



CITY OF SALINAS COUNCIL STAFF REPORT

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DEPARTMENT: COMMUNITY DEVELOPMENT

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TITLE: REPORT ON RENTAL ASSISTANCE PROGRAMS AND HOUSING
PRODUCTION TRACKING

RECOMMENDED MOTION:

Receive an administrative report on rental assistance programs and housing production tracking and provide staff direction.

EXECUTIVE SUMMARY:

This report presents an overview of established local government rental assistance programs and best practices, provides a summary of the City's past rental assistance activities, and outlines considerations for continuation or expansion of these program activities. The development of a Regional Housing Needs Assessment (RHNA) and housing production progress dashboard on the City's website is proposed.

BACKGROUND:

At the April 22, 2025 Salinas City Council meeting, the Council directed staff to return with an ordinance to repeal the [Residential Rental Registration](#), [Rent Stabilization](#), [Tenant Protection and Just Cause Eviction](#), and [Tenant Anti-Harassment](#) ordinances. In addition, Council directed staff to develop a plan for the potential establishment of a rental assistance program. Staff researched and compiled a review of local government rental assistance programs to identify best practices and items to consider for establishing program eligibility criteria, application intake and processing, administrative structure and management, program delivery, program funding and outcome metrics. Below is the list of rental assistance programs and studies reviewed.

- City of Cudahy, CA – Rental Assistance Program description (2023)

- City of La Mesa, CA – Older Adult Rental Assistance Program (2024)
- City of Monterey, CA – Rental Assistance Program details (2024) ([City of Monterey, CA](#))
- City of Tampa, FL – Rental & Move-In Assistance Program (RMAP) overview (launched 2022)
- National League of Cities – Lessons from Five Cities’ ERA programs (2022)
- Turner Center for Housing Innovation – “Building Local Institutional Capacity: Lessons from ERA” (Oct 2022)
- U.S. HUD Cityscape Journal – Discussion of Philadelphia’s PHLHousing+ cash assistance pilot (2024)

Below is a summary of program eligibility criteria, application processes, administration, funding sources, delivery methods, and outcome measures identified through staff’s review.

Eligibility Requirements and Targeted Population

City rental assistance programs typically target low-income households experiencing financial hardship. Common eligibility criteria listed below often include residency, income limits, and proof of need.

Residency: Residency criteria can include living within the jurisdiction’s boundaries and a minimum residency duration.

Income Limits: Most programs establish income limit criteria to target those most in need using Housing and Urban Development Department’s (HUD) Annual Income Limits, which establish income level based on household size and income compared to the Area Median Income. Attachment 1 to this report includes HUD 2025 Income Limits for Monterey County.

Demonstrated Need or Hardship: Applicants often must show financial hardship or risk of housing loss including documentation demonstrating rent-burden or arrears.

No Duplicate Assistance: Many city programs exclude those already receiving housing subsidies from another program source. This ensures limited program funds serve those with no alternative means of rental assistance.

Other Criteria: Because funding is limited and cannot serve everyone in need, programs may target specific populations. Some cities gave preference to more vulnerable groups such as seniors or those households most at risk of homelessness. Unlike some federal programs, many city programs are inclusive regarding citizenship status or immigration.

Application and Intake Process

Designing an accessible, efficient application process is crucial. Cities have taken different approaches to accepting applications and balancing equity with efficiency.

Application Windows: Some programs use limited application periods to manage volume. In contrast, other programs set a one-time application window for a defined period and then opened a lottery, consisting of applicants that meet the defined criteria.

Lottery vs. first-come first-served: When demand far exceeds supply, a lottery or prioritization criteria are often used to ensure equitable access. Each program must weigh this: first-come favors urgent deployment, while a lottery or scoring system prioritizes need or vulnerability.

Online Portals and Forms: Most recent programs have online application portals for efficiency. Cities often use dedicated platforms or even custom software. Some cities begin with a pre-application or interest form to screen basic eligibility before a full application. This two-step intake manages workload by filtering out ineligible cases early.

