

County of Santa Clara

Office of Supportive Housing

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September 10, 2020

TO: Honorable Members of the Board of Supervisors
Jeffrey V. Smith, County Executive

FROM: Consuelo Hernandez, Acting Director, Office of Supportive Housing DS
C.H.

SUBJECT: Isolation & Quarantine Support Program – Rental and Financial Assistance Timing

Under advisement from the July 21, 2020 Board of Supervisors meeting (Item No. 9d), this memorandum responds to an inquiry by Supervisor Ellenberg relating to the time it takes for Isolation & Quarantine Support Pilot Program (Program) participants to receive rental or financial assistance through Sacred Heart Community Service (SHCS) after being referred by the Santa Clara County COVID-19 Support Team.

Through SHCS, the Program provides rental and financial assistance to qualified participants in need. Each household may be eligible for up to \$5,000. This service is available to households that need to use a hotel as well as households that need support to isolate or quarantine at home. SHCS determines eligibility, verifies need, and issues the financial assistance. Financial assistance is paid directly to the vendor (i.e., landlord, utility company). Households must have income equal to or lesser than 80% of Area Median Income (AMI) to be eligible for rental and financial assistance (e.g., a family of four with an annual income of \$112,150 or lower). In addition, households must provide documentation that verifies their need and the amount needed. For example, for rental assistance, a household may have to provide a copy of their lease as well as a notice to pay rent or quit that they have received. These requirements are necessary because the County initially allocated Community Development Block Grant (CDBG) funds for the rental and financial assistance.

The Program's initial goal was for SHCS to disburse financial assistance within about a week of referral. On August 3, 2020, County staff reviewed all rental and financial assistance referrals sent to SHCS. This review identified two factors that were delaying disbursement of rental and financial assistance. First, there has been a significant increase in the number of referrals to SHCS. In May, the County estimated there would be 15 to 20 referrals for financial assistance weekly, but the number of referrals is now between 80 and 100 per week. Despite its best efforts, SHCS has not been able to redirect or hire sufficient staff quickly enough to meet the unexpected demand. The second contributing factor is the time it takes for households and vendors to obtain and submit the necessary documents, such as leases and W-9 forms.

As of August 28, 2020, the County has referred 552 families to SHCS for rental or financial assistance. Of these households:

- 92 families were found to be ineligible or did not respond to requests for information.
- 61 families received their requested financial assistance. The average amount of financial assistance per household was \$2,172. The average time between referral and disbursement of funds is 17.5 days.
- 180 families' applications were in process.
- 219 families had not yet been contacted by SHCS.

To resolve the backlog and to position the program for success moving forward, the Administration plans to implement the following.

1. SHCS has hired or will redirect 8.0 FTEs to support this work. These staff will focus on disbursing financial assistance (using the existing program model) to the 180 families who are already working with SHCS. The goal is for SHCS to disburse financial assistance to all 180 families by September 25, 2020.
2. The County team managing the Isolation and Quarantine Support Program will contact the 219 families who have not been contacted by SHCS. These families will be assisted using a different program model. Each of the eligible families will receive a flat payment of \$2,000, which is approximately the County Living wage without health or retirement benefits multiplied by 80 hours. Certain households with exceptional needs may receive an additional up to \$500 in financial assistance. The assistance is intended to help families comply with recommendations to isolate or quarantine. County staff would verify families' eligibility by confirming that they are: Santa Clara County residents, are COVID-19 positive or have had close contact with someone who is COVID-19 positive, have household incomes at or below 80% of Area Median Income (AMI), and need the assistance to replace wages or other income. By reducing eligibility and verification requirements, families can be assisted more quickly. SHCS or another organization would issue the financial assistance to the family upon direction from County staff. The goal is to disburse the financial assistance to all eligible families by September 25, 2020.

Addressing the backlog quickly will necessitate two actions. The first is amending the County's current agreement with SHCS to increase the budget by \$300,000. This agreement was executed by the Emergency Operations Center Director; the amendment will be executed using that same authority. The second action is executing a \$600,000 agreement with Family Investment Initiative to quickly disburse financial assistance to the 219 families who have not yet been contacted by SHCS.

Combined, the two actions total \$900,000. To fund these activities, the Administration would use \$300,000 in Community Development Block Grant (CDBG) funds and \$600,000 of the \$5 million in Coronavirus Relief Funds (CRF) that the Board approved (June 2, 2020, Item #21) for the countywide Financial Assistance Program being managed by Destination: Home and the Silicon Valley Community Foundation (SVCF). As described below, all \$5 million designated by the Board would still go towards assisting low-income families affected by the pandemic.

As of September 9, 2020, the City of Saratoga has approved participation in the Program. Staff from the cities/towns of Campbell, Gilroy, Los Altos, Los Altos Hills, Milpitas, Morgan Hill and San José have agreed to bring the agreements to their councils for approval or ratification in September. The Program continues serving the residents of these eight cities and the unincorporated areas.

The remaining seven cities are either operating their own programs or have not yet informed the County of their intention. Effective, September 7, 2020, County staff began referring residents from these seven cities to city staff or community-based organizations as determined by each city. Any of the seven cities may participate in the County-administered program later; however, the cities may need to offset County fixed costs as of August 1, 2020.

Moving forward, the Program would provide rental and financial assistance using the original model. This is because the primary funding sources for the assistance will be CDBG and – for San José residents – CRF from the City of San José. The City of San José has determined that their CRF monies must be paid to vendors and requests for assistance require significant documentation. To minimize the wait times for rental assistance, the County is increasing the number of Resource Coordinators and County staff who will be responsible for obtaining and verifying household's eligibility (rather than individuals and families) to SHCS.

The Administration intends to bring the following recommended actions for the Board's consideration on September 22, 2020.

- A. The Administration would recommend approval of delegations of authority for the Administration to: 1) enter into revenue agreements with cities to fund the Program; and, 2) execute agreements with one or more community-based organizations to disburse the financial assistance. The agreements with the cities would have start dates retroactive to August 1, 2020, and the agreements with the community-based organizations would have start dates retroactive to September 7, 2020, allowing the County to continue assisting families between now and the next Board meeting.
- B. The Administration would also recommend approval of a \$4.4 million agreement with SVCF (for the countywide Financial Assistance Program) with a retroactive start date to September 1, 2020. This action would meet the Board's intent of making these funds available to residents as quickly as possible. This item is related to the Board referral from June 2, 2020 (Item #21).

CC: Chief Board Aides
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James Williams, County Counsel
Megan Doyle, Clerk of the Board
Director, County Emergency Operations Center