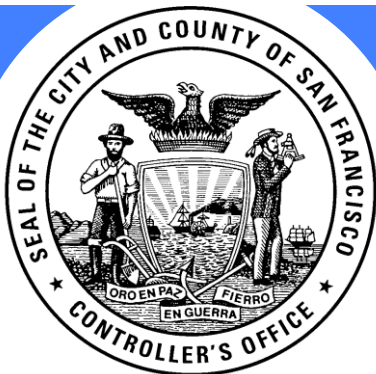


The City's Revenues

SPUR Presentation



CITY & COUNTY OF SAN FRANCISCO

Kelly Kirkpatrick, Budget Director
Ben Rosenfield, Controller

July 2019

San Francisco's Revenues (\$B)

San Francisco

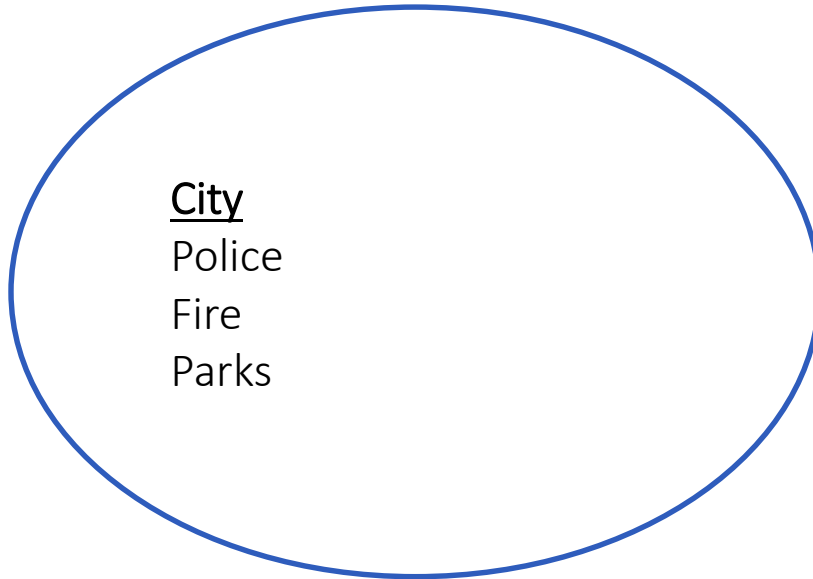
\$12

San Francisco's Revenues (\$B)

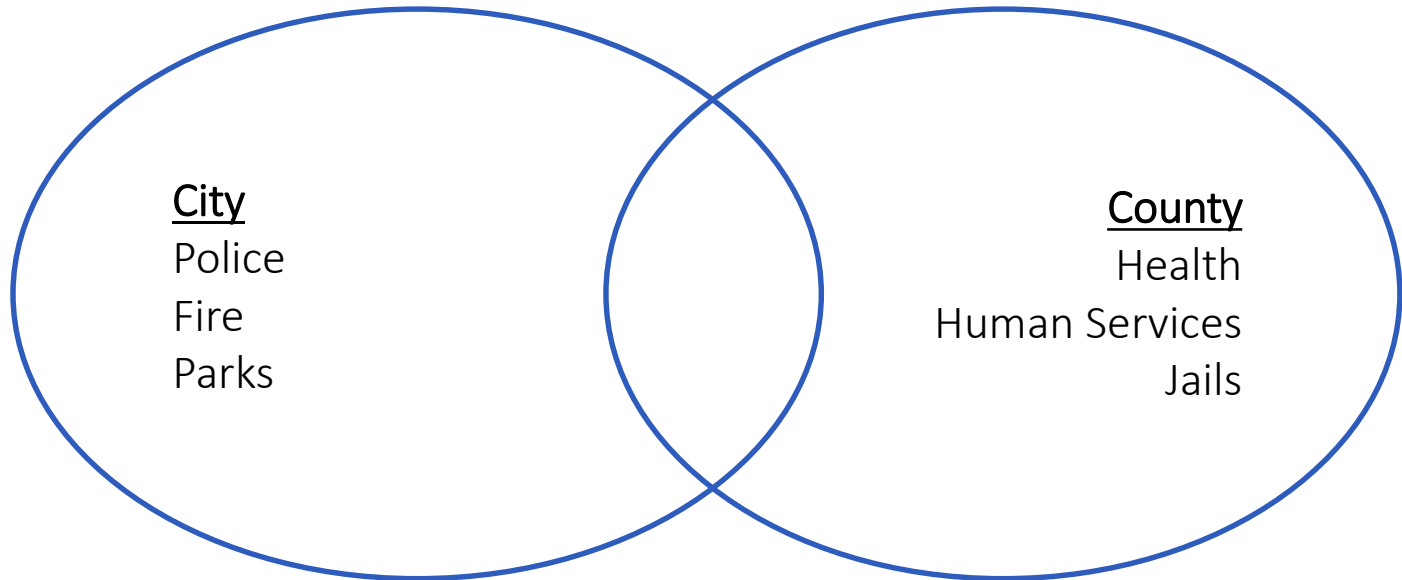
Kenya	\$15
Hawaii	\$15
West Virginia	\$14
Panama	\$13
San Francisco	\$12
Latvia	\$10
Rhode Island	\$10
Iceland	\$10
Iowa	\$9
Costa Rica	\$8
Maine	\$8

