

Resolution No. 2021-08-24-1502

STOCKTON CITY COUNCIL

RESOLUTION TO ACCEPT AND APPROPRIATE GRANT FUNDING FROM THE UNITED STATES DEPARTMENT OF TREASURY EMERGENCY RENTAL ASSISTANCE PROGRAM OF \$11,051,190.10 AND FROM THE STATE OF CALIFORNIA RENTAL ASSISTANCE PROGRAM OF \$8,854,279.36; AND TO APPROVE THE ALLOCATION OF FUNDS

On March 11, 2021, the American Rescue Plan Act of 2021 (Pub. L. No. 117-2) ("**ARPA**") was signed into law. Section 3201 of ARPA established the federal Emergency Rental Assistance Program ("**ERA2**"), and authorized the direct allocation of emergency rental assistance funds to states, the District of Columbia, units of local government, and territories. The ERA2 funds are intended to assist low-income households that have experienced financial hardship due to the COVID-19 pandemic, are unable to pay for rent and utilities, and are at risk of experiencing homelessness or housing stability; and

California Assembly Bill No. 832 (2021-2022 Reg. Sess.) ("**AB 832**") established the State of California's program for administering its share of ERA2 funds (the "**SRA2**," "**State Rental Assistance Program – 2**," or "**SRA2 Funds**"). AB 832 amended Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code. Health and Safety Code section 50897.1, subdivision (a)(1) authorizes the Department of Housing and Community Development (the "**Department**") to administer the SRA2 Funds in accordance with state and federal law; and

In May 2021, the City of Stockton ("**Locality**") was notified by the U.S. Department of the Treasury ("**Treasury**") of an allocation of ERA2 funds in the amount of \$11,051,190.10 (such amount, the Locality's "**Direct ERA2 Allocation**"); and

Locality plans to administer its Direct ERA2 Allocation, and acknowledges that the Direct ERA2 Allocation is subject to the requirements of ARPA and the Treasury's interpretive guidance, and to all such requirements as may be subsequently amended; and

Locality desires to receive an allocation of SRA2 Funds pursuant to Health and Safety Code section 50897.2.1, subdivision (a)(1) or (2) (such allocation, a "**Round 2 Block Grant Award**"). Locality submitted its request for a Round 2 Block Grant Award to the Department in accordance with Health and Safety Code section 50897.2.1, subdivision (c)(1); and

Locality acknowledges that every Round 2 Block Grant Award is subject to state and federal requirements, including, without limitation, the requirements of AB 832 and the Department's guidelines, the relevant requirements of ARPA and the Treasury's interpretive guidance, and all such requirements as may be subsequently amended (collectively, the "**Round 2 Block Grant Award Requirements**"); and

Locality further acknowledges that every Round 2 Block Grant Award is subject to the terms and conditions of a Department-approved STD 213, Standard Agreement

("Standard Agreement"), all other documents required or deemed necessary or appropriate UNDER STATE OR FEDERAL LAW to allocate the Round 2 Block Grant Award, and all amendments thereto (collectively, the "Round 2 Block Grant Award Documents"); now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. Locality is hereby authorized and directed to accept a Round 2 Block Grant Award in the total amount of \$8,854,279.36 and a Direct ERA2 Allocation in the total amount of \$11,051,190.10, and any such additional amount as allocated to the City under the programs.

2. Locality is hereby authorized and directed to enter into, execute, and deliver the Round 2 Block Grant Award Documents, which shall include a Standard Agreement in the total amount of \$8,854,279.36, and the Direct ERA2 Allocation Documents with Treasury in the total amount of \$11,051,190.10, and any such additional amount as allocated to the City under the programs.

3. Locality is hereby authorized and directed to assume responsibility for administering the Round 2 Block Grant Award in accordance with all Round 2 Block Grant Award Requirements and the Direct ERA2 Allocation in accordance with all Federal ERA2 Program requirements.

4. Harry Black, City Manager, or designee, is authorized to execute the Direct ERA2 Allocation Documents with U.S. Treasury and the Round 2 Block Grant Award Documents on behalf of the Locality for participation in both the Federal ERA2 Program and State Rental Assistance Program – 2, respectively.

5. Authorize the City Manager to allocate funds among approved activities and partners as needed to maximize impact and benefit to the Stockton community and add staff support to the Economic Development, as needed, to administer the program.

6. Authorize the City Manager, or designee, to appropriate grant funds and associated expenditures, execute contracts above the current \$75,000 spending cap for funds accepted under this Resolution, and take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.


PASSED, APPROVED, and ADOPTED: August 24, 2021, by the following vote:

AYES: 7 NAYES: 0 ABSTAIN: 0 ABSENT: 0



KEVIN J. LINCOLN II
Mayor of the City of Stockton

The undersigned, Eliza R. Garza, City Clerk of the City of Stockton, does hereby attest and certify that the foregoing is a true and full copy of a resolution of the governing body adopted at a duly convened meeting on the date above-mentioned, and that the resolution has not been altered, amended, or repealed.



ELIZA R. GARZA, GMC
City Clerk of the City of Stockton

