

March 16, 2016

Dear San Francisco Human Services Network members and friends,

Since 1997, the San Francisco Human Services Network (HSN) has engaged with the health and human service sector's leaders and workers, government officials, other advocates and allies, the media and the public to promote public policies that strengthen nonprofits and the services we provide to the City's diverse populations.

During the past few years, San Francisco is emerging from a multi-year recession to a period of unprecedented prosperity and growth – but a success enjoyed by a disproportionate few. While some services are rebounding, our organizations and clients lag behind in realizing the benefits of our economic revival. Our City is in danger of becoming a playground for the rich, with the middle class unable to remain here, and an absence of mobility for the poorest residents to climb out of poverty.

City officials have declared income inequality and homelessness to be among our highest priorities – and the San Francisco Human Services Network shares this sense of urgency. Many city officials are focusing on middle class housing opportunities, transit, and infrastructure improvements. We agree that the city's skyrocketing cost of living is expanding the very definition of vulnerable populations to include many working and middle-income families.

However, it's also vital that the City enact policies that attack income inequality at all levels by strengthening community-based services, ensuring that the organizations it relies on are strong and sustainable, and providing adequate funding to bring up the wages of nonprofit front-line workers.

**We ask you to join us in moving forward with our policy platform this year, both through your participation and by paying your annual membership dues today! The dues form is on the last page of this letter.**

### **2016 Membership Dues**

Our 2016 dues remain at the same level as 2015, when we enacted a long-overdue increase so we could restore full-time staffing as of September. We thank all of our members for your increased support, which has allowed us to take on more issues, strengthen the organization internally, and improve our outreach. We hope you will be able to pay at the suggested dues level. Please call if this is a significant problem for you, so we can discuss either an adjustment or payment in installments.

### **2015 in Review**

HSN continued our history of success in numerous policy arenas last year, including:

Increasing funding for health and human services and making progress towards a permanent mechanism for inflationary increases: In early 2015, the Board of Supervisors rejected a labor union proposal to augment the FY14-15 nonprofit cost-of-doing-business (CODB) increase by an additional 0.75%. Mayor Lee and many Supervisors felt that this conversation belonged in the Mayor's Office. HSN urged the City to discuss nonprofit sustainability issues in a comprehensive process that will

examine different mechanisms to institutionalize the CODB. The Mayor announced to HSN that the City would convene a **working group to address the structural pressures facing our organizations**, touching on inflationary cost pressures, unfunded mandates, rising real estate costs, challenges in finding the talent we need to staff our programs, and accountability issues.

To stabilize the sector pending the convening of this historic working group, the Mayor also provided the largest CODB increase ever in a Mayor's budget, with a commitment to **2.5% increases in both FY15-16 and FY16-17**. (The working group will produce its recommendations for subsequent years.)

HSN supports health and human services funding advocacy in several other ways. We participate in the Budget Justice Coalition, which presents and supports advocacy efforts for an inclusive list of the community's City budget requests. On our website, we maintain a Budget Central page that serves as a one-stop community resource for relevant budget-related documents. We also meet with Supervisors and the Mayor's Budget Director regularly to keep them informed of our sector's challenges and needs.

Finally, the Mayor's Office kept its commitment to HSN that they would **set aside funds for nonprofits to cover the incremental cost of minimum wage increases for employees on City contracts**. These funds will be available on request as the wage rate continues to grow. Meanwhile, we fought an effort to increase the Minimum Compensation Ordinance ("living wage") rate for nonprofits to an even-higher level, with no guarantee of city funding to cover the costs.

Bringing the nonprofit perspective to policy decisions: HSN had another busy legislative and policy year. Our advocacy results included:

- Organizing ***New Realities 5: Developing a Nonprofit Policy Platform to Address Income Inequality in a Changing San Francisco***. About 300 nonprofit leaders attended our fifth citywide public policy conversation, which will guide our priorities for the next couple of years;
- Taking the lead (along with the Council of Community Housing Organizations) in a **campaign against Prop C**. Nonprofits are exempt from San Francisco's 2014 law regulating direct lobbyists after HSN won a nonprofit exemption. But in 2015, the Ethics Commission chose to include nonprofits when they placed a measure on the ballot restoring City regulation of grassroots expenditure lobbying. HSN and CCHO took a principled stand against this measure, speaking to political clubs, civic groups and the media. Despite our efforts, the measure won, but we built a broad coalition of nonprofits seeking to mitigate the negative impacts as the Commission develops implementing regulations;
- Analyzing **November ballot measures**, taking positions on seven measures that had impacts on our organizations, people we serve, and affordable housing – including educating nonprofit workers, placing paid arguments in the ballot handbook, developing a door-hanger and mobilizing in key districts;
- Continuing to push for the City's implementation of recommendations to address **nonprofit displacement due to rising rents**, including the financial and technical assistance program; and
- Meeting with the Controller and his staff to discuss nonprofit overhead rates, late certification and payment, and other **contracting issues**.

