



County of Monterey

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

Board Report

File #: RES 21-176, **Version:** 1

Adopt Resolution to:

- a. Authorize the County of Monterey to participate in the State Rental Assistance Program - 2; and
- b. Authorize the Director of Social Services to act on behalf of the County in connection with the State Rental Assistance Program - 2 block grant award and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to be awarded for the State Rental Assistance Program - 2, and all amendments.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Adopt a resolution to authorize the County of Monterey to participate in the State Rental Assistance Program - 2; and
- b. Authorize the Director of Social Services to act on behalf of the County in connection with the State Rental Assistance Program - 2 block grant award and to enter into, execute, and deliver any and all documents required or deemed necessary or appropriate to be awarded for the State Rental Assistance Program - 2, and all amendments.

SUMMARY/DISCUSSION:

On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. Section 3201 of ARPA established the federal Emergency Rental Assistance Program ("ERA2") and authorized the direct allocation of emergency rental assistance funds to states, the District of Columbia, units of local government, and territories. The ERA2 funds are intended to assist low-income households that have experienced financial hardship due to the COVID-19 pandemic, are unable to pay for rent and utilities, and are at risk of experiencing homelessness or housing stability. The County of Monterey was eligible for a direct allocation and received 40% (\$4,084,571.60) of the total \$10,211,429.00 in ERA2 Funds allocated by the U.S. Department of the Treasury. Ongoing disbursement of the remaining ERA2 funds is dependent on meeting spending benchmarks. To date, Monterey County has met all spending benchmarks for ERA1 and expects to remain on track for ERA2.

California Assembly Bill 832 ("AB 832") established the State of California's program for administering its share of ERA2 funds (the "SRA2," "State Rental Assistance Program - 2," or "SRA2 Funds"). Through the Department of Housing and Community Development (HCD) SRA2 Funds will be administered in accordance with state and federal law. Monterey County is eligible to receive \$12,290,803.41 of SRA2 funds and submitted an Expression of Interest to the HCD specifying the decision to continue local administration of state funds.

The following resolution authorizes and directs Monterey County to accept the local allocation of a state block grant award not to exceed \$20 million. The current allocation is \$12,290,803.41, but HCD has suggested that flexibility be built into the resolution's amount the County is willing to accept, allowing HCD to issue a quick redistribution of additional funds to Monterey County if needed. In combination with Round 1 funding, Monterey County will receive a combined amount between both rounds of Federal and State allocations of over \$51 million dollars to support rental assistance programs for low-income residents throughout Monterey County adversely impacted by the COVID-19 pandemic and at risk of becoming homeless.

OTHER AGENCY INVOLVEMENT:

The County continues to work collaboratively with United Way Monterey County to perform the direct services for these funds.

FINANCING:

The State will be issuing Monterey County \$12,290,803.41 of federal ERA2 funds in the form of a “Block Grant.” Appropriations will be requested in a separate board report under Budget 001-5010-SOC004.

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

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Approved by: Lori A. Medina, Director, x4430

Attachments: Resolution for SRA2
Round 2 Funding Option Letter

Proposed Resolution is on file with the Clerk of the Board as an attachment to this Board report.