

MOTION BY SUPERVISOR HILDA L. SOLIS

November 2, 2021

**FEDERAL EMERGENCY RENTAL ASSISTANCE PROGRAM**

On March 11, 2021, the American Rescue Plan Act of 2021 (Pub.L. No. 117-2) (“ARPA”) was signed into law. ARPA established the federal Emergency Rental Assistance Program (ERA 2), and authorized the direct allocation of funds to states, the District of Columbia, units of local government, territories, and high-need grantees. In May 2021, the County received its allocation of ERA 2 funds from the U.S. Treasury (Treasury) in the amount of \$84,721,743.72 (ERA 2 Funds). The ERA 2 Funds are intended to assist low-income households that have experienced financial hardship during or due to the COVID-19 pandemic, are unable to pay for rent and utilities, and are at risk of experiencing homelessness or housing instability.

The State of California’s share of funds are known as State Rental Assistance Program – Round 2 (SRA 2 Program), and the Housing and Community Development (HCD) has been authorized to administer the funds. HCD will apportion and administer the funds for localities and provide grants to support administrative costs associated with SRA 2 Program (Supplemental Administrative Costs), not to exceed \$6,354,131.

The County previously provided its allocated ERA funds in round 1 of allocations by the Treasury in the amount of \$160.1 million to the State for its State Rental Assistance Program to be allocated to Los Angeles County residents. The State has been successful in distributing rental assistance to County residents and as of October 23, 2021 has distributed \$308,152,988 and assisted 25,937 households. The State has continued to

**MOTION**

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take applications and does not have an end date at this time. Currently, the State has obligated \$576,346,899, which exceeds the available budget, demonstrating continued need for ERA2.

The Treasury has instructed the County and other local entities in order to have the State administer ERA 2 funds on their behalf that the County must return its fully allocation of ERA 2 Funds to Treasury and request the grant be "up-streamed" to the State. Upon the County's return of the ERA 2 Funds to the Treasury, the County would execute the State's agreements and the attached signed Resolution for adoption by the Board of Supervisors. HCD will continue to track the County's allocation of ERA funds and administer both of County's federal and state rental assistance program funds and will be responsible for all reporting and audit requirements associated in the receipt of such funds.

The State has agreed to advance the County, by and through the Los Angeles County Development Authority (LACDA), acting as the agent of the County, for any administration costs, not to exceed three percent (3%) of the total ERA 2 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 ERA 2 Funds for the State Rental Assistance Program.

**I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:**

1. Direct the Chief Executive Officer, or her designee, to return the County's allocation of ERA 2 Program funds in the amount of \$84,721,743.72, including any interest earned, if required, to the Treasury and notify the Treasury of the Board's intent to have the State of California administer the ERA 2 Program funds on behalf of the County within the County boundaries.
2. Adopt and instruct the Chair to sign the attached Resolution authorizing the County to participate in the State Rental Assistance Program for ERA 2 where the State will administer and distribute rental assistance to qualified tenants in Los Angeles County.

3. Direct the Chief Executive Officer, or her designee, to return the County's allocation of ERA 2 Program funds in the amount of \$84,721,743.72 to the Treasury and notify the Treasury of the Board's intent to have the State of California administer the ERA 2 Program funds on behalf of the County within the County boundaries.
4. Approve the attached appropriation adjustment that reflects an increase of \$84,722,000 in appropriation in the Affordable Housing budget unit offset by a corresponding increase in federal revenue from the ERA 2.
5. 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 ERA 2 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.
6. 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 ARPA and as authorized pursuant to Government Code section 26227, among other applicable laws, up to three percent (3%) of the ERA 2 Funds to the LACDA to assist the State in the administration of the ERA 2 Funds for the State Rental Assistance Program to be distributed to Los Angeles County residents.

**I FURTHER MOVE THAT 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 ERA 2 Funds for the State Rental Assistance Program and delegate authority to the Executive Director, or his designee, to execute an agreement, and any necessary amendments, with

the County to accept and incorporate up to three percent (3%) of the County's ERA 2 Funds into the LACDA approved Fiscal Year 2021-2022 budget.

2. Authorize the Executive Director, or his designee, to execute any related agreements and necessary amendments, with any consultants, community-based organizations, and service providers, including but not limited to cities and nonprofits, as necessary to assist the State in the administration of the ERA 2 Funds for the State Rental Assistance Program within Los Angeles County.

# # #

**ON LETTERHEAD**

**AUTHORIZING RESOLUTION**

**A RESOLUTION OF THE GOVERNING BODY OF THE COUNTY OF LOS ANGELES  
PARTICIPATION IN THE STATE RENTAL ASSISTANCE PROGRAM – ROUND 2**

