

City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From*		To*	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	216-2909	\$100,000	216-5364237	\$100,000

Receive Report on the Pilot Rent Relief Program, Approve Budget Amendment, and Authorize the Interim City Manager to Execute an Amendment to the Professional Services Agreement with Silicon Valley Independent Living Center.

Background:

On May 7, 2019, the City Council approved the establishment of a new City Council Housing Subcommittee. Councilmembers Montano and Nuñez were appointed to serve on this newly formed subcommittee.

On August 6, 2019, the Housing Subcommittee met to consider the creation of a Pilot Rent Relief program that would provide various forms of financial assistance to Milpitas residents and families that have emergency housing needs. The Housing Subcommittee directed staff to agendaize this item at a future City Council meeting with the recommendation to budget \$100,000 for the one-year Pilot Rent Relief Program.

On October 15, 2019, the City Council authorized the creation of a Pilot Rent Relief Program, which allocated \$100,000 in financial assistance to Milpitas residents and families that have emergency housing needs. The Silicon Valley Independent Living Center was selected to administer the program on behalf of the City.

Analysis: Analysis:

In November 2019, the Pilot Rent Relief Program began accepting referrals and applications for rent relief.

Eligible recipients include the following:

- Low-to-moderate income individuals and families with dependent children under age 18
- Seniors who are age 55 and older
- Disabled individuals
- Victims of domestic violence
- Emancipated foster youth
- Section 8, Below Market Rate Rentals and other housing opportunities providing a subsidy

The eligible recipient must be able to demonstrate that they are a resident of Milpitas. For the purpose of this program, a resident of Milpitas is defined as an individual or family that has resided in Milpitas for at least six months. However, depending on the assistance provided, and at staff's discretion, an eligible recipient may be able to receive assistance with a residency requirement as early as three months. Exceptions may also be considered for emergency situations.

Conclusions

The feedback from the applicants and experienced service providers indicates that the program has operated consistently with the program expectations. Residents are not only receiving expedited rental assistance but SVILC has provided referrals to other service providers who are able to assist with the myriad of issues our residents may be experiencing.

The Pilot Rent Relief Program has utilized half of its funding in the first 3+ months. Due to the broad nature of the rent relief requests, staff believes the rent relief requests will continue to increase as knowledge of the program spreads. Further funding may be necessary in order to operate the program through the conclusion of its one-year term.

On February 25, 2020, the City Council Housing Subcommittee received a report of the program and directed staff to request an additional appropriation of \$100,000 for the Pilot Rent Relief Program. Additionally, the Subcommittee directed staff to broaden the types of eligible assistance offered to potential recipients to include items which were not specifically delineated in the program details, but which will greatly benefit the well-being of the recipients, and allow these items to be approved with staff discretion. Staff will return to the Subcommittee and/or City Council as needed as these broader items are developed.

Policy Alternative:

1. Not applicable.

Fiscal Impact:

The City Council approved \$100,000 in program funding on October 15, 2019. As of February 21, 2020, the Pilot Rent Relief Program has allocated \$44,607.68 and has assisted 10 households with a total of 36 Milpitas residents, which leaves just over \$55,000 remaining for future approved requests. If the City Council approves recommendation #2 as recommended by the Housing Subcommittee, the fiscal impact would be a \$100,000 reduction to the Affordable Housing Fund Ending Fund Balance.

California Environmental Quality Act:

The action being considered has no potential for causing a significant effect on the environment and is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3).

Recommendation:

1. Receive report on the Pilot Rent Relief Program.
2. Approve a budget amendment to appropriate an additional \$100,000 from the Affordable Housing Fund to the FY 2019-20 Housing Operating Budget for Silicon Valley Independent Living Center (SVILC) to fund the Pilot Rent Relief Program.
3. Authorize the Interim City Manager to prepare and execute an amendment to the one-year Professional Services Agreement with Silicon Valley Independent Living Center to include the additional \$100,000 for the management of the Pilot Rent Relief Program.

Attachments:

Budget Change Form

☒ Check if City Council Approval required.

Meeting Date: March 03, 2020

Requested by:	Department Head: Sharon Goei	Date: March 03, 2020
Reviewed by:	Finance Director: Walter C. Rossmann	Date: March 03, 2020
Date approved by City Council, if required:		Confirmed by: