



MEMORANDUM

To: Mayor Todd Gloria
City Council President Jennifer Campbell and Members of the City Council

From: Richard C. Gentry, President & CEO, San Diego Housing Commission

Date: August 3, 2021

Subject: City of San Diego COVID-19 Housing Stability Assistance Program Update as of August 2, 2021

Throughout the City of San Diego COVID-19 Housing Stability Assistance Program, I will be providing monthly written program updates to you. This memorandum provides updates as of August 2, 2021.

The San Diego Housing Commission (SDHC) administers the COVID-19 Housing Stability Assistance Program, which will help pay past-due rent and utilities for households with low income that experience financial hardship due to the COVID-19 pandemic. The program initially was funded by \$42,333,563 that the U.S. Department of the Treasury allocated directly to the City of San Diego through the federal Coronavirus Relief Fund; \$44,877,753.57 in federal funds that the State of California allocated to the City of San Diego through the State's Coronavirus Relief Fund, as approved in State Senate Bill (SB) 91, signed into law on January 29, 2021; and \$5,000,000 in federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant (CDBG) funds the City Council previously authorized for emergency rental assistance.

The City Council's July 27, 2021, actions authorized an additional \$54,539,063.20 in federal American Rescue Plan Act (ARPA) funds allocated directly to the City of San Diego and \$5,610,840.67 in federal funds allocated by the State of California to the City of San Diego through the State's Coronavirus Relief Fund to provide rental assistance and/or utility assistance to qualifying households. Thank you for your continuing support of this program with these resources.

From the program launch, through June 28, 2021, the program could pay 80 percent of a tenant's past-due, unpaid rent for the period of April 1, 2020, through March 31, 2021, but only if the landlord agreed to waive the remaining 20 percent. If a landlord did not agree to these terms, the program could pay 25 percent of the tenant's past-due, unpaid rent. If funds remained available after past-due, unpaid rent payments have been made for qualifying households, the program

could pay up to 25 percent of the tenant's upcoming monthly rent for April 2021 through June 2021.

On June 28, 2021, California Governor Gavin Newsom signed into law Assembly Bill (AB) 832, which included provisions SDHC has advocated since April to provide more financial help to families with low income experiencing financial hardship due to the COVID-19 pandemic. AB 832 allows the City of San Diego COVID-19 Housing Stability Assistance Program and similar programs statewide to pay 100 percent of past-due rent and 100 percent of prospective rent for qualifying households. This includes providing additional assistance to households that already have received payment for a portion of their rent under the previous program restrictions to bring their assistance up to 100 percent. AB 832 also extends the statewide eviction moratorium through September 30, 2021, providing essential protection for renters as SDHC continues to provide rental assistance to qualifying households in need.

AB 832 took effect immediately as an urgency statute. Additional provisions in the legislation include:

- Landlords cannot interrupt or terminate utility service with the intent to terminate occupancy. The bill increases the penalties on landlords that take such action.
- The date when landlords can sue in small claims court to recover unpaid COVID-19 rental debt has been postponed to November 1, 2021, from the previous date of August 1, 2021.
 - From October 1, 2021, through March 31, 2022, landlords who want to evict a tenant for nonpayment of rent (when a tenant has experienced a COVID-19-related hardship) must show that they applied for rental assistance and it was denied. If the landlord cannot demonstrate this, the case should be dismissed.
 - Starting October 1, 2021, if tenants are evicted for nonpayment of rent and have been approved for rental assistance, they can ask the court to hold the case until the rental assistance is received.

Qualifying households also may receive help from the COVID-19 Housing Stability Assistance Program to pay past-due, unpaid utilities, such as electricity, gas, water and sewer, trash removal and energy costs, such as fuel oil. Telephone and cable are not eligible for utility assistance, and utilities paid by the landlord are considered rent.

Payments are made directly to the landlord and utility provider. If a landlord declines to accept payment, the program provides a payment directly to the tenant. Rent payments to the tenant will equal 100 percent of the rent the tenant owes, with the requirement that the tenant pay the rental assistance to the landlord within 15 days.

Households that meet the following criteria are eligible to receive help:

- Tenant has a City of San Diego address.
- Household income is at or below 80 percent of San Diego's Area Median Income (AMI).
- Household has a current obligation to pay rent on a residential dwelling.
- At least one member of the household has experienced a reduction of income, or other financial hardship, due to COVID-19.
- Household experienced, or is at risk of experiencing, homelessness or housing instability.

Priority is given to these types of households:

- Income is at or below 50 percent of San Diego’s AMI.
- At least one member of the household has been unemployed for 90 days and remains unemployed.

