

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Tuesday, October 2, 2018

7:00 PM

Council Chambers

City Council

Mayor Barbara Halliday
Mayor Pro Tempore Elisa Márquez
Council Member Francisco Zermeño
Council Member Marvin Peixoto
Council Member Al Mendall
Council Member Sara Lamnin
Council Member Mark Salinas

SPECIAL JOINT CITY COUNCIL /HAYWARD HOUSING AUTHORITY MEETING**CALL TO ORDER Pledge of Allegiance: Council/HHA Member Mendall****ROLL CALL****CLOSED SESSION ANNOUNCEMENT****PRESENTATIONS**

City of Hayward Business Innovation Awards: RefeXion and Therm-X

PUBLIC COMMENTS

The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda or Information Items. The Council welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Council is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.

ACTION ITEMS

The Council will permit comment as each item is called for the Consent Calendar, Public Hearings, and Legislative Business. In the case of the Consent Calendar, a specific item will need to be pulled by a Council Member in order for the Council to discuss the item or to permit public comment on the item. Please notify the City Clerk any time before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.

CONSENT

1. [MIN 18-124](#) Minutes of the Special City Council Meeting on September 11, 2018

Attachments: [Attachment I Draft Minutes of 9/11/2018](#)

2. [CONS 18-635](#) Authorization for the City Manager to Negotiate and Execute a Professional Services Agreement with New City America for Establishing the Downtown Hayward Community Benefit District Non-Profit Management Corporation Interim Administration in an Amount Not to Exceed \$30,000

Attachments: [Attachment I Staff Report](#)
[Attachment II Resolution](#)
[Attachment III Scope of Services](#)

3. [CONS 18-657](#) Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Zipcar for Car Sharing Services in Hayward
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
4. [CONS 18-671](#) Approval of Parkside Heights Tract 8233 Final Map Creating Ninety-seven Lots for Single-Family Residences and Common Use Lots Substantially Conforming to its City Approved Vesting Tentative Map and Planned Development Plan on a 10.68-Acre Site Located at the South-east Corner of 2nd Street and Walpert Street; Pulte Homes (Applicant/Subdivider)
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Developer Correspondence](#)
 [Attachment IV Revised Grading Plans](#)
5. [CONS 18-667](#) Adopt a Resolution Authorizing the City Manager to Award a \$400,000 Small Business Incentive Program Grant to Russell City Distillery, Inc. to Complete a New Distillery and Tasting Room in Downtown
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
6. [CONS 18-675](#) Adoption of a Resolution Declaring a Shelter Crisis in Hayward for Purposes of Eligibility for State of California Homeless Emergency Aid Program (HEAP) Funds through Alameda County
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III HEAP Overview](#)

LEGISLATIVE BUSINESS

7. [LB 18-050](#) Appropriation and Allocation of \$28.6 Million of the City of Hayward's Affordable Housing Funds and Measure A1 Base Allocation to Support the Development of 259 Units of Affordable Housing (Report from City Manager McAdoo)

Attachments:

[Attachment I Staff Report](#)
[Attachment II Resolution Appropriate Housing Trust Fund](#)
[Attachment III Resolution Appropriating HOME funds](#)
[Attachment IV Resolution Matsya Villas \(EAH\)](#)
[Attachment V Resolution Mission Senior Paradise \(EAH\)](#)
[Attachment VI Resolution Depot Road \(Allied\)](#)
[Attachment VII Housing Authority Resolution HA Funds](#)
[Attachment VIII Housing Authority Resolution \(Allied\)](#)
[Attachment IX 2018 NOFA Scoring Summary](#)
[Attachment X NOFA Project Summaries for Report](#)
[Attachment XI Application Summary](#)

WORK SESSION

Work Session items are non-action items. Although the Council may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.

8. [WS 18-035](#) Measure C Annual Report (Report from Finance Director Claussen)

Attachments:

[Attachment I Staff Report](#)
[Attachment II Measure C 20-Year Financial Forecast](#)

CITY MANAGER'S COMMENTS

An oral report from the City Manager on upcoming activities, events, or other items of general interest to Council and the Public.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Oral reports from Council Members on their activities, referrals to staff, and suggestions for future agenda items.

ADJOURNMENT**NEXT MEETING, October 16, 2018, 7:00 PM****PUBLIC COMMENT RULES**

Any member of the public desiring to address the Council shall limit her/his address to three (3) minutes unless less or further time has been granted by the Presiding Officer or in accordance with the section under Public Hearings. The Presiding Officer has the discretion to shorten or lengthen the maximum time members may speak. Speakers will be asked for their name before speaking and are expected to honor the allotted time. Speaker Cards are available from the City Clerk at the meeting.

PLEASE TAKE NOTICE

That if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing.

PLEASE TAKE FURTHER NOTICE

That the City Council adopted Resolution No. 87-181 C.S., which imposes the 90-day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.

****Materials related to an item on the agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. Written comments submitted to the Council in connection with agenda items will be posted on the City's website. All Council Meetings are broadcast simultaneously on the website and on Cable Channel 15, KHRT. ****

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.

Assistance will be provided to those requiring language assistance. To ensure that interpreters are available at the meeting, interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: MIN 18-124

DATE: October 2, 2018

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Minutes of the Special City Council Meeting on September 11, 2018

RECOMMENDATION

That the City Council approves the minutes of the City Council meeting on September 11, 2018.

SUMMARY

The City Council held a meeting on September 11, 2018.

ATTACHMENTS

Attachment I Draft Minutes of 09/11/2018



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Matt Jimenez Community Center
28200 Ruus Road, Hayward, CA 94544
Tuesday, September 11, 2018, 7:00 p.m.

The Special Meeting of the Hayward