



**APPROVED MINUTES
CUPERTINO CITY COUNCIL**

Tuesday, April 28, 2020

SPECIAL CITY COUNCIL MEETING

At 6:45 p.m. Mayor Steven Scharf called the Special City Council meeting to order. This was a teleconference meeting with no physical location.

ROLL CALL

Present: Mayor Steven Scharf, Vice Mayor Darcy Paul, and Councilmembers Liang Chao, Rod Sinks, and Jon Robert Willey. Absent: None. All Councilmembers teleconferenced for the meeting.

ORAL COMMUNICATIONS

Peggy Griffin was concerned about nonessential construction being performed on the Regnart Creek Trail which could cause damage to tree roots and create traffic congestion on the portion along Torre Ave.

Lisa Warren was concerned about construction damaging trees along Regnart Creek Trail at Library Field. She requested exploring online fitness classes at Quinlan Community Center and ways to encourage residents to shop locally which would cycle tax dollars back into the City.

ORDINANCES AND ACTION ITEMS

1. Subject: COVID-19 Fiscal Impacts Update
Recommended Action: Accept the COVID-19 Fiscal Update

Written Communications for this item included a staff presentation and emails to Council.

Director of Administrative Services Kristina Alfaro gave a presentation.

Finance Manager Zach Korach answered questions from Council.

Mayor Scharf opened public comment and the following people spoke.

Bicycle Pedestrian Commissioner Muni Madhhipatla (representing self), asked about leveraging state and federal funds to reduce revenue impacts and postponing approved projects to offset deficits.

Peggy Griffin asked about sales tax revenue impacts; identifying “other financing sources,” and expenditures for employee compensation, contract services, special projects, and transfer out costs. (Provided written comments).

City Clerk Kirsten Squarcia read an email on behalf of Viji, asking the Council to take care of City employees when making fiscal adjustments and asking if the Council provided input on the mitigation measures.

Mayor Scharf closed public comment.

Councilmembers asked questions and made comments.

Council directed staff to provide major revenue items with shortfalls on a per month basis (Sinks/Willey)

Council accepted the COVID-19 Fiscal Update.

Council recessed from 8:44 p.m. to 8:49 p.m.

2. Subject: Emergency Assistance Funds for Tenants at Risk of Eviction due to Impacts of the Novel Coronavirus (COVID-19) continued
Recommended Action: 1. Adopt Resolution No. 20-040 Contributing \$50,000 in Emergency Assistance Funds to West Valley Community Services and \$100,000 in Emergency Assistance Loan Funds to Meriwest Credit Union for Tenants at Risk of Eviction Due to Impacts of the Novel Coronavirus (COVID-19)
2. Approve a \$50,000 contribution [Below Market Rate (BMR) Affordable Housing Funds (AHF) or General Fund Human Services Grant (HSG) funds] to West Valley Community Services (WVCS) for emergency assistance funds to assist tenants at risk of eviction due to impacts of COVID-19
3. Authorize the City Manager to negotiate and execute an agreement with WVCS.
4. Approve a \$100,000 contribution [Below Market Rate (BMR) Affordable Housing Funds (AHF) or General Fund Human Services Grant (HSG) funds] to Meriwest Credit Union for the Renter’s Assistance Low Interest Loan Program to assist tenants at risk of eviction due to impacts of COVID-19

5. Authorize the City Manager to negotiate and execute a \$100,000 contract with Meriwest Credit Union
6. Receive presentation from Earnin

Written Communications for this item included presentations from Meriwest Credit Union and Earnin, and emails to Council.

Housing Manager Kerri Heusler reviewed the staff report.

Meriwest Credit Union representative Danielle De La Torre gave a presentation.

Earnin CEO and Founder Ram Palaniappan gave a presentation. He explained that their company has an app that allows members to track their earnings and to get access to their pay as they earn it, instead of waiting for a paycheck.

West Valley Community Services Executive Director Josh Selo provided an update on rental assistance requests and answered questions from Council.

Councilmembers asked questions and made comments.

Mayor Scharf opened public comment and the following people spoke.

Housing Commissioner Connie Cunningham (representing self), spoke in support of the staff recommendation. She asked about Meriwest's loan requirements regarding Individual Taxpayer Identification Numbers (ITINs), the standard late fee amounts, and consideration for the Shelter in Place extension.

