

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
BUDGET AND LEGISLATIVE ANALYST
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POLICY ANALYSIS REPORT

To: Supervisor Fewer
From: Budget and Legislative Analyst's Office
Re: Analysis of Workforce Development Programs
Targeting the Homeless and other Vulnerable Populations
Date: June 23, 2020



Summary of Requested Action

Your office requested that the Budget and Legislative Analyst conduct an analysis of City-funded workforce programs that serve the City's homeless and other vulnerable populations.

For further information about this report, contact Fred Brousseau, Director of Policy Analysis, at the Budget and Legislative Analyst's Office.

Executive Summary

Homelessness and unemployment:

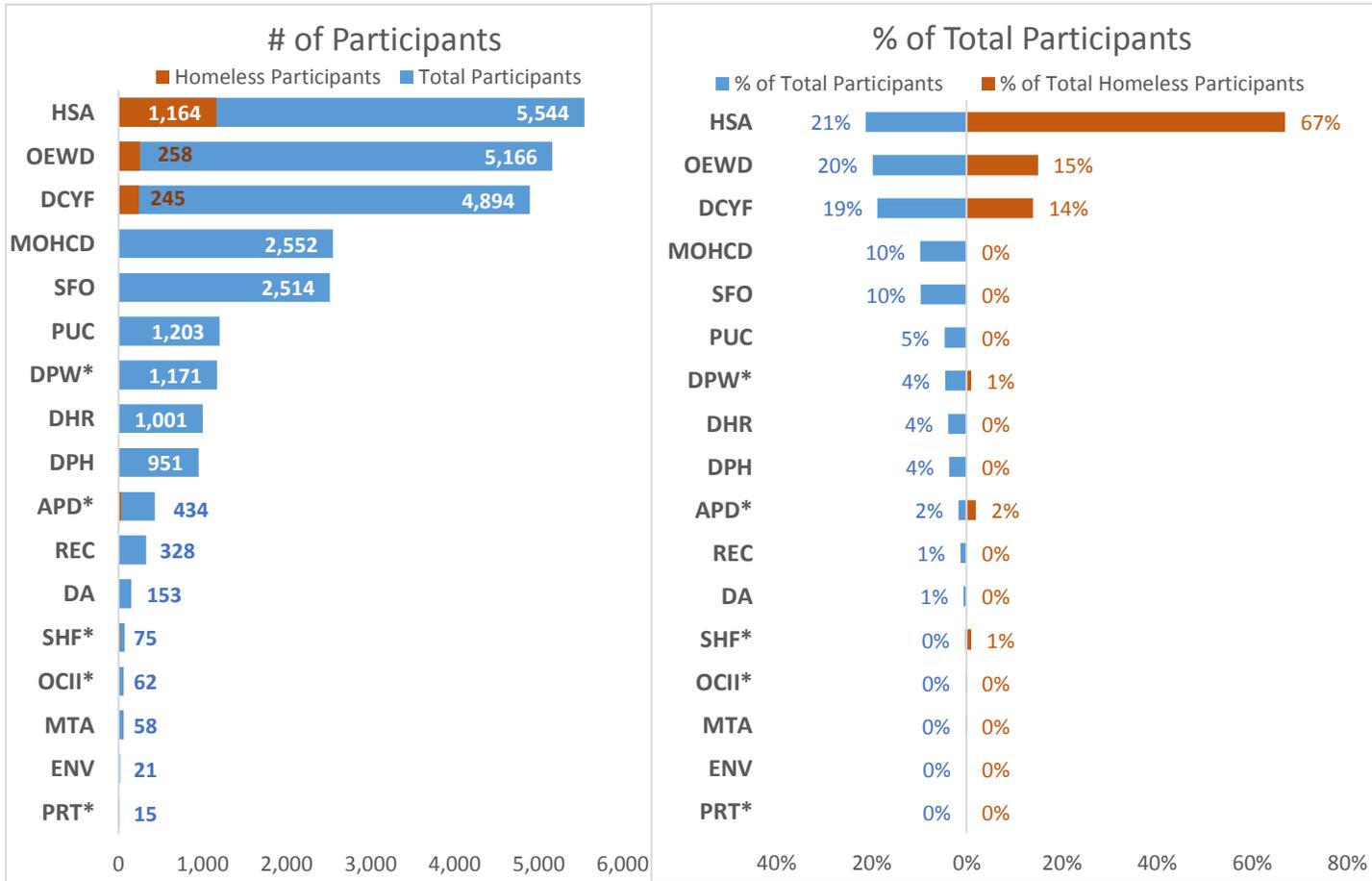
- "Lost Job" was the top reason given for homelessness in a survey of homeless individuals conducted in conjunction with San Francisco's 2019 Point-in-Time Count of the City's homeless population, accounting for 270 out of 852 responses, or 31.7 percent of all. When asked to identify the top obstacles to permanent housing in the same survey, nearly one fourth of the responses (24.3 percent) were "No Job/Income." The survey shows the importance of jobs and job training in preventing and solving homelessness.
- For the chronically homeless, the ranking of the causes of homelessness and obstacles to obtaining housing were different, with substance addiction the top response provided, accounting for approximately 24 percent of responses in the City survey. Lost jobs was the second most frequent response, at approximately 19 percent. For the chronically homeless and others, workforce development services in combination with services such as behavioral health and housing assistance could help address multiple barriers to ending or preventing chronic homelessness. An estimated 3,028 out of the 8,011 homeless identified in the Point-in-Time Count qualified as chronically homeless.
- In the 2019 Point-in-Time Count, chronically homeless respondents reported significantly lower participation rates in job training and employment services compared to the overall homeless population (5 percent vs. 11 percent).

Budget and Legislative Analyst

The City's workforce development programs and homeless participants

- The City and County of San Francisco's workforce development system provides a wide array of services and serves many groups designated as priority populations by the City through 294 programs administered by seventeen City departments.
- In FY 2018-19, there were a reported 26,142 participants in the City's various workforce development programs. Total budgeted expenses were \$150.4 million Citywide, of which \$64.8 million, or 43.1 percent, was provided by the City's General Fund; the rest was federal and state funding.
- Pursuant to Chapter 30 of the City's Administrative Code, the Workforce Investment San Francisco board (WISF) provides overall policy direction for the City's workforce development program, with planning and coordination services delegated to the Office of Economic and Workforce Development (OEWD).
- The City's Administrative Code established a multi-stakeholder Alignment Committee in 2014 to coordinate workforce development activities among City departments to improve their effectiveness. This Committee was tasked with preparing a five year Citywide Workforce Development Plan covering 2017-2022 and annual updates for the WISF Board. The Administrative Code called for disbanding the Alignment Committee in 2019 but it continues to meet.
- The City's five year workforce development plan identifies economically vulnerable populations in the City, including the homeless, to be prioritized for workforce development services. The plan contains recommendations for addressing the challenges facing these priority populations in achieving employment.
- OEWD conducts a detailed annual Inventory of characteristics and results for the City's workforce development programs provided by seventeen City departments, including collecting data on the number of homeless participants, by department. We compiled the information collected by OEWD and requested that all departments that participated in the Inventory confirm or update their homeless participation data. The results of that effort are shown in Exhibit A in graphic and tabular formats.

Exhibit A: Exhibit A: Number of Total Participants and Homeless Participants Reported for City Workforce Development Programs, by Department, FY 2018-19



Department	Total Participants	Homeless Participants	% Homeless of Total Dept. Participants	% Homeless of Total Homeless Participants
Human Services Agency (HSA)	5,544	1,164	21%	67%
Office of Economic and Workforce Development (OEWD)	5,166	258	5%	15%
Department of Children, Youth and Families (DCYF)	4,894	245	5%	14%
Adult Probation Department (APD)	434	30	7%	2%
Sheriff's Department (SHF)	75	18	24%	1%
Department of Public Works (DPW)	1,171	12	1%	1%
Port of San Francisco (PRT)	15	5	33%	0%
Office of Civic Engagement and Immigrant Affairs (OCII)	62	4	6%	0%
Mayor's Office of Housing and Community Development (MOHCD)	2,552	-	0%	0%
San Francisco International Airport (SFO)	2,514	-	0%	0%
San Francisco Public Utilities Commission (PUC)	1,203	-	0%	0%
Department of Human Resources (DHR)	1,001	-	0%	0%
Department of Public Health (DPH)	951	-	0%	0%
Recreation and Parks Department (REC)	328	-	0%	0%
San Francisco District Attorney's Office (DA)	153	-	0%	0%
San Francisco Municipal Transportation Agency (MTA)	58	-	0%	0%
Department of the Environment (ENV)	21	-	0%	0%
Total	26,142	1,736	7%	100%

Source: BLA analysis of Department Workforce Survey Inventory responses collected by OEWD.

