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

Resolution supporting housing stability by indicating the Board of Supervisor’s intent to appropriate revenue generated by a November 2020 transfer tax ballot measure to a COVID-19 Rent Resolution and Relief Fund and a Social Housing Program Fund.

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

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

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

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

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

WHEREAS, Due to disproportionate and historic job losses in communities of color during the COVID-19 crisis, black and Latino renters have, during the past three months,
reported an inability to pay their full rent or a need to pay rent late more than twice as often as
white renters; and

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

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

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

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

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

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

WHEREAS, A purpose of a November 2020 ballot measure, proposed by Supervisor
Dean Preston, is to promote housing stability during and after the COVID-19 crisis and to
ensure our city’s economic recovery in the pandemic’s aftermath by doubling the City’s transfer tax on transfers of real property with a consideration or value of $10 million or more; and

WHEREAS, The ballot measure would incentivize the sale of real property with a consideration or value of $10 million or more to the City or nonprofits for social housing purposes, deterring real estate speculation by the nation’s biggest corporate property owners in San Francisco. It would also provide General fund revenues that the Board of Supervisors by this resolution expresses its intent to use for a COVID-19 Rent Resolution and Relief Fund to address unpaid COVID-19 related rent and by this resolution expresses its intent to use for a Social Housing Program Fund for the creation, acquisition, or development of property by the City or affordable housing nonprofits for social housing; and

WHEREAS, The ballot measure would adjust the City’s transfer tax rates such that rates for transfers of real property with a consideration or value of at least $10 million but less than $25 million would increase from 2.75% to 5.5%, and rates for transfers of real property with a consideration or value of at least $25 million would increase from 3% to 6%; and

WHEREAS, Any and all funds raised by the transfer tax will deposited into the General Fund, and by this resolution the Board of Supervisors expresses its intent that such funds be divided between a COVID-19 Rent Resolution and Relief Fund and a Social Housing Program Fund, known collectively as “Housing Stability Package,” and described herein; and

WHEREAS, The purpose of the COVID-19 Rent Resolution and Relief Fund, as set forth in Board File No. 200611, is to incentivize rent forgiveness by making funds available to compensate, at least in part, those residential landlords who apply for compensation and have, by December 31, 2020, voluntarily waived rent payments that their respective tenants would otherwise have been obligated to pay either during or after the COVID-19 pandemic; and
WHEREAS, Any funds that the Board appropriates for the COVID-19 Rent Resolution and Relief Fund that are not availed upon by landlords could be appropriated by the Board to be used for the RADCO program to which tenants who are struggling to make back rent payments can apply through the EDC; and

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

RESOLVED, That the Board of Supervisors intends to support the funding of the COVID-19 Rent Resolution and Relief Fund by appropriating funds raised by the transfer tax ballot measure to such a program; and, be it

FURTHER RESOLVED, That the Board of Supervisors intends to support the funding of the Social Housing Program Fund described herein by appropriating funds raised by the transfer tax ballot measure to such a fund.
Resolution supporting housing stability by indicating the Board of Supervisors’ intent to appropriate revenue generated by a November 2020 transfer tax ballot measure to a COVID-19 Rent Resolution and Relief Fund and a Social Housing Program Fund.

July 29, 2020 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

July 29, 2020 Budget and Finance Committee - RECOMMENDED AS AMENDED

August 11, 2020 Board of Supervisors - ADOPTED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 8/11/2020 by the Board of Supervisors of the City and County of San Francisco.

________________________  ___________
Angela Calvillo  Date
Clerk of the Board

Unsigned  08/21/2020  Date Approved
________________________  ___________
London N. Breed  Date Approved
Mayor

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

________________________  ___________
Angela Calvillo  Date
Clerk of the Board