code - Establishing the Navigation Partnerships Fund~~  
DATE: October 6, 2015

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Attached for introduction to the Board of Supervisors is an ordinance amending the Administrative Code to establish the Navigation Partnerships Fund.

Please note that this item is co-sponsored by Supervisors Farrell and Christensen.

I respectfully request that this item be calendared in ~~Budget and Finance Committee~~.

Should you have any questions, please contact Nicole Elliott (415) 554-7940.

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