

MOTION BY SUPERVISOR HILDA L. SOLIS

MAY 4, 2021

Participating in the State of California's Rental Assistance Program

On January 5, 2021, the federal government passed the Consolidated Appropriations Act (Act) which created Emergency Rental Assistance Program (ERAP) to assist households unable to pay rent and utilities due to the COVID-19 pandemic. The ERAP allocated funding directly to local governments with a population of 200,000 or more. In addition to the ERAP, the County has the opportunity to leverage additional rental assistance funds the State of California (State) received directly from the federal government through the ERAP, approved by Senate Bill (SB) 91, which allocates \$1.5 billion towards rental assistance throughout the State (State Rental Assistance Program). The County's share of the State Rental Assistance Program funds is approximately \$170 million. In January 2021, the County received its direct allocation from the U.S. Treasury (Treasury) of approximately \$160.1 million for emergency rental assistance for eligible households (ERAP Funds) in the County of Los Angeles.

The State is encouraging counties to partner and join its program to eliminate confusion for tenants and landlords because of multiple programs available amongst the

MOTION

MITCHELL	_____
KUEHL	_____
HAHN	_____
BARGER	_____
SOLIS	_____

multitude of jurisdictions. Partnering with the State will allow it to administer a rental assistance program within the County's jurisdiction in a consistent manner. This opportunity for the County to partner with the State will make resources and rental assistance available for County residents impacted by COVID-19 in an effective manner. A partnership with the State ensures that tenants applying for relief are able to do so with one entity, therefore maximizing efficiencies and assistance to tenants in need of assistance and minimizing confusion.

The State has agreed to advance the County, by and through the Los Angeles County Development Authority (LACDA) acting as the County's agent, for any administration costs, not to exceed one and half percent (1.5%) of the total ERAP Funds in providing assistance which includes, but is not limited to, marketing and outreach to Los Angeles County residents in the most vulnerable communities, and report and information gathering to administer the County's ERAP Funds for the State Rental Assistance Program. Upon execution of any agreements with the State and transfer of County's allocation of its ERAP Funds, the County will submit to the Treasury a Redirected Funds Form providing notice that the County has redirected its ERAP Funds to the State. The State will then be legally obligated to the Treasury for the ERAP Funds including but not limited to the mandated reporting obligations.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Approve and authorize the Chair to sign the attached Resolution authorizing the County to allocate its share of ERAP Funds plus earned interest, as a local government grantee, as defined in the Act, and any proposed allocation of State

Rental Assistance Program funds to the State, for administration and distribution of rental assistance to tenants in Los Angeles County.

2. Approve the attached appropriation adjustment that reflects an increase of \$160,151,000 in appropriation in the Affordable Housing budget unit offset by a corresponding increase in federal revenue and earned interest from the ERAP to fully fund and launch the State Rental Assistance Program to be administered by the State within the County's jurisdiction and provide the LACDA with funding for administration of the State Rental Assistance Program.
3. Delegate authority to the CEO, or her designee, to execute any and all agreements, and any necessary amendments, in accordance with the Act and as authorized pursuant to Health and Safety Code section 50897.3, subdivision (b)(3) among other applicable laws, with the State of California to transfer the County's allocation of ERAP Funds to the State, as a State or local government grantee, for its State Rental Assistance Program to be administered within the County's jurisdiction.
4. Delegate authority to the CEO, or her designee, to receive from the State an advance of administration costs and execute an agreement, and any necessary amendments with the LACDA, in accordance with the Act and as authorized pursuant to Government Code section 26227, among other applicable laws, up to one and a half percent of the ERAP Funds to the LACDA to assist the State in the administration of the ERAP Funds for the State Rental Assistance Program to be distributed to Los Angeles County residents.

WE FURTHER MOVE THAT THE BOARD OF SUPERVISORS ACTING AS THE

BOARD OF COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT
AUTHORITY:

1. Accept delegation to act on behalf of the County in providing outreach to Los Angeles County residents and administration of the County's ERAP Funds for the State Rental Assistance Program and delegate authority to the Executive Director, or his designee, to accept and incorporate up to one and a half percent of the County's ERAP Funds into the LACDA approved Fiscal Year 2020-21 budget.
2. Delegate authority to the Executive Director, or his designee, to execute an agreement, and any necessary amendments, with the County, for the transfer of the County's retention of administration costs of ERAP Funds up to one and a half percent of the County's ERAP Funds, and any related agreements and necessary amendments, including sole-source, with any consultants, community-based organizations, service providers, including but not limited to cities and nonprofits, necessary to assist the State in the administration of the ERAP Funds for the State Rental Assistance Program to be distributed to Los Angeles County residents.
3. Authorize the Executive Director, or his designee to hire or contract for positions as appropriate to assist the County in partnering with the State to administer the State Rental Assistance Program to be distributed to Los Angeles County residents.

