File No	200611	Committee Item No8	
_		Board Item No. $\overline{22}$	

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee:	Land Use and Transportation Committee Dat	e October 19, 2020
Board of Su	pervisors Meeting Date	October 27, 2020
Cmte Board	Motion Resolution Ordinance Legislative Digest Budget and Legislative Analyst Report Youth Commission Report Introduction Form Department/Agency Cover Letter and/or R MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter Application Public Correspondence	eport
OTHER	(Use back side if additional space is need	ed)
	Referral FYI 061620	
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		ober 15, 2020 cober 21, 2020

AMENDED IN COMMITTEE 10/5/2020 ORDINANCE NO.

FILE NO. 200611

1	[Administrative	Code - COVID-19 Rent Resolution and Relief Fund]
2		
3	Ordinance amo	ending the Administrative Code to establish the COVID-19 Rent
4	Resolution and	d Relief Fund, to provide financial support to landlords whose tenants
5	have been una	ble to pay rent due to the COVID-19 pandemic.
6	NOTE:	Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <i>single-underline italics Times New Roman font</i> .
7 8		Deletions to Codes are in strikethrough italies Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font.
9		Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.
10		
11		
12	Be it orda	ained by the People of the City and County of San Francisco:
13	Section 7	1. Article XIII of Chapter 10 of the Administrative Code is hereby amended by
14	adding Section	10.100-51.1, to read as follows:
15	SEC. 10.	100-51.1. COVID-19 RENT RESOLUTION AND RELIEF FUND.
16	(a) Estab	lishment of Fund. The COVID-19 Rent Resolution and Relief Fund (the "Fund") is
17	<u>hereby establishe</u>	ed as a category eight fund to provide financial support to landlords of residential
18	rental units as de	fined in Chapter 37 of the Administrative Code whose tenants have been unable to pay
19	rent due to the C	OVID-19 pandemic.
20	(b) Use o	f Fund. The Mayor's Office of Housing and Community Development
21	("MOHCD") sha	all administer the Fund The Fund shall be used to provide grants to landlords who
22	have agreed to w	aive back rent that became due during the COVID-19 state of emergency. The grants
23	shall cover up to	50% of the rent that the landlord has waived, up to \$3,000 per unit per month. In the
24	case of small la	ndlords facing hardship, the grant may exceed \$3,000 per month and may
25	cover up to 65%	6 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
25	

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. <u>MOHCD</u>
8	may also develop additional criteria and procedures to allocate funds should claims exceed available
9	<u>funds.</u>
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.
16	
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.
5	
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	
11	APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney
12	
13	By: <u>/s/</u> MANU PRADHAN
14	Deputy City Attorney
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REVISED LEGISLATIVE DIGEST

(Amended in Committee, 10/05/2020)

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

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

Existing Law

The City does not currently have a program to award grants to residential landlords whose tenants have been unable to pay rent due to the COVID-19 pandemic.

Amendments to Current Law

The proposed ordinance would create a fund, to be known as the COVID-19 Rent Resolution and Relief Fund, from which the City could provide financial support to residential landlords who have agreed to waive back rent for tenants who were unable to pay their rent during the COVID-19 emergency. If a landlord waived a tenant's rent, the landlord could apply to the City for a grant from the Fund equal to 50% of the amount waived, up to \$3,000 per unit per month. Landlords with 10 or fewer units could get grants for up to 65% of the amount waived, without regard to the \$3,000 cap.

The Mayor's Office of Housing and Community Development (MOHCD) would be in charge of administering the Fund. MOHCD could require that a landlord must agree to remain in the rental housing business for at least 5 years as a condition of accepting a grant.

The Board of Supervisors would still need to appropriate money into the Fund. If the appropriated funds are not enough to cover all claims, MOHCD could prioritize small landlords (those with 10 or fewer units) who are facing hardship due to their tenants' inability to pay rent. MOHCD could continue making grants until March 31, 2023. Any monies in the Fund that MOHCD that have not been expended by that date would be reallocated to other back rent payment and eviction prevention programs.

