OFFICE OF THE MAYOR SAN FRANCISCO



WILLIE LEWIS BROWN, JR.

July 25, 2003

Honorable Matt Gonzalez, President Members, San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco, CA 94102

Dear President Gonzalez and Members:

I am returning with my signature the ordinance amending San Francisco's General Assistance (GA) aid program (File No. 030871).

I commend the Board for addressing the complex issue of homelessness and passing a good first step in reforming the General Assistance (GA) aid program. This legislation represents an improvement over the status quo.

Most fundamentally, it recognizes that a housing and service-based welfare system for homeless is preferable to a cash-based system. It also allows the Department of Human Services to moderately increase the City's stock of master leased hotel rooms for this population—a type of housing created by my administration that provides a permanent home for homeless individuals.

Signing this legislation into law does not limit the City's ability to implement Care Not Cash in its complete form. It also does not preclude the implementation of any future reforms passed by your Board, should such legislation be forward to me for my signature.

I look forward to working with you further on this critical issue facing our City.

July 1

WILLIE L. BROWN, Jr.

Mayor

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[General Assistance – In-Kind Assistance.]

Ordinance amending Administrative Code sections 20.57, 20.59.3, and 20.57.1; adding Administrative Code sections 20.57.6A., 20.60.12, Sec. 20.60.13, and 20.60.14.

Note:

Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strikethrough italics Times New Roman</u>. Board amendment additions are <u>double underlined</u>. Board amendment deletions are <u>strikethrough normal</u>.

Be it ordained by the People of the City and County of San Francisco.

Section 1. The San Francisco Administrative Code is hereby amended by amending Section 20.57 to read as follows:

SEC. 20.57. COMPUTATION AND PAYMENT OF AID GRANTS: AMOUNTS PAYABLE.

(a) For each eligible individual or for each eligible family of two or more persons who qualify for aid under the General Assistance Program, the maximum monthly amount of aid to which such recipients are entitled is listed below.

MAXIMUM GENERAL ASSISTANCE GRANT AMOUNT

Single Individual

5270

<u>\$320</u>

Number of Eligible Persons in Same Family

2 Persons

\$501

\$574

3 Persons

\$565

\$647

4 Persons

1	\$673	<u>\$771</u>
2	5 Persons	
3	\$767	<u>\$877</u>
4	6 Persons	
5	\$861	<u>\$984</u>
6	7 Persons	
7	\$946	<i>\$1,081</i>
8	8 Persons	
9	\$1,030	<u>\$1,179</u>
10	9 Persons	
11	<i>\$1,113</i>	<u>\$1,273</u>
12	10 Persons	
13	\$1,196	<i>\$1,367</i>

In the case of more than 10 persons in a family budget unit, an additional \$14 each month shall be paid for each additional person in the family budget unit. For the purpose of this Section, a family is defined as an eligible applicant/recipient and his or her spouse or "domestic partner," as defined under Section 62.2 of the San Francisco Administrative Code, and/or any of the applicant/recipient's children who are under age 18, living with, and applying for General Assistance with, such applicant/recipient, provided that such child(ren) was (were) never eligible for TANF/CalWORKs. For family budget units in which members receive cash payments from more than one federal, State or County assistance program, except for SSI/SSP, the total aid payment shall consist of the sum of each individual's proportionate share of the aid payment for a family budget unit of the same size within each program to for which each member is eligible.

Any individual or family receiving aid pursuant to this subsection shall continue to receive the maximum monthly grant for which they were eligible prior to any reduction in the maximum monthly grant structure enacted by the Board of Supervisors, until that eligible individual or family has applied for and been denied, or has refused to apply for, assistance under the PAES, CALM, or SSIP Programs.

(b) With respect to all applicants, initial aid payments shall be conditional upon completion of the Department orientation program. In addition, with respect to each employable recipient, continuing aid shall be conditioned, at the option of the Department, upon either completion of 20 verifiable job applications per month and/or participation in a Department-approved job counseling, vocational rehabilitation, drug or alcohol treatment or work assignment program. Verifiable job applications or job searches within the meaning of this Section, Section 20.58(c), and Section 20.58.2(b)(5) of this Article, shall include, but not be limited to: (1) sending applications, resumes and cover letters to apply for available positions for which the recipient meets the minimum qualifications, with copies of these documents and the telephone number of the prospective employer provided to the Department of Human Services so they can be verified; and (2) participation by a union member in union hiring hall programs that make use of telephone job searches for currently available positions.

