DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING

Director's Report

Homelessness Oversight Commission | August 6, 2026

Thank you for the warm welcome!

Mike Levine

I am a lifelong public servant – most recently serving as the Massachusetts State Medicaid Director.

I am passionate about meeting clients where they are with integrated health care and housing services – and tying public dollars directly to the outcomes we all aim to achieve.

In my first few months as Director, I am prioritizing listening and learning: So far, I've visited 26 programs – and look forward to visiting the rest!

Key initiatives for the coming year

- Relaunch Procurement
- Enhance Safety in PSH
- Maximize CalAIM revenue
- Implement FY26-27 Budget Investments
- Key policy updates: Good Neighbor, Residency, and Shelter Length-of-Stay
- Expand Recovery and Drug-Free Housing Options
- Coordinated entry redesign
- Launch the Contract Lifecycle Management System (CLMS)
- Navigate State and Federal changes

Relaunching Procurement

An opportunity to help shape the future of San Francisco's Homelessness Response System

- In the coming weeks, HSH will release a Request for Information (RFI) outlining the department's goals for reprocurement and soliciting input on key questions that will help shape the future of San Francisco's Homelessness Response System (HRS) and the development of future Requests for Proposals (RFP) and other competitive solicitations.

- The RFI will invite all individuals and organizations with experience or knowledge of the HRS to respond with written input.

- In addition, following the release of the RFI, the Department anticipates hosting four town halls to gather input on the future procurement of the HRS.

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Final FY 2026-2028 Budget

Final HSH FY 2026-2028 Budget

- **Maintains** and **sustains** investments in the Homelessness Response System maintains current service levels.
- Creates a new **$98 million** Our City Our Home reserve with excess FY26 projected receipts to absorb anticipated Federal and State cuts.
- Invests **$37.3 million** to expand and enhance homelessness prevention for adults, young adults, families, older adults and people with disabilities.
- Invests **$54.7 million** to expand, strengthen and enhance interim housing.
- Invests **$140 million** to expand, strengthen and enhance supportive housing.

There was one change from the Mayor's Budget Proposal:

The $2.7 million (annually) to support families to move out of SROs will now be programmed as long-term rather than time limited subsidies.

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Good Neighbor Policy Update

Good Neighbor Policy: Update

Public comment is being used to make the policy clearer, safer, and more workable for implementation.

1| **Maintain one citywide standard**

The goal remains safe, clean, and welcoming conditions around City-funded housing, health, shelter, and social service sites.

2| **Clarify provider responsibility**

Providers are responsible for clients and guests at the site perimeter during hours of operation; unaffiliated individuals should be escalated to the appropriate City response system.

3| **Reduce burden and improve tools**

The City is consolidating documentation into an integrated digital log/app and focusing compliance on documented provider action, not outcomes outside provider control.

We are working to put training, guidance, and implementation tools in place for providers; once those are in place, providers will be held accountable for the new policy.

Revisions and Path to Launch

The working draft keeps the citywide expectation while addressing feasibility, safety, scope, and timing concerns.

Top Revisions from Input

Staff safety

Non-engagement during threats is compliant; action is expected when safe.

Community meetings

Required when requested by the funding department or when corrective action is active; City representatives attend alongside providers.

Site realities

Add exceptions for co-located, confidential, large-campus, and major facility settings.

Complaint review

Compliance will be assessed on documented provider actions, not complaint volume alone.

1 — July

Finalize policy

Share final Citywide Good Neighbor Policy.

2 — August / September

Train + Test

Train providers and City staff; Test the documentation app.

3 — October

Launch

Launch policy and app after training and testing.

The **Good Neighbor Policy** documents provider action and escalation; it does not replace the need for timely City response by SFPD, DPW, Fire, DEM, and other street response teams.

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Continuum of Care Update

Continuum of Care (CoC) Funding

- HUD CoC is the primary federal funding source dedicated to addressing homelessness
- San Francisco received approximately **$56.1M** in the **FY 2024 CoC competition**
- FY 2025 CoC contracts were extended **without** a new grant competition
- FY 2026 competition will **determine continued and future federal investment** in San Francisco's homelessness response system
- Funding supports City and nonprofit partners serving people experiencing homelessness

Changes in HUD Policy for FY 2026

- HUD's FY 2026 CoC competition is **significantly more competitive** than prior years
- "Safe" Tier 1 funding is now limited to **60% of Annual Renewal Demand**
  - In recent years, Tier 1 had generally continued approximately 90–95% of renewal funding
- Under the FY 2026 CoC Grant Process, HUD now prioritizes:
  - Transitional Housing
  - Supportive Services Only projects
  - Street Outreach
  - Required service participation
  - Substance use treatment / recovery-focused models
  - Employment income and self-sufficiency
- This creates greater risk for renewal projects placed in Tier 2

SF Strategy to Maximize Federal Funding

- Protect the highest-risk renewal funding by prioritizing large site-based PSH rental assistance projects in Tier 1
- Preserve housing for people currently living in permanent supportive housing
- Rank Tier 1 projects based on local renewal scoring and policy priorities
- Avoid advancing new permanent housing projects that are unlikely to be competitive nationally in Tier 2
- Put forward new projects that closely align with HUD's FY 2026 priorities
- Use the local competition process to maximize San Francisco's federal score and funding competitiveness

CoC Application Timeline

June 1, 2026
HUD released the FY 2026 CoC NOFO

June 18, 2026
LHCB approved local scoring tools and process

June 25, 2026
San Francisco CoC Bidders Conference held for project applicants

July 16, 2026
Local project applications due to HSH

July 23–24, 2026
Review and ranking panel evaluates project applications

July 29, 2026
Project appeals due

July 30–31, 2026
Appeals meetings held

August 3, 2026
LHCB to approve final ranked list and CoC application

August 4, 2026
Final ranked list posted

Mid August 2026
HSH submits CoC application materials and ranked project list to the Board of Supervisors file

August 26, 2026
HUD application deadline

December 1, 2026
Anticipated HUD awards

DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING

Local and State Legislative Update

State Budget Update: Homeless Housing, Assistance and Prevention

$900 million for round 7:

- Round 7 will be distributed as additional Round 6 disbursements, with **no new application required**
- No Homekey set-aside, preserving funding for locally determined homelessness priorities

Key policy changes:

- Performance measures shift from homelessness “reduction” targets to **access to services**
- Required equity reporting by **age, gender, and race/ethnicity**
- Reporting reduced from monthly to quarterly
- Unspent funding will be reallocated within the region rather than returned to the State General Fund

New requirements:

- Jurisdictions must obtain a Pro-Housing Designation within 12 months of the first Round 7 disbursement
- Round 7 requires a local match equal to 35% for the first disbursement and 70% for the second
- Local match process must be established by September 1, 2026

Next steps:

- HSH will assess San Francisco’s anticipated allocation and match requirements and monitor forthcoming HCD guidance on eligible funding sources, hardship flexibility, and implementation.

Assembly Bill 1556 (Haney): Recovery Housing

Creates a state-funding framework for recovery housing that emphasizes recovery choice while requiring Housing First alignment and resident protections.

Requirements

- State-funded recovery housing must satisfy core Housing First components
- Programs may emphasize abstinence and recovery supports, but participation must generally be chosen by the resident/family after a harm-reduction option is offered
- Relapse alone cannot be grounds for eviction or discharge; residents must receive relapse/return-to-use support
- Programs must allow prescribed medications, including medications for mental health and substance use disorders
- Staff and residents must receive overdose prevention/response training, with overdose reversal medication onsite

New Operational Safeguards

- Written return-to-use policy
- Clear resident rules and expectations
- Documentation if eviction/discharge is pursued
- Transition support to comparable harm-reduction housing when needed.

