



Agenda Report

Fullerton City Council

MEETING DATE: DECEMBER 7, 2021

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEVE DANLEY, ACTING CITY MANAGER

PREPARED BY: GREGORY PFOST, INTERIM COMMUNITY AND ECONOMIC DEVELOPMENT DIRECTOR
KELLEE FRITZAL, COMMUNITY AND ECONOMIC DEVELOPMENT DEPUTY DIRECTOR

SUBJECT: TENANT BASED RENTAL ASSISTANCE PROGRAM EXTENSION

SUMMARY

Consideration of extending the City's Tenant Based Rental Assistance Program (TBRA) for an additional two years for qualifying senior or disabled residents living in the Rancho La Paz or Rancho Fullerton mobile home parks and qualifying senior veterans citywide.

RECOMMENDATION

1. Approve up to \$300,000 of Fiscal Year 2021-2022 HOME funds to implement an additional two years of the TBRA program.
2. Authorize City Manager, or designee, to make any budget appropriations needed to FY 2021-22 HUD-HOME budget.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

There is no impact to the General Fund as a result of this program. HOME Investment Partnerships Program funding would fund this program.

DISCUSSION

A large majority of mobile home residents in Fullerton are seniors on a fixed income. Although the resident owns the mobile home unit in most mobile home parks, residents

must pay a monthly rent for their space which in some cases can amount to more than 50% of their monthly income.

The City has administered a Tenant Based Rental Assistance (TBRA) Program in 2008 and 2016. Both prior iterations focused on assisting mobile homeowners who paid more than 50% of their income for housing costs, including space rent. The City discontinued both programs due to lack of funding.

The sale of the Rancho La Paz senior mobile home park in 2019 resulted in residents receiving notices of significant space rent increases. In response, City Council directed Staff to prepare an overview of potential tools that the City could consider to stabilize space rental rate increases at the City's senior mobile home parks.

In August 2019, City Council created the new TBRA program to assist seniors in both the Rancho La Paz and Rancho Fullerton mobile home parks for up to two years of rental assistance for qualifying participants, funded through HOME Investment Partnerships Program (HOME) funds. In March 2020, the City expanded the program to include eligible veterans citywide. The program has minimum qualifications, including:

- Seniors over 62 (priority), eligible seniors over 55.
- Disabled.
- Qualifying veterans (Citywide).
- Utilized Fair Market Rent (FMR) rates, developed by the U.S. Department of Housing and Urban Development (HUD) for Orange County, adjusted annually to determine the amount of assistance to provide.
- If the space rent is above the FMR, the mobile homeowner pays the additional amount above the FMR .
- The resident must pay minimum rent.
- Rental assistance must be greater than \$100.00 (due to the cost of program administration).

City Staff continues to work with residents in both mobile home parks on the required documentation needed by HUD to confirm eligibility to participate in the program. The program currently assists 22 households in the mobile home parks. No veterans currently utilize this program, however, Staff continues to seek applicants. Staff continues to receive inquiries regarding the program but with the program only funded through January 2022, staff has placed new applicants on hold.

HUD apportions HOME Funding to the City on an annual basis. The exact amount of HOME Funds allocation can fluctuate from year to year. Staff believes that the City will have the recommended \$300,000 available for allocation. If awarded, the City will utilize the funds for implementation of the program on a first come, first served basis until the program has encumbered the total amount allocated by HUD, similar to the prior cycle. Staff will review the TBRA program annually to evaluate its effectiveness and to consider future HOME fund allocations to continue the program.

Attachments:

- Attachment 1 – TBRA Guidelines