



Emergency Rental Assistance Program Options

City Council Public Hearing

February 9, 2021

Background

- Congress established the Emergency Rental Assistance Program (ERAP) and appropriated \$25 billion in federal rental assistance.
- \$2.6 billion is allocated for use in the State of California.
 - \$1.5 billion has been allocated to the State of California as a Block Grant program.
 - \$1.1 billion has been allocated directly by the U.S. Treasury to counties and cities with populations >200,000.
- The State Block Grant has a \$14.8 million reservation of funds for the City of Long Beach.
- Long Beach has already received \$13.75 million directly from the U.S. Treasury.

Implementation Options

Option A

- The City will participate in the State ERAP and will also direct its Federal Allocation through the State Program to serve its population.

Option B

- The City requests its reserved Block Grant from the State and will conform to the State ERAP Rules when self-administering a local program combining the State and Federal resources.

Option C

- The City will not conform to the State ERAP Rules, will self-administer the Federal Allocation, acknowledges that the State will also serve its population via the State ERAP, and accepts responsibility for duplication of benefits checks between the two programs.

Implementation Options

| | Pros | Cons |
|--|---|---|
| <p>Option A The City will participate in the State ERAP</p> | <ul style="list-style-type: none"> • Fastest option for speed of payment to recipients. • Fewest City resources required. | <ul style="list-style-type: none"> • Program is not administered locally. |
| <p>Option B Locally Administered Program based on State ERAP</p> | <ul style="list-style-type: none"> • Standardizes program design across State and Federal allocations. • Local control of program administration. | <ul style="list-style-type: none"> • Risk that City resources may be required. • Risk associated with use of a new technology partner. • Risk of contracting delay. |
| <p>Option C The City will not confirm to the Sate ERAP rules will only administer its own allocation.</p> | <ul style="list-style-type: none"> • City program would not be required to conform to State requirements. | <ul style="list-style-type: none"> • High risk of confusion among target constituencies. • High audit/compliance risk due to possibility of duplication of benefits. • Risk that City resources may be required. |

Recommended Implementation Option

Staff recommends that the City choose **Option B**.

- Highest level of standardization across both Federal and State Block Grant Allocations.
- The Program can be customized within the bounds of State requirements.
- The Program will be locally administered.

Requirements of Option B:

- The City must attest to its ability to implement the resources.
- The City must prove conformance with State requirements.
- A contractor with demonstrated ability to quickly administer \$29M in funds.
- Partnership with a local non-profit community organization to conduct outreach and education.

Recommendation

RECOMMENDATION:

Receive a report on the State Emergency Rental Assistance Program (ERAP) and adopt staff recommendation, Option B, relating to the implementation of the ERAP. (Citywide)

The State is requiring jurisdictions to submit an Expression of Intent Form by February 12, 2021, to be eligible to receive the Block Grant funding. This form will commit the City to its chosen implementation option.



Thank you

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