

File No. 160653

Committee Item No. 14
Board Item No. 33

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date June 17, 2016

Board of Supervisors Meeting

Date 7/12/16

Cmte Board

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| <input 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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| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
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| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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Completed by: Linda Wong Date June 10, 2016
Completed by: Linda Wong Date 7/6/16

1 [Homelessness and Supportive Housing Fund - FYs 2016-2017 and 2017-2018 Expenditure
2 Plans]

3 **Resolution approving the FYs 2016-2017 and 2017-2018 Expenditure Plans for the**
4 **Department of Homelessness and Supportive Housing Fund.**

5
6 WHEREAS, Administrative Code, Section 10.100-77, established the Department of
7 Homelessness and Supportive Housing Fund for the purpose of providing housing, utilities,
8 meals, and other services for formerly homeless CAAP recipients; and

9 WHEREAS, If planned annual expenditures from the Human Services Care Fund
10 exceed \$11,900,000, Administrative Code, Section 10.100-77(f) requires the Department of
11 Homelessness and Supportive Housing to submit to the Board of Supervisors a plan
12 explaining how the Department intends to spend the money; and

13 WHEREAS, The Administrative Code requires the Board of Supervisors to approve the
14 expenditure plan by resolution before adopting the ordinance appropriating funds for these
15 expenditures; and

16 WHEREAS, The FYs 2016-2017 and 2017-2018 budgets for the Department of
17 Homelessness and Supportive Housing includes proposed expenditures from the Human
18 Services Care Fund in excess of \$11,900,000; and

19 WHEREAS, The Department of Homelessness and Supportive Housing has submitted
20 to the Board of Supervisors FYs 2016-2017 and 2017-2018 expenditure plans for the Human
21 Services Care Fund; now, therefore, be it

22 RESOLVED, That the Board of Supervisors hereby approves the FYs 2016-2017 and
23 2017-2018 expenditure plans for the Human Services Care Fund as submitted by the
24 Department of Homelessness and Supportive Housing pursuant to Administrative Code,
25 Section 10.100-77(f).

For Amendment of Budget Items in the FY 2016-17 and FY 2017-18 Two-Year Budget

HOM - Department of Homelessness and Supportive Services

Object Title	FY 2016-17						FY 2017-18							
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	1T
	From	To	From	To				From	To					
CMN - Administration and Management														
Deputy Director III	1.00	0.00	\$180,533	\$0	\$180,533	x		1.00	0.00	\$180,533	\$0	\$180,533	x	
Manager V	0.00	1.00	\$0	\$168,049	(\$168,049)	x		0.00	1.00	\$0	\$168,049	(\$168,049)	x	
Mandatory Fringe Benefits			\$61,050	\$58,610	\$2,439	x				\$66,232	\$63,490	\$2,742	x	
			<i>Total Savings</i>		<i>\$14,923</i>					<i>Total Savings</i>		<i>\$15,226</i>		
	Downward substitute one Deputy Director III position with a salary of \$180,533 to a Manager V position with a salary of \$168,049. The Mayor's Office has requested three Deputy Director III positions in the new Department of Homelessness and Supportive Services, of which one is a new position and two are substitutions from existing positions. The proposed downward substitution is consistent with the function of the proposed position, which oversees the Communications and External Affairs unit and supervises 7 staff.						Ongoing savings							
Training								1.00	0.00	\$30,000	\$15,000	\$15,000	x	
29							Reduce the training budget in Administration and Management. The Department requested \$30,000 in FY 2016-17 to allow for training of staff for new systems and procedures. The Department does not have an ongoing need for the \$30,000 in training expenditures; \$15,000 should be sufficient in FY 2017-18.							