Documentation Requirements: Applicants typically must gather substantial documentation to prove identity, residency, income, and need. A lesson learned from many emergency programs is to allow self-attestation or alternative verifications when standard documents are hard to obtain.

Language and Application Assistance: A best practice is to offer applications and support in multiple languages and formats. Beyond online forms, in-person or phone assistance is important for seniors or those without internet access. Hands-on assistance and outreach can improve equity by helping technologically disadvantaged or language-isolated residents apply successfully. The National League of Cities (NLC) also recommends community outreach including outreach flyers, social media campaigns and community events, and partnering with trusted community organizations to build awareness and trust in the program.

Transparency and Updates: Keeping applicants informed of their status through publishing Frequently Asked Questions (FAQs), help lines, and status notification letters provides good customer service and avoids confusion.

Administrative Structure and Program Management

How a rental assistance program is administered, which agency runs it, and what partnerships are in place, greatly influences its effectiveness. The most successful programs build partnerships for outreach and support, provide clear assignment of duties, and strengthen their technological infrastructure to handle the program volume. This administrative foundation underpins the program's ability to deliver aid efficiently.

External Partners for Administration: Many cities partner with nonprofit organizations or other agencies to run or support the program. Contracting an experienced nonprofit can increase capacity and leverage specialized expertise. The city supplies funding and oversight, while the nonprofit conducts outreach, application processing, and sometimes counseling services.

Community Partnerships: Beyond the primary administrator, wider community networks play a role in program delivery. Authentic partnerships with community-based organizations, tenant groups, and even the local courts can greatly extend a program's reach. The key is to ensure all partners, including, but not limited to school districts, healthcare providers, and faith-based organizations, know the program's eligibility and application steps so they can guide clients.

Interdepartmental Coordination: A rental assistance program can cut across typical departmental boundaries. Successful programs established clear roles for each staff member involved. For example, processing an application may involve the housing department (eligibility review), the finance department (issuing checks), and possibly a city attorney (for compliance oversight). Some cities formed working groups or task forces to coordinate efforts to avoid duplication or things "falling through the cracks." Additionally, mapping out each stage of the process internally helps administrators identify bottlenecks. Process mapping every step, from outreach and intake to approval and payment can lead to clearer timelines and a better experience for applicants.

Technology and Data Management: Administratively, having a data system is vital for managing applications and tracking outcomes. Many cities invested in application portals to capture applicant information, documents, and status, and allow for reporting on metrics (income levels served, neighborhoods served, processing times, etc.). Cities faced challenges if they lacked standardized data collection or staff capacity to analyze it.

Program Procedures and Delivery Methods

How assistance is delivered from application approval to payment can differ by program. Key procedural elements include the form of aid, payment method, and any other wrap around services.

Form and Duration of Assistance: Assistance can be in the form of one-time payment or subsidy for a set amount and/or set period.

Payment Method: Almost all city programs disburse funds directly to landlords or property managers on behalf of the tenant. The landlord in turn credits the tenant's account. Some agreements required landlords to forgive any remaining balance that the assistance didn't cover to accept the program payment. Direct landlord payment minimizes the risk of funds being used for non-housing purposes and streamlines the process.

Landlord Engagement and Conditions: To encourage landlord participation, programs typically require minimal documentation from landlords beyond notice of arrears and a promise not to evict the tenant for a set period. Some cities require landlords to forgive a portion of the rent or late fees.

Additional Support Services: Many cities' pair rental assistance programs with supportive services to improve outcomes. Case managers support clients by assisting with applications and connect

them to other benefits like food or medical assistance, if needed. Some emergency programs embedded housing counseling, legal aid, or mediation referrals.

Procedural Efficiency: How quickly aid is delivered after approval is another procedural consideration. Cities have learned the importance of simplifying approval steps to avoid delays when people are in crisis. Some cities created teams to fast-track payment once eligibility is confirmed.

Program Outcomes and Metrics

To evaluate and improve rental assistance programs, cities track various outcomes and performance metrics. In practice, many mid-size cities focus on simpler output metrics (households served, dollars spent) and near-term outcomes (prevented evictions). Such reporting not only demonstrates success but helps justify future funding. When establishing a program, it is important to define from the start what success looks like, and build data collection into the program so those metrics can be tracked. Setting up a dashboard or regular reporting can aid transparency and allow mid-course corrections.

