



# OFFICE OF THE CONTROLLER

## CITY AND COUNTY OF SAN FRANCISCO

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## Comparison of the OCOH Oversight Committee Recommendations and the Final Proposed Budget as of June 30, 2021

v. July 12, 2021

The Our City Our Home (OCOH) Oversight Committee released an [Investment Plan](#) documenting its priorities for the upcoming two-year budget, approved on May 18, 2021, with some adjusted recommendations approved on June 15, 2021.

On June 1, 2021, the Mayor's Office released its FY2021-2023 budget to the Board of Supervisors (BOS). While the BOS Budget and Finance Committee reviewed the budget, the Mayor's Office made certain technical adjustments, and the BOS Committee identified additional changes to the original budget proposed by the Mayor's Office.

The following summary highlights key changes made to the OCOH budget during the BOS phase of the budget process, including continued points of variance between the OCOH Committee's Investment Plan and the final proposed budget to be approved by the full Board of Supervisors in July.

### Permanent Housing

#### Changes during BOS Phase:

- **Family Flex Pool:** Both the Mayor's budget and the Committee's plan recommend funding 300 Flex Pool subsidies for families. The Committee further recommended dedicating 100 of the 300 family slots to families housed in single-room occupancy hotels (SROs).
  - The final proposed budget allocates funding for 300 family Flex Pool subsidies to the Department of Homelessness and Supportive Housing (HSH), which uses the Coordinated Entry assessment to refer households to subsidies. The assessment typically prioritizes unsheltered and sheltered households, and considers families living in SROs as housed.
  - The final proposed budget appropriates an additional \$2.0 million per year to provide subsidies for up to 100 families housed in SROs. These funds were left unprogrammed in the OCOH Committee's recommendations.
- **Non-Time Limited Bridge Housing:** The Committee recommended funding a new program called "non-time limited bridge housing" focused on homeless youth, primarily those living in the Haight. The final proposed budget includes \$962,000 in FY22-23 to pilot this program.

#### Variance from OCOH Committee Recommendations:

- **Medium-Term Subsidies:** The Committee recommended investments into Medium-term Subsidies and Workforce Programming to serve 50 people with justice-system involvement. This program is not included in the final proposed budget, which redirects the savings of \$4.7 million toward new housing acquisition.

- **Prevention Transfer to Housing:** The Committee recommended a transfer of \$22.5 million from the Homelessness Prevention fund balance to increase investments into housing acquisition. The final proposed budget adopts this approach, but due to other variance from Committee recommendations in the Prevention category, transfers less funding than the Committee’s plan recommends, at \$10.1 million.

## Homelessness Prevention

### Variance from OCOH Committee Recommendations:

- **Problem Solving:** The Committee recommended targeting Problem Solving resources toward specific subpopulations and recommended 11 distinct line items of funding. The final proposed budget includes one-time funding for problem solving supports in the following categories:
  - General Problem Solving Plus services (\$15 million)
  - Problem Solving for Adults, Veterans and Justice-involved adults (\$11.2 million)
  - Problem Solving for Families (\$11.5 million)
  - Problem Solving for TAY (\$7.5 million, including funding for a direct cash assistance pilot)
- **PSH Shallow Subsidies (30% of income):** The final proposed budget includes \$6.0 million per year (\$12.0 million total) to provide shallow subsidies needed to bring all Permanent Supportive Housing (PSH) resident rent to no more than 30% of income. The Committee did not recommend that the OCOH Fund be used to provide these shallow subsidies.
- **Clinical Services in PSH:** The Committee recommended a lower investment of OCOH resources for clinical services in PSH, with \$7.1 million applied to the Prevention category and \$4.6 million included in the Mental Health category (\$11.7 million total). This change includes a recommendation to conduct a community process about the types of services and strategies for service delivery and to not fund services during that process, up to six months.<sup>1</sup>
  - The final proposed budget includes the total cost of the service: \$6.6 million in FY21-22 and \$7.7 million in FY22-23 (\$14.3 million total). The budget apportions \$9.7 million to the Prevention category and \$4.6 million to the Mental Health category.
- **Legal and Support Services to Secure Disability Income:** The final proposed budget does not include funding for program, which the OCOH Committee recommended funding at \$3.5 million in FY22-23.

## Shelter and Hygiene

### Changes during BOS Phase:

- **Services for Justice Involved Adults:** The Committee recommended funding case management services at a proposed new Navigation Center for justice-involved adults. The final proposed budget includes \$1.8 million over two years to fund services at this Adult Probation Department stabilization center.

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<sup>1</sup> Adopting the Committee’s recommendation creates the potential for an ineligible use of the fund. Reducing the Prevention uses of the fund requires a proportional reduction to the Mental Health uses of the fund aligned with the number of new and existing housing clients.

- **Hotel Vouchers:** The Committee recommended funding approximately 20 hotel vouchers for survivors of domestic violence (\$600,000 total) and approximately 40 hotel vouchers for pregnant individuals experiencing homelessness (\$1.2 million total). The final proposed budget includes funding for these hotel voucher programs.

#### Variance from OCOH Committee Recommendations:

- **Navigation Center Operations:** The OCOH Committee recommended expending \$13.5 million on ongoing support of new Navigation Centers beginning in FY22-23. Though the original budget from the Mayor's Office included \$16.5 million in funding, the final proposed budget reduced the amount of OCOH funding used to support ongoing operations of new Navigation Centers to \$14.7 million with an intention to seek other sources of funding for the remainder of these costs.
- **Hotel Vouchers:** The BOS allocated \$1.2 million to fund hotel vouchers for TAY, allocating funding left unprogrammed in the Committee's recommendations.

## Mental Health Services

#### Changes during BOS Phase:

- **On-Site Behavioral Health Services in Shelters:** The Committee recommended using \$2.0 million annually to fund provider-based services at shelters and drop-in center. This was not originally funded in the Mayor's Office budget. The final proposed budget uses salary savings from various other initiatives in the Mental Health category of funding and allocates \$2.0 million annually for this purpose.

## Fund Administration

#### Variance from OCOH Committee Recommendations:

- **Contracted Services:** The Committee recommended a set-aside of \$3.25 million in FY21-22 and \$3.5 million in FY22-23 to support administration of the Fund and contracted services in support of the Committee. Contracted services are proposed to include a needs assessment, stakeholder engagement, and system modeling. The final proposed budget allocates \$2.5 million annually for administration.