

CITY COUNCIL MEETING

APRIL 2, 2024

PRESENTATIONS

PRESENTATION

WORK SESSION

ITEM #6

WS 24-007

Community Agency Funding:

Fiscal Year 2025 Community Agency Funding
Recommendations for Services, Arts & Music, and
Economic Development and Infrastructure and Overview
of the FY 2025 Annual Action Plan

FY 2025 Community Agency Funding Recommendations & Annual Action Plan

City Council Work Session, April 2, 2024

Amy Cole-Bloom, Community Services Manager
Emily Hwang, Management Analyst



FY 2025 Annual Action Plan

- Framework for identifying housing and community development needs and priorities through community engagement
- Guides the City's federal CDBG entitlement investment decisions for FY25
- Priority needs:
 - Expand & Improve Public Infrastructure & Facilities
 - Preserve, Protect, and Produce Housing Stock
 - Public Services & Quality of Life Improvements
 - Economic Development

Funding Recommendations

Economic Development/Infrastructure (CDBG)



Economic Development and Infrastructure (CDBG)

- Fully funded 5 agencies
- Partial funding for 3 agencies
- Did not recommend funding to St. Rose and WeeCare dba Upwards
- Amendment to Home Rehabilitation due to vendor changes

Discussion Process: Economic Development and Infrastructure

1. Clarifying questions on ED/Infrastructure recommendations from Council
2. Public comment
3. Council discussion

Funding Recommendations

Services and Arts & Music



Public Services (CDBG)

- Fully funded 4 agencies up to their funding caps
- Partial funding for 6 agencies
- Did not recommend funding to 1 agency



Social Services (General Fund)

- Fully funded 10 agencies
- Partial funding to 9 agencies
- Did not recommend funding to 1 agency



Arts & Music (General Fund)

- Fully funded 7 agencies up to their funding caps
- Partial funding for 1 agencies
- No funding to 1 agency

Discussion & Next Steps

Discussion Process

1. Clarifying questions from Council on:
 - Services and Arts & Music recommendations, and
 - the Annual Action Plan
2. Public comment
3. Council discussion

Next Steps

- **April 1, 2024 – May 2, 2024: Public Comment Period**
Submit comments to Emily Hwang at emily.hwang@hayward-ca.gov
- **Tuesday, April 23, 2024: Public Hearing**
- **Friday, May 15, 2024: FY 2025 Annual Action Plan submission**

PRESENTATION

PUBLIC HEARING ITEM #7

PH 24-018

Hayward Hangars Project TEFRA Hearing:

Public TEFRA Hearing as Required by the Internal Revenue Code of 1986, and Adoption of a Resolution Approving the Issuance of Industrial Revenue Bonds by the California Public Finance Authority in an Amount Not-to-Exceed \$5,253,000 to Finance or Refinance the Construction Improvement of the Hayward Executive Airport Located at 20995-22049 Skywest Drive, Hayward, California (Report from Director of Finance Gonzales)



Public Finance Authority Industrial Revenue Bonds: Hayward Hangars Project TEFRA Hearing

Nicole Gonzales, Director of Finance

Why are we here?



- ▶ **The Tax and Equity Fiscal Responsibility Act (TEFRA) and Internal Revenue Code of 1986** requires an agency who will act as a conduit hold a public hearing. Prior to the issuance of bonds.
- ▶ Hayward Hangars LLC has requested the City to hold the hearing so they have the ability to issue Industrial Revenue Bonds by the California Public Finance Authority in an Amount Not-to-Exceed \$5,253,000 to Finance or Refinance the Construction Improvement of the Hayward Executive Airport; a portion of which would be tax-exempt (an amount not-to-exceed \$3,361,000)
- ▶ The issuance of bonds are not the liability of the City in any way shape or form
- ▶ Issuance does not impact the City's credit rating

The City of Hayward's Role



- ▶ For all or a portion of the Bonds to qualify as tax-exempt bonds, the Internal Revenue Code (the “Code”) requires, as it applies here:
 - ▶ A public hearing (the “TEFRA Hearing”) by the applicable elected representative (“AER”) of the governmental unit having jurisdiction over the area in which the Project is located following public notice; and
 - ▶ Following the TEFRA Hearing, approval by the AER of the issuance of the Bonds to finance the Project
- ▶ In this case, the AER is the City Council
- ▶ The Resolution before the City Council would constitute such approval for purposes of the Code
- ▶ Repayment of the Bonds will solely be the liability of the Company; the City will have no financial, legal, moral obligation, liability, or responsibility for the Project or the repayment of the Bonds
- ▶ All related financing documents will contain disclaimers that the Bonds are not obligations of the City, but are to be paid for solely from funds provided by applicant

Hayward Hangars Project



- ▶ Construction, furnishing, and equipping of eight (8) box hanger units
- ▶ Refinancing certain outstanding lines of credit, loans and promissory notes of the Borrower
- ▶ Financing, as needed for amounts required for reserves, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Bonds

Council Recommendation...



- ▶ Conduct a Public Hearing to consider the issuance of Tax-Exempt Industrial Revenue Bonds, Series 2024, by the California Public Finance Authority to assist with financing and/or refinancing of the Hayward Hangers Project
- ▶ Adopt a resolution approving the issuance on Industrial Revenue Bonds by the Authority to benefit the Hayward Hangers, LLC to provide financing and/or refinancing in aggregate principal in the amount not-to-exceed \$5,253,000, of which the tax-exempt portion in an amount not-to-exceed \$3,361,000

Questions & Council Consideration of Resolution