Mayor Scharf closed public comment.

Paul moved to:

1. Adopt Resolution No. 20-040 contributing \$100,000 in emergency assistance funds to West Valley Community Services (WVCS), \$100,000 in emergency assistance loan funds to Meriwest Credit Union for tenants in Cupertino at risk of eviction due to impacts of the Novel Coronavirus (COVID-19) and \$100,000 in emergency assistance non-recourse advance funds to Earnin for tenants in Cupertino at risk of eviction due to impacts of the Novel Coronavirus (COVID-19); and
2. Approve a \$100,000 contribution from Below Market Rate (BMR) Affordable Housing Funds (AHF) or, if available, General Fund Human Services Grant (HSG) to West Valley Community Services (WVCS) for emergency assistance funds to assist tenants in Cupertino at risk of eviction due to impacts of COVID-19 with a 7.5% administration service fee; and

3. Authorize the City Manager to negotiate and execute an agreement with West Valley Community Services (WVCS); and
4. Approve a \$100,000 contribution from Below Market Rate (BMR) Affordable Housing Funds (AHF) or, if available, General Fund Human Services Grant (HSG) funds to Meriwest Credit Union for a renter's assistance low-interest loan program to assist tenants at risk of eviction due to impacts of COVID-19; and
5. Authorize the City Manager to negotiate and execute a \$100,000 contract with Meriwest Credit Union; and
6. Approve a \$100,000 contribution from Below Market Rate (BMR) Affordable Housing Funds (AHF) or, if available, General Fund Human Services Grant Funds (HSG) to Earnin for a no-interest and no fee non-recourse advance renter's assistance program to assist tenants at risk of eviction due to impacts of COVID-19; and
7. Authorize the City Manager to negotiate and execute a \$100,000 contract with Earnin.

Chao made a friendly amendment to add a condition to contribute \$100,000 in emergency assistance funds to West Valley Community Services (WVCS), to allocate \$50,000 now for WVCS, and to authorize the City Manager to increase the amount up to \$100,000, provided the other West Valley cities match the amount proportional to their population. The friendly amendment was not considered for lack of a second.

Sinks made a substitute motion to allocate \$150,000 to Meriwest Credit Union and to drop or substantially reduce the credit requirement, and wait for federal Community Development Block Grant (CDBG) funds for West Valley Community Services (WVCS). The substitute motion was not considered for lack of a second.

Scharf made a third motion and Sinks seconded to allocate \$100,000 to Meriwest Credit Union and \$50,000 to West Valley Community Services (WVCS) from the available federal Community Development Block Grant (CDBG) funds.

Paul made a friendly amendment to the third motion to allocate \$50,000 for an Earnin program, in addition to the \$100,000 to Meriwest Credit Union and \$50,000 for West Valley Community Services (WVCS), and to monitor and revisit in one month to see if further allocation is warranted (Sinks did not accept the friendly amendment).

Scharf withdrew his third motion and made a new motion seconded by Willey to allocate \$100,000 to the Meriwest Credit Union loan program, a \$50,000 grant to West Valley Community Services (WVCS), and \$50,000 for a trial of the Earnin program and authorize the City Manager to make a selection between the Below Market Rate (BMR) Affordable Housing Funds (AHF) or General Fund Human Services Grant (HSG) funds

for the three different funding sources.

Chao made a friendly amendment (seconded by Scharf) to authorize the City Manager to further negotiate minimal late fees for the Meriwest Credit Union loan program.

In summary, the motion was to Adopt Resolution No. 20-040 to (1) Allocate \$100,000 to the Meriwest Credit Union loan program; (2) Give a \$50,000 grant to West Valley Community Services (WVCS); (3) Give \$50,000 for a trial of the Earnin program; (4) Authorize the City Manager to make a selection between the Below Market Rate (BMR) Affordable Housing Funds (AHF) or General Fund Human Services Grant (HSG) funds for the three different funding sources; and (5) Authorize the City Manager to further negotiate minimal late fees for the Meriwest Credit Union loan program. (Sinks voting no).

ADJOURNMENT

At 10:54 p.m., Mayor Scharf adjourned the meeting.



Kirsten Squarcia, City Clerk