Implications for HSH

- Supports City interest in drug-free / recovery-oriented housing options, while requiring program design review, resident protections, and monitoring of final state guidance before implementation.

Next Steps: Track Senate Appropriations and amendments; assess alignment of any HSH-funded recovery housing models with proposed state funding conditions.

Local Legislation: Drug-Free Supportive Housing

The ordinance makes it City policy to expand Drug-Free site-based PSH for people experiencing homelessness who prefer that option, with the goal of supporting housing stability and reducing returns to homelessness.

Exceptions / Waiver Pathways

The requirement would not apply where it conflicts with law or funding conditions, or where City funding is for new construction.

The Board may also waive the requirement with specific findings, HSH or MOHCD recommendation, and a Good Neighbor Agreement commitment.

Core Requirements

- New City funding to increase site-based PSH would generally require Drug-Free Housing operations.
- HSH must survey PSH residents on interest in Drug-Free vs. Traditional PSH and report findings to the Board.
- HSH must adopt operating standards and eviction-related protocols for City-funded Drug-Free Housing.

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Department Updates

HomeRise Accountability & Provider Transition

HSH has taken the significant and ongoing compliance and performance failures involving HomeRise extremely seriously. Following corrective action, escalated oversight, Tier 3 status under the Citywide Nonprofit Corrective Action Policy, and referral to the City Attorney's Office, HSH is closely reviewing HomeRise's full City-funded portfolio.

HSH will not renew four expiring agreements because we no longer have confidence that HomeRise, as currently operating, can manage these programs effectively.

Actions underway

Transition four agreements to qualified new providers

Preserve resident housing stability and service continuity

Coordinate with residents, staff, City partners and incoming providers

Monitor remaining contracts and take additional action as needed

Currently impacted contracts				
	Arnett Watson Apartments	**Essex Hotel & Zygmunt Arendt House Support Services**	**Prop 63 Program Support Services**	**Treasure Island Island Bay Homes**

August 2026 Contract Amendments & Renewals

Program	Provider	New Term End	New NTE	Number Served	Staffing Ratio
Rapid Rehousing	Hamilton Families	6/30/2030	$9,840,464	70 families	Housing Coordinator 1:50; Case Manager 1:14

HR Update

Positions Update

229.5 total FTE

4 vacant positions

4 active recruitments

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Thank you

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Appendix Slides

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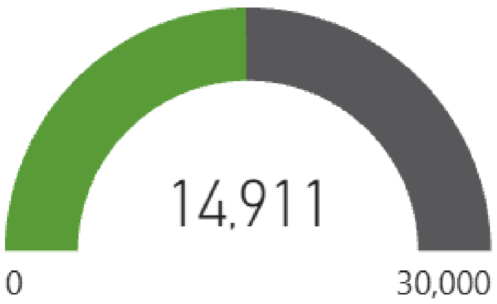
Homelessness Response System: Updates and Data*

*All data is from the Online Navigation and Entry (ONE) System unless otherwise noted. See HSH's Data Hub.

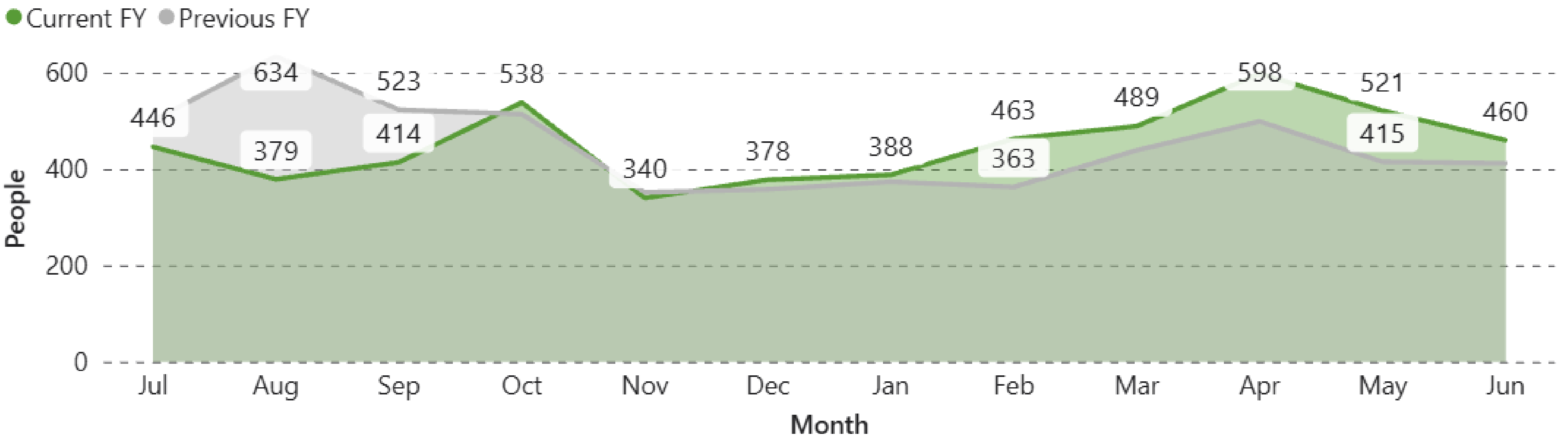
Systemwide Exits From Homelessness

HOME BY THE BAY GOAL: Actively support at least 30,000 people to move from homelessness into permanent housing

5 year progress to goal



Number of unique clients exiting homelessness



Fiscal Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY2023-24	373	518	498	703	426	495	494	492	521	500	497	406
FY2024-25	501	634	523	514	352	358	374	363	439	499	415	412
FY2025-26	446	379	414	538	340	378	388	463	489	598	521	460

