



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 21-117

Board Meeting Date: 2/9/2021

Special Notice / Hearing: None

Vote Required: 4/5

To: Honorable Board of Supervisors

From: Michael Callagy, County Manager

Subject: Accept funds in the amount of \$22,791,547 from the U.S. Treasury Department for emergency rental assistance.

RECOMMENDATION:

Approve an Appropriation Transfer Request (ATR) in the amount of \$22,791,547 accepting unanticipated revenue from the U.S. Department of Treasury to facilitate the distribution of emergency rental assistance to eligible households unable to pay rent and utilities due to COVID-19.

BACKGROUND:

On December 27, 2020, the President signed into law the Consolidated Appropriations Act (the "Act"), 2021, Public Law 116-260, which established a Federal Emergency Rental Assistance Program. The Emergency Rental Assistance Program makes available \$25 billion to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. The funds are provided directly to state and local governments to provide assistance to eligible households through existing or newly created rental assistance programs. Of the total amount, \$500 million was allocated to U.S. territories and \$800 million to tribal communities. The remaining funds were allocated to states and localities with populations of 200,000 or more.

At least ninety percent of these funds must be used for payment of rent, rental arrears, utilities, home energy costs and other related housing expenses. The remaining ten percent are made available for housing stability services. Preference will be given to the most vulnerable households, such as those with 50 percent of area median income and below. Support to eligible households can cover up to 18 months of arrears and limits prospective assistance to no more than 12 months. Funds must be used by December 31, 2021.

DISCUSSION:

San Mateo County has had an emergency financial assistance program that covers rent, utilities and transportation assistance since 2013 for households making 60% or less than the Average Median Income (AMI). The County program is run by the eight Core Services Agencies located throughout

the County and Samaritan House serves as the fiscal agent.

When the pandemic started, the Board of Supervisors appropriated \$1,000,000 in additional funds for this program and mandated that recipient households document that they had been adversely financially impacted by the pandemic. Cities and foundations also contributed to the rental assistance fund and the Board of Supervisors made an additional \$2,000,000 contribution in late 2020. In addition to the County's \$3,000,000 contribution, an additional \$12,000,000 has been donated to this program by other entities or individuals. By the end of 2020, \$10,500,000 of the aforementioned \$15,000,000 had been disbursed.

In January 2021, the County provided payment information to the United States Treasury in order to accept an award of funds under the Emergency Rental Assistance program.

With the continuation of the pandemic, the need for additional assistance with rent and utilities by San Mateo County residents continues to grow. Eligible households may receive up to 12 months of assistance, plus an additional 3 months if the County determines the extra months are needed to ensure housing stability and grantee funds are available. Keeping individuals and families housed is one of the highest County priorities which is why we welcome funding from the Federal government to expand the County rental assistance program.

This ATR has been approved by the County Manager and Controller or their authorized designees.

FISCAL IMPACT:

This ATR recognizes \$22,791,547 in unanticipated monies from the U.S. Department of Treasury to Non-Departmental Services to facilitate the distribution of emergency rental assistance to eligible households unable to pay rent and utilities due to COVID-19.