

1 [Administrative Code - COVID-19 Rent Resolution and Relief Fund]

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3 **Ordinance amending the Administrative Code to establish the COVID-19 Rent**
4 **Resolution and Relief Fund, to provide financial support to landlords whose tenants**
5 **have been unable to pay rent due to the COVID-19 pandemic.**

6 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
7 **Additions to Codes** are in *single-underline italics Times New Roman font*.
8 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
9 **Board amendment additions** are in double-underlined Arial font.
10 **Board amendment deletions** are in ~~strikethrough Arial font~~.
11 **Asterisks (* * * *)** indicate the omission of unchanged Code
12 subsections or parts of tables.

13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. Article XIII of Chapter 10 of the Administrative Code is hereby amended by
15 adding Section 10.100-51.1, to read as follows:

16 **SEC. 10.100-51.1. COVID-19 RENT RESOLUTION AND RELIEF FUND.**

17 *(a) Establishment of Fund. The COVID-19 Rent Resolution and Relief Fund (the "Fund") is*
18 *hereby established as a category eight fund to provide financial support to landlords of residential*
19 *rental units as defined in Chapter 37 of the Administrative Code whose tenants have been unable to pay*
20 *rent due to the COVID-19 pandemic.*

21 *(b) Use of Fund. The Mayor's Office of Housing and Community Development*
22 *("MOHCD") shall administer the Fund. The Fund shall be used to provide grants to landlords who*
23 *have agreed to waive back rent that became due during the COVID-19 state of emergency. The grants*
24 *shall cover up to 50% of the rent that the landlord has waived, up to \$3,000 per unit per month. In the*
25 *case of small landlords facing hardship, the grant may exceed \$3,000 per month and may*
cover up to 65% of the rent that the landlord has waived. For purposes of this Section

1 10.100-51.1, the term “small landlords” means landlords with 10 or fewer rental units in the
2 City; and the term “facing hardship” means that the unpaid rent is likely to cause the landlord
3 to become unable to pay mortgage payments, perform other preexisting obligations, or
4 complete necessary repairs at the property. Any monies in the Fund that are not expended by
5 December 31, 2022 may be used by the Mayor’s Office of Housing and Community
6 Development (“MOHCD”) for back rent payment and eviction prevention programs.

7 (c) Administration of Fund.

8 (1) Responsible Agency. MOHCD shall administer the Fund, shall develop forms for
9 landlords to use when applying for grants, and may consult with other City agencies such as the
10 Residential Rent Stabilization and Arbitration Board (“Rent Board”). In consultation with the
11 Controller’s Office and any other City agency as MOHCD deems appropriate, the MOHCD Director
12 or the Director’s designee shall adopt rules for the distribution of monies in the Fund consistent with
13 this Section 10.100-51.1. MOHCD shall make these rules available on its website and at its office.

14 (2) Criteria for Disbursement. MOHCD’s rules regarding the distribution of monies
15 from the Fund shall incorporate and develop the following criteria:

16 (A) Eligibility. To be eligible to receive a grant from the Fund, the landlord must
17 submit an application signed under penalty of perjury by both the landlord and the tenant that
18 establishes all of the following: (i) the grant request is based on unpaid rent that initially became due
19 during the COVID-19 state of emergency or up to 60 days thereafter; (ii) the tenant was unable to pay
20 the rent due to COVID-19 related income loss or expenses; (iii) the landlord will waive and fully
21 release the tenant from any obligation to pay rent for the entire period covered by the grant, even
22 though the grant will cover only a percentage 50% of the amount owed for that period; and (iv) the
23 tenant still resides in the rental unit and has no present intent to vacate. MOHCD may also develop
24 additional requirements and procedures to ensure that landlords who receive grant funds

1 continue to operate their units as residential rental units for at least 5 years after the date of
2 the grant acceptance.

3 (B) Priority. To the extent claims exceed available funds, MOHCD shall give priority
4 to small landlords facing hardship. For purposes of this subsection (c)(2)(B), “small landlords”
5 means landlords with 10 or fewer rental units in the City, and “facing hardship” means that
6 the unpaid rent is likely to cause the landlord to become unable to pay mortgage payments,
7 perform other preexisting obligations, or complete necessary repairs at the property. MOHCD
8 may also develop additional criteria and procedures to allocate funds should claims exceed available
9 funds.

10 (C) Expiration. MOHCD may award grants from the Fund until March 31,
11 2023. Any monies in the Fund that are not expended by March 31, 2023 may be used by
12 MOHCD for other back rent payment assistance and eviction prevention programs. The
13 Board of Supervisors may extend this date by ordinance.

14 (3) Outside Consultation. MOHCD may consult with organizations representing the
15 interests of landlords and/or tenants regarding its implementation of this Section 10.100-51.1.

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17 Section 2. Background.

18 It is the intent of the Board of Supervisors to appropriate to the COVID-19 Rent
19 Resolution and Relief Fund 50% of the revenues in the General Fund that are generated from
20 the application of any real property transfer tax increase that may be passed by the San
21 Francisco electorate in the November 3, 2020 election to real property transfers that occur
22 between January 1, 2021 and December 31, 2022 assuming MOHCD awards grants only until
23 March 31, 2023; and to appropriate revenues generated from subsequent transfers if MOHCD
24 receives authorization to continue awarding grants after March 31, 2023. However, although
25 nothing in this Section 10.100-51.1 ordinance requires the City to appropriate any revenues

1 from such real property transfer tax increase for this purpose. The Fund may also receive any
2 legally available monies donated for the purpose set forth in Section 1, including but not
3 limited to other funds appropriated by the Board of Supervisors, funding made available from
4 the federal or State governments, and private donations and grants.

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6 Section 3. Effective Date. This ordinance shall become effective 30 days after
7 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
8 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
9 of Supervisors overrides the Mayor's veto of the ordinance.

10 APPROVED AS TO FORM:
11 DENNIS J. HERRERA, City Attorney

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13 By: /s/
14 MANU PRADHAN
Deputy City Attorney

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