FYTD comparison

4,981
Current FYTD

5,078
Previous FYTD

Data through 6/30/2026 | data as of 7/10/2026

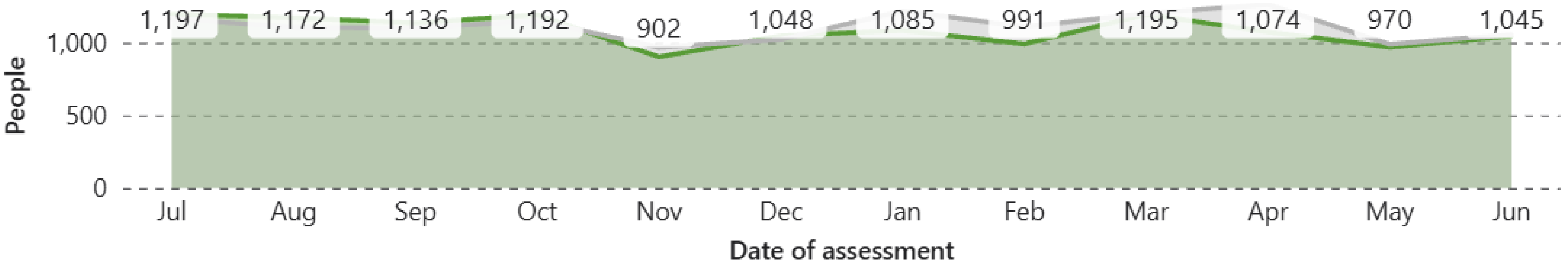
Coordinated Entry

Number assessed

11,774
Current FYTD

12,038
Previous FYTD

Number of unique clients assessed for housing



By household type

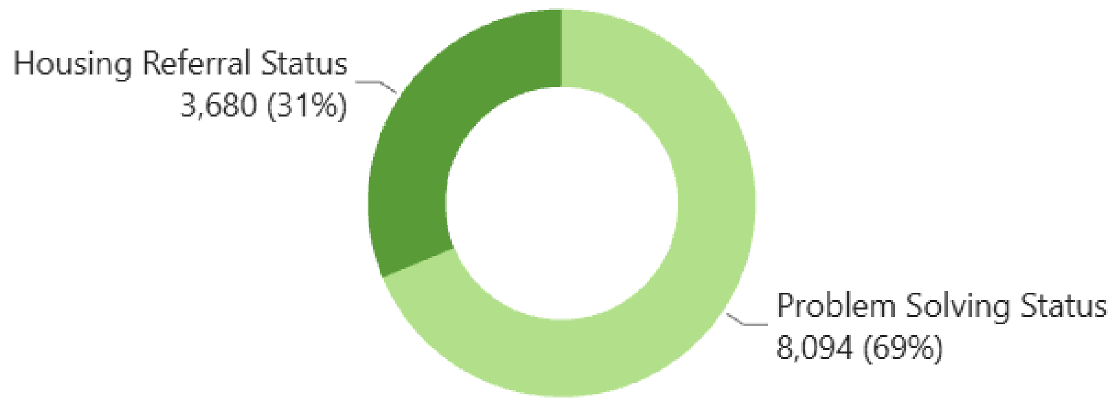
Current FYTD

	Youth*	All Households
Adult	2,118	10,382
Family	369	1,441

*Households led by youth age 18-27

By outcome of housing assessment

Current FYTD



Homelessness Prevention

Reflects San Francisco Emergency Rental Assistance Program (ERAP) applications assigned to HSH providers

Average award amount

Current FYTD

$5,616

Households awarded

1,756
Current FYTD

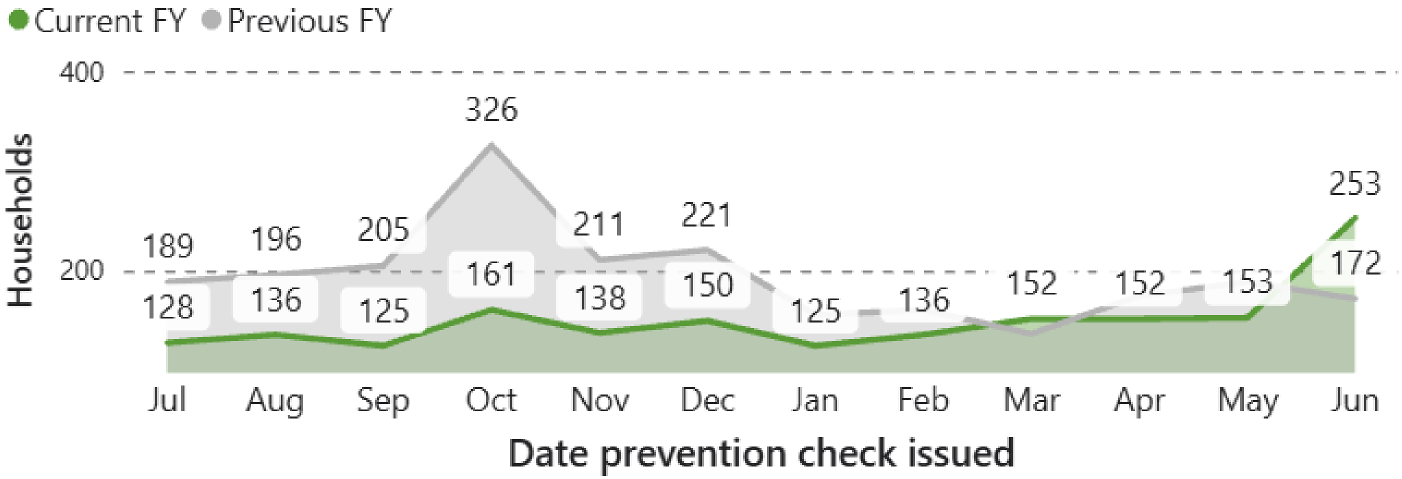
2,303
Previous FYTD

Total distributed

$9,862,558
Current FYTD

$10,931,797
Previous FYTD

Number of unique households receiving prevention financial assistance



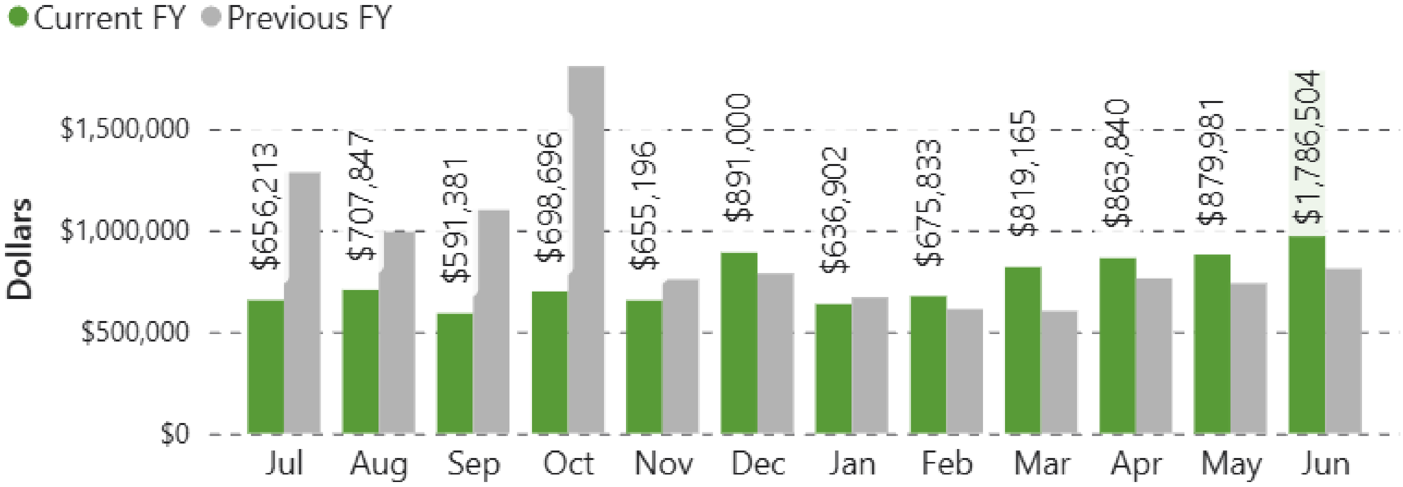
By household type

Current FYTD

	Youth*	All Households
Adult	68	871
Family	82	873

* Households led by youth age 18-27

Total amount of prevention financial assistance distributed



By type of assistance

Current FYTD

$15,775,576
Back Rent

$3,506,369
Future Rent

$6,075,989
Move In

$5,705,593
Stipulated

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Data through 6/30/2026 | data as of 7/10/2026

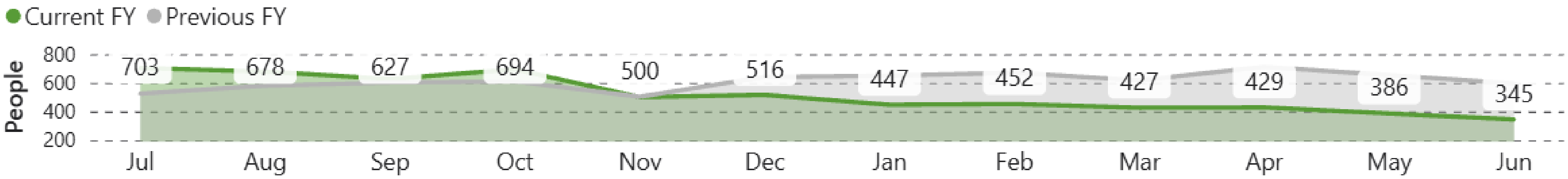
Street Outreach

HSH street outreach programs include the San Francisco Homeless Outreach Team (SFHOT) & Large Vehicle Case Management

