

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION APPROVING AND ADOPTING THE TEMPLATE RESOLUTION
FROM THE STATE DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT, AUTHORIZING THE COUNTY'S PARTICIPATION IN THE STATE
RENTAL ASSISTANCE PROGRAM

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the Consolidated Appropriations Act of 2021 (Public Law 116-260), which was signed into law on December 27, 2020, allocates federal funds to assist in the recovery from the economic impacts of the COVID-19 pandemic, including \$25 billion for the Emergency Rental Assistance Program administered by the U.S. Treasury Department ("Federal ERAP"); and

WHEREAS, the Department of the Treasury has allocated Federal ERAP funds to each state, the District of Columbia, and the U.S. territories, based on population, and cities and counties with more than 200,000 residents, like San Mateo County, were eligible to receive a direct allocation of Federal ERAP funds; and

WHEREAS, on January 21, 2021, the County received from the federal government \$22,791,546.60 as its direct allocation of Federal ERAP funds; and

WHEREAS, all Federal ERAP funds must be expended by December 31, 2021, and further, if a recipient jurisdiction has not expended at least sixty-five percent (65%) of its Federal ERAP funds allocation by September 30, 2021, the federal government may reallocate such unexpended funds to other jurisdictions; and

WHEREAS, as enacted, the Federal ERAP allows jurisdictions to use these funds to operate rental assistance programs that meet certain program requirements; and

WHEREAS, funds from the Federal ERAP can be used to assist eligible households with (1) rent and rental arrears, (2) utilities and utility arrears, and (3) other expenses related to housing incurred, directly or indirectly, due to the COVID-19 pandemic, with priority afforded to rental arrears; and

WHEREAS, households meeting all of the following criteria are eligible for Federal ERAP assistance: (1) one or more individuals within the household qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship directly or indirectly due to the pandemic, (2) the household can demonstrate a risk of homelessness or housing instability, and (3) household income is below eighty percent (80%) of their area median income ("AMI"); provided, however, that jurisdictions must prioritize applicants with household incomes below fifty percent (50%) of AMI or with household members who are unemployed at the time application; and

WHEREAS, on January 29, 2021, Governor Gavin Newsom signed into law Senate Bill ("SB") 91, which took effect immediately and extends until June 30, 2021 the eviction and foreclosure protections previously established in Assembly Bill 3088 ("AB 3088"), and provides additional eviction and debt protections for qualifying tenants; and

WHEREAS, SB 91 also appropriates \$1.5 billion in Federal ERAP funds allocated to the State (i.e., Federal ERAP funds that were not directly allocated to larger

jurisdictions within the State) to implement a new Statewide Emergency Rental Assistance Program (the “State ERAP” or the “State Rental Assistance Program”); and

WHEREAS, the State ERAP, which will be administered by the State Department of Housing and Community Development (“HCD”), adopts the same criteria for eligible expenses and eligible households as the Federal ERAP, however, the State ERAP prioritizes funds (1) first to eligible households with a household income of less than fifty percent (50%) of AMI, (2) then to communities disproportionately impacted by COVID-19 (as determined by HCD), and (3) finally, to all other eligible households with a household income less than eighty percent (80%) of AMI; and

WHEREAS, under the State ERAP, participating landlords will receive eighty percent (80%) of unpaid rent for qualifying tenants accrued from April 1, 2020 through March 31, 2021 provided that the landlords agree to (1) accept such payment as payment in full of the rental debt owed by the household for whom rental assistance is being provided for that period, (2) release any and all claims for nonpayment of rent debt owed by that household for that period; and

WHEREAS, if a landlord chooses not to participate in the State ERAP, eligible households can receive direct financial assistance equal to twenty-five percent (25%) of their unpaid rent during that period, which they can apply toward their rental debt; and

WHEREAS, this is critical because, under SB 91, so long as an eligible household pays twenty-five percent (25%) of monthly rent owed during the Covered Period, the remaining seventy-five (75%) still accrues as civil debt, but cannot be grounds for eviction; and

WHEREAS, under the State ERAP, prospective rent payments through June 30, 2021 shall be exactly 25% of an eligible household's monthly rent.

WHEREAS, as a county with a population of over 200,000 residents, the County has three options to implement the State ERAP: (1) Option A—opt to have HCD administer the County's State and Federal allocations, following the State ERAP requirements; (2) Option B—opt to accept block grant funds from the State ERAP and agree to conform the County's Federal allocation to the State ERAP requirements; or (3) Option C—opt to have the State administer the County's State allocation with the County self-administering the County's Federal allocation and ensuring no duplication of benefits between the two separate programs; and

WHEREAS, in order to participate in the State Rental Assistance Program, the County was required to select Option A, B, or C on or before February 12, 2021; and

WHEREAS, on February 9, 2021, by Resolution No. 077985, the Board directed the County to participate in the State's Rental Assistance Program under Option A and authorized the County Manager, or designees(s), acting in consultation with the County Counsel, to negotiate and execute, on behalf of the County, appropriate agreements with the State, execute other forms and documents required by the State, and take any and all other actions necessary for the County to participate in the State ERAP, as implemented by HCD; and

WHEREAS, on February 10, 2021, the Director of the Human Services Agency ("HSA"), as the County Manager's designee, executed and submitted to HCD the State Rental Assistance Program Expression of Interest Form, electing for the County to participate in the State ERAP under Option A; and

WHEREAS, on February 26, 2021, HCD requested that HSA and other agencies representing local jurisdictions with populations of greater than 200,000 residents that each local jurisdiction's governing board approve and adopt, as soon as possible, the template resolution developed and distributed by HCD authorizing participation by the local jurisdiction in the State Rental Assistance Program; and **WHEREAS**, attached to this Resolution as Attachment A is HCD's template resolution for local jurisdictions, like the County, that have elected to participate in the State Rental Assistance Program under Option A; and

WHEREAS, HCD's template resolution contained in Attachment A has been appropriately modified to include information specific to the County; and

WHEREAS, at HCD's direction, staff requests that the Board authorize and adopt HCD's template resolution included in Attachment A, and upon the Board's authorization and adoption of said resolution, staff will send a certified copy of the resolution to HCD.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves and adopts the template resolution from the State Department of Housing and Community Development, authorizing the County's participation in the State Rental Assistance Program.

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