

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: December 21, 2022

Final Decision Date Deadline: December 21, 2022

STATEMENT OF THE ISSUE: Prior to the COVID-19 pandemic, there was limited emergency rental assistance available to Richmond tenants and landlords. Organizations such as Shelter Inc. and Seasons of Sharing were among the few organizations that provided limited rental assistance resources to income qualifying households. Since the beginning of the COVID-19 pandemic, the Rent Program has taken a leading role in coordinating a coalition of non-profits to establish and administer a temporary rent relief program through the Richmond Rapid Response Fund (R3F) that received Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) funds from the City to disburse to Richmond residents impacted by the COVID-19 pandemic. The City of Richmond provided R3F approximately \$600,000 in ARPA funds, of which at least \$200,000 will be distributed for rent assistance via the Richmond Community Foundation with support from Richmond Neighborhood Housing Services, SparkPoint, and the Rent Program. Until the City Council approves a permanent emergency rental assistance program to be administered, the above-mentioned organizations will continue to assist the City with disbursing the remaining ARPA funds.

INDICATE APPROPRIATE BODY

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|-----------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------|
| <input type="checkbox"/> City Council | <input type="checkbox"/> Redevelopment Agency | <input type="checkbox"/> Housing Authority | <input type="checkbox"/> Surplus Property Authority | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> | |

ITEM

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|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------|
| <input type="checkbox"/> Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Regulation | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Contract/Agreement | <input checked="" type="checkbox"/> Rent Board As Whole | |
| <input type="checkbox"/> Grant Application/Acceptance | <input type="checkbox"/> Claims Filed Against City of Richmond | |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: Authorize and Direct Rent Program staff to work with the City of Richmond to support the development and research the ability and potential costs for the Rent Program to administer a City of Richmond-funded rental assistance program and continue to assist with the processing of rent assistance applicants for the remaining ARPA funds. Rent Program staff would seek the Rent Board's recommendation on a proposed rent assistance program model prior to presenting options and recommendations to the City Council for its consideration and approval - Rent Program (Nicolas Traylor, 620-6564).

AGENDA ITEM NO:

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AGENDA REPORT

Department: RENT PROGRAM AND COMMUNITY DEVELOPMENT DEPARTMENT

DATE:	December 21, 2022
TO:	Chair Finlay and Members of the Rent Board
FROM:	Nicolas Traylor, Executive Director Lina Velasco, Director of Community Development
Subject:	City Council Request for the Rent Program to Assist in Development of and Possible Administration of a City of Richmond-funded Rental Assistance Program
FINANCIAL IMPACT:	The cost of administering a City of Richmond-funded Rental Assistance Program would be determined based on the anticipated number of households to be served, amount of funds to be managed, and final Program model. The Rent Program would receive appropriate City funding for staff and program resources needed to oversee any contracts and for its role in the administration of a Rent Relief Program for the City of Richmond.
PREVIOUS COUNCIL ACTION:	At the November 22, 2022, Regular Meeting of the Richmond City Council, the Council approved a motion for City staff to request that the Rent Program seek authorization from its Board for staff to work with the City of Richmond to study the ability of and cost for the Rent Program to develop and possibly administer a rental assistance program for the City of Richmond.

<p>STATEMENT OF THE ISSUE:</p>	<p>Prior to the COVID-19 pandemic, there was limited emergency rental assistance available to Richmond tenants and landlords. Organizations such as Shelter Inc. and Seasons of Sharing were among the few organizations that provided limited rental assistance resources to income qualifying households. Since the beginning of the COVID-19 pandemic, the Rent Program has taken a leading role in coordinating a coalition of non-profits to establish and administer a temporary rent relief program through the Richmond Rapid Response Fund (R3F) that received Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) funds from the City to disburse to Richmond residents impacted by the COVID-19 pandemic. The City of Richmond provided R3F approximately \$600,000 in ARPA funds, of which at least \$200,000 will be distributed for rent assistance via the Richmond Community Foundation with support from Richmond Neighborhood Housing Services, SparkPoint, and the Rent Program. Until the City Council approves a permanent emergency rental assistance program to be administered, the above-mentioned organizations will continue to assist the City with disbursing the remaining ARPA funds.</p>
<p>BACKGROUND AND DISCUSSION</p>	<p>In 2018 and 2019, the Rent Program’s Executive Director organized a series of meetings with City of Richmond staff, Rent Board members, and City Council members to discuss the creation of a rental assistance program dedicated to Richmond tenants. Based on the high percentage of housing counseling cases that involved nonpayment of rent evictions in Richmond, it was evident that there was an on-going need for rent assistance. At the time, rent assistance resources were not only limited, but were spread out among many local organizations, each competing for rent assistance funds. These preliminary meetings spurred discussions on the need for a permanent rent assistance program. Initial ideas included modeling a Richmond-based program on Oakland’s “Keep Oakland Housed” program, a collaboration between the City of Oakland, corporations, foundations, local non-profits, and philanthropic organizations.</p> <p>When the COVID-19 pandemic began in the Spring of 2020, the urgency to provide rent assistance escalated due to the high loss of jobs and unemployment,</p>