The City's Organizational Structure

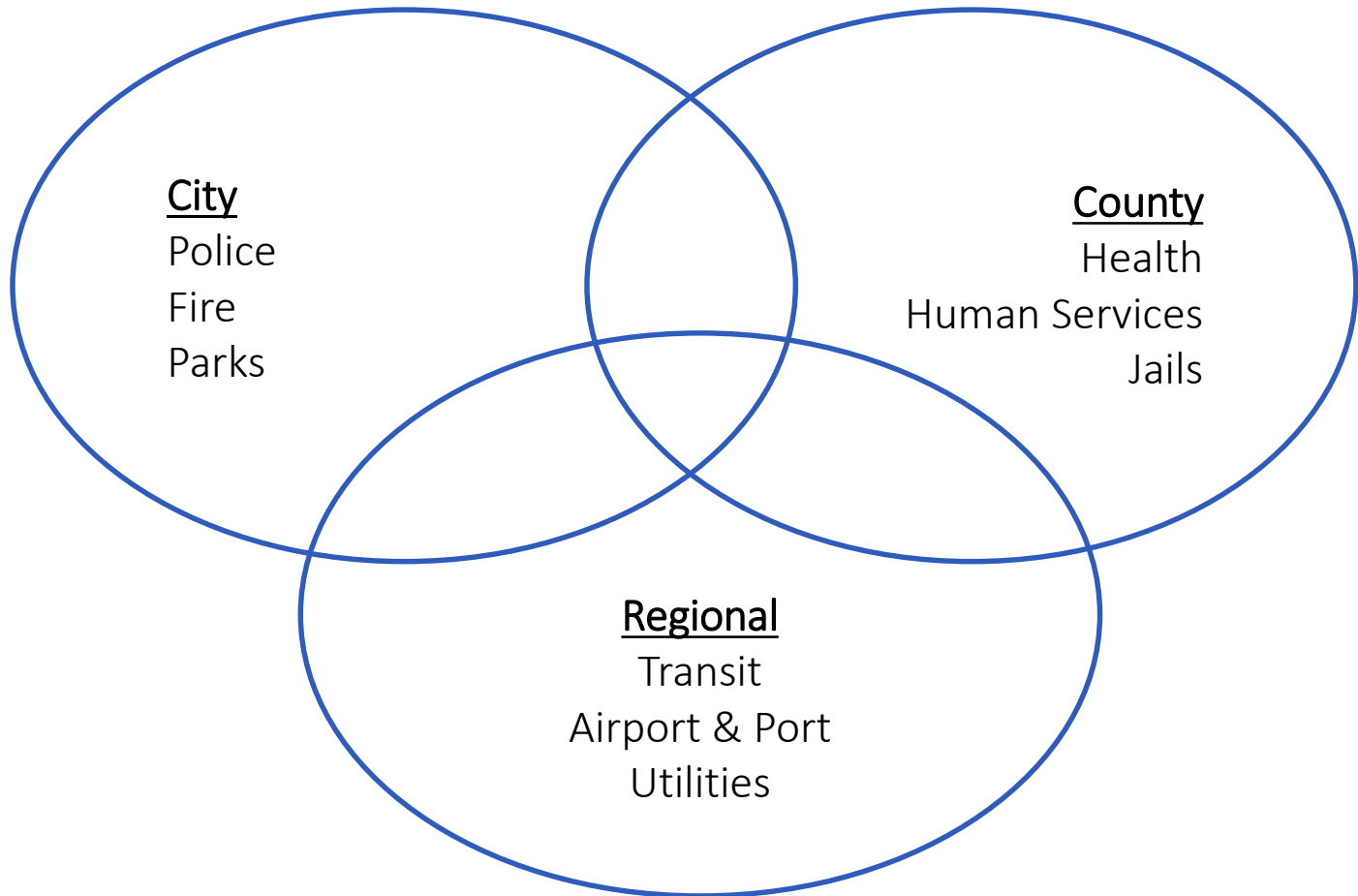
The City's Organizational Structure



