



City of Culver City

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Staff Report

File #: 20-995, **Version:** 1

Item #: A-4.

CC:HA - Adoption of Respective Resolutions Authorizing the Creation of the COVID-19 Emergency Rental Assistance Program.

Meeting Date: May 26, 2020

Contact Person/Dept: Tevis Barnes/Housing Division
Sol Blumenfeld/CDD

Phone Number: 310-253-5780
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Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☐ No ☒

Public Hearing: ☐

Action Item: ☒

Attachments: ☒

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: Committee on Homelessness (05/21/2020); Landlord Tenant Mediation Board (05/21/2020); Saint Joseph Center (05/21/2020); Culver City Chamber of Commerce (05/21/2020); Apartment Association of Greater Los Angeles (05/21/2020); California Apartment Association (05/21/2020); Protect Culver City Renter (05/21/2020) (E-Mail) Meetings and Agendas - City Council (05/21/2020)

Department Approval: Sol Blumenfeld, Community Development Director (05/19/2020)

RECOMMENDATION:

The City Council Ad Hoc Housing and Homelessness Subcommittee (Mayor Eriksson and Vice Mayor Fisch) (Subcommittee) recommends the City Council and Culver City Housing Authority (Authority) Board adopt respective resolutions authorizing the use of \$1.505 million in repayments of amounts that were borrowed from, or payments owing to, the Low and Moderate Income Housing Fund of the former Culver City Redevelopment Agency ("ERAF/SERAF Funds") citywide for the implementation of a COVID-19 Emergency Rental Assistance Program (COVID-19 ERAP) to assist low-income Culver City renters impacted by the COVID-19 public health crisis.

BACKGROUND

On May 11, 2020, the City Council directed staff to return with guidelines to reactivate the Rental Assistance Program (RAP) which had been winding down by former City Council direction. There are currently 16 program participants. The Subcommittee met with Community Development Department (CDD) staff on May 14, 2020 to define the eligibility guidelines and budget for a new program designed to provide temporary rental assistance and rent catch-up rental to income-eligible households economically impacted by the COVID-19 pandemic through job loss, furlough, reduction in hours or pay and financial burden due to childcare or medical expenses related to COVID-19.

DISCUSSION:

The COVID-19 ERAP is designed to preserve housing security and prevent residents from falling into homelessness due to the economic impacts resulting from the pandemic. The proposed general program eligibility guidelines are:

1. Applicant must be a resident of Culver City with a current lease or rental agreement with a property address located in Culver City.
2. Rent subsidies will be provided to, or for the benefit of, low-income households whose annual income, does not exceed 80% of the Area Median Income for Los Angeles County.
3. Eligibility is limited to low-income households who are unable to pay their rent due to circumstances related to the COVID-19 pandemic, including but not limited to, loss of income due to a COVID-19 related furlough or workplace closure, a substantial increase in child care expenditures, health care expenses related to being ill with COVID-19, expenses or loss of income due to caring for a member of the tenant's household who is ill with COVID-19, and reasonable expenditures that stem from government-ordered emergency measures.
4. An applicant may apply for either a one-time three-month rent catch up program or 12-month rental assistance program.
5. Funding will be set aside for the first three months of program operations to assess participation levels for the three-month rent catch up and thereafter for 12 months.
6. All housing types are eligible to participate including single-family homes, duplexes, triplexes, fourplexes and condominiums. Mobile home units/coaches and shared housing living arrangements are excluded.
7. Applicants must be housed at a residence at the time of application.
8. All units must meet the Federal Housing Quality Standards (HQS) and be free of any building code violations.
9. Applicants will be required to execute a Release of Information Form and agree to a criminal background check. An applicant may be deemed ineligible to participate in the program if convicted of a felony in the last three years or registered as a sex offender.
10. Rental assistance payment will be made directly to the property owner. Under SB 329, landlords are prohibited from discrimination on the basis that the tenant would benefit from any rent subsidy. Applicant must have no financial interest in the participating rental unit.
11. Applicant selection will be based on first-come first served and verification of income and COVID-19 impact. If more applications are received than available funds, applications received prior to the deadline will be randomly selected based on a lottery process.

FISCAL IMPACT:

There is no fiscal impact with the adoption of the attached resolutions; however, if City Council and the Housing Authority Board decide to move forward with the Emergency Rental Assistance program, staff will return to the next Council Meeting with recommendations of reprogramming \$1.5M for consideration. Housing programs that were previously authorized by City Council may need to be modified or eliminated due to limited funding available in the Low and Moderate Income Housing Asset Fund.

ATTACHMENTS:

1. 2020-05-26 ATT 1- Housing Authority Resolution
2. 2020-05-26 ATT 2 - City Council Resolution
3. 2020-05-26 ATT 3 - COVID-19 ERAP Eligibility Guidelines.
4. 2020-05-26 ATT 4 - COVID-19 Income Limits
5. 2020-05-26 ATT 5 - COVID-19 Outreach Flyer

MOTION:

That the City Council and Culver City Housing Authority Board:

Adopt respective resolutions authorizing the use of \$1.505 million in repayments of amounts that were borrowed from, or payments owing to, the Low and Moderate Income Housing Fund of the former Culver City Redevelopment Agency (ERAF/SERAF Funds) citywide for the implementation of a COVID-19 Emergency Rental Assistance Program to assist low income Culver City renters impacted the COVID-19 public health crisis.