

OCOH Immediate Needs Draft Initial Recommendations

Background

The Our City Our Home Oversight is tasked with overseeing the use of the November 2018 Prop C funds. The body started meeting in October, 2020. The fund has accumulated funds from FY 2018/19, however due to a legal challenge had been held until the termination of court proceedings. The body charged Jennifer Friedenbach to be a liaison and come up with recommendations based on feedback from stakeholders on how much of the fund should be released and for what purpose.

The Immediate Needs Liaison spent time gathering input from community stakeholders, including various coalitions including Homeless Emergency Service Provider Association, Treatment on Demand, Voluntary Services First Coalition, Supportive Housing Network, SIP Hotel Coalition, Coalition on Homelessness, Our City Our Home Coalition and individual organizations. After gathering input, the immediate needs liaison is making recommendations to release the funds in phases. Part of the funds will be released in this fiscal year, however in more than one part. This likely will not be the only release of funds for FY 20-21, which includes the funds that have accumulated over the last two years, but is meant to stave off negative impacts of the close of the SIP hotels or meet other immediate needs. The liaison made a series of recommendations based on feedback, including that only the first two phases of the fund be funded at this time, to add equity proposals, leverage other funding sources, extend some subsidies, and delay non immediate requests. Once more information is gathered, including assessments of the SIP hotel populations that are meant to shut down in Phase 3 and 4, the body will make further recommendations for the release of the funds for FY 20-21. These recommendations are being voted on after garnering additional feedback from members on Tuesday December 15th. These recommendations will go to the Budget and Finance Committee of the Board of Supervisors December 16th for approval.

SIP

As of Dec 1, there are **2,212 homeless individuals** who are temporarily housed in **1,970 SIP hotel rooms**.

Breakdown by race:

53% black, 14% latinx and 34% white

Breakdown by medical:

40% or 926 are estimated housing referral status based on Phase One assessments

Pandemic Prioritization COVID vulnerable based on age

(adults age 60+): 12%

Pandemic Prioritization COVID vulnerable and high

medical needs 47%

Pandemic Prioritization: COVID vulnerable: 18%

Non-COVID vulnerable (non-vulnerable family

members): 23%*

**HSH is working on reducing this % to 10.*

Breakdown by age:

Families 7% (166 clients, 60 families).

TAY under age 28: 5% (104 people).

Adults: 52% (1172 people).

Seniors (over 60): 36% (803 people).

Street/Shelter

There are approximately **4,720 people remaining on the streets**.

8,035/Point in Time Count
2019

- 1000/shelter

- 2315/SIP Hotels

= 4,720

Breakdown by race (PIT):

37% Black

29% white,

18% Latinx

Summary: Department Recommendations & Fund Impact

The **Department of Homelessness and Supportive Housing** has made recommendations to spend \$64 million in year one, and \$156.7 million in year 2, lock in \$54 million of the fund in the future, without the body having developed a strategy. It should be noted that most of the DSHS funding requests are for adult housing. OCOH Oversight will have little flexibility for future acquisition of adult housing if they adopt the recommendations for DSHS in full, given DSHS wants to spend \$30.6 million in year one, and \$112.5 million in year 2, locking in \$39.9 million on adult housing. This would leave only \$75.9 million remaining in the fund after next year (once reducing advance repayment), and having a deficit of \$15.5 million year 2. There are unique opportunities for acquisitions given the real estate market, and this would limit these potential purchases. In the future this would lock in \$53.9 million out of \$93.8 million projected annual adult housing appropriation, leaving 57% for adult housing.

The **Department of Public Health** has made immediate needs recommendations to lock in 67% of the behavioral health funds in the future once spending is annualized without the oversight body having a chance to develop a strategy. Most of the recommendations relate to MHSF, and the body who oversees this program has not had a chance to weigh in. There will be about \$88 million a year for behavioral health in the fund and this locks in \$59.6 million after year 3. Only 29% of the funds they are proposing result in beds to ensure people can move off the streets.

Immediate Needs Recommendation Principles

The liaisons are making principled recommendations after getting input from community stakeholders that are based on:

1. Prioritizing long term solutions
2. Ensuring that funds move people off the streets
3. Move the dial on significantly reducing homelessness and those disproportionately impacted today.
4. Ensure that for every temporary bed created there should be 1-3 permanent housing slots.
5. Minimize the overall locking in future Prop C funds to ensure flexibility with the funds until a strategic model is developed
6. Consistent with legal text and intent communicated to voters.

