Ordinance amending the Administrative Code to establish a standard of 30% of the monthly adjusted household income as the maximum contribution to rent for households participating in Permanent Supportive Housing Programs operated by the City and County of San Francisco.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Findings.

(a) The City and County of San Francisco contains approximately 8,000 units of Permanent Supportive Housing serving approximately 10,000 formerly homeless individuals and families that are funded by a variety of local, state, and federal programs.

(b) Recognizing the impacts of “rent burden” on low income households, providers of Permanent Supportive Housing subsidize rents in amounts based on the rules of the funding source for the respective housing unit, and calculate the household’s rent contribution accordingly.

(c) Due to the diversity of funding sources with different regulations, rent contributions can vary greatly between buildings, or even between units in a particular building. These inconsistent practices lead to inequities among Permanent Supportive
Housing clients based simply on the funding stream. This ordinance is intended to reduce such inequities.

(d) It is the intent of the Board that by October 1, 2023, no client in Permanent Supportive Housing pays more than 30% of their income towards rent.

Section 2. The Administrative Code is hereby amended by revising Section 20.54.1; adding a new Section 20.54.2; renumbering existing Sections 20.54.2 and 20.54.3 as Sections 20.54.3 and 20.54.4 respectively, and revising both of those Sections; adding a new Section 20.54.5; renumbering existing Section 20.54.4 as Section 20.54.6, and revising that Section; renumbering existing Section 20.54.5 as Section 20.54.7; and adding new Sections 20.54.8 and 20.54.9, to read as follows:

ARTICLE VI:
ENROLLMENT IN SOCIAL SERVICES

SEC. 20.54.1. TITLE.
This Article VI shall be known as the "Permanent Supportive Housing and Public Benefits Utilization Ordinance."

SEC. 20.54.2. FINDINGS.
(a) In 2004, the “San Francisco Plan to Abolish Chronic Homelessness” (the “Ten Year Plan”) prepared by the S.F. Ten Year Planning Council, developed the City’s “Housing First” policy, finding that “permanent supportive housing has been proven to be the most effective and efficient way to take chronically homeless off the streets.”

(b) The U.S. Department of Housing and Urban Development (“HUD”) considers housing “affordable” if it costs no more than 30% of a household’s monthly income.
(c) Based on the U.S. Housing Act of 1937, and on the McKinney-Vento Act of 1987, HUD limits the monthly maximum rental occupancy charges for housing provided through the federal Continuum of Care Program ("CoC") to the highest of: 1) 30% of the family's monthly adjusted income; 2) 10% of the family's monthly income; or 3) the portion of a family’s welfare assistance that is designated for housing costs.

(d) It is in the best interest of the City and of the individuals living in Permanent Supportive Housing funded by the City and County of San Francisco, regardless of funding stream, to pay a standard rent contribution that is consistent with federal policy and regulations.

SEC. 20.54.23. DEFINITIONS.

For purposes of this Article VI, the following definitions shall apply.

"CalFresh" shall mean the program that provides monthly benefits to low-income households that can be used for the purchase of food, as set forth in California Welfare and Institutions Code Sections 18900 et seq., including any future amendments to those sections.

"CALM" shall mean Cash Assistance Linked to Medi-Cal, as set forth in Administrative Code, Chapter 20, Article XVII, including any future amendments to that Article.

"CalWORKs" shall mean the California Work Opportunity and Responsibility to Kids program as set forth in California Welfare and Institutions Code Sections 11200 et seq., including any future amendments to those sections.

"City" shall mean the City and County of San Francisco.

"Client" shall mean any person residing in or seeking to reside in Permanent Supportive Housing. "Client" shall include any dependent children under 18 years of age residing with or seeking to reside with the Client in Permanent Supportive Housing.

“Contractor” shall mean any person or persons, firm, partnership, corporation, or combination thereof, or other entity that enters into a Housing-Related Contract with the City.
"General Assistance" shall mean the General Assistance Program as set forth under in
Administrative Code, Chapter 20, Article VII, Sections 20.55 et seq including any future amendments to
that Article.

"Housing Provider" shall mean any Person Contractor that contracts with the Department
of Human Services or the Department of Homelessness and Supportive Housing, or other City
departments to administer Permanent Supportive Housing.

