

1 [Supporting the Intent to Fund COVID-19 Rent Resolution and Relief Fund and Social
2 Housing Program Fund]

3 **Resolution supporting housing stability by allocating revenue generated by a**
4 **November 2020 transfer tax ballot measure, in two equal halves, to a COVID-19 Rent**
5 **Resolution and Relief Fund and a Social Housing Program Fund.**

6
7 WHEREAS, Prior to the onset of the COVID-19 pandemic, more than two million U.S.
8 renters faced eviction each year, more than double the amount of U.S. homeowners who lost
9 their homes to foreclosure during the peak of the Great Recession (861,664 families lost their
10 homes to foreclosure in 2008); and

11 WHEREAS, Prior to the onset of the COVID-19 pandemic, an estimated 553,742
12 people in the United States experienced homelessness on any given night, roughly
13 11,000,000 low-income households regularly reported severe rent burdens and, of the more
14 than 20,000,000 U.S. households in need of federal rental assistance, 75% were denied such
15 assistance because of funding restrictions; and

16 WHEREAS, 44,000,000 Americans have filed for unemployment since the onset of the
17 COVID-19 pandemic; and

18 WHEREAS, According to research by the Urban Institute, between March 25 and April
19 10 of 2020, nearly half of all U.S. renters between ages 18 and 64 reported experiencing food
20 insecurity, trouble paying rent or utilities and inability to afford needed medical care; and

21 WHEREAS, According to research by the COVID-19 Eviction Defense Project,
22 between 19,000,000 and 23,000,000 renters, roughly one in five of the 110 million Americans
23 who rent their homes, are at risk of eviction by September 30, 2020; and

24 WHEREAS, Due to disproportionate and historic job losses in communities of color
25 during the COVID-19 crisis, black and Latino renters have, during the past three months,

1 reported an inability to pay their full rent or a need to pay rent late more than twice as often as
2 white renters; and

3 WHEREAS, In 2019, nearly 10,000 San Francisco residents were found to be
4 experiencing homelessness and the City Budget proposal allocated more than
5 \$364,000,000.00 to homeless services, averaging out to roughly \$36,400.00 per homeless
6 resident; and

7 WHEREAS, 3% of San Francisco tenants paid no rent in June 2020 and another 2.5%
8 of San Francisco tenants only paid partial rent in June 2020, according to a survey by San
9 Francisco Apartment Association; and

10 WHEREAS, According to a survey from the San Francisco Apartment Association,
11 7.5% of San Francisco Renters have broken their lease over the past three months; and

12 WHEREAS, Since San Francisco enacted COVID-19 stay-at-home orders, 27% of
13 owners have received requests for temporary or permanent rent reductions, and 21% of
14 owners have granted these requests, according to a survey from the San Francisco
15 Apartment Association; and

16 WHEREAS, The Federal Government's ban on evictions in federally assisted
17 properties is set to expire on July 25, 2020 and the provision of the Federal Government's
18 CARES Act providing for additional payments of \$600 in weekly unemployment benefits to
19 those workers who have lost jobs during the COVID-19 pandemic is set to expire on July 31,
20 2020; and

21 WHEREAS, Declining rent payments and rent strikes are more likely to create hardship
22 for small landlords, who are more likely than larger corporate landlords to lack the financial
23 cushion needed to financially survive during an extended crisis; and

24 WHEREAS, The purpose of a November 2020 ballot measure, proposed by Supervisor
25 Dean Preston, is to promote housing stability during and after the COVID-19 crisis and to

1 ensure our city’s economic recovery in the pandemic’s aftermath by doubling the city transfer
2 tax on properties valued at \$10 million or more; and

3 WHEREAS, The ballot measure will incentivize the sale of real property valued at \$10
4 million or more to the City or Nonprofits for social housing purposes, deterring real estate
5 speculation by the nation’s biggest corporate property owners in San Francisco, funding a
6 COVID-19 Rent Resolution and Relief Fund to address unpaid COVID-19 related rent, and
7 funding a Social Housing Program Fund for the creation, acquisition or development of
8 property by the city or affordable housing nonprofits for social housing; and

9 WHEREAS, The ballot measure would adjust the city transfer tax rates such that rates
10 for properties valued at more than \$10 million but less than \$25 million will increase from
11 2.75% to 5.5% and rates for properties valued at more than \$25 million will increase from 3%
12 to 6%; and

13 WHEREAS, Any and all funds raised by the transfer tax shall be divided equally
14 between a COVID-19 Rent Resolution and Relief Fund and a Social Housing Program Fund,
15 known collectively as “Housing Stability Package,” and described herein; and

16 WHEREAS, The purpose of the COVID-19 Rent Resolution and Relief Fund, as set
17 forth in Board File No. 200611, is to incentivize rent forgiveness by making funds available to
18 compensate, at least in part, those residential landlords who apply for compensation and
19 have, by December 31, 2020, voluntarily waived rent payments that their respective tenants
20 would otherwise have been obligated to pay either during or after the COVID-19 pandemic;
21 and

22 WHEREAS, Any funds designated for the COVID-19 Rent Resolution and Relief Fund
23 that are not availed upon by landlords shall revert to the RADCO program to which tenants
24 who are struggling to make back rent payments can apply through the EDC; and

25

1 WHEREAS, The purpose of the Social Housing Program Fund, as set forth in Board
2 File No. 200610, is to finance the purchase and creation of properties for use in the
3 development of affordable, social housing by means of land banking, the establishment of
4 community land trusts and other social housing efforts; now, therefore, be it

5 RESOLVED, That the Board of Supervisors shall support the funding of the COVID-19
6 Rent Resolution and Relief Fund by allocating half (50%) of any and all funds raised by the
7 transfer tax ballot measure to such a program, with funding to end by December 31, 2021;
8 and, be it

9 FURTHER RESOLVED, That the Board of Supervisors shall support the funding of the
10 Social Housing Program Fund described herein by allocating half (50%) of any and all funds
11 raised by the transfer tax ballot measure to such a fund, with (100%) of transfer tax revenue
12 allocated to this fund after December 31, 2021; and, be it

13 FURTHER RESOLVED, That the funding allocated to the COVID-19 Rent Resolution
14 and Relief Fund and Social Housing Program Fund as described herein shall be contingent
15 upon the passage of the November 2020 transfer tax ballot measure, which will create new
16 revenues to wholly fund the Housing Stability Package.