

**HSN Membership Meeting  
April 23, 2004  
Meeting Minutes**

**I. Welcome and Announcements** – *Debbi Lerman*

- HSN is grateful to St. Anthony Foundation for inviting us to hold our meeting here. Unfortunately, Supervisor Alioto-Pier was unable to attend either last week or this week. We will invite her to attend another meeting later this year.
- For HSN's May meeting, Controller Ed Harrington will speak about the City's budget and the Controller's survey on the effects of budget cuts on nonprofit health and human service providers.

**II. Health Care Accountability Ordinance (HCAO)** – *Debbi Lerman*

- HSN has been meeting with DPH, Office of Contract Administration and labor union representatives to resolve some of the problems with the Ordinance and the current minimum standards. The City Attorney will attend an upcoming meeting to discuss potential legislative changes.
- All participants have agreed that the Ordinance should be amended to exempt relief workers who are not regular employees, as well as students working for academic credit or mandatory hours for professional certification or licensure.
- Participants also have agreed that the application of the Ordinance to 15-19 hour/week employees should be delayed for two years. After this period, DPH would reexamine the provision and assess whether commercial health insurance or a health benefits program could cover these workers.
- The Ordinance currently requires health insurance 30 days after hire. All agree that the Ordinance should reflect the insurance industry practice of providing coverage for new hires on the first of the month following one calendar month of employment.
- Representatives are still discussing provisions regarding trainees and collective bargaining.
- No agreement has been reached yet on co-pay amounts for the minimum standards required for a health plan. The current standards set the maximum office visit co-pay at \$10, and labor wants to maintain this level. DPH is willing to raise the co-pay to \$15. However, HSN has advocated for a \$20 co-pay, since only six insurance plans currently offer \$15 co-pays, and these may be raised in the next six months, making the City's minimum standards obsolete.
- Proposed minimum standards and legislative changes would go first to the Health Commission for consideration. After the City's budget is completed, participants will take the proposed legislative changes to the Board of Supervisors.

**III. Mayor's Planning Council on Homelessness** – *Fr. John Hardin*

- The Planning Council has established five subcommittees: Finance & Budget; Prevention & Discharge Planning; Outreach, Assessment & Stabilization (Chair, Supervisor Chris Daly); Mainstream Health & Employment; and Permanent Supportive Housing.
- The Task Force is meeting every Friday from 3 pm – 5 pm at City Hall, Room 201. The meetings are open to the public.
- Two public hearings will be held in May.
- The Federal Government is distributing only \$70 million across the nation for these plans.

- San Francisco’s Council needs to develop a credible plan. It does not need to be perfect or contain every detail in order to receive funding, based on the experience of other cities.
- The Planning Council is spending a great deal of time educating the public members about homeless issues and services. While the citizen participation is very valuable, it really needs a year long planning process.
- The plan will require ongoing work after June.
- One member expressed concern that the plan doesn’t include much needed housing for families.
- Beginning shortly, DPH and DHS will send three-person outreach teams into the Tenderloin. The City claims there are 80 empty shelter beds, but they are in the Bayview and not Downtown. Treatment locations for referrals have not been specified. There are concerns that people will be disappointed with the outreach and related referrals. Appropriate interim steps need to be identified when housing and treatment slots are not available. Lack of outreach is not the current problem, but rather the lack of necessary services. The successful outreach programs funded by AB 2034 have ended. They found that it often took six months to bring some individuals in for services.
- Housing bond for November ballot: The Mayor called for a \$150 million bond for supportive housing, but now is considering adding other types of housing (“workforce” and affordable). The San Francisco Foundation funded a poll that found that combining the types of housing for the bond improved the likelihood of passage in November.

**IV. Surplus Property Campaign** – *James Tracy & Peter Spaulding, Coalition on Homelessness*

- Housing coupled with appropriate services can end homelessness.
- Supervisor Chris Daly will introduce legislation next week, titled the Surplus Property Campaign, to transfer 40 parcels of unused City property (currently owned by various City agencies, and located in every Supervisorial district) to nonprofit developers who will build affordable housing units. The proposal calls for the property to be transferred to the Mayor’s Office of Housing, which will issue RFPs and oversee the development. Currently, developers cite the high cost of land acquisition as the major barrier to developing affordable units. Since the property price will be deeply discounted, the City will require deeper affordability for residents.
- Community members in each district have been involved in the property surveys and selection.
- The properties will be developed for single people and families for exits from homelessness. The units will contain kitchens and bathrooms.
- Campaign co-sponsors: Coalition on Homelessness, SF Organizing Project, SF Community Land Trust, Council of Community Housing Organizations, Religious Witness with Homeless People, and Bernal Neighborhood Center, among others.
- The Mayor has not yet committed to support the legislation, but he has expressed enthusiasm.
- The Campaign is seeking individuals and organizations to support the legislation. For copies of the legislation, please contact Merrill Buice at SFHSN at [merrillbuice@sfhsn.org](mailto:merrillbuice@sfhsn.org).
- A rally and march to support the legislation will be held on Monday, May 10 at 6 pm. Meet at St. Paulus Church at 930 Gough Street and march to two proposed surplus property sites. For more information, contact James Tracy or Peter Spaulding at the Coalition on Homelessness at 346-3740 or [r2ar@sf-homeless-coalition.org](mailto:r2ar@sf-homeless-coalition.org).