Notes: * Departments with 30 or less homeless participants: APD (30), SHF (18), DPW (12), PRT (5), OCII (4)

Participants likely include duplicates since individual participants can enroll in more than one program in a department or across departments.

- As shown in Exhibit A, departments reported 1,736 homeless participants in the City's workforce development programs in FY 2018-19, or approximately seven percent of the 26,142 total participants reported Citywide. There is no benchmark to which this level of participation can be compared as the workforce development five year plan and other program documents do not set participation targets or goals for the priority populations.
- Of the seventeen departments that participated in the workforce development services Inventory for FY 2018-19, the Human Services Agency reported the most homeless participants at 1,164, or 67 percent of all homeless participants Citywide. When combined with OEWD and the Department of Children, Youth and their Families, the three departments provided workforce development services to approximately 96 percent of all reported

homeless participants in FY 2018-19. Nine departments reported no homeless participants at all.

Limitations of homeless and other participant data in assessing program effectiveness

- While the data presented in Exhibit A provides insight in to the magnitude of the City’s workforce development services provided to the homeless, it has limitations that prevent City policymakers and managers from fully assessing the effectiveness of these services for the homeless as well as other workforce development priority populations. The limitations include:
 - OEWD Inventory participant data counts the same individuals multiple times if they have participated in more than one workforce development program. As a result, we assume that the 1,736 homeless participants reported for FY 2018-19 actually represent a smaller number of unique individuals. Without a reliable baseline count, conclusions about homeless participation are less meaningful when compared to benchmarks such as the 8,011 reported homeless individuals in San Francisco, the 26,142 total participants reported, or the number of other vulnerable populations reported to have participated in City workforce development services.
 - Nine departments reported no homeless participants but it is possible that some of those were due to not collecting participant information at intake. Though requested as part of their annual Inventory, OEWD currently does not have the authority to compel departments to track and report participant data by priority population.
 - Besides homeless participants, many departments do not report the number of other priority population participants served either. We found that details on participation by priority population was not reported by City departments for 7,558 of the 26,142 FY 2018-19 total workforce development participants, or 28.9 percent. The absence of this data hinders assessment of program effectiveness by City policymakers and managers, particularly for assessing the relative allocation of workforce development resources among groups.
- Though homeless participant data is collected at least for some departments through OEWD’s annual inventory of Citywide workforce development programs, the data for this priority population is collected differently than it is for twelve other priority populations who participate in workforce development programs.
- Participant data for twelve priority population groups is collected for each of the 264 programs offered Citywide, enabling analysis of participation for each of these populations by program type (e.g., apprenticeships), service type (e.g., employment support) and other characteristics such as total funding level and General Fund support. Unfortunately, such analyses cannot be readily prepared for homeless participants because they are only identified at the department level through address collection, but not at the more detailed

program level. Collecting participation data for all priority populations in a uniform manner would allow for better management assessments of program effectiveness.

Conclusion: policy goals and integrated services

- 1,736 workforce development program participants were identified as homeless in FY 2018-19, or approximately seven percent of all 26,142 reported participants. Though the City has analyzed the various populations that would benefit from workforce development services, and the homeless have been designated as a priority population, there is no program policy goal for the number or relative proportion of all participants that should ideally be participating.
- An additional complexity for workforce development services for the homeless, particularly the chronically homeless, is the need for integrated job training and counseling with other services such as behavioral health and housing services to comprehensively address participant issues.
- Separate from the City's workforce development services, there are a number of programs that provide integrated services combining job training and counseling with other support services, notably a number of programs operated by the Behavioral Health division of the Department of Public Health and through some Community Development Block Grant-funded programs. Unfortunately, participation in these programs by the homeless is not tracked to determine the extent to which they are being used or to report the results.
- Though not evaluated for this report, combining an integrated approach to workforce development services with existing housing solutions (such as Rapid Rehousing or Problem Solving) may prove effective in assisting homeless individuals, particularly the chronically homeless, obtain employment in conjunction with addressing other issues that are serving as barriers to employment. A new collaborative initiative underway between the Human Services Agency, OEWD, and the Department of Homelessness and Supportive Housing is intended to address this approach by incorporating participant workforce readiness assessments into the Coordinated Entry homelessness response system administered by the Department of Homelessness and Supportive Housing.

Policy Options

The Board of Supervisors could consider the following policy options to enhance workforce development services for the homeless and other vulnerable populations:

1. Consider amending the Administrative Code to: a) mandate that all departments providing workforce development services provide results data to the Office of Economic and Workforce Development in the format requested for its annual Inventory of Citywide programs, as was required in previous versions of Chapter 30, b) reinstate the Alignment Committee that was subject to a sunset provision in 2019 but could continue to maintain its previously authorized role of planning and coordination of Citywide workforce development services, and c) include the Department of Public Health as a member of the Committee.
2. Request that the San Francisco Workforce Investment Board and/or the Alignment Committee clarify the priority populations being served by San Francisco's workforce development programs to more explicitly define the priority ranking of the homeless and other vulnerable populations, and to consider setting targets or relative ranges for the number of participants for each group for each budget year based on an assessment of need.
3. Request that OEWD report back to the Board of Supervisors on the costs associated with de-duplication of participant data within and across departments and establishing a standardized approach to collecting participant data for all priority populations, including the homeless, across all participating departments.
4. Request that the Department of Public Health Behavioral Health Division begin tracking and report back to OEWD and the Board of Supervisors on the number of homeless served and the results of its integrated services programs that combine workforce development and behavioral health services.
5. Consider additional funding for workforce development services that are serving the homeless and have demonstrated effectiveness in assisting homeless individuals attain employment and address other issues such as behavioral health and housing needs.

Project staff: Mary Lindeblad-Fry, Cody Xuereb, and Fred Brousseau

Introduction

The most recent figures from San Francisco's Point-in-Time Count, the City's annual count of the sheltered and unsheltered homeless population, show that the homeless population increased an estimated 20 percent since 2015 (from 6,686) and 17 percent since 2017 (from 7,499) to 8,011 in 2019, in spite of the City's approximately \$138 million 2019 budget for homeless outreach, intake, program administration, and shelter (but excluding housing). Although the recent surge in wealth that the City has experienced over recent years prior to the COVID-19 pandemic has resulted in historically high rates of employment and low rates of poverty, it is clear that structural barriers to obtaining affordable housing remain extremely challenging for the City's homeless population.¹ Given the economic decline corresponding to the COVID-19 pandemic in 2020, this situation can only be assumed to have worsened.

Joblessness and Homelessness

Although the correlation between the rate of homelessness and the City's current housing crisis is well-documented, the relationship between individual-level homelessness and lack of employment is less well understood. Fortunately, results from the 2019 Point-in-Time Count's survey, which involved surveying a sample of 1,054 homeless individuals from the total 8,011 counted, shed additional light on this relationship.

Out of the 852 top responses provided by surveyed homeless individuals regarding the primary reasons for their homelessness, approximately 31.7 percent identified job loss as their primary cause of homelessness. Exhibit 1 presents a summary of the top six reported primary causes of homelessness.

¹ Li, Roland. "California, SF unemployment rate falls to record lows." San Francisco Chronicle. October 18, 2019. <https://www.sfchronicle.com/business/article/California-s-unemployment-rate-falls-to-record-14544719.php#:~:text=San%20Francisco's%20unemployment%20rate%20fell,the%20lowest%20in%2050%20years.df>

Exhibit 1: Top Primary Reasons for Homelessness among Homeless Surveyed, 2019²

Reasons for Homelessness	Total Responses	Percent of Responses
Lost Job	270	31.7%
Alcohol or Drug Use	187	21.9%
Eviction	135	15.8%
Argument with Family/Friend	125	14.7%
Mental Health Issues	83	9.7%
Divorce/Separation/Breakup	52	6.1%
Total	852	100.0%

Source: San Francisco Homeless Count & Survey 2019, Applied Survey Research

Additionally, nearly one fourth (24.3 percent), or 382 responses to a survey question asking for respondents to identify their top obstacles to permanent housing cited a lack of job or income as a primary contributing factor to their lack of stable and permanent housing. Overall, only about one-tenth (11 percent) of respondents indicated that they were currently employed, compared to 89 percent of respondents who reported being unemployed. Exhibit 2 presents a summary of the top reported obstacles to obtaining permanent housing.

