



July 2, 2020

TO: Board of Supervisors

FROM: Emilio Salas, Acting Executive Director
Los Angeles County Development Authority

A handwritten signature in black ink, appearing to read "Emilio Salas", written over the name in the "FROM" field.

Joseph M. Nicchitta, Director
Department of Consumer and Business Affairs

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SUBJECT: EMERGENCY RENTAL ASSISTANCE FOR COVID-19 IMPACTED FAMILIES

On April 14, 2020, the Board of Supervisors (Board) adopted a Motion authored by Supervisors Janice Hahn and Hilda L. Solis instructing the Acting Executive Director of the Los Angeles County Development Authority (LACDA), along with the Chief Executive Officer, through the Legislative Affairs and Intergovernmental Relations Division (CEO LAIR), and the Director of the Department of Consumer and Business Affairs (DCBA), to "secure additional Coronavirus Aid, Relief, and Economic Security (CARES) Act funds to implement a Countywide Emergency Rental Assistance (ERA) program, seek additional funding to leverage CARES Act funds, including philanthropy and private funding, and report back with an implementation plan" for the Program for those impacted by COVID-19.

The LACDA and DCBA worked in collaboration with the CEO LAIR to prepare this report.

COUNTYWIDE EMERGENCY RENTAL ASSISTANCE PROGRAM

The ERA has been launched in the unincorporated areas of the 1st, 2nd, 4th, and 5th Districts utilizing \$3.7 Million allocated to the Districts through the initial Community Development Block Grant (CDBG) funding allocated from the CARES Act. The ERA application period was open through May 31, 2020 after which, a lottery determined which applicants advanced to assistance. A variation of the ERA targeting mom and pop landlords was also made available through the LACDA with \$300,000 and \$800,000 of CARES Act CDBG from the 1st and 2nd Districts, respectively. With these programs, we received over 8,000 applicants that met our initial screening criteria, which exceeds the goal of assisting over 1,000 households. The ERA that has been targeted for the unincorporated areas of the County targeted renters that are at 80% of the median income or below, prior to the COVID-19 orders, and have also subsequently been impacted by economic loss during this crisis. The criteria were created to target families, who were

most in need. With this modest amount of assistance, prior to eviction, families may be able to stabilize into economic recovery. The known funding sources that are available to continue implementing the ERA are currently limited to CARES Act from U.S. Treasury, CDBG, and HOME Investment Partnerships Program (HOME). If other funding becomes available for this purpose, we would be able to incorporate into this same or similar models that we have just deployed.

Based on the demand of our programs, we anticipate that it would take approximately \$25,000,000 to meet the unmet demand of the current list of renters in the unincorporated areas that we were not able to assist with the \$3.7 Million. 211LA also screened out many calls from renters who were not eligible because they resided outside the unincorporated areas. If we were to offer ERA to residents of the 48 participating cities, we would need another \$25,000,000 for a total of \$50,000,000, as the division of funding within our existing CDBG program is nearly split between cities and unincorporated areas based on population, poverty, and overcrowded housing. If CARES Act funds were made available from U.S. Treasury or a more flexible funding source were made available, we may be able to provide aid beyond the participating cities and unincorporated areas.

CONCLUSION

ERA will assist both renters and property owners in regaining economic recovery during these challenging economic times.

We will need additional time to know what funding is available for the ERA given the many needs created by the COVID-19 crisis. Several report backs have considered the funding sources identified in this report. We will continue to work with our partners in the County to determine funding levels to address these needs. Philanthropic funding would be welcomed but these opportunities have not been available to us up to this point in time.

If you have any questions or need further information, please contact Davon Barbour, LACDA Director of Community & Economic Development Division at 626-586-1790 or Linda Jenkins, LACDA Assistant Director of Community & Economic Development Division at 626-586-1765.

c: Each Deputy

DB:LJ:nb/m-report back to BOS