



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Proposed Budget Fiscal Year 2020-21 & 2021-22

Budget and Finance Committee

August 13, 2020

Leading with Equity

Courage. Compassion. Common-Sense.

FY20-21 Goals:

- Complete and implement a racial equity action plan for the Homelessness Response System and HSH by December 2020
- Convene HSH provider partners and make space for provider/government discourse
- Center equity across all funding allocations and programming
- Continue to incorporate equity principles and practices in Coordinated Entry System
- Incorporate equity goals into data collection, contract monitoring and performance measures

Next Steps:

- Explore creative philanthropic partnerships to support HSH's racial equity work
- Hire internal Racial Equity Manager at HSH to spearhead equity action plan and monitor progress (*This is a proposed substitution in HSH's budget*)
- Continue to work internally with the HSH DEI committee to advance equity and advocate across the City for key decisions which advance leadership of color

Overview of HSH FY2020-22 Proposed Budget

(\$ in millions)	Approved	Proposed	<i>Change From</i>	Proposed	<i>Change From</i>
	FY19-20	FY 20-21	<i>FY19-20</i>	FY 21-22	<i>FY 20-21</i>
Total Budget	\$367.70	\$850.00	<i>\$482.30</i>	\$562.37	<i>(\$287.63)</i>
<i>Revenue</i>	\$166.34	\$614.75	<i>\$448.41</i>	\$345.40	<i>(\$269.35)</i>
<i>General Fund Support</i>	\$201.36	\$235.25	<i>\$33.89</i>	\$216.97	<i>(\$18.28)</i>

Proposed FY20-21 budget increases by 131% compared to prior year

- \$31 million of GF growth due to COVID-19 recovery initiatives

Administration: \$11.7 m (1.4% of FY21 budget)

Programs: \$838.4 m (98.6% of FY21 budget)

Homelessness Recovery Plan Highlights

Mayor announced a \$500 million+ Homelessness Recovery Plan in late July 2020

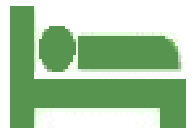
- **\$425 million allocated in HSH's proposed FY20-22 budget**



1,500 units of new Permanent Supportive Housing (PSH), largest expansion in last 20 years

- \$250 m for PSH acquisition for up to 1,000 units
- \$42 m for operating and support services

Additional 3,000 PSH placements over two years within PSH portfolio capacity and new pipeline units completing construction



Continues COVID-19 emergency sites operations and Shelter-in Place hotels

- \$179 m investment to fund over 2,600 Shelter In Place hotel rooms through June 2021
- \$14.5 m to continue current 120 RV beds for two years
- \$18 m for 145-tent capacity for Safe Sleeping in FY21, ramping down to 50-tent in FY22
- \$15.1 m to support temporary 200-bed congregate shelter through June 2021

Homelessness Recovery Plan Sources

Total Sources Appropriated in AAO (\$ in millions)						
Homelessness Recovery Plan/COVID-19 Response	* Unlocked Prop C Revenue	General Fund	* FEMA	Whole Person Care	* State Homeless Aid	*Project Homekey
Shelter in Place hotel rooms		3.5	113.9	4.2	2.7	
Congregate/RV/Safe Sleep	19.4	2.6	18.7		4.3	
Permanent Supportive Housing	156.4	26.9	7.3	7.0	14.0	45.0
Subtotal	\$175.8	\$33.0	\$139.9	\$11.2	\$21.0	\$45.0
Unprogrammed Prop C Funds	\$375.1					
Total Sources – All	\$800.9					

**anticipated sources*

HSH's FY20-22 Program Enhancements

New Investments Support Mayor's Homelessness Recovery Plan:



- \$2.4 m ongoing investment in Fiscal Year 2021-22 for 145 studio apartments of Permanent Supportive Housing and Support Services at 833 Bryant Street. *(Lease approved by the Board in May 2020)*
- Ongoing operations and services for a total of 793 new Permanent Supportive Housing units coming online over the next two years through the Local Operating Subsidy Program
- \$1 m ongoing investment to open and operate a new Vehicle Triage Center once the 30-vehicle site located at Balboa Park Upper Yard closes
- \$0.8 m one-time investment in Fiscal Year 2021-22 to continue the family shelter program at Buena Vista Horace Mann School through the two-year budget period



HSH's FY20-22 Budget Changes

Other Highlights:

- No reductions to existing services or programs for community-based organizations

Reprioritized Navigation Center Expansion Funds

- Mayor reallocated \$17.7 million in operating and capital funds within HSH's FY19-20 budget originally earmarked for a short-term SAFE Navigation Center at 33 Gough
- Funds redirected to fund two-year funding gap in operating and capital costs for new TAY Navigation Center and Bayview Navigation Center, both opening in FY20-21

Reprogrammed Administrative Funding

HSH identified admin reductions totaling \$1.5 million over two years to cover new General Fund costs

- Reduced funds for 2 new outreach vehicles and ongoing maintenance, and professional services contract for strategic framework implementation
- Reduced General Fund costs for ONE System project staff (3 FTE)
- Reductions offset new costs for DPW street cleaning service; 2021 Point-in-Time count statistician; and critical operating positions at HSH

FY2020–22 Proposed Position Changes

	Approved	Proposed	<i>Change from</i>	Proposed	<i>Change from</i>
	FY19-20	FY20-21	<i>FY19-20</i>	FY21-22	<i>FY20-21</i>
Net Operating FTE	132.34	168.39	36.05	162.8	-5.59

Net Operating FTE Changes	FY20-21	FY21-22
New Positions	3.85	0
Annualized FTE from FY19	2.05	1.15
Calc. Temp Salaries (COVID-19/Prop C)	31.15	-6.74
Position moved from Operating to Non-Operating	-1	0
Total	36.05	-5.59

New Operating Positions:

- Reinstated 0953 Deputy Director III for Strategy/External Affairs (.77 FTE) eliminated in FY19
- 1092 IT Operations Support Administrator II (.77 FTE)
- 7334 Stationary Engineers (2.31 FTE) for shelter maintenance

COVID Response and Homelessness Recovery Plan:

- One Time Temp Salaries: \$1.8 m staffing for COVID-19
- Prop C Temp Salaries: \$3.7 m (on reserve until Nov.)