Funding Sources

Funding Sources: Financing rental assistance requires tapping into various funding sources. The Housing and Urban Development Department (HUD) funds two types of rental subsidy programs; the Housing Choice Voucher Program, commonly known as Section 8, which provides tenant-based subsidies allowing recipients to choose housing in the private market, and Project-Based Rental Assistance (PBRA), which subsidizes the rent of tenants who occupy specific units. The Housing Authority of Monterey County (HACM) is the local entity responsible for processing and issuing both types of vouchers. On March 6, 2025, HUD notified HACM that both voucher programs are paused indefinitely, and no new vouchers may be issued. Already approved vouchers are still being honored.

Other federally funded rental assistance programs include subsidized government-owned rentals for eligible families, seniors, and individuals with disabilities (Public Housing). The Emergency Rental Assistance (ERA) initiative, established in response to the COVID-19 pandemic, provided temporary financial support to renters facing hardship, covering rent, utilities, and other housing-related expenses.

Recently, city-level programs have been funded through a combination of federal recovery funds, state grants, and local dollars. In California, a key funding source has been the Permanent Local Housing Allocation (PLHA), which is funded through real estate transaction fees. PLHA provides annual grants to jurisdictions for housing-related projects. Several cities chose to invest their own general fund revenues into rental assistance, especially as federal programs wind down. In some cases, philanthropic grants or charitable funds can leverage the impact of government dollars.

Cities have also encouraged landlords to forgive some rent in tandem with assistance. The amount of program funding directly affects how many households can be served. Because funding is limited, some cities set policies to target those dollars most effectively, such as not covering past due payments. Some programs explicitly state they will help “as many residents as possible” with available funds, underscoring that demand may exceed supply.

Rental Assistance Program Best Practices

Drawing on the experiences of programs reviewed, there are several best practices that could inform the development of a Salinas rental assistance program.

1. Target aid to those most in need while keeping eligibility inclusive
2. Simplify the application and provide hands-on assistance
3. Collaborate and leverage partnerships with local organizations
4. Ensure sufficient administrative capacity and training
5. Identify multiple funding streams and plan for sustainability
6. Structure assistance to maximize housing stability
7. Prioritize communication and outreach for equity
8. Collect data and monitor performance
9. Continue to learn and adapt from other cities’ experiences

Past Salinas Rental Assistance Programs

Since March 2021 the City of Salinas has administered four (4) emergency rental assistance and housing stabilization programs serving Monterey County residents:

Emergency Rental Assistance Program (ERAP) (March 2021 - November 2023)

The ERAP program assisted residents during the COVID-19 pandemic by providing rental arrears support and covering one future month of rent to help households regain housing stability.

Housing Stability Program (September 2024 - December 2024)

The Housing Stability Program provided residents with security deposit assistance, which required a match equal to the first month’s rent as part of the eligibility criteria.

California Emergency Solutions and Housing (CESH) (July 2023 - January 2025)

CESH provided individualized housing navigation and financial assistance and covered expenses such as security deposits, rental application fees, and offered incentives for landlords to support individuals experiencing homelessness to obtain stable housing.

Prohousing Incentive Program (PIP) (December 2024 - February 2025)

The PIP program helped residents by covering rental arrears and security deposits, with a maximum total benefit of \$8,000 per household.

These programs focused on emergency assistance and housing stabilization by helping households with rental and utility arrears to avoid eviction and/or support of housing navigation through payment of application fees, security deposits and first month rent. Between the four (4) programs, over \$15.1 million dollars was dispersed to 1,925 households. All four (4) assistance programs required staff resources to establish program criteria, develop procedures and forms, market the program, assist program clients over the phone, via email and in-person, process applications and coordinate with the Finance Department to issue funds. Program staffing ranged from 6.0 full-time equivalent (FTE) employees for ERAP to 3.0 FTE for PIP and 1.00 FTE for both CESH and Housing Stability Programs. 100% of staff time was dedicated to managing the high volume of applications and provide critical support to residents in need.

Proposed Rental Assistance Program

Program Framework: Staff seeks Council direction regarding program objectives, target population, type of rental assistance offered, eligibility requirements, and delivery method. Eligibility criteria could include setting income limits or targeting a vulnerable population the Council wants to prioritize to receive assistance. The table below and Attachment 2: Summary of Rental Assistance Programs Reviewed, summarize program framework examples and programs implemented in other jurisdictions.

Table 1: Rental Assistance Program Framework Examples

Program Type	Target Population	Common Requirements
Emergency Rental Assistance (One-Time)	Tenants facing sudden financial hardship (e.g., job loss, medical emergency)	Proof of hardship, lease, proof of arrears, residency verification
Short-Term Subsidy (2-6 Months)	Low- to moderate-income tenants recovering from hardship	Income below specified AMI threshold, lease, financial documents
Ongoing Shallow Subsidy	Extremely low-income tenants (e.g., seniors, disabled) with fixed incomes	Income documentation, long-term residency, proof of fixed income
Move-In Assistance	Tenants entering housing from homelessness or unstable housing	Proof of new lease, deposits required, homelessness risk documentation
Eviction Prevention/Legal Aid Coupled Assistance	Tenants with active eviction filings or legal housing issues	Active eviction case, legal referral, income or hardship documentation

The recommended target audience for a Salinas rental assistance program is low-income residents who are at risk of homelessness, with the goal of supporting individuals and families facing or recovering from financial hardship. Assistance could be provided in the form of emergency one-

time assistance or a short-term subsidy. This assistance is designed to provide a critical safety net for those struggling to maintain stable housing due to factors such as rent increases, unexpected expenses, job loss, medical emergencies, or other economic challenges. By offering this support, the program would promote housing stability, prevent displacement, and help residents regain financial footing during difficult times.

Decisions also need to be made regarding timing and frequency of application intake, prioritization of applications; set criteria, first-come, first-served, or a lottery system, and to whom payment will be made; landlord/property manager or tenant. Staff recommends opening a one-week application window each month for rental assistance, allowing for both in-person and online submissions. This structure would give staff the opportunity to process and prioritize applications over the following two to three weeks, ensuring that rental assistance is directed to the most vulnerable applicants.

Program Staffing, Budget and Funding Sources: The Residential Rental Registration and Rent Stabilization Program (Program) is staffed by 3.2 positions as shown below.

Residential Rental Registration and Rent Stabilization Program Staffing

0.2 FTE Planning Manager
1.0 FTE Community Development Analyst -Limited Term
1.0 FTE Admin Analyst - Limited Term
1.0 FTE Admin Aide - Limited Term
3.2 FTE

Except for the Planning Manager, these positions are 100 % funded through fee revenue and are limited term. Currently, the Community Development Analyst position is vacant. It is recommended that at minimum these three (3) positions be retained to start up the proposed rental assistance program. Additional staff may be required to effectively manage program volume and application cycles. However, future staffing will be contingent on funding availability. Annual rental assistance program administration costs are estimated below based on 3.0 FTE, and do not include funding for supportive services.

Rental Assistance Program Administrative Budget FY 2025-2026

Salaries and Benefits	\$ 385,670
Software	\$ 95,500
Indirect Costs/Overhead	\$ <u>73,500</u>
	\$ 554,670

Community Partners and Resources: Staff reached out to the Executive Director of Eden Council for Hope and Opportunity (ECHO) to organize a community meeting focused on tenant fair housing rights and protections under AB 1482. This meeting aims to provide critical information to tenants regarding their rights under California's statewide rent control law and protections. However, the formal date for the meeting has not yet been set, as the City is awaiting further direction from the City Council on how to proceed with the event and program priorities. City staff

also reached out to United Way to explore a potential partnership for rental assistance program delivery; however, United Way confirmed that they currently do not have the capacity to participate in this effort. Staff will continue to reach out to other organizations to identify opportunities for program implementation support and/or administration.

