

SAN FRANCISCO HUMAN SERVICES COMMISSION

MINUTES

February 15, 2024 Special Meeting

The regular meeting of the Human Services Commission was held on Thursday, February 15, 2024 in person at the Born auditorium at 170 Otis Street, along with a virtual component via Webex and telephonically as a disability accommodation.

MEMBERS PRESENT IN PERSON SCOTT KAHN, President  
JAMES MCCRAY, JR., Vice President  
SALLY COGHLAN MCDONALD  
RITA SEMEL

MEMBERS PRESENT VIA WEBEX DARSHAN SINGH

OTHERS PRESENT IN PERSON Trent Rhorer, Executive Director  
Elizabeth LaBarre, Commission Secretary  
Dan Kaplan, Deputy Director – Finance and Administration  
Anna Pineda, Deputy Director – Economic Support and Self Sufficiency  
Joan Miller, Deputy Director – Family & Children’s Services  
Susie Smith, Deputy Director – Policy, Planning & Public Affairs

CALL MEETING TO ORDER President Kahn called the meeting to order at 9:18am in honor and in memory of Mary Margaret McDonald. He made a statement on behalf of Commissioner Coghlan McDonald, “Commissioner Coghlan McDonald’s daughter, Mary Margaret McDonald, passed away 10 years ago today, just shy of her 20th birthday. Maggie, as her family called her, had profound physical disabilities and was a client of SFHSA through a waiver program. Every year, Commissioner Coghlan McDonald would be on the phone trying to figure out how to fill out the forms needed to keep Maggie’s status as a client. Every year, the worker - whose name the Commissioner still remembers - patiently guided her through it. Commissioner Coghlan McDonald has no doubt that because of the services Maggie received through SFHSA, including Medi-Cal, she lived longer and better than anyone expected. Maggie was an amazing person and Commissioner Coghlan McDonald is proud to serve on this commission in honor of her and all the clients of this agency. Thank you to all of the staff for the work you do for families like mine.”

ROLL CALL Commission Secretary Elizabeth LaBarre took roll, noting the presence of Commissioners Kahn, McCray, Semel and Coghlan McDonald in person in the Born auditorium and Commissioner Singh via Webex from his home, with his wife, Olivia, joining him to assist him with the Webex technology. At the time of roll call, Commissioner Singh was off camera but was able to connect to his camera later in the meeting.

AGENDA On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission adopted the agenda as posted.

JANUARY 25, 2024  
REGULAR MEETING  
MINUTES

On motion of Vice President McCray, seconded and unanimously carried, the Commission approved the January 25, 2024 regular meeting minutes.

*COMMISSION BUSINESS – ACTION ITEMS*

DEPARTMENT OF  
BENEFITS AND  
FAMILY SUPPORT  
AND HUMAN  
SERVICES AGENCY  
FISCAL YEAR 2024-  
2025 AND 2025-  
2026 BUDGET  
PROPOSAL

Dan Kaplan, Deputy Director, Finance and Administration, presented the Department of Benefits and Family Support and Human Services Agency's Proposed Budget for Fiscal Year 2024-2025 and 2025-2026 for consideration and possible action. He recapped the financial situation facing the Agency. He then addressed what is being done to meet the Mayor's Office-mandated reduction target and contingency reductions.

Deputy Director Kaplan referenced the last commission meeting, on January 25, when he discussed the budget at length, including the major challenges the Agency is facing. In brief, the City is facing a \$800 million shortfall over the upcoming biennium. As a result, the Mayor requested 10% reductions in City departments' discretionary general funds. The Human Services Agency ("SFHSA") is funded with a combination of state, local and federal dollars. Not all local money is "discretionary." The SFHSA reduction target is, therefore, \$6.5 million. In addition, the Mayor has directed agencies to propose contingency cuts of 5%. For SFHSA, that adds up to \$3.24 million.

The state is facing a large budget deficit. At the present time, there are some fairly big reductions proposed in the human services budget, which will affect CalWORKS and WDD, specifically the single allocation that funds wage subsidies, along with much smaller cuts within the FCS program. This means a possible reduction of \$16.8 million ongoing funding to CalWORKS services and a possible loss of \$800,000 across two FCS funding allocations. Additionally, the governor is proposing to delay funding three of the four social services housing programs—Home Safe (within DAS), Bringing Families Home (within FCS) and the Housing and Disability Advocacy Program (HDAP) (managed out of the policy and planning group; affects mainly CAAP clients). SFHSA is monitoring state-level budget negotiations currently taking place.

Deputy Director Kaplan acknowledged the hard work of the budget team, many of whom are in attendance in the Born auditorium, such as Budget Director Celia Pedroza, budget principal analysts Justin Chan (focuses on FCS programming) and Alex Gleason (focuses on, among other things, the Administration budget), and senior analysts Tim McGowan and Enedina Garcia who focus on BFS program budgets. The team achieved the Agency budget through the repurposing of funds and positions to meet emerging needs and improve services, with no cuts to positions. However, funding for some positions has been given up—\$2.6 million, which is about 15 positions. The Agency is actively hiring and trying to fill positions. Additionally, the budget team leveraged non-local revenues to help balance the budget.

The total budget for SFHSA BFS has grown by \$16 million (~2% growth) in this proposal. As a promise to his colleague, Deputy Director Joan Miller, Mr. Kaplan explained and discussed Realignment: Realignment is money available for social services programs, primarily to fund FCS in the BFS budget, but also to fund Administration in the Medi-Cal program, CalWORKs and IHSS (within DAS). There are two types of Realignment: a Realignment law in 1991 and another one in 2011. 2011 Realignment is lower than was anticipated in the current year's budget. 1991 Realignment is higher than was anticipated in the current year's budget.

For state revenue, there has been \$15 million in growth, a substantial part of that relates to an improved CalFresh Administration allocation. For many years, the CalFresh allocation had failed to grow with caseload. This past year, the state finally put in additional money and the methodology favors counties who had in the past overspent their allocations—San Francisco being among them. SFHSA received the \$10 million increase in CalFresh Administration money, which is an improvement. There is also additional Medi-Cal money. Medi-Cal dollars grow with inflation. There are some smaller allocation improvements.

Deputy Director Kaplan highlighted one-time money in the budget of about \$7 million to assist with moving out of 170 Otis. The building is not up to current standards for earthquake safety, and leadership has decided to move out. The proposed budget by category chart shows \$2.6 million in “debt service” as part of the plan for moving out of 170 Otis and buying a new building in the Bayview using certificates and making payments.

The budget team made several reductions in the mid-year process for the current year. Deputy Director Kaplan also covered the 5% contingency reductions (\$3.24 million). The programs that are a part of contingency reduction plan are: (1) Homeless Employment Services - \$0.9 million – eliminates the program that provides employment preparation, vocational training, and job placement services to individuals who have experienced or currently face the risk of homelessness. There are other programs that can serve homeless individuals building capacity for employment. (2) Neighborhood Beautification Program - \$0.3 million - reduces the program that provides short-term work experience opportunities in landscape and urban maintenance. (3) Working Families Credit - \$0.5 million - participants would be eligible for this tax credit one time rather than annually. (4) DAS contingency reductions - \$1.7 million – reduced service levels in contracted programs that serve seniors and adults with disabilities.

Executive Director Rhorer noted that due to the great work of the budget team and staff, they were able to align spending or budget more with spending on certain areas. Historically, the team does not include state budget assumptions in the January and February budgets presented to the Commission. The first two months of the year fall during the beginning of a four-month process that includes the May Budget Revision and Legislative Committee hearings and very often the budget approved in late

June looks very different from what is presented in January. Therefore, the Agency does not include those assumptions in the budget. However, the state of the budget and the revenue forecast in Sacramento are concerning. The most recent forecasts place a state budget deficit at well over \$60 billion. Executive Director Rhorer then presented the risks the Agency faces from the state budget. The Governor's proposed state budget could reduce funding for SFHSA by as much as \$24.5 million: CalWORKs could lose \$16.8 million with the elimination of expanded Subsidized Employment and Family Stabilization and a steep reduction to Single Allocation; FCS could lose \$800,000 with the elimination of Housing Navigators and Family Urgent Response System (FURS); the CDSS Housing Programs (Home Safe, Bringing Families Home and Housing and Disability Advocacy Program) could lose \$6.9 million.

Executive Director Rhorer closed his presentation with the budget process timeline: The first commission meeting with a budget presentation was on January 25, then today's February 15 "second meeting", which will be followed by the Agency's proposed budget due to the Mayor on February 21. The Mayor submits her budget to the Board of Supervisors on June 1, which is followed by BOS Budget Committee hearings.

The call for public comment yielded 2 responses:

1. **Karl Kramer, representing the San Francisco Living Wage Coalition**, "we wish to commend the Human Services Agency for working towards a budget that is including wage increases for IHSS homecare workers who sorely need wage increases up to \$21.50/hr on July 1<sup>st</sup> and \$22/hr on January 1, 2025 and for including a cost of doing business increase of 3%, which should also help towards raising the wages for the lowest wage earners in city funding, the nonprofit agencies, to \$28.25/hr on July 1<sup>st</sup>, and as we understand also working towards making sure that our welfare-to-work programs also receive that wage increase on July 1<sup>st</sup>. We feel that is critically important. Regarding the governor possibly not being aware of the impacts on certain people and the state finance department moving things around on a budget sheet and not aware of the impact it has on people's lives... We're going to work towards making sure that the government, the governor, is aware of what is happening in that budget and the effect it's going to have on people's lives and we'll be working with statewide organizations on that. We had met with the Mayor and Governor Newsom at the Valencia police station with a group of parents who are in the community jobs program at that time, and so they heard firsthand from parents on what a difference that made in their lives. So, thank you. Thank you to the Department and Commissioners. I know this is a very tight budget, but having these priorities to support increases for the welfare-to-work programs and parents receiving CalWORKs [is important]."

2. **Myrisha Mixon, representing the San Francisco Living Wage Coalition**, requested wage increases for CalWORKs parents in welfare-to-work programs. Food prices are going up and families are in need.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the proposed budget for Fiscal Year 2024-2025 and 2025-2026 for the Department of Benefits and Family Support and Human Services Agency.

CHILD AND FAMILY  
POLICY INSTITUTE  
OF CALIFORNIA

Dan Kaplan, Deputy Director, Finance and Admin, standing in for Joan Miller, requested authorization for a sole source waiver and new contract agreement with the CHILD AND FAMILY POLICY INSTITUTE OF CALIFORNIA.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the request for a sole source waiver and new contract agreement with the CHILD AND FAMILY POLICY INSTITUTE OF CALIFORNIA for the provision of technical assistance activities to support county implementation related to CalAIM (California Advancing and Innovating Medi-Cal); for the period of July 1, 2024 through June 30, 2027; in the amount of \$4,543,326, plus a contingency, for a total contract amount not to exceed \$4,997,659.

CHINESE  
NEWCOMERS  
SERVICE CENTER

Fiona McBride, Interim Food Access Program Manager, requested authorization to enter into a new grant agreement with CHINESE NEWCOMERS SERVICE CENTER.

On motion of Commissioner Semel, seconded and unanimously carried, the Commission approved the request to enter into a new grant agreement with CHINESE NEWCOMERS SERVICE CENTER for the provision of Food Distribution in Chinatown; for the period of April 1, 2024 through June 30, 2026; in the amount of \$450,000, plus a 10% contingency, for a total grant amount not to exceed \$495,000.

ALTERNATIVE  
FAMILY SERVICES

Vanetta Dunlap, Program Support Analyst, requested approval of a sole source waiver and authorization to enter into a new grant agreement with ALTERNATIVE FAMILY SERVICES.

Vice President McCray asked what happens to the data generated by the pilot, where does it go, and how does it loop back into the community, particularly for families and community members who are dealing with foster care situations. Vanetta replied that one part of the project is that SFHSA is required to maintain certain data and to report that data to the state at certain prescribed intervals. Additionally, the state will do an evaluation of the data and then extend funding past this project period, which is in 2028, so that these programs can remain fully funded and be around to stay. Executive Director Rhorer added some context. He noted the many times he has discussed during Commission meetings the need for a service array for high needs youth or youth with complex care needs,

and this pilot is one component of that. The state has funded five pilots statewide with the idea of looking at the data and analyzing if the programs work, and then hopefully turn the pilots into a statewide program. There were 10 awards in two counties. Some went to nonprofits. Counties have long been harping at the state that they are not doing enough to support these kids. This has led to some counties (not SF) resorting to placing kids in Airbnbs, hotels, offices, etc. This pilot is attempting to look at one intervention to see if it works. San Francisco is fortunate to be one of the grantees. Vice President McCray added that what some of us are dealing with here in the community with children and grandchildren and... continuum... "I like that concept. How do we create continuum." Executive Director Rhorer noted that this is just one piece of the continuum of care. There will also be an enhanced STRTP and residential 10-day program. Seneca is helping to build out another part of plan.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the request for a sole source waiver and new grant agreement with the ALTERNATIVE FAMILY SERVICES for the provision of the Children's Crisis Continuum Pilot Program (CCCPP); for the period of February 1, 2024 through June 30, 2028; in the amount of \$2,667,636, plus a 10% contingency, for a total grant amount not to exceed \$2,934,400.

#### GENERAL PUBLIC COMMENT

President Kahn's call for public comment yielded one response:

"My name is Ron Carter. I recently discovered I was a victim of cyber theft of my food stamp benefits. \$7,000 was stripped from my card over a period of less than three days. Now, I have created and submitted a resolution to the county Board of Supervisors, particularly Supervisor Hillary Ronen and I also gave a copy to the Mayor's Office and Supervisor Shamann Walton, which I also replicated as a congressional bill, as a state assembly bill, but the state assembly members I talked to, Mr. Weiner and also Assemblymember Matt Haney, they did not pick up on the bill to submit it. So that only left me one solution, to try to submit it as a resolution to the County Board of Supervisors. In that resolution, I request a \$.01 to \$.02 sales tax increase to fund the refunding of people who have been victimized by cybertheft of their food stamp benefits and also that any overages from that could go to supplement other programs, like the ones I've been hearing you all talk about here today, and so I would ask the commission to please requisition the copy of my resolution that I have submitted to the Mayor's Office and examine it, and please give us support if you like the idea because in the long run, in the final analysis, the money that would come from that would go to CalFresh to repay people, so they're not left holding an empty bag because actually it wasn't their fault that they got ripped off and it's unconscionable that the government should leave these people to the degree that they're leaving me because I lost \$7,000. [I thought my CalFresh benefits] were secured while I was homeless on the street trying to get medical attention for some very serious medical issues. I wasn't able to use my food stamp benefits. I never

got a chance to enjoy them since somebody took and had a party with my food stamp money. ...people went out and bought \$85 of Jack-in-the-Box food and Smart & Final industrial-size food products and then from Target... they went everywhere and had a field day on my benefits. So I'm kind of pissed off about that. But my hope is that we can repatch and repay people and submit a resolution. I would hope I could get the Commission to [support] it, so I can try to move it to the State Assembly. I have also sent the bill to the Congressional Black Caucus... I'm hoping to generate the Caucus' support to push this idea through and that in one sense, sales tax is not going to kill us, \$.01 or \$.02 is not going to kill us and what it could come from, it would be a way to fix some of these problems. I'm hearing you all talk about how we have all these cuts... if we could get my bill through so that the resolution is with the Mayor's Office and I would ask you all to review that resolution and examine it, and hopefully give me the support I need to go forward with it, to move it to the highest levels because apparently higher levels of government like your State Assembly and the State Senate... and members of those bodies did not submit these things in their submissions to get it on the ballot for State Assembly... So, I'm here to let you know what's going on and I hope you will back me on this plan to get the resolution and give it support. Thank you for being here."

ADJOURNMENT

President Kahn adjourned the meeting at 10:39am.



Elizabeth LaBarre  
Commission Secretary  
Human Services Commission

Posted: 3/1/24