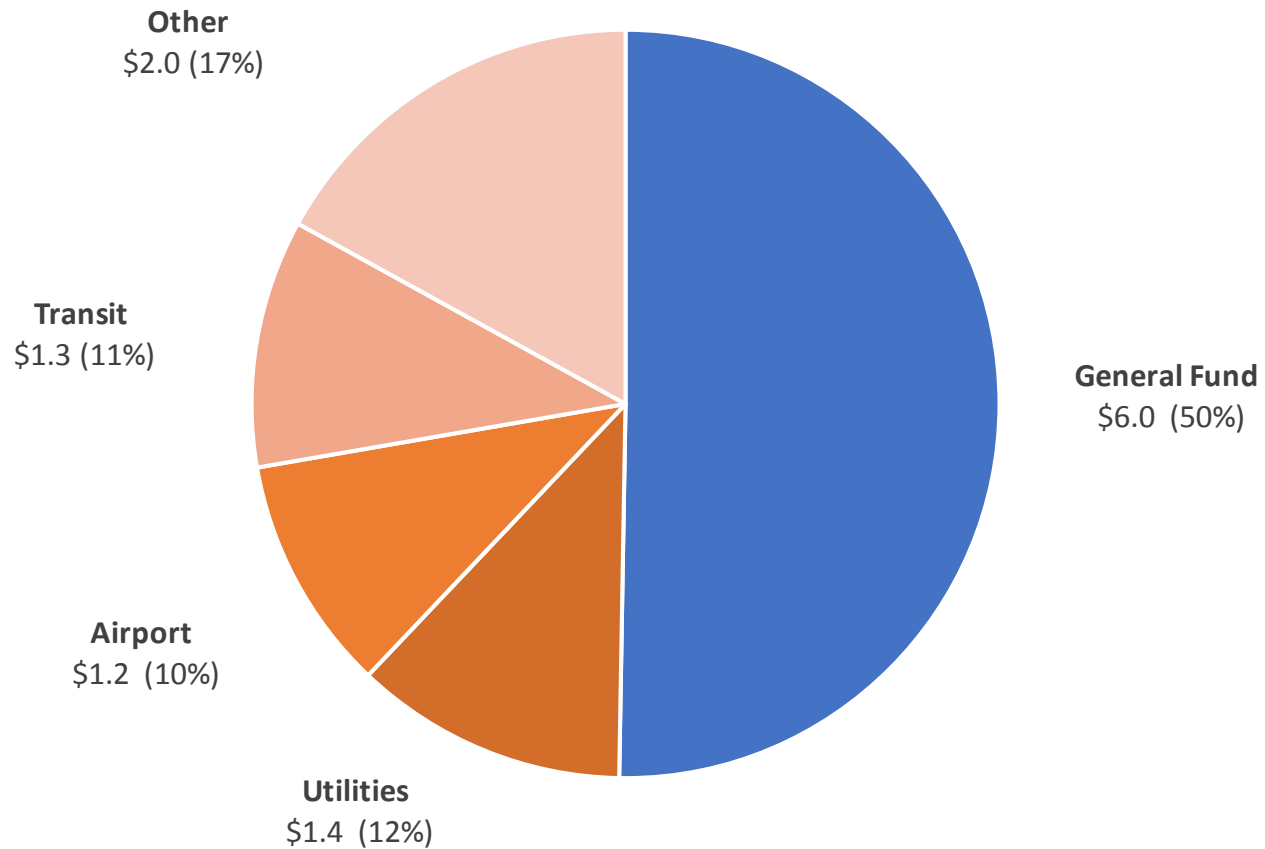
The City's Organizational Structure



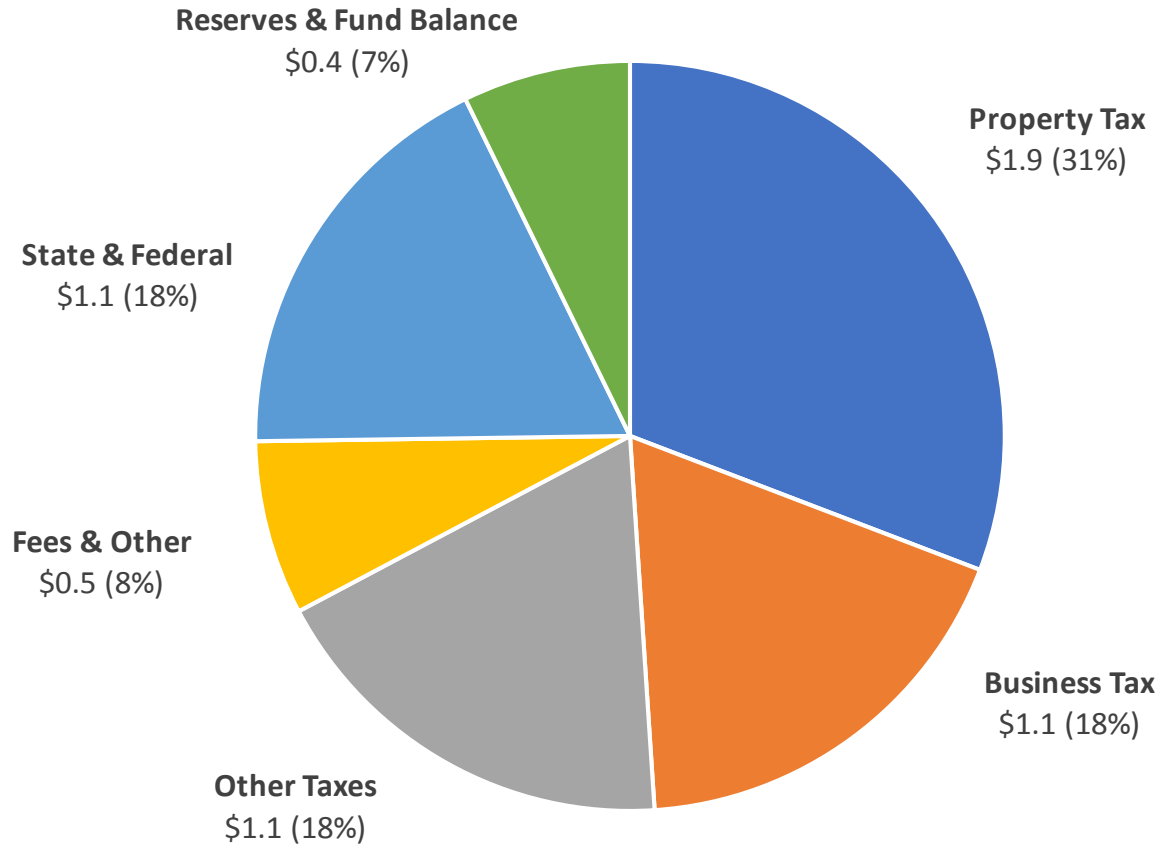
The City's Organizational Structure



The City's Budget by Fund (\$B)



General Fund Revenues (\$B)

