

CA Eviction Protection and Rental Assistance Programs

AB 3088 AND SB 91



AB 3088

(enacted 9/1/20)

- Provided protection from eviction for non-payment of rent from March 2020-August 31, 2021, but debt could be pursued in small claims court beginning March 1, 2021
- Beginning September 2020, if a tenant was still unable to pay rent, they could not be evicted if:
 1. Tenants provided landlord with a declaration of impacts COVID_19 has had to their household, within 15 days of receiving a nonpayment of rent eviction notice from their landlord.
 2. Tenants must pay a minimum of 25% of rent for the months of September 1st through January 31, 2021 no later than January 31st, 2021. The 25% payment can be made as installments or in one lump sum so long as your 25% payment is made by January 31st, 2021.
- **Protections expired January 31, 2021.**
- State did not set up a rental assistance program to coincide with AB 3088, but many jurisdictions used CARES Act or private funds raised to set up local rental assistance programs.

Coronavirus Stimulus Bill - federal

(enacted 12/27/20)

- Extended CDC Eviction Moratorium for non-payment of rent until January 31, 2021. Didn't help CA because AB 3088 already included similar or stronger protections.
- \$900 billion in coronavirus relief, included \$25 billion in rental relief
- California's share was \$2.6 billion
 - \$1.5 billion to the State of CA
 - \$1.1 billion directly to cities and counties in CA that have a population of more than 200,000
- In early January, local governments began planning how they would deploy their direct allocations of funds and funds arrived from U.S. Treasury in late January 2021

SB 91 Overview

(enacted 1/29/21)

- Extends key tenant and property owner protection provisions provided by AB 3088 (Chapter 37, Statutes of 2020).
- Provides new protections for tenants impacted by COVID -19, including a rental assistance program.
- Appropriates \$1.5 B for the State Rental Assistance Program (from federal U.S. Treasury funds granted as part of COVID Relief Bill in late December 2020).
- Set up three options for city and county governments with more than 200,000 in population in terms of how to operationalize these funds.

SB 91

Rental Assistance Requirements

- Program Focus: Stabilize low-income households through **the payment of rental arrears to landlords**
- Eligibility is for households at or below 80% AMI, prioritizing those under 50% AMI.
- Participating landlords will be compensated 80% of unpaid rent from April 1, 2020 - March 31, 2021. Landlord must accept as payment in full for all rental debt for that period.
- If a landlord chooses not to participate, eligible households can still apply for and receive 25% of back rent owed for the covered period (and potentially three months of prospective rent), which will entitle them to eviction protection for non-payment of until June 30, 2021, if they also pay 25% of prospective rent from April to June 2021.

SB 91 and its implications for local governments

State controls roughly \$1.5 billion of the U.S. Treasury funds granted for rental assistance

1. State will administer \$150 million in rental assistance offered to counties with fewer than 200,000 in population
2. State will release the remainder proportionally to cities and counties with >200k as long as they administer those rental assistance funds in the manner prescribed in SB 91. These are called State block grants.
3. State offered three options to cities and counties with more than 200,000 in population.

Option A – Local jurisdiction turns over its direct allocation from U.S. Treasury and the State will administer the direct allocation and the State block grant in a program that covers residents of that local jurisdiction (strongly preferred).

Option B – State releases the block grant portion to the local government, and the local government administers a local rental assistance program that complies with the same program elements required in SB 91.

Option C – Local government administers a local program with its own program priorities and elements. State retains the local jurisdiction's block grant and administers it according to requirements of SB 91 (strongly discouraged).

Later offered **Option B deferred** – local government can administer direct allocation with Option C, but once those funds are expended will sequentially draw down their block grant and pivot to administer that portion according to requirements in SB 91.

Concerns regarding Option A or Option B

- Targeting doesn't go deep enough to households that are most vulnerable to housing insecurity or homelessness
- Emphasis is on payment of rental arrears, making landlords whole for lost rent, rather than prospective housing stabilization
- Sets up different outcomes for tenants based on whether their landlord is interested in participating in "80/20" agreement to forgive 20% of back rent.
- Leaves particular tenants, e.g., those in rent-controlled units especially vulnerable.
- Landlord will be made relatively whole, but because funds are 90% limited to rental and utility expenses, they offer little flexibility to pay other debt, e.g. credit card or borrowed funds that tenants may have used to pay rent in prior months, so as not to fall behind on rent.