Number of unique clients encountered

3,786
Current FYTD

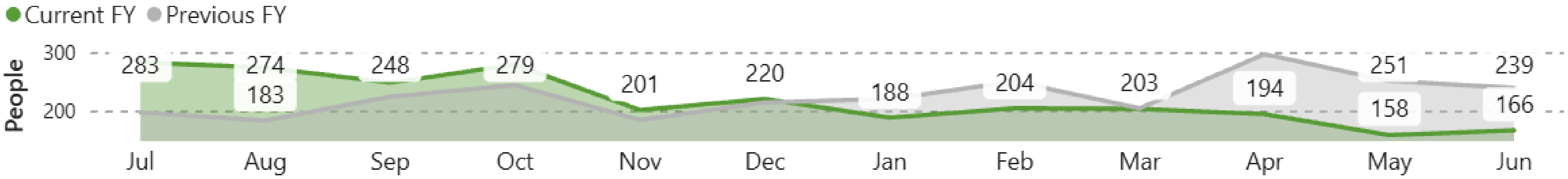
4,225
Previous FYTD



Number of unique clients assessed for housing

2,479
Current FYTD

2,583
Previous FYTD

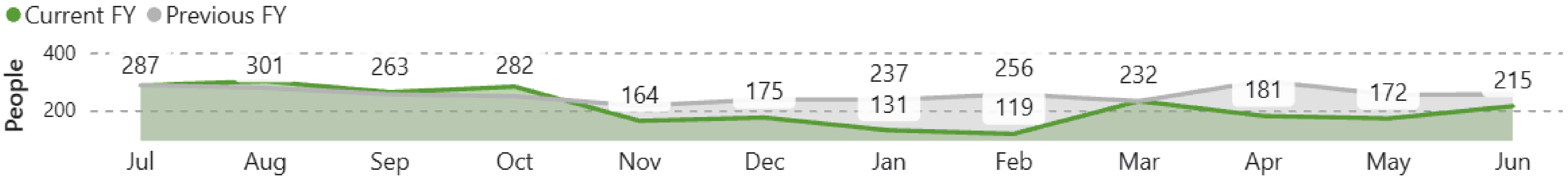


Number of shelter placements by outreach teams

*Does not include placements made by Large Vehicle Case Management using Urgent Accommodation Vouchers (UAV)

2,522
Current FYTD

3,062
Previous FYTD



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Data through 6/30/2026 | data as of 7/10/2026

Problem Solving

Average award amount

Current FYTD

$2,102

Number resolved

781
Current FYTD

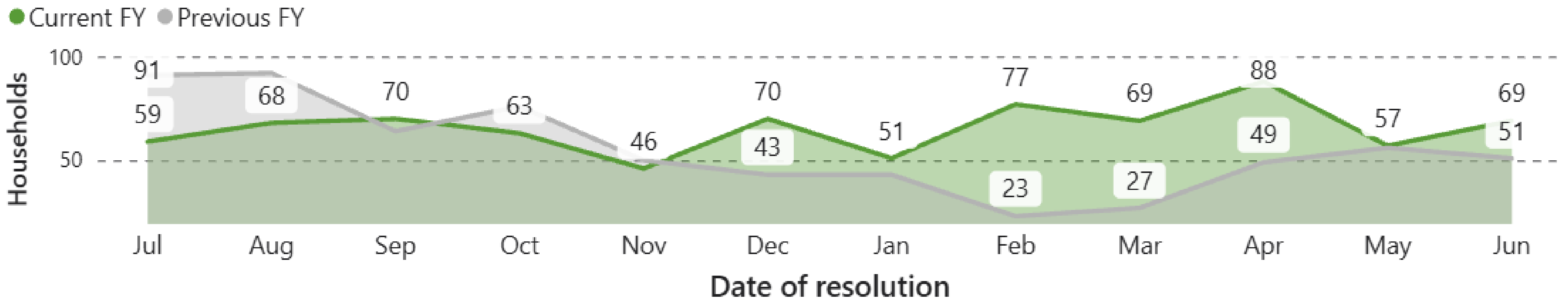
663
Previous FYTD

Total distributed

$1,641,386
Current FYTD

$1,778,463
Previous FYTD

Number of unique households resolved through problem solving



By type of assistance (Top 5)

Current FYTD

Assistance Type	Amount
Move-In Assistance for housing outside the San Francisco HRS, including deposits and first month's rent	$1,132,477
Furniture, such as a bed, if reasonable and directly linked to a housing resolution	$216,239
Travel and relocation support outside of San Francisco that will result in a housing connection - airline, train or bus ticket	$159,192
Rental Assistance after Move-in	$96,897
Travel and relocation support outside of San Francisco that will result in a housing connection- food stipend	$18,245

By household type

Current FYTD

	Youth*	All Households
Adult	148	594
Family	6	32

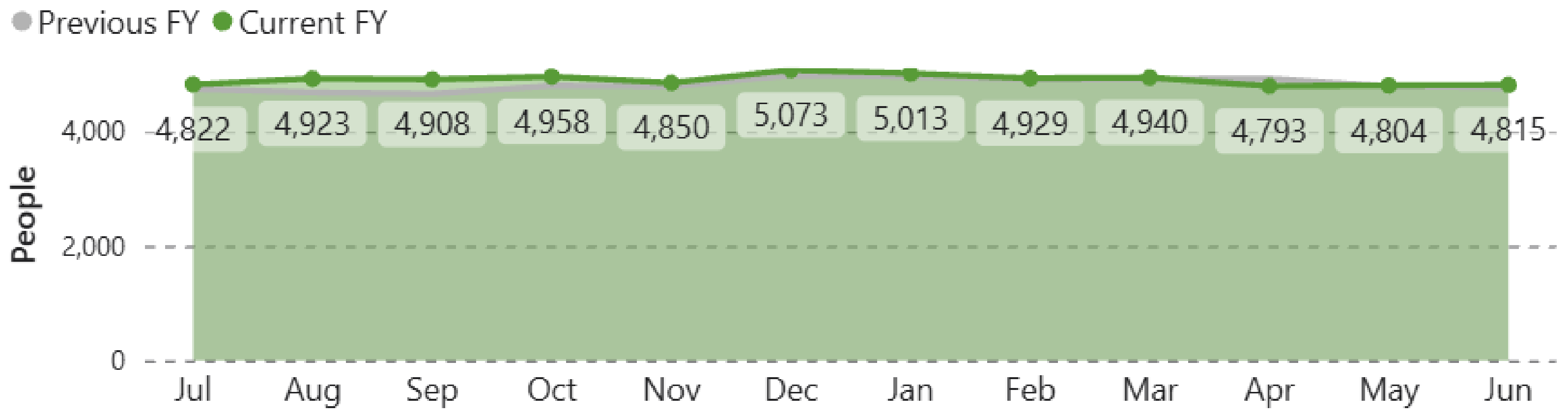
*Households led by youth age 18-27

Shelter Programs

Number of unique clients served by emergency shelter or transitional housing

10,852
Current FYTD

11,121
Previous FYTD



Clients by household type

Current FYTD

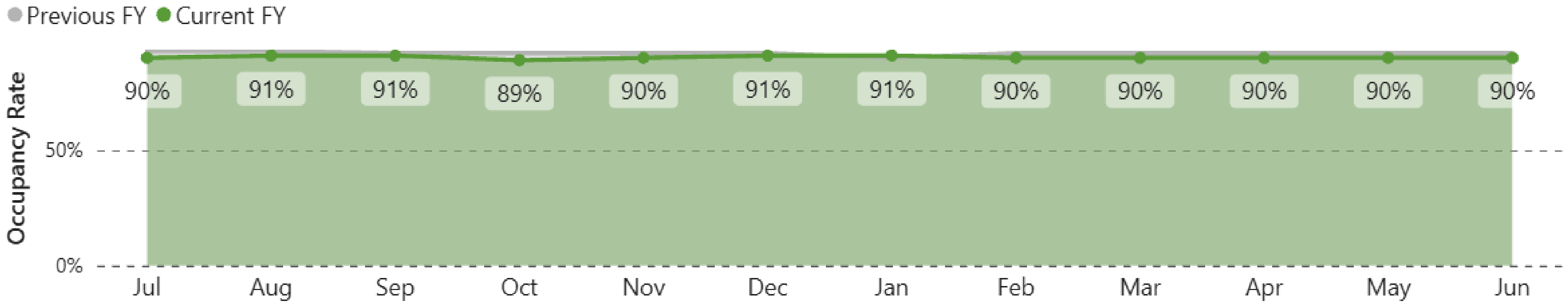
	Youth*	All Households
Adult	1,413	8,666
Family	424	2,082
Minor		167

