



DATE: June 19, 2019

TO: Community Services Commission

FROM: Community Services Manager

SUBJECT: Community Development Block Grant Timeliness Update

RECOMMENDATION

That the Community Services Commission reviews recent projects completed to meet timeliness.

SUMMARY

The CDBG program annually provides formula entitlement grants to states and local governments with populations greater than 50,000. Annually on May 2, HUD conducts a point-in-time measure to assess an entitlement community's timely use of CDBG funds. To meet this "timeliness ratio," communities must have no more than 1.49 times their current program year entitlement in fund reserves.

In December 2018, staff sought guidance from Council and approval of a contingency plan to re-allocate up to \$1.75M in available CDBG funds to eligible projects. After successfully spending down the City's CDBG fund balance, the City's current timeliness ratio is 1.27, and by the end of the Fiscal Year will be below 1.0. In total across FY 2019, the City of Hayward spent \$4.6M in CDBG funds to create and maintain affordable housing, prevent homelessness, provide services for low-income individuals and families, improve public facilities, and create economic development opportunities for all.

BACKGROUND

In December 2018, with a timeliness ratio of over 3.5, staff sought guidance from Council and approval of a contingency plan to re-allocate up to \$1.75M in available CDBG funds to eligible projects in order to reach timeliness. Under Council direction, several projects were funded, bringing the City's current timeliness ratio down to 1.27.

Additional background information on timeliness can be found online from the December 18, 2018¹ City Council meeting.

¹ December 18, 2018 Hayward City Council Meeting:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=3784503&GUID=EB7476E1-71C0-4A22-805C-FF6BFFEC3484&Options=&Search=>

DISCUSSION

In December 2018 staff sought guidance from Council and approval of a contingency plan to re-allocate up to \$1.75M in available CDBG funds to eligible projects in order to reach timeliness. Under Council direction, the following key projects were funded, bringing the City's current timeliness ratio down to 1.27:

- **Mia's Dream Come True Playground (\$1,096,000):** Mia Vasquez was born with a severe form of Cerebral Palsy. In 2016, Mia's parents approached HARD and the HARD Foundation to consider building an all-inclusive playground for children like Mia to be able to play. The Mia's Dream playground is an all-inclusive playground for children of all abilities to enjoy. Mia's Dream has been master-planned for the Tennyson Park site in the Tennyson Corridor, one of the most disadvantaged areas in Alameda County and a priority of the City Council. The purpose of building the one-acre all-inclusive playground is to provide health, wellness, and safety to 'all' with an emphasis on those with disabilities who lack resources and ability to be mobile, exercise, and play. In FY 2019, the City awarded a total of \$1,096,000 in CDBG funds for development and construction of the Mia's Dream Playground.
- **Matsya Family Villas (\$238,951):** Matsya Family Villas will create 57 apartments for low-income and extremely low-income households. Of these 57 units, 11 will be set-aside for extremely low-income and/or homeless units. In FY 2019, the City awarded a \$238,951 in CDBG funds for clearance and demolition of the site to become Matsya Family Villas.
- **Depot Road Micro Apartments (\$91,400):** The Depot Road Micro Apartments project will create 126 micro apartments for low-income and extremely low-income people with on-site coordination of mental-health, addiction, employment, and other social and support services. To be developed by Abode Services development affiliate Allied Housing, the project would reserve 31 units for homeless people and 31 for people living with mental-health disabilities. In FY 2019, the City awarded \$91,400 for planning costs related to the development of the Depot Road Micro Apartments.
- **2019 EveryOne Home Point-in-Time Homeless Count (\$28,200):** Every two years, during the last 10 days of January, communities across the country conduct comprehensive counts of the local population experiencing homelessness. The biennial Point-in-Time Count is the only source of nationwide data on sheltered and unsheltered homelessness, and it is required by the U.S. Department of Housing and Urban Development (HUD) of all jurisdictions that are receiving federal funding to provide housing and services for individuals and families experiencing homelessness. The City worked with EveryOne Home to receive a comprehensive report on homelessness in Hayward to better inform our policies and services moving forward. In FY 2019, the City awarded \$28,200 for a comprehensive report from EveryOne Home on the results of the 2019 Point-in-Time Count.

In addition to the above projects approved by Council in December 2018, the City administered CDBG funds for public services, infrastructure improvements, housing rehabilitation, acquisition of real property, and economic development activities. Thus far, through FY 2019, the City spent \$4.6M in CDBG funds to create and maintain affordable housing, prevent homelessness, provide services for low-income and individuals and families, improve public facilities, and create economic development opportunities for all.

NEXT STEPS

Staff will continue working with the City's CDBG consultant to review the City's CDBG policy and procedures to assist the City in reaching timeliness annually.

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