

The State Rental Assistance Program

What is the state rental assistance program?

It's a program initiated by the federal government designed primarily for the purpose of settling rental arrearages by paying landlords back rent, or in some cases tenants, directly.

How much money will be allocated?

About \$1.5 billion through the state of California. Larger cities and counties are also eligible to receive \$1.2 billion directly from the federal government which they may administer either on their own or in conjunction with the state program.

Is the distribution of the state fund prioritized?

Yes, as follows: Round 1: To eligible households whose income is under 50% of the area median income. Round 2: To communities disproportionately impacted by COVID-19 (as determined by the Department of Housing and Community Development). And Round 3: To eligible households whose income is under 80% of the area median income.

What are the eligible uses of the money?

The primary use is to pay off rental arrearages owing from April 1, 2020, to March 31, 2021. If there is any money left over, then other permitted uses include utility arrearages or even future rent payments. But future rent payments would be limited to three months at most. Lastly, the amount of back rent that can be paid off is limited to 80%.

If a landlord applies are there any strings attached as a condition of receiving the money?

Yes. It is conditioned upon the landlord's agreement to accept the money as payment in full and must include the landlord's agreement to release any and all claims for nonpayment or rental debt owed, including a claim for unlawful detainer, for the specified time period.

When does the application process begin for the state program?

For the state program, landlords will be able to submit an application by March 15, 2021. By that time, the state website is required to be available 24 hours a day, seven days a week, with a 99 percent planned uptime rating.

Are all cities and counties required to operate through the state program?

No. Larger cities and counties (with populations above 200,000) may administer their programs. But they are incentivized to join, or at least, follow the state rules as outlined above.

Where do I sign up?

You want to go to the California state website: landlordtenant.dre.ca.gov. Right now, it says, "Coming Soon -- State's Rental Assistance Program." Eventually it should be up and running. Additionally, the landlord should be sure to check with their own locality since it's quite possible that the local city or county is administering their own rental program.