Applications

- Applications as of 8 a.m. August 2, 2021
 - 16,420 applications submitted
 - 73.8 percent extremely low income (household income is at or below 30 percent of San Diego’s Area Median Income [AMI])
 - 20.6 percent very low income (household income between 31 percent and 50 percent of AMI)
 - 5.0 percent low income (household income between 51 percent and 80 percent of AMI)
 - 0.6 percent with household income 81 percent of AMI or higher
 - 36 percent Hispanic or Latino
 - 64 percent Not Hispanic or Latino
 - 15,857 applications started but pending completion.
 - Data about the applications are updated weekdays on SDHC’s website at www.sdhc.org/covid19hsap.

Payments

- SDHC began making payments for qualifying applicants in late April 2021. As of 5:30 p.m. August 2, 2021:
 - Payments Disbursed: \$63,635,920.83
 - Households Assisted: 7,986

Legislative Advocacy

On July 1, 2021, California’s U.S. Senators Dianne Feinstein and Alex Padilla sent a letter to U.S. Treasury Secretary Janet Yellen, which supported and recommended allowing federal emergency rental assistance funds to pay down personal housing-related debt due to the COVID-19 pandemic. This is a recommendation I made to Secretary Yellen in a May 26, 2021, letter, which I shared with staff from the Senators’ offices. Making this change would help families who incurred debt like high-interest credit cards or payday loans to remain current with the rent during the pandemic. Currently, these households do not qualify for federal emergency rental assistance because they do not have past-due rent.

Community Outreach

Since before the launch of this program, SDHC has engaged in extensive, comprehensive outreach to help make households and landlords aware of the assistance available through the

COVID-19 Housing Stability Assistance Program. Outreach activities are detailed in my previous memoranda to you.

During July 2021, SDHC also coordinated with the San Diego LGBT Community Center, which will be holding a rental assistance application event on August 5, 2021, at the center's parking lot, to help residents apply for the COVID-19 Housing Stability Assistance Program.

In addition, on July 23, 2021, SDHC shared the Outreach Kit for the COVID-19 Housing Stability Assistance Program with People Assisting the Homeless (PATH) San Diego, which committed to sharing information about the program to help raise awareness.

The program's Outreach Kit remains available at www.sdhc.org/hsapoutreachkit and includes the program logo, suggested social media posts in English and Spanish, and updated informational flyers in English and Spanish.

Community-Based Organizations

- SDHC continues to contract with 2-1-1 San Diego to answer questions about the program and help individuals apply, including those who do not have internet access, through the program's dedicated telephone line, (619) 535-6921.
- SDHC continues to contract with 10 community-based organizations (CBO) to raise awareness about the program in the communities they serve and to help individuals apply, including those who do not have internet access. These organizations provide assistance in more than 20 languages:
 - Casa Familiar <https://www.casafamiliar.org/> (619) 333-6824
 - Chicano Federation <https://www.chicanofederation.org/> (619) 285-5600
 - ElderHelp of San Diego <https://www.elderhelpofsandiego.org/> (858) 380-5341
 - Logan Heights Community Development Corporation <https://www.loganheightscdc.org/> (619) 858-0563
 - Partnership for the Advancement of New Americans (PANA) <https://www.panasd.org/> 619-363-6939
 - The San Diego LGBT Community Center <https://thecentersd.org/> (619) 692-2077
 - Serving Seniors <https://servingseniors.org/>
 - Union of Pan Asian Communities <http://www.upacsd.com/> (619) 255-7644
 - Urban League of San Diego County <https://www.sdul.org/> (619) 266-6256
 - San Diego Refugee Communities Coalition (619) 793-9019 <https://ucsdcommunityhealth.org/work/refugee-health-unit/san-diego-refugee-communities-coalition/>
 - Includes the following organizations:
 - Haitian Bridge Alliance (917) 496-2248
 - Horn of Africa (619) 583-0532
 - Refugee Assistance Center (619) 793-9019
 - Somali Bantu Community of San Diego (619) 283-3956
 - Southern Sudanese Community Center of San Diego (619) 788-6511

- The Karen Organization of San Diego (619) 582-0783
 - United Women of East Africa Support Team (UWEAST) (619) 501-7804
- SDHC also contracts with the Asian Business Association San Diego (ABASD) specifically to assist with outreach about the program.

Conclusion

SDHC continues to work with you and organizations throughout the community to identify and engage in opportunities to ensure that households in need are aware of the help available to them and successfully apply for help from the COVID-19 Housing Stability Assistance Program. The number of submitted applications and applications started but pending completion continue to grow each day. SDHC staff are working diligently to review and process applications expeditiously and disburse payments as quickly as possible to help qualifying households with low income experiencing financial hardship due to the COVID-19 pandemic. With the changes implemented through AB 832, SDHC anticipates fully expending the current Coronavirus Relief Funds allocated to provide assistance through the COVID-19 Housing Stability Assistance Program.

With the Council's July 27, 2021, approval of additional funds for this program, SDHC will be finalizing outreach strategies for the continuation of the program going forward, based upon our experience to date. I will continue to keep you informed as these strategies are implemented.