"Housing-Related Contract" shall mean any City-funded contract, lease, memorandum
of understanding, or other agreement or amendment thereto entered into on or after the
operative date of this Article VI between the Department of Human Services or the Department of
Homelessness and Supportive Housing City and a Housing Provider that provides for the
administration of Permanent Supportive Housing paid for in whole or in part by the City to Clients
of the Department of Human Services. "Housing-Related Contract" shall not include agreements
between the San Francisco Housing Authority and the City, or contracts to provide City-
funded services at Housing Authority developments.

"IHSS" shall mean the In-Home Supportive Services Program, as set forth in
Administrative Code, Chapter 70, including any future amendments to that Chapter.

"Medi-Cal" shall mean the Medi-Cal Program as set forth in California Welfare and
Institutions Code Sections 14000 et seq., including any future amendments to those sections.

"PAES" shall mean the Personal Assisted Employment Services Program, as set forth
in Administrative Code, Chapter 20, Article IX, including any future amendments to that
Article.

"Permanent Supportive Housing" shall mean housing units for Clients that include on-
site supportive services, including, without limitation, intake and assessment of Clients' needs,
outreach to the Clients to assist them with health or social needs, management of the health
or social needs of Clients, mediation of disputes with the property management, and referrals
for services to the Clients. "Permanent Supportive Housing" shall not include any shelter or site that offers temporary overnight sleeping space on a short-term basis provided by the City on City-owned or leased property or through a contractual arrangement.

"Person" shall mean an individual, proprietorship, corporation, partnership, limited partnership, limited liability partnership or company, trust, business trust, estate, association, joint venture, agency, instrumentality, or any other legal or commercial entity, whether domestic or foreign.

"Public Benefits" shall mean CalFresh, CalWORKs, General Assistance, Medi-Cal, SSI, VA Benefits, PAES, IHSS, SSIP, and CALM, or any comparable successor programs.

"SSI" shall mean Supplemental Security Income/State Supplementary Program for Aged, Blind, and Disabled as set forth in California Welfare and Institutions Code Section 12000 et seq., including any future amendments to those sections.

"SSIP" shall mean Supplemental Security Income Pending, as set forth in Administrative Code, Chapter 20, Article XVI, including any future amendments to that Article.

"VA Benefits" shall mean benefits and entitlements provided by the United States Department of Veterans Affairs, as set forth in 38 U.S.C. Sections 101 et seq., including any future amendments to those sections.

**SEC. 20.54.74. CONTRACT REQUIREMENTS.**

Every Housing-Related Contract executed after the operative date of this Article VI shall contain provisions in which the Housing Provider agrees to the following requirements:

(a) (1) The Housing Provider shall make reasonable efforts to help Clients determine the Public Benefits for which they may be reasonably eligible, and help Clients enroll in all Public Benefits for which they may be reasonably eligible. "Reasonable efforts" within the meaning of the previous sentence shall include but not be limited to meeting, or
attempting to meet, with all Clients within three months of the Client's placement in Permanent Supportive Housing and at least once per calendar year thereafter to discuss the Public Benefits the Client is receiving, the Public Benefits for which the Client has applied, and the Public Benefits for which the Client may be eligible but for which the Client has not applied. A Housing Provider satisfies the requirement of "attempting to meet" with a Client within the meaning of the previous sentence if the Housing Provider supplies the Client with a written notice of the date, time, and location of the proposed meeting at least two weeks before the meeting, then attempts to notify the Client at least twice by phone and at least once in person of the date, time, and location of the meeting. A Client "may be reasonably eligible" for a Public Benefit within the meaning of this Section 20.54.4 if the Housing Provider determines that the Client satisfies all of the criteria set forth on the worksheet created by the Department of Human Services Agency pursuant to Section 20.54.4 of this Article VI.

(2) During each meeting with the Client described in subsection (a)(1), the Housing Provider shall provide the Client with a document listing all Public Benefits for which the Client may be reasonably eligible and the different manners in which the Client may apply for those Public Benefits. The Provider shall assist the Client to apply for all Public Benefits for which the Client may be reasonably eligible by: making an intake appointment for the Client at the Department of Human Services Agency and providing the date, time and location of the appointment to the Client in writing; by assisting the Client to apply online; by assisting the Client to fill out and mail a paper application; or by assisting the Client to call the Department of Human Services Agency to apply by phone.

