March 29, 2019

Dear San Francisco Human Services Network (HSN) members and friends,

Many thanks to all of you for your support! We ask you to join us in our work this year by paying your annual membership dues today! Please use the dues form on our website at http://sfhsn.org/documents/hsn_inv_memb_form_03-29-19.pdf

For over 20 years, San Francisco health and human service nonprofits have united, collaborated and advocated through HSN as a member-driven organization to provide a voice for our sector. Together, we are building strong relationships with City government and with each other to grow support for the issues that are vital to our sector and to the people we serve.

Three strategic priorities – sustainability, accountability and mobilization – continue to guide our work, along with a set of principles that further define these broad goals. http://sfhsn.org/documents/hsn_iss_oth_stratpri_03-08-17.pdf

HSN's advocacy has led to victories for nonprofit funding increases, improved contracting and monitoring policies, ballot measures to raise City revenues for services, the City's nonprofit displacement programs, wage and benefits laws that reflect nonprofit realities, and a greater understanding by public officials of the role our sector plays on the front lines of service delivery and the challenges we face.

2018 in Review

HSN's 2018 policy agenda included advocacy around the City budget and budget process, the Minimum Compensation Ordinance, revenue and housing ballot measures, contracting issues and ethics legislation:

Funding for health and human services in the City budget: After the untimely death of Mayor Edwin Lee, HSN worked with Interim Mayor Farrell and Mayor Breed to retain a 2.5% cost-of-doing-business increase in the FY2018-20 two-year budget. As a member of the Budget Justice Coalition (BJC), we supported other efforts to increase funding for vital services. We also participated in a coalition of organizations that successfully fought efforts to reform the Children's Fund and other voter-approved set-asides by requiring the return of unspent funds and freezing baselines in deficit years.

Working with the BJC, we drafted a set of recommendations to reform the City budget process to promote equity, transparency, and community input and engagement. We shared this paper (http://sfhsn.org/documents/hsn_iss_budg_bjcrecs_12-01-17.pdf) with the Mayor's Office and the Board. Budget Committee Chair Malia Cohen adopted some of our suggestions, including a new process to increase the Board's input into the budget by holding early hearings on their policy priorities, and sharing those priorities with the Mayor.
Minimum Compensation Ordinance (MCO): We concluded an 18-month fight over legislation to increase the nonprofit MCO rate without providing adequate funding to nonprofits. The nonprofit rate will increase to $16.50 on July 1, 2019. The Board's legislation created a Working Group to study and issue recommendations to the Board and Mayor about creating a fund to pay not only for direct cost increases for the lowest paid workers, but also for wage compression and equitable raises for workers that are not on the City contract.

Election advocacy: HSN endorsed five measures on the June 2018 ballot, including gross receipts tax increases for childcare, and for housing and homelessness, and placed paid arguments in the ballot handbook. In the November election, we supported "four votes for housing" – Our City Our Home (Prop C) and three California measures. We partnered with the Council of Community Housing Organizations to drop our slate card in Districts 5 and 6.

Bringing the nonprofit perspective to other policy decisions: HSN worked to educate policymakers on many issues last year, including:

- We engaged in a new effort to work with the Controller's Office to address contracting issues, with an immediate focus on late certification and payment. [http://sfhsn.org/documents/hsn_iss_cont_cttrends_09-24-18.pdf](http://sfhsn.org/documents/hsn_iss_cont_cttrends_09-24-18.pdf)
- After another long and challenging fight, we were able to mitigate proposed ethics legislation that would have limited the ability of public officials to help raise funds for nonprofit programs through behested contributions, and created conflicts of interest for nonprofit executives and fundraisers who wish to serve as Commissioners on City policy bodies. Instead, the Ethics Commission and Board of Supervisors passed legislation with stronger disclosure requirements.
- We supported the renewal of $3 million a year in City funding to address nonprofit displacement and participated in the Northern California Grantmakers Working Group to explore policy ideas and longterm space acquisition;
- HSN leaders participated in the ongoing work of the Mayor's Working Group on Nonprofit Sustainability and Accountability, with a focus on indirect rates policy.
- We met with all members of the Board to update them on current priorities; weighed in with a statement on the qualities needed in a new Director of the Department of Public Health [http://sfhsn.org/documents/hsn_iss_oth_dphdir_09-18-18.pdf](http://sfhsn.org/documents/hsn_iss_oth_dphdir_09-18-18.pdf); served on the biannual working group to update the Health Care Accountability Ordinance minimum standards; and brought together the leaders of nonprofit coalitions and contractor associations around working together to mobilize our sector around common issues.

Serving as an information resource: HSN continues to send out email updates to our members, and maintain a comprehensive website with 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.

Looking Ahead to 2019

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

• **Budget advocacy**: Our first budget priority is to educate Mayor Breed and the Board about the need to continue annual cost-of-doing-business increases in the City budget, and to base the amount of the increase on the annual Consumer Price Index (CPI). HSN will continue to advocate for community-based services as a member of the Budget Justice Coalition. We will also have opportunities to work with Supervisors to reform the budget process to increase transparency and community engagement.

• **Minimum Compensation Ordinance (MCO)**: The MCO Working Group just issued its recommendations that the City fund the July increase for nonprofits with City contracts – including direct costs, wage compression and equitable raises for comparable workers who are not on the contract. Over the next three months, we will be fighting for full funding of these costs.

• **Contracting**: We are working with the Controller’s Office to address contract certification and payment issues, as well as other priority issues for nonprofits.

• **Election advocacy and mobilization**: With several citywide races at stake, we can expect another high-profile election in November 2019 that will include a large housing bond and other ballot measures important to our sector. We continue to work on raising the funds we need to expand our staff so that we will be ready to mobilize in the fall.

• **Other legislation and policy**: We will continue to bring a nonprofit voice to the table when policymakers make decisions affecting our agencies and the people we serve. We constantly keep an eye on City policy proposals, and weigh in on issues that create opportunities for or pose threats to service delivery. Our current focus includes expedited approval of shelters and services, along with implementation of Prop C (Our City Our Home); discussions about increasing public notice and comment requirements when City departments issue regulations and policies that affect our services; and monitoring the implementation of last year's ethics legislation.

• **Educating and engaging with public officials**: HSN meets regularly with elected officials to educate them on our policy priorities and provide input on their proposals. We are meeting with the new leadership at the Department of Public Health. The Mayor's Budget Office has indicated that after the budget, they will resume meetings of the Mayor's Working Group on Nonprofit Sustainability and Accountability. We will hold another workshop on San Francisco labor laws for nonprofit human resource directors later this year.
Please pay your 2019 HSN membership dues today!

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 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, and send your dues to our new address at 187 Golden Gate Ave., San Francisco, CA 94102. [http://sfhsn.org/documents/hsn_inv_memb_form_03-29-19.pdf](http://sfhsn.org/documents/hsn_inv_memb_form_03-29-19.pdf)

Your active engagement is also important. We welcome your involvement, ideas and input, as well as your active response to our calls for comment on policies and turnout at public hearings and other advocacy opportunities. We encourage your attendance at HSN Steering Committee meetings, whether as a Committee member or an occasional participant. Meetings are open to any current member – we just need an RSVP!

We thank you for your support, and look forward to working with you this year!

Sincerely,

Sherilyn Adams  Steve Fields  Debbi Lerman
HSN Co-Chair  HSN Co-Chair  HSN Director