prompting the Rent Program to spearhead efforts to provide rent assistance in partnership with R3F, who had identified an urgent need for rental assistance based on their survey of the community regarding the financial impacts of COVID-19. Rent Program and Community Development staff convened community organizations focused on housing and formed a working group to administer rent assistance funds to avoid a wave of evictions following the expiration of various eviction moratoriums adopted by the State and County. The working group included representatives from SparkPoint, the West Contra Costa Public Education Fund (EdFund West), Richmond Community Foundation (RCF), Richmond Neighborhood Housing Service (RNHS), Community Housing Development Corporation (CHDC), and City Housing staff. The working group met weekly to strategize efforts and is referred to as the Rent Relief Committee. Together these organizations have led and supported the Richmond Rapid Response Fund's (R3F) efforts to provide rent assistance, totaling \$385,000 to 77 Richmond renters and landlords.

After initially convening and leading the Rent Relief Committee at the beginning of the COVID-19 pandemic, the Rent Program passed leadership over to R3F, who was in the process of hiring a Director. In May 2021, Jasmine Jones, the Executive Director of the EdFund West began overseeing the R3F Rent Relief Committee. This transition made sense because the EdFund West was fiscal sponsor of the Richmond Rapid Response Fund, a wraparound initiative that was established to meet the immediate and ongoing needs of the community during the COVID-19 pandemic and beyond. The City provided CARES Act funds to R3F to provide rent relief to Richmond residents impacted by the COVID-19 pandemic. In July 2021, the R3F hired Jessica Travenia, to oversee R3F, organize the Rent Relief Committee, develop its governing structure, executing Memorandums of Agreements between the R3F and community organizations, administering the rent assistance work, and to continue the program's development and efforts to raise additional funding. In November 2022, the Richmond Community Foundation (RCF) took over from R3F as program lead and fiscal agent for the COVID-related rent relief program. The RCF, RNHS, SparkPoint, and the Richmond Rent Program continue to assist Richmond landlords and tenants with their applications

	<p>for ARPA-funded rent assistance. The Rent Relief Committee was created to respond to the urgent need for rent assistance brought about by the COVID-19 pandemic, but the long-term need and demand for rent assistance services in Richmond to protect against unnecessary evictions and housing instability is clear. The COVID-19 pandemic also made clear that services designed to protect housing stability also strengthens public health.</p> <p>In its long-term strategic planning efforts, the consensus among Rent Relief Committee members is that:</p> <p>1) A permanent and well-funded City rent assistance program would best serve the needs of the community and effectuate housing and community stability.</p> <p>2) The Rent Program is uniquely positioned to oversee and administer a long-term City funded rent assistance program, as an agency that:</p> <ul style="list-style-type: none"> • Regulates rents and evictions in Richmond • Provides holistic counseling to landlords and tenants on eviction related matters • Monitors notices of termination of tenancy. • Mediates landlord/tenant disputes related to non-payment of rent, successfully connecting landlords and tenants to rent assistance resources and mediating repayment plans for cases when rent assistance is insufficient to cover the total rental debt. <p>3) The mission and purpose of the Fair Rent, Just Cause for Eviction and Homeowner Protection Ordinance and rent assistance services are aligned. Both policies promote housing and community stability and work to protect public health by protecting against unwarranted and arbitrary evictions and unnecessary displacement.</p>
<p>RECOMMENDED ACTION:</p>	<p>Authorize and Direct Rent Program staff to work with the City of Richmond to support the development and research the ability and potential costs for the Rent Program to administer a City of Richmond-funded rental assistance program and continue to assist with the processing of rent assistance applicants for the remaining ARPA funds. Rent Program staff would seek the Rent Board’s recommendation on a proposed rent assistance program model prior to presenting options</p>

	and recommendations to the City Council for its consideration and approval.
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DOCUMENTS ATTACHED:

Attachment 1 – Agenda Report: Impact of Richmond Rapid Response Fund (R3F) in the Community and Update on Guaranteed Income and Strategic Planning Process

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AGENDA REPORT

City Council

DATE:	November 22, 2022
TO:	Mayor Butt and Members of the City Council
FROM:	Councilmember Claudia Jimenez and Councilmember Demnlus Johnson III
Subject:	Impact of Richmond Rapid Response Fund (R3F) in the Community and Update on Guaranteed Income and Strategic Planning Process
FINANCIAL IMPACT:	On February 15, 2022, City Council approved a contract with Ed Fund West (fiscal sponsor for R3F) to manage the disbursement of \$600,000 of American Rescue Plan Act (ARPA) funds to support Richmond residents impacted by the COVID-19 pandemic through the Richmond Rapid Response Fund (R3F). In addition, on August 1, 2022, the City Council approved a contract with Dalberg to support a strategic planning effort for R3F in the amount of \$125,000 of which R3F would contribute \$25,000 towards.
PREVIOUS COUNCIL ACTION:	February 15, 2022 and August 1, 2022
STATEMENT OF THE ISSUE:	Councilmembers Claudia Jimenez and Demnlus Johnson III requested an update on the Richmond Rapid Response Fund Program (R3F) including the number of residents assisted and funds disbursed through the program. R3F staff will also provide an update on the status of the strategic planning process and research on developing a pilot Guaranteed Income Program.
RECOMMENDED ACTION:	RECEIVE a report from the Richmond Rapid Response Fund Program (R3F) including updates on funds disbursed, residents served, and current and future programming – Councilmembers Demnlus Johnson III and Claudia Jimenez (510-620-6861).

DISCUSSION:

The Richmond Rapid Response Fund (R3F) is a wraparound initiative that was developed to meet the immediate and ongoing needs of the community during the COVID-19 pandemic and beyond (www.richmondresponsefund.org). R3F’s goal is to focus on key priority areas including food and essential supplies, economic recovery and security, housing and homelessness, health and healing, and education and learning. This report and the presentation will provide an update on R3F’s success in assisting Richmond residents negatively impacted by the COVID-19 pandemic, and status of R3F’s current and future work.

Impact of Richmond Rapid Response Fund (R3F)

Soon after March 2020, R3F was created to support Richmond residents experiencing financial hardship due to the COVID-19 pandemic. This work was primarily done by providing one-time \$500 direct disbursements and rent relief to residents, and connecting residents to resources through R3F’s network of community-based organizations via the West Contra Costa Cares Coalition (Cares Coalition). To-date, over 1,037 families have been served with direct cash grants totaling over \$518,000 and 77 families were assisted with rent assistance totaling \$385,000.

Through data provided by direct recipient reports and partner financial data collection, R3F observed that residents overwhelmingly spent funds on food, utilities, rent, transportation, and school and household supplies. R3F found that investments went most often into two of the lowest income zip codes in Richmond (94801 and 94804).

City of Richmond ARPA Allocation

In 2021, R3F received \$150,000 in CARES Act funds from the City of Richmond and were successful in quickly disbursing funds to support 74 residents with direct disbursements and 18 households via rental assistance. Based on this success and partnership, on February 15, 2022, the Richmond City Council approved a contract for EdFund West to manage the distribution of American Rescue Plan Act (ARPA) funding to support Richmond residents impacted by COVID-19 through the Richmond Rapid Response Fund (R3F), in an amount not to exceed \$600,000. The contract anticipated the following expenditures:

	Program Name	Budget
1	Fiscal Sponsorship/Oversight fees	70,000
2	Financial disbursements to residents	230,000
3	Rental/mortgage assistance	300,000
4	Target Income Program	If established funding would come from either financial disbursements or rental/mortgage assistance programs
	TOTAL	\$600,000

To-date, R3F has not expended any ARPA funds for financial disbursements but has allocated \$200,000 in funding to support rental assistance. If rental assistance stays limited to the \$5,000 level, at least 40 households will be able to be assisted with these funds.

