

Member, Board of Supervisors  
District 1



City and County of San Francisco

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第一區市參事

**\*\*\*PRESS RELEASE\*\*\***

**FOR IMMEDIATE RELEASE**

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**Supervisors, Tenants, and Small Property Owners Call On Corporate Landlords to Forgive COVID-19 Rent Debt and Urge City to Reserve Public Rent Relief Funds for Small Property Owners and Affordable Housing Providers**

SAN FRANCISCO — Supervisors Connie Chan, Hillary Ronen, Gordon Mar, and Aaron Peskin [were joined today](#) by tenants and small property owners in calling for large corporate landlords to negotiate with their tenant associations and use their own capital to provide rent relief to their tenants before dipping into limited public funds. This follows a [resolution](#) introduced by Supervisor Chan on March 16th. San Francisco will be receiving \$54 million in rent relief funds from the state and federal government thanks to SB-91 and the CARES Act. But according to a recent report from the Budget Legislative Analyst, tenants in San Francisco have accumulated over \$100 million in rental debt due to COVID-19 — twice the amount of available public funds for rent relief.

“The funds from the state and federal government are critical, but it’s not enough to support all of the tenants in San Francisco staring down thousands of dollars in rent debt,” said **Supervisor Connie Chan**. “If corporate landlords can leverage their existing assets to provide direct relief to their tenants, that allows public funds to forgive rent for tenants of smaller landlords who aren’t able to offer more relief than they already have.”

Rather than leverage their own capital, some large real-estate investment firms with hundreds of properties throughout San Francisco have already begun efforts to secure these first-come, first-serve public funds, potentially ahead of small property owners and affordable-housing providers who have neither the resources nor the staff to secure these funds as quickly as large corporate landlords. These large real-estate investment firms have well documented access to

capital that small property owners and affordable-housing providers do not, shown most recently by Veritas Investments' acquisition of an 87-unit property in Nob Hill, bought from a San Francisco family for \$43 million through a combination of debt and equity.

"I want to thank the Supervisors, fellow small landlords, and tenant associations for standing together today," said **Bryant Phuong, a small landlord in the Tenderloin**. "I own one apartment building in the City, and tenants have unpaid rent. For big landlords, the unpaid rent may cut into their profit. For me, it cuts into my family's savings. I urge the City to prioritize small landlords in the distribution of limited public funds. And I urge large, corporate landlords like Veritas, Mosser, and Ballast to negotiate with their tenant associations."

"I know I could apply for help on my own, as an individual, but it is more important to me to support my neighbors in the tenants association and support small landlords like Mr. Phuong," said **Juana May, a Veritas Tenants Association member in the Tenderloin who lost her job at the beginning of the pandemic**. "That is my choice, and it is the choice of many tenants in the tenants association. I hope that Veritas respects our choice and agrees to the dignity of good-faith negotiations on a rent relief agreement that meets our needs."

"One of the most glaring issues that has defined the pandemic is the absolute inequity in how people have been individually affected," said **Supervisor Hillary Ronen**. "It is our lowest-wage service workers who have lost employment, communities of color who have gotten sickest, poorer neighborhoods that are now filled with tents and RV homes, rent-controlled tenants who most fear the end of the eviction moratorium, and small landlords who are holding on by their fingernails as they face a mountain of debt. Now that federal and local rent relief is finally on the way, it is crucial that the first chance goes to the most vulnerable tenants, to small landlords, and to our affordable housing providers."

"Just as we've targeted commercial grants and other relief at small, women-owned and minority-owned businesses, the Mayor's Office of Housing should be making every effort to ensure that outreach is culturally competent and that mom-and-pop landlords and affordable housers have a fair chance to apply for this limited pool of funds," said **Supervisor Aaron Peskin** in a written statement.

Chan's resolution also calls for the City to prioritize culturally competent outreach and distribution of rent relief funds to small property owners and affordable housing providers, with the expectation that corporate landlords leverage their existing capital to provide rent relief for their tenants. The resolution is expected to be heard at the April 5th meeting of the Land Use and Transportation Committee.

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