



City of Culver City

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Staff Report

File #: 21-92, **Version:** 1

Item #: C-5.

CC:HA - Appropriation of \$1.5 Million From the Culver City Housing Authority Low-and-Moderate Income Housing Asset Fund to Provide Rental Assistance to Culver City Up-to-Low-Income Renters Impacted by COVID-19.

Meeting Date: August 10, 2020

Contact Person/Dept: Sol Blumenfeld, Community Development Department
Tevis Barnes, Community Development Department, Housing Division

Phone Number: 310-253-5700
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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 (07/28/2020); Landlord Tenant Mediation Board (07/29/2020); Saint Joseph Center (07/28/2020) ; Upward Bound House (07/28/2020); Culver City Chamber of Commerce (08/05/2020) ; Apartment Association of Greater Los Angeles (08/05/2020); California Apartment Association (08/05/2020); Protect Culver City Renter (08/05/2020); Culver City Chamber of Commerce (08/05/2020); Culver City Unified School District (08/05/2020); Public Notice Culver News August 6- August 17, 2020; and (E-Mail) Meetings and Agendas - City Council (08/05/2020)

Department Approval: Sol Blumenfeld, Community Development Director (07/27/2020)

RECOMMENDATION:

Pursuant to City Council/Housing Authority Resolutions No. 2020 -R044 and No. 2020 -HA001 adopted by City Council on May 26, 2020, staff recommends the appropriation of \$1.5 million in repayments of amounts that were borrowed from, or payments owing to, the Low-and-Moderate-Income Housing Asset Fund (LMIHAF) of the former Culver City Redevelopment Agency (ERAF/SERAF Funds) citywide for the implementation of COVID-19 Emergency Rental Assistance Program (COVID-19 ERAP).

BACKGROUND:

On May 11, 2020, the City Council directed staff to return with guidelines to reactivate the Rental Assistance Program (RAP) established under the former Redevelopment Agency currently winding down through attrition of its remaining 16 participants.

On May 26, 2020, at the recommendation of the Culver City Council Ad Hoc Housing and Homelessness Subcommittee (Mayor Eriksson and Vice Mayor Fisch), the Council and the Authority adopted resolutions approving the use of \$1.5 million in loan repayment funds owed to the LMIHAF from the former Culver City Redevelopment Agency and made available as an enforceable obligation under the Recognized Obligation Payments (ROPS) from the State. The COVID-19 ERAP will assist up-to-low income Culver City renters impacted by the COVID-19 as part of the City's economic recovery response to the crisis created by the Pandemic

DISCUSSION:

The COVID-19 ERAP is designed to preserve and facilitate housing security and prevention of residents from falling into homelessness due to the pandemic. COVID-19 ERAP will provide either temporary 12-month rental assistance or one-time 3-month rent catch-up grants to income-eligible Culver City renter 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.

The program provides rent subsidies for those households defined as "extremely low income," "very low income," and "low income." Extremely low-income households earn below 30% of area median income, very low-income households earn up to 30% of area median income, and low-income household earn up to 80% of area median income for our area, as defined by the State of California Redevelopment Law (Attachment #4). Applicants must meet the criteria defined under the COVID-19 ERAP Guidelines attached. as (Attachment #3).

Public outreach to inform the Culver City community about the availability of the COVID-19 ERAP will be conducted for a period of 14 days. An announcement will be placed on the City website. An email blast will be transmitted to Saint Joseph Center, Upward Bound House, Culver City Unified School District, Apartment Association of Greater Los Angeles, California Apartment Association, Culver City Chamber of Commerce, local churches and service providers. In addition, for households without access to computers and WIFI, public notices will be published in the Culver News and Culver Observer.

Applications will be accepted both on-line and by mail. Applicants are encouraged to utilize the on-line application process. On-line applications will be accepted during a 72 hour period including both weekdays and weekend. Acceptance will be for 24 hours each day during the 72 - hour period.

To accommodate applicants without computers or WIFI access, paper applications will be mailed upon request. Each mailed application will include a postage paid envelope for return to the Housing Division at no cost. Applicants may also drop off their applications at the second floor

Housing Division office drop box located at City Hall 9770 Culver Blvd., Culver City, CA. For safe distancing reasons, Housing Division staff will not accept applications directly.

Applicants will be clearly notified that they may only submit either a paper application or an on-line application for either program component. Given the expected demand for the program and the necessity to timely review the expected large volume of applications, if an applicant submits both an on-line and mail-in application, the application will be denied. Applicants will be clearly notified that they may either submit for the 3-month grant program or the 12-month rental assistance program, not both. Applications submitted for both programs will be denied. Only one application will be accepted for each renter household indicating the property address and/or applicant social security number. Applicants must be a Culver City renter, 18 years of age or an emancipated minor. US citizenship is not required.

Applicants will have 7 days to submit their paper application. Applicants will be selected by lottery. The lottery will be conducted electrically with random selection of applicants. If an applicant is randomly selected by the lottery, their application will be reviewed to assure the applicant meets the program eligibility criteria. If an applicant is deemed ineligible the next randomly selected applicant will be selected. All mail-in applications will be input into the on-line system by Housing Division staff to be included in the lottery.

FISCAL IMPACT:

Upon Council and Authority approval, a total of \$1.5 million will be appropriated from the LMIHF to support up to 125 low income eligible households through the provision of either a 12-month rental subsidy or a one-time 3-month catch up rental assistance. The funds will be apportioned between \$355,000 to assist up to 50 income eligible house to receive one-time 3-month catch-up rental assistance and \$1.14 million to assist up to 75 income-eligible households to receive 12-month rental assistance. All rental assistance payments will be distributed directly to the participating property owner. There are sufficient funds in the Housing Authority budget to support this program. Funds to support the COVID-19 ERAP will be taken from Housing budgeted account number 47650890.618100.

ATTACHMENTS:

1. 2020-08-10 ATT - Housing Authority Resolution No. 2020-HA001 Approving and Authorizing an Emergency Rental Assistance Program to Assist Low Income Household Who Are Unable to Pay Rent Due to the Coronavirus Pandemic
2. 2020-08-11 ATT - City Council Resolution No. 2020 - R044 Making Findings With Respect to the Expenditure of ERAF/SERAF Funds Outside the Redevelopment Project Are
3. 2020-08-10 ATT - COVID-19 ERAP Eligibility Guidelines
4. 2020-08-10 ATT - COVID-19 ERAP Income Limit
5. 2020-08-10 ATT - COVID-19 ERAP Flyer (English version)
6. 2020-08-10 ATT - COVID-19 ERAP Flyer (Spanish version)

MOTION:

That the City Council and Culver City Housing Authority Board:

Appropriate \$1.5 million in repayments of amounts that were borrowed from, or payments owing to, the Low-and-Moderate-Income Housing Asset Fund (LMIHAF) of the former Culver City Redevelopment Agency citywide for the implementation of COVID-19 Emergency Rental Assistance Program.