

City of San Diego
San Diego Housing Commission (SDHC)

COVID-19 Housing Stability Assistance Program

Housing Authority: Item 1

City Council: Item 332

March 1, 2022



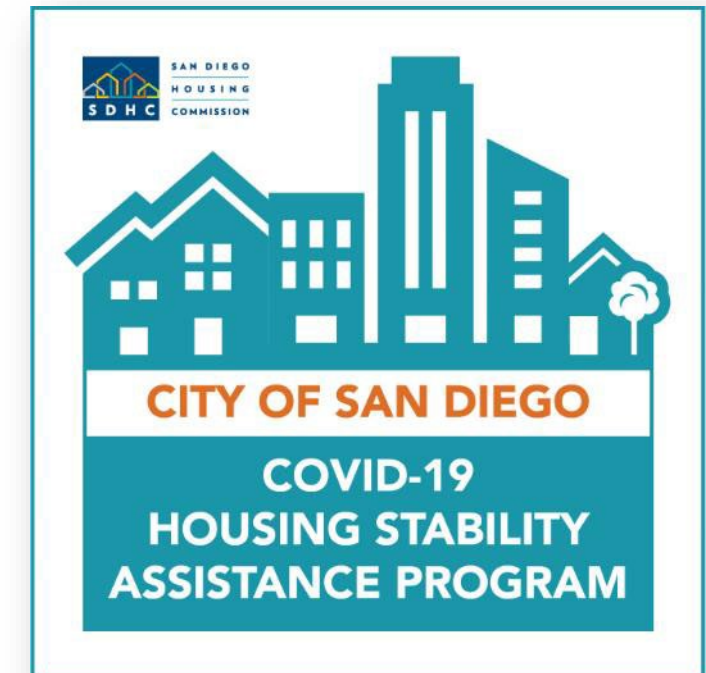
SAN DIEGO
HOUSING
COMMISSION



City of San Diego: COVID-19 Housing Stability Assistance Program

Overview

- February 22, 2021: San Diego City Council authorized the program.
- March 15, 2021: Online application launched at covidassistance.sdhc.org
 - Application available in English, Spanish and Vietnamese
- The program helps pay rent and utilities for City of San Diego households with low income that experience financial hardship due to or during the ongoing COVID-19 pandemic.
- The program also helps pay past-due internet service expenses.



City of San Diego: COVID-19 Housing Stability Assistance Program

Payments

- As of April 13, 2022:
 - Payments Disbursed: \$195,683,192.99
 - Households Assisted: 16,829
- All of the funding available to help San Diegans through the program has been fully expended to assist households with low income.
- Total obligations for assistance payments exceed the funding to help qualifying households.
 - Including applicants who have preliminary approval, subject to review and confirmation of their documentation.

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Applications

Applications

- 48,427 applications submitted
 - Includes 15,351 individuals who updated information on previously submitted applications and/or are requesting additional assistance
 - 75.3 percent with income up to 30 percent of San Diego's Area Median Income (AMI)
 - 18.4 percent with income from 31 percent to 50 percent of AMI
 - 5.4 percent with income from 51 percent to 80 percent of AMI
 - 0.8 percent with income above 81 percent of AMI
- 39,459 additional applications started and but not completed

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Funding

- The U.S. Department of the Treasury developed a process for the reallocation of federal emergency rental assistance funds to high-performing agencies based on demonstrated need.
 - January 7, 2022: \$8.3 million reallocated to City of San Diego
 - February 4, 2022: SDHC Board approval
 - March 1, 2022: City Council and Housing Authority approval
 - March 14, 2022: \$7.1 million reallocated to City of San Diego

City of San Diego: COVID-19 Housing Stability Assistance Program

Funding (Continued)

California Senate Bill (SB) 115

- February 9, 2022: State enacted SB 115
 - SB 115 is intended to provide local programs with immediate cash, in the form of temporary cash flow loans, to maximize rental relief to all eligible households as the local programs await additional federal funding.
 - Legislation enables the State of California to provide cash flow loans to HSAP and similar programs statewide.
 - City of San Diego can apply for up to the full amount SDHC requested for reallocation from the federal government: \$96.2 million
 - Expenditures must be for complete, eligible applications by households that were received on or before March 31, 2022, for rent or utilities due during or before March 2022.
 - If Treasury Department approves, loan would be repaid with additional federal funds or State would forgive the balance of the loan.
- March 2022: State provided the cash flow Loan Terms and Conditions and the Standard Agreement.