Background

This version of the legislative digest reflects amendments made on October 5, 2020.

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BOARD OF SUPERVISORS Page 1

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Eric D. Shaw, Director, Mayor's Office of Housing and Community Development

Robert Collins, Executive Director, Rent Board Ben Rosenfield, City Controller, Controller

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: June 16, 2020

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Preston on June 9, 2020:

File No. 200611

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

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: erica.major@sfgov.org.

cc: Eugene Flannery, Mayor's Office of Housing and Community Development

Amy Chan, Mayor's Office of Housing and Community Development

Todd Rydstrom, Controller Peg Stevenson, Controller From: Gabriella Ruiz
To: Major, Erica (BOS)

Subject: Administrative Code - Community Opportunity to Purchase Act + Administrative Code - COVID-19 Rent

Resolution and Relief Fund

Date: Monday, October 19, 2020 1:39:09 PM

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Dear Erica Major,

Tenderloin Neighborhood Development Corporation would like to express support for items 3 and 8 on today's Land Use Agenda. Please let me know if you have any questions.

Best,

Gabriella Ruiz, Policy and Planning Manager Tenderloin Neighborhood Development Corporation 210 Golden Gate Ave. San Francisco, CA 94102

o: 415.358.3955 | c: 415.912.0118

pronouns: she, her

From: <u>Aaron Goodman</u>
To: <u>Major, Erica (BOS)</u>

Cc: Safai, Ahsha (BOS); Preston, Dean (BOS); Peskin, Aaron (BOS)

Subject: SFBOS Land Use - sept 28th

Date: Monday, September 28, 2020 1:24:13 PM

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Please note I just noted today's agenda and although late to comment I am unable to call in due to wife and kid working from home (internet bandwidth) with multiple callers etc or call in So I would like to voice support on agenda items 1 and 2 and three today On the agenda, as well as the Baking Co. item on Mission street preservation item. We don't have a lot of good preservation items in the excelsior and need to assure that some buildings and cultural landmarks are preserved.

We also need to stabilize housing needs and create a fund to purchase larger scale sites. Example would be the Safeway site or Valentina funeral home site as permanently affordable public housing stock in D11 and other parts of the city. (See prior comments on purchasing back parkmerced!) its very realistic considering the overall housing needs and costs to build new housing stock...

Thank you for including in the support on comments.

Aaron Goodman D11

Sent from my iPhone

Introduction Form

By a Member of the Board of Supervisors or Mayor

I hereby submit the following item for introduction (select only one):

Time stamp or meeting date

1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).	
2. Request for next printed agenda Without Reference to Committee.	
3. Request for hearing on a subject matter at Committee.	
4. Request for letter beginning: "Supervisor	inquiries"
5. City Attorney Request.	
6. Call File No. from Committee.	
7. Budget Analyst request (attached written motion).	
8. Substitute Legislation File No.	
9. Reactivate File No.	
10. Topic submitted for Mayoral Appearance before the BOS on	
Please check the appropriate boxes. The proposed legislation should be forwarded to the following	: :
☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission	ssion
	ssion
Planning Commission Building Inspection Commission	
☐ Planning Commission ☐ Building Inspection Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative I	
Planning Commission Building Inspection Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative I Sponsor(s):	
Planning Commission Building Inspection Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative I Sponsor(s): Supervisor Preston; Ronen, Mar, Walton, Haney	
Planning Commission Building Inspection Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative I Sponsor(s): Supervisor Preston; Ronen, Mar, Walton, Haney Subject:	
Planning Commission Building Inspection Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative I Sponsor(s): Supervisor Preston; Ronen, Mar, Walton, Haney Subject: Administrative Code - Social Housing Program Fund	Form.
Planning Commission Building Inspection Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative I Sponsor(s): Supervisor Preston; Ronen, Mar, Walton, Haney Subject: Administrative Code - Social Housing Program Fund The text is listed: Ordinance amending the Administrative Code to establish the Social Housing Program Fund for the	Form.

For Clerk's Use Only