Serving as an information resource: HSN continues to send out email updates to our members, and maintain a comprehensive website with current information for nonprofits. We also engage in regular dialogue with policymakers to educate and inform them about nonprofit issues, including Supervisors,

the Mayor's Budget Director, the Controller's Office and others. We also created a **Human Resources Discussion Group** that brought HR Directors together for several discussions on wages, benefits, healthcare and human resource trends.

**We share these successes with our members, and thank all of you who have supported and participated in HSN.** We ask you to renew your membership today and continue working with us in the coming year. We especially encourage your participation, and invite any member to get more involved and join our Steering Committee. We also appreciate your input and ideas, and active response to our calls for comment on policies and participation at public hearings and other advocacy opportunities.

### **Looking Ahead to 2016**

HSN provides a unique perspective on city policy issues that affect community-based services for vulnerable populations. This year will bring many opportunities to move our priorities forward:

- Mayor's working group and cost-of-doing-business increases: We look forward to the convening of the Mayor's working group on nonprofit sustainability and accountability. **Our primary goal is a permanent structural fix for inflationary increases, rather than an annual unpredictable battle with the Mayor and Board.** The projected timeline is for the group to convene by fall 2016. Meanwhile, the Mayor's office will prepare by appointing group members, preparing the scope of work, and asking the Controller to gather any necessary data. While the group will not address every nonprofit concern, it will provide an opportunity to raise a broad range of related issues that act as barriers to our service capacity, such as unfunded mandates, nonprofit wages, technical issues such as overhead and fringe benefit rates, and contracting processes and meaningful accountability measures.

- Strengthening our organizations and services: The City relies on our organizations to provide a broad range of services, but falls short in their support of our ability to do this work. This year, we are asking the City for support in several areas:

- The **Nonprofit Displacement Mitigation Program** funding is nearly depleted. We are asking the Mayor's Office for \$3.2 million over the next two years to renew financial assistance grants, and extend the technical assistance program through June 2018. This is the City's only short-term response to skyrocketing nonprofit rents, while they review and implement mid- and longterm working group recommendations.
- In response to Supervisor Wiener's proposed **Paid Parental Leave legislation** (currently before the Board), we are asking the City to establish a principle to cover the cost of new mandates in nonprofit contracts, and to establish a fund for those expenses.
- We are asking the Mayor's Office to **clarify the process through which nonprofit contractors can request funding for incremental minimum wage increases.**
- As always, HSN will represent nonprofits in the **biannual review of the Health Care Accountability Ordinance minimum standards**, to ensure that nonprofits have affordable alternatives to comply with the mandate.
- Nonprofits continue to advocate for **City budget** enhancements that will rebuild our safety net from the cuts of the recession years, and strengthen services for both the very poorest residents and for working families who are trying to hang on in our City.

Through the Budget Justice Coalition, our sector presents a united front to advocate for community-based services.

- **Legislation and policy:** HSN will continue to ensure that nonprofits have a voice at the table when policymakers make decisions affecting our agencies and the people we serve. It is vital that we continue to build relationships with city leaders to make sure they understand the value and challenges of our sector, and support our work. We constantly keep an eye on City policy proposals, and often weigh in on issues that create opportunities for or pose threats to service delivery.
  - HSN has collaborated with homeless and supportive housing service providers to draft a **white paper on the Mayor's proposed Department of Homelessness**, and has scheduled presentations before key policy bodies.
  - We are engaged in the fight for **reasonable regulations to implement the new expenditure lobbying law**, and watching for another anticipated ethics ballot measure this November.
  - We will make endorsements on important ballot measures for both the **June and November elections**, and seek new ways to mobilize our membership.
  - We plan to organize **several forums to educate our members** on important issues. Possible events include a workshop on the National Human Services Assembly's *Reframing Initiative*, training on Prop C and other lobbying regulations, a workshop with the Office of Labor Standards Enforcement to provide an updated overview of current wage and benefit mandates, and our annual member meeting later in the spring.

### **2016 Membership Dues**

HSN's work and success **depend on your active participation and financial commitment as members**. We ask that you pay your dues as soon as possible and that you pay at the highest level possible for your organization.

Please remember that HSN email updates now go out only to paid members. We will begin to remove unpaid members from the email list by June 30. For members who paid in the second half of 2015, please renew your membership by July 31.