20

GF = General Fund
1T = One Time

Recommendations of the Budget and Legislative Analyst

REVISED June 17, 2016

For Amendment of Budget Items in the FY 2016-17 and FY 2017-18 Two-Year Budget

HOM - Department of Homelessness and Supportive Services

Object Title	FY 2016-17							FY 2017-18								
	FTE		Amount			Savings	GF	1T	FTE		Amount			Savings	GF	1T
	From	To	From	To	From				To							
Administrative Analyst	0.77	0.00	\$71,650	\$0	\$71,650	x		1.00	0.00	\$92,696	\$0	\$92,696	x			
Mandatory Fringe Benefits			\$29,240	\$0	\$29,240	x				\$40,790	\$0	\$40,790	x			
	<i>Total Savings</i>			<i>\$100,890</i>	<i>Total Savings</i>							<i>\$133,486</i>				
	Delete one new Administrative Analyst position assigned to policy and data analysis functions. The Department will still have two positions for policy and data analysis functions, including one new 1824 Principal Administrative Analyst and one existing 1823 Senior Administrative Analyst. The Budget and Legislative Analyst is recommending approval of 10 of the 11 new positions.							Ongoing savings								
Attrition Savings			\$0	(\$100,000)	\$100,000	x				\$0	(\$100,000)	\$100,000	x			
Attrition Savings			\$0	(\$100,000)	\$100,000	x				\$0	(\$100,000)	\$100,000	x			
Mandatory Fringe Benefits			\$0	(\$81,618)	\$81,618	x				\$0	(\$88,008)	\$88,008	x			
	<i>Total Savings</i>			<i>\$281,618</i>	<i>Total Savings</i>							<i>\$288,008</i>				
	Add attrition savings to account for delays in hiring for new positions, vacancies and staff turnover.							Ongoing savings								

1830

For Amendment of Budget Items in the FY 2016-17 and FY 2017-18 Two-Year Budget

HOM - Department of Homelessness and Supportive Services

Object Title	FY 2016-17							FY 2017-18						
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	1T
	From	To	From	To				From	To	From	To			
Professional and Specialized Services			\$313,326	\$150,000	\$163,326	x	x							
Temporary Salaries										\$401,960	\$401,960	\$0	x	
Manager II	1.00	0.00	\$134,708	\$0	\$134,708	x				\$134,708	\$0	\$134,708	x	
Mandatory Fringe Benefits			\$51,966	\$0	\$51,966	x				\$56,163	\$0	\$56,163	x	
Program Support Analyst			\$0	\$111,058	(\$111,058)	x				\$0	\$111,058	(\$111,058)	x	
Mandatory Fringe Benefits			\$0	\$42,764	(\$42,764)	x				\$0	\$46,661	(\$46,661)	x	
			<i>Total Savings</i>		<i>\$196,178</i>					<i>Total Savings</i>		<i>\$33,152</i>		
183 Note: This Recommendation is based on a technical adjustment to be submitted by the Mayor's Office to the Board of Supervisors	Reduce professional services contracts for strategic planning/needs assessment services. The Mayor's Office has proposed \$313,326 in consultant services as a technical adjustment for strategic planning/needs assessment. The Budget and Legislative Analyst recommends \$150,000 for such outside consultant services.							Ongoing savings for downward substitution from one new 0923 Manager II position to one new 2917 Program Support Analyst position.						
	Additionally, the Mayor's Office has proposed one new 0923 Manager II position as a technical adjustment to manage the strategic planning/needs assessment process. The Budget and Legislative Analyst considers managing the strategic planning/needs assessment process to be the responsibility of the Manager V position for which the Budget and Legislative Analyst is recommending approval. To support the strategic planning process, the Budget and Legislative Analyst recommends downward substitution of one new 0923 Manager II position to one new 2917 Program Support Analyst to provide technical, analytical and logistical support to the strategic planning/ needs assessment process.													

FY 2016-17
Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$163,326	\$430,284	\$593,610
Non-General Fund	\$0	\$0	\$0
Total	\$163,326	\$430,284	\$593,610

FY 2017-18
Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$484,873	\$484,873
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$484,873	\$484,873

GF = General Fund

1T = One Time

For Amendment of Budget Items in the FY 2016-17 and FY 2017-18 Two-Year Budget

HOM - Department of Homelessness and Supportive Services

Object Title	FY 2016-17							FY 2017-18						
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	1T
	From	To	From	To				From	To					

