



SAN DIEGO
HOUSING
COMMISSION

San Diego Housing Commission COVID-19 Hardship Policies March 30, 2020

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Introduction

Amid the rapidly evolving COVID-19 public health emergency, the San Diego Housing Commission (SDHC) has developed and implemented many precautionary actions to maintain stable housing and prevent evictions among the low-income households that SDHC's programs serve.

For example, on March 18, 2020, SDHC implemented a moratorium on evictions at SDHC rental properties due to the financial impacts of COVID-19. SDHC also supported the temporary ban on evictions at rental properties throughout the City, which City Council President Georgette Gómez proposed on March 16, 2020, and the San Diego City Council approved as an emergency ordinance on March 25, 2020, with the support of Mayor Kevin L. Faulconer.

In addition, SDHC is implementing the policies and programs detailed on the following pages, which are subject to change, including potential extensions, as the COVID-19 situation unfolds:

- SDHC's federal rental assistance program is utilizing revised criteria for families currently in the program to report decreases in income due to COVID-19, which may enable SDHC to temporarily provide a higher amount of rental assistance to these households.
- SDHC will not terminate anyone from the federal rental assistance program, unless they engage in violent or criminal behavior or pose a threat to the safety of others in their neighborhood.
- Residents at SDHC's affordable rental housing properties who do not currently receive federal rental assistance can receive rent relief through a new hardship program. All or part of the rent will be forgiven for up to four months for eligible households.

SDHC continues to closely monitor the COVID-19 situation in San Diego, as well as state and federal legislation and funding to address the financial impacts of this emergency, as the agency continues to provide essential housing assistance to San Diegans with low income.



Section 8 Housing Choice Voucher Rental Assistance

For four months, SDHC will not terminate anyone from the federal Section 8 Housing Choice Voucher rental assistance program, unless they engage in violent or criminal behavior or pose a threat to the safety of others in their neighborhood.

In addition, to assist federal rental assistance participants experiencing financial hardship related to COVID-19, SDHC will implement an alternative policy about reporting changes in income.

SDHC Alternative Interim Policy for Rental Assistance

SDHC's Local Interim Certification Policy (Interim Policy) sets requirements for families who experience a change in income between the regular income recertification that occurs every other year.

However, SDHC will temporarily suspend its existing Interim Policy and implement an alternative, hardship policy for families who experience a reduction or loss of income due to COVID-19 or the government orders implemented to prevent the spread of COVID-19.

The hardship policy criteria will be available for families who are adversely affected financially by COVID-19. These new criteria will include:

- An alternate rent calculation will be used to determine the amount of the contract rent that the household pays (rent portion). The rent calculation for all families experiencing a reduction of income related to COVID-19 will be 20 percent of their adjusted income.
- Full-time student status will be maintained during prolonged school closures.
- The revised household rent portion will be made effective for the month when the decrease of income is reported to SDHC.
- The revised household rent portion will be effective for four months. After four months, the rent portion will revert to the existing Path to Success (PTS) rent calculation methodology for Work-Able and Elderly/Disabled households. Families will be required to report any restoration of their income at the end of the four-month hardship period.
- Unemployment benefit determinations will not be required if the Employment Development Department (EDD) is unable to process the unemployment claim in a timely manner.
- Families will receive a referral to the SDHC Achievement Academy for voluntary work readiness and employer recruitment resources.



The following requirements of SDHC's MTW Local Interim Certification Policies will be **temporarily suspended** and are **not required** while this hardship policy is in effect:

- The decrease of income must be expected to last more than 90 days.
- The household is only allowed one decrease in the rent portion in a 12-month period due to a reduction in income.
- The loss of income must result in a reduction of the rent portion by more than 20 percent. A household does not qualify for an interim adjustment if the change in the rent portion is less than 21 percent.
- The loss of the income source must be through no fault of the program participant. A voluntary loss of income, such as terminating employment without good cause, is not considered an eligible "decrease of income" for purposes of granting a decrease of income interim.



Affordable Rental Housing Units Owned or Managed by SDHC, Including Its Nonprofit Affiliate

SDHC Hardship Program for Residents

SDHC has developed a needs-based program to help families in SDHC's affordable rental housing properties who have lost income due to COVID-19 that affects their ability to pay rent.

Households that are able to demonstrate that they have lost wages through no fault of their own, resulting directly from the COVID-19 pandemic, and as a result find themselves in a financial hardship will be eligible for this program.

The program will help residents at properties owned or managed by SDHC, including its nonprofit affiliate, Housing Development Partners (HDP).

This hardship program does not apply to households who receive benefits through a Section 8 Housing Choice Voucher or Public Housing Program. Information about Section 8 Housing Choice Voucher and Public Housing hardship programs is available in the [SDHC Administrative Plan for the Section 8 Rental Assistance Programs](#) (2019), as modified by the SDHC Alternative Interim Policy for Rental Assistance, and [SDHC's Admissions and Continued Occupancy Policy](#) (2014), respectively.

SDHC's Hardship Program for Residents includes the following provisions:

- Households are required to submit a written request for assistance through this program to the property manager for their property at which they reside. (SDHC will request documentation to verify the financial hardship.)
- The hardship program period begins as of March 20, 2020—the date Governor Gavin Newsom issued an executive order instructing California residents to stay home—and continues for up to four months from that date (through July 20, 2020).
- A Hardship Review Committee consisting of three SDHC employees will determine if the household is experiencing a verifiable financial hardship through no fault of their own that resulted directly from the COVID-19 pandemic.
- When SDHC makes a determination that the financial hardship is caused exclusively by the COVID-19 pandemic, SDHC will enter into an agreement with the household to provide any or all of the following forms of relief:
 - Forgiving all or part of the rent due, as determined by SDHC during the term of the hardship for a period of up to, and not to exceed, four months;



- Waiving late fees; and/or
- Referring the household to financial resources outside of SDHC.
- During the hardship period, the tenant is required to report any changes in income to SDHC within 21 days.
- At the end of the four-month hardship period, the household must resume making the full rent payments.
- If SDHC determines that a household is not experiencing an eligible financial hardship, the household may request an administrative review of SDHC's decision. Review must be requested within 10 days of SDHC's determination.

In addition, effective March 18, 2020, and until further notice, SDHC will not evict households based solely on loss or decrease of income as a result of COVID-19 impacts.

Unless a household has applied for and has been approved by SDHC for the hardship program, rent must continue to be paid on time and in full. Unpaid rent will not be forgiven.