



Board Agenda Item 53

DATE: April 13, 2021

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

SUBJECT: Authorizing Resolution for the California COVID-19 Rent Relief Program

RECOMMENDED ACTION(S):

- 1. Adopt Resolution authorizing the County of Fresno Department of Social Services to participate in and accept an allocation up to \$49,734,164.64 for the State Rental Assistance Program administered by the California Department of Housing and Community Development; and**
- 2. Authorize the Vice-Chairman to execute, upon review by County Counsel as to legal form and the Auditor-Controller/Treasurer-Tax Collector as to accounting form, the Standard Agreement, in substantially the same form as the draft included as Attachment A, with the California Department of Housing and Community Development for California COVID-19 Rent Relief Program funding to provide rental arrears and housing stabilization services, effective upon execution by the State representative through December 31, 2021, total not to exceed \$16,578,054.**

There is no additional Net County Cost associated with the recommended actions which will allow the Department of Social Services to complete an allocation acceptance process with the California Department of Housing and Community Development (HCD) to receive the County's earmarked State allocation for the Rental Assistance Program (RAP). To avoid self-certification, the Vice-Chairman will be authorized to execute allocation-related documents, including the Standard Agreement, once received from HCD and reviewed by County Counsel and the Auditor-Controller/Treasurer-Tax Collector. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board could choose not to approve the recommended actions; however, the Department will not receive the State allocation earmarked for the County to assist local renters who are behind on their rent due to economic impacts of the COVID-19 pandemic, leaving the funding to be redirected to other counties in California.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. If approved, the Department will receive the State's Rental Assistance Program allocation totaling \$16,578,054, which includes funding for local administrative costs (8.5%) and direct financial assistance (90%) for renters and landlords. The State is retaining 1.5% of the allocation for their own administration costs. Funding will be available through December 31, 2021. The recommended resolution lists an amount three times the current allocation. HCD's direction is to triple the estimated amount so that resolutions do not need to be revised if

additional funds are awarded later. While the recommended Resolution authorizes the County to receive up to \$49,734,164.64, the County will initially receive \$16,578,054, but could receive additional funds at a later date should funds become available. The Standard Agreement will reflect the \$16,578,054 allocation with the understanding that should additional funds become available, the Standard Agreement would be amended by HCD and sent to the County for execution.

Sufficient appropriations and estimated revenues are included in the Department's Org 5610 FY 2020-21 Adopted Budget and will also be included in subsequent budget requests.

DISCUSSION:

On March 15, 2020, the County Administrative Officer (CAO), acting as the Emergency Services Director, proclaimed a local emergency to increase response capacity for the COVID-19 pandemic. On March 17, 2020, your Board proclaimed and ratified the local emergency due to the imminent and proximate threat of COVID-19.

Through the Federal Consolidated Appropriations Act, 2021, California received \$2.65 billion in Emergency Rental Assistance funds. Approximately \$1.4 Billion was given directly to the State, while the remaining balance was provided directly to local jurisdictions with populations above 200,000. The County received \$13,900,330.20 directly from the US Department of the Treasury (USDOTT). Your Board ratified the acceptance of the USDOTT award terms as executed by the CAO acting as the Emergency Services Director on February 23, 2021.

To implement its funds from the Act, California passed Senate Bill (SB) 91. SB 91 created the State Rental Assistance Program and provided eligible jurisdictions with the option to accept their portion of the State allocation as a block grant.

The State Rental Assistance Program is intended to help eligible households cover rental arrears and to provide funding for housing stabilization services. The goal of the program is to prevent evictions and housing instability due to the COVID-19 pandemic. SB 91 assistance is to be directed to the primary period of the pandemic, which was declared a national emergency on March 13, 2020. The eligible period of assistance for rental arrears extends from April 1, 2020 through March 31, 2021. Arrears must have been incurred during this period in order to be eligible for financial relief through block grant funds.

With your Board's approval, the Department will submit the recommended resolution and process the Standard Agreement through the Vice-Chairman for signature, which will be first reviewed by both County Counsel and the Auditor-Controller/Treasurer-Tax Collector. The Standard Agreement template has been provided to your Board for reference. Please note that Exhibit E has not yet been developed but will serve as a Work Plan that describes operations of the program. Exhibit E will describe the services surrounding rental arrears payments and housing stabilization for County residents provided by the County's contracted subrecipient of funds, as well as its subcontractors. This Standard Agreement provides that the County shall indemnify the State from any and all claims and losses resulting to any agencies providing services or supplies under the Agreement and any third parties who may be damaged by County's performance under the Agreement. Additionally, this Standard Agreement provides that the County shall indemnify the State from any and all claims and losses resulting from illegitimate or duplicative payments of Rental Assistance, which resulting from the negligence, willful misconduct, intentional misrepresentation, negligent misrepresentation, or deceit of the applicants for the Rental Assistance, the County or any third parties.

The County's Emergency Rental Assistance Program (ERAP) began accepting applications the week of April 5, 2021. An Agreement with RH Community Builders, which includes three subcontractors: Community Housing Council of Fresno, Comprehensive Youth Services, and Westside Family Preservation Services Network, was executed by the CAO toward the end of March 2021 so the program could begin providing services using the USDOTT funds. As funds are currently set to expire December 31, 2021, it was imperative to begin providing services as soon as possible. That Agreement will be brought back to your Board for ratification in April 2021.

The recommended Resolution utilizes HCD's template and differs from the County's standard resolution template. This template may not be modified by any party other than HCD.

REFERENCE MATERIAL:

BAI #9, February 23, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A
On file with Clerk - Resolution

CAO ANALYST:

Sonia M. De La Rosa