**WHEREAS:**

- A. On March 11, 2021, the American Rescue Plan Act of 2021 (Pub.L. No. 117-2) (“ARPA”) was signed into law. Section 3201 of Subtitle B of Title III of ARPA established the federal Emergency Rental Assistance Program (“ERA2”), and authorized the direct allocation of funds to states, the District of Columbia, units of local government, territories, and high-need grantees. The ERA2 funds are intended to assist low-income households that have experienced financial hardship during or due to the COVID-19 pandemic, are unable to pay for rent and utilities, and are at risk of experiencing homelessness or housing instability.
- B. California Assembly Bill No. 832 (2021-2022 Reg. Sess.) (“AB 832”) established the State of California’s program for administering its share of ERA2 funds (the “State Rental Assistance Program – Round 2,” “SRA2,” or “SRA2 Funds”). AB 832 amended Sections 50897, 50897.1, 50897.2, 50897.3, and 50897.4 of, and added Sections 50897.2.1 and 50897.3.1 to, 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 SRA2 Funds in accordance with state and federal law.
- C. Pursuant to Section 3201 of Subtitle B of Title III of ARPA, the U.S. Department of the Treasury (“Treasury”) will allocate ERA2 funds to Los Angeles County (hereinafter “Locality”) (this allocation, and any and all additional tranches thereof, the Locality’s “ERA2 Allocation”).
- D. Pursuant to Health and Safety Code section 50897.2.1, subdivision (a)(3), the Department will apportion a share of the SRA2 Funds to Locality (this amount, and any and all additional tranches thereof, the Locality’s “Proportionate SRA2 Share”).

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- E. Locality intends and agrees that the Department will (1) receive and administer the Locality's ERA2 Allocation for and on behalf of Locality; and (2) administer the Locality's Proportionate SRA2 Share.
- F. The Department will administer the Locality's ERA2 Allocation and Proportionate SRA2 Share pursuant to Health and Safety Code section 50897.3.1, subdivision (b)(3).
- G. Furthermore, in accordance with Section 3201(d)(1)(C) of ARPA, the Department will use ERA2 funds to provide Locality with a grant, which Locality shall use to pay any costs it incurs, beginning on March 11, 2021, to support and benefit the State Rental Assistance Program – Round 2 (such costs, the Locality's "Supplemental Administrative Costs").

**THEREFORE, IT IS RESOLVED THAT:**

1. Locality is hereby authorized and directed to make any necessary arrangements to effectuate the Department's receipt of Locality's ERA2 Allocation for the purpose of administering it for and on behalf of Locality.
2. Locality is hereby authorized and directed to accept a grant from the Department, in an amount not to exceed \$6,354,131, which grant shall be used to pay Locality's Supplemental Administrative Costs.
3. Locality 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 Locality's ERA2 Allocation for and on behalf of the Locality, as well as the Locality's acceptance of a grant for payment of its Supplemental Administrative Costs (collectively, the "SRA2 Documents"). Such SRA2 Documents shall include a Department-approved STD 213, Standard Agreement in a total amount not to exceed \$6,354,131 (the "Standard Agreement"), and all amendments thereto.
4. Locality acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement.
5. HILDA L. SOLIS, CHAIR, BOARD OF SUPERVISORS, or her designee, is authorized to execute the SRA2 Documents on behalf of the Locality for participation in the State Rental Assistance Program – Round 2.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of Los Angeles County this 2th day of November, 2021, by the following vote:

Supervisors Mitchell, Kuehl, Hahn, Barger and Solis

AYES: [ 5 ]

NOES: [ 0 ]

ABSENT: [ 0 ]

ABSTAIN: [ 0 ]

Hilda F. Solis



HILDA L. SOLIS

Chair of the Board of Supervisors

STATE OF CALIFORNIA  
County of Los Angeles

I, Celia Zavala, County Clerk of the County of Los Angeles, State of California, hereby certify the above and foregoing to be a full, true and correct copy of a resolution adopted by said Board of Supervisors on this 3rd day of November, 2021.

Celia Zavala, County Clerk of the County of Los Angeles, State of California

By: CELIA ZAVALA  
Name

EXECUTIVE OFFICER  
Title

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA,  
County Counsel

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

By: Behnaz Tashakorian  
Deputy

By: Marisa Olejnik, Deputy

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BOARD OF SUPERVISORS  
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November 01, 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 2021-22

4 - VOTES

#### SOURCES

#### USES

#### AFFORDABLE HOUSING

A01-AM-90-90WJ-10160

COVID-19 EMERGENCY RENTAL ASSISTANCE 2 PROGRAM

INCREASE REVENUE

84,722,000

#### AFFORDABLE HOUSING

A01-AM-5500-10160

OTHER CHARGES

INCREASE APPROPRIATION

84,722,000

SOURCES TOTAL

\$ 84,722,000

USES TOTAL

\$ 84,722,000

### JUSTIFICATION

Reflects an appropriation increase in the Affordable Housing budget unit offset by a corresponding increase in federal revenue from the Emergency Rental Assistance Program 2 (ERA ) to be administer by the State within the County's jurisdiction.

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

Digitally signed by Julia F Orozco

DN: cn=Julia F Orozco, o=Chief Executive Office, ou=Economic Development,  
email=jorozco@ceo.lacounty.gov, c=US

Date: 2021.10.26 17:10:18 -0700

AUTHORIZED SIGNATURE

Julia Orozco, Manager

# 12

NOV 02 2021

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

*Celia Zavala*  
CELIA ZAVALA

EXECUTIVE OFFICER

REFERRED TO THE CHIEF  
EXECUTIVE OFFICER FOR---

☐ ACTION

☒ RECOMMENDATION

BY Lan Sam  
Digitally signed by Lan Sam  
Date: 2021.10.26  
17:10:18 -0700

DATE Oct. 26, 2021

☒ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

*Marta McE...*  
BY

DATE 10/28/2021

AUDITOR-CONTROLLER

B.A. NO. 054