Agenda

- Acknowledgements
- LOSP Background and Scope (2018-2022)
- Review of Key LOSP Manual Updates
- Next Steps and Expectations
- Questions and Answers
What is LOSP?

- Collaboration across City Departments
- Supports the creation of new permanent supportive housing at a large scale utilizing General Fund subsidies when other operating subsidies aren’t available

15-year grant agreements – currently supports 37 projects

By 2021-2022, LOSP grew to support around 1,550 units

First version of the Manual was approved by the Citywide Affordable Housing Loan Committee on May 4, 2018, later amended in 2019, and just recently amended in March 2022
Updates for 2022
Related to changes in terms and systems

• Creation of Dept of HSH
• Descriptions of Coordinated Entry/ONE System
• Refinements to descriptions of eligible sub-populations
• Definition of “Housing First” from state law
• (2019) Addition of references to No Place Like Home (NPLH)
 Updates for 2022

Memorializing recent changes to LOSP practice and policy (HSH)

• Single tenant rent payment formula is now used for all LOSP units (30% of HH income)

• PSH Transfer policy revised

• Reduced documentation policy added

• Timeliness policy added
• Grantees are expected to “live within” the approved LOSP operating budgets, be as self-sufficient as possible when facing shortfalls, and only seek LOSP Budget Increases if the shortfalls exceed newly defined thresholds.

• To enable self-sufficiency, future LOSP disbursements will no longer be reduced by confirmed LOSP surpluses.

• Each project should use any LOSP Surplus retained in its LOSP Subsidy Reserve to cover future LOSP budget shortfalls.
Budget Request
General Guidance

• How to submit requests
• Limitations to factor into requests
• Annual due dates
• Timing of City decision making and any subsequent increased funding
## Budget Increase Requests

See Pages 10-11 of LOSP Manual 2022

<table>
<thead>
<tr>
<th>Size of LOSP Budget</th>
<th>Minimum Deficit Threshold Amount</th>
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<tbody>
<tr>
<td>&lt;= to $50,000</td>
<td>$10,000</td>
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<tr>
<td>$50,000-150,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>$150,000-300,000</td>
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<tr>
<td>$300,000-600,000</td>
<td>$80,000</td>
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<tr>
<td>&gt;= $600,000</td>
<td>20% of LOSP Budget</td>
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CY Project LOSP budget increase request example timeline:

• 12/1/21: grantee submits alert

• 1/15/22: grantee submits confirmation

• 2/15/22: grantee submits application (*critical deadline to be able to fund an increased disbursement by the next January)

• 5/31/22: grantee submits next AMR – MUST be on-time *

• 9/30/22: MOHCD makes funding decision

• 1/31/23: approved increase in LOSP funding can be disbursed (but only if 2/15 & 5/31 deadlines are met, see * above)
FY Project LOSP budget increase request example timeline:

- 6/1/22: grantee submits alert
- 8/15/22: grantee submits confirmation
- 9/15/22: grantee submits application (***critical deadline to be able to fund an increased disbursement by the next January)
- 11/30/22: grantee submits next AMR – MUST be on-time **
- 2/28/22: MOHCD makes funding decision
- 8/15/22: approved increase in LOSP funding can be disbursed (but only if 9/15 & 11/30 deadlines are met, see ** above)
• Pre-move in documentation requirements must be limited to include only “low barrier documents” as defined in the policy.
HSH Offline Vacancies Timeline

Provider expectations

• Housing providers will use maximum feasible efforts to ensure that those individuals and families who are referred are accepted for occupancy in a timely fashion. The standard for timely placement is that no more than 30 days will elapse from the time the housing provider receives a referral to the move-in date.

• Housing providers will bring offline units back online in a timely fashion consistent with HSH’s articulated standards.
Updated versions of the LOSP Adult and Family Lease Addendum can be found [here](#).

- New tenants must sign the respective family or adult lease addendum at the time of lease-signing. Current tenants must sign the addenda during their next annual recertification.

- Household criteria and requirements for LOSP are defined, including reporting income and household composition changes.

- Does not address any behavioral issues that may present themselves in the course of the household’s tenancy.
Next Steps and Expectations

• Continue to implement reduced documentation and timeliness policies

• Be mindful of the updated guidance on budget requests, especially FY

• Leasing up hundreds of new units in 2022 – let us know early when you run into (inevitable) challenges!
Documents Available for Reference

Can find them here (MOHCD website):
https://sf.gov/information/housing-development-forms-documents-policies-and-guidelines

And here (HSH ONE System website):
https://onesf.bitfocus.com/

• LOSP Manual Revised 2022
• LOSP Manual Revised 2022 (Redline against 2019 version)
• Loan Committee cover memo
• Other docs
  • Lease addenda
  • Reduced documentation 2021
  • Timeliness memo 2020