



# Monterey County

Item No.

## Board Report

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

Legistar File Number: A 21-096

March 23, 2021

Introduced: 3/17/2021

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and Authorize the Director of the Department of Social Services to sign an agreement with the United Way of Monterey County for \$28,281,836.00 to establish, administer, and fund a Monterey County Emergency Rent Assistance Program to assist low-income residents facing housing instability due to economic circumstances related to the COVID-19 crisis, retroactively to March 15, 2021 through December 31, 2021, including non-standard payment terms; and
- b. Authorize and Direct the Auditor Controller to issue out a payment to the United Way of Monterey County in the amount of \$7,100,000 as soon as is legally possible for start-up costs for development and implementation of the program; and
- c. Authorize the Director of the Department of Social Services to sign up to three (3) additional amendments to this agreement where the total amendments do not exceed 10% (\$2,828,183) of the current contract amount, and do not significantly change the scope of work.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and Authorize the Director of the Department of Social Services to sign an agreement with the United Way of Monterey County for \$28,281,836.00 to establish, administer, and fund a Monterey County Emergency Rent Assistance Program to assist low-income residents facing housing instability due to economic circumstances related to the COVID-19 crisis, retroactively to March 15, 2021 through December 31, 2021, including non-standard payment terms; and
- b. Authorize and direct the Auditor Controller to issue out a payment to the United Way of Monterey County in the amount of \$7,100,000 as soon as is legally possible for start-up costs for development and implementation of the program; and
- c. Authorize the Director of the Department of Social Services to sign up to three (3) additional amendments to this agreement where the total amendments do not exceed 10% (\$2,828,183) of the current contract amount, and do not significantly change the scope of work.

### SUMMARY/DISCUSSION:

The purpose of the Monterey County Emergency Rent Assistance Program (MC ERAP) is to administer US Treasury and State SB 91 funds allocated to Monterey County for rent and utility assistance. Monterey County received a direct allocation of \$12,905,387.40 from the U.S. Department of the Treasury on January 26, 2021. 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 includes a mechanism to deploy Federal Emergency Rental Assistance Program (ERAP) resources to assist struggling tenants and landlords impacted by the economic damage of COVID-19. On February 12, 2021, the Board of Supervisors provided direction to submit an Expression of Interest to the Department of Housing and Community Development specifying the decision to administer our program under State guidelines and be eligible for additional block grant funding of \$15,625,836.30 for a joint total of \$28,531,223.70.

The Department has negotiated an Agreement for \$28,281,836 with the United Way Monterey County (UWMC) to administer the MC ERAP, targeting low-income residents throughout Monterey County adversely impacted by the COVID-19 crisis who are at risk of becoming homeless. UWMC will utilize existing 2-1-1 infrastructure, which is staffed by trained and certified call specialists to administer the program. UWMC coordinates and will be contracting with 13 community partners consisting of cities, colleges, and non-profit agencies, see Attachment A. Applications are initiated through Monterey County's 2-1-1 System and UWMC subgrantee agencies. Caller needs and MC ERAP eligibility are assessed, and residents are referred to the appropriate local service provider for rent and utility relief, as well as any relevant Health and Human Services. Eligible renters bring documentation demonstrating eligibility along with rent due notices, utility bills, and landlord address/tax information to paying agencies. Agencies vet documents and pay landlords and/or utility companies.

The contractor is requesting an advance of \$7,100,000 (25%) due to the large amounts and aggressive timeline to roll out this program. UWMC has a goal to spend 60% (\$16.8 million) of the funds by June 30, 2021; another 25% by September 30th, and the remaining 15% by December 31, 2021 to avoid redirection of funds by show the Federal and State that Monterey County will expend the rental assistance by December 31, 2021. The advance will consist of development/distribution of a media, community and client outreach campaign, finalization of client intake, application processing and eligibility determination systems, and direct assistance to clients with immediate needs. The Department is recommending that the Board of Supervisors accept the non-standard agreement and provision terms to issue an advance and approve the agreement retroactively to March 15, 2021.

OTHER AGENCY INVOLVEMENT:

Development, administration, and implementation of the MC ERAP requires departmental, intergovernmental, and private sector coordination with the UWMC and network of 2-1-1 service providers, including adherence to state and federal reporting requirements. Purchasing have reviewed and approved the agreement. County Counsel has approved the agreement as to form. Auditor-Controller's Office has reviewed the agreement and discussed it with County Counsel and the Department of Social Services. 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:

This agreement is funded by federal funds provided by both the U.S. Department of the Treasury and the State of California Housing and Community Development in the amount of \$28,281,836 and funds must be expended by December 31, 2021. Both the Federal and state funds have spending milestones to encourage quick spending of the funds, and UWMC has a goal to spend 60% (\$16.8 million) of the funds by June 30, 2021; another 25% by September 30th, and the remaining 15% by December 31, 2021. Because of the aggressive timeline that the Federal and State government has given Monterey County, UWMC has requested a \$7,100,000 (25%) advance payment on their agreement to assist in the cashflow of their partners and themselves for this extraordinary program.

There is sufficient appropriations and revenues in the Social Services Community Programs Budget 001-5010-SOC004-8258 in the FY 2020-21 Adopted Budget; and the remaining balance will be included in the FY 2021-22 Requested Budget. There is no change to the existing General Fund Contributions in this budget unit.

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 Denise Vienne, Management Analyst, x4484

*Becky Cronin for Lori A. Medina*

Approved by: Lori A. Medina, Director, x4430

Attachments:

United Way Agreement

Attachment A, SB91 ERAP Participating Agencies

Proposed agreement is on file with the Clerk of the Board as an attachment to this Board Report