Exhibit 2: Top Obstacles to Permanent Housing among Homeless Surveyed, 2019³

Obstacles to Housing	Total Responses	Percent of Responses
Can't Afford Rent	650	41.4%
No Job/Income	382	24.3%
No Money for Moving Costs	196	12.5%
Housing Process Too Difficult	186	11.9%
No Housing Available	155	9.9%
Total	1,569	100.0%

Source: San Francisco Homeless Count & Survey 2019, Applied Survey Research

² 1,039 individuals were surveyed and 852 responses were provided to the six choices listed. This was a multiple response question. The PIT report only includes the top six reported reasons; reasons with fewer responses were excluded.

³ 1,032 individuals responded, many with more than one response. This is a multiple response question, totals may not add to 100%.

The income difference between the employed and unemployed homeless is stark. Slightly over one-third of unemployed survey respondents (36 percent), or 321 individuals, reported living off of \$99 or less per month, compared to only one-tenth (11 percent) of employed survey respondents, or 13 individuals. Conversely, 36 percent of employed respondents reported making at least \$1,100 per month, compared to only 7 percent of unemployed respondents. See Exhibit 3.

Exhibit 3: Employment and Mean Monthly Income among Surveyed Homeless, 2019

Monthly Income Category	Total Employed	Total Unemployed	Percent Employed	Percent Unemployed
\$0-99	13	321	11%	36%
\$100-449	12	214	10%	24%
\$450-749	27	134	23%	15%
\$750-1,099	23	160	20%	18%
\$1,100-1,499	26	36	22%	4%
\$1,500-3,000	15	18	13%	2%
>\$3,000	1	9	1%	1%
Total	116	891	100%	100%

Source: San Francisco Homeless Count & Survey 2019, Applied Survey Research

Among the unemployed population, the primary reported barriers to employment for the surveyed homeless individuals included the lack of a permanent address (26.7 percent), some form of disability (22.8 percent), substance use issues (18.1 percent), health problems (17.2 percent) and a lack of transportation (15.3 percent). Reported barriers to employment range from the seemingly clear-cut to complex. See Exhibit 4 for a summary.

Exhibit 4: Top Obstacles to Employment among Surveyed Homeless, 2019

Obstacles to Employment	Total	Percent
No Permanent Address	253	26.6%
Disability	217	22.8%
Alcohol or Drug Use	172	18.1%
Health Problems	163	17.2%
No Transportation	145	15.3%
Total	950	100.0%

Source: San Francisco Homeless Count & Survey 2019, Applied Survey Research

Unemployment as Cause of Homelessness for Chronically Homeless

The situation is different for individuals experiencing chronic homelessness who are more likely to attribute their homelessness to reasons other than job loss.⁴ Based on Point-in-Time County survey responses, an estimated 3,028 (or 38 percent) of the homeless population in San Francisco fit the definition of chronically homeless. A total 334 out of the 1,054 individuals surveyed who were administered a more in-depth survey were considered chronically homeless. Only about one-fifth (19 percent) of chronically homeless individuals in the survey sample reported job loss as their primary reason for homelessness compared to 26 percent for the overall homeless population surveyed. Instead, about a quarter (24 percent) of chronically homeless indicated that substance addiction was the primary cause of their homelessness. Additionally, chronically homeless respondents reported lower participation rates in job training and employment services compared to the overall homeless population (5 percent vs. 11 percent). While the chronically homeless may still need job training, this data indicates that other causes of homelessness, such as substance addiction, may need to be addressed first or combined with job training.

Analysis of Los Angeles County homeless services client data from early 2020 reflects the significant gap in employment between the overall homeless population and the

⁴ “The U.S. Department of Housing and Urban Development defines a chronically homeless individual as someone who has experienced homelessness for a year or longer—or who has experienced at least four episodes of homelessness totaling 12 months in the last three years—and also has a disabling condition that prevents them from maintaining work or housing.” San Francisco Homeless Count & Survey 2019, Applied Survey Research

chronically homeless.⁵ Clients enrolled in more intensive supportive services designed to support those with a history of chronic homelessness or disability (such as interim housing and permanent supportive housing) had much lower rates of employment in the two years prior to service enrollment (approximately 32 percent and 33 percent, respectively), compared to the population enrolled in less intensive programs (such as diversion and rental subsidies) who were employed at a rate of 67 percent and 56 percent for the same time period.⁶

Findings from the Los Angeles County study also demonstrate that although a significant portion of the homeless population has had some form of employment prior to experiencing homelessness, by the time they enroll in services they are much less likely to have been recently employed. Specifically, the majority (74 percent) of homeless individuals receiving services in Los Angeles County had some record of employment prior to becoming homeless: nearly half (47 percent) were employed within four years of their first bout of homelessness but only one-fifth (19 percent) were employed in the quarter in which they became homeless.

Homeless individuals that were employed at some point had an average of six years of earning records, however median duration since last employment at time of being enrolled in homeless services was less, just over two years. These results suggest that a substantial proportion of the homeless population has successfully maintained some form of employment in the past. However, it is less likely that they had been recently employed by the time they are enrolling in services.

Physical health, mental health and substance abuse issues were linked to lower rates of employment prior to experiencing homelessness. In the Los Angeles County analysis, 29 percent of a sample of clients enrolled in homelessness services between 2010 and 2018 were employed in the year prior to service enrollment, compared to 24 percent of individuals reporting substance use disorders, 20 percent of individuals reporting mental health issues, and 17 percent of individuals reporting physical disabilities.⁷

For those adults aged 25-54 who did not report any of these issues, the overall employment rate one year prior to enrollment was 37 percent compared to 29 percent for the overall population (including those outside the age range of 25-54, and those with the various conditions previously listed).

⁵ "Employment and Earnings among LA County Residents Experiencing Homelessness." California Policy Lab. Policy Brief 2020. Wachter, Till von et al.

⁶ "Employment and Earnings among LA County Residents Experiencing Homelessness." California Policy Lab. Policy Brief 2020. Wachter, Till von et al.

⁷ "Employment and Earnings among LA County Residents Experiencing Homelessness." California Policy Lab. Policy Brief 2020. Wachter, Till von et al.

In both Los Angeles County and the City and County of San Francisco, homeless adults in families seem to be employed at a somewhat higher rate than single homeless adults. In Los Angeles County, 86 percent of adults in families had some recorded earnings prior to homelessness service enrollment, compared to 75 percent among single adults and 61 percent among Transitional Aged Youth (TAY). Additionally, 94 percent of the San Francisco chronically homeless population, who are overall less likely to attribute their homelessness to a lack of employment, were single adults without children.

Though this report examines current City-funded services designed to support the homeless population through employment and workforce development programs, those homeless residents suffering from chronic homelessness, substance addiction or disabilities would likely benefit from a more integrated and individualized approach towards mitigating the unique challenges that they face.

City Workforce Development Programs and Homeless Participation

The City's Office of Economic and Workforce Development (OEWD) has primary responsibility for planning and coordination of workforce development services in the City and County of San Francisco, pursuant to Chapter 30 of the City's Administrative Code. OEWD's Workforce Division functions to connect job seekers with employment opportunities, provide training and access to job search assistance, and works with employers to "attract, grow and retain a diverse workforce."⁸

Workforce development services are provided through 294 programs administered by OEWD and sixteen other departments Citywide for a total of seventeen departments providing workforce development programs. In FY 2018-19, these departments served a reported 26,142 participants. We assume the actual number of unique individuals served is a lesser number because the count of participants is not de-duplicated to account for individuals who participate in multiple programs.