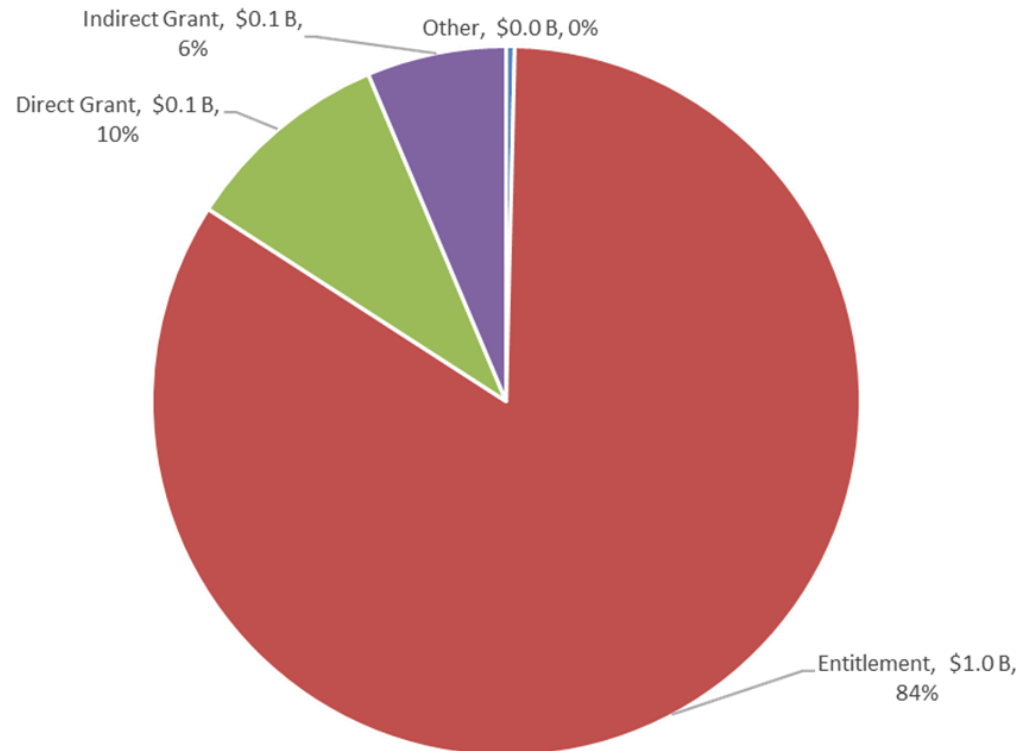


State and Federal Revenues

Supports 20% of the overall budget. The majority of federal and state revenues support legally mandated entitlement programs, including:

- **Medical Care.** MediCal supports health care services for over 200,000 San Franciscans. The ACA provides or subsidizes insurance for 130,000 San Franciscans.
- **Food Security.** CalFresh provides nutrition assistance for 50,000 residents.
- **Home Care.** The In-Home Support Service (IHSS) program provides in-home care for 22,000 low-income seniors and people with disabilities.