**Please complete the dues form at the end of this letter, and return it to HSN. You must make your check out to our fiscal sponsor: Community Initiatives / S.F. Human Services Network.**

Your active participation is also important. We are a member-driven organization, and we welcome your involvement, ideas and input. We thank you for your support, and look forward to working with you this year!

Sincerely,

Sherilyn Adams  
HSN Co-Chair

Steve Fields  
HSN Co-Chair

Debbi Lerman  
HSN Administrator

## JOIN THE SAN FRANCISCO HUMAN SERVICES NETWORK FOR 2016!

Please provide the following information to keep our membership list current. The person listed should be your organization's main contact for HSN (e.g. Executive Director or other person with decision-making authority). You may also use the back to add other staff to HSN's list for email updates.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Organization: \_\_\_\_\_

Address, City, State, Zip: \_\_\_\_\_

Phone (best number(s) to reach you directly): \_\_\_\_\_

E-mail: \_\_\_\_\_ Website: \_\_\_\_\_

**Please check one of the following:** If you do not check one, we will place your agency name on our letterhead.

Yes, you may include the name of my organization on the SF HSN letterhead.

No, you may not include the name of my organization on the SF HSN letterhead.

**Dues Amount:** Please indicate the size of your dues payment. We rely on dues for most of our budget, so please be as generous as possible. Some of our members voluntarily pay more.

**\*\*\* Checks must be payable to our fiscal sponsor, Community Initiatives \*\*\***

Agency Budget for Current Year:    Suggested Minimum HSN Dues:

\$0 - \$249,999	\$150
\$250,000 - \$499,999	\$375
\$500,000 - \$999,999	\$500
\$1 million - \$1.9 million	\$1,000
\$2 million - \$2.9 million	\$1,250
\$3 million - \$4.9 million	\$1,500
\$5 million - \$9.9 million	\$3,000
\$10 million or greater:	\$4,000

**Amount Enclosed: \$ \_\_\_\_\_**

Do not let dues be a barrier to your participation — please call if you need to inquire about an adjustment or payment plan. If you have questions, please call Debbi Lerman at HSN: (415) 668-0444.

→ **IMPORTANT: Please make your check out to COMMUNITY INITIATIVES/S.F. HUMAN SERVICES NETWORK** ←  
 (Checks that are not made out to our fiscal sponsor will be returned.)

**Send payment and a copy of this form to:** Debbi Lerman, San Francisco Human Services Network  
 3310 Geary Blvd., San Francisco, CA 94118

**I am also enclosing a personal tax-deductible contribution to HSN for \$ \_\_\_\_\_.**  
 (Individuals may subscribe to HSN email updates for an annual donation of \$50.)

AIDS Legal Referral Panel  
 APA Family Support Services  
 Asian Pacific Islander Wellness Center  
 Baker Places, Inc.  
 Bay Area Community Resources  
 Bayview Hunters Point Foundation  
 CalNonprofits  
 Catholic Charities CYO  
 Center for Open Recovery  
 Community Awareness & Treatment Services  
 Community Housing Partnership  
 Community Living Campaign  
 Compass Family Services  
 Conard House, Inc.  
 Council of Community Housing Organizations  
 Curry Senior Center

Dolores Street Community Services  
 Donaldina Cameron House  
 Edgewood Center for Children and Families  
 Episcopal Community Services  
 Eviction Defense Collaborative  
 Family Builders  
 Felton Institute  
 Glide  
 Goodwill of SF, San Mateo and Marin  
 Hamilton Family Center  
 HealthRIGHT 360  
 Homebridge, Inc.  
 Hospitality House  
 Huckleberry Youth Programs  
 Institute on Aging  
 Instituto Familiar de la Raza

Japanese Community Youth Council  
 Jewish Vocational Services  
 La Casa de las Madres  
 Larkin Street Youth Services  
 Latino Commission  
 Lutheran Social Services of Northern California  
 Meals on Wheels of San Francisco, Inc.  
 Mission Neighborhood Health Center  
 Oakes Children's Center  
 On Lok Senior Health Services  
 Positive Resource Center  
 Progress Foundation  
 Richmond Area Multi-Services, Inc.  
 S.F. AIDS Foundation  
 S.F. Child Abuse Prevention Center  
 S.F. Community Clinic Consortium

S.F. In-Home Supportive Services Public Authority  
 S.F. Mental Health Education Funds  
 S.F. Study Center  
 S.F. Suicide Prevention  
 Self-Help for the Elderly  
 Seneca Family of Agencies  
 Senior and Disability Action  
 SF-Marin Food Bank  
 Shanti Project  
 St. Vincent de Paul Society of San Francisco  
 SteppingStone  
 Support for Families of Children with Disabilities  
 Swords to Plowshares  
 The Salvation Army  
 Treasure Island Homeless Development Initiative  
 Women's Community Clinic