Policy/Reserve Recommendations

CMN - Administration and Management														
Programmatic Budget			\$9,000,000	\$9,000,000	\$0	x	x							
1832	<p>The Mayor's Office is proposing to purchase an office building owned by the San Francisco Housing Authority at 440 Turk Street as administrative offices for the new Department with an estimated purchase price is \$5,000,000 and estimated cost for tenant improvements is \$4,000,000, for a total cost of \$9,000,000. The Budget and Legislative Analyst considers the purchase of the building at 440 Turk Street to be a policy consideration for the Board of Supervisors because, as noted in the Budget and Legislative Analyst's report to the June 17 Budget and Finance Committee (File 16-0652), 98 of the 109 positions in the new Department of Homelessness and Supportive Housing are existing City positions. The proposed increase in positions in FY 2016-17 is 11, not all of which may be approved by the Board of Supervisors. As an alternative to incurring \$9,000,000 in new costs that could otherwise be allocated to direct homeless services, the 98 existing City positions could remain in their current HSA and DPH locations; and the up to 11 new Department positions could locate to other City or new leased space. If the Board of Supervisors approves the purchase of 440 Turk Street, the Budget and Legislative Analyst recommends reserving \$4,000,000 for tenant improvements pending submission of budget details to the Budget and Finance Committee.</p>													

FY 2016-17 Total Policy Recommendations			
	One-Time	Ongoing	Total
General Fund	\$9,000,000	\$0	\$9,000,000
Non-General Fund	\$0	\$0	\$0
Total	\$9,000,000	\$0	\$9,000,000

FY 2017-18 Total Policy/Reserve Recommendations			
	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$0	\$0

FY 2016-17 Total Reserve Recommendations			
	One-Time	Ongoing	Total
General Fund	\$4,000,000	\$0	\$4,000,000
Non-General Fund	\$0	\$0	\$0
Total	\$4,000,000	\$0	\$4,000,000

FY 2017-18 Total Reserve Recommendations			
	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$0	\$0

GF = General Fund
1T = One Time

For Amendment of Budget Items in the FY 2016-17 and FY 2017-18 Two-Year Budget

HOM - Department of Homelessness and Supportive Services

Object Title	FY 2016-17						FY 2017-18							
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	1T
	From	To	From	To				From	To	From	To			
Reserve Recommendations														
CMN - Administration and Management														
Other Professional Services			\$0	\$0	\$0					\$121,554	\$121,554	\$0		
Permanent Salaries			\$193,474	\$193,474	\$0					\$250,302	\$250,302			
Mandatory Fringe Benefits			\$70,870	\$70,870	\$0					\$99,310	\$99,310	\$0		
COT - Outreach and Prevention														
Professional & Specialized Services			\$0	\$0	\$0					\$2,200,000	\$2,200,000	\$0		
CSH - Shelter and Housing														
Temporary Salaries			\$359,848	\$359,848	\$0					\$592,831	\$592,831	\$0		
Permanent Salaries			\$0	\$0	\$0					\$333,173	\$333,173	\$0		
Mandatory Fringe Benefits			\$28,499	\$28,499	\$0					\$186,933	\$186,933	\$0		
Community Based Organizations			\$10,878,242	\$10,878,242	\$0					\$35,918,897	\$35,918,897	\$0		
Services of Other Departments			\$0	\$0	\$0					\$8,047,000	(\$8,047,000)	\$0		
	<i>Total Reserve \$11,530,933</i>						<i>Total Reserve \$31,656,000</i>							
	Reserve \$11,530,933 in FY 2016-17 pending submission of expenditure details to the Budget and Finance Committee. These programs and services are funded based on the approval by the San Francisco voters in November 2016 of an increase in the sales and use tax by 0.75%.						Reserve \$31,656,000 in FY 2017-18 pending submission of expenditure details to the Budget and Finance Committee. These programs and services are funded based on the approval by the San Francisco voters in November 2016 of an increase in the sales and use tax by 0.75%.							

FY 2016-17			
Total Reserve Recommendations			
	One-Time	Ongoing	Total
General Fund	\$11,530,933	\$0	\$11,530,933
Non-General Fund	\$0	\$0	\$0
Total	\$11,530,933	\$0	\$11,530,933

FY 2017-18			
Total Reserve Recommendations			
	One-Time	Ongoing	Total
General Fund	\$31,656,000	\$0	\$31,656,000
Non-General Fund	\$0	\$0	\$0
Total	\$31,656,000	\$0	\$31,656,000

GF = General Fund
1T = One Time



City and County of San Francisco

Edwin M. Lee, Mayor

Department of Homelessness
and Supportive Housing
Jeff Kositsky, Director

Homelessness and Supportive Housing Fund (Housing First Program) FY16-17 and FY17-18 Expenditure Plan

This expenditure plan for the Human Services Care Fund for FY16-17 and FY17-18 is submitted to the Board of Supervisors pursuant to Section 10-100.77(f) of the San Francisco Administrative Code. The Administrative Code requires the Department of Homelessness and Supportive Housing to submit this expenditure plan if annual proposed appropriations from the Homelessness and Supportive Housing Fund exceed \$11.9 million. This plan must include estimates of the amounts to be spent for various purposes, as well as an explanation of who is to benefit from these expenditures, how many people will benefit, and how the proposed benefits will be provided.