Immediate Needs Recommendations

Below is a chart detailing our recommendations. Specifically they include accepting the DSHS proposal with the following changes:

1. Fund only phase 1 & 2 housing exits costs in year 1 in this current recommendation. Allow the department to provide additional data later to justify further release of funds.
2. Fund half of the \$4 million dollar problem solving request - \$2 million total into problem solving adjusted for phase 1 and 2 would total \$1 million. Consider adding additional million for the last two phases of SIP shutdown in later allocation.
3. Move 150 rapid rehousing subsidies over to the flex pool, re-evaluate RRH moving into phase 3 and 4.
4. Add workforce development to Adult RRH program
5. Add 20 Flex Pool subsidies for individuals experiencing homelessness in the Bayview who do not reside in SIP hotels.
6. Change 20 TAY RRH slots to TAY Flex Pool subsidies.
7. Add 50 Flex Pool subsidies for Families who do not reside in SIP hotels.
8. Do not fund the Homekey grant match using OCOH funds; recommend the department/MYR/BOS use other sources for this cost. City to cover with alternative funding sources, if no alternative sources are identified and the program is at risk, Prop C funds may be used.
9. Fund the extension of Safe Sleep program, but do not fund the extension and revenue losses for emergency shelters (Moscone West and RV Site) using OCOH funds; recommend the department/MYR/BOS use other sources for this cost. City to cover existing programs with alternative sources, if no alternative sources are identified and the program is at risk, Prop C funds may be used.
10. Fund a portion of provider pay equity from the OCOH administration allocation; recommend the department/MYR/BOS use other sources for the remainder of this cost.
11. Fund the current year (FY20-21) cost of extending leases and contracts at SIP hotels according to the revised rehousing plan; however revisit the FY21-22 SIP extension costs once additional information is available regarding FEMA and additional federal stimulus as possible alternative sources of funding for this cost.
12. Ensure all referrals for housing assistance are provided by HSH for before the start of Phase 1

13. Ensure Safe Sleep residents are offered available housing resources to ensure turnover for others on the streets.
14. Recommend to delay releasing the Board reserve to fund the DPH Behavioral Health requests to allow time for further input and development of strategy; request department to bring back immediate needs request for FY20-21 after the Mental Health SF Implementation Working Group has weighed in on the strategies.

Immediate Needs for OCOH by the number - Simplified Chart of First Round of Recommendations (Updated chart to be inserted by Controller)

Our City, Our Home Advisory Committee - December 9, 2020 Meeting Comparison of Department Request versus Liaison Recommendations (\$M)

Summary of Key Differences

- Fund only phase 1 & 2 costs for now
- Shift 300 placement from rapid rehousing (two-year) to flex pool (permanent)
- Pay for Homekey grant match from other sources
- Pay for extension of emergency shelters from others sources except for safe sleep sites
- Pay for pay equity from other sources
- Revisit FY21-22 SIP extension need once FEMA and additional stimulus known

	<u>HSH Request</u>			<u>OCOH Liaison Recommendation</u>			<u>Difference</u>		
	<u>FY20-21</u>	<u>FY21-22</u>	<u>FY22-23</u>	<u>FY20-21</u>	<u>FY21-22</u>	<u>FY22-23</u>	<u>FY20-21</u>	<u>FY21-22</u>	<u>FY22-23</u>
1 Permanent Housing - General									
2 PSH acquisition Homekey match - SIP		66.0	-	-	-	-	-	(66.0)	-
3 PSH Services Costs - SIP	1.2	2.2	4.9	1.1	2.3	5.1	(0.1)	0.1	0.2
4 Flex pool subsidies for seniors - SIP	12.0	20.6	21.8	4.1	6.9	7.6	(7.9)	(13.7)	(14.2)
5 Rapid rehousing for adults - SIP	10.5	21.0	10.5	1.8	1.8	-	(8.7)	(19.2)	(10.5)
6 Flex pool subsidies for adults - SIP	-	-	-	10.3	13.5	16.3	10.3	13.5	16.3
7 Rapid rehousing workforce dev - SIP	-	-	-	0.6	0.6	-	0.6	0.6	-
8 Flex pool subsidies for Bayview - non-SIP	-	-	-	0.6	0.6	0.6	0.6	0.6	0.6
9 HSH operating costs	0.4	2.7	2.7	-	-	-	(0.4)	(2.7)	(2.7)
10 Provider pay equity	6.5	-	-	-	-	-	(6.5)	-	-
11 Subtotal	30.6	112.5	39.9	18.6	25.7	29.6	(12.1)	(86.8)	(10.3)

13	Permanent Housing - Families									
14	Flex pool subsidies for families - non-SIP	-	-	-	2.1	2.1	2.1	2.1	2.1	2.1
15	Subtotal	-	-	-	2.1	2.1	2.1	2.1	2.1	2.1
16										
17	Permanent Housing - TAY									
18	Rapid rehousing subsidies for youth - SIP	2.2	2.3	2.3	4.0	6.9	6.9	1.8	4.6	4.6
19	Subtotal	2.2	2.3	2.3	4.0	6.9	6.9	1.8	4.6	4.6
20										
21	Prevention									
22	Problem solving grants - SIP	4.1	4.2	4.3	-	-	-	(4.1)	(4.2)	(4.3)
23	Provider pay equity	1.3	-	-	-	-	-	(1.3)	-	-
24	Subtotal	5.4	4.2	4.3	-	-	-	(5.4)	(4.2)	(4.3)
25										
26	Shelter & Hygiene									
27	Shortfalls/extension of emergency shelter sites	5.9	12.4	7.6	-	-	-	(5.9)	(12.4)	(7.6)
28	Shortfalls/extension of safe sleep sites	5.0	12.0	-	5.0	12.0	-	-	-	-
29	Extend SIP hotel placements	12.7	14.2	-	12.0	-	-	(0.7)	(14.2)	-
30	Provider pay equity	2.3	-	-	-	-	-	(2.3)	-	-
31	Subtotal	25.9	38.6	7.6	17.0	12.0	-	(8.9)	(26.6)	(7.6)
32										
33	Administration									
34	HSH administration & staffing	-	-	-	1.4	2.7	2.7	1.4	2.7	2.7
35	Subtotal	-	-	-	1.4	2.7	2.7	1.4	2.7	2.7
36	Total	64.1	157.6	54.1	43.1	49.4	41.3	(21.1)	(108.2)	(12.8)

Note: Provider equity pay would be eligible for admin allocation

**Our City, Our Home Fund
Projected Balances**

December 9, 2020

	FY20-21			FY 21-22			FY22-23		
	Approp Budget	Unapprop Balance	Total Balance	Approp Budget	Unapprop Balance	Total Balance	Projected Budget	Unapprop Balance	Total Balance
Permanent Housing - General	166.1	32.2	198.4	94.1	3.0	97.0	93.8	-	93.8
Advance repayments	(91.9)	-	(91.9)	-	-	-	-	-	-
12/9 HSH emergency housing proposal	(30.6)	-	(30.6)	(112.5)	-	(112.5)	(39.9)	-	-
Remaining Balance	43.6	32.2	75.9	(18.5)	3.0	(15.5)	53.9	-	93.8
Permanent Housing - Families	75.5	14.7	90.2	42.8	1.4	44.1	42.6	-	42.6
No proposals to date	-	-	-	-	-	-	-	-	-
Remaining Balance	75.5	14.7	90.2	42.8	1.4	44.1	42.6	-	42.6
Permanent Housing - TAY	60.4	11.7	72.1	34.2	1.1	35.3	34.1	-	34.1
12/9 HSH emergency housing proposal	(2.2)	-	(2.2)	(4.0)	-	(4.0)	(1.8)	-	-
Remaining Balance	58.2	11.7	69.9	30.2	1.1	31.3	32.3	-	34.1
Mental health	114.5	65.9	180.4	85.0	3.2	88.2	85.3	-	85.3
Advance repayments	(16.1)	-	(16.1)	-	-	-	-	-	-
12/9 DPH mental health proposal	(33.2)	-	(33.2)	(54.2)	-	(54.2)	-	-	-
Remaining Balance	65.2	65.9	131.1	30.8	3.2	34.0	85.3	-	85.3
Prevention	100.8	7.4	108.2	51.0	1.9	52.9	51.2	-	51.2
Advance repayments	(41.8)	-	(41.8)	-	-	-	-	-	-
12/9 HSH emergency housing proposal	(5.4)	-	(5.4)	(4.2)	-	(4.2)	(4.3)	-	-
Remaining Balance	53.6	7.4	61.0	46.8	1.9	48.7	46.9	-	51.2
Shelter	72.2	-	72.2	34.0	1.3	35.3	34.1	-	34.1
Advance repayments	(46.2)	-	(46.2)	-	-	-	-	-	-
12/9 HSH emergency housing proposal	(25.9)	-	(25.9)	(38.6)	-	(38.6)	(7.6)	-	-
Remaining Balance	0.1	-	0.1	(4.6)	1.3	(3.3)	26.5	-	34.1
Total Balance	589.6	131.9	721.4	341.0	11.9	352.9	341.0	-	341.0
Advance repayments	(196.0)	-	(196.0)	-	-	-	-	-	-
12/9 HSH proposal	(64.1)	-	(64.1)	(159.3)	-	(159.3)	(53.6)	-	-
12/9 DPH proposal	(33.2)	-	(33.2)	(54.2)	-	(54.2)	-	-	-
Remaining Balance	296.3	131.9	428.1	127.5	11.9	139.4	287.4	-	341.0