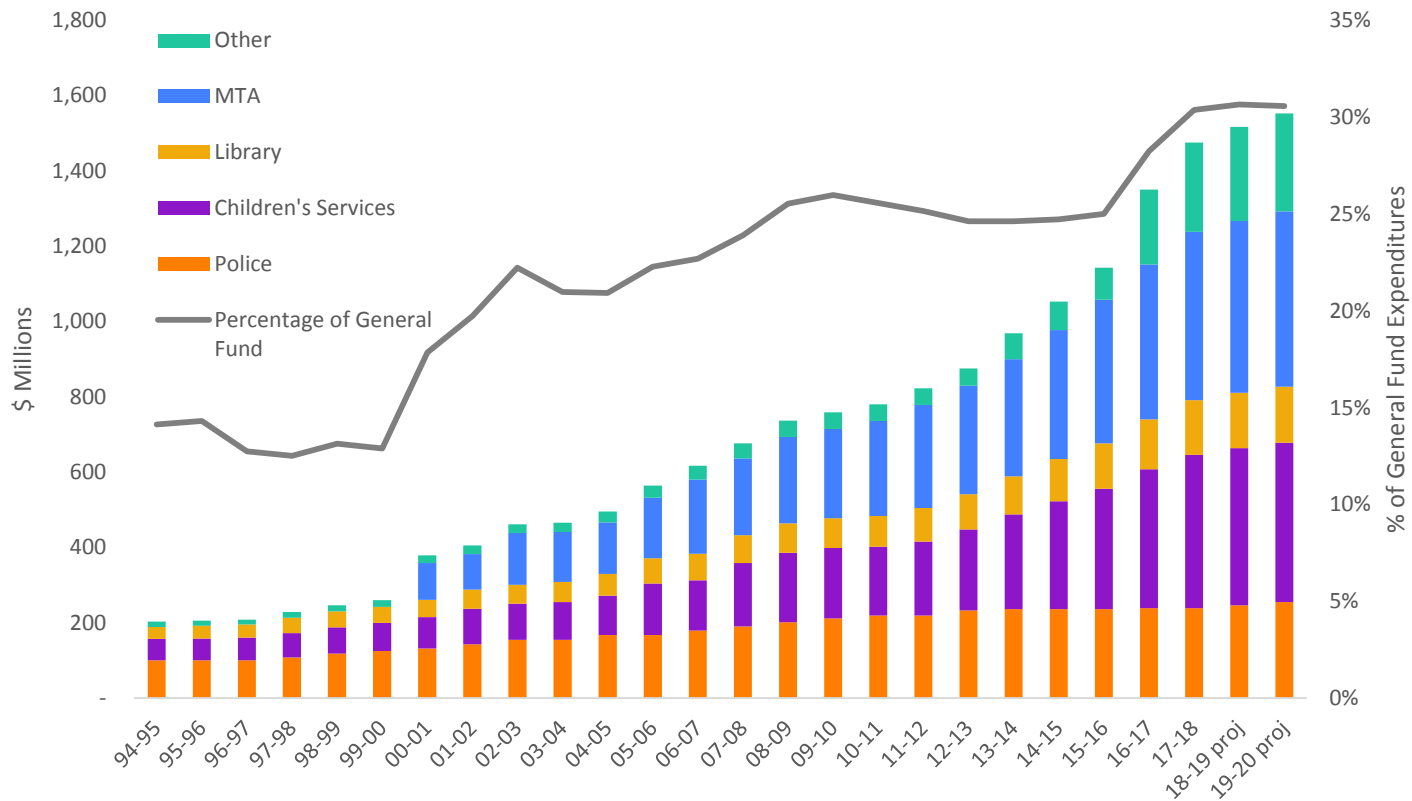
Federal funds in the City's budget



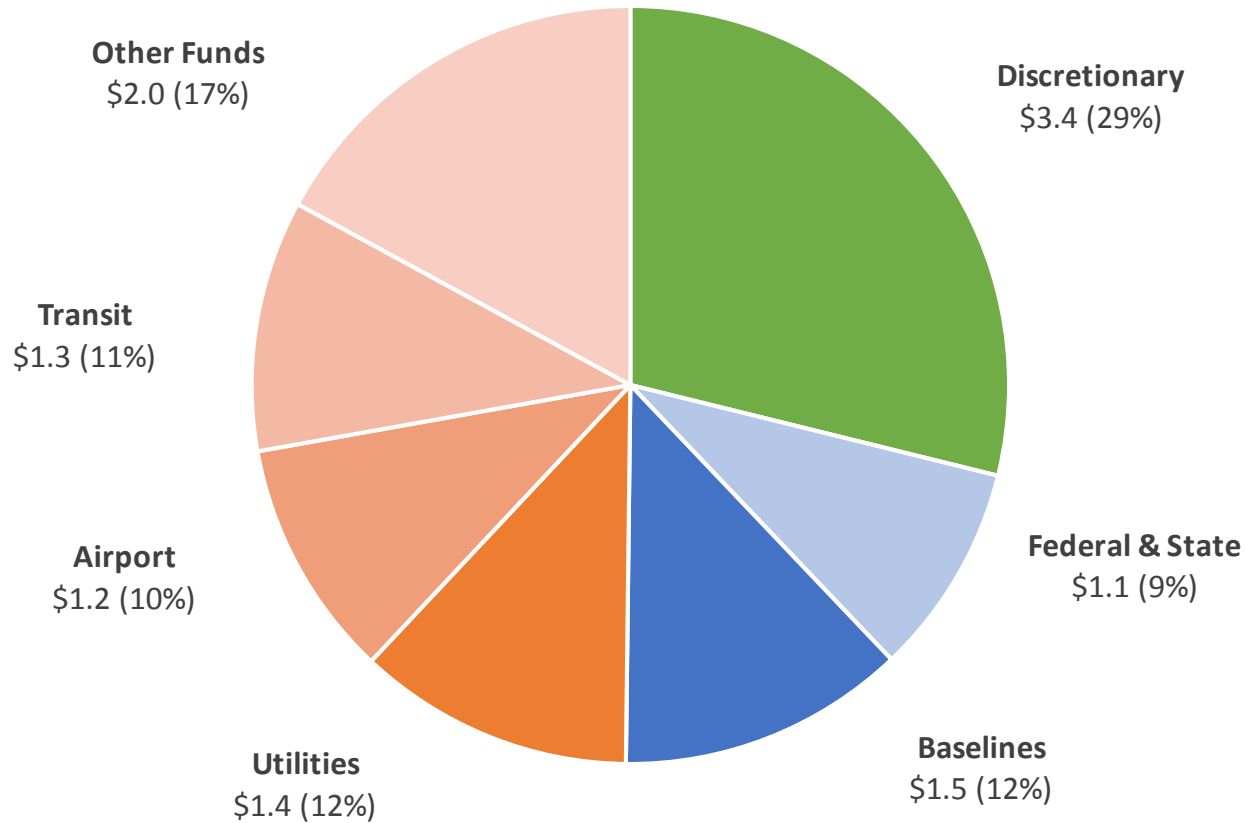
Voter Adopted Baselines

Ballot-box budgeting

Voters have roughly doubled the value of the General Fund set-aside for specific purposes, reducing discretion in the budget process.