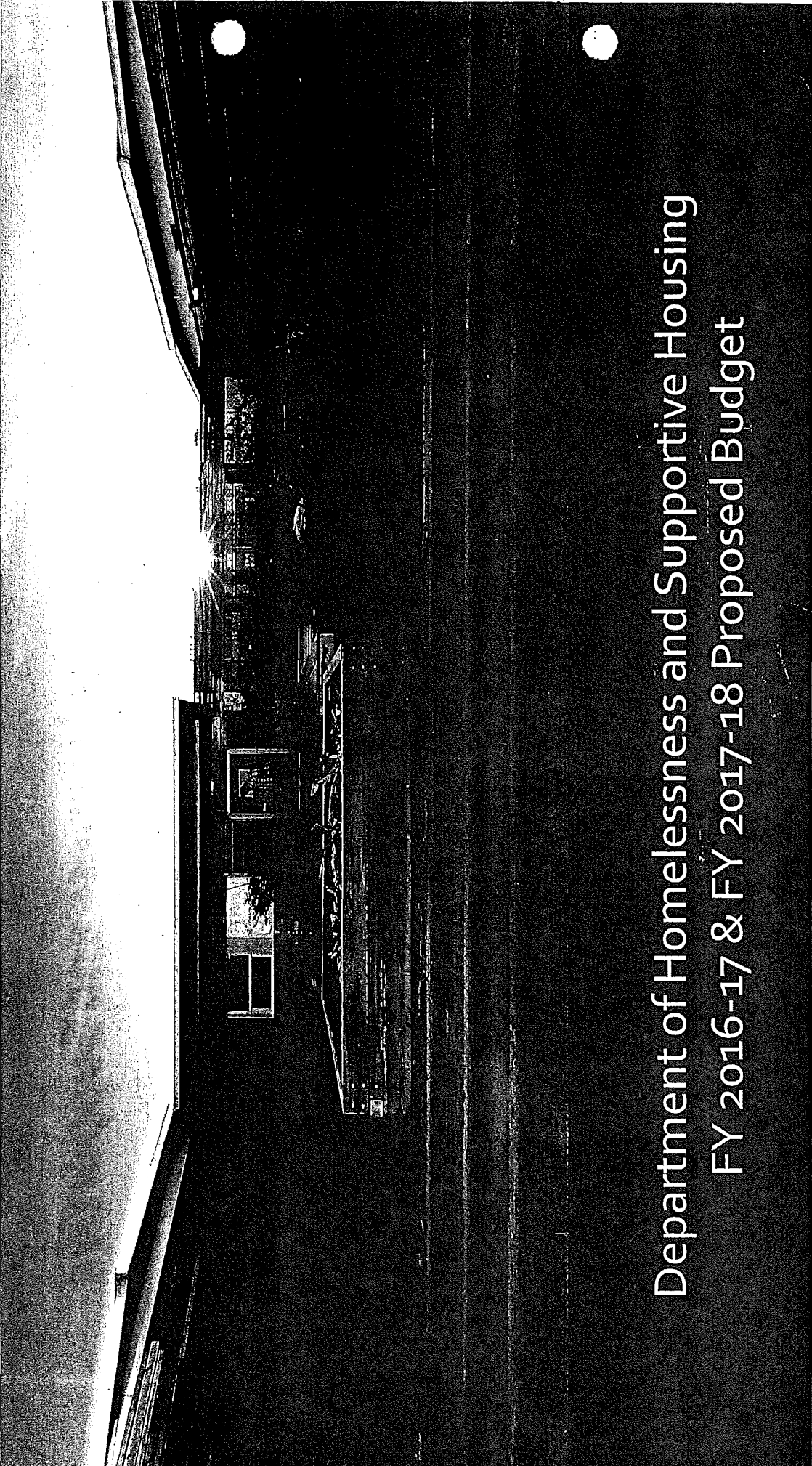
Planned Expenditures: The budget for the Department of Homelessness and Supportive Housing includes proposed expenditures from the Homelessness and Supportive Housing Fund of \$16,654,672 in FY16-17 and \$16,654,672 in FY17-18 (see Attachment). The proposed expenditures are divided into two general categories: housing and services. The proposed FY16-17 expenditures are supported by \$14,934,341 in projected FY16-17 Care Fund revenues, and \$1,720,241 in General Fund. The proposed FY17-18 expenditures are supported by \$14,866,185 in projected FY17-18 Care Fund revenues, and \$1,788,397 in General Fund.