Addendum 1: Immediate Needs for OCOH by the number - Detailed Updated Chart w new recs and notes

<u>Immediate Needs First Release - Phase 1</u>		FY 20-21/and earlier	FY 21-22	FY 22-23	Notes
<u>Housing - 50% of total fund</u>					
<u>Adult - 55% of housing portion of fund</u>					All referrals from SIP hotels into private marking housing must come at start of Phase 1
			2.2		
	LOSP Homekey Perm Supportive Housing Services	1.2	2.2	4.9	This is for new hotels operating gap, state covers first two years in one hotel
	Flexible Pool Housing Seniors	4.14	6.9	7.62	Assumes 200 in phases 1 and 2 at \$34,333 per person

	Flexible Pool Housing Adults	1.7	4.5	7.3	Adds 150 moved over from medium term rental assistance RRH, then is adjusted down to phase 1 and 2, assuming funding for 48 flex pool subsidies in phase 1 and 2. Second year increases because it assumes the fund is taking over philanthropy half way through the year.
	Rapid Rehousing - Adult 24 month rental assistance	2.35	4.704		32% in initial plan going to RRH in phase 1 and 2, total number of RRH is decreasing from 500 to 350, leaving 112 RRH subsidies for Phase 1 and 2. Costed at \$42k per person per year. Budgeted for half a year in current fiscal year.
	Workforce development for RRH	0.82	0.82		112 RRH subsidies at \$7326 per person for flexible workforce development pool. This expands funding by Board of Supervisors. This increases with increasing number of RRH subsidies
	Equity for non SIP - Flex pool for Bayview	0.6	0.6	0.6	20 flex subsidies for bayview residents
<u>Families - 25% of housing portion of fund</u>					
	Equity for non SIP - Flex pool for Families	2.1	2.1	2.1	50 flex pool subsidies for families, serving 120 people
<u>Youth - 20% of housing portion of fund</u>					
	RRH Youth	3.2	5.52	3.2	Assumes full amount, for 100 subsidies
	Flex Pool Youth	0.42	0.84	0.42	Moves 20 subsidies from RRH to Flex Pool for older youth who don't qualify for rising up. Assumes partial year funding year 1 and 3.
<u>Shelter and Hygiene</u>					
	Problem Solving - increasing length of short term subsidies	1			We would fund 2 million potentially for entire year, but half of that is for phase 1 and 2 recommended to be allocated now. This item could also be categorized as short term subsidy, 12% cap
	SIP Hotel Extension	12			Contingency, return funds if Feds do stimulus package or if FEMA extends deadlines. Ensure C funds are not used for demobilization costs, not appropriate expenditure

	Extend Deadline for Safe Sleeping	5	0	Continuing now to ensure more staff don't leave at 4 sites with 264 spaces, but must ensure camp residents are moved into permanent housing to make space for folks off the streets. Amount to operate for 12 months is 12 million.
HSH Admin Funds - 3%				

Addendum 2: Detailed Side by Side of HSH Recs w Notes

Housing Type	Number needed by SIP Pop	Current # Served by Existing Resources	GAP	HSH Proposed Expansion with OCOH \$	# Non SIP	Cost	OCOH Liaison Recs
6 month Short Term Subsidy/ Problem Solving +	250			250		4.1m	Fund half
PSH Adult Vacancies/ turnover	400	400	0			No cost	No cost
PSH Adult Pipeline	102	184			64	No cost	No cost
Purchase Hotels/ Supplement and match existing CA Homekey	362		362	362		68.2m	Only fund operating, find \$66 mil from other sources. At the budget hearing when this grant was approved, HSH clearly states that the City obligation for the acquisition and rehab component was allocated in the AAO from the General Fund. Capitol also in Prop A
Local Homekey to					200		Future FY 20/21 allocation:: Look

purchase new hotels							at purchase of 200 rooms at \$60m* with kitchenettes and bathrooms in next release of funds. Write in that MOHCD must complete acquisition within 120 days
PSH Youth Pipeline	50	54	0			No cost	No cost
PSH Senior Pipeline	60	59	1			No cost	No cost
Flex Pool Adult	130	130	0			No cost until year 2	No cost until year 2 Add 150 flex pool, moved from RRH. OCOH is budgeting this for phase 1 and 2. Referrals from SIP hotels available by beginning of Phase1
Flex Pool Bayview					20		Equity for those outside the SIP
Flex Pool Senior	505		505	600	95	12m (\$20.6 year 2)	Fund with C with referrals from SIP hotels available by beginning of phase1- per person is at \$34.3K - need to ensure this includes case management for those who do not have it
Flex Pool Family					50 fam/150 ind		\$2.1 to serve 50 families
RRH 24 months Adult	480			500	20	10.5m	Reduce down to 350, and move150 to flex pool. Add funding for workforce development.

RRH Youth	105	23	82	100	28	4m	4m
RRH Fam	60	60	0				No new cost
SFHA Unit Rehab							Need feasibility, cost and timeline
HSH Admin						1.4m	Use for pay equity and operating hotels.
Current COVID SSV, RV, 200 bed shelter at Moscone						12m	Use alternative funding sources. Tthis is supplanting existing resources
Extend Safe Sleeping Timeline past March						5 m	5m but must offer perm housing to residents so there is turnover for others on the streets
Shelter Health						.6	0 This is supplanting existing resources
SIP Hotel Extension - 2 months						12 mil plus 15 in year 2	12m contingency, Return funds if Feds do stimulus package or if FEMA extends deadlines. Ensure C funds are not used for demobilization costs, not appropriate expenditure. Also need clarification why the cost is \$30 million over two years.
Total	2504	910	1375	1380	377		

Addendum 4:

Detail of Recommendations from Department of Public Health Behavioral Health. Recommendation is to hold off until MHSF oversight has weighed in.

DPH Programs Included in 20-22 Budget Under Business Tax Reform Measure				
Summary	20-21	21-22	22-23	Comments
Establish Street Crisis Response Teams and Ensure Immediate Access to Urgent Care Services	7,225,049	16,006,397	16,715,297	Collaboration with SF Fire Department to create six teams that provide a 24/7 non-law enforcement response to behavioral health emergencies on the street and diverts individuals in crisis away from emergency rooms and criminal legal settings into behavioral health treatment. Increases urgent care capacity and pilots telehealth in the field to reduce and eliminate wait-times for crisis mental health care.
Expand Intensive Case Management and Care Coordination	3,752,243	5,654,487	5,792,099	Expand access to consultation and linkage services (building on TAY and SIP pilots) across the homeless response system (drop-in centers, shelters, outreach staff, and PSH). Expand clinical case management for TAY, adults and older adults experiencing homelessness. Increase the number of case managers to provide approximately 390 additional case management slots at the varying levels of client to staff ratios needed to provide the level of service intensity needed by each client. In addition, DPH would add linkages support for people being discharged from Psychiatric Emergency Services and the Jails and create a bed tracking system.
Improve Access to Care by Expansion and Service Redesign of the Behavioral Health Access Center	9,768,501	6,920,571	7,093,584	Ongoing operations and staffing of the Behavioral Health Access Center where clients can be triaged, receive care, and fill prescriptions including buprenorphine, 24/7. FY 20-21 includes \$8.5 million in one-time capital dollars to meet capacity.
Expansion of Residential Treatment Beds	4,037,813	16,151,250	16,555,031	Following recommendations of bed assessment, adds additional capacity of approximately 150 beds annually in various residential facilities, including psychiatric skilled nursing, locked subacute beds, adult residential treatment, and Drug Sobering.
Invest in Our Workforce	450,000	450,000	461,250	Provides training and coaching for frontline staff across the homeless response system to increase understanding about and skills to support clients with behavioral health issues, recognize early signs of concern and know when/how to call for help (example topics: deescalation, motivational interviewing, trauma). Provide training for clinical staff to increase their competence in serving clients experiencing homelessness.
Total Budgeted	30,280,327	54,219,245	55,940,714	Total with expected infrastructure support for contracts staff to conduct solicitation and awards, data analysts to create dashboards and reports, HR staff to minimize vacancies in behavioral health, real estate services for the planning, acquisition, and set up of new sites, rent and facilities support, IT infrastructure, and data systems.
HSH Requested Services				
Shelter Health and Street Medicine Support	472,289	1,634,105	1,674,958	Expansion of Shelter Health and Street Medicine's evidence based substance use strategies: harm reduction, low barrier medication-assisted treatment, and widespread distribution of naloxone.
Services at Permanent Supportive Housing Sites	629,477	2,007,500	2,057,688	Increases services in permanent supportive housing sites which do not currently have DPH clinical services. Enhances staff and client training in harm recution techniques, including access to naloxine and medication-assisted treatment.
	1,101,766	3,641,605	3,732,645	