

#### **CITY OF PALM DESERT**

## CITY MANAGER'S OFFICE

#### **MEMORANDUM**

To:

Honorable Mayor and City Council

From:

Christopher Gerry, Management Analyst

Date:

May 14, 2020

Subject:

Agenda Item 13.H - Request for approval of policy guidelines for an

**Emergency Rental Assistance Program using Community Development** 

Block Grant (CDBG-CV) funds.

#### Streamlined Policy Guidelines

The staff report regarding the Emergency Rental Assistance Program (Program) includes various attachments relating to the draft policy guidelines. Many of the attachments describe the administrative process rather than policy guidance.

In order to clarify the recommendation and provide flexibility, City staff developed the attached streamlined draft policy guidelines for consideration. The draft policies remain the same as the previous document, but remove the administrative tasks. The only revision is described below.

Therefore, City staff recommends approving the streamlined policy guidelines. Approval of the attachment allows the City to begin to actively development the Program. The City Council and Outside Agency Funding Committee will have other opportunities to review and comment of the Program as well.

#### Household Eligibility Revision

The staff report includes a recommended eligibility requirement that households must be, "Delinquent on a rent payment for <u>March 2020</u> and/or beyond." Due to the date of the Governor's Executive Order (March 19, 2020) and rent paid in advance (rather than arrears), the revised draft policy is recommended to read, "Delinquent on a rent payment for <u>April 2020</u> and/or beyond."

#### Attachments

A. Streamlined Policy Guidelines

#### Attachment A

# City of Palm Desert Community Development Block Grant (CDBG) Emergency Rental Assistance Program Policy Guidelines



The City will subcontract with a nonprofit organization (Subrecipient) to provide an Emergency Rental Assistance Program (Program) to qualified households living in selected rental properties located in Palm Desert. The Program serves as a homelessness prevention safety net for residents and an economic recovery tool for rental properties.

#### 1. Eligible Costs

Costs include up to \$5,000 per household for rental arrears for April 2020 and/or beyond. Rental arrears cannot exceed three consecutive months. Amounts per household will be recommended by the Subrecipient with concurrence by the City, and may exceed the limitation on a case-by-case basis and subject to available funds. Utilities arrears are an ineligible costs.

### 2. Eligible Households

Households shall meet all of the following qualifying criteria:

- Earn less than 80% percent of the area median income;
- Experience loss of income directly related to the coronavirus;
- Delinquent on rent payment for April 2020 and/or beyond;
- Reside within a rental property that has opted into the Program (via application); and
- No rental property eviction prior to the Governor's Executive Order (March 19, 2020).

#### 3. Eligible Rental Properties

Rental properties shall meet all of the following qualifying criteria:

- Located within the jurisdictional limits of Palm Desert;
- Consist of at least two contiguous rental units or greater;
- Assist in advertising the opportunity for emergency rental assistance to all households delinquent on rent payment(s) for April 2020 and/or beyond;
- Assist households with obtaining the documentation for emergency rental assistance; and
- Waive late fees for delinquent rent payment(s) for qualified household(s).

#### 4. Prioritization

The City will take a strategic approach to identify and set-aside funds equitably to rental properties based upon specific criteria (e.g., household income, geography and percentage of households late on payments). In turn, the respective rental properties will work with the Subrecipient to offer all households delinquent on rent payment(s) an opportunity to apply for emergency rental assistance.