

Mayor's Office of Housing and Community Development
City and County of San Francisco



London N. Breed
Mayor

Eric D. Shaw
Director

Tuesday, November 8, 2022

Members of the Government Audit and Oversight Committee
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RE: Emergency Rental Assistance Program (SF ERAP) Hearing

Dear Chair Preston, Vice Chair Chan, and Member Mandelman,

Thank you for the opportunity to present at the October 6, 2022 Government Audit and Oversight Committee meeting regarding the San Francisco Emergency Rental Assistance Program (SF ERAP) and the steps that the Mayor's Office of Housing and Community Development (MOHCD) is taking to address the backlog of applications that have yet to be processed.

Since that meeting, our community-based SF ERAP providers have processed more than 20% of the backlog. Additionally, MOHCD has been coordinating an effort to increase service capacity in the coming weeks by training tenant counselors at other MOHCD-funded nonprofits and providing them access to the SF ERAP application processing portal. Whether or not they have pending SF ERAP applications, tenants facing eviction at court continue to have access to SF ERAP during the pause to ensure vulnerable tenants do not fall through the cracks.

To ensure that ERAP provides timely support to vulnerable residents, MOHCD continues collaborating closely with our partners, identifying key objectives to optimize application processing capacity. We are diligently making adjustments to the application review, needs assessments and assistance request thresholds to ensure a responsive and sustainable program. The office is in regular communication with state and federal officials to identify complementary resources to the local program.

Background

Prior to the pandemic, the City was distributing \$3.8 million annually in emergency rental assistance to 2,400 households. In response to the COVID-19 pandemic, San Francisco received significant support from state and federal partners to scale rental assistance efforts by providing more than \$200 million in emergency rent relief, which was disbursed to more than 20,000 households. On April 1, 2022, the State ended the CA COVID-19 Rent Relief Program that processed 75% of San Francisco's applications. Without this support, the local program is prioritizing the processing the existing 3,500 applications for emergency assistance.

As such, the City has decided to temporarily pause accepting new applications. We are prioritizing processing submitted applications, and we are also taking this opportunity to retool the program for efficiency and to fit local capacity. Throughout this process, MOHCD and our partner City departments will continue to connect residents with existing eviction prevention and housing stabilization resources such as

Tenant Right to Counsel, tenants' rights counseling, longer-term rental subsidy and tenant-landlord mediation programs.

Funding Sources

Sources of funding allocated to emergency rental assistance programs are delineated below:

- \$177 million in U.S. Treasury and State General Fund funding administered through CA COVID-19 Rent Relief Program (expended)
- \$26 million from the U.S. Treasury administered through SF ERAP (expended)
- \$52 million in local funding allocated to SF ERAP (\$43 million currently available to applicants)
 - \$32 million from General Fund included in FY 2021-2022 budget
 - \$10 million from COVID-19 Rent Resolution and Relief Fund
 - \$10 million from Our City, Our Home Fund

Allocation Recipients

A funding source breakdown of the financial assistance to-date and payment details was requested. So far, 97.3% of payments were made directly to landlords. Direct-to-tenant payments (representing the remaining 3.7% of payments made to date) are made only when a landlord either refuses to participate in the program or is unresponsive to several attempts by non-profit partners.

Community Outreach and Engagement

MOHCD's nonprofit partners lead communication efforts with the community about the process for existing and prospective applicants. Front desk reception staff at MOHCD and outreach teams at the Department of Homelessness and Supportive Housing (HSH), who field multiple questions daily about the program, continue to communicate program updates and connect residents with homelessness prevention and anti-displacement resources. In consultation with non-profit partners as well as individuals served by SF ERAP, the office is utilizing all channels to engage citizens.

MOHCD will continue to rely on these partners and staff, as well as members of the Board of Supervisors and other community partners, to provide clear communications on timeline and programmatic updates.

During this temporary pause, MOHCD is fully committed to ensuring everyone who has applied for rental assistance thus far receives a compassionate, supportive, and timely response. We are proactively collaborating on needed program changes that will ensure responsiveness and ongoing sustainability. The Department continues to implement the City's other housing stabilization programs to prevent evictions and displacement and is actively coordinating with other departments to align and increase resident access to other housing support resources such as housing vouchers.

There is a shared commitment among leadership for SF ERAP and meeting the City's priorities around preventing homelessness and the displacement. Please feel free to reach out to myself or Sheila Nickolopoulos (sheila.nickolopoulos@sfgov.org) if you have any further questions.

Sincerely,



Eric Shaw
Director, Mayor's Office of Housing and Community Development
Interim Director, HOPE SF