Homeless individuals have been identified as a priority population for workforce development programs in various City and OEWD workforce development planning documents. Their participation in the programs is recorded by at least some departments and reported to OEWD as part of the Office's annual Citywide Inventory of workforce development programs. We have collected and verified with provider departments the number of participants that identified as homeless primarily through program intake processes when participants are asked to provide home addresses including their home zip code. Participants that don't have a permanent address and meet the Department of

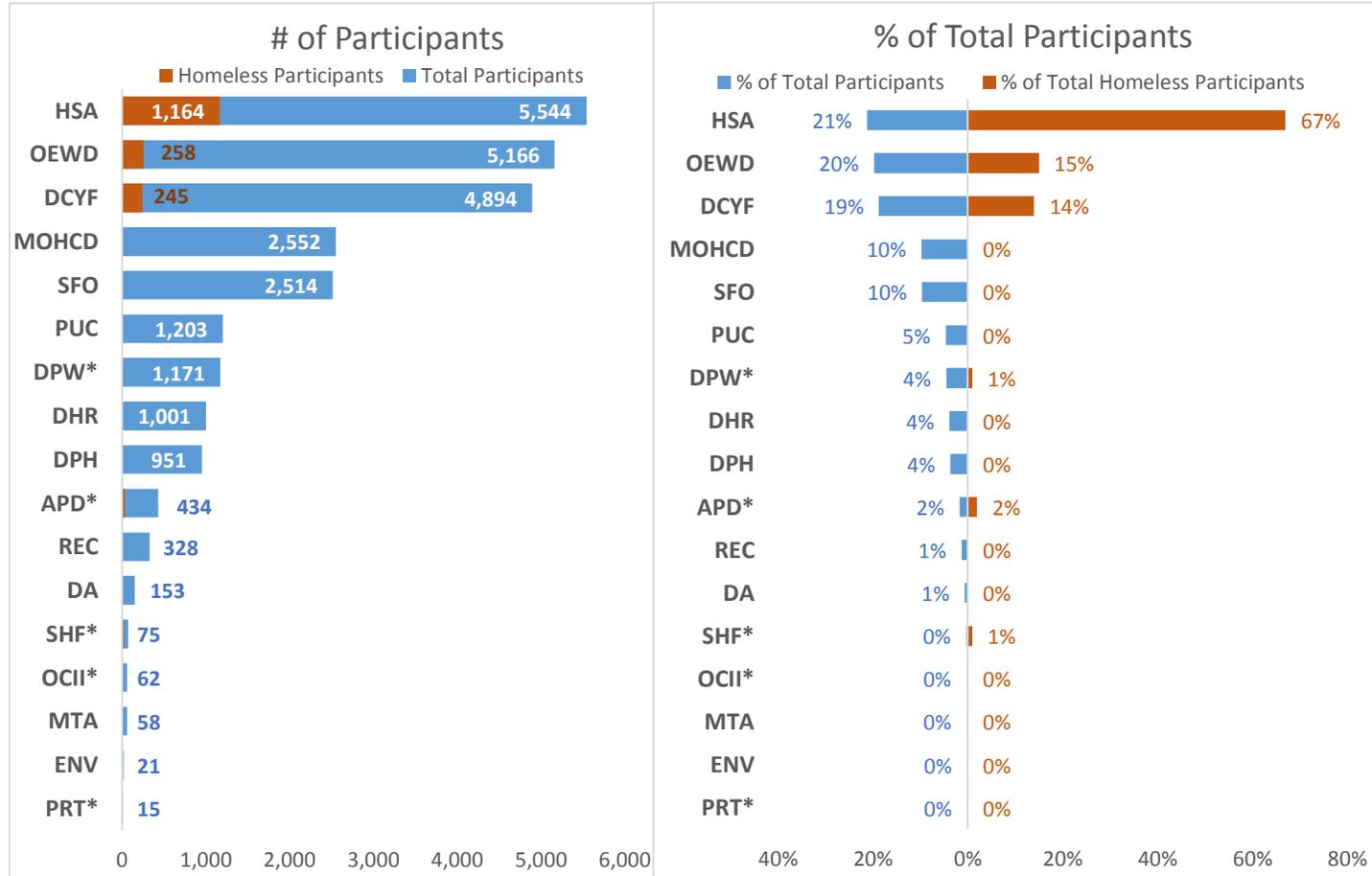
⁸ "San Francisco Office of Economic and Workforce Development: About Us." <https://oewd.org/about-workforce>

Homelessness and Supportive Housing’s definition of homeless can be reported as such in the Inventory.

The results of our compilation of homeless participants in workforce development programs are shown for FY 2018-19 in Exhibit 5 in table and graphic form. As can be seen, City departments reported 1,736 homeless participants out of a total of 26,142 total participants, or approximately seven percent. Note that this count is not of homeless individuals because it has not been “de-duplicated” to adjust for participants enrolled in more than one program either in the same department or across departments.

Exhibit 5: Number of Total and Homeless Participants in City Workforce Development Programs, by Department, FY 2018-19

Department	Total Participants	Homeless Participants	% Homeless of Total Dept. Participants	% Homeless of Total Homeless Participants
Human Services Agency	5,544	1,164	21%	67%
Office of Economic and Workforce Development	5,166	258	5%	15%
Department of Children, Youth and Families	4,894	245	5%	14%
Adult Probation Department	434	30	7%	2%
Sheriff’s Department	75	18	24%	1%
Department of Public Works	1,171	12	1%	1%
Port of San Francisco	15	5	33%	0%
Office of Civic Engagement and Immigrant Affairs	62	4	6%	0%
Mayor’s Office of Housing and Community Development	2,552	-	0%	0%
San Francisco International Airport	2,514	-	0%	0%
San Francisco Public Utilities Commission	1,203	-	0%	0%
Department of Human Resources	1,001	-	0%	0%
Department of Public Health	951	-	0%	0%
Recreation and Parks Department	328	-	0%	0%
San Francisco District Attorney’s Office	153	-	0%	0%
San Francisco Municipal Transportation Agency	58	-	0%	0%
Department of the Environment	21	-	0%	0%
Total	26,142	1,736	7%	100%



Source: OEWD's FY 18-19 Workforce Services Inventory, and through individual department contacts.

Note: Participants likely include duplicates since individual participants can enroll in more than one program in a department or across departments.

As shown in Exhibit 5, the Human Services Agency (HSA) served the highest proportion and largest total number of homeless participants with 1,164, or 21 percent, of all FY 2018-19 department participants reported to be homeless. This level of participation amounted to 67 percent of the homeless participants reported Citywide. After HSA, approximately 15 and 14 percent of the homeless participants served were in programs administered by OEWD and the Department of Children, Youth and Their Families (DCYF), respectively. These three departments thus accounted for 95.5 percent of homeless participants reported as served in FY 2018-19 by all seventeen departments that OEWD

tracks. As can be seen in Exhibit 5, nine departments did not report having any homeless participants in their workforce development programs.⁹

While the data presented in Exhibit 5 provides some perspective on workforce development services provided to homeless individuals, it cannot be considered a reliable count of the number of homeless individuals' participation in the programs because:

- 1) the count of all participants includes duplicates, or individuals who participated in more than one program in a department and/or across departments and thus likely overstates the number of individual participants , and
- 2) some departments or their providers do not report any information on participant addresses and/or homelessness and thus may be understating homeless participation rates.

The absence of reliable measures of the numbers of homeless and other individuals participating in the City's workforce development programs makes assessing program effectiveness difficult.

Our source for homeless participant data was data from each City workforce development provider department as reported to OEWD in their most recent annual Inventory and verified by our office. We either verified the information provided to OEWD or, in cases where departments had not provided that data, we requested the information directly from the departments.

The homeless data collected through OEWD's annual Inventory does not necessarily provide a full picture of homeless participants as those participants may also decline to give a home address and the zip code for their place of residence can simply be recorded as "data not available".

Discussions of the workforce development system in San Francisco, funding levels and allocations, and how the homeless and other vulnerable populations are identified for services are presented in the next sections.

Overview of the Workforce Development System

The San Francisco Workforce Investment Board (WISF) oversees and sets policy direction for the City's workforce development system. The WISF Board has 25 active members, including representatives of the Board of Supervisors and industries and occupations as mandated by the federal Workforce Innovation and Opportunity Act (WIOA), which

⁹ According to OEWD managers, this may be due to issues with reporting data at identifiable levels, not collecting addresses at intake, or otherwise non-reporting of sensitive populations in the Inventory. Departments are currently not mandated to track this information nor to report it to OEWD for the Inventory.

provides a primary source of funding for the City's workforce development services.^{10 11} OEWD and the WISF Board maintain primary responsibility for planning and coordinating the City's workforce development efforts administered by the seventeen City departments, as well as administering the City's federal workforce funding provided pursuant to the federal Workforce Innovation and Opportunity Act.¹²

In 2014, the Board of Supervisors amended Chapter 30 of the City's Administrative Code to establish an Alignment Committee to coordinate workforce development services across City departments in order to increase program effectiveness. Comprised of representatives of the Board of Supervisors, Mayor's Office, and five City departments that provide workforce development programs, a key responsibility of the Alignment Committee was preparation of a five year plan for the WISF Board that assessed the City's workforce development needs and opportunities and was to recommend goals, strategies, and funding needed to meet the challenges identified. The Administrative Code included a sunset date for Alignment Committee of June 2019. OEWD reports that

¹⁰ "As mandated by the Workforce Innovation and Opportunity Act (WIOA), the WISF will be comprised of the following mandated entities:

- Business: 51%
- Workforce - Labor and Community Based Organizations: 20%
- Economic Development: One (1) member
- Higher Education: One (1) member
- WIOA Title II – Adult Education and Literacy: One (1) member
- Title III – State Employment Service Office: One (1) member
- Title IV – Vocational Rehabilitation Program: One (1) member

Section 30.4 of the City's Administrative Code authorizes the Mayor to appoint members to the WISF Board subject to approval by the Board of Supervisors unless the Mayor has appointed two members of the Board of Supervisors to the WISF Board, in which case confirmation by the Board of Supervisors is not required. The Code also includes language that strongly urges the Mayor to appoint at least one member of the Board of Supervisors to the WISF Board. The OEWD website reports that City legislation and policy stipulates that the Mayor appoint two (2) members of the Board of Supervisors to the WISF with the intention that they represent relevant committees of the board such as Budget & Finance and Land Use & Economic Development. WISF Board Members. <https://oewd.org/wisf-board-members>

¹¹ The 2014 Workforce Innovation and Opportunity Act (WIOA), which represents the "first legislative reform of the public workforce system in 15 years," coordinates the "core programs of federal investment in skill development: Employment and training services for adults, dislocated workers, and youth and Wagner-Peyser employment services administered by the U.S. Department of Labor (DOL) through formula grants to states; and Adult education and family literacy programs as well as State Vocational Rehabilitation Services programs that assist eligible individuals with disabilities in obtaining employment; both core programs are administered by the U.S. Department of Education. WIOA also authorizes programs for specific vulnerable populations, including the Job Corps, YouthBuild, Indian and Native Americans, and Migrant and Seasonal Farmworker programs as well as evaluation and multistate projects administered by DOL." U.S. Department of Labor: Employment and Training Administration. Workforce Innovation and Opportunity Act: About. <https://www.dol.gov/agencies/eta/wioa/about>

¹² "San Francisco Citywide Workforce Development Plan: 2017-2022." Prepared by the Committee on Workforce Alignment. Published 2017.

the Committee continues to function but it has not been reinstated in the Administrative Code.

The Alignment Committee published the Five-Year Citywide Workforce Development Plan (“The Plan”) in 2017, spanning the five years through 2022. The Plan provides an assessment of the City’s workforce and its workforce development programs and establishes corresponding recommendations for its improvement.¹³ The Plan and its annual updates rely on data collected by OEWD in its annual Workforce Services Inventories (“The Inventory”). To conduct the annual Inventory, OEWD, in collaboration with key stakeholders, created an extensive data collection instrument used to annually survey and collect program information from the seventeen City departments that administer workforce development and employment programming. We reviewed the Inventory results for FYs 2017-18 and 2018-19.

The Inventory data collection instrument provides a potentially rich source of data about many aspects of the City’s workforce development programs. The Administrative Code in effect at the time the five year Plan was adopted required that all City departments engaged in workforce development services provide information requested by the Alignment Committee in the format and within the timeline requested by the Committee. That requirement has since been removed when the Administrative Code was amended in late 2019.

Citywide Workforce Development Funding and Expenditures

OEWD’s Inventory for FY 2018-19 provides a snapshot of most workforce development programs in the City for the year, including comprehensive budget, demographic, provider details, and performance data for all programs. The Inventory reports that across 17 surveyed departments, the City budgeted \$150.4 million on workforce development services in FY 2018-19. Of this total, \$64.8 million, or 43.1 percent, was provided by the City’s General Fund.

To supplement the budget data collected for the Inventory, we collected data on actual expenditures and confirmed the number of homeless participants from eleven City departments: the eight that reported having some homeless participants and three enterprise departments that did not report homeless participants (Airport, Port, and the PUC).

Budgeted funding for those eleven departments surveyed amounted to approximately \$132 million, of which \$111.9 million, or 84.8 percent of the total amount budgeted, was

¹³ “San Francisco Citywide Workforce Development Plan: 2017-2022.” Prepared by the Committee on Workforce Alignment. Published 2017.

actually expended in FY 2018-19. Of the \$132 million total budgeted amount, approximately \$56.3 million, or 42.7 percent, was General Fund monies. Of just the \$56.3 million General Fund budgeted amount, approximately \$44.1 million, or 78.3 percent, was actually spent in FY 2018-19.

See Exhibit 6 below for an overview of budgeted and actual workforce development expenditures for the eleven departments that we surveyed for FY 2018-19.¹⁴

Exhibit 6: Budgeted and Actual Expenses for 11 Surveyed Departments that Provide Workforce Development Services, FY 2018-19

Department	Total Budgeted	Total Actual Expenses	Actual % Total Budgeted	General Fund Budgeted	General Fund Actual Expenses	General Fund Actual % Total Actual
Human Services Agency (HSA)	\$40,289,406	\$32,720,958	81%	\$15,712,172	\$13,541,615	86%
Office of Economic and Workforce Development (OEWD)	21,403,156	19,085,807	89%	12,133,562	10,544,690	87%
Department of Children, Youth and Families (DCYF)	20,203,867	19,377,890	96%	930,430	1,696,640	182%
Department of Public Works (DPW)	17,530,833	11,707,465	67%	16,045,833	8,544,296	53%
Department of Public Health (DPH)	13,840,529	10,856,897	78%	7,213,189	6,570,166	91%
San Francisco Public Utilities Commission (PUC)	10,334,392	10,296,882	100%	-	-	-
Mayor's Office of Housing and Community Development (MOHCD)	3,638,124	3,517,982	97%	2,205,686	2,120,830	96%
San Francisco International Airport (SFO)	1,884,840	2,555,995	136%	-	-	-
Adult Probation Department (APD)	1,750,851	875,942	50%	1,750,851	857,914	49%
Port of San Francisco (PRT)	754,072	644,443	85%	-	-	-
Sheriff's Department (SHF)	350,140	267,238	76%	350,140	267,238	76%
Total	\$131,981,209	\$111,907,499	85%	\$56,341,863	\$44,143,389	78%

Source: OEWD's FY 18-19 Workforce Services Inventory, and through individual department contacts

¹⁴ The Recreation and Parks Department, the Department of Human Resources, the Office of Civic Engagement and Immigrant Affairs, the Municipal Transportation Agency, the San Francisco Public Library and the Department of the Environment were excluded from this analysis due to having fewer than five reported homeless participants served through their workforce programs, and did not indicate in their Workforce Inventory Survey data that they had any workforce programming that prioritized the homeless population.

As can be seen from Exhibit 6, HSA (Human Services Agency), OEWD, and DCYF (Department of Children, Youth and Their Families) combined were responsible for approximately 62 percent of the FY 2018-19 budgeted expenditures for these eleven departments. Approximately 15 percent of the total budgeted funding was unspent and approximately 22 percent of the total General Fund budgeted funding was unspent for FY 2018-19. OEWD reports that unspent funds from a single year cannot be carried over for subsequent year expenses unless they are part of a multi-year contract.

While the conditions that contribute to unspent funding vary among departments, OEWD reports that some of the underspending may be attributed to having to initiate new procurements midyear in order to incorporate addbacks or other enhancements, pushing back start dates for some services and resulting in unspent funding within that program year.¹⁵ Deficient contract provider staffing levels was also cited by OEWD as a cause of underspending in some cases. Additionally, there were some difficulty posed by the transition to the City's new financial system that was established in 2017, as well as challenges associated with the single-year contracting process.¹⁶

As seen from Exhibit 7 most of the services provided by the top three departments serving homeless individuals in their workforce development programs is provided by contractors with \$48.1 million, or 78.3 percent of the \$61.8 million total, budgeted for contract services. The emphasis on contracted service providers reflects the approach by many City departments that community-based nonprofit providers are more deeply embedded in the community and may be better suited towards serving the needs of constituents (rather than City government staff).¹⁷

Consistent with total program spending presented in Exhibit 6 above, actual expenditures on contract workforce development services were less than budgeted amounts in FY 2018-19. As shown in Exhibit 7, \$42.7 million of the \$48.1 million budgeted for contract services for the top three departments that reported homeless participants was actually expended in FY 2018-19, leaving approximately \$5.4 million in planned expenditures unspent. The three departments with the largest workforce development expenditures left between 4 and 21 percent of the budgeted funding unspent in FY 2018-19. Actual spending for in-house staff was the same as budgeted amounts, which is likely due to City staff being on board and regularly paid without dependence on various contractors being fully staffed and contracts being executed timely.

¹⁵ According to OEWD management

¹⁶ Interview with OEWD managers. May 29, 2020.