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Funding (Continued)

- SDHC anticipates that the State cash flow loan would enable HSAP to assist additional qualifying households that submit their applications no later than March 31, 2022.
- The State closed the application for its rental assistance program on March 31, 2022.
- In alignment with the provisions of SB 115 and with the State program, SDHC also closed the HSAP application on March 31, 2022.
- Program staff will continue the process of reviewing applications, verifying eligibility and disbursing remaining assistance payments for qualified households after March 31.

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SDHC Staff Recommendations

That Housing Authority of the City of San Diego take the following actions:

- 1) Authorize the San Diego Housing Commission (Housing Commission) to amend its Fiscal Year 2022 budget in the amount of \$7,133,772.56 in federal Emergency Rental Assistance Program (ERA1) funds, which the U.S. Department of the Treasury allocated directly to the City of San Diego, to be administered by the Housing Commission to provide rental assistance and/or utility assistance to households with low income in the City of San Diego that experience financial hardship due to or during the COVID-19 pandemic and to cover administrative expenses in accordance with federal and state funding requirements.
- 2) Authorize the Housing Commission to accept and expend up to \$96,291,294.59 in State of California Rental Assistance (SRA) Program Emergency Rental Assistance Short-Term Cash Flow Loan Funds pursuant to State Senate Bill 115 to support the City of San Diego COVID-19 Housing Stability Assistance Program, to be administered by the Housing Commission to provide rental assistance and/or utility assistance to households with low income in the City of San Diego that experience financial hardship due to or during the COVID-19 pandemic and to cover administrative expenses in accordance with state funding requirements.



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SDHC Staff Recommendations (Continued)

- 3) Authorize the Housing Commission to amend its Fiscal Year 2022 budget in the amount up to \$96,291,294.59 in SRA Program Emergency Rental Assistance Short-Term Cash Flow Loan Funds pursuant to State Senate Bill 115 to support the City of San Diego COVID-19 Housing Stability Assistance Program. If necessary, the continuing disbursement of approved funds would be included in the Housing Commission's Fiscal Year 2023 budget, which will be presented separately to the Housing Authority for consideration in June 2022.
- 4) Authorize the Housing Commission's Interim President & CEO, or designee, to modify the COVID-19 Housing Stability Assistance Program, if necessary, but only if and to the extent that such changes comply with the terms of the executed amended Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego for the oversight and administration of the COVID-19 Housing Stability Assistance Program and are necessary to fulfill federal and state funding requirements. Housing Commission staff will notify the Housing Authority and the City Attorney's Office about any subsequent amendments or modifications to the COVID-19 Housing Stability Assistance Program and other required documents, including amendments to any documents.



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SDHC Staff Recommendations (Continued)

- 5) Authorize the Housing Commission's Interim President & CEO, or designee, to substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the Interim President & CEO, or designee, to take such actions as are necessary, convenient and/or appropriate to implement this approval and delegation of authority by the Housing Commission upon advice of the General Counsel.
- 6) Authorize the Housing Commission's Interim President & CEO, or designee, to execute all necessary documents and instruments that are necessary and/or appropriate to implement these approvals, in a form and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner in advance of approval for the designee to sign.



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City Staff-Requested Actions

- Authorize the Chief Financial Officer or designee to accept, appropriate and expend an amount of \$7,133,772.56 in federal Emergency Rental Assistance Program (ERA1) funds, allocated by the U.S. Department of the Treasury directly to the City of San Diego, and transfer to the Housing Commission for the City's COVID-19 Housing Stability Assistance Program (HSAP), contingent upon the funds being secured for HSAP.
- Authorize the Chief Financial Officer or designee to accept, appropriate and expend an amount not to exceed \$96,291,294.59 in State of California's Rental Assistance (SRA) Round 2 Program Emergency Rental Assistance Short-Term Cash Flow Loan Funds pursuant to State Senate Bill 115 directly to the City of San Diego, for the City's COVID-19 Housing Stability Assistance Program (HSAP) administered by the Housing Commission in accordance with State funding requirements, contingent upon the funds being secured for HSAP
- Authorize the Mayor or designee to apply for, enter into, sign and deliver the Standard Agreement with the State of California's Department of Housing and Community Development (HCD) to participate in their State of California Rental Assistance (SRA) Round 2 Program 2 Emergency Rental Assistance Short-Term Cash Flow Loan Funds pursuant to State Senate Bill 115, and take any other actions necessary or appropriate to secure the SRA funds from the Department in accordance with State funding requirements.



Questions & Comments