In addition, with respect to each unemployable recipient, continuing aid shall be conditioned upon application for, and pursuit of, SSI/SSP benefits, if eligible, and participation in a Department-approved rehabilitation program. Aid may be withheld, reduced, or discontinued for failure to meet these requirements.

(c) The Maximum General Assistance Grant may include Municipal Railway tokens as an in-kind grant, in which event the cost of the Municipal Railway tokens to the Department of Human Services shall not be deducted from the Maximum General Assistance Grant Amounts

listed above to arrive at the Maximum Cash General Assistance Grant Amount which may be issued by means of *warrants*, *in-kind assistance*, vouchers, checks, two-party checks or electronic benefit transfers. The Municipal Railway tokens shall be for the sole use of the recipient.

- (d) The Maximum General Assistance Grant Amounts listed in Section 20.57 (a) of this ordinance shall be increased by any annual percentage cost of living increase to the Maximum Aid Payment, and according to the same schedule, if such an increase is implemented by the State of California in the TANF/CalWORKs program.
- (e) The maximum monthly amount of aid for which an applicant is eligible shall be the Maximum General Assistance Grant Amount prorated as of the eligibility determination date, less minus any nonexempt assets and/or nonexempt personal property available to the applicant during that calendar month, and minus the value of any prorated in-kind housing, utilities and/or meals available or provided to the applicant. Rent, retroactive to the first of the month in which eligibility was determined, may be authorized to prevent eviction from existing housing. Applicants who anticipate receiving first-time income from other sources during the month of their application for General Assistance, shall receive the prorated maximum monthly grant amount for which they are eligible until the verified date of anticipated receipt of such other income.
- (f) The maximum monthly amount of aid for which a recipient is eligible shall be the Maximum General Assistance Grant Amount, or the amount determined pursuant to Subsection (b) *less minus* any cash received from sources other than General Assistance which is or will be available to the recipient during the month for which aid is paid unless otherwise exempt, *and less minus* the fair market value of any nonexempt personal property which is or will be available to the recipient during the month for which aid is paid, *and minus* the value of any in-kind housing, utilities and/or meals available or provided to the recipient.

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- (g) No grant shall be issued for less than \$5.
- (h) To promote the transition of General Assistance recipients to gainful employment, the Executive Director of the Department of Human Services may establish an Earned Income and Asset Disregard Program for the recipients who are employed. The Earned Income and Asset Disregard Program shall provide for disregarding a certain amount of gross income which a recipient earns as wages and savings derived therefrom when determining a recipient's General Assistance Program eligibility and grant amount. The total amount of gross income disregarded shall not exceed the sum of the following amounts: (1) all of the first \$200 of recipient gross wage earnings; (2) two-thirds of the next \$150 of recipient gross wage earnings; (3) one-half of the next \$150 of recipient gross wage earnings; (4) one-third of the next \$150 of recipient gross wage earnings; and (5) one-fifth of the next \$150 of recipient gross wage earnings. All recipient gross wage earnings above \$800 shall be offset on a dollar-for-dollar basis against the grant amount to which a recipient would otherwise be entitled. In addition, for recipients participating in this program up to \$2,000 of recipient savings derived from the recipient's gross wage earnings shall be disregarded during the recipient's participation in this program and for up to three months thereafter. Also, if as a result of retrospective budgeting a recipient's total currently available financial resources in a month including his or her adjusted General Assistance grant, wages, and savings are less than the maximum General Assistance grant amount, the recipient shall be eligible for a grant supplement in the form of a rental expense voucher for unpaid rent in that month and up to \$50 in cash so that the recipient's currently available financial resources may total up to the maximum General Assistance grant amount. This grant supplement is available a maximum of three times per year for program participants and is not available to recipients who quit a job without good cause.

