

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 670, 95833

P. O. Box 952054

Sacramento, CA 94252-2054

(916) 263-2771 / (FAX) 263-2763

www.hcd.ca.gov**February 24, 2021**

MEMORANDUM FOR: ERAP Option C Jurisdictions

FROM: Geoffrey Ross, Deputy Director, Division of Financial Assistance --
Federal Programs

SUBJECT: ERAP Option C Jurisdiction Memoranda of Understanding (MOU)

Thank you again for submitting an Expression of Intent survey to help the Department of Housing and Community Development (HCD) understand how your jurisdiction will administer its Emergency Rental Assistance Program funds.

Your jurisdiction is planning to distribute your direct federal allocation and has requested the state to administer your state allocation (Option C) according to your jurisdiction's survey response. As previously stated, the state has reserved state allocation funds for your jurisdiction. To deploy these funds in your jurisdiction, we must develop and execute a partnership agreement with your jurisdiction to safeguard these funds from duplication of benefit, fraud, and abuse. Given the critical need to assist Californians hardest hit by the pandemic, HCD is eager to complete a Memorandum of Understanding (MOU) with your jurisdiction.

To facilitate the MOU process, HCD requests that your jurisdiction provide HCD with your vision for how your jurisdiction anticipates partnering with the state to de-duplicate benefits between the two programs. This vision must ensure the local and state-run programs bifurcate who is assisted but remain coordinated by utilizing at least one of the following parameters to distinguish who is eligible for the local versus state program:

- People (Distinguishing between AMI levels and size of household)
- Geography (Distinguishing by zip code or other physical feature)
- Time (Distinguishing, by local program completion)

Two critical considerations must be accounted for when deciding how to bifurcate programs: equity and communication. Running two separate programs administered by different government agencies creates challenges to equity and communication. Because of this, HCD suggests jurisdictions delineate the two programs using a time-based parameter. Should your jurisdiction believe a geographic or population-based bifurcation better serves your jurisdiction, please be prepared to discuss how your jurisdiction and the state can work together to ensure the legal, equitable, and timely distribution of all funds.

Please note, the State Emergency Rental Assistance Program cannot deploy in your area until your jurisdiction has executed an MOU with HCD.

Please contact HCD at ERAP@hcd.ca.gov should you have any questions, concerns, or want to schedule a meeting with HCD programmatic staff.

Thank you again for your partnership as we work to keep families stably housed and provide rental relief to tenants and landlords impacted by COVID-19.