

RESOLUTION NUMBER R- 313133

DATE OF FINAL PASSAGE JUN 30 2020

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ESTABLISHING AN EMERGENCY COVID-19 RENTAL ASSISTANCE PROGRAM, AND AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH THE SAN DIEGO HOUSING COMMISSION, AND AUTHORIZING EXPENDITURES FOR ADMINISTRATION OF THE PROGRAM

WHEREAS, a novel coronavirus, SARS-CoV-2, causes COVID-19, causes infectious disease and was first detected in December 2019; and

WHEREAS, the Centers for Disease Control and prevention considers COVID-19 to be a very serious public health threat and the World Health Organization declared on March 11, 2020, the COVID-19 outbreak to be a pandemic; and

WHEREAS, on February 19, 2020, the San Diego County Board of Supervisors ratified a declaration of local health emergency related to COVID-19; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19; and

WHEREAS, on March 12, 2020, Mayor Kevin Faulconer proclaimed the existence of a local emergency in the City of San Diego (City) as a result of COVID-19, which was ratified by the Council of the City of San Diego (Council) on March 17, 2020; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 ordering all individuals living in the State of California to stay home or at their place of residence, except to obtain essential services; and

WHEREAS, on March 25, 2020, the Council approved a temporary Moratorium on Residential and Commercial Evictions related to nonpayment of rent due to substantial decrease in income or out-of-pocket medical expenses caused by either COVID-19 impacts or any governmental response to COVID-19; and

WHEREAS, there are currently more than 11,500 confirmed cases of COVID-19 and at least 340 COVID-19-related deaths in San Diego County, and these statistics are increasing daily; and

WHEREAS, COVID-19 is causing, and is expected to continue to cause, serious negative impacts on the local economy and serious financial impacts to local residents and businesses, including substantial loss of income due to the loss of compensable work hours or wages, layoffs, and business closures; and

WHEREAS, as of May 9, the San Diego region has more than 510,000 unemployed residents, equating to a regional unemployment rate of more than thirty percent due to the prevalence of COVID-19; and

WHEREAS, on March 27, 2020, the federal government passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide emergency assistance and health care response for individuals, families, and businesses affected by the coronavirus pandemic; and

WHEREAS, the CARES Act allocated \$15.3 billion from the Fund to the State of California, and per CARES Act guidelines, the State directed the funds to communities for mitigation and recovery efforts based on population; and

WHEREAS, as the second largest city in California, the City received \$248 million; and

WHEREAS, the City of San Diego has approximately 273,000 units that are renter-occupied; and

WHEREAS, of the renter-occupied units, 60,600 households earn less than thirty percent of San Diego Area Median Income (AMI) and 51,580 of these households pay more than fifty percent of their gross household income on rent; and

WHEREAS, of the renter-occupied units, 104,500 households earn less than eighty percent AMI and 50,160 of these households pay more than fifty percent of their gross household income on rent; and

WHEREAS, the City recognizes that the pandemic has placed an enormous economic strain on families to pay rent, and subsequently on landlords and property owners to pay mortgages and maintain buildings that are healthy and safe; and

WHEREAS, the City desires to offer emergency rent assistance to qualifying families in an amount not to exceed \$4,000; and

WHEREAS, on June 2, 2020, the Council approved Resolution No. R-313069 to direct City staff to work with the Mayor, the San Diego Housing Commission, and Councilmember Ward to create an emergency COVID-19 rental assistance program to provide rental assistance to qualifying individuals and families who have suffered a substantial decrease in income due to the COVID-19 pandemic (COVID-19 Rental Assistance Program); and

WHEREAS, the City is an entitlement jurisdiction that annually receives federal funds through four U.S. Department of Housing and Urban Development (HUD) entitlement grant programs: (1) Community Development Block Grant (CDBG); (2) Emergency Solutions Grants (ESG); and (3) Housing Opportunities for Persons with AIDS (HOPWA); and

