



DEPARTMENT OF  
HOMELESSNESS AND  
SUPPORTIVE HOUSING

# Department of Homelessness and Supportive Housing

## Our City, Our Home Fund FY23-24 & FY24-25 Mayor's Proposed Budget

June 9, 2023 - OCOH Oversight Committee



# Five-Year Strategic Plan Goals: July 2023 to June 2028

<u>GOAL #1:</u> Decrease Homelessness	Reduce the number of people who are <b>unsheltered</b> by <b>50%</b> and reduce the total number of people experiencing homelessness by <b>15%</b> .
<u>GOAL #2</u> Reduce Inequities	Demonstrate <b>measurable reductions in racial inequities</b> and other disparities in both: <ul style="list-style-type: none"><li>• the <b>experience of homelessness</b> and</li><li>• the <b>outcomes</b> of City <b>programs</b> intended to prevent and end homelessness.</li></ul>
<u>GOAL #3</u> Increase Exits from Homelessness	Actively support <b>at least 30,000 people</b> to move from homelessness into permanent housing.
<u>GOAL #4</u> Support Housing Success	Ensure that at least <b>85%</b> of people who exit homelessness <b>do not experience it again</b> .
<u>GOAL #5</u> Prevent Homelessness	Provide <b>prevention services</b> to at least <b>18,000 people</b> at-risk of losing their housing and becoming homeless.

# Strategic Investments in the City's Homelessness Response System

To achieve the Plan's goals, the City must make investments in prevention, shelter, and housing between July 2023 and June 2028.

 <b>Prevention Services</b>	 <b>Shelter Beds</b>	 <b>Permanent Housing</b>
Prevention services for 4,300 additional households	1,075 new shelter beds	3,250 new units of permanent housing

<b>Progress Toward Five-Year Goals in the Two-Year Proposed Budget</b>		
1,500 households   34%	594 shelter beds   55%	545 housing slots   17%

# Mayor's Proposed OCOH Two-Year Spending Plan & Trailing Legislation

- Allows current OCOH-funded programs to **continue on pace**.
- **Supports all new investments** recommended by the OCOH Oversight Committee.
- Funds **55% of the City's five-year shelter goals** and **34% of the prevention goals** to achieve reduction in homelessness overall.
- Remains **closely aligned with original OCOH allocations**, while providing **flexibility** needed to address unmet community needs, including youth and family shelter and prevention priorities.
- Continues to **expand programming and housing** for youth and families and allocates funding in HSH's overall two-year budget to serve youth and families.

# Homelessness Gross Receipts Tax Ordinance

- Section 2811 of the Homelessness Gross Receipts Tax Ordinance reads:  
*The Board of Supervisors may amend this Article 28 by ordinance by a two-thirds vote but only to further the Findings and intent as set forth in Section 2802.*
- Current statute allocates OCOH Fund receipts to eligible expenses as follows:
  - Up to 3% to Administration of the Fund (TTX, CON)
  - At least 50% to Housing
    - No more than 12% for short-term subsidies, e.g. rapid rehousing
    - At least 20% for TAY (defined as under age 30)
    - At least 25% for families
  - Up to 10% to Shelter & Hygiene
  - Up to 15% for Prevention
  - At least 25% for Mental Health services

# Mayor's Proposed OCOH Two-Year Budget & Trailing Legislation

- Proposed **one-time reallocation** of unspent or unprogrammed OCOH revenue to address the **most urgent** and **unmet** needs in challenging budget cycle.
- Suspends 12% cap for two years on short-term (<5 years) rental subsidies to achieve significant ramp up of rapid rehousing as called for in the strategic plan.
- FY2023-24:
  - **Reallocates \$20.6 m** in OCOH revenue to serve general housing, prevention and shelter services for all populations, rather than exclusively youth and family housing programs.
- FY2024-25:
  - **Adheres to statutory percentages:** No change to revenue allocation.
  - **Re-appropriates \$39.4 million** from in accumulated FY23 youth and family housing savings to general housing, prevention and shelter programs.

