

SAN FRANCISCO HUMAN SERVICES COMMISSION

MINUTES

January 23, 2024 Regular Meeting

The regular meeting of the Human Services Commission was held on Thursday, January 23, 2025 at 9:30am in person in the Born auditorium at 170 Otis Street and remotely via Webex and telephone for disability accommodations.

MEMBERS PRESENT IN PERSON SCOTT KAHN, President
JAMES MCCRAY, JR., Vice President
SALLY COGHLAN MCDONALD

MEMBERS PRESENT REMOTELY VIA WEBEX DARSHAN SINGH

OTHERS PRESENT IN PERSON Trent Rhorer, Executive Director, SFHSA
Elizabeth LaBarre, Commission Secretary
Dan Kaplan, Deputy Director – Finance & Administration
Anna Pineda, Deputy Director – Economic Support & Self-Sufficiency (ESSS)
Susie Smith, Deputy Director – Policy, Planning & Public Affairs
Joan Miller, Deputy Director – Family & Children’s Services (FCS)

CALL MEETING TO ORDER President Kahn called the meeting to order at 9:40am.

ROLL CALL Commission Secretary Elizabeth LaBarre took roll and noted the presence of Commissioners Kahn and Coghlan McDonald in person in the Born auditorium. Commissioner Singh was present remotely via Webex from his home and his wife, Olivia Singh, was sitting next to him to assist him with the Webex features. Vice President McCray joined the meeting in person in the dais after the agenda was approved.

AGENDA President Kahn’s call for public comment related to the meeting’s agenda yielded no responses.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission adopted the agenda as posted.

December 19, 2024 REGULAR MEETING MINUTES President Kahn’s call for public comment related to the December 19, 2024 regular meeting minutes yielded no responses.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the adoption of the December 19, 2024 Regular Meeting minutes.

EXECUTIVE DIRECTOR’S REPORT Executive Director Rhorer provided updates on Human Services Agency (“SFHSA” or the “Agency”) programs and federal, state and local policy and activities as they relate to the Agency.

President Kahn’s call for public comment related to the Executive Director’s Report yielded no responses.

EMPLOYEE OF THE MONTH

President Kahn presented the January 2025 Employee of the Month Award to LORANTA LOUIE, Lead Senior Eligibility Worker, CalWORKs. After detailing her exceptional contributions to a room full of supporters, President Kahn gave Loranta an engraved desk clock, which she graciously accepted with thanks to all. Loranta's daughter, Mikayla Yee, was in attendance to support her mom.

DEPARTMENT OF BENEFITS AND FAMILY SUPPORT PROPOSED BUDGET

Dan Kaplan, Deputy Director, Finance & Administration, presented the Department of Benefits and Family Support's proposed budget for fiscal year (FY) 2025-2026 and FY 2026-2027 for consideration and possible action. He credited the small but mighty team behind the budget coordination at SFHSA: Celia Pedroza, Budget Director, Justin Chan and Alex Gleason, Senior Principal Analysts, Enedina Garcia and Cynthia Wu, Senior Analysts. SFHSA's entire current year budget, inclusive of the Department of Disability & Aging Services (DAS), is \$1.2 billion. The DAS budget is presented to the DAS Commission. The "HSA/DBFS" budget is presented to the Human Services Commission. HSA/DBFS comprises all programs within the Department of Benefits and Family Support (BFS) and "HSA" programs (e.g., Administration and Program Support Operations) that provide support agencywide (IT, HR, the Budget team, etc.). The HSA/DBFS current year budget is \$722 million. Deputy Director Kaplan presented the Agency's budget through various lenses: how dollars and FTEs are spread out across programs, what revenue supports each program, and what are the categories of expenditures (how is the money spent). He provided a brief overview of each program's budget within BFS, along with the number of FTE by program. He explained where the dollars come from in the BFS budget, 43% of which is from the federal government for the TANF (CalWORKs), SNAP (CalFresh), foster care and Medicaid (Medi-Cal) programs. About 34% of the Agency's funding comes from the state (including 23% through 3 realignment sources). Personnel (salaries and fringe benefits) comprises 45% of the \$722 million budget. Work orders (services provided by other City departments), CBO grants (generally approved by this Commission), and professional services (consulting services, rent, software expenses, etc.) are a few of the remaining categories of expenditures.