## **V. Guest Speaker: Supervisor Chris Daly**

- Steve Fields introduced Supervisor Daly and thanked him for his tremendous leadership during last year's budget process to avoid disastrous budget cuts and protect vulnerable San Franciscans.
- Supervisor Daly remarked that last year the Board moved three times more money than any other Board has ever moved in a budget. However, it only amounted to \$30 million, which is a relatively small amount of the City's overall budget. The budget is really defined by the Mayor. He is very pleased that Ben Rosenfield is continuing to serve as the Budget Director.
- This year's budget will be much worse than last year's and will leave an incredible amount of unmet human need. The current deficit is \$290 - \$350 million depending on the level of State budget cuts and on labor MOUs.
- Even if all the proposed 15% contingency budget cuts are made (including the unspecified DPH cuts), and labor unions agree to continue paying 7.5% for their pensions, the City is still facing a \$50 million deficit.
- On June 1, as required by Charter, the Mayor must present a balanced budget to the Board. There may be some flexibility in revenue assumptions in the budget. State funding remains the greatest unknown factor in the budget.
- Format for budget hearings: Supervisor Sandoval has set aside the first week of June for the Budget Analyst to review the Mayor's budget with the Board. Departmental hearings will occur the last three weeks of the month. During May, there will be several community forums that are not official Budget Committee hearings. Since they are not official, Supervisor Daly is not holding one in District 6.
- Last year, the private campaign to save the Fire Department's budget spent \$600,000.
- Last year, Departmental budgets decreased, on average, 10-15%. However, the Police Department budget only decreased 1%.
- New revenue sources remain the big question for the City's progressive community. We need to define who should pay and what to tax. The Mayor seems to vacillate on the issue.

In response to questions, Supervisor Daly made the following comments:

- Business property assessment appeals: Fortunately, the Bay Guardian's story helped publicize the issue and the amount of money at stake for the City. The Controller monitors the rate that the Appeals Board grants appellants and the amount under appeal, and then requires the City to set aside funds to cover the anticipated loss of tax revenue. The Board wants to help the Assessor win more of the appeals, so they are increasing staff in that office and making changes in the appeals process. While the Board wants to fund community based services, they have to be responsible about defending revenue.
- Supervisor Daly introduced a resolution this week to protect programs for the aging from service reductions. Supervisor McGoldrick co-sponsored the legislation. Last year, Supervisor Newsom introduced a similar resolution.
- The Board's hearing on cuts in federal Ryan White funds brought out many clients and providers, and forced DPH Director Mitch Katz to pledge to find other funds for the threatened services. Similar testimony from clients and providers last year helped the Board make difficult decisions to move funding to community services. Comparable or greater public efforts will be needed this year.
- New revenue: Any measure passed in November will only help the City's budget for the second half of the year. The Controller will require that any assumption in the budget about a

new or increased source of revenue be accompanied by cuts that must be implemented in the second half of the year if the revenue measure fails in November. This is a risky proposal, and could lead to big cuts in valuable services. The opposition to any revenue measure will be very well financed and willing to mislead the public. Proponents will have to be very outspoken and honest about any revenue measure.

- Labor's role in the budget process: Unions feel that they made significant contributions last year to solving the deficit. SEIU will have to make November's revenue ballot measure a very high priority or it will not pass.
- Proposed state legislation, sponsored by Assemblyman Mark Leno, allowing counties to put a Local Vehicle License Fee on the ballot: The measure seems very unlikely to pass.

#### **VI. Meetings with Supervisors** – *Debbi Lerman*

- HSN representatives have met recently with Supervisors Alioto-Pier, Daly, Gonzalez, Ma and Peskin. A meeting is scheduled with Supervisor Sandoval, Chair of the Budget Committee. HSN is seeking additional meetings.