 Recipient gross wage earnings are defined for purposes of this Section as any income received by the recipient as payment for a recipient's labor. This Section supersedes the provisions of Subsection 20.55.2(r), Section 20.56.6, Subsections 20.56.10 (a) and (b), Subsections 20.57 (e) and (f), and Subsections 20.59.10 (d), (e) and (f) when determining recipient eligibility and when calculating the maximum monthly amount of aid for program participants. All other recipient income and assets shall continue to be offset on a dollar-for-dollar basis when calculating the grant amount to which a recipient is otherwise eligible. For recipients participating in this program, General Assistance eligibility shall be determined on a monthly basis and a recipient's grant amount shall be adjusted for gross wage earnings on the basis of retrospective budgeting in the month following the recipient's receipt of wage income. Verified expenses which exceed the total sum of a participant's grant, wages, and savings in any given month create a rebuttable presumption of ineligibility for aid.

(i) The automatic adjustment provisions of Subsection (d) are hereby suspended for fiscal year 1997-98. Adjustments for subsequent fiscal years made pursuant to this Section shall not include any adjustments for any fiscal year in which the cost of living was suspended.

Section 2. The San Francisco Administrative Code is hereby amended by amending Section 20.59.3 to read as follows:

Sec. 20.59.3 AID PAYMENTS; IN-KIND AID.

Assistance in the form of in-kind benefits, in-kind orders, *vouchers* or emergency *checks issued at the General Assistance office* shall be used *for*:

- (a) Emergency assistance As aid payments.
- (b) For applicants and recipients who declare themselves to be homeless. Applicants and recipients are required to provide a verifiable rent receipt, or verifiable documentation of shared housing, or verifiable documentation of rent-free housing. Self-declared homeless applicants and

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recipients shall receive in-kind benefits for housing, utilities and/or meals. If in-kind benefits are not
available, such applicants and recipients shall receive the cash assistance equivalent to the income-in-
kind value of housing, utilities and/or meals whichever is not available, if otherwise eligible for these
amounts, in the form of an emergency check. Failure to comply with the rules of a housing program
that results in ejection from that housing program will be considered failure to satisfy the requirements
for continuing eligibility for aid and will result in discontinuance from the General Assistance
Program, subject to the notice and hearing provisions of this Article. Other short term cases:
(c4) For Eligible persons awaiting transportation arrangements, provided that aid shall
not exceed one week

(d2) For Eligible homeless persons awaiting admission into a hospital or institution.

(e3)Cases in which a disability rating of seven days or less has been given by the General

Hospital and the individual does not appear to be eligible for further aid at the termination of the disability period.

(<u>ee</u>) For Persons who have demonstrated inability to handle cash payments for necessities of life.

Section 3. The San Francisco Administrative Code is hereby amended by amending Section 20.57.1 to read as follows:

SEC. 20.57.1. HOUSING.

- (a) "Housing" shall mean single occupancy residential hotels, master lease rooms, transitional housing, supportive housing programs, or residential substance abuse and mental health treatment facilities.
- (b) There shall be no reduction in the amount of General Assistance for to which an applicant or recipient is eligible entitled because he or she shares housing with others who are not members of the applicant's family as defined in Section 20.57(a). All applicants and recipients shall be required to present a verifiable rent receipt. If the applicant or recipient is not the

owner or prime lessee of the premises, a verifiable rent receipt signed by the owner or prime lessee
may provide evidence of the applicant's or recipient's place of residence and monthly share of housing
costs.

(c) Rent-free housing shall not be considered an alternative means of support. Where When an applicant or recipient obtains rent-free housing, such housing shall be valued according to the Value of Income-in-Kind Values Chart set forth in Title 22 of the California Code of Regulations, Section 50511 (the "Income-in-Kind Chart"), rather than at fair market value. The value of the rent-free housing, which is presumed to include utilities, as determined under the Income-in-Kind Chart, shall be deducted from the maximum monthly grant amount. If the applicant or recipient receives rent-free housing, but pays for utilities, the applicant or recipient must present a verifiable bill for utilities at that address, and a verifiable receipt for payment of any portion of that utility bill.

(db) Verified payments made directly to a housing provider on behalf of an applicant or recipient for the entire amount of the rent and/or utilities, or rent-free housing, or housing received in exchange for work, shall be assigned an in-kind value as specified by the Income-in-Kind Chart, and that value shall be deducted from the maximum monthly grant to-for which that applicant or recipient is eligible.

(ee) Housing and utilities provided to applicants and recipients who are unable to provide a verifiable rent receipt, or verifiable documentation of shared housing, or verifiable documentation of rent-free housing shall be valued as in-kind housing, utilities and/or meals as specified by the Income-In-kind Chart, and that value shall be deducted from the maximum monthly grant for which that applicant or recipient is eligible.