WHEREAS, the CARES Act allocates federal economic relief and stimulus funds to the CDBG, ESG and HOPWA programs (CDBG-CV, ESG-CV and HOPWA-CV funds), to prevent, prepare for and respond to the COVID-19 emergency; and

WHEREAS, the City was allocated \$7,223,939 in CDBG-CV, \$3,598,334 in ESG-CV, and \$682,662 in HOPWA-CV funds; and

WHEREAS, on June 8, 2020, the Council approved Resolution No. R-313071 approving the Mayor's Proposed Budget, as modified by the May Revision, including a recommendation to approve \$15.1 million for the purpose of creating the COVID-19 Rental Assistance Program, consisting of \$9.7 million in CARES Act funding, \$1.8 million in FY 2021 CDBG funds, and \$3.6 million of CDBG-CV funds; and

WHEREAS, on June 9, 2020, the City was allocated an additional \$22,796,116 in ESG-CV funds, for a total of \$26,394,450 in ESG-CV funds; and

WHEREAS, the San Diego Housing Commission (SDHC) is an organization affiliated with the City of San Diego whose purpose is to provide affordable, safe, and quality homes for low-and moderate-income families and individuals in the City of San Diego and to provide opportunities to improve the quality of life for the families that SDHC serves; and

WHEREAS, the City and SDHC have a number of Memorandums of Understanding to allow SDHC to provide oversight and administration of housing programs, including administration of CDBG-funded programs, ESG-funded programs, and rental assistance programs; and

WHEREAS, the Council desires to assist tenants in need of rental assistance due to COVID-19; NOW, THEREFORE,

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

1. The Mayor, or his designee, on behalf of the City, is authorized to enter into CDBG-CV and ESG-CV grant agreements with HUD.
2. The Chief Financial Officer is authorized to accept ESG-CV funds from HUD in the total amount provided in the ESG-CV grant agreement between the City and HUD, estimated at \$26,394,450, and appropriate and expend such funds for the purpose of preventing, preparing for and responding to the COVID-19 emergency, including but not limited to the COVID-19 Rental Assistance Program, upon ESG-CV grant funds being secured.
3. The Mayor, or his designee, on behalf of the City, is authorized to enter into the Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for administration of the COVID-19 Rental Assistance Program on file with the Office of the City Clerk as Document No. RR- 313133 (MOU);
4. The Chief Financial Officer is authorized to expend CARES Act, CDBG-CV, and/or ESG-CV funds in an amount not to exceed \$15,100,000 for the creation and operation of the COVID-19 Emergency Rental Assistance Program.
5. The Council authorizes the Chief Financial Officer to transfer CARES Act, CDBG-CV, and/or ESG-CV funds not to exceed \$15,100,000 to the San Diego Housing Commission for administration of the COVID-19 Rental Assistance Program pursuant to the MOU.
6. The Mayor, or his designee, on behalf of the City, is authorized to negotiate and enter into agreements or amendments to existing agreements, as applicable, and take all other necessary actions effectuate the COVID-19 Rental Assistance Program consistent with this

Resolution; the MOU; and any local, State, or Federal requirements for use of the funding sources.

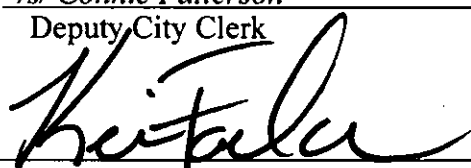
APPROVED: MARA W. ELLIOTT, City Attorney

By /s/ Adam R. Wander
Adam R. Wander
Deputy City Attorney

ARW:jdf
06/24/2020
Or.Dept: Economic Dev't
Doc. No.: 2413767

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of 06/30/2020.

ELIZABETH S. MALAND
City Clerk

By /s/ Connie Patterson
Deputy City Clerk

KEVIN L. FAULCONER, Mayor

Approved: 6/30/2020
(date)

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JUN 30 2020, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monica Montgomery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gómez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 30 2020.

(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:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

(Seal)

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

By [Signature], Deputy
For Connie P.

Office of the City Clerk, San Diego, California

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