



# TOWN OF FAIRFAX

## STAFF REPORT

### August 19, 2020

**TO:** Mayor and Town Council

**FROM:** Garrett Toy, Town Manager

**SUBJECT:** Establish a Residential Rental Assistance Program to assist extremely low-income renters whose household incomes were adversely affected by COVID-19 and who are at risk of homelessness

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#### **RECOMMENDATION**

1. Authorize staff to create a Residential Rental Assistance Program (Program).
2. Appropriate General Fund Reserves and reallocate funding from the Business Recovery fund to fund the Program.

#### **DISCUSSION**

At its August 5<sup>th</sup> meeting, at the request of Mayor Goddard and Councilmember Hellman, the Council discussed the creation of a rental assistance program for residents. The purpose of the program would be to help residents in need whose household incomes are adversely impacted by COVID-19. Staff shared information on a similar program operated by Corte Madera. The Town of Corte Madera contributed \$50,000 and the Corte Madera Community Foundation donated \$25,000 to a rental assistance fund.

Councilmember Coler shared information on her discussions with County staff regarding the County of Marin's residential rental assistance program. She indicated she would follow-up with the County regarding the program.

Due to the lateness of hour, the Council continued this matter for further discussion, but did express interest in establishing such a program. In order to establish a program, there are several key policy issues for the Council to consider. Under several of the policy issues below, staff provides information on the County's program based on the follow-up information obtained by Councilmember Coler. We anticipate we will have more information available at the meeting, after staff has an opportunity to speak to a few of the program administrators.

1. Do we want to offer such a program?

At the August 5<sup>th</sup> meeting, it appeared the Council agreed there was a need for such a program. The program would be limited to residents who live within the Town limits.

2. How much initial funding?

Staff reported there is approximately \$23,000 remaining in the business recovery grant fund that would be available to be reallocated to this program. The Council discussed doubling the funding to \$46,000 for the rental assistance program. Any additional funding would be allocated from General Fund reserves. The Council can always evaluate the program after it is launched to determine if it wants to allocate additional funding in the future.

3. Should we work with a non-profit to administer the program?

Our preference is for a non-profit to administer the program. Two of the non-profits (Ritter Center and St. Vincent de Paul) who administered the County program have expressed interest in doing the same for Fairfax. Given the limited amount of funding, we would just use one of the non-profits to administer the program.

The non-profits were responsible for evaluating the applications to determine eligibility, including the collection of any requested documentation, and the amount of assistance. However, County staff was responsible for the initial application in-take which was over the phone. County staff was bi-lingual and able to complete the in-take application in Spanish. Our understanding for the over-the-phone application process was that the households most in need of rental assistance may not have access to the internet. While our preference is to receive on-line applications, we will need to evaluate how to receive over-the-phone applications and provide translation services if needed. We also will discuss with the non-profits and others such as the County regarding their capacity to assist us with the application process. If such assistance is unavailable, we will need to temporarily reassign current Town staff to help administer this program.

4. Should we follow the same program criteria as the County of Marin?

The program offered by the County was limited to extremely low-income households (i.e., earning 30% or less of median income adjusted for household size- see attached table) and who were also at-risk of homelessness. The County indicated they have a waiting list of 20+ residents which would seem to indicate there is quite a bit of demand for the most at-risk families.

If we use one of the non-profits who administered the County program, this criteria would remain the same. If we change the criteria, the possibility exists we would need to administer the program ourselves.

5. Should it be first-come, first-served?

The County program was first-come, first-served. We still need to discuss with the County how they accomplished this with the over-the-phone applications. While there is a waiting list of Fairfax residents, in the interest of fairness, we recommend that we do not use the waiting list and we advertise the program to all Fairfax residents. It will take some effort to

do this as we anticipate we will need to send letters to all the large rental complexes as well as inform the residents on the waiting list of the start date for the new program and application process.

6. How much should the rental assistance be?

The County program had a maximum assistance amount of \$3,000. The actual rental assistance granted varied by household, depending on their rents. Given the limited amount of the initial funding, we recommend setting a maximum limit.

The County program issued checks directly to the landlords to cover one month's rent. If the objective is to prevent homelessness, it makes the most sense to issue payment directly to the landlord. Ideally, households could use their rent money to pay for their other household needs.

**FISCAL IMPACT**

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**ATTACHMENT**

A. Household Income Table

**ATTACHMENT A- HOUSEHOLD INCOMES**

Household Size	Extremely Low	Very-Low	Low
1	\$36,550	\$60,900	\$97,600
2	\$41,800	\$69,600	\$111,550
3	\$47,000	\$78,300	\$125,500
4	\$52,200	\$87,000	\$139,400
5	\$56,400	\$94,000	\$150,600
6	\$60,600	\$100,950	\$161,750
7	\$64,750	\$107,900	\$172,900
8	\$68,950	\$114,850	\$184,050
9	\$73,100	\$121,750	\$195,100

Note: The “Extremely Low,” “Very Low Income” and “Low Income” schedules shown above were published by the U.S. Dept. of Housing and Urban Development (HUD), effective 4/1/2020. The “Median Income” schedule shown above is based on the FY2020 median family income for the San Francisco HMFA of \$143,100 for a four-person household, issued by HUD effective 4/1/2020, with adjustments for smaller and larger household sizes. The “Moderate Income” schedule shown above represents 120% of median income. For additional information, you may consult the HUD website at [www.huduser.org/datasets/il.html](http://www.huduser.org/datasets/il.html) .