



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 21-059

March 16, 2021

Introduced: 3/11/2021

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

Adopt Resolution to:

- a. Accept Block Grant funds from State of California, Department of Housing and Community Development in the amount of \$15,391,449 for the State Emergency Rental Assistance Program;
- b. Accept the federal award from the U.S. Department of the Treasury in the amount of \$12,905,387 for Emergency Rental Assistance Program; and
- c. Approve and increase in appropriations and estimated revenues of \$17,000,000 for Social Services 001-5010-SOC004-8258 in the FY 2020-21 Adopted Budget (4/5ths vote required); and
- d. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget Social Services 001-5010-SOC004-8258 increasing appropriations by \$17,000,000 and estimated revenues by \$28,296,836.16 from a State of California, Department of Housing and Community Development block grant (\$15,391,449) and a federal award from the U.S. Department of the Treasury (\$12,905,387) for the Emergency Rental Assistance Program.(4/5ths vote required).

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RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to:

- a. Accept Block Grant funds from State of California, Department of Housing and Community Development in the amount of \$15,391,448.76 for the State Emergency Rental Assistance Program;
- b. Accept the federal award from the U.S. Department of the Treasury in the amount of \$12,905,387.40 for Emergency Rental Assistance Program; and
- c. Approve and increase in appropriations and estimated revenues of \$17,000,000 for Social Services 001-5010-SOC004-8258 in the FY 2020-21 Adopted Budget (4/5ths vote required); and
- d. Authorize and direct the Auditor-Controller to amend the FY 2020-21 Adopted Budget Social Services 001-5010-SOC004-8258 increasing appropriations by \$17,000,000 and estimated revenues by \$28,296,836.16 from a State of California, Department of Housing and Community Development block grant (\$15,391,449) and a federal award from the U.S. Department of the Treasury (\$12,905,387) for the Emergency Rental Assistance Program.(4/5ths vote required).

SUMMARY/DISCUSSION:

On December 27, 2020, the Consolidated Appropriations Act, 2021 was signed into law establishing the federal Emergency Rental Assistance Program ("ERAP") and authorized the direct allocation of emergency rental assistance funds to states, units of local government, tribal communities, and territories. The County of Monterey was eligible for a direct allocation and received \$12,905,387.40 in Emergency Rental Assistance Funds allocated by the U.S. Department of the Treasury on January 26, 2021, see Attachment A. The ERAP funds are intended to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic.

Governor Newsom then signed SB 91, the COVID 19 Tenant Relief Act, on January 29, 2021. SB 91 extends the state's eviction moratorium and established the State of California's program for administering its share of ERAP funds (the "State Rental Assistance Program," or "SRAP") resources to assist struggling tenants and landlords impacted by the economic damage of COVID-19. Through the

Department of Housing and Community Development (HCD) State Rental Assistance Funds, the County submitted an Expression of Interest to the HCD specifying the decision to accept the local share of state funds as a block grant, Option B. Monterey County will receive a state block grant of \$15,625,836.30, less 1.5% that the State is holding back for administration, for a total of \$15,391,448.76, see Attachment B.

The Department is partnering with United Way as the administer of the funds within Monterey County and necessary appropriation increases will be required for implementation of the rental assistance programs for low-income residents throughout Monterey County adversely impacted by the COVID-19 crisis who are at risk of becoming homeless.

OTHER AGENCY INVOLVEMENT:

Due to late submission of this Board Report, the CAO Budget and Analysis Division was not provided adequate time to fully review for potential fiscal, organizational, policy, or other implications to the County of Monterey.

FINANCING:

The Federal U.S. Treasury has issued Monterey County \$12,905,387.40 and the State of California HCD is awarding Monterey County \$15,625,836.30 in the form of a "Block Grant", of which, the State is withholding 1.5% for their block grant administration of \$234,387.54, for a total of \$15,391,448.76. The rental assistance program totals \$28,296,836.16.

The Department is requesting an increase of \$17,000,000 in appropriations and estimated revenues in Social Services Community Programs Budget 001-5010-SOC004 in the FY 2020-21 Adopted Budget and the balance of the grant funds will be included in the FY 2021-22 Requested Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This action correlates to the Administration and Health & Human Services Strategic Initiatives adopted by the Board of Supervisors by allowing the Department to continue to receive State and federal funding to provide programs and services to the residents of the County.

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Becky Cromer, Interim Finance Director, x4404



Approved by: Lori A. Medina, Director, x4430

Attachments:

Resolution

Attachment A - Federal Allocations/Payments Listing

Attachment B - State Rental Assistance Allocation Table