¹⁷ Interview with OEWD managers. May 29, 2020.

Exhibit 7: HSA, OEWD and DCYF Budgeted vs. Actual Expenditures for In-House Staff vs. Contracted Services for Workforce Development Programs, FY 2018-19¹⁸

Dept.	In-House Staff		Contracted Services		Total		Difference: Budgeted v. Actual	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	In-House	Contracted
HSA	\$9,221,640	\$9,221,640	\$10,983,484	\$8,690,809	\$20,205,124	\$17,912,449	\$0	\$2,292,675
OEWD	4,462,573	4,462,573	16,940,583	14,623,235	21,403,156	19,085,807	0	-2,317,348
DCYF	0	0	20,203,867	19,377,890	20,203,867	19,377,890	0	-825,977
Total	\$13,684,213	\$13,684,213	\$48,127,934	\$42,691,934	\$61,812,147	\$56,376,146	\$0	\$5,436,000

Source: OEWD's, HSA's, and DCYF's FY 18-19 Workforce Services Inventory, and through individual department contacts

In addition to HSA's approximately \$2.3 million in contract services underspending in FY 2018-19, the agency separately underspent approximately \$5 million for "wages and stipends," which refers to "funds allocated for subsidized wages or stipends for program participants."¹⁹ This represents a lost opportunity to improve the income of program participants, including homeless individuals in the affected programs.

How Vulnerable Populations are Prioritized by the City's Workforce Development Programs

Workforce development services in San Francisco are governed by a complex set of federal, state, and local laws and regulations. At the broadest level, the purpose of the federal WIOA is to serve individuals with "barriers to employment" that are defined in the Act to include 13 specific groups, including homeless individuals. The full list of these thirteen designated populations is as follows:

¹⁸ Totals in Exhibit 7 may not match the totals in Exhibit 6 due to the exclusion of the wages and stipends category in Exhibit 7.

¹⁹ 2018-2019 Workforce Services Inventory conducted by OEWD.

Populations prioritized for workforce development services by the federal Workforce Innovation and Opportunity Act²⁰

1. Displaced homemakers
2. Low-income individuals
3. Indians, Alaska Natives and Native Hawaiians,
4. Individuals with disabilities,
5. Older individuals,
6. Ex-offenders,
- 7. Homeless individuals,**
8. Active or former foster-care youth,
9. Individuals who are English language learners, have low literacy and/or are facing substantial cultural barriers,
10. Eligible migrant and seasonal farm workers,
11. Individuals within 2 years of exhausting lifetime eligibility under TANF,
12. Single parents, and
13. Long-term unemployed individuals.

(emphasis added)

These federal priority populations can be overridden by other provisions of WIOA that allow for priority of service to be provided to veterans and public assistance recipients. The federal laws also allow for state and local workforce analyses and plans that can identify other groups that warrant priority services. Such analyses and plans that have been prepared by the State of California and the City and County of San Francisco have identified the homeless along with other vulnerable populations as target populations to be prioritized for workforce development services. For example, the City's FY 2018-19 Workforce Services Alignment Plan Update reports that,

"In addition to the priority populations identified by state and federal mandates, Alignment departments continue to facilitate partnerships to prioritize San Francisco-specific economically vulnerable populations, including individuals experiencing homelessness..." (emphasis added).

The City's Plan Update document goes on to identify other populations to be separately addressed by the City's workforce development programs including individuals experiencing mental health or substance use treatment, the LGBTQ+ community, survivors of domestic violence, people with disabilities, veterans, older adults, and participants in vocational training programs.

²⁰Workforce Innovation and Opportunity Act, Section 3(24) & DOL TEGL 19-16
https://wdr.doleta.gov/directives/attach/TEGL/TEGL_19-16_acc.pdf

Between federal and state funding provisions and local priorities, City departments have many specialized populations to serve with their workforce development programs. In the Citywide Workforce Development Plan 2017-2022, the following nineteen vulnerable populations are identified as priorities in the following order. These priority populations, including the homeless, are also identified in other planning and policy documents prepared by OEWD and other workforce development stakeholders.

Priority Populations Identified by the City and County of San Francisco for Workforce Development Services

1. English Language Learners
2. Foster care youth
- 3. Homeless or formerly homeless households**
4. Individuals lacking right to work documentation
5. Individuals re-entering civilian life from prison
6. Individuals with disabilities
7. Individuals with less than a high school degree or GED
8. Justice-involved individuals
9. Long-term unemployed individuals
10. Older individuals (55+)
11. Public benefits recipients (including Project 500)
12. Public housing residents (including HOPE SF)
13. Residents below 100% Federal Poverty Level (FPL)
14. Residents between 100% to 200% FPL
15. Residents between 200 to 300% FPL
16. Transitional-aged youth (18-24)
17. Underemployed individuals
18. Unemployed individuals
19. Veterans

(emphasis added)

Source: Citywide Workforce Development Plan 2017-2022, City and County of San Francisco

Participation data is collected for most, but not all, of the priority population groups above in OEWD's annual Inventory of seventeen City departments' workforce development programs. For each program, information is collected about its programmatic classification, type of services, funding level and sources, whether the program is provided by a contractor or in-house staff, and other characteristics. Number of participants by priority population group and program is collected but only for twelve of the priority populations identified above, unfortunately excluding homeless participants.

Unlike most of the program's priority populations, homeless participation in the City's workforce development programs is tracked by department rather than by program, and without the level of detail collected for most of the other priority populations. While the homeless participant data collected allows for a count of the gross number of homeless participants by department (as presented above in Exhibit 5 of this report), it does not allow for a more robust analysis of homeless participants by type of program, funding level, service type, and other characteristics, analyses of which can be readily conducted for twelve of the priority population groups.

Further, the City's workforce development planning documents do not establish goals for participation levels by the priority populations, so there are no benchmarks for comparison to actual participation to measure program effectiveness. If participation data were collected in a consistent manner for all priority population groups and compared to established participation goals, it would allow for a comprehensive assessment of resource allocation by group and for comparisons of resource allocations between groups to determine if they are receiving an adequate allocation of workforce development resources relative to need.

More than one priority population can be served by a program (e.g., a program could target individuals who are adults, unemployed, and public benefits recipients). However, with the way the Inventory data is currently structured, it is not possible to determine how many homeless participants might also be included within the other "vulnerable populations" categories.

While federal and state funding comprised \$75.6 million of the \$131.9 million total budgeted amount by the eleven departments surveyed for this report for their workforce development programs in FY 2018-19, or 57.3 percent, the remaining approximately \$56.3 million, or 42.7 percent, was provided by the City's General Fund. A portion of the City's General Fund support may serve as required matching funds for the federal and state monies received but some of it may also provide greater spending flexibility to allow the City to target other vulnerable populations including the homeless.

Limitations of Other Vulnerable Population Data Collection

Participation in workforce development programs for twelve priority vulnerable populations is supposed to be tracked by program by each service providing department and reported to OEWD each year in its Inventory surveys. The estimated number of participants in each of the twelve priority population groups for FY 2018-19 is presented in Exhibit 8. As discussed above, the data in Exhibit 8 does not include the homeless population and some other groups because data about those participants is not collected in the same way as data about these twelve priority populations. In addition, the reliability

of the data that is collected and reported about these twelve populations groups is uncertain as OEWD management reports that data collection methods by different departments and contract providers may vary.

As shown in Exhibit 8, public benefits recipients and the unemployed comprised the largest two priority populations served in FY 2018-19 according to the data reported to OEWD for its annual Inventory. Due to difficulties posed by inconsistent data collection methodologies across departments, it is not possible to determine the extent of overlap between categories, and how many workforce program clients in these categories participate in multiple programs across departments.

As a further indicator of the limitations of this participant data, many departments do not collect and/or report priority population data for their participants at all. As shown in Exhibit 8, 7,558 of the 26,142 participants reported for FY 2018-19, or 28.9 percent, were not assigned to any of the priority population groups by the service providing departments, adding to the difficulty of assessing the effectiveness of the City's workforce development programs. As OEWD representatives have pointed out, departments are not mandated to collect or provide participant information to OEWD and the Office does not currently have the authority to compel provision of such data. OEWD's role is defined in Administrative Code Section 30 as "planning and coordinating".