Deputy Director Kaplan addressed the economic situation in the City, noting a projected \$876 million budget deficit over the next two fiscal years, and growing thereafter. Contributors include slowed revenue growth & the anticipation of significant expenditure increases. There have been revenue drops in San Francisco's critical tax bases: decreased property taxes in terms of persistent high office vacancy levels, reduced hotel tax collection due to a slower hospitality sector rebound, and then the voter-approved Prop M shifts business tax recognition to later years. City salaries and benefits are estimated to grow by nearly \$350 million in the biennium and citywide operating costs all organically grow via inflation. Therefore, the new Administration has issued additional directives to the initial budget instructions released in November by the Breed Administration. In addition to the 15% discretionary General Fund reduction instructions in both FYs 2025-26 and 2026-27, the Lurie Administration has implemented a hiring freeze,

business travel restrictions, and a new services suspension (both contracted and internal). Additionally, departments have been instructed to assess CBO and professional services contracts for efficiency and cost-effectiveness and eliminate those that are least effective. Department budgets should continue to reflect the Mayoral priorities, which include maintaining core government services, improving public safety and street conditions, reducing homelessness and transforming mental health service delivery, and improving efficiency and transparency in all City operations & spending. With that in mind, the Agency's budget priorities continue to be maintaining critical client services and repurposing existing position vacancies and underutilized funds to meet new and existing needs. The Agency's reduction target (comprising HSA/DBFS & DAS) is \$8.2 million in FY 2025-26 and FY 2026-27.

At the state level, the budget picture has improved in the near term, but still faces out-year deficits.

Executive Director Rhorer provided program highlights in each division. A few highlights include increased resources dedicated to recruitment and hiring in Human Resources resulting in a decreased vacancy rate from 15% to under 9% over the past two years. The current year hiring freeze threatens to erode this progress. The staffing relocation plan continues with efforts in partnership with the Department of Real Estate to secure building(s) to move staff out of 170 Otis Street and 1235 Mission Street offices. In San Francisco Benefits Net (SFBN), there continues to be a caseload rise in Medi-Cal (151,000 cases; +4.1% over past year) and CalFresh (81,000 cases; +2.5% over past year). In response, hiring efforts have been focused on Eligibility Worker staffing. In CAAP, Prop F is being implemented—it requires CAAP clients and applicants to undergo screening for substance abuse disorder as condition of receiving CAAP benefits and facilitates connection of clients with treatment options, effective January of this year. In Family & Children's Services, the need to support the small percentage of foster youth that have extremely complex needs is being addressed through utilizing State Complex Care funding to help strengthen the continuum of care in the child welfare system for this population and utilizing \$8.5 million Children's Crisis Continuum Pilot grant from the state to augment availability of high-needs placements. The pilot creates 10 more intensive care beds/homes.

Executive Director Rhorer closed his presentation with the budget process timeline: today's meeting, January 23, is the first budget meeting, with the next commission meeting, a special meeting, on February 11 serving as the "second meeting" where the Human Services Commissioners are asked to approve the budget plan. The Agency's proposed budget is due to the Mayor on February 21. On June 1, the Mayor submits his budget to the Board of Supervisors. The month of June hosts BOS Budget Committee hearings and then in July, the budget is considered at the BOS.

President Kahn's call for public comment yielded 1 response:

1. Karl Kramer, campaign co-director for San Francisco Living Wage Coalition and co-chair of the Budget Justice Coalition, asked a question, "...with the last round of amendments to the minimum compensation, there was an agreement with labor to increase the MCO rate in a number

of steps... [including] \$23/hour on January 1, 2026. The question would be, how is it going work... under the MCO? Is that funding going to be put into the budget that the department sends to the Mayor's Budget Office? Is that going to be part of it or [do we need] to go to the Mayor's Budget Office to work on getting that funding. Thank you.”

