

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.12
(ID # 13545)**

MEETING DATE:

Tuesday, September 29, 2020


FROM: HOUSING, HOMELESSNESS PREVENTION AND WORKFORCE SOLUTIONS:

SUBJECT: HOUSING, HOMELESSNESS PREVENTION AND WORKFORCE SOLUTIONS:
Adjustments and Modifications to the Riverside County Rental Relief Fund, All
Districts, [\$8,360,000 - 100% Federal CARES Act Fund]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize the reallocation of \$8,360,000 in federal funding under the Coronavirus Aid Relief and Economic Security Act (Section 5001, Public Law 116-136; CARES Act) from the Riverside County Rental Relief Fund to the Project Homekey initiative;
2. Set aside \$8,360,000 in Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) CARES Act funding as substitute funding for the Riverside County Rental Relief Fund to replace previously allocated CARES Act funding should the need for additional funding arise;
3. Authorize the Director of Housing, Homelessness Prevention and Workforce Solutions (HHPWS), or designee, to execute, subject to County Counsel approval as to form any, and all related documents necessary to implement and administer the reallocation of funding including, but not limited to, amendments with the Rental Relief Fund sponsors to adjust the funding amounts accordingly and any non-substantive amendments for such programs.

ACTION: Policy


Heidi Marshall, Director 9/21/2020

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: September 29, 2020
xc: HHPWS

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$8,360,000	\$ 0	\$8,360,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Federal CARES Act Fund			Budget Adjustment: No	
			For Fiscal Year: 2020/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On June 2, 2020, the Board of Supervisors approved an allocation of \$30 million in CARES Act funding for the establishment of the Riverside County Rental Relief Fund to provide financial support to renters economically impacted by the COVID-19 pandemic. The rental relief program, known as United Lift (www.unitedlift.org) was originally projected to serve 10,000 households with up to \$3,500 in rental assistance paid directly to the landlord. The program which is administered by the United Way of Inland Valleys and Lift to Rise was officially launched on June 15th. The program has included wide community outreach and marketing including pop-up application events to facilitate broader community access.

As of September 18, 2020, more than 6,000 applicants had applied to the program, of which 1,954 were approved and \$6,336,935 of funding was expended. To address the underutilization of the program, staff-initiated program modifications to increase utilization rate in early September. These modifications included removing the rental arrear requirement and allowing for one lump sum payment of \$3,500 to be issued for each approved household. Despite these modifications, program utilization and expenditures remain below original projections. As of September 25, 2020, the program has assisted 2,318 households and expended approximately \$7.6 million. Based on application and approval volume in September, staff project that the program will expend approximately \$21.6 million in funding and will assist 5,325 households for the funding period. This will leave approximately \$8,360,000 million in unspent funds.

To maximize the use of CARES Act funding for housing purposes, staff recommends reallocating \$8,360,000 in rental relief funding to support the County's Project Homekey initiative. Project Homekey is a statewide effort to help cities and counties convert hotels, motels, apartments and other buildings into permanent, supportive housing for persons experiencing homelessness. The state has allocated \$600 million to this effort through a competitive application process. On September 1st, the Board of Commissioners for the Housing Authority of the County of Riverside (HACR) authorized the submission of three separate applications to the California Department of Housing and Community Development (HCD). As part of the Homekey Program applications submitted to the State, the County committed to providing County CARES matching funds in the amount of \$8,250,000 to ensure the applications were highly competitive and eligible for additional funding. The Housing Authority was formally notified that all

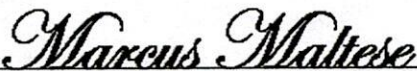
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three applications received a funding reservation from HCD which will highlight state investment and support the creation of approximately 147 new units of permanent, supportive housing.

To offset this reallocation of funding, staff is additionally proposing to set aside \$8,360,000 in departmental funding via the CDBG and ESG CARES Act funding in the event that the rental relief fund receives a significant increase in utilization. This funding has historically been used to support rental assistance within the county and is available beyond the December 31st expiration date of the CARES Act funding. Staff will also initiate additional efforts to increase utilization through improvements to the program application form and through additional outreach to county departments such as the Department of Public Social Services, the Workforce Development Division, Public Health and other partners to increase program awareness and accessibility.

Impact on Residents and Businesses

The proposed funding reallocation will allow CARES Act funding to be expended timely and efficiently. It will also result in the creation of 147 units of new permanent, supportive housing for homeless residents.



Marcus Maltese

9/22/2020



Gregory V. Priamos, Director County Counsel

9/22/2020