

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO. RES-22-0073

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING A STATE RENTAL
5 ASSISTANCE PROGRAM LOAN AWARD
6

7 WHEREAS, on December 27, 2020, the Consolidated Appropriations Act,
8 2021 (Pub.L. No. 116-260) (the "Act") was signed into law. Section 501 of Division N of
9 the Act established the federal Emergency Rental Assistance Program ("ERA1"), and
10 authorized the direct allocation of emergency rental assistance funds to states, units of
11 local government, tribal communities, and territories. The ERA1 funds are intended to
12 assist households that are unable to pay rent and utilities due to the COVID-19
13 pandemic; and

14 WHEREAS, on March 11, 2021, the American Rescue Plan Act of 2021
15 (Pub.L. No. 117-2) ("ARPA") was signed into law. Section 3201 of Subtitle B of Title III of
16 ARPA established the federal Emergency Rental Assistance Program ("ERA2"), and
17 authorized the direct allocation of funds to states, the District of Columbia, units of local
18 government, territories, and high-need grantees. The ERA2 funds are intended to assist
19 low-income households that have experienced financial hardship during or due to the
20 COVID-19 pandemic, are unable to pay for rent and utilities, and are at risk of
21 experiencing homelessness or housing instability; and

22 WHEREAS, California Assembly Bill No. 832 (Chapter 27, Statutes of 2021)
23 ("AB 832") provides the legal basis for the State of California's administration of its share
24 of ERA1 and ERA2 funds (the "State Rental Assistance Program," "SRA," or "SRA
25 Funds"). AB 832 amended Sections 50897, 50897.1, 50897.2, 50897.3, and 50897.4 of,
26 and added Sections 50897.2.1 and 50897.3.1 to, the Health and Safety Code. Health and
27 Safety Code section 50897.1, subdivision (a)(1) authorizes the Department of Housing
28 and Community Development (the "Department") to administer the SRA Funds in

1 accordance with state and federal law; and

2 WHEREAS, California Senate Bill No. 115 (Chapter 2, Statutes of 2022)
3 (“SB 115”) authorized eligible local jurisdictions and federally recognized tribal
4 governments to request cashflow loans from the Department for Emergency Rental
5 Assistance Program expenditures. Such expenditures must be for complete, eligible
6 applications by households that were received on or before March 31, 2022, including
7 administrative costs that are consistent with the provisions of Chapter 17 (commencing
8 with Section 50897) of Division 31 of Part 2 of the Health and Safety Code, as applicable;
9 and

10 WHEREAS, in enacting SB 115, the Legislature’s intent was to provide
11 local programs with immediate cash, in the form of temporary cashflow loans, to
12 maximize rental relief to all eligible households as the local programs await additional
13 federal funding from either ERA1 or ERA2. If the anticipated federal funding is not
14 received by June 30, 2023, and if such funds cannot be utilized for reimbursements, the
15 Department of Finance will forgive an amount up to the amount not covered by the
16 federal allocation; and

17 WHEREAS, as authorized by SB 115, the Department will make such
18 cashflow loans available pursuant to terms and conditions developed by the Department.
19 Such terms and conditions may include, but are not limited to, reporting; a repayment
20 schedule; interest charged at the rate earned by moneys in the Pooled Money Investment
21 Account; and remittance mechanisms that include the withholding of future state and
22 federal funding administered by the Department; and

23 WHEREAS, the City of Long Beach (“City”) is participating in the SRA
24 under “Option B,” as that term is defined in subdivision (i) of Section 50897 of the Health
25 and Safety Code; or is a federally recognized tribal government, consistent with the
26 state’s implementation of Chapter 17 (commencing with Section 50897) of Division 31 of
27 Part 2 of the Health and Safety Code; and

28 WHEREAS, City applied to the U.S. Department of the Treasury

1 (“Treasury”) for a reallocation of ERA1 funds (the “ERA1 Reallocation”) by submitting one
2 or more appropriate requests for reallocated funds to Treasury’s portal (“Reallocation
3 Request”) by January 21, 2022. City will apply to the Treasury for a reallocation of ERA2
4 funds (the “ERA2 Reallocation”) once those reallocation moneys become available. The
5 ERA1 Reallocation and the ERA2 Reallocation are also referred to herein, individually
6 and collectively, as the “ERA Reallocation(s)”; and

7 WHEREAS, City desires to request and accept a temporary cashflow loan
8 of funds from the Department, as authorized by SB 115 (this amount, the “SRA Loan
9 Award”), while it awaits the additional federal funding described above; and

10 WHEREAS, City plans to administer any ERA Reallocation in accordance
11 with the applicable federal law (the Act and/or ARPA); the applicable Treasury
12 interpretive guidance; and all such requirements as may be subsequently amended and
13 applicable; and

14 WHEREAS, City acknowledges that every SRA Loan Award is subject to
15 and shall be administered in accordance with the state’s requirements for Round 2 of the
16 State Rental Assistance Program, including, without limitation, the applicable
17 requirements of AB 832; SB 115; the Department’s State Rental Assistance Program
18 Guidelines, dated September 27, 2021; and all such requirements as may be
19 subsequently amended (collectively, the “SRA Loan Award Requirements”); and

20 WHEREAS, City further acknowledges that every SRA Loan Award is
21 subject to the terms and conditions of a Department-approved STD 213, Standard
22 Agreement (“Standard Agreement”), all other documents required or deemed necessary
23 or appropriate UNDER STATE OR FEDERAL LAW to disburse, evidence, and secure the
24 SRA Loan Award, and all amendments thereto (collectively, the “SRA Loan Award
25 Documents”);

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1 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
2 follows:

3 Section 1. City is hereby authorized and directed to request and accept
4 an SRA Loan Award totaling Twenty-Eight Million Thirty-Three Thousand Eight Hundred
5 Forty Dollars (\$28,033,840). Such amount matches the Reallocation Request submitted
6 in November 2021 or in January 2022 and does not exceed the amount set forth in the
7 City’s last-in-time Reallocation Request submitted to Treasury.

8 Section 2. City is hereby authorized and directed to enter into, execute,
9 and deliver the SRA Loan Award Documents, which shall include a Standard Agreement
10 in a total amount not to exceed Sixty Four Million Eight Hundred Thousand Dollars
11 (\$64,800,000).

12 Section 3. City is hereby authorized and directed to assume
13 responsibility for administering the SRA Loan Award in accordance with all SRA Loan
14 Award Requirements.

15 Section 4. Thomas B. Modica, City Manager, or designee, is authorized
16 to execute the SRA Loan Award Documents on behalf of the City for participation in the
17 State Rental Assistance Program – Round 3

18 Section 5. This resolution shall take effect immediately upon its adoption
19 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of May 10, 2022 by the following vote:

Ayes: Councilmembers: Zendejas, Allen, Saro, Uranga,
Richardson.

Noes: Councilmembers: None.

Absent: Councilmembers: Price, Supernaw, Mungo, Austin.

Recusal(s): Councilmembers: None.



City Clerk