



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: APRIL 23, 2024**

FROM: HOUSING AND HUMAN SERVICES **WARDS: ALL**

SUBJECT: PILOT SUPPLEMENTAL RENTAL ASSISTANCE PROGRAM FOR SENIORS AT-RISK OF BECOMING HOMELESS - SUPPLEMENTAL APPROPRIATION AND INTERFUND TRANSFER

ISSUE:

Approve a pilot Supplemental Senior Rental Assistance Program for seniors at-risk of becoming homeless.

RECOMMENDATIONS:

That the City Council:

1. Authorize the establishment of a pilot Supplemental Rental Assistance Program for seniors at-risk of becoming homeless;
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to:
 - a. Allocate American Rescue Plan Act Expenditure Plan interest earnings in the amount of \$900,000 to General Fund revenue replacement;
 - b. Record a supplemental appropriation in the Grants and Restricted Fund, American Rescue Plan Act accounts in the amount of \$900,000 and record an interfund transfer of the same amount to the General Fund to effectuate the American Rescue Plan Act revenue replacement allocation; and
 - c. Record a supplemental appropriation in the General Fund in the amount of \$900,000 and record an interfund transfer and supplemental appropriation of the same amount in the Grants and Restricted Fund, Senior Rental Assistance Program account.

BACKGROUND:

California accounts for about a third of the nation's homeless population, and among this population, seniors are estimated to be the fastest-growing group. One key indicator is the state's count of people accessing homelessness services. From 2017 to 2021, California's overall senior population grew by 7% but the number of people 55 and over who sought homelessness services increased by 84%, according to the state's Homeless Data Integrations System.

During the 2023 Riverside County Homeless Point-in-Time Count, there were 109 homeless seniors between the age of 55 to 64 and 46 homeless seniors at or over the age of 65 in the city.

Seniors who are more likely to be at risk of homelessness live alone and are on a fixed income, with little to no savings. A main contributor of senior homelessness throughout California is rent increase as senior's income streams, including Social Security benefits and Supplemental Security Income, have not kept up.

The City currently operates a Homeless Prevention Program that is funded by the Homeless Housing, Assistance and Prevention grant and can assist seniors. However, the program can only assist with up to three months of past due which will not help seniors achieve housing stability and must prioritize households at or below 30% of area median income.

DISCUSSION:

As of February 15, 2024, the County of Riverside has 1,535 seniors that are 62 years and older and are City of Riverside residents on the Section 8 wait list. Of the 1,535 registrants, 346 are 70 years and older. The County of Riverside has a Section 8 first level preference for veterans, widows of veterans, and those who are 70 years and older. The wait time for seniors 70 years and older can range from 6 months to one year.

According to Bankrate, in December 2023 the average Social Security Income payment is \$1,767.03. Per Apartments.com, the average rent for a one-bedroom apartment is \$1,782. Per livingcost.org, the cost of living for rent, utilities, food, and transportation for one person is \$2,345. To ensure that a senior can afford the cost of living in Riverside, they would need an additional \$577.97 (\$600 if rounding up) on top of their Social Security Income.

To ensure that seniors at or over 70 years old remain stably housed, staff is recommending implementing a pilot Supplemental Senior Rental Assistance Program that would provide up to \$600 for up to 12 months of supplemental rental assistance payments for seniors while they are waiting for a Section 8 voucher to be issued or an affordable senior housing unit becomes available. If the maximum monthly payment of \$600 is provided for 12 months, 125 seniors at the age of 70 or older can be assisted with maintaining their housing. Staff will also reach out to seniors on the Section 8 wait list to ensure that they are on affordable senior housing wait lists.

Eligible applicants must have a household income that does not exceed 50% of area median income (AMI), which is \$36,250 for a one-person household in Riverside County and must be paying more than 30% of their income towards rent. Applications from seniors at or over 70 years old with an income at or below 30% of AMI will be prioritized for rental assistance.

If there are unencumbered funds after six months of operating the program and there are no applications pending for seniors at or over the age of 70 years old, staff will open the program to individuals 62 or older on the Section 8 wait list with incomes at or below 50% AMI and prioritize households with incomes at or below 30% AMI.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 2 – Community Well-Being, Goal No. 2.2**, collaborate with partner agencies to improve household resiliency and reduce the incidence and duration of

homelessness.

This item aligns with Each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Activities and actions by the City serve the public interest, benefit the City's diverse population and result in greater public good.
2. **Equity** – All individuals assisted through the pilot Supplemental Rental Assistance Program will be treated with dignity, respect, and compassion regardless of the circumstances, ability, or identity.
3. **Fiscal Responsibility** – This item ensures fiscal responsibility of ARPA funds by identifying a need or negative impact and identifying how the program addresses the identified need.
4. **Innovation** – Riverside is innovative and timely in meeting the community's changing needs and prepares for the future through collaborative partnerships and adaptive processes that benefit a broad resident base.
5. **Sustainability & Resiliency** – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City's capacity to preserve, adapt and grow during good and difficult times alike.

FISCAL IMPACT:

The fiscal impact of this action is \$900,000, funded by ARPA revenue replacement funds. With Council approval, staff will allocate \$900,000 of ARPA interest earnings to General Fund revenue replacement. These funds will then be transferred to the Grants and Restricted Program Funds Senior Rental Assistance Program.

Prepared by: Michelle Davis, Housing and Human Services Director
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Mike Futrell, City Manager
Approved as to form: Phaedra A. Norton, City Attorney