



CITY OF INGLEWOOD

OFFICE OF MAYOR JAMES T. BUTTS, JR.



DATE: August 11, 2020
TO: Council Members
FROM: Mayor James T. Butts, Jr. *for STB*
SUBJECT: Mayor's Initiative – COVID Relief Fund

RECOMMENDATION:

It is recommended by Mayor James T. Butts, Jr., that the City Council take the following actions:

1. Direct staff to develop two (2) COVID-19 Relief Programs to assist Low-Income and unemployed or underemployed Inglewood residents pay past due rents, due to COVID-19 impacts and other basic needs;
2. Authorize staff to amend the 2019-2020 budget to use up to \$2 Million in General Fund Reserves to implement the COVID-19 Relief Programs; and
3. Submit a staff report for City Council consideration and action at the Council Meeting of August 18, 2020.

BACKGROUND:

On June 29, 2020, the Governor signed the state budget, which included \$500 million of CARES Act funding for cities, \$225 million for cities with populations greater than 300,000 and \$275 million for cities with populations less than 300,000. Each city will receive a minimum amount of \$50,000. Pursuant to the State of California Budget Act of 2020 and the provisions of subdivision (d) of Control Section 11.90, the City of Inglewood will receive approximately \$ 1,382,521. The federal government authorized Title V of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), whose purpose is to provide for payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak.

In addition, the City will receive \$827,507 in CARES Act, CDBG-CV. This program's funding provides temporary financial assistance and stabilization services to households who are homeless or would become homeless, if not for this assistance. Funding for the CARES Act, CDBG-CV is allocated through, and regulated by, the United States Department of Housing and Urban Development (HUD), Office of Community Planning and Development and may be utilized for rental assistance or utilities.

The COVID-19 Relief Fund can be used in any manner that individuals and families choose. A recent survey of California City Managers indicated that a vast majority of cities are intending to use TCRF funding to offset or reduce public health & public safety costs incurred during the COVID-19 pandemic. It is my recommendation that the City use these funds for renter relief funding.

DISCUSSION:

There are income restrictions associated with the CDBG CV Funds while CARES Act funds have no such limitations. I recommend that the City will create two COVID Relief Programs to assist residents in financial need:

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1. **CDBG CV Program** – The City will supplement the \$827,507 CDBG CV fund, with an additional \$172,493 (for a total of \$1 million) to provide **rental assistance to Low-Income Inglewood residents**. This programs requires that certain income requirements be met and that a resident be at least 30 days behind on their rent payment.
2. **CARES Act Program** – I recommend that the City allocate \$1 million dollars to provide \$500 debit cards to Inglewood residents that are unemployed or under-employed (those that can prove that they were forced to seek employment paying less than their previous job which was eliminated due to the COVID-19 pandemic). There will be no income restriction associated with this program.

Staff is directed to develop a COVID-19 Relief Program with the following elements:

1. Eligibility – Must be an Inglewood Resident and show proof that you were impacted by a loss of income, due to the COVID-19 pandemic. The recipient must also be a renter in the City of Inglewood.
2. Advertising – Staff will develop an advertisement campaign to attempt to notify Inglewood residents of the program.
3. Priority Based Waiting List – Priority preference will be given to the elderly (62 or over), the permanently disabled and Inglewood residents that are unemployed or underemployed, due to COVID-19.
4. Application process – An on-line application process will used to catalogue applications. Computers will be available at City Hall for those who do not have computers.

The current Treasury guidance requires the City to expend or obligate funding from March 1, 2020 through December 30, 2020.

Should additional CARES Act funding become available through the Department of Housing and Urban Development (HUD) and the Community Development Block Grant (CDBG) Program or through CDBG-CV funding, the Mayor will recommend that those funds also be used to supplement the Rental Relief Program for Low-Income renters.

FINANCIAL/FUNDING ISSUES AND SOURCES:

Staff is directed to submit a resolution amending the Fiscal Year 2020-2021 budget for the use of up to \$2 million in General Fund Reserves to implement the programs until such time that CARES Act – Treasury's Coronavirus Relief Fund (TCRF) becomes available.

DESCRIPTION OF ANY ATTACHMENTS:

None.