



Office of Mayor London N. Breed Mayor's Office of Housing and Community Development

Public Meeting Regarding Proposed Budget
February 10, 2022



MOHCD - Overview

- Support San Franciscans with affordable housing opportunities and essential services to build strong communities
- The overall budget for FY 2021-22 is \$258 million and includes approximately 119 positions
- Divisions include:
 - Housing
 - Community Development
 - Homeownership and Below Market Rate (HBMR)
 - Finance and Administration





MOHCD Divisions

- Housing division focuses on creating housing policies and programs that create safe, stable, and affordable housing.
- Community Development division works with a broad network of community-based partners to create an inclusive and equitable City where all residents can thrive.
- Homeownership and Below Market Rate (HBMR) division focuses on implementing Inclusionary programs and ensuring that City-sponsored affordable housing is accessible to the people it is intended to serve.
- Finance and Administration division ensures that the department has the financial, human, and technological resources necessary to manage our investments and policies.



MOHCD Policy Priorities: Racial Equity



- Center and operationalize our racial equity goals by using a racial equity lens in all of our work, including each of the following policy priorities.

MOHCD Policy Priorities:

Anti-displacement & Housing stabilization



- Continue strong partnerships with community-based organizations who have deep ties to the communities they serve, in an effort to distribute targeted financial assistance that ensures housing stability and reduces evictions.
- Protect vulnerable residents from the legal and economic shocks that could impact their ability to remain housed, through eviction prevention programs.
- Acquire and preserve properties throughout San Francisco that are particularly vulnerable to market pressure and resulting property sales, increased evictions and rising tenant rents.

MOHCD Policy Priorities:

Housing opportunities for vulnerable communities



- Continue to develop and maintain accessible and affordable housing including an expansion of our affordable housing portfolio and pipeline.
- Broaden access to housing opportunities through DAHLIA, and more specifically to opportunities close to home through neighborhood preference and community-based housing counseling services.

MOHCD Policy Priorities:

Increase our capacity to realize our mission



Our various responses to COVID-19, our growing number of affordable and Inclusionary housing units, and our racial equity commitment require additional staff to successfully implement.



MOHCD Budget Overview

- Approximately 50% of MOHCD's budget does not go through the Board's annual budget process (AAO) and is appropriated at other times.
- Fund sources not included in the AAO:
 - *GO Bonds* – FY20-21: 25% of expenditures
 - *Federal and State Grants* – FY20-21: 14% of expenditures
 - *Development impact fees* – FY20-21: 5% of expenditures
 - *Loan repayments* – FY20-21: 3% of expenditures
 - *Other* – fees supporting bond issuance and monitoring; legal settlements; development agreements – FY20-21: 3% of expenditures



MOHCD FY 21-22 AAO Budget

Total budget of \$257.9M, including:

- \$60.5M General Fund grants to CBOs, of which \$4.7M is one-time
- \$42.4M Housing Trust Fund (HTF)
- \$32M one-time General Fund rent relief
- \$25.8M General Fund HOPE SF investment, of which \$23M is one-time
- \$18.3M Local Operating Subsidy Program (LOSP)
- \$18.7M one-time Federal COVID grant
- \$17.6M one-time HTF Advance
- \$12.8M of non-COVID rental and homebuyer assistance
- \$8.9M housing impact fees and former SFRA housing assets
- \$3.9M payments to other departments
- \$2.7M Cultural Districts





MOHCD FY 22-23 Proposed Budget

Total proposed budget of approximately \$171.9M, a reduction of \$86.0M from FY 21-22.

Major decreases include elimination of one-time items:

- \$32M GF Rent Relief
- \$23.0M HOPE SF investment
- \$18.7M Federal COVID grant
- \$17.6M HTF advance
- \$4.7M grants to non-profits



MOHCD FY 22-23 Proposed Budget

Total proposed budget of approximately \$171.9M, a reduction of \$86.0M from FY 21-22.

Major increases include:

- \$16.2M housing developer subsidy from TIDA housing developer
- \$4.5M LOSP subsidies due to new buildings entering the program
- \$2.8M Housing Trust Fund per Charter, in part funding the continuation of three expiring limited duration positions and three new positions
 - Expiring limited duration: Two public housing support positions, one digital equity position
 - New: Two HBMR management positions, one data analytics position



MOHCD FY 23-24 Proposed Budget

Total proposed budget of approximately \$161M, a decrease of \$10.8M from FY 22-23.

Major decreases result from elimination of time-limited expenditures, including:

- \$9.0M decrease in subsidy from TIDA housing developer
- \$1.0M expiration of Transgender Basic Income pilot



MOHCD Budget Instruction Targets

MOHCD is meeting the budget instructions by not incurring any net new General Fund costs.





Mayor's Office – Overview

- The Mayor's Administration supports the Office of the Mayor through policy, budget, communications, and some constituent services.
- The overall budget for FY 2021-22 is \$9.2 million and supports 43 FTE.
- Divisions include:
 - Mayor and Senior Staff
 - Policy and Government Affairs
 - Communications
 - Budget
 - Administrative and Operations



Mayor's Office – Budget Summary

Mayor's Office Budget (\$millions)

| Spending Category | FY 2021-22 (Adopted) | FY 2022-23 Base | FY 2023-24 Base |
|-------------------------------|----------------------|----------------------|----------------------|
| Salaries & Benefits | 7.7 | 7.6 | 7.7 |
| Non-Personnel & Projects | 1.4 | 1.4 | 1.4 |
| Services of Other Departments | 0.6 | 0.6 | 0.6 |
| Total | \$9.6 million | \$9.6 million | \$9.7 million |

- Adopted FY 2021-22 and FY 2022-23 budget included new FTE for the **Mayor's Office of Justice Innovation** to lead multi-agency effort to realign public safety systems through re-routing calls for service and improving victims' services.
- Additional FTE include:
 - Victims Rights Advocate
 - Call Diversion Project Manager
 - Project Assistant



Mayor's Office – Budget Priorities & Feedback

- Support the Mayor's priorities for the City budget, which include:
 - Restoring vibrancy to San Francisco, including improving public safety and street conditions
 - Recovery of the local economy
 - Accelerating housing production
 - Ensuring accountability and equity in City spending and programming
- Public meeting on Mayor's budget priorities before April 1
- Feedback regarding the Mayor's Office budget **and** the Mayor's budget priorities may be sent to: budget@sfgov.org

