## 12/5/2022 # 202

(R-2023-280)

## RESOLUTION NUMBER R-314476

## DATE OF FINAL PASSAGE \_\_\_\_\_\_\_ DEC 0 9 2022\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ACCEPTING AND EXPENDING REALLOCATIONS OF FEDERAL EMERGENCY RENTAL ASSISTANCE PROGRAM FUNDS TO REPAY STATE OF CALIFORNIA RENTAL ASSISTANCE PROGRAM CASHFLOW LOAN FUNDS FOR THE COVID-19 HOUSING STABILITY ASSISTANCE PROGRAM (HSAP).

WHEREAS, on February 22, 2021, the Council of the City of San Diego (City Council) adopted San Diego Resolution R-313439, and the Housing Authority of the City of San Diego (Housing Authority) adopted Housing Authority Resolution HA-1900, authorizing the City of San Diego (City) COVID-19 Housing Stability Assistance Program (HSAP), which provides rental assistance or utility assistance, or both, to low income households experiencing financial hardship due to the ongoing COVID-19 pandemic; and

WHEREAS, the City received multiple rounds of federal emergency rental assistance program funds (ERA1 Funds and ERA2 Funds, collectively ERA Funds) for HSAP directly from the U.S. Department of Treasury (Treasury) and allocated by the State of California (State) Rental Assistance (SRA) Program as a result of the federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (Public Law 116-260), passed in December 2020, the federal American Rescue Plan Act, passed in March 2021, State Senate Bill 91, State Assembly Bill 832, and State Assembly Bill 115 (SB 115); and

WHEREAS, SB 115 authorized eligible local jurisdictions and federally recognized tribal governments to request SRA cashflow loans (SRA Funds) from the State Department of Housing and Community Development to provide local programs with immediate cash to maximize rental relief to all eligible households while waiting for additional federal ERA Funds; and WHEREAS, on June 28, 2022, the State allocated \$29.9 million in SRA Funds to the City, which assisted all remaining eligible households in the City and allowed the San Diego Housing Commission (Housing Commission) to close out HSAP; and

WHEREAS, SB 115 requires the City to continue to apply for reallocations of ERA Funds directly from the Treasury; and

WHEREAS, the SRA Funds are expected to be forgivable to the extent that ERA Funds are not available to repay the State; and

WHEREAS, the Housing Commission, on behalf of the City, has continued to request additional reallocations of ERA Funds from the Treasury and has requested to use the additional ERA Funds to repay the State for the SRA Funds; and

WHEREAS, if the Treasury does not authorize use of ERA Funds to repay a portion of the SRA Funds, the Treasury will recapture the ERA Funds because all remaining eligible households have received assistance; and

WHEREAS, the Treasury awarded an additional \$752,729.62 in ERA Funds to the City for HSAP; and

WHEREAS, the Office of the City Attorney has drafted this Resolution based on the information provided by City staff, including information provided by affected third parties and verified by City staff, with the understanding that this information is complete, true, and accurate; NOW THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego as follows:

1. The Mayor, or designee, is authorized to accept, appropriate, and expend a total amount of up to \$752,729.62 in ERA Funds to repay a portion of the SRA Funds, contingent on the funds being secured, and contingent on the Treasury authorizing the use of ERA Funds for this purpose.

2. The Mayor, or designee, is authorized to accept, appropriate, and expend future allocations of ERA Funds to repay the SRA Funds in an amount not to exceed \$29,959,110.00, contingent on the funds being secured, and contingent on the Treasury authorizing the use of ERA Funds for this purpose.

APPROVED: MARA W. ELLIOTT, City Attorney

By <u>/s/ Marguerite E. Middaugh</u> Marguerite E. Middaugh Deputy City Attorney

MEM:jdf 11/15/2022 Or.Dept: Economic Dev't. Doc. No.: 3142498

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_\_\_\_\_.

ELIZABETH S. MALAND City Clerk

By eputy City Clerk

Approved:

Vetoed:

(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on <u>December 5, 2022</u>, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	Z			
Jennifer Campbell	$\mathbf{Z}$			
Stephen Whitburn	$\mathbb{Z}$			
Monica Montgomery St	eppe		$\square$	
Marni von Wilpert	Z			
Chris Cate	Z			
Raul A. Campillo	Ζ			
Vivian Moreno	$\square$			
Sean Elo-Rivera	$\mathbf{Z}$			

Date of final passage \_\_\_\_\_ DEC 0 92022

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

TODD GLORIA Mayor of The City of San Diego, California.

ELIZABETH S. MALAND City Clerk of The City of San Diego, California.

By Consie Vatterson Deputy For Matthew Hilario

Office of the City Clerk, San Diego, California

Resolution Number R-\_\_314476

(Seal)