As for financial disbursements to Richmond Residents, R3F has not yet utilized ARPA funds for this program as there are remaining funds from other sources dedicated to this program. When R3F depletes the funds already in its coffers, ARPA funds will be utilized for the Target Income Program as noted in the budget above.

In June 2022, R3F granted the Richmond Community Foundation \$200,000 to coordinate the distribution of ARPA funds for the rent relief component via its various partners including the Richmond Housing Division, Richmond Neighborhood Housing Services, Community Housing Development Corporation, Richmond Rent Board, and SparkPoint. The application for rent relief is currently open and seven (7) applications are currently in the queue for review.

There have been some challenges in dispersing the recent round of ARPA funds dedicated to rent relief given competing priorities for partner agencies, ensuring compliance with ARPA regulations, and the rent relief amount limit of \$5,000 set by the group to try to support a greater number of Richmond residents. Rent assistance was limited to \$5,000 during the initial round; however, requests are coming in for greater amounts. The average request was \$8,647.74. R3F and its partners are currently evaluating program parameters to determine if adjustments should be made to meet the changing needs of Richmond residents, while also trying to support as many residents as possible.

Strategic Planning Process

The City of Richmond partnered with R3F staff to prepare a request for proposals (RFP) seeking a consultant to support the R3F in strategic planning, future program development (primarily focused on a guaranteed income pilot program), and a governance structure. After a competitive bidding process, the City Council approved a \$125,000 contract with Dalberg and Empathy in Action on August 1, 2022. The strategic planning effort is funded jointly by the City (\$100,000) and R3F (\$25,000). Dalberg has expertise in cross sector collaboration locally, nationally and internationally, and Empathy In Action is a Richmond-based non-profit that collaborates with other Richmond-based organizations and is providing support on outreach and engagement. The work on the strategic plan began in September 2022.

As part of this effort, the consultants have conducted over 20 interviews with key stakeholders to inform the 3–5-year strategic plan. They have also facilitated research on proposed governance and sustainability models, yielding preliminary discussion and draft strategies on a governance structure. Currently, the consultants are presenting preliminary findings to the R3F core team and the West Contra Costa Cares Coalition, and will provide updates to City staff and City Council in early 2023.

Targeted/Guaranteed Income Pilot Program

As part of the City-provided ARPA funds, R3F is evaluating the creation of a pilot guaranteed income (GI) program (also referred to as a target income program). R3F's desire to implement a GI program was informed by a community assessment process focused on economic recovery and security. Per the City's contract, if established, funding for a GI program would come from unexpended funds from the financial disbursements or rental/mortgage assistance programs.

R3F worked with graduate students from UC Berkeley's Goldman School of Public Policy and School of Public Health to administer a feasibility study regarding the populations in Richmond who will receive the greatest impact from a GI program. R3F connected with regional and statewide communities of practices and interviewed key leaders who have implemented GI pilot programs and other direct cash policies. R3F also evaluated data collected from direct cash services and the feasibility study. R3F is working on creating an initial design for a GI program and will begin fundraising for its implementation.

More than 100 GI demonstrations are currently active across the country, many of which are utilizing ARPA funds for their pilots. Interest in GI has sparked the development of a Contra Costa Working Group, funded by Y&H Soda Foundation, that is dedicated to curating a blueprint for GI in the county. Local jurisdictions like the County of Santa Clara and the City of Stockton implemented pilot GI programs in their communities. Currently, several Cares Coalition partners, who have worked with R3F, are offering support to the Budget Justice Coalition's County budget proposal, and specifically, the adoption of a Guaranteed Income (GI) fund of \$3 million for Contra Costa County. R3F will continue to research GI programs to determine the feasibility of developing and implementing a GI program in Richmond. If determined feasible, R3F will present information to City staff and City Council regarding program design and funding needs.

Next Steps

R3F is building on existing initiatives in Richmond, learning from other communities, and introducing new approaches to accelerate change, transform systems and build stable, healthy communities. In the last year, R3F focused on capacity building, research and development, and continuing to support new iterations of direct disbursements and rent relief that best meet the needs of the community. R3F is bringing on a fellow to further support and continue its work to support Richmond residents negatively impacted by the COVID-19 pandemic and achieving an equitable recovery. R3F will continue to provide regular updates to City staff and City Council on the use and impact of ARPA funds on the Richmond community.

DOCUMENTS ATTACHED:

Attachment 1 – PowerPoint