# OCOH Revenue Allocation in the Mayor's Proposed Budget

<u>Ordinance Change</u>				
Revenue Allocation	FY23-24 Mayor's Proposed	% of Total	FY24-25 Mayor's Proposed	% of Total
<b>Housing</b>				
General	83,515,000	65%	81,224,000	55%
Under 30	17,328,000	13%	29,536,000	20%
Family	27,565,000	21%	36,920,000	25%
<b>Housing Total</b>	<b>128,408,000</b>	44%	<b>147,680,000</b>	50%
<b>Prevention</b>	<b>52,771,000</b>	18%	<b>44,304,000</b>	15%
<b>Shelter</b>	<b>37,266,000</b>	13%	<b>29,536,000</b>	10%
<b>Mental Health</b>	<b>72,815,000</b>	25%	<b>73,840,000</b>	25%
<b>Total</b>	<b>291,260,000</b>		<b>295,360,000</b>	
<b>Revenue Total</b>	<b>291,260,000</b>		<b>295,360,000</b>	

# Mayor's Proposed Spending Plan: Sources and Uses by Category

<b>Mayor's OCOH Reallocation FY23-25 Proposed Budget</b>		
<b>Sources</b>	<b>FY23-24</b>	<b>FY24-25</b>
Total Business Tax Revenue	291,260,000	295,360,000
Total Fund Balance (Re-Appropriated)	-	39,359,500
<b>Total Sources</b>	<b>291,260,000</b>	<b>334,719,500</b>
<b>Uses</b>	<b>FY23-24</b>	<b>FY24-25</b>
<b>Housing</b>		
General	83,515,000	96,055,500
Under 30	17,328,000	29,536,000
Family	27,565,000	36,920,000
<b>Housing Total</b>	<b>128,408,000</b>	<b>162,511,500</b>
<b>Prevention</b>	<b>52,771,000</b>	<b>55,392,000</b>
<b>Shelter</b>	<b>37,266,000</b>	<b>42,976,000</b>
<b>Mental Health</b>	<b>72,815,000</b>	<b>73,840,000</b>
<b>Total Uses</b>	<b>291,260,000</b>	<b>334,719,500</b>



# \$60 Million Reallocated Spending Plan

<b><u>Proposal Funds Following Expenditures</u></b>	<b>FY23-24</b>	<b>FY24-25</b>
<b>General Housing</b>	<b>3,418,500</b>	<b>14,831,500</b>
Fund 350 Slots of Adult Rapid Rehousing	3,418,500	10,581,500
New 75 units of Adult Permanent Supportive Hsg	0	4,250,000
<b>Prevention</b>	<b>9,082,000</b>	<b>11,088,000</b>
Addtl Homelessness Prevention/Diversion	8,122,000	8,122,000
Problem Solving for Latine Youth	960,000	960,000
Sustains Prevention Portfolio Funding Level		2,006,000
<b>Shelter</b>	<b>8,140,000</b>	<b>13,440,000</b>
D10 Cabin Site Operations	3,000,000	7,000,000
Vehicular Assistance Program	150,000	150,000
Expand Hours at Buena Vista Horace Mann Family Shelter	600,000	600,000
Expand Hours at Hospitality House Adult Shelter	220,000	220,000
Fund Mission Cabins Operations	4,170,000	5,470,000
<b>TOTAL</b>	<b>20,640,500</b>	<b>39,359,500</b>

# OCOH Committee Requests Funded

- **General Housing – Permanent Housing Subsidies for Women**
  - Reprograms \$4 million in one-time funds from rapid rehousing to permanent flexible housing pool subsidies to serve women experiencing homelessness; Makes ongoing at \$2 million/year
- **TAY Housing – Funds 3 New TAY housing sites including Bridge Housing Model**
  - Programs \$10 million in new TAY housing acquisition funds
  - \$6 million to purchase a site for a TAY Bridge Housing model
  - Funds operations for TAY Bridge housing in both years of the budget (\$1 million/year)
  - Continues spending \$66 million balance in TAY housing acquisition funds for two new TAY sites:
    - 42 units at 1176 Folsom Street and second site to be announced soon.
    - Includes dedicated site to serve transgender youth exiting homelessness
- **Family Housing – New Shallow Subsidy Program**
  - At committee's request, starts a new family shallow subsidy program (60 slots) at \$1.5 million/year
- **Family Shelter – Additional Emergency Vouchers for Families**
  - Adds \$50,000 in FY23-24 to \$1.2 million two-year investment for 10 additional emergency hotel vouchers for families needing emergency shelter (ongoing investment \$600,000 starting in FY25-26)

# Other OCOH Expenditure Changes in Mayor's Proposed FY24 and FY25 Budget

- Moves \$3.9 million in eligible General Fund housing costs—in excess of the required homelessness spending baseline established in Fiscal Year 2018—to the OCOH Fund
  - Does not use OCOH funds to supplant the City's required homelessness spending baseline
  - Reallocates \$3.9 million in General Fund dollars to expand shelter bed capacity within the City's Homelessness Response System: 332 additional beds
  - Requires no legislative change to implement