(b) During each meeting with the Client described in subsection (a)(1), the Housing Provider shall provide the Client with the release described in subsection (b) of Section 20.54.4 of this Article VI. The Housing Provider shall explain to the Client the purpose of the release.
(c) Each Housing Provider shall produce and provide to the Department of Homelessness and Supportive Housing and Department of the Human Services Agency a report each year that includes the following information:

1. The percentage of Clients enrolled in each Public Benefit;
2. The percentage of Clients who have applied for all of the Public Benefits for which they may be reasonably eligible;
3. A summary of the reasonable efforts made pursuant to subsection (a) of this Section 20.54.34 to help Clients enroll in all Public Benefits for which they may be reasonably eligible; and
4. If all Clients are not enrolled in the maximum Public Benefits for which they may be reasonably eligible, an explanation as to why a higher percentage of Clients are not so enrolled and a description of efforts that will be made to enroll more Clients in all Public Benefits for which they may be reasonably eligible.

A Housing Provider's first report required by this subsection (c) shall be due one year from the execution of any Housing-Related Contract entered into after the operative date of this Article VI.

(d) Each Housing Provider shall retain for three years copies of all documents generated or received pursuant to this Section 20.54.34 of this Article VI.

(e) Each Housing Provider shall cooperate fully with the Department of Homelessness and Supportive Housing when it conducts its annual contract monitoring visit, as well as any audits and investigations, including allowing the Department full and complete access to documents and employees.

(f) No Housing Provider shall discharge, reduce in compensation, or otherwise discriminate against any employee for notifying the Department of Homelessness and Supportive Housing of a possible violation of this Article VI.
SEC. 20.54.45. STANDARD RENT CONTRIBUTION.

(a) Every Housing-Related Contract executed after the effective date of this Section 20.54.5 (the effective date of the ordinance in Board File No. 201185) shall contain provisions in which the City and Housing Provider agree to the following rent standards:

1. Housing Providers are not required to impose occupancy charges on clients as a condition of participating in Permanent Supportive Housing.

2. If rent is required, the rent contribution of clients participating in Permanent Supportive Housing Programs shall not exceed 30% of the household’s monthly adjusted income, as calculated in accordance with a specific project and/or unit’s prescribed calculation methodology. In any instance where the rent contribution calculation methodology is not governed by the project’s existing contracts, the calculation methodology set forth in 24 C.F.R. Sections 5.603 and 578.77, and related regulations, or any successor provisions, shall apply.

(b) All Housing-Related Contracts executed before the effective date of this Section shall be amended by October 1, 2023, upon renewal to contain provisions in which the City and Housing Provider agree to the above stated rent standards.

SEC. 20.54.46. DOCUMENTS TO BE CREATED BY THE DEPARTMENT OF HUMAN SERVICES AGENCY.

(a) The Department of Human Services Agency shall create a worksheet that lists the general criteria for eligibility for each Public Benefit. The Department of Homelessness and Supportive Housing shall provide this worksheet to all Housing Providers and shall post this worksheet on its website. The Department of Human Services Agency shall regularly update this worksheet to reflect any changes that are made to the laws regarding eligibility for Public Benefits.
(b) The Department of Human Services Agency shall create a consent to release information form that allows the Housing Providers, other service providers, the Department of Human Services Agency, and the Department of Homelessness and Supportive Housing to exchange information regarding the public aid status of the Client. The Department of Homelessness and Supportive Housing shall provide this release to all Housing Providers and shall post this release on its website.

SEC. 20.54.57. NO CONFLICT WITH FEDERAL OR STATE LAW.

Nothing in this Article VI shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

SEC. 20.54.8. UNDERTAKING FOR THE GENERAL WELFARE.

In enacting and implementing this Article VI, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

SEC. 20.54.9. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or word of this Article VI, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the Article. The Board of Supervisors hereby declares that it would have passed this Article and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this Article or application thereof would be subsequently declared invalid or unconstitutional.
Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor’s veto of the ordinance.

Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the “Note” that appears under the official title of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: /s/ Virginia Dario Elizondo
VIRGINIA DARIO ELIZONDO
Deputy City Attorney

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City and County of San Francisco

File Number: 201185

Date Passed: January 05, 2021

Ordinance amending the Administrative Code to establish a standard of 30% of the monthly adjusted household income as the maximum contribution to rent for households participating in Permanent Supportive Housing Programs operated by the City and County of San Francisco.

December 09, 2020 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

December 09, 2020 Budget and Finance Committee - RECOMMENDED AS AMENDED

December 15, 2020 Board of Supervisors - DUPLICATED ON FIRST READING

December 15, 2020 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

January 05, 2021 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 1/5/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved: 1/5/21