

CITY OF SANTA ROSA  
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS  
FROM: KATE GOLDFINE, ADMINISTRATIVE SERVICES OFFICER  
HOUSING AND COMMUNITY SERVICES DEPARTMENT  
SUBJECT: APPROPRIATION OF \$488,836 OF ADDITIONAL HOUSING CHOICE  
VOUCHER ADMINISTRATIVE FEE FUNDS ALLOCATED TO THE CITY  
OF SANTA ROSA UNDER THE CORONAVIRUS AID, RELIEF, AND  
ECONOMIC SECURITY ACT (CARES ACT) FUNDING ROUND 2

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Housing & Community Services Department that the Housing Authority, by resolution, appropriate \$488,836 of additional Housing Choice Voucher administrative fee funding allocated to the City under the Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding Round 2.

EXECUTIVE SUMMARY

The proposed action will authorize use of the supplemental Housing Choice Voucher program funding provided under CARES Act Funding Round 2 for the administration of the City's Housing Choice Voucher (HCV) program.

PRIOR HOUSING AUTHORITY REVIEW

On June 3, 2020, via Resolution No. 1688, the Housing Authority appropriated \$385,946 of Coronavirus Aid, Relief and Economic Security (CARES) Act Funding Round 1 for the administration of the City's Housing Choice Voucher (HCV) program.

BACKGROUND

1. The illness known as COVID-19, or Coronavirus, was first diagnosed in the United States in mid-January 2020, and on January 31, 2020, the White House declared a public health emergency. COVID-19 spread throughout the United States in February and March.
2. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act provides supplemental administrative fee funds to HCV programs in the total amount of \$850 million to be used for two purposes: (1) any currently eligible HCV administrative costs during the period that the program is impacted by coronavirus; and (2) new coronavirus-related activities, including activities to support or maintain the health and safety of assisted individuals and families, and costs related to the retention and support of participating owners.
3. The federal Department of Housing and Urban Development Department (HUD) allocated this supplemental funding in several rounds. The first round of funding in the amount of \$378 million was allocated to HCV programs in May 2020. The City of Santa Rosa HCV Program received \$385,946 in CARES Act supplemental administrative fee funds in the first round of funding. The funds must be expended for the purposes described above. The original

deadline to expend Round 1 funding was December 31, 2020, however HUD extended that deadline to June 30, 2021. If any of the funds are not expended during the period of availability, the remaining funds must be remitted to HUD.

4. The second round of funding in the amount of \$472 million was allocated to HCV programs in August 2020. The City of Santa Rosa HCV program received \$488,836 in CARES Act supplemental administrative fee funds in the second round of funding. The funds must be expended for the purposes described above. The deadline to expend Round 2 funding is June 30, 2021, unless HUD determines an extension is warranted. If any of the funds are not expended during the period of availability, the remaining funds must be remitted to HUD.

### ANALYSIS

The additional HCV program administrative fee funding will allow staff to continue to respond effectively to program participants and landlords affected by the coronavirus.

Public and Indian Housing (PIH) Notice 2020-08 for Round 1 funding outlined the eligible coronavirus-related uses of the funds. PIH Notice 2020-18 clarified some of the uses, as shown in italics below:

- Any currently eligible administrative costs during the period the program is impacted by the coronavirus, including necessary upgrades to IT or computer systems to enhance telework capacities and overtime pay for PHA staff to carry-out HCV Program responsibilities; and
- New coronavirus-related activities, including activities to support or maintain the health and safety of assisted individuals and families, and costs related to the retention and support of participating owners, such as:
  - procuring cleaning supplies for HCV units and common areas of PHA-owned Project-Based Voucher (PBV) units *and in-unit cleaning of all PBV assisted units.*
  - relocation of *PHA staff and families* to health units or other designated units for testing, hospitalization, or quarantine (may include transportation costs to these locations);
  - additional costs to supportive services vendors incurred due to coronavirus;
  - costs to retain or increase owner participation in the HCV program;
  - costs for providing childcare of PHA staff that would not otherwise be incurred;
  - costs associated with the delivery of goods, including food and medical supplies that comply with CDC requirements, to program participants;
  - public health security-costs to enforce shelter-in-place, stay-at-home, or visitor-restriction policies;
  - administration costs associated with the implementation of coronavirus-related activities that are not eligible HCV administrative costs;
  - other costs determined by HUD on a case-by-case basis.

Public and Indian Housing (PIH) Notice 2020-18 added additional eligible coronavirus-related uses of the funds. In addition to the uses described above, PIH Notice 2020-18 allows:

- PHA staff and resident related eligible expenses:

- Sourcing and purchasing personal protective equipment for PHA staff and for residents visiting the PHA offices or premises for program related reasons.
  - Expenses incurred because of COVID-19 restrictions impacting PHA operations (e.g., paying for transportation expenses for PHA staff who rely on public transit that is no longer available).
  - COVID-19 testing costs for PHA Staff and participating families. PHAs should adopt reasonable operating procedures related to testing.
- Other eligible activities related to social distancing and PHA operations:
  - Creation or update of infectious disease outbreak plan.
  - Physical Improvements to office space including expansion, remodel, or space rental.
  - Costs to facilitate and coordinate with local schools and local governments receiving funds from the U.S. Department of Education for the education of students in the program:
    - Costs for the technological needs of program participants with school aged children being homeschooled as a result of the pandemic that are not and will not be provided through other Federal, State, or local governments.

The funds may not be used to repay debts owed to HUD.

#### FISCAL IMPACT

Approval of this action will appropriate \$488,836 in additional administrative fee funding to the HCV program.

#### ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

#### NOTIFICATION

Not applicable.

#### CONTACT

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