* Households led by youth age 18-27

Occupancy rate of year-round emergency shelter and transitional housing (HSH-funded)

90%
Current FYTD

92%
Previous FYTD



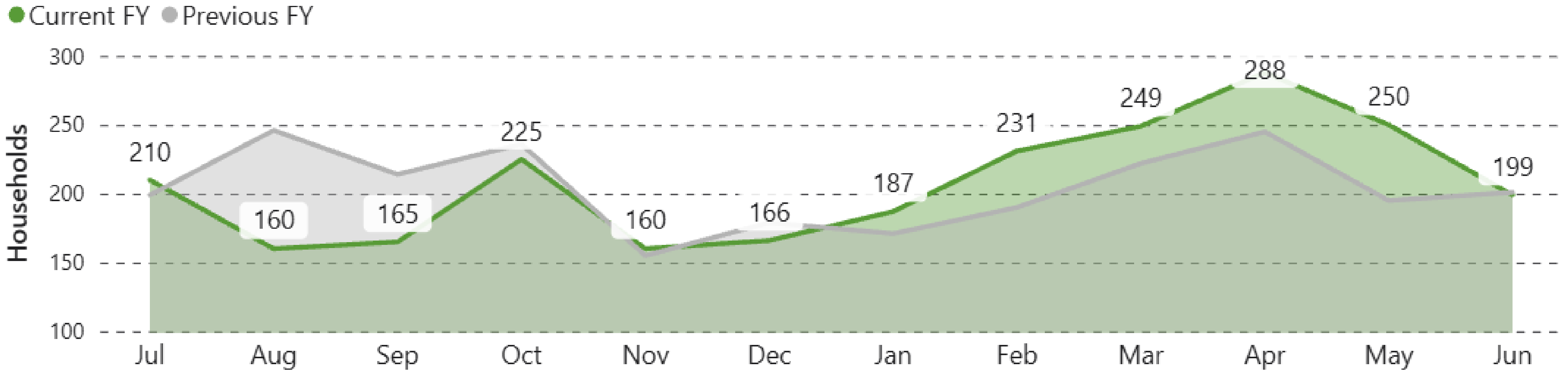
Housing Programs

Households moved in

2,474
Current FYTD

2,431
Previous FYTD

Number of unique households moved in to permanent supportive housing or rapid re-housing



By household type

Current FYTD

	Youth*	All Households
Adult	428	2,031
Family	127	446

* Households led by youth age 18-27

By program area

Program Area	FY2024-25	FY2025-26 YTD
Housing Ladder	74	38
Rapid re-housing	556	716
Scattered site-PSH	330	250
Site-based PSH	1,483	1,475

Time to move in to housing

Median days to move in

157
Current FYTD

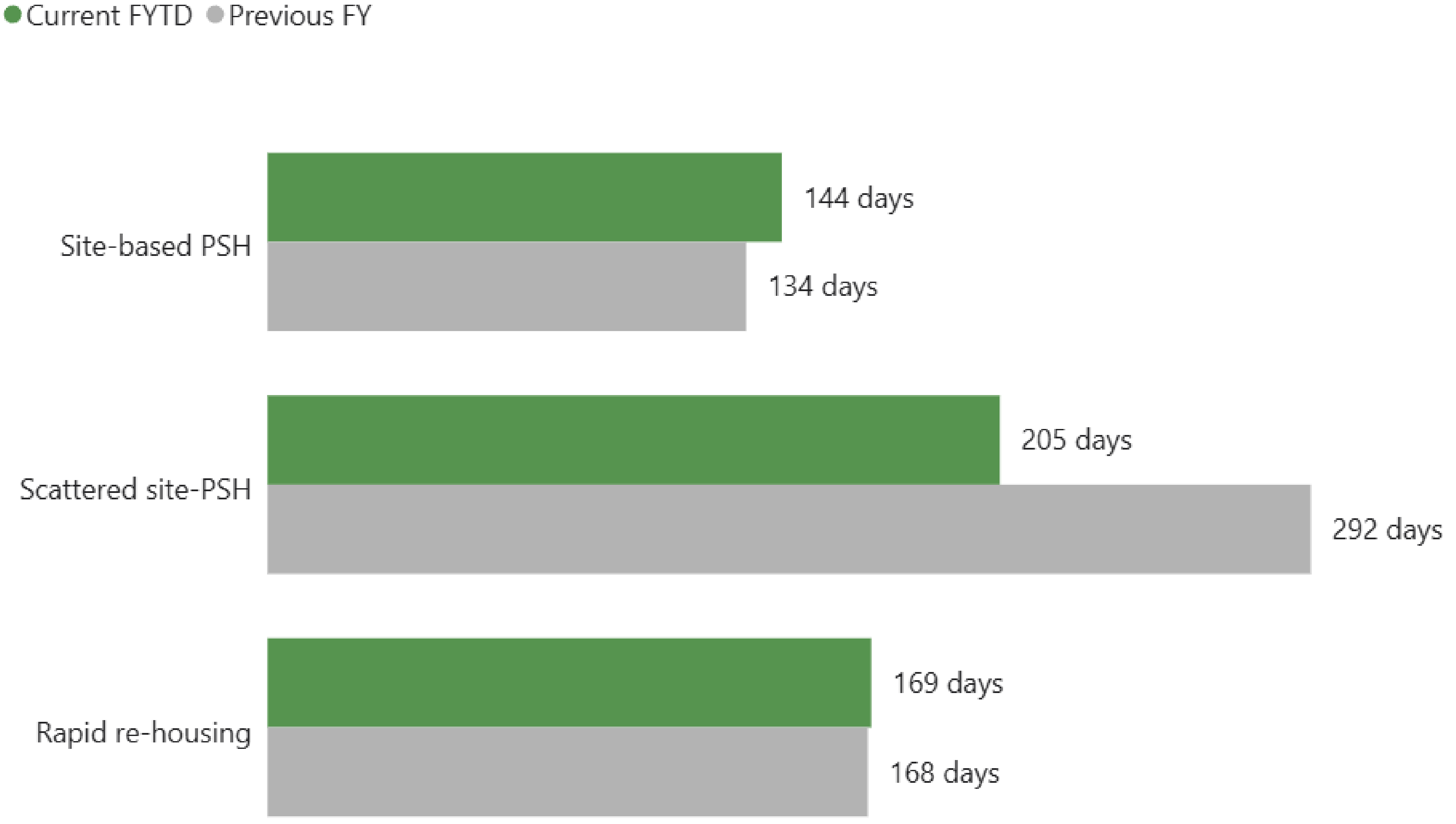
153
Previous FY

Average days to move in

218
Current FYTD

197
Previous FY

Median number of days between queue placement and move in to HSH housing



Permanent Supportive Housing Vacancies

Inventory

Total Vacancies
762

By vacancy status

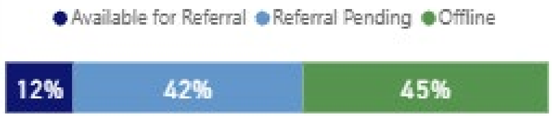
Available for Referral
95

Move-in in Progress
322

Offline
345

Total Units
9,163

Building Vacancies



Vacancy Rates

(as a percent of total inventory)