# Leveraging State & Federal Resources for Young Adults and Families

HSH has leveraged **state and federal resources** over the last year and a half for families and young adults (i.e., TAY between 18 and 29), including:

- **\$70.1 million** for **family permanent housing** and **\$23.8 million** for **young adult permanent housing** from Homekey awards.
- Partnered with **SFHA** to include **50 federally funded project-based vouchers** at City Gardens, reducing OCOH's Family Housing expenditures by \$2.3 million annually.
- **Dedicated Federal Emergency Housing Vouchers (EHVs)** to provide permanent housing for families and young adults.
- Leveraged **four rounds** of the State's Homeless Housing, Assistance and Prevention **(HHAP) grant program** that has **7% set aside for TAY**
- HHAP Funds allocated to build and operate Lower Polk TAY Navigation Center, open Artmar TAY PSH site (60 TAY PSH units) and *new* TAY 24/7 TAY drop-in center



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# Housing Spending Plan

# General Housing Spending Changes in Mayor's Proposed Budget

- Adds 350 slots of Adult Rapid Rehousing funding: \$3.4 million in FY24, \$10.6 million in FY25
- Adds operating and services funds for 75 units of adult permanent supportive housing in second year of the budget (FY25)
- Converts one-time \$4 million current year investment in housing subsidies for women to ongoing and permanent housing subsidies for women at \$2 million annually
- Moves \$450,000 in FY24 and \$463,500 in FY25 in Adult Rapid Rehousing funding—in excess of OCOH baseline—from the General Fund to the OCOH Fund

# General Housing Summary

<b>Adult Housing</b>			
<b>Uses</b>	<b>2023-24 Adopted Budget</b>	<b>FY2023-24 Mayor's Proposed</b>	<b>2024-25 Mayor's Proposed</b>
PSH Acquisition	\$ 774,899	\$ -	\$ -
PSH Operations	\$ 21,963,706	\$ 21,314,188	\$ 18,340,000
New 75 units of Adult PSH		\$ -	\$ 4,250,000
Medium Term Housing Subsidies	\$ 13,191,852	\$ 14,273,500	\$ 21,245,500
Bayview Flex Pool	\$ 1,069,526	\$ 1,070,000	\$ 1,100,000
Adult and Senior Flexible Hsg Pool	\$ 39,130,223	\$ 32,856,000	\$ 38,360,000
Women Housing Subsidies (Flex Pool)		\$ 2,000,000	\$ 2,000,000
Emergency Housing Voucher Services	\$ 992,979	\$ 2,314,000	\$ 2,314,000
PSH Equity Services	\$ 8,240,000	\$ 7,765,000	\$ 7,997,950
PSH Rent Money Management (Rep Payee)		\$ 1,500,000	\$ 2,500,000
Shallow Subsidies		\$ 1,100,000	\$ 1,100,000
PSH Capital Upgrades		\$ 10,000,000	\$ -
Homekey PSH Rehab Project	\$ -	\$ -	\$ -
HSH Allocated Costs	\$ 4,425,000	\$ 4,553,720	\$ 4,709,859
Granada Hotel - Galvanized Piping Rehab Project		\$ 25,000,000	\$ -
<b>Total Uses</b>	<b>\$ 89,788,185</b>	<b>\$ 123,746,408</b>	<b>\$ 103,917,309</b>
<b>Sources</b>			
<b>Projected Prop C Revenue</b>	<b>\$ 89,788,185</b>	<b>\$ 83,515,000</b>	<b>\$ 96,082,000</b>
<b>Prior Year Carryforward</b>		<b>\$ 40,231,408</b>	<b>\$ 7,835,309</b>
<b>Total Sources</b>		<b>\$ 123,746,408</b>	<b>\$ 103,917,309</b>

# Transitional Age Youth (TAY) Housing Changes in Mayor's Proposed Budget

- Funds Bridge Housing model implementation in FY24 rather than FY25 and allocates funds acquisition of new site (\$1 m/yr for operations, \$6 m in one-time funding for acquisition of site)
- Allocates \$10 million total in FY24-25 to acquire new dedicated TAY housing
- Moves \$726,000 in FY24 and \$759,000 in FY25 in TAY flexible housing subsidies budget from the General Fund to the OCOH Fund
- Moves \$200,000 annually for LGBTQ Youth Housing Subsidies (work ordered to MOHCD) from General Fund to the OCOH Fund



# TAY Housing Summary (Under Age 30)

TAY Housing			
Uses	2023-24 Approved	FY2023-24 Mayor's Proposed	2024-25 Mayor's Proposed
TAY Flexible Housing Subsidy Pool	\$ 2,276,426	\$ 3,160,823	\$ 3,423,735
TAY PSH Operations	\$ 7,439,752	\$ 7,014,781	\$ 6,700,000
TAY Rapid Rehousing Program	\$ 5,274,492	\$ 5,493,268	\$ 5,000,000
TAY Bridge Housing	\$ -	\$ 1,000,000	\$ 1,000,000
TAY Emergency Housing Vouchers	\$ 524,745	\$ 534,552	\$ 550,589
TAY PSH Acquisition	\$ 14,525,035	\$ 66,490,128	\$ 10,129,000
PSH Equity - TAY Housing	\$ 1,014,550	\$ 1,015,000	\$ 1,020,000
HSH Allocated Costs	\$ 1,545,000	\$ 1,655,898	\$ 1,712,676
<b>Total Uses</b>	<b>\$ 32,600,000</b>	<b>\$ 86,364,450</b>	<b>\$ 29,536,000</b>
Sources			
Projected Prop C Revenue	\$ 32,600,000	\$ 17,328,000	\$ 29,536,000
Prior Year Carryforward		\$ 69,036,450	\$ -
<b>Total Sources</b>		<b>\$ 86,364,450</b>	<b>\$ 29,536,000</b>

# Family Housing Changes in Mayor's Proposed Budget

- Funds 60 new shallow subsidies for families at \$1.5 million annually
- Makes long-term commitment to Oasis Family Shelter (announcement forthcoming)
- Moves \$2 million in flexible housing pool funding—in excess of OCOH baseline—from General Fund to OCOH Fund
- Moves \$540,000 in Family needs-based subsidies—in excess of OCOH baseline—from General Fund to OCOH Fund
- Reprioritizes acquisition funds for future sites—not yet identified—to spending priorities in prevention, shelter and general housing categories

# Family Housing Summary

<b>Family Housing</b>			
<b>Uses</b>	<b>2023-24 Approved</b>	<b>FY2023-24 Mayor's Proposed</b>	<b>2024-25 Mayor's Proposed</b>
Family Flexible Housing Subsidy Pool	\$ 8,835,500	\$ 7,034,246	\$ 11,806,451
Family Emergency Housing Vouchers	\$ 290,628	\$ 547,836	\$ 547,836
Family PSH Operations	\$ 6,451,920	\$ 3,176,602	\$ 3,232,268
SRO/Doubled Up - Housing Subsidies	\$ 4,121,800	\$ 4,121,800	\$ 4,245,454
Family Housing Ladder	\$ 4,053,442	\$ 4,251,588	\$ 4,685,006
Family Rapid Rehousing	\$ -	\$ 1,380,000	\$ 1,421,400
Family PSH Acquisition	\$ 11,769,460	\$ 4,157,334	\$ 3,444,000
PSH Equity Services - Family Housing	\$ 3,296,000	\$ 3,296,000	\$ 3,394,880
Committee Proposal Shallow Subsidies		\$ 1,500,000	\$ 1,500,000
Family Needs-Based Subsidies		\$ 540,000	\$ 556,200
HSH Allocated Costs	\$ 1,931,250	\$ 2,069,873	\$ 2,140,845
<b>Total Uses</b>	<b>\$ 40,750,000</b>	<b>\$ 32,075,279</b>	<b>\$ 36,974,340</b>
<b>Sources</b>			
<b>Projected Prop C Revenue</b>	<b>\$ 40,750,000</b>	<b>\$ 27,565,000</b>	<b>\$ 36,920,000</b>
<b>Prior Year Carryforward</b>		<b>\$ 4,510,279</b>	<b>\$ 54,340</b>
<b>Total Sources</b>		<b>\$ 32,075,279</b>	<b>\$ 36,974,340</b>



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# Prevention Spending Plan

# Prevention Changes in Mayor's Proposed Budget

- Funds 1,500 additional homelessness prevention slots over two years (HSH's emergency rental assistance program)
  - \$8.1 million in FY24 for 750 slots; \$8.1 million in FY25 for 750 slots
  - Makes progress toward strategic 5-year goal
  - Acknowledges HSH providers success in deploy funding quickly to prevent family, TAY and adult homelessness
- Adds 150 slots over two years of new problem solving interventions (emergency financial assistance) and additional staff support to serve Latine youth at Mission Access Point
  - \$960,000 in FY24 for 75 slots; \$960,000 in FY25 for 75 slots
- In FY24-25, allocates \$2 million in fund balance from other categories to maintain all prevention investments rather than make service cuts

