

March 16, 2017

Dear San Francisco Human Services Network members and friends,

Twenty years ago, in December 1997, a small group of San Francisco leaders came together in a conversation about the challenges facing our nonprofit health and human sector, and the lack of a unified, organized nonprofit voice bringing our unique perspective to public policy issues. That meeting marked the genesis of the San Francisco Human Services Network (HSN).

Since then, HSN has engaged with our sector's leaders and workers, government officials, other advocates and allies, the media and the public to promote public policies that strengthen nonprofits and the services we provide to the City's diverse populations. We are proud of our long list of successes and accomplishments in city budget education and advocacy, contracting reform, shaping city wage and benefit laws, addressing nonprofit displacement, ballot measure campaigns, citywide public policy conferences, and many legislative victories.

But as we approach this major anniversary, our organizations face threats with the potential to exceed anything we've seen in the past two decades, as a hostile federal government threatens to defund sanctuary cities and slash programs that fulfill poor people's most basic needs for food, shelter and healthcare. At the same time, we continue to struggle with our changing City, where prosperity benefits the disproportionate few, while others struggle to maintain housing amidst skyrocketing costs of living.

As an association of nonprofits, it's more important than ever that we fight together for public policies that strengthen our organizations and services, and provide adequate funding to meet the needs and protect the rights of local populations that are in danger of losing their most fundamental necessities.

HSN's Steering Committee has identified the following priorities for 2017:

- Completing the work of the Mayor's Task Force on Nonprofit Sustainability and Accountability, particularly around cost-of-doing-business (CODB) increases;
- Developing an ongoing mechanism to work with the Mayor's Office and departments to make progress on other outstanding issues;
- Education and advocacy around the City budget, with a focus on the impact of federal level changes and backfilling crucial services; and
- Increasing HSN's capacity to mobilize our sector around common goals to address the health and well-being of our nonprofit organizations and the people we serve.

We ask you to join us in this agenda, both through your participation and by paying your annual membership dues today! Please use the dues form on our website at:

http://www.sfhsn.org/documents/hsn_inv_memb_form_03-16-17.pdf

2017 Membership Dues

Our 2017 dues remain at the same level since a 2015 increase, which allowed HSN to restore full-time staffing. We thank all our members for your support, which has allowed us to take on more issues, strengthen the organization internally, and improve our outreach. We hope you will be able to pay at the suggested dues level. Please call if this is a significant problem for you, so we can discuss either an adjustment or payment in installments.

2016 in Review

HSN continued our history of success in numerous policy arenas last year, including:

Increasing funding for health and human services and making progress towards a permanent mechanism for inflationary increases: The Mayor's Office convened the promised **Working Group on Nonprofit Sustainability and Accountability** in the fall of 2016, with about 20 nonprofit representatives, City department heads, the Mayor's Office and the Controller. To stabilize the sector, the Mayor also provided the largest CODB increase ever in a Mayor's budget of **2.5% in both FY15-16 and FY16-17**.

The primary focus of the Working Group is to develop a structural fix for CODB increases, rather than an annual unpredictable battle with the Mayor and Board. The group is also providing an opportunity to raise a broad range of related issues that act as barriers to our service capacity, and will develop mechanisms to continue working together on an ongoing basis to address these other priorities, such as unfunded mandates, nonprofit wages, real estate costs and contracting processes. The Working Group will issue its recommendations in April – including the CODB for the next two budget years.

HSN also led the successful fight to renew the City's support for displaced nonprofits. When the City's \$3.2 million Nonprofit Displacement Mitigation Program expired, the Mayor pledged **\$6 million to fund short and long-term solutions over a two-year period**.

HSN also fought successfully for the principle that if the City implements new mandates, it should fund the cost of complying with those mandates in City contracts. Due to our advocacy, the **Board of Supervisors set aside a \$200,000 fund to pay nonprofits' costs of compliance with the City's new Paid Parental Leave legislation**. The City also continues to offer **funding for incremental minimum wage increases in nonprofit contracts**, available on request through your contracting department.

HSN supports health and human services funding advocacy in several other ways. We participate in the Budget Justice Coalition, which presents and supports advocacy efforts for an inclusive list of the community's City budget requests. On our website, we maintain a Budget Central page that serves as a one-stop community resource for relevant budget-related documents. We also meet with Supervisors and the Mayor's Budget Director regularly to keep them informed of our sector's challenges and needs.

Bringing the nonprofit perspective to policy decisions: HSN had another busy legislative and policy year. HSN's advocacy activities included:

- Collaborated with homeless and supportive housing service providers to draft a **white paper on the Mayor's proposed Department of Homelessness**, and participated in presentations before key policy bodies, as well as an Editorial Board visit to the San Francisco Chronicle;
- Represented nonprofits in the **biannual review of the Health Care Accountability Ordinance minimum standards**, seeking a balance that ensures nonprofits have affordable alternatives to comply with the mandate;
- Fought for **reasonable regulations to mitigate some of the negative impacts of the City's new expenditure lobbying law**, and worked with ethics reform advocates to ensure that neither a November 2017 ballot measure on gifts nor a legislative proposal regulating "behested" donations had any adverse impacts on our nonprofits;
- Analyzed June and November ballot measures, **took positions on 17 measures that had impacts on our organizations, people we serve, city revenues and affordable housing, placed 10 paid**

arguments in the ballot handbook to influence voters, and **donated \$2500 to the Prop J/K campaign for a sales tax to fund homeless services**; and

- Organized **several forums to educate our members** on important issues, including a workshop on the National Human Services Assembly's *Reframing Initiative*, an event with the Office of Labor Standards Enforcement on current wage and benefit mandates attended by over 200 nonprofit HR professionals, and our annual member meeting with the Mayor's Budget Director, Controller, and Board Budget Committee Chair.

Serving as an information resource: HSN continues to send out email updates to our members, and maintain a comprehensive website with current information for nonprofits. We also engage in regular dialogue with policymakers to educate and inform them about nonprofit issues, including Supervisors, the Mayor's Budget Director, the Controller's Office and others.

We share these successes with our members, and thank all of you who have supported and participated in HSN. We ask you to renew your membership today and continue working with us in the coming year. We especially encourage your participation, and invite any member to get more involved and attend our Steering Committee meetings on the second Wednesday of each month, 10:00 to 11:30 am at the Progress Foundation, 368 Fell St. We also appreciate your input and ideas, and active response to our calls for comment on policies and participation at public hearings and other advocacy opportunities.

Looking Ahead to 2017

HSN provides a unique perspective on city policy issues that affect community-based services for vulnerable populations. This year will bring many opportunities to move our priorities forward:

- HSN Strategic Priorities: The HSN Steering Committee has chosen to prioritize three strategic priorities for the next two years: **sustainability, accountability, and mobilization**. A new document on the HSN website lays out the principles that underlie these themes: http://www.sfhsn.org/documents/hsn_iss_oth_stratpri_03-08-17.pdf
- Mayor's Working Group: The Working Group will issue its recommendations in April, including setting the **nonprofit CODB increase** for the next two budget years. We look forward to the final report, and equally important, to **the City's commitment to an ongoing conversation with opportunities to address other issues** that the Group will not be able to resolve in such a short timeline, such as nonprofit wages and contracting issues.
- Budget advocacy and preventing cuts to services: HSN will advocate that the City prioritize funding to **backfill federal cuts** to services for vulnerable populations, and participate in efforts to fight federal cuts. As a member of the Budget Justice Coalition, we will also support our sector's efforts to present a united front to advocate for community-based services.
- Mobilizing the nonprofit sector: One of the major outcomes of our 2015 New Realities conference was the expressed desire to **strengthen HSN's ability to influence policy decisions by fostering a culture of advocacy in our sector**. Last year, HSN created a Mobilization Working Group to discuss strategies to overcome barriers that deter advocacy, marshal our organizations' collective resources, and focus our untapped potential around common policy goals. We plan to build our capacity by securing funding to hire a community organizer to

engage in regular communication with our members and allies, and achieve social justice victories for our organizations and the disadvantaged populations we serve.

- Strengthening our organizations and services: The City relies on our organizations to provide a broad range of services, but falls short in their support of our ability to do this work. As always, HSN will monitor the impact of City policies on our sector, and seek proactive opportunities to develop reforms that will lead to more efficient and effective services. We will continue making progress in areas such as nonprofit staff recruitment and retention, contract reform, nonprofit displacement mitigation and assistance, and wage and benefit mandates.
- Legislation and policy: HSN will continue to ensure that nonprofits have a voice at the table when policymakers make decisions affecting our agencies and the people we serve. It is vital that we continue to build relationships with city leaders to make sure they understand the value and challenges of our sector, and support our work. We constantly keep an eye on City policy proposals, and weigh in on issues that create opportunities for or pose threats to service delivery.

2017 Membership Dues – Our 20th Anniversary

HSN's work and success **depend on your active participation and financial commitment as members**. We ask that you pay your dues as soon as possible and that you pay at the highest level possible for your organization.

Please remember that HSN email updates now go out only to paid members. We will begin to remove unpaid members from the email list by June 30. For members who paid in the second half of 2016, please renew your membership by July 31.

Please complete the dues form, which serves as an invoice, and return it to HSN. You must make your check out to our fiscal sponsor: Community Initiatives / S.F. Human Services Network.

http://www.sfhsn.org/documents/hsn_inv_memb_form_03-16-17.pdf

Your active participation is also important. We are a member-driven organization, and we welcome your involvement, ideas and input. We thank you for your support, and look forward to working with you this year!

Sincerely,

Sherilyn Adams
HSN Co-Chair

Steve Fields
HSN Co-Chair

Debbi Lerman
HSN Administrator