Vacancy Rate (Target 7%)
8.3%

% Available for Referral
1.0%

% Move-in in Progress
3.5%

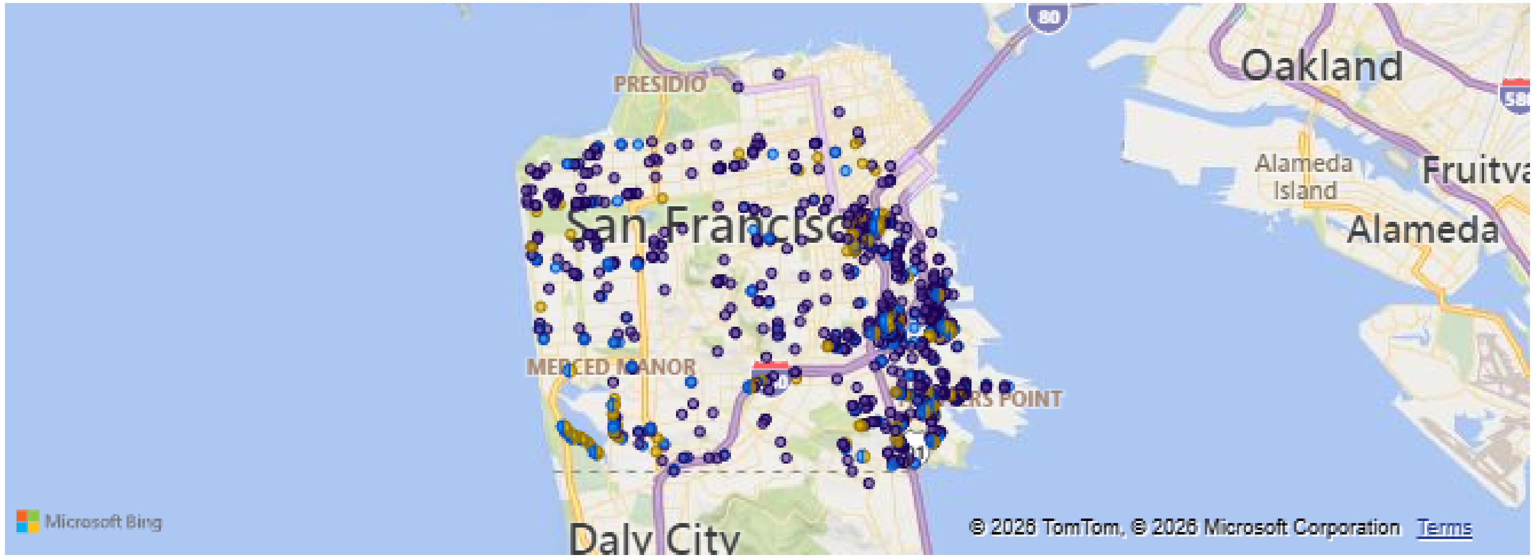
% Offline
3.8%

Offline Vacancies Status Breakout

Status	OfflineVacancies
Janitorial Maintenance	96
Internal Transfer	61
Significant Damage	53
Property Hold	44
Building Rehab	39
Recently Vacated	35
Coroner Hold	17
Total	**345**

Large Vehicle Program

Outcomes Map



Legend ● citations ● household housed ● tows

LVs w Active Permits

Permits were issued in October 2025 and exempt Large Vehicles from the 2 hour parking limit.

151

Buybacks Completed

LVs are removed from the street after they are voluntarily relinquished in exchange for a financial incentive.

119

Sheltered or Housed Households

Number of households that have moved out of Large Vehicles and into housing or shelter through the program.

190

Housing Placements: 145

Shelter Placements: 54

- *Learn more at sf.gov/large-vehicle-program-outcomes Data as of July 15, 2026*

Shelter Waiting List - Commission Metrics

Adult waitlist counts are based on unique requests for shelter and might not represent unique people.

Adult Shelter Waiting List

There are currently 449 people on the waiting list.

662 people joined the waiting list in June 2026.

Average time on waiting list = 15 days (for people who accepted placement offers)

In June 2026, 130 people were placed into shelter from the waiting list. 502 people were offered shelter but did not accept (440 did not respond, and 62 declined shelter).

Family Shelter Waiting List

There are currently 291 families (776 people) on the waiting list.

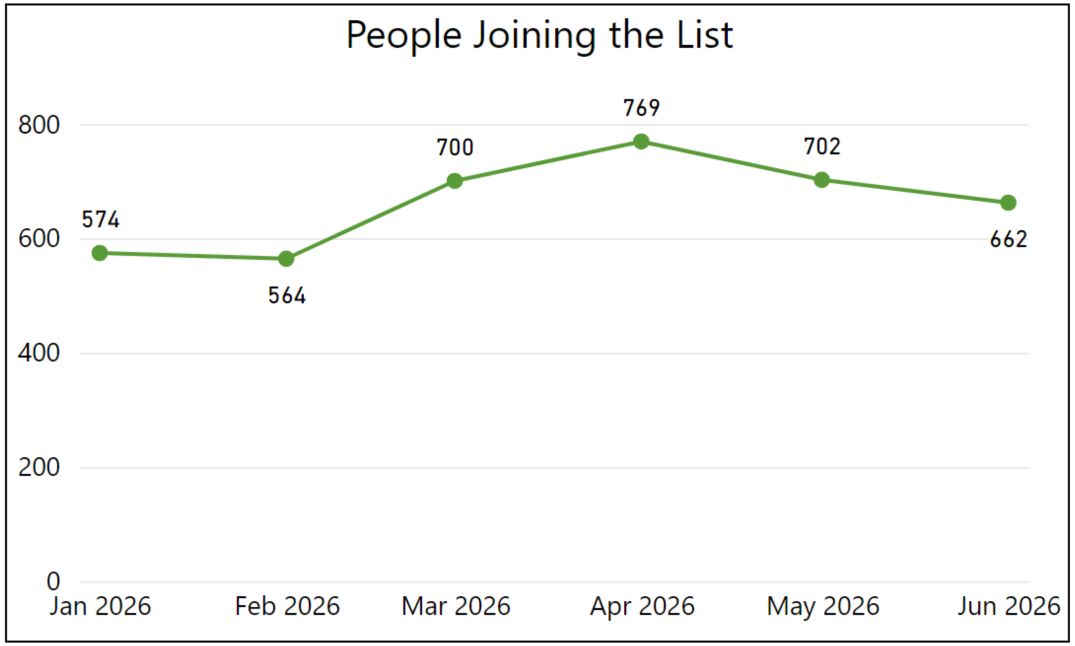
102 families (268 people) joined the waiting list in June 2026.

