



CITY OF COMMERCE AGENDA REPORT

TO: HONORABLE CITY COUNCIL **Item No. _____**

FROM: CITY ADMINISTRATOR

SUBJECT: SENIOR RENT SUBSIDY PROGRAM REACTIVATION

MEETING DATE: APRIL 3, 2018

RECOMMENDATION:

It is requested that the City Council consider reactivating the Senior Rent Subsidy Program and direct City staff to update all necessary program policies and procedures.

BACKGROUND:

Established in the mid 1980's, the Senior Rent Subsidy Program was funded using redevelopment housing set-aside funds, which provided for up to 75 participants annually that were processed on a first-come, first-served basis. However, according to past staff reports, there was never a need to establish a waiting list for this program.

On June 5, 2012, the Successor Agency confirmed that, pursuant to AB 26, the State would not allow continued funding for the Senior Rent Subsidy Program. Following an audit of the 38 participants at the time, City staff confirmed that an abrupt termination of the Program would result in a financial hardship for them. Concerned for their financial hardship, the City Council approved a transition program called the *City of Commerce Temporary Senior Citizen Rent Subsidy Program* ("*City Temporary Program*") that would be funded with General Fund monies until June 5, 2013.

The *City Temporary Program* included only those participants that had been part of the Senior Rent Subsidy Program at the time that redevelopment was dissolved. To date, the City continues to annually fund the *City Temporary Program* for the remaining ten (10) participants using General Fund monies, and the general oversight of the Program is handled by the City's Social Services Division.

Staff continues to analyze other potential support services for seniors including a legal services pilot program to ensure that their leases with private landlords are consistent with applicable laws.

ANALYSIS:

A potential revenue source to reactivate the *Senior Rent Subsidy Program* may be available to transition out of the *City Temporary Program* starting with 35 participants that would include the existing 10 participants. In the event program participation interest increases, staffing needs may need to be addressed at a later date. The criteria for participating in the program as well as the application and review process must still be refined further. Staff can be provided with the authority to develop the program within the financial parameters discussed in the Fiscal Impact

section or as determined by the City Council, or staff can return at a future date with those specifics for the program.

ALTERNATIVES:

1. Approve the reactivation of the *Senior Rent Subsidy Program* for 35 participants and direct City staff to update all necessary program policies and procedures.
2. Provide staff with further direction

FISCAL IMPACT:

If the City Council decides to increase the participation level to 35, the General Fund can absorb the cost within the scope of the current appropriation for the remainder of this fiscal year. With that said, the recommended action to reactivate this program will require a General Fund appropriation of approximately **\$84,000** during the upcoming FY 2018-19 budget process. The amount is premised on a \$200 per month subsidy (maximum allowed under the program) and is exclusive of a change in the current staffing level. A definitive funding source will be discussed during the budget process.

RELATIONSHIP TO STRATEGIC GOALS:

This matter is applicable to the following Strategic Focus Area and Guiding Principle: Community Quality of Life – Guiding Principle 4: Support and evaluate community services, programs and events that promote healthy and quality lifestyles for our residents. Enhance public safety and social services through innovative programs that meet the needs of the residential and business communities.

Recommended by: Edgar P. Cisneros, City Administrator
Prepared by: Fernando Mendoza, Interim Director of Human Resources
Budget Impact reviewed by: Vilko Domic, Director of Finance
Approved as to form: Norma Copado, Assistant City Attorney
Respectfully submitted: Edgar P. Cisneros, City Administrator