(fe) Nothing in this Section shall be construed as requiring an otherwise eligible applicant or recipient to accept housing in a facility which is either the subject of a pending nuisance abatement proceeding before a duly authorized agency or department of the City and County or before a court of competent jurisdiction, or which theretofore has been found to

be a public nuisance pursuant to any provision of any San Francisco Municipal Code by a duly authorized agency or department of the City and County or by a court of competent jurisdiction and which nuisance has not been abated.

Section 4. The San Francisco Administrative Code is hereby amended by adding Section 20.57.6A. to read as follows:

Sec. 20.57.6A. Special Allowances; Income-in-kind Value Exceeds Monthly Maximum Grant.

A special allowance of up to \$59.00 per month shall be made available, in the form of an emergency check, to any recipient when the income-in-kind value of housing, and/or utilities and/or meals provided to that recipient exceeds the maximum monthly grant for which that recipient is eligible. If such income-in-kind value does not exceed the maximum monthly grant for which that recipient is eligible, but allows for less than \$59.00 cash per month, that recipient shall receive an amount, in the form of an emergency check, that when added to the maximum monthly grant for which that recipient is eligible equals \$59.00 cash per month. This section shall not affect the collection of overpayments due to fraud, negligent failure to report facts, or administrative error as set forth in this Article.

Section 5. The San Francisco Administrative Code is hereby amended by adding Section 20.60.12 to read as follows:

Sec. 20.60.12. Funding.

A baseline appropriation for housing and related services provided as in-kind aid shall be established using the City and County of San Francisco FY 2002-2003 Annual Appropriation Ordinance and any supplemental appropriations for the amount of cash aid payments to applicants and recipients who declare themselves to be homeless. In subsequent fiscal years, this baseline amount shall be appropriated to the Department of Human Services to fund housing and related services for homeless adults without dependents. This funding may be used to support, but shall not be limited to, some or all of the following: hotel master lease programs, permanent supportive housing, improvements of

1	conditions in existing shelters, expansion of shelter capacity, mental health and substance abuse		
2	treatment, outreach, a fund for rental deposits, SSI advocacy programs, rep-payee services, case		
3	management and meals for the homeless population through direct services and/or contracts. Nothing		
4	in this section is intended to conflict with Article IX of the San Francisco City Charter.		
5	Section 6. The San Francisco Administrative Code is hereby amended by adding		
6	Section 20.60.13 to read as follows:		
7	Sec. 20.60.13 Evaluation.		
8	The provision of in-kind aid is to be evaluated by the Office of the Controller of the City and		
9	County of San Francisco every three years for program effectiveness and cost efficiency.		
10	Section 7. The San Francisco Administrative Code is hereby amended by adding		
11	Section 20.60.14 to read as follows:		
12	Sec. 20.60.14 Operative Date of Amendments.		
13	The provisions of this amendment, Sections 20.59.3(b); 20.57.1(a), (b), (c), (e); 20.57.6A; and		
14	20.60.13 shall become operative on or before July 1, 2003.		
15	ADDDOVED AS TO FORM		
16	APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney		
17	División de la constant de la consta		
18	By: ALEETA AN RUNKLE		
19	Deputy-City Attorney		
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City and County of San Francisco Tails

City Hall 1 Dr. Cariton B. Goodiett Place San Francisco, CA 94102-4689

Ordinance

File Number:

030871

Date Passed:

Ordinance amending Administrative Code sections 20.57, 20.59.3, and 20.57.1; adding Administrative Code sections 20.57.6A., 20.60.12, Sec. 20.60.13, and 20.60.14.

July 8, 2003 Board of Supervisors — PASSED ON FIRST READING

Ayes: 6 - Ammiano, Daly, Ma, Maxwell, Peskin, Sandoval

Noes: 4 - Dufty, Gonzalez, Hall, McGoldrick

Excused: 1 - Newsom

July 15, 2003 Board of Supervisors — FINALLY PASSED

Ayes: 7 - Ammiano, Daly, Gonzalez, Ma, Maxwell, Peskin, Sandoval

Noes: 4 - Dufty, Hall, McGoldrick, Newsom

File No. 030871

I hereby certify that the foregoing Ordinance was FINALLY PASSED on July 15, 2003 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young

Clerk of the Board

Mayor Willie L. Brown Jr.

Date Approved