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the proposed budget for Fiscal Year 2025-2026 and 2026-2027 for the Department of Benefits and Family Support and Human Services Agency.

CONSENT
CALENDAR

President Kahn’s call for public comment related to the consent calendar yielded no responses.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the consent calendar, comprising actions taken by the Executive Director since the December 19, 2024 Regular Meeting in accordance with Commission authorization of January 23, 2025:

1. Submission of request to encumber funds in the total amount of \$7,555,563 for purchase of services or supplies and contingency amounts.
2. Submission of 4 temporary positions for possible use in order to fill positions on a temporary basis made during the period 12/14/24 to 1/17/25.
3. Submission of 39 temporary appointments for possible use in order to fill positions on a temporary basis made during the period 12/14/24 to 1/17/25.

COMMISSION BUSINESS – ACTION ITEMS

MOBISTREAM
SOLUTIONS

Alex Leontiv, IT Business Engagement Team Lead, presented the request to modify the existing grant agreement with MOBISTREAM SOLUTIONS.

President Kahn’s call for public comment yielded no responses.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the request to enter into a new sole source contract with MOBISTREAM SOLUTIONS (MOBISTREAM) for the provision of Secured Instant Messaging solutions; for the period of May 1, 2025, through April 30, 2028; in the amount of \$622,475, plus a 10% contingency, for a total contract amount not to exceed \$684,723.

CITYSPAN
TECHNOLOGIES,
INC.

Leslie Lau, Principal Contracts Manager, presented the request to modify the existing grant agreements with CITYSPAN TECHNOLOGIES, INC.

President Kahn’s call for public comment yielded no responses.

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission approved the request to modify the existing sole source contract with CITYSPAN TECHNOLOGIES, INC. for the provision of licenses for CARBON; for the period of July 1, 2025 through June 30, 2028; in the additional amount of \$502,500, plus a 10% contingency, for a revised total contract amount not to exceed \$1,039,500.

ELECTION OF OFFICERS

On motion of Commissioner Coghlan McDonald, seconded and unanimously carried, the Commission elected Scott Kahn as Human Services Commission President, commencing February 1, 2025.

On motion of President Kahn, seconded and unanimously carried, the Commission elected Dr. James McCray, Jr. as the Human Services Commission Vice President, commencing February 1, 2025.

GENERAL PUBLIC COMMENT

President Kahn's call for general public comment yielded two responses.

1. Jesse Stanton, an SFBN 2905 Eligibility Worker at 1440 Harrison Street, discussed telecommuting, "... I understand that at the federal level, all the workers have been ordered back into the office full time. I also understand that Mayor Lurie has made some comments about telecommuting and the desire to bring workers back into the office. Telecommuting at SFBN has been a very big success, and we have been, since 2020, working two days from home for many of us and three days in the office. We would like to maintain that balance or, if possible, consider increasing the amount of telecommuter work from home days for SFBN. As I said, it has been a really great success and we understand that Executive Director Rhorer has been advocating for this throughout the past four years and we would like to urge the executive director and the commissioners to consider advocating in favor of telecommute[ing] going forward. Thanks for your time."
2. Marquita Collins, Supervisor, CalWORKs, "...I'm an employment specialist supervisor... I would like to make sure, due to... the new administration on a federal level... a lot of the diversity programs are being pulled back, so I want to make sure that HSA can commit to us that the diversity and inclusion programs will be committed to ensuring that will happen for us at HSA, any race, any type of discrimination and racism [sic]."

ADJOURNMENT

President Kahn adjourned the meeting at 10:56am.



Elizabeth LaBarre
Commission Secretary
Human Services Commission

Posted: 2/6/25