

AD HOC ON COVID-19 RECOVERY AND NEIGHBORHOOD INVESTMENT COMMITTEE REPORT relative to the allocation of the COVID-19 Federal Relief Fund to the COVID-19 Emergency Renters Relief Program.

Recommendations for Council action, pursuant to Motion (Martinez - O'Farrell - Wesson), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ALLOCATE \$100 million of the COVID-19 Federal Relief Fund to the COVID-19 Emergency Rental Assistance Subsidy (ERAS) Program.
2. AUTHORIZE the Los Angeles Housing and Community Investment Department (HCIDLA) to provide program oversight to implement the COVID-19 ERAS Program and conduct a public outreach campaign to inform City residents about the availability of the program to prevent displacement due to the economic impacts of the current coronavirus outbreak.
3. REQUEST the City Attorney, in consultation with HCIDLA, to amend City Ordinance No. 186605, which created the Emergency Rental Assistance Subsidy Program Fund (Fund) for the purposes of receiving and disbursing monies to support the ERAS Program to allow a grant of up to \$1,000 per month, or \$2,000 per household to be disbursed to qualified renter households under the ERAS Program.
4. INSTRUCT the HCIDLA to report back and request authority to execute a contract with Stone Phones to augment HCID's call center operations and handle the anticipated increase in call volume as a result of the ERAS Program.
5. AUTHORIZE the General Manager, HCIDLA or designee, to:
  - a. Execute a Fourth Amendment to City contract number C-134129 with the Southern California Housing Rights Center to increase the compensation amount by \$98,109,330 for a cumulative compensation amount not to exceed \$108,949,830, for the administration of the ERAS Program, subject to approval of the City Attorney as to form and legality, compliance with the City's contracting requirements, and funding availability.
  - b. Execute Amendments to increase the compensation amount by \$62,500 for each of the 16 FamilySource Center (FSC) contracts for a total of \$1 million to provide enhanced services to eligible households under the ERAS Program, subject to approval of the City Attorney as to form and legality, compliance with the City's contracting requirements, and funding availability.
  - c. Execute a sole source contract with Cask NX, LLC to develop the application system and support for the ERAS Program, with a contract term from June 1, 2020 through May 31, 2021 and a compensation amount not to exceed \$275,000, for a one year term subject to approval of the City Attorney as to form and legality, compliance with the City's contracting requirements, and that the Council FIND that the services to be performed by Cask NX, LLC are for the performance of professional, scientific,

expert, technical, or other special services of a temporary and occasional character for which competitive bidding is not practicable or advantageous and that the work can be performed more economically or feasibly by independent contractors than by City employees.

- d. Execute a Fourth Amendment to City contract number C-130642 with Satwic Inc., to provide systems development and support for the ERAS Program and increase the compensation amount by \$135,000 for a cumulative compensation amount not to exceed \$4,310,106, subject to approval of the City Attorney as to form and legality, compliance with the City's contracting requirements, and funding availability.
- e. Prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and Council actions on this matter, subject to the approval of the City Administrative Officer (CAO).

6. INSTRUCT the City Clerk to place on the agenda on the first regular Council meeting on **July 1, 2020**, or shortly thereafter, the following instructions:

Authorize the Controller, subject to the approval of the Mayor to:

- a. Establish new accounts and appropriate funds within the Emergency Rental Assistance Subsidy Program Trust Fund No. 63D as follows:

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
43T972	CD3 ERAS	\$150,000
43T973	CD5 ERAS	50,000
43T974	CD 6 ERAS	1,000,000
43T975	CD 9 ERAS	150,000
43T976	CD 10 ERAS	150,000
43T977	CD 12 ERAS	100,000
43T978	CD 13 ERAS	1,000,000
43T979	CD 14 ERAS	500,000
43T143	Citywide ERAS - Donations	<u>1,988</u>
		Total: \$3,101,988

- b. Establish new accounts and appropriate funds within the COVID-19 Federal Relief Fund No. 63M as follows:

<u>Account</u>	<u>Account Name</u>	<u>Amount</u>
TBD	Citywide ERAS-Grant	\$95,348,330
43T143	Housing and Community Investment Department	128,081
43T299	Reimbursement of General Fund Costs	82,089
TBD	ERAS Family Source Center Contracts	1,000,000
TBD	ERAS Technical Contracts	470,500
TBD	ERAS Call Center and Outreach Contracts	210,000
TBD	ERAS Program Administration Contract - Grant	<u>2,761,000</u>

Total: \$100,000,000

- c. Increase appropriations in the amount of \$111,375 in Fund No. 100/43, Account No.001010, Salaries General.
- d. Increase appropriations in the amount of \$16,706 in Fund No. 100/43, Account No. 006030.
- e. Appropriate donated funds upon receipt to Account No. 43T143 the Emergency Rental Assistance Subsidy Program Trust Fund No. 63D.

Fiscal Impact Statement: The CAO reports that there is a potential impact to the General Fund of up to \$210,170 for administrative costs that may be ineligible for funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act or Rent Stabilization Trust Fund. Funding for the Emergency Rental Assistance Subsidy Program will be provided by the \$3,100,000 in funding allocated from AB 1290 Funds by Council Districts 3, 5, 6, 9, 10, 12, 13, and 14, plus any donations received, and up to \$100,000,000 from the COVID-19 Federal Relief Fund.

Community Impact Statement: None submitted.

Summary:

At its special meeting on June 16, 2020 the Ad Hoc on Covid-19 Recovery and Neighborhood Investment Committee considered Motion (Martinez - O'Farrell - Wesson) and the June 17, 2020 CAO report, relative to the allocation of the Covid-19 Federal Relief Fund to the Covid-19 Emergency Renters Relief Program. The Motion and the CAO report attached to the Council file, includes some background on the matter.

During the meeting, a CAO representative read into the record the recommendations reflected on the CAO report dated June 17, 2020, submitted into the Council file on the day of the meeting. After an opportunity for public comment was held, the Committee moved to approved the recommendations as reflected above. This matter is now forwarded to the City Council for its consideration.

Respectfully Submitted,

AD HOC ON COVID-19 RECOVERY AND NEIGHBORHOOD INVESTMENT COMMITTEE

<b><u>MEMBER</u></b>	<b><u>VOTE</u></b>
MARTINEZ:	YES
WESSON:	YES
PRICE:	YES
CEDILLO:	YES
O'FARRELL:	YES

EV  
20-0401-S1\_rpt\_COVID\_6-17-20

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**