

**Revised FY 20-21 and FY 21-22 Budget Submission Summary of Major Changes**

**Summary of General Fund Changes**

	FY 20-21	FY 21-22
Base General Fund Support - please use "base amt" value in the return MBO analyst provides	74,466,944	71,011,444
Mandatory Reduction Requirement - MBO analyst will provide value	4,241,757	6,362,635
<b>Department Proposal: Changes from Base Budget</b>		
Total GF Expenditure Reduction (use negative values for all reductions)	(4,241,757)	(6,362,635)
Total GF Revenue Changes (use positive values for increased revenue)	-	-
Total GF Change from Base (should match mandatory reduction requirement value in line 5)	4,241,757	6,362,635
Total FTE Change from Base (formula from 1B)	-	-

**Mandatory Reduction Requirement & Proposed Operational Changes**

Project, program, or expenditure description - add additional rows if needed	FY 20-21 GF Savings	FY 21-22 GF Savings	FY 20-21 NGF Savings	FY 21-22 NGF Savings	FY 20-21 # FTE impacted, if applicable	FY 21-22 # FTE impacted, if applicable	Please briefly describe justification & impact on department	Which loadsheet lines correspond to this change?
Community Development grants to CBOs	4,241,757	4,241,757	-	-	-	-	MOHCD has very little discretionary GF which can be cut and allocated to other Citywide uses. Our primary discretionary GF is grants to CBOs. Reduction is proposed to be spread across all funded CBOs to minimize impact on any one organization. Most likely result is reduced service levels from CBO services as they have reduced FTE dedicated to City-funded services.	3.1, 3.2, 3.3, 3.4
HOPE SF capital	-	2,120,878	-	-	-	-	GF HOPE SF capital contribution and debt service is budgeted at a combined \$5M per year. Debt service for FY20-21 is currently estimated at \$1,644,989 and debt service for FY21-22 is currently estimated at \$1,644,164. Reduction of \$2.1M in FY21-22 will allow debt service to be fully funded but result in reduced capital contribution to HOPE SF. This reduction will be offset by 2019 GO Bond revenues resulting in no meaningful delay in the HOPE SF development timeline.	3.5

**Mandatory FY 20-21 5% Contingency**

Project, program, or expenditure description - add additional rows if needed	FY 20-21 GF Savings	FY 20-21 # FTE impacted, if applicable	Please briefly describe justification & impact on department	Which loadsheet lines correspond to this change?
HOPE SF capital and debt service	2,120,878	-	See justification and impact statement above.	3.5

**Narrative - Programs and Services Impacted in FY 20-21 & FY 21-22**

<p>What are the core operations the department is planning to continue in FY 20-21? How will those operations be adjusted given both public health guidelines and budgetary reduction requirements?</p>	<p>MOHCD plans to continue all core operations in FY20-21. Our mission is to support residents with affordable housing opportunities and essential services to build strong communities, and we will continue to do so. Core functions include: community development grantmaking such as eviction prevention, rental subsidies, immigration legal defense, and community building; development of new affordable housing and acquisition/preservation of existing rental housing; asset management of existing affordable housing; homeownership programs; and oversight of housing listings, lotteries, and lease-ups. All operations have been moved to a remote work model, with assistance to the public provided over phone or email.</p>
<p>What programs, projects, and services are you proposing to change, reduce, suspend, or cancel for FY 20-21 and FY 21-22? How are these changes reflected in this proposal?</p>	<p>MOHCD has gone through a procurement process for our public services provided through our community organizations and will be entering into a new grant cycle for FY20-21. These will be one year grants and due to the COVID pandemic and proposed grant reductions, we have not yet decided whether we will go through a new procurement in the fall of 2021 for grants that begin in July 2022.</p> <p>A portion of our FY20-21 grants portfolio are new grantees providing new services. Another portion of our portfolio are grantees that provided services in FY19-20 that propose to offer similar services in FY20-21. Those grantees will now receive a decrease from their original recommended amount based on the department's mandatory budget cuts. No projects will be suspended or canceled. All grantees will be subject to a reduction.</p>
<p>What are the impacts for the department, staffing levels, public services, and residents of these reductions? Do any of the proposed budget reductions directly support vulnerable populations?</p>	<p>All of our grantees directly support vulnerable populations, and the proposed cuts will reduce services in all of our grantmaking program areas. Since the bulk of our funding supports staffing at our community based organizations, it is likely that the staffing at each of these organizations will be similarly impacted.</p>
<p>What ideas do you have about achieving citywide savings that might be applicable to other departments or require coordination? Are you proposing any reductions to discretionary work orders (IDS) - have you communicated and reached agreement with the other department?</p>	<p>We are proposing reductions to our discretionary workorders which are funded by our CBO grantmaking budget. These are workorders to other departments which use the funding to provide grants to CBOs. Reductions are detailed on worksheet 1C and agreement has been reached with the impacted departments.</p>



## Revised FY 20-21 and FY 21-22 Budget Submission Summary of Proposed IDS Changes

Work Order Changes - If any departmental IDS changes are proposed within the mandatory reductions described in Form 1A, please highlight below

Proposed IDS Changes (486XXX) *If recovery changes will impact GF requesting department budgets, please specify that impact in columns B-C	FY 20-21 GF Savings (Please specify GF impact)	FY21-22 GF Savings (Please specify GF impact)	Partner Department Code	Confirm here that partner department is in agreement:	Please briefly describe justification & impact on department	Which loadsheet lines correspond to this change?
<b>On Budget</b>						
Reduction of workorder to First5 for CBO grants	82,500	82,500	581400 - First5	Yes	Reduced funding for First5 to grant to CBOs	3.3
<b>Off Budget (not in Base as workorder - in Dept phase)</b>						
Reduction of workorder to Arts Commission for CBO grants	17,832	17,832	581050- Arts Comm	Yes	Reduced funding for Arts Commission to grant to CBOs	3.1
<b>Off Budget (not in Base or Dept phase as workorder)</b>						
Reduction of workorder to OEWD for CBO grants	8,250	8,250	OEWD	Yes	Reduced funding for OEWD to grant to CBOs	3.1
<b>Proposed IDS Changes (581XXX)</b>	FY 20-21 GF Savings (Please specify GF impact)	FY21-22 GF Savings (Please specify GF impact)	Partner Department Code	Confirm here that partner department is in agreement:	Please briefly describe justification & impact on department	Which loadsheet lines correspond to this change?
<b>On Budget</b>						
Reduction of 7% in workorder from DCYF for CBO grants	35,426	35,426	486190 - DCYF	Yes	Reduced grants to CBOs - funded by Children's Fund	Not on loadsheet
<b>Off Budget (not in Base or Dept phase a workorder)</b>						
Reduction of 7% in workorder from DCYF for CBO grants	21,700	21,700	486190 - DCYF	Yes	Reduced grants to CBOs - funded by Children's Fund	NA - Off-budget