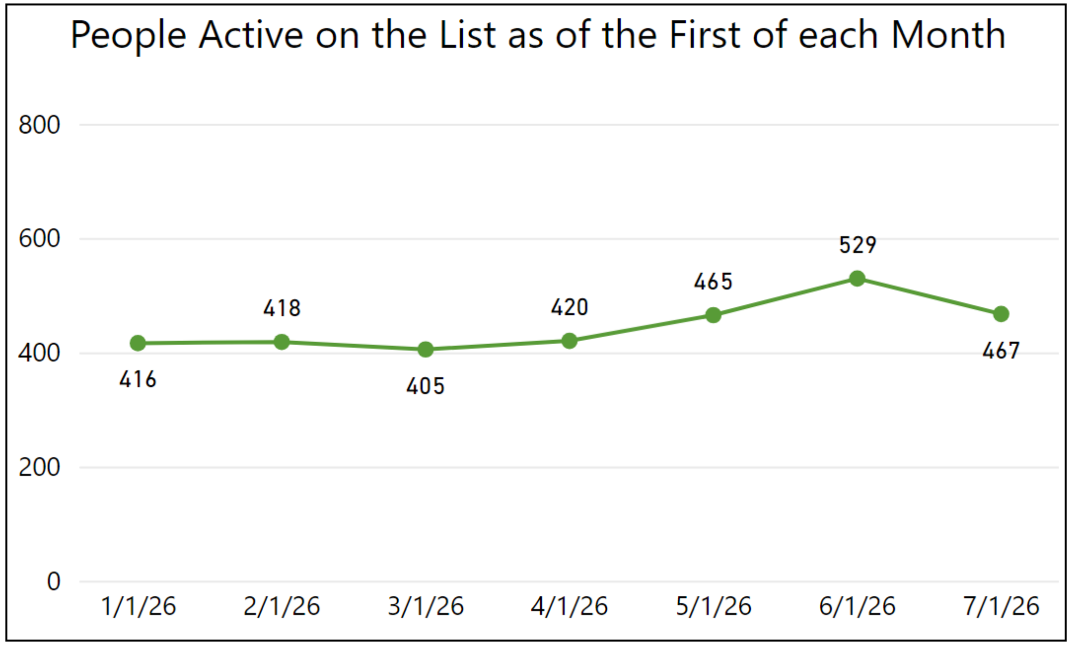
Average time on waiting list = 37 days (for families who accepted placement offers since January 2025)

In June 2026, 35 families (96 people) were placed into shelter from the waiting list.

Adult Shelter Waiting List - Joining & Active

Adult waitlist counts are based on unique requests for shelter and might not represent unique people.





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Date Last Updated: 7/15/2026

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Adult Shelter Waiting List - Coming Off the Waitlist

Adult waitlist counts are based on unique requests for shelter and might not represent unique people.

Month	Placed into Shelter	Removed from the List Without Placement*
Jan 2026	109	469
Feb 2026	120	486
Mar 2026	141	530
Apr 2026	119	596
May 2026	107	545
Jun 2026	130	582

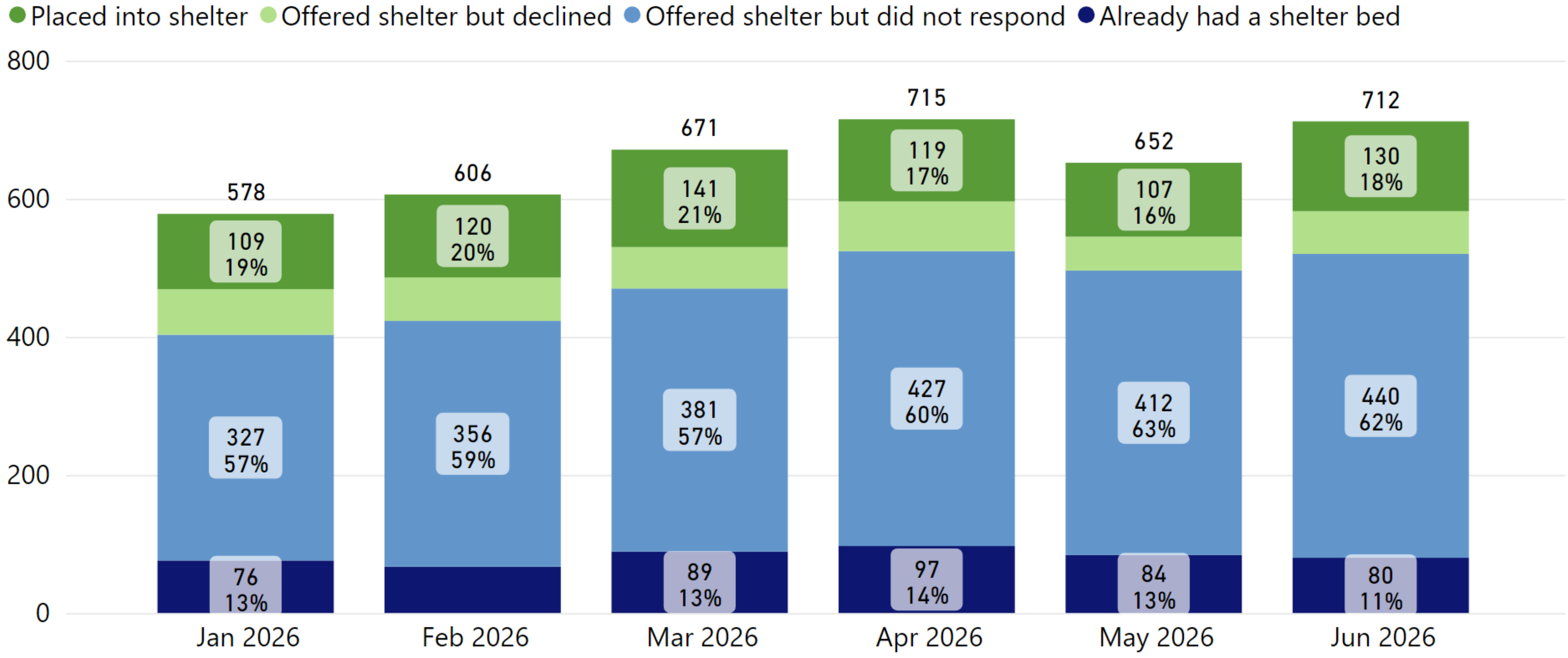
*Reasons someone may be removed from the adult shelter waiting list without being placed into shelter include not responding to a shelter offer within three days, declining a shelter offer, or already having a shelter bed.

Date Last Updated: 7/15/2026

Adult Shelter Waiting List - Waitlist Removal Reasons

Adult waitlist counts are based on unique requests for shelter and might not represent unique people.

Adults Who Came Off the Shelter Waiting List Each Month by Reason



Average Days on Waitlist by Outcome

1/1/2026 - 6/30/2026

Outcome	Average Days on Waitlist	# of Adults
Placed into shelter	18	726
Offered shelter but declined	17	372
Offered shelter but did not respond	20	2,343
Already had a shelter bed	18	493
Total	**19**	**3,934**