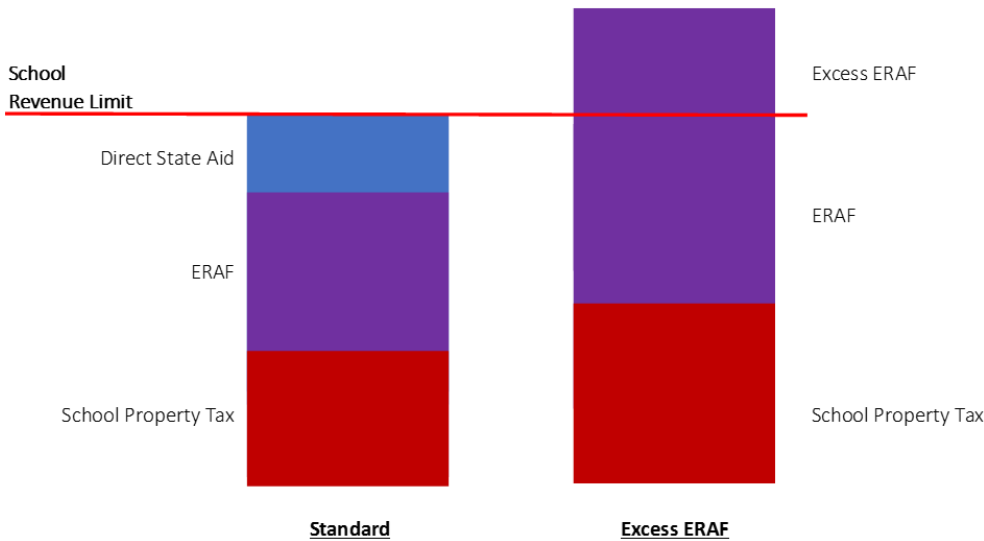
City Discretionary Budget



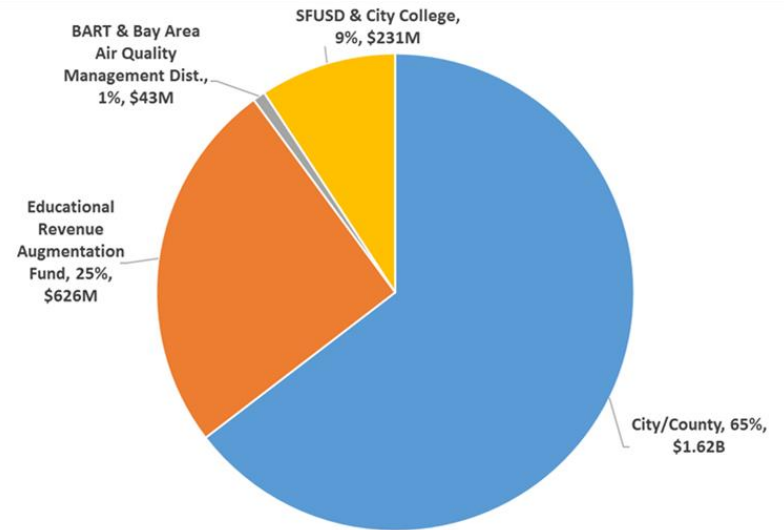
“Windfall” Property Taxes

San Francisco is now an “Excess ERAF” county, generating over \$700M in the retention of property taxes in the current and budget years that would have otherwise benefited the State.

