

McKinney Contractors Association San Francisco

January 13, 2009

Dear HSA Commissioners,

The McKinney Contractors Association (MCA) is a coalition of 20 non-profit agencies that receive McKinney-Vento funds and funding from the Human Services Agency.

We understand that these are unprecedented times, in regards to the economic crisis that is facing this country and the city and county of San Francisco.

The MCA recognizes that the HSA Commission, along with Director Trent Rhorer, has been charged with an extremely challenging task to reduce general fund expenditures by \$14 million for fiscal year 2009-2010. We anticipate that HSA will need to make reductions to its community-based contractors in order to meet the Mayor's budget reduction goal.

We are requesting that the Commission adopt the following principles and positions:

1. The City's budget cannot be balanced by massive reductions to the Health and Human Services sector. All departments across the city should be required to reduce their general fund expenditures by the same percentage as HSA and DPH.
2. If HSA is planning on reducing funding to organizations that receive McKinney-Vento funds, then HSA should 1) hold harmless the 25% cash match amount (per project) that is required by HUD (currently, the city receives \$9,607,853 in McKinney renewal funding), and 2) **consider the fact that, even with the match left intact, many McKinney-funded programs will not be able to absorb large cuts without dramatically altering or reducing capacity or service levels. If these programs are unable to meet their HUD goals, the City's overall contract with HUD will be jeopardized.**
3. HSA needs to work in conjunction with other city departments to ensure that the Shelter plus Care (S+C) rental subsidy program match requirement of a one-for-one in-kind services match can still be achievable for FY 09-10. Currently that requirement is \$6,809,136.
4. HSA needs to have an open and transparent process for determining expenditure reductions that result in reduced funding for community based programs and contractors.

The MCA urges the Commission to adopt these principles and positions and to be a voice of advocacy for the health and human services sector and the neediest San Franciscans in these perilous times.

Sincerely,

Erica Kisch
Co-Chair MCA

Gail Gilman
Co-Chair MCA

CC:
The Honorable Gavin Newsom
San Francisco Board of Supervisors
The DPH Commission

Caduceus Outreach
Services
Catholic Charities CYO
Central City
Hospitality House
Community Housing
Partnership
Compass Community
Services
Conard House
Episcopal Community
Services
Goodwill Industries
Hamilton Family
Center
Housing Services
Affiliate of the Bernal
Heights Neighborhood
Center
Lutheran Social
Services of Northern
California
Larkin Street Youth
Services
Northern California
Service League
Salvation Army
Harbor House
SF Network Ministries
St. Vincent de Paul
Society
Swords to Plowshares
Tenderloin Housing
Clinic
Toolworks
United Council of
Human Services