FILE NO. 210761

AMENDED IN COMMITTEE 3/23/2022 ORDINANCE NO. 62-22

[Administrative Code - COVID-19 Rent Resolutions and Relief Fund] Ordinance amending the Administrative Code to revise the COVID-19 Rent Resolutions and Relief Fund to allow for direct assistance to low-income tenants (in addition to existing authority to provide direct assistance to their landlords), allow for grants to nonprofit, community based organizations to administer rent relief from the Fund, and remove certain restrictions on the provision of rent relief from the Fund, while authorizing the Mayor's Office of Housing and Community Development to develop rules governing such rent relief; and to extend the use of the Fund for COVID-19 related purposes from March 31, 2023 to June 30, 2023. NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables. Be it ordained by the People of the City and County of San Francisco: Section 1. Chapter 10, Article XIII, of the Administrative Code is hereby amended by revising Section 10.100-51.1, to read as follows: SEC. 10.100-51.1. COVID-19 RENT RESOLUTIONS AND RELIEF FUND. (a) Establishment of Fund. The COVID-19 Rent Resolution and Relief Fund (the "Fund") is hereby established as a category eight fund to provide financial support assistance to (1) landlords of residential rental units as defined in Chapter 37 of the Administrative Code whose *low income* tenants have been unable to pay rent *due for reasons related* to the COVID-

19 pandemic, and/or (2) low income tenants of residential rental units as defined in Chapter 37 of the Administrative Code if their landlords have refused to participate in COVID-19 rent relief programs or are unresponsive to requests to participate in such rent relief programs. "Low income" is defined as up to 80 percent of the median income for the San Francisco area, as published annually by the United States Department of Housing and Urban Development.

(b) **Use of Fund.** The Mayor's Office of Housing and Community Development ("MOHCD") shall administer the Fund to provide *grantsfinancial assistance* to *the* landlords *and/or low income tenants, as specified in subsections (a) and (c)(2), to prevent evictions related to who have agreed to waive back rent that became due during* the COVID-19 state of emergency. *MOHCD's criteria for receiving financial assistance from the Fund shall be based on the tenant demonstrating the following: (1) the tenant's household income does not to exceed low income; (2) the tenant has experienced financial hardship during or due to the COVID-19 pandemic; and (3) the tenant is at risk of homelessness or housing instability. The grants shall cover up to 50% of the rent that the landlord has waived, up to \$3,000 per unit per month. In the 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 10.100-51.1, the term "small landlords" means landlords with 10 or fewer rental units in the City; and the term "facing hardship" means that the unpaid rent is likely to cause the landlord to become unable to pay mortgage payments, perform other preexisting obligations, or complete necessary repairs at the property.*

(C

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

(c) Administration of Fund.

(1) **Responsible Agency.** MOHCD shall administer the Fund, shall develop *rules for receiving financial assistance from the Fund in accordance with subsection (b), including but not limited to, additional criteria for eligibility, prioritization, and financial assistance forms for landlords to use when applying for grants*, and may consult with other City agencies such as the Residential Rent Stabilization and Arbitration Board ("Rent Board"). In consultation with the

Controller's Office and any other City agency as MOHCD deems appropriate, the MOHCD Director or the Director's designee shall adopt rules for the distribution of monies in the Fund consistent with this Section 10.100-51.1. MOHCD shall make these rules available on its website and at its office.

(2) Methods of Assistance. MOHCD may use the Fund to provide financial assistance directly to landlords and/or tenants. In addition, or in the alternative, MOHCD may administer the Fund through the award of grants to one or more nonprofit, community based organizations, subject to this Section 10.100-51.1 and any rules adopted by MOHCD. If MOHCD administers the Program through the award of grants to one or more nonprofit, community based organizations, MOHCD shall comply with Administrative Code Chapter 21 and Chapter 21G, as applicable.

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

(A) Eligibility. To be eligible to receive a grant from the Fund, the landlord must submit an application signed under penalty of perjury by both the landlord and the tenant that establishes all of the following: (i) the grant request is based on unpaid rent that initially became due during the COVID-19 state of emergency or up to 60 days thereafter; (ii) the tenant was unable to pay the rent due to COVID-19 related income loss or expenses; (iii) the landlord will waive and fully release the tenant from any obligation to pay rent for the entire period covered by the grant, even though the grant will cover only a percentage of the amount owed for that period; and (iv) the tenant still resides in the rental unit and has no present intent to vacate. MOHCD may also develop additional requirements and procedures to ensure that landlords who receive grant funds continue to operate their units as residential rental units for at least 5 years after the date of the grant acceptance.

1

2

<u>(C)(3)</u> Expiration. MOHCD may award grants <u>to nonprofit community based</u> <u>organizations, and may provide direct financial assistance to landlords and tenants, from the Fund</u> until <u>March 31June 30</u>, 2023. Any monies in the Fund that are not expended by <u>March 31June</u> <u>30</u>, 2023 may be used by MOHCD for other <u>back rent payment</u> <u>rental</u> assistance and eviction prevention programs. The Board of Supervisors may extend this date by ordinance.

(<u>34</u>) **Outside Consultation.** MOHCD may consult with organizations representing the interests of landlords and/or tenants regarding its implementation of this Section 10.100-51.1.

Section 2. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

Section 4. Undertaking for the General Welfare. In enacting and implementing this ordinance, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is imposing on its officers and employees, an obligation for breach of which it is

ud annual ann	
1	liable in money damages to any person who claims that such breach proximately caused
2	injury.
3	
4	APPROVED AS TO FORM:
5	DAVID CHIU, City Attorney
6	By: <u>/s/</u> KEITH NAGAYAMA
7	Deputy City Attorney
8	n:\legana\as2022\2000521\01590757.docx
9	
0	
1	
2	
3	
4	
5	
6	
7	
8	
9	
20	
21	
22	
23	
24	
25	
	Supervisors Preston; Walton, Chan, Ronen, Mandelman BOARD OF SUPERVISORS Pag

·----



City and County of San Francisco Tails Ordinance City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 210761

Date Passed: April 12, 2022

Ordinance amending the Administrative Code to revise the COVID-19 Rent Resolution and Relief Fund to allow for direct assistance to low-income tenants (in addition to existing authority to provide direct assistance to their landlords), allow for grants to nonprofit, community based organizations to administer rent relief from the Fund, and remove certain restrictions on the provision of rent relief from the Fund, while authorizing the Mayor's Office of Housing and Community Development to develop rules governing such rent relief; and to extend the use of the Fund for COVID-19 related purposes from March 31, 2023, to June 30, 2023.

March 23, 2022 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

March 23, 2022 Budget and Finance Committee - RECOMMENDED AS AMENDED

April 05, 2022 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

April 12, 2022 Board of Supervisors - FINALLY PASSED

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai and Walton Excused: 1 - Stefani File No. 210761

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/12/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

London N. Breed Mayor

4/22/22

Date Approved