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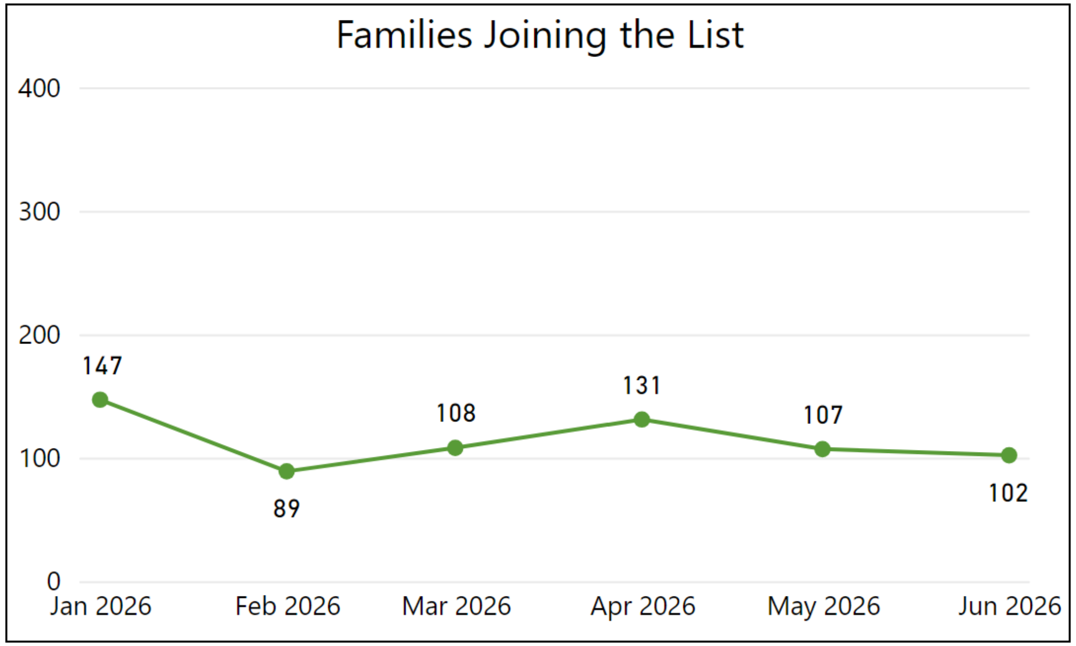
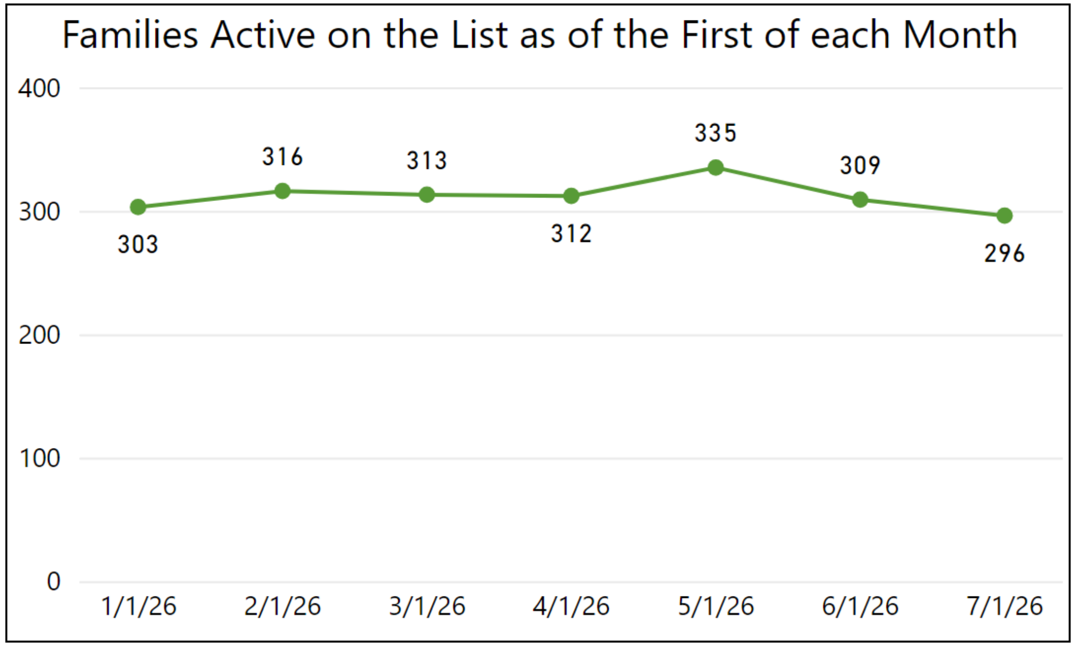
Family Shelter Waiting List - Joining & Active

Family counts are based on unique Heads of Household.





Family Shelter Waiting List - Coming Off the Waitlist

Family counts are based on unique Heads of Household.

Month	Placed into Shelter*	Removed from the List Without Placement**
Jan 2026	34	101
Feb 2026	23	67
Mar 2026	35	82
Apr 2026	20	93
May 2026	29	98
Jun 2026	35	84

*Starting in December 2024, placements into shelter from the list include placements into Hamilton Family Emergency Center, a 44-bed congregate shelter.

**Reasons a family may be removed from the family shelter waiting list without being placed into shelter include not responding to a shelter offer, declining a shelter offer, or becoming housed.

Family Shelter Waiting List - Coming Off the Waitlist

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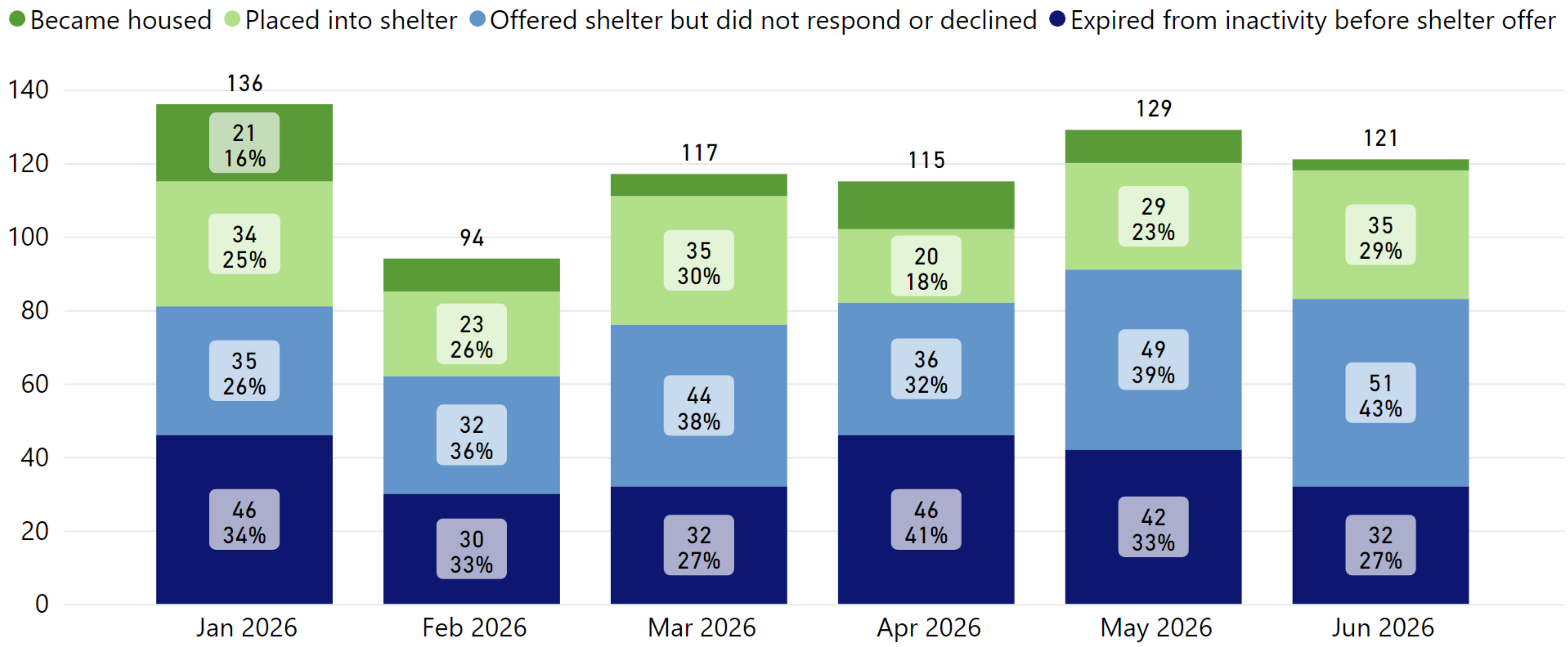
Family counts are based on unique Heads of Household.

Families Who Came Off the Shelter Waiting List Each Month by Reason



Average Days on Waitlist by Outcome

1/1/2026 - 6/30/2026

Outcome	Average Days on Waitlist	# of Unique Families
Became housed	224	61
Placed into shelter	38	172
Offered shelter but did not respond or declined	56	221
Expired from inactivity before shelter offer	122	227
Total	**87**	**642**