Exhibit 8: Twelve Priority Populations whose Participation is Tracked by Workforce Development Program, FY 2018-19²¹

Population	Number of Participants
Public Benefits Recipients	5,980
Unemployed	4,871
Individuals with Disability	1,807
English Language Learners	1,559
Active or Formerly Justice-Involved Individuals	1,151
Long-term Unemployed (age 25 and older)	1,086
Public Housing Residents	745
Employed	642
Underemployed (age 25 and older)	276
Veterans (age 25 and older)	264
HOPE SF Residents	112
Active or Former Foster Care Youth	91
Unknown	7,558
Total Participants	26,142

Source: FY 18-19 Workforce Services Inventory, all participating departments

Note: Participants likely include duplicates since individual participants can enroll in more than one program in a department or across departments.

Overview of Three Departments Providing Services to Most Homeless Individuals

This section contains profiles of services provided by the three departments that reported providing services to the highest number of homeless individuals in FY 2018-19. In contrast to the limitations on data collected and reported to OEWD by service providing departments, some departments, notably HSA and OEWD, are collecting more detailed information about their workforce development programs and participants and analyzing

²¹ According to OEWD management, there are significant data quality issues regarding the priority population data collected in the Inventory. Departments tend to report priority populations consistent with their service delivery strategy (e.g., all participants in a program serving reentry clients may be coded as justice-involved). The participants listed in each priority population category reflect duplication within the programs, departments, and across the City system, and do not total the baseline participant count for City programs.

their results in more meaningful ways than can be done Citywide. Even with these superior analyses, the measures used are not uniform among the three departments, limiting comparisons and cross-department analyses.

HSA Workforce Development Programs

As discussed above, the City's Human Services Agency (HSA) expended the highest dollar amount of all City departments providing workforce development services and had the highest number of reported homeless participants.

For FY 2018-2019, HSA operated 32 workforce development programs which served 5,544 participants, of which 1,165, or 21 percent, were reported to be homeless. HSA's workforce participants are all public assistance recipients and 15 of their 32 programs are classified as Job Readiness programs. Eight other programs are classified as Career and Educational Advancement, six provide Subsidized Employment, and three provide Unsubsidized Employment.²²

HSA's biggest program, the Public Service Trainee (PST) program, provides subsidized internships at City & County of San Francisco agencies and departments for CalWORKs and General Assistance clients. HSA also offers a Community Jobs Program, which is a three to six month program that provides work experience, job search, General Education Development certificate (GED) preparation, and professional development and computer skills training for CalWORKs and General Assistance clients, and Wage Subsidy programs that reimburse employers for hiring CalWORKs and General Assistance clients.

HSA also began a contract with four community-based organizations in February 2018 to provide vocational training, job placement, and job retention services to formerly homeless individuals and those currently at risk of homelessness. While the providers were contracted to serve a combined total of 409 participants annually, the enrollment has been low in the first two years of the program despite the collaborative and ongoing outreach and recruitment efforts reported by HSA and the providers. The four organizations enrolled a combined 236 clients into their programs in FY 2018-19 and 166 in the current fiscal year. HSA states that challenges reported by the providers include persistent barriers faced by the target population, anecdotal evidence that clients prefer

²² The "Job Readiness" category refers to programs where "the primary goal is to prepare participants to be successful job candidates for employers industry wide, not necessarily geared toward a particular job placement." Job Readiness can be general or sector-specific. Career and Educational Advancement are not defined in the Inventory. Unsubsidized Job Placement refers to facilitating "employment in which wages are paid fully by the employer," and Subsidized Job Placement refers to "employment in which "wages are paid fully or partially to the employer by public funds, a private foundation, or another third-party source. HSA 2018-2019 Workforce Services Inventory.

subsidized employment to unpaid vocational training, and lack of interest due to the healthy pre-COVID local labor market.²³

Beyond its workforce programs, HSA reports that they also provide a variety of services to homeless individuals receiving General Assistance and CalWORKs benefits, including housing assistance, behavioral health counseling, outpatient substance abuse treatment, and job readiness training. These services may be provided to individuals while they are participating in a workforce development program.²⁴

OEWD Workforce Development Programs

For FY 2018-19, OEWD reported operating 23 workforce development programs. Of these programs, 10 were classified as Unsubsidized Employment, seven have the primary goal of Career and Educational Advancement, five are dedicated towards Job Readiness, and one provides Subsidized Employment.²⁵ OEWD combines industry-aligned job-training with targeted job search assistance through community Access Points, with the goal of providing employers with sufficiently skilled workers.^{26 27}

DCYF Workforce Development Programs

For FY 2018-19, the Department of Children, Youth and Their Families (DCYF) operated 51 workforce development programs. Of these programs, all of them have the primary goal of Job Readiness. All DCYF programs are focused on serving youth, either under 18 or ages 18-24. The Mayor's Youth Employment and Education Program (MYEEP) is one of their biggest programs, and has the goal of providing "job readiness training, work experience, academic support, and personal development to youth who are challenged in their attempt to access employment."²⁸ DCYF also funds and oversees YouthWorks, which is administered by the Japanese Community Youth Council. YouthWorks is an internship program for high-schoolers that provides participants with paid internships at City agencies.²⁹ MYEEP is funded at a significantly higher amount than the other top DCYF

²³ According to HSA managers

²⁴ According to HSA managers

²⁵ OEWD FY 18-19 Workforce Services Inventory. Only 23 of the 24 programs identified were specified in the document.

²⁶ OEWD: About Us. OEWD.org/workforce

²⁷ OEWD Access Points provide job search assistance, career planning, access to education and other services. OEWD Workforce Programs: Overview.

²⁸ "San Francisco Citywide Workforce Development Plan: 2017-2022." Prepared by the Committee on Workforce Alignment. Published 2017.

²⁹ "San Francisco Citywide Workforce Development Plan: 2017-2022." Prepared by the Committee on Workforce Alignment. Published 2017.

programs. Overall, MYEEP utilizes nearly a third (28 percent) of the total DCYF workforce development budget of approximately \$20 million.

Integrated Services

Besides the workforce development programs detailed above, the City also separately offers services that combine job training and internship/employment programs with other support services such as behavioral health counselling and support. As the Los Angeles County study cited earlier in this report has shown, homelessness is often accompanied by other conditions such as physical or mental disabilities that can make sustaining employment impossible.³⁰ The programs and initiatives highlighted below are examples of City employment services that integrate other intensive and supportive services designed to address possible extenuating physical, mental or emotional health conditions and may provide a more effective means of providing workforce development services by also addressing co-occurring conditions affecting homeless participants in particular. This is not necessarily a fully comprehensive inventory of City services, but should be viewed as examples of some workforce services that integrate employment training and other types of supportive services.

A number of integrated service programs are administered by the Behavioral Health Services division of the Department of Public Health and combine behavioral health services and/or case management with job training. Another initiative highlighted below is a collaborative project between the Department of Homelessness and Supportive Housing (HSH), OEWD and HSA, currently in design, which is intended to incorporate workforce opportunities into the City's existing Access Points, the City's centralized points of entry for its Homelessness Response System. Additionally, there are a number of job readiness and occupational-sector training programs delivered through homelessness-focused nonprofits that are funded primarily through Community Development Block Grant funding.

Behavioral Health Services

The San Francisco Department of Public Health's Behavioral Health Services division provides workforce, employment and training services in combination with behavioral health counselling and support services, funded under the Mental Health Services Act

³⁰ "Employment and Earnings among LA County Residents Experiencing Homelessness." California Policy Lab. Policy Brief 2020. Wachter, Till von et al.

(MHSA).³¹ Several MHSA Service Categories are designed to provide, promote and facilitate employment among clients (or family members of clients) of the City's behavioral health services while simultaneously providing intensive case management and/or targeted mental health support. In spite of administering such vocational training and workforce programs, the Department of Public Health does not currently serve on the Alignment Committee.

MHSA-funded program providers report on various demographic and outcomes metrics in their Year-End reports. However, the number of homeless participants or other vulnerable populations for each program is currently not tracked, which means that there is currently no way to determine the number of homeless clients participating in these programs. However, the MHSA FY 2019-20 Annual Update prepared by the Behavioral Health Services Division states that an estimated 50 percent of participants in MHSA-funded programs are either homeless or at-risk of becoming homeless.³² Furthermore, there is a dedicated MHSA Service Category for Housing, which focuses on helping individuals with "serious mental illness who are homeless or at-risk of homelessness secure or retain permanent housing."³³

A brief summary of integrated workforce development and other support services funded by the MHSA and administered by the Behavioral Health Services Division are presented in Exhibit 9. As can be seen, Peer to Peer Employment Training had the most participants and the second largest budget in FY 2018-19.