#### **VII. Mental Health Services Act** – *Steve Fields*

- The Mental Health Services Act has obtained the necessary signatures and qualified for the November 2004 State ballot. The measure creates a funding stream to raise more than \$600 million/year for mental health services for children, youth and adults. The revenue is raised through a tax increase of 1 cent for every \$1 over \$1 million in income.
- Nonprofit organizations are legally allowed to endorse ballot measures and contribute to these campaigns.
- HSN members will vote on endorsing this measure. We encourage our members to seek their own Board endorsements, and to participate in HSN's vote. The SF Mental Health Board has already endorsed it.
- Opposition to the measure is not yet identified. A possible legal challenge has been mentioned. SEIU is working hard on passage of this measure.
- For more information, please see the website: [www.mentalhealthcampaign.org](http://www.mentalhealthcampaign.org) or contact Belinda Lyons at [belinda@mhb-sf.org](mailto:belinda@mhb-sf.org) or 241-2929.

#### **VIII. HSN Member Dues** – *Merrill Buice*

- Many thanks to the 77 organizations who have paid more than \$40,000 in dues. Both figures are records for HSN. We are pleased to report that we have 13 new members. It is inspiring that in the worst budget year, so many new members are joining our efforts.
- If your organization has not yet renewed your membership, we urge you to do so as soon as possible. Please do not hesitate to let us know if you need to adjust your dues. As always, your active participation in HSN is the most important contribution. If you have questions, contact Merrill Buice at 668-0444, ext. 1, or [merrillbuice@sfhsn.org](mailto:merrillbuice@sfhsn.org).

#### **IX. HSN Job Announcement** – *Merrill Buice & Debbi Lerman*

- Merrill is pregnant and leaving HSN this summer. HSN will seek a full time replacement. We expect to post a job announcement in May. We are seeking someone who will speak at community meetings and City Hall, undertake community organizing and policy analysis, and coordinate HSN's member communications and membership renewal/recruitment

process. We expect the salary range to be \$45,000 - \$50,000/year. We will ask for resumes and cover letters by mail only (no-email). Please help us recruit qualified candidates.

**X. Revenue Advisory Panel** –*Debbi Lerman*

- The Revenue Advisory Panel’s final report has been released. It is posted on the Controller's website at [http://www.sfgov.org/site/controller\\_index.asp](http://www.sfgov.org/site/controller_index.asp) (under News and Events).

**XI. City Budget Cuts** – *Debbi Lerman*

- HSN needs to collect information on cuts to specific nonprofits. Please notify Debbi Lerman at [debbilerman@sfhsn.org](mailto:debbilerman@sfhsn.org) when your agency is facing a proposed cut. Please let her know the size of the cut, program description and effects of the cuts on clients and staff. If possible, send a paragraph description of the cut, to be compiled for advocacy purposes.
- HSN will make a presentation on the City budget in May to the Northern California Grantmakers.

**XII. Next Meeting and Adjournment**

- HSN’s next membership meeting will be held on **Friday, May 21 from 9:30 a.m. – 11:30 a.m. at Progress Foundation at 368 Fell Street.**
- The meeting adjourned at 11:20 a.m.

**ATTENDEES AT HSN GENERAL MEMBERSHIP MEETING ON APRIL 23, 2004**

Margy Baran, IHHS Consortium  
Elizabeth Boardman, North & South of Market Adult Day Health  
Helynna Brooke, SF Mental Health Education Funds  
Nancy Brundy, Institute of Aging  
Merrill Buice, HSN  
Donna Calame, IHHS Public Authority  
Katy Chamberlin, Housing for Emancipated Youth  
Steve Crabel, Toolworks  
Kyle Fiore, Mission Community Council  
John Hardin, St. Anthony Foundation  
Bill Hirsh, AIDS Legal Referral Panel  
Jim Illig, Project Open Hand  
Mariano Janco, St. Anthony Foundation  
Debbi Lerman, HSN  
Meg Loomis, Planning for Elders in the Central City  
Malik Looper, Goodwill  
Ginger Martin, Haight Ashbury Free Clinics  
Quintin Mecke, Mental Health Association of SF  
Salvador Menjivar, Hamilton Family Center  
Tim O'Keefe, Catholic Charities  
Karen Patterson Matthew, Bayview Hunters Point Foundation  
Lucy Runkel, Jewish Vocational Services  
Colleen Salinas, St. Anthony Foundation  
Julio Sosa, Swords to Plowshares  
Peter Spalding, Coalition on Homelessness  
Michele Tolle, Progress Foundation  
James Tracy, Coalition on Homelessness  
Kim Watts, Catholic Charities  
Betty Williams, Network for Elders