Housing Production Dashboard

At its April 22, 2025, meeting, the City Council also directed staff to report monthly on the City's progress towards meeting its RHNA targets for the 6th cycle Housing Element (2023-2031). In response, staff explored the development of a housing production dashboard as a best practice to facilitate regular reporting and to ensure transparency. The dashboard would be hosted on the city's webpage and could display information such as progress towards RHNA numbers, the types of housing units entitled, permitted, and completed, as well as their general locations within the city. City of San José's dashboard, [San Jose Housing Production Dashboard](#) is an example the City could follow. Dashboard data would be updated monthly with quarterly report summaries posted to provide more detail. Staff seek direction from the Council as to dashboard information to be presented and the frequency of reporting.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that this administrative report is not a project under the California Environmental Quality Act (CEQA Guidelines Section 15061(b)(3)) because it would not have a significant effect on the environment. Additionally, the City's approval of this Resolution is exempt because it does not meet the definition of a "project" under CEQA, pursuant to CEQA Guidelines sections 15060(c)(1) and 15378(a), because it has no potential to result in a direct or reasonably foreseeable physical change in the environment.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This administrative report discusses rental assistance program framework and a proposed development of dashboard for transparent communication of progress towards meeting the city's RHNA numbers. Both these actions are consistent with and further the City Council's goal of promoting and preserving Housing/Affordable Housing (City of Salinas Strategic Plan 2022-2025).

DEPARTMENTAL COORDINATION:

The Housing and Community Development Division led preparation of this report in consultation and coordination with the City Attorney Office and Administration, Finance, and Human Resources Departments.

FISCAL AND SUSTAINABILITY IMPACT:

There is no financial impact associated with this administrative report. As shown in the tables below, Rental Registration and Rent Stabilization Program fee revenue exceeded actual and estimated program costs. Table 2 details Residential Rental Registration fee revenue collected as of May 5, 2025, and Table 3 below details estimated expenditures through June 30, 2025, compared to the FY 24-25 Program budget.

Table 2: Program Fees Collected | January 1, 2025 to May 5, 2025

	Fee Amount	Number of Units Registered*	Total Fees Remitted*
Residential Rental Registration	\$45/unit	3,847	\$173,115.00
Rent Stabilization	\$170/unit	7,733	\$1,314,610.00
Total		10,963	**\$1,494,000.00

* **Data source: Tolemi Slate Platform**

****Beginning April 2, 2025, late fees were assessed.**

Table 3: Program Budget and Expenditures | January 1, 2025 to June 30, 2025*

	FY 24-25 Budget	Estimated Expenditures*	Remaining Balance
Salaries and Benefits	\$142,250.00	\$90,564.45	\$52,014.55
Software	\$200,000.00	\$129,000.00	\$49,300.00
Supportive Services (Hearing Officer, Education/Outreach)	\$300,000.00	\$26,550.55	\$295,149.45
Indirect Costs/Overhead	\$ 13,000.00	\$0.00	\$13,000.00
Total	\$655,250.00	\$246,115.00	\$409,135.00

***Estimated salary and hearing officer costs**

Since rental assistance programs do not generate revenue through fees, it is recommended that the balance remaining after Residential Rental Registration and Rent Stabilization Program expenses have been paid fund rental assistance program administration. It is further recommended that the Council consider applying the \$205,203 General Fund loan for Registration and Stabilization Program start-up costs to rental assistant program administrative costs as illustrated below. The

estimated balance of \$59,668 could be used to fund supportive services, a community partnership to support administration, or be applied to rental assistance funds.

Estimated Revenue After Expenses	\$409,135
General Fund Loan Amount	<u>\$205,203</u>
Estimated Program Revenue Balance	\$614,338
 Estimated FY 25-26 Rental Assistance Administrative Costs	 <u>(\$554,670)</u>
	\$ 59,668

Other funding sources to consider for funding rental assistance and program sustainability include the General Fund, PHLA, non-profits, philanthropic organizations (Community Foundation of Monterey County, United Way of Monterey County, etc.), the private sector, and private contributors.

ATTACHMENTS:

1. HUD 2025 Income Limits
2. Summary of Rental Assistance Programs Reviewed