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HLS: WR: ap

AUTHORIZING RESOLUTION

Resolution No.: 79153

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AUTHORIZING PARTICIPATION IN THE STATE RENTAL ASSISTANCE PROGRAM

WHEREAS:

- A. On December 27, 2020, the Consolidated Appropriations Act, 2021 (Pub.L. No. 116-260) (the “**Act**”) was signed into law. Section 501 of Division N of the Act established the federal Emergency Rental Assistance Program (“**ERAP**”), and authorized the direct allocation of funds to states, units of local government, tribal communities, and territories. The ERAP funds are intended to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic.
- B. California Senate Bill No. 91 (2021-2022 Reg. Sess.) (“**SB 91**”) established the State of California’s program for administering its share of ERAP funds (the “**State Rental Assistance Program**,” “**SRAP**,” or “**State Rental Assistance Funds**”). SB 91 added Chapter 17 (commencing with Section 50897) to Part 2 of Division 31 of the Health and Safety Code. Health and Safety Code section 50897.1, subdivision (a)(1) authorizes the Department of Housing and Community Development (the “**Department**”) to administer the State Rental Assistance Funds in accordance with state and federal law.
- C. On January 15, 2021, the County of Los Angeles (“**County**”) received an allocation of ERAP funds from the U.S. Department of the Treasury (“**Treasury**”) in the amount of \$161,073,410.70 (this amount, the County’s “**Direct Federal Allocation**”).
- D. The County will submit to the Treasury a Redirected Funds Form giving notice that the Department will administer the County’s Direct Federal Allocation for and on behalf of the County upon execution of an agreement with the State and transfer of its Direct Federal Allocation to the State, as a State or local government grantee, as defined as defined in Section 501(a) of Division N of the Act.
- E. The County will also receive a share of State Rental Assistance Funds, which is approximately \$170 million, pursuant to Health and Safety Code section 50897.2, subdivision (a)(3) (this amount, the County’s “**Proportionate SRAP Share**”). The Department will administer the County’s Proportionate SRAP Share pursuant to Health and Safety Code section 50897.3.

THEREFORE, IT IS RESOLVED THAT:

1. The County is hereby authorized and directed to transmit its Direct Federal Allocation to the Department, in the amount of \$160,073,410.70 plus accrued interest, so that the Department will administer the County’s Direct Federal Allocation, as a State or local government grantee pursuant to the Act and the County’s Proportionate SRAP Share pursuant to Health and Safety Code section 50897.3, subdivision (b)(3) for and on behalf of the County. The State will advance the County administration costs not to exceed one and a half percent (1.5%) to assist the State in the administration of the County’s Direct Federal Allocation for the State Rental Assistance Program for and on behalf of the County.
2. The Chief Executive Officer, or her designee, is hereby authorized and directed to enter into, execute, and deliver any and all documents (and amendments thereto) that are required or deemed necessary or appropriate under state or federal law to govern the Department’s administration of the County’s Direct Federal Allocation for and on behalf of the County (collectively, the “**HSC 50897.3 Documents**”). Such HSC 50897.3 Documents shall include a Department-approved STD 213, Standard Agreement in a

total amount not to exceed \$160,073,410.70 (the “**Standard Agreement**”) plus accrued interest, its exhibits and all amendments thereto.

3. County acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement and all associated exhibits.
4. The Chief Executive Officer, or her designee, is hereby authorized to execute the HSC 50897.3 Documents and any subsequent amendments or modifications thereto, as well as any other documents which are related to the State Rental Assistance Program or the County's Direct Federal Allocation, for and on behalf of the County for participation in the State Rental Assistance Program.

PASSED AND ADOPTED this 4th day of May, 2021, by the following vote:

AYES: 5 NAYES: NONE ABSTAIN: NONE ABSENT: NONE

The undersigned of County of Los Angeles, does hereby attest and certify that the foregoing is a true and full copy of a resolution of the governing body adopted at a duly convened meeting on the date above-mentioned, and that the resolution has not been altered, amended, or repealed.

SIGNATURE: Hilda L. Solis

DATE: May 4, 2021

NAME: Hilda L. Solis

TITLE: Chair of the Board

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
County Counsel



ATTEST: CELIA ZAVALA
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By Kgometa, Deputy

By Behnaz Tashakorian
Deputy

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BA FORM 05142019

BOARD OF SUPERVISORS
OFFICIAL COPY

May 04, 2021

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE

FY 2020-21

4 - VOTES

SOURCES

USES

AFFORDABLE HOUSING
A01-AM-90-90WE-10160

COVID-19 EMERGENCY RENTAL ASSISTANCE PROGRAM
INCREASE REVENUE

160,082,000

AFFORDABLE HOUSING
A01-AM-5500-10160

OTHER CHARGES
INCREASE APPROPRIATION

160,151,000

AFFORDABLE HOUSING
A01-AM-86-8614-10160
INTEREST ON ADVANCES
INCREASE REVENUE

69,000

SOURCES TOTAL

\$ 160,151,000

USES TOTAL

\$ 160,151,000

JUSTIFICATION

Reflects an appropriation increase of \$160,151,000 in the Affordable Housing budget unit, offset by a corresponding increase in federal revenue and earned interest from the Emergency Rental Assistance Program to fully fund and launch the State Rental Assistance Program to be administered by the State within the County's jurisdiction and provide the Los Angeles County Development Authority with funding for administration of the State Rental Assistance Program.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Allison E. Clark

Digitally signed by Allison E. Clark
DN: cn=Allison E. Clark, o=CEO, ou=CEO,
email=allison.clark@co.lacounty.gov, c=US
Date: 2021.04.28 14:09:58 -0700

AUTHORIZED SIGNATURE

Allison E. Clark, Senior Manager, CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

71 B

MAY 04 2021

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

CELIA ZAVALA

EXECUTIVE OFFICER

☒ RECOMMENDATION

AUDITOR-CONTROLLER

B.A. NO.

249

BY

DATE

Clair Boyd
4/28/21



APPROVED AS REQUESTED



APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

Matthew McDiarmid
4/28/2021

DATE