³¹ "The Mental Health Services Act (MHSA) was approved by California voters in November 2004 to provide funding to create fundamental changes to the access and delivery of mental health services throughout the state. Once enacted into law in January 2005, it became known as the Mental Health Services Act (MHSA). The MHSA called upon local counties to transform their public mental health systems to achieve the goals of raising awareness, promoting the early identification of mental health problems, making access to treatment easier, improving the effectiveness of services, reducing the use of out-of-home and institutional care, and eliminating stigma toward those with severe mental illness or serious emotional disturbance." San Francisco Department of Public Health: Our Programs. Mental Health Services Act. <https://www.sfdph.org/dph/comupg/oservices/mentalHlth/MHSA/default.asp>

³² MHSA FY 19-20 Annual Update.

³³ MHSA FY 19-20 Annual Update.

Exhibit 9: Examples of Services available to Homeless Integrating Workforce Development and Behavioral Health Services, FY 2018-19

	Program	Agencies	Budget	# Participants	Description
1	Peer to Peer Employment Training	(DPH) Behavioral Health Services Division	\$3,352,404	2,534 ³⁴	A subsidized employment program for behavioral health consumers or their families to provide entry level direct service to other consumers or administrative support service work as interns. Subsequent to internships, higher paid peer counseling and outreach service positions are available.
2	Dept. of Rehabilitation Vocational Co-op	DPH Behavioral Health Services Division in collaboration with California Dept. of Rehabilitation	3,844,484	509	Services for behavioral health consumers including vocational assessments, job coaching, and job placement and retention. Homeless individuals are among the target populations served for this program.
3	Peer Specialist Mental Health Certificate & Leadership	DPH Behavioral Health Services Division	348,750	54	Trains behavioral health consumers and/or family members to provide specialist and counseling services in systems of care. Participants are not paid but become eligible for paid positions through Peer to Peer Employment Training program (see #1 above)
4	i-Ability Vocational Technology Program	DPH Behavioral Health Services Division	1,337,748	40	Prepares behavioral health consumers to provide IT support in BHS Division's IT department. Participants receive classroom instruction & paid on-the-job training.
5	TAY Vocational Career Connections	DPH Behavioral Health Services Division in collaboration with SFUSD, DPH clinics, Juvenile Probation	184,600	18	Behavioral health consumers between the ages of 15-25 are provided coaching and guidance for internships and potential post-program job placements
6	1st Impressions UCSF	DPH Behavioral Health Services Division in collaboration with UCSF	361,305	n.a.	Support services for behavioral health consumers interested in pursuing positions in construction and building maintenance
TOTAL			\$9,429,291		

Source: Mental Health Services Act FY 2018-19 Year-end Demographic Data and Narrative Reports

³⁴ This total includes 75 Peer Workers/Interns and 2,525 BHS clients who are served by the Peers themselves.

CDBG-Funded Programs

Additional integrated workforce development services separate from those listed above are provided through homelessness-focused nonprofits by the Mayor's Office of Housing and Community Development (MOHCD), with a focus on serving homeless and housing-unstable clients. MOHCD work-orders a portion of Community Development Block Grant (CDBG) funding to OEWD, which in turn funds a number of employment and workforce services programs that are administered by homelessness-focused contract nonprofit providers. Since the client data for these programs is maintained in a separate database, the data is not reported at the same level of detail as provided in OEWD's annual Workforce Development Services Inventories. As a result, some basic demographic information is reported for these participants but there is no additional information on the number of homeless participants or other vulnerable populations participating in these programs.³⁵ It is not possible to determine how many of the participants served by these programs belong to any of the WIOA or OEWD-stated priority populations (including homeless individuals).

OEWD reports that workforce development programs provided by homelessness-focused providers offer comprehensive services such as individualized case management, individual employment planning, and other services designed to help individuals overcome barriers to post-secondary or employment success. Further, OEWD reports that case management for this population goes beyond workforce development services, as participants are also in need of shelter, housing, food, mental health support, etc., much of which is also provided by their contract service providers. Barrier remediation is reported to be integrated into service models to address barriers that may prevent a participant from successfully entering the workforce. Job Readiness Training is also integrated into workforce programming through workshops or individual counseling to equip participants with effective workplace and classroom survival skills, attitudes, and behaviors.

Most of these CDBG-funded contractor nonprofits provide sector-specific occupational skills training. For instance, Episcopal Community Services provides culinary training and then works with clients to place them in culinary jobs; additionally, Community Housing Partnership provides front-desk hospitality training, and many of the individuals who graduate this program obtain employment as front desk workers at public housing sites. While a number of these programs do help facilitate successful unsubsidized employment for participants, OEWD reports that their primary focus is on the removal of significant barriers.

³⁵ OEWD program data is tracked in the Workforce Central Data System and MOHCD program data is tracked in the General Management System (GMS). MOHCD data is held in GMS, because most of their programs are funded through CDBG and these funding requirements necessitate the use of a different data system. Source: OEWD.

New Initiative: Workforce System Alignment Collaboration to Alleviate Homelessness

As mentioned previously, while the five year Citywide Workforce Development Plan currently in effect provides a comprehensive overview of how the workforce system operates as a whole and identifies the homeless as a priority population to receive workforce development services, it contains little reference to how homeless individuals will be engaged and participate in the City's workforce development services. According to OEWD, it is the intent of a funded collaboration with the Department of Homelessness and Supportive Housing (HSH), HSA and OEWD to address this issue.

An initiative to integrate workforce development and other supportive services for the homeless received notice of funding in March 2020. As of June 2020, OEWD has negotiated and finalized the contract with the State and is now working with their partners to implement this program. The goal of this intra-departmental collaboration between OEWD, HSA, and HSH is to incorporate a workforce readiness assessment into HSH's Coordinated Entry homelessness response system.

This initiative was granted funding through the State of California's Workforce Development Board Workforce Accelerator Fund.³⁶ The total amount of funding granted was \$150,000 and the project will receive a \$150,000 cash match from HSA, for a total project budget of \$300,000. The funding will go towards hiring a consultant to conduct a "discrete planning project aimed at helping OEWD, HSA, and HSH analyze the best method to identify work-ready individuals at the HSH Access Points, assess the OEWD and HSA workforce network in order to identify workforce provider referral partners that are best able to provide effective and culturally competent workforce services to individuals who are experiencing homelessness, and to make recommendations for trauma-informed training for workforce providers."³⁷

The bulk of the work for this specific project will entail the development of an assessment tool that will allow for an accurate determination of client "job readiness," including whether the client requires other stabilizing services before they are directed to workforce services. Upon completion of this assessment tool, the third party vendor will work with OEWD, HSA, HSH and Coordinated Entry Access Point providers to determine the best way of incorporating this tool into the current Coordinated Entry protocol, and develop objective measures of assessing and determining which community based organizations that currently provide workforce services are best suited for serving this

³⁶ California Workforce Development Board. Workforce Accelerator Fund 8.0. Exhibit D: Project Narrative. Application for San Francisco Office of Economic and Workforce Development. Received from OEWD.

³⁷ OEWD management representations.

particular population.³⁸ This project scope is the result of several years of discussions between HSH, HSA, OEWD and the nonprofit providers that comprise the Homeless Employment Collaborative about how to better engage the homeless population through workforce services.³⁹

Policy Options

The Board of Supervisors could consider the following policy options to enhance workforce development services for the homeless and other vulnerable populations:

1. Consider amending the Administrative Code to: a) mandate that all departments providing workforce development services provide results data to the Office of Economic and Workforce Development in the format requested for its annual Inventory of Citywide programs, as was required in previous versions of Chapter 30, b) reinstate the Alignment Committee that was subject to a sunset provision in 2019 but could continue to maintain its previously authorized role of planning and coordination of Citywide workforce development services, and c) include the Department of Public Health as a member of the Committee.
2. Request that the San Francisco Workforce Investment Board and/or the Alignment Committee clarify the priority populations being served by San Francisco's workforce development programs to more explicitly define the priority ranking of the homeless and other vulnerable populations, and to consider setting targets or relative ranges for the number of participants for each group for each budget year based on an assessment of need.
3. Request that OEWD report back to the Board of Supervisors on the costs associated with de-duplication of participant data within and across departments and establishing a standardized approach to collecting participant data for all priority populations, including the homeless, across all participating departments.
4. Request that the Department of Public Health Behavioral Health Division begin tracking and report back to OEWD and the Board of Supervisors on the number of homeless served and the results of its integrated services programs that combine workforce development and behavioral health services.
5. Consider additional funding for workforce development services that are serving the homeless and have demonstrated effectiveness in assisting homeless

³⁸ OEWD management representations.

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individuals attain employment and address other issues such as behavioral health and housing needs.