



## Housing Commission Agenda Report

October 29, 2020  
Item 5

**SUBJECT UPDATE ON THE EMERGENCY RENTAL ASSISTANCE PROGRAM (ERAP) FOR RENTERS AFFECTED BY THE COVID-19 PANDEMIC INCLUDING PROPOSED MODIFICATION TO THE PROGRAM TO ALLOW APPLICANTS TO BE ELIGIBLE FOR A SECOND MONTH OF ASSISTANCE**

### RECOMMENDATION

This item is for the Commission's information only; no action is required.

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### OVERVIEW

#### *COVID-19*

The novel (new) coronavirus ("COVID-19"), which causes severe acute respiratory illness, was declared a public health emergency of international concern by the World Health Organization (WHO) on January 30, 2020. The U.S. Department of Health and Human Services, on January 31, 2020, declared a national Public Health Emergency, and the U.S. Centers for Disease Center (CDC) considers COVID-19 to be a very serious public health and safety threat ranging from mild sickness to severe illness and death. On March 4, 2020, Governor Newsom declared a state of emergency in the State of California due the growing number of confirmed cases of COVID-19 in California. Then on March 16, 2020, the Alameda County Director of Emergency Services also declared a local emergency, based on increasing number of confirmed COVID-19 cases in the county. On March 17, 2020, the Pleasanton City Manager, acting as the Director of Emergency Services, also proclaimed the existence of a local emergency within the City.

#### *Continued impacts of COVID-19*

As California and the City of Pleasanton continue to adhere to the health guidelines of social distancing, which includes self-isolation and self-quarantine, from federal, state, and local authorities, all but "essential" businesses, as defined by the public health orders, remain closed. Per the U.S. Department of Labor (DOL), as of the week of October 3<sup>rd</sup>, 2020, 51 states reported 10,232,853 individuals claiming Pandemic Unemployment Assistance Benefits, and 50 states reported 3,296,156 individuals claiming Pandemic Emergency Unemployment Compensation. California currently has the second highest insured unemployment rate in the country at 11.5% only behind Hawaii's 14.9%.

Furthermore, with schools remaining closed for in-person learning, parents continue to care for their children at home, and the need to provide daycare continue to prevent parents from

working even if their workplaces are open. Consequently, Pleasanton residents continue to see their household income significantly reduced since the Shelter in Place (SIP) order continue to be extended. This reduction in household income, undoubtedly, are continuing to leave many Pleasanton residents unable to afford to pay their rent and at risk of losing their homes and/or being displaced from the Pleasanton community.

**DISCUSSION**

Pleasanton’s COVID-19 Emergency Rental Assistance Program (“ERAP”) has the objective of mitigating potential homelessness and displacement of existing Pleasanton residents who are experiencing a decrease in household income due to the COVID-19 pandemic, and thus, unable to pay their rent. ERAP has been providing grants to assist eligible tenants unable to pay rent due to a loss of income related to the COVID-19 public health emergency. Program assistance pays for delinquent rent only, and payment is paid directly to the landlords. The City partnered with non-profit agency CityServe of the Tri-Valley (CitySeve) to administer the Program.

Since its launched in June 19, 2020, CityServe has processed a total of 219 applications, and ERAP has provided \$284,236.10 in rental assistance to 143 Pleasanton households. There is currently a remaining balance of \$165,763.90 available for rental assistance to be issued on behalf of other Pleasanton residents in need of rental relief.

***Second Month of Rental Assistance***

Pleasanton residents continue to experience COVID-19-related financial hardships due to the SIP mandate still in place. Pleasanton renters are still unable to pay their rent. Providing a second month of rental assistance to affected Pleasanton renters would assist them to stay current on their rent or pay a portion of their delinquent rent in order to mitigate the risk of losing their homes and/or being displaced from the Pleasanton community.

***Applicant Eligibility***

There will be no changes to the Program’s eligibility criteria. Eligible program participants must:

- Be current residents of Pleasanton with a valid residential lease with a third-party landlord for at least 6 continuous months;
- Have a household income not exceeding 80% Area Median Income (AMI) established for Alameda County, adjusted for household size (see below), prior to the countywide Shelter In Place order issued on March 16, 2020 (“pre-COVID period”);

Households	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
80% AMI	\$73,100	\$83,550	\$94,000	\$104,400	\$112,800	\$121,150	\$129,500	\$137,850

- Be in good standing with payment and terms of their lease prior to the countywide Shelter In Place order issued on March 16, 2020, as verified by the landlord; and
- Show documentation of loss of income of at least 20 percent due to COVID-19 as a result of employment and/or school/childcare closures and/or inability to work due to COVID-19 illness or caring for a family member infected by the disease.

**Program Assistance**

City staff is proposing to increase the previous maximum grant assistance of \$2,500 per household to \$5,000 per household. Funding awarded will represent the lesser of the tenant’s actual rent for two months or the applicable two month Maximum Affordability Rent for households at 80% AMI, adjusted for unit size (i.e. number of bedrooms). Applicants residing in 3-bedroom units will only receive the maximum \$5,000 assistance, not the affordable rent below.

**2020 Housing Affordability Maximum Rent**

Unit Size*	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Maximum Affordable Rent 80% AMI	\$1,828	\$2,089	\$2,350	\$2,820
Maximum 2 Months of Rent	\$3,656	\$4,178	\$4,700	\$5,640

\*Rent calculations are based on the following household size assumptions: Studio = 1 person; 1 BR = 2 persons; 2 BR = 3 persons; and 3 BR = 5 persons.

Recipients of rental assistance, the 143 households mentioned previously and any other households awarded rental assistance prior to this modification being adopted, would be eligible for another month of rental assistance, provided that they still meet all of the eligibility criteria. Cityserve will contact these assisted households to determine their continued eligibility.

New applicants determined to be eligible after this program modification is implemented, on the other hand, would be eligible to receive two months of rental assistance which would be paid directly to the landlords.

**FUNDING FOR THE PROGRAM**

There is still \$165,763.90 remaining balance from the original \$500,000 approved program budget. An additional \$150,000 from the third round of federal Community Development Block Grant (CDBG) COVID funds that have been allocated to the City will be proposed for City Council approval at the upcoming November City Council meeting to supplement the remaining ERAP program budget. .

**STAFF RECOMMENDATION**

This report is for the Commission’s general information only. No specific action is required at this time, although the Commission is welcome to provide feedback regarding the proposed modification to the ERAP program. Staff will compile comments from all commission members and present them to the City Council for consideration, tentatively scheduled for November.