Standard vs. Excess ERAF Scenarios
(Simplified Illustration - Prior to VLF Backfill)



SF Property Tax Allocations



How Excess ERAF Was Programmed

The Mayor and Board of Supervisors have allocated the over \$700 million of excess ERAF property tax funds across mandated reserve and baseline spending allocations, and remaining discretionary allocations across top city priority areas.

Spending Allocation	(millions)	Examples of Funded Projects & Programs
Mandated Reserves & Baseline Spending	\$ 250	Mandated spending for the MTA, library, public education, children's programs, and street trees
Discretionary Allocations		
Affordable Housing Development, Acquisition, & Preservation	\$ 260	All one-time costs - includes gap financing to complete 5 new affordable housing projects
Homelessness, Behavioral Health & Housing Subsidies	\$ 110	Navigation centers, behavioral health treatment beds, and homelessness prevention
Other Priorities - Education, Clean & Safe Streets	\$ 110	Includes wage supports for teachers and early education providers; vision zero traffic safety improvements
Total ERAF Allocation	\$ 730	

Key Budget Investments FY 19-20 & FY 20-21

- Addressing Housing Affordability
- Preventing & Reducing Homelessness
- Responding to Critical Health Needs in our Community
- Making our Streets Cleaner & Safer
- Improving Public Safety Accountability & Responsiveness
- Supporting Small Businesses & Workers
- Strengthening the Social Safety Net
- Creating Equitable Opportunities
- Making Government More Accountable to Residents

Housing and Homelessness

Addressing Housing Affordability

- Mayor Breed has designated \$1.0 billion in new funding for the production and preservation of affordable housing since taking office
- Revenue sources include –
 - \$600 million General Obligation (GO) Bond on November 2019 Ballot
 - Excess ERAF and other planned sources at MOHCD, HSH, and OCII

Preventing and Reducing Homelessness

- Over \$100 million dedicated over two years to support new homeless services across the continuum of care
 - Temporary shelter expansion, navigation centers, rapid rehousing, permanent supportive housing, and problem solving
- Multiple revenue sources – excess ERAF, one-time State Homelessness Emergency Aid Program (HEAP) funds, General Fund, and potential Prop C waiver funds

Community Mental Health

\$50 million over the upcoming two years to support the expansion of behavioral health and other health services. Key investments include:

Expanding Behavioral Health Beds

- Adding 100 new behavioral health treatment and recovery beds and provide continued support for the 100 beds added in FY18-19.
- Funded through a combination of excess ERAF and General Fund support

Investing in Other Critical Health Services

- Expanding the EMS6 Unit and increasing resources for shelter health services, through General Fund support
- Intensive behavioral health outreach, funded through a state grant

Clean and Safe Streets

Additional funds to expand services to address cleanliness, targeted neighborhood-based needs, and improve public safety. The General Fund supports the following investments:

Neighborhood Street Cleanliness

- \$11.9 million funding increase over two years
 - Seven new Pit Stop public toilets
 - 80 new high-capacity trash cans throughout the City
 - Enhances street cleaning in targeted neighborhoods

Public Safety & Accountability

- Adding police officers to improve visibility and increase foot beats
- Improving public safety accountability and responsiveness

Other Key Investments

Non-Profit Sustainability

- CBO COLA – 3% in FY 2019-20; 2.5% in FY 2020-21
- Minimum Compensation Ordinance (MCO) for IHSS workers and to support non-profit workers
- Nonprofit Sustainability Initiative - \$8 million over two years

Small Business Support

- \$9 million in new small business support
 - SF Shines expansion
 - Revolving Loan Fund
 - Small Business Fee Assistance
 - New Community Cornerstones program

Thank you.

Any questions?

You can reach us at kelly.kirkpatrick@sfgov.org and ben.rosenfield@sfgov.org