Beneficiaries: The Housing First Program is funded by the Homelessness and Supportive Housing Fund. The beneficiaries of the proposed spending under this plan are homeless and formerly-homeless CAAP clients of the Department of Human Services. Since the beginning of the Housing First Program in May 2004, a total of 4,642 homeless and formerly-homeless CAAP clients have been placed into permanent supportive housing (data through December 2015).

How Benefits Are Provided: Access to the Housing First Program is provided to any CAAP client listed as being homeless with their assigned CAAP worker. These clients are offered an opportunity to apply for housing if it is available. Until a housing placement is made, shelter is offered by the CAAP worker for the time between monthly homeless verification appointments. Each time the homeless CAAP clients see their eligibility worker for a monthly homeless verification appointment, their worker checks to see if housing is available. Additional outreach is done to homeless CAAP clients who have been using shelter for long periods. As housing opportunities are available, homeless CAAP clients are referred to the Housing Access Team that provides support through the screening and placement process. When a client is placed in housing, the Housing Access Team arranges with the CAAP worker for benefits to be adjusted and routed correctly, and then notifies both CAAP and Food Stamps of the client's new address.

FY16-17 and FY17-18 Housing First Program Budget

Budget Items	FY16-17	FY17-18	Notes
REVENUES			
Care Fund Revenues	\$14,934,341	\$14,866,185	
City General Fund	\$1,720,241	\$1,788,397	
Total Revenues	\$16,654,582	\$16,654,582	
EXPENDITURES			
Housing			
Mary Elizabeth Inn (MEI)	\$259,550	\$259,550	33 units.
McAllister (Conard House)	\$1,047,238	\$1,047,238	80 units.
Alder (ECS)	\$1,018,300	\$1,018,300	116 units.
Crosby Hotel (ECS)	\$1,245,196	\$1,245,196	124 units.
Elm (ECS)	\$974,800	\$974,800	81 units.
Hillsdale (ECS)	\$1,331,586	\$1,331,586	84 units.
Mentone (ECS)	\$1,025,731	\$1,025,731	71 units.
All Star (THC)	\$1,019,346	\$1,019,346	86 units.
Boyd (THC)	\$1,101,392	\$1,101,392	82 units.
California Drake (THC)	\$421,606	\$421,606	51 units.
Elk (THC)	\$1,117,106	\$1,117,106	88 units.
Graystone (THC)	\$984,972	\$984,972	74 units.
Pierre (THC)	\$1,084,199	\$1,084,199	87 units.
Royan (THC)	\$999,229	\$999,229	69 units.
Union (THC)	\$899,992	\$899,992	60 units.
Aranda (Conard House)	\$1,146,462	\$1,146,462	110 units.
MPP Services (THC)	\$354,263	\$354,263	Modified Payment Program services provided in CNC hotels.
Housing Sub-total	\$16,030,968	\$16,030,968	
Services			
Behavioral Health Roving Team	\$384,219	\$384,219	Psychiatrist and Nurse Practitioners.
Citywide Case Management - Roving Team	\$239,395	\$239,395	Roving team includes 1 SW supervisor, 1 SW, 1 SW associate, 2 clinical supervisor, 1 subst abuse spec, 0.10 prgrm dir, 5 case managers, 0.20 clerk.
Services Sub-total	\$623,614	\$623,614	
Total Expenditures	\$16,654,582	\$16,654,582	



Department of Homelessness and Supportive Housing
FY 2016-17 & FY 2017-18 Proposed Budget

Department of Homelessness and Supportive Housing: Goals

Through the provision of coordinated, compassionate, and high-quality services the Department will work to make homelessness in San Francisco rare, brief, and onetime. Benchmarks toward this goal include:

**Move 8,000
people into
housing in the
next 4 years**

**Reducing the
number of
people who
become
homeless**

**Reducing the
length of time
people spend
homeless**

**Reducing street
homelessness**

Department Priorities

Housing First—a system focused on permanent housing & a rapid re-housing model

Building on the culture of **customer service** within the City's system of care & housing

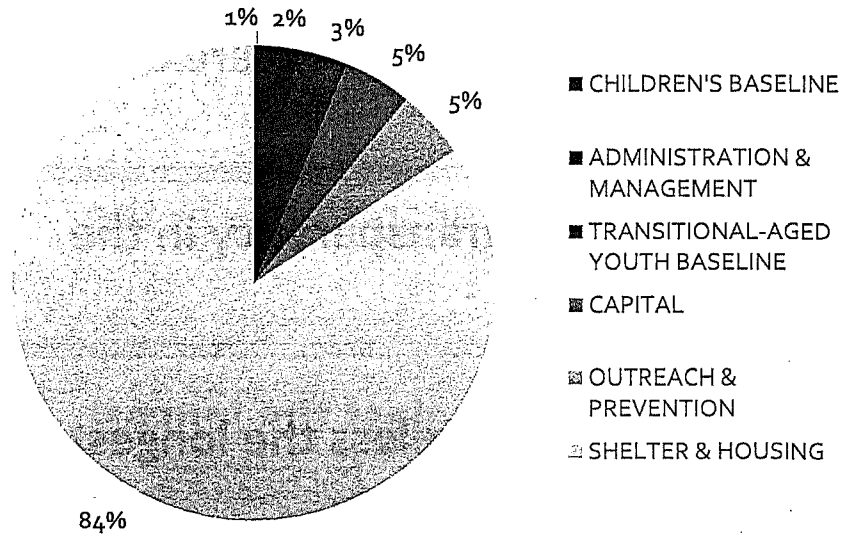
Continuing to move toward a **fully coordinated system** with **transparency in the housing placement** process

Focus on ending homelessness for people **who have been homeless the longest**

Engage in **strategic planning process** to maximize the impact of our system of services and resources

Proposed FY 2016-17 Budget by Program Use

FY 2016-17 Proposed Budget
\$220.5 M



Highlights

- \$175 M in direct contracts & grants to non-profits
- \$22M in services and rental subsidies through DPH, HSA and MOHCD
- 110 City Staff
- Onetime facility acquisition to collocate staff in client serving facility

Department Overview

- 110 Staff: Combining 98 staff from the Mayor's Office of HOPE, the Human Services Agency (HSA), and the Department of Public Health (DPH) and add 12 new staff to improve fiscal, communication, planning, and data capacity
- \$175 Million in Grants and Contracts to Non-Profits: Shifting \$155M in existing grants and contracts from DPH, HSA, MOHCD, and DCYF for greater coordination and investing an additional \$20M for outreach, shelter, and housing programs
- Services provided by the new department will include:
 - Street Outreach
 - Emergency Shelter
 - Navigation Centers
 - Rapid Rehousing
 - Transitional Housing
 - Permanent Supportive Housing

Major New Initiatives in FY 2016-17

Strategic Planning and Capacity Building

- Comprehensive strategic planning process engaging staff, clients and community stakeholders
- Collocating in a central, client serving facility

Creating a Navigation System

- Integrating multiple data systems
- Developing coordinated entry for all clients

Expanding Programs

- Adding over 300 new units of permanent supportive housing
- Funding for 3 Navigation Centers and applying the model to the traditional shelter system.
- Expanding rental subsidies for Seniors and Persons with Disabilities

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor Edwin M. Lee *ML*
RE: Approval of FY16-17 and FY17-18 Expenditure Plans for the Homelessness
and Supportive Housing Fund
DATE: May 31, 2016

Attached for introduction to the Board of Supervisors is a resolution approving the FY16-17 and FY17-18 Expenditure Plans for the Department of Homelessness and Supportive Housing Fund.

I respectfully request that this item be calendared in Budget & Finance Committee on June 17, 2016.

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

RECEIVED
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SAN FRANCISCO
2016 MAY 31 PM 1:37
BY *ML*

