

Date: April 8, 2021

To: Thomas B. Modica, City Manager 

From: Oscar Orci, Director, Department of Development Services 

For: Mayor and Members of the City Council

Subject: **Emergency Rental Assistance Program Update**

On December 27, 2020, the Federal Consolidated Appropriations Act of 2021, authorized the Emergency Rental Assistance Program (ERAP) and appropriated \$25 billion in federal rental assistance. California Senate Bill 91 (SB 91) established the State of California's (State) program for administering its share of ERAP funds. On February 9, 2021, the City Council directed staff to request the City's reserved Block Grant amount of \$16.4 million from the State, conform the City's program to the State's ERAP rules, and self-administer a local tenant assistance program combining the State Block Grant with the previously received \$13.8 million direct federal allocation, totaling \$30.2 million in new funding to the City. On March 16, 2021, the City Council adopted Resolution [RES-21-0020](#) authorizing the City Manager to execute all Block Grant award documents necessary to accept the State ERAP funding.

As a condition of self-administering its local tenant assistance program, the City must comply fully with State requirements imposed by SB 91. While federal requirements allow assistance to be provided to households earning up to 80 percent of the Area Median Income (AMI) and who can demonstrate an economic impact because of COVID-19, both SB 91 and the U.S. Treasury require that the City's ERAP give priority to vulnerable very low-income households. SB 91 defines this as households at or below 50 percent of the AMI, those who have been unemployed for 90 or more days, and those who are at risk of experiencing housing instability. SB 91 also requires the City to prioritize rental and utility arrears. Applications for prospective rents may only be addressed after all applications for rental and utility arrears have been paid.

Applicants for the program may have already applied for or received rental assistance through the LB CARES program, or through Los Angeles County's (County) rental assistance program. The City's ERAP will focus on assisting eligible households who have either not received any assistance through these programs, or who only received the limited \$3,000 assistance through LB CARES and still have outstanding past due rents. LB CARES applicants that were denied assistance for any reason may apply to the City's ERAP and their applications will be reviewed for qualification and prioritized based on the current ERAP eligibility standards. Applicants who received assistance through both LB CARES and the County rental assistance program will be given a lower priority by LB ERAP.

Projected Outcomes

Of the \$30.2 million in funding allocated to the City for the ERAP, a maximum of 10 percent may be spent on administrative costs, which includes the costs of an online application platform, case management, call center, and funding for community-based organizations performing technical

assistance and community outreach. The remaining \$27.1 million must be spent on direct rental assistance. Data from the County's Rental Assistance Program, which assisted only households up to 50 percent of AMI, indicates that arrearage for Long Beach applicants averaged \$7,160 per household. Based on this data and the 80 percent payment requirement of SB 91, staff estimate the average ERAP payment will be approximately \$5,730 per household. This means that the program will stabilize housing for approximately 4,700 households citywide by paying for past due rent and utilities.

Efforts to Date

The California Department of Housing and Community Development (HCD) established program funding requirements that included a detailed work plan, program guidelines, and the authorizing resolution required prior to receiving State funds. Staff submitted these documents to HCD and is expecting that HCD will send the completed Standard Agreement granting such funds to the City by mid-April 2021.

The SB 91 statute allows the City to contract with a program implementer with the technological capacity to develop and implement a central technology-driven application portal that serves landlords and tenants, has mobile and multilanguage capabilities, and allows an applicant to track the status of his/her application. The City issued a Request for Proposals (RFP) for an ERAP digital solutions vendor on February 25, 2021. Staff received 12 complete proposals by the March 2, 2021 deadline and interviewed three qualified vendors. Staff selected Yardi Systems, Inc. (Yardi), a Goleta, CA-based vendor with extensive experience providing rental management software and related services to the residential rental industry. The contract for the full scope of work, with a not-to-exceed limit of \$1.44 million, was approved by the City Council on April 6, 2021. Yardi will (1) develop and host the online application platform; (2) provide a call center and customer service hotline; and, (3) provide case management services and reporting from intake through payment for individual applicants, as well as through program close-out.

To expedite the configuration and setup process, staff issued Yardi a \$25,000 initial contract for start-up activities including configuration of the LB ERAP Rent Relief portal based on the City's program guidelines; onboarding and training City staff on the Rent Relief portal; and establishing the online platform and call center information dedicated to LB ERAP.

Based on Yardi's start-up timeline, the online application will be fully configured opened to tenants and landlords the week of April 12, 2021. Once the intake portals are opened, the application will remain open for a minimum of 30 days. Based on the number of applications and funding availability, the application deadline may be extended, but will not be closed without advance notice given to the public.

Community Outreach

On March 15, 2021, staff published information relating to the ERAP on the City's website, accessible at www.longbeach.gov/rentalassistance. This webpage provides information for both landlords and tenants in English, Spanish, Tagalog, and Khmer, including program guidelines, eligibility requirements, and a list of required documentation. This website will also provide a link to the application portal for landlords and tenants once it becomes available.

Emergency Rental Assistance Program

April 8, 2021

Page 3 of 3

Staff also distributed an RFP through its mailing list and directly contacted more than 20 local nonprofit and community-based organizations (CBO), seeking proposals to provide technical assistance, outreach, and promotion to Long Beach residents who have been most affected by the COVID-19 pandemic and are most in need of assistance through the ERAP. These include lower-income communities, seniors, non-English-speaking households, small landlords, and anyone else who may encounter challenges completing the online application form. These organizations will provide technical assistance including submitting proxy applications on behalf of applicants; conducting pop-up application events; digitizing and uploading documents; creating email addresses for residents; and, pushing out program information to their constituencies. The due date for proposals was March 22, 2021. Staff received five proposals from qualified organizations including Heart of Ida, Housing Long Beach, Puente Latino Association, United Cambodian Community, and YMCA of Greater Long Beach. Staff selected all five responders and have brought them under contract. CBO partners will receive all outreach materials as well as training and support from Yardi and City staff so they are prepared to support applicants as soon as the online portal is open.

Additionally, the Housing and Neighborhood Services Bureau is implementing a comprehensive outreach strategy to notify Long Beach residents about the upcoming program, consisting of direct outreach to religious, educational, grassroots, and nonprofit groups. Staff are working with the Departments of Parks, Recreation and Marine and Economic Development to co-locate outreach with current public-facing services and have reached out to Long Beach Unified School District to locate outreach efforts at several school sites within the City's Place-Based Neighborhood Improvement Strategy areas. Finally, staff are working with the Neighborhood Leadership Program Ambassadors alumni group to help promote the program in their neighborhoods and throughout the community. Flyers, FAQs, and other outreach materials will be shared with neighborhood organizations and City Council offices once they are finalized.

For any questions regarding this matter please contact me at oscar.orci@longbeach.gov or (562) 570-6369.

OWO/PU/AH

cc: CHARLES PARKIN, CITY ATTORNEY
DOUGLAS P. HAUBERT, CITY PROSECUTOR
LAURA L. DOUD, CITY AUDITOR
LINDA F. TATUM, ASSISTANT CITY MANAGER
KEVIN JACKSON, DEPUTY CITY MANAGER
TERESA CHANDLER, DEPUTY CITY MANAGER
REBECCA GUZMAN GARNER, ADMINISTRATIVE DEPUTY CITY MANAGER
MONIQUE DE LA GARZA, CITY CLERK
CHRISTOPHER KOONTZ, DEPUTY DIRECTOR
PATRICK URE, H&NS BUREAU MANAGER
DEPARTMENT HEADS