# Proposed Prevention Investments

<b>Prevention</b>			
<b>Uses</b>	<b>2023-24 Approved</b>	<b>FY2023-24 Mayor's Proposed</b>	<b>2024-25 Mayor's Proposed</b>
Homelessness Prevention & Fin Svcs	\$ 25,280,173	\$ 33,422,000	\$ 33,422,000
PSH Shallow Subsidies	\$ 6,752,000	\$ 6,752,000	\$ 6,954,000
Eviction Prevention	\$ 12,200,000	\$ 12,250,000	\$ 12,250,000
Problem Solving - Adults, Vets, Justice Involved	\$ -	\$ 6,425,358	\$ 1,975,358
Problem Solving - Families	\$ -	\$ 9,422,012	\$ 6,672,012
Problem Solving - TAY	\$ -	\$ 4,537,779	\$ 837,779
Mental Health Svcs - DPH	\$ 2,915,120	\$ 2,915,120	\$ 3,002,574
HSH Allocated Costs	\$ 1,776,737	\$ 2,483,902	\$ 2,569,071
Prev Asst for Latine Youth		\$ 960,000	\$ 960,000
<b>Total Uses</b>	<b>\$ 48,924,030</b>	<b>\$ 79,168,171</b>	<b>\$ 68,642,793</b>
<b>Sources</b>			
<b>Projected Prop C Revenue</b>	<b>\$ 48,924,030</b>	<b>\$ 52,771,000</b>	<b>\$ 55,392,000</b>
<b>Prior Year Carryforward</b>		<b>\$ 26,397,171</b>	<b>\$ 13,250,794</b>
<b>Total Sources</b>		<b>\$ 79,168,171</b>	<b>\$ 68,642,794</b>

\* Problem Solving programs funded using prior year appropriation through FY25.



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# Shelter & Hygiene Spending Plan

# Shelter & Hygiene Changes in Mayor's Proposed Budget

- Adds \$50,000 in FY24 for 10 additional emergency hotel vouchers for families
- Expands 152 days of operation at Buena Vista Horace Mann family shelter to operate while school is closed: \$1.2 million over two years
- Expands Hospitality House adult shelter to 24/7 operations: \$440,000
- Pilots vehicular assistance program, in partnership with Office of Financial Empowerment, for households experiencing homelessness: \$300,000 total
- Adds \$10 million over two years to lease and operate a new non-congregate shelter in District 10
- Funds \$4.2 million in FY24 and \$5.5 million in FY25 to operate 60-cabin site in the Mission District
- Makes long-term commitment to keep Oasis Family Shelter open



# Emergency Shelter & Hygiene Services

<b>Shelter and Hygiene</b>			
<b>Uses</b>	<b>2023-24 Approved</b>	<b>FY2023-24 Mayor's Proposed</b>	<b>2024-25 Mayor's Proposed</b>
Navigation Centers	\$ 14,500,000	\$ 15,780,000	\$ 16,253,400
Navigation Services for Justice-involved Adults	\$ 970,830	\$ 1,504,810	\$ 1,504,810
Domestic Violence Survivors - Hotel Vouchers	\$ 300,000	\$ 300,000	\$ 309,000
Families/Pregnant People - Hotel Vouchers	\$ 1,200,000	\$ 1,250,000	\$ 618,000
TAY - Hotel Vouchers	\$ 600,000	\$ 600,000	\$ 618,000
Vehicle Triage Center	\$ 3,107,390	\$ 4,400,000	\$ 4,532,000
Family Shelter	\$ 1,854,000	\$ 2,690,000	\$ 2,746,100
Cabin Shelter Program	\$ -	\$ 6,470,000	\$ 10,970,000
District 10 Shelter Program		\$ 8,000,000	\$ 7,000,000
RV Shelter Site	\$ 7,683,800	\$ 3,415,982	\$ -
Vehicular Asst Program		\$ 150,000	\$ 150,000
HSH Allocated Costs	\$ 2,400,000	\$ 1,656,119	\$ 1,712,905
<b>Total Uses</b>	<b>\$ 32,616,020</b>	<b>\$ 46,216,911</b>	<b>\$ 46,414,215</b>
<b>Sources</b>			
<b>Projected Prop C Revenue</b>	<b>\$ 32,616,020</b>	<b>\$ 37,266,150</b>	<b>\$ 42,976,150</b>
<b>Prior Year Carryforward</b>		<b>\$ 8,950,761</b>	<b>\$ 3,438,065</b>
<b>Total Sources</b>		<b>\$ 46,216,911</b>	<b>\$ 46,414,215</b>

- Proposed FY24 Hotel Vouchers assume use of \$1.2 m of prior year carryforward
- Cabins program previously funded under Safe Sleep program



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