Therefore, **All Home** advocated that local governments that had the ability and existing infrastructure to run a rental assistance program should choose Option C.

Bay Area Jurisdictions

Government	Lead Agency	Option	Direct Allocation	State Block Grant	State / Local Admin	Status
Alameda County	Alameda County HCD	Option B - deferred	\$ 29,648,131	\$ 32,308,147	\$ 538,469 / \$3,051,325	Board of Supervisors approved Option B- deferred
Contra Costa County	N/A	Option A	\$30,866,698	\$37,373,382	\$7,067,786 / \$ 514,445	State will administer block grant and local direct allocation funds in the County.
Fremont	Fremont Human Services	Option B - deferred	\$ 6,451,757	\$ 7,811,784	\$13,020 / \$1,571,818	Will rely on Fremont Housing Resource Center staff, prioritize <50% AMI
Marin County		Option B	\$ 7,695,346	\$ 8,385,769	\$ 139,763 / \$791,989	State will administer block grant and local direct allocation funds in the County
Napa County	N/A	<200K				State will administer as part of \$150 million pool for small counties.
Oakland	Oakland HCD	Option C	\$ 11,587,287	\$ 14,029,881	\$1,558,876 / \$1,287,476	Granted 75% of funds to 4 non-profit organizations; remainder will be granted to small, local non-profits to provide outreach and application assistance. Prioritize <30% AMI, geographic impact, and risk assessment for homelessness.
San Francisco City and County	SF MOHCD	Option C	\$ 23,588,984	\$ 28,561,530	\$3,173,503 / \$ 2,620,998	Will grant to 7-9 non-profit organizations for implementation. Prioritize <30% AMI, geographic impact, and risk assessment for homelessness.
San Jose	Destination Home	Option C	\$27,341,766	\$ 33,105,396	\$3,678,377 / \$3,037,974	Will rely on network of community providers who implemented earlier rental assistance program.
San Mateo County	N/A	Option A	\$20,512,392	\$24,836,393	\$4,696,880 / \$341,873	State will administer block grant and local direct allocation funds in the County
Santa Clara County	Destination: Home	Option C	\$ 24,244,783	\$29,355,571	\$3,261,730 / \$2,693,865	Board of Supervisors approved Option C, more details coming back to the Board on March 9 th . Part of Destination: Home network.
Solano County	County Administrator's Office	Option C	11,978,283	14,503,299	\$1,611,478 / \$1,330,920	Local program will prioritize <50% AMI, but go up to 80% AMI
Sonoma County	N/A	<200K				State will administer as part of \$150 million pool for small counties.

Los Angeles Jurisdictions

Government	Lead Agency	Option	Direct Allocation	State Block Grant	State / Local Admin	Status
Los Angeles County	N/A	Option A	\$144,066,070	\$ 174,435,122	\$32,987,920/\$2,401,101	
Long Beach	Long Beach Development Services	Option B	\$12,379,261	\$ 14,988,802	\$249,813/\$2,791,082	
City of Los Angeles	Los Angeles Housing and Community Investment Department	Option B	\$ 106,487,736	\$ 128,935,294	\$2,148,922/\$24,009,192	
Santa Clarita	N/A	Option A	\$ 5,699,012	\$ 6,900,361	\$ 1,304,947 / \$94,984	

Next Steps

- Local programs need to reach an agreement with State HCD – data interface, program targeting, etc. Each local government exercising Options C or B deferred needs to enter into an MOU with the State.
- Local and State programs need to determine implementation elements, e.g., how much assistance they might limit to each household, what types of documentation will be required, etc.
- Outreach is going to be critical due to parallel programs
 - LISC is the State's outreach coordinator
 - Local Option A – could use their administration % for outreach
 - Local Option B and C – will be doing outreach for local programs, perhaps some joint outreach with State in Option C locations.
 - Outreach should be targeted to geographic areas where COVID-19 impact and loss of income was greatest. We recommend using Urban Institute or Area Deprivation Index online tools.
 - Multi-lingual, culturally competent, using trusted neighborhood organizations for application assistance, wherever possible.
- State is contracting with HORNE, LLP for the online portal, “case management,” and financial distribution.



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