



County of Santa Cruz

REDEVELOPMENT AGENCY

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TOM BURNS, AGENCY ADMINISTRATOR

January 20, 2002

Agenda: February 26, 2002

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Funding for Community Action Board's Emergency Housing Assistance Program

Dear Members of the Board:

In November of 2001 your Board, as part of developing a Housing Action Plan, directed staff to evaluate the merits of expanding funding of the Community Action Board's (CAB) Emergency Housing Assistance Program. The purpose of this letter is to provide a summary of staffs findings and recommend appropriate funding for the balance of the fiscal year.

CAB Program Overview

The Emergency Housing Assistance Program provides short term rental assistance in cases when a tenant faces eviction due to lack of rent payment as a result of one-time cash-flow problems. Typical circumstances leading to such a predicament include a car break down, a reduction in or loss of work hours due to a short term medical condition, or medical bills resulting from an illness in the family. On average, CAB provides a household rental assistance for about one and a half months upon proof of a landlord's impending eviction. As a condition of rental assistance, the tenant must agree to undergo an intake, assessment and correction process to prevent subsequent occurrences. As part of this process, tenants may be referred to other agencies for such items as medical insurance, food assistance, or job referrals. According to CAB's data from post service follow up interviews, about 80% of the households assisted with the combination of eviction prevention funds and attendant case management are still in their homes. The Program provides a valuable service considering that prevention of imminent eviction is much less costly than the full actual and social costs of reintegrating a family into mainstream society once the family becomes homeless.

CAB provides eviction prevention services to local jurisdictions which have entered into service contracts. CAB's services to County unincorporated area residents are funded

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through the one-time TANF Incentive Program. Because of the limitations of the TANF funding requirements, CAB's unincorporated area services are limited only to households with children and are not available to adult only households or families not eligible for TANF assistance. CAB staff has estimated that an annual contract of \$25,000 would allow them to expand the current program to address this service need. Funds to support this program expansion are available in the CDBG Reuse Budget administered by Redevelopment staff for the County and can be made available by amending the existing agreement between HRA and CAB.

Long Term Funding Issues

It should be noted that the above measure addresses only the short term needs for eviction prevention services to unincorporated area residents. There are, however, some critical reasons to evaluate long term funding options as part of the upcoming budget process. First, the State's budget deficit has prompted the Governor to propose elimination of the TANF funding component used for eviction prevention services in the unincorporated area. Second, as CAB's Program has expanded, it has placed an additional burden for ongoing support services provided by Families in Transition (FIT). Therefore, in the context of evaluating long term funding for the CAB Program it would be appropriate to determine an appropriate level of funding for the component of program activity carried by FIT as well. This evaluative process will help determine whether the County will be in a position to address the funding needs of both these critical programs in next fiscal year.

Conclusion/Recommendation

Funding for expanding the CAB program to include single adults and non-TANF eligible families is merited. At the same time, it will be important to investigate possible long term secure funding sources for both the CAB and related FIT Programs for next fiscal year.

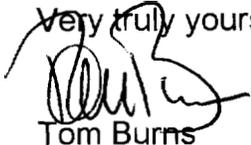
It is therefore RECOMMENDED that your Board take the following actions:

1. Approve funding from the CDBG Reuse Fund of \$25,000 for expanding the CAB Program as described in this letter; and
2. Direct the RDA Administrator and HRA Administrator, in conjunction with the CAO, to evaluate possible long term sources of funding for the CAB Program and related program requirements in the FIT Program for consideration as part of the FY 2002-03 Budget.

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Very truly yours,



Tom Burns
Redevelopment Agency Administrator

RECOMMENDED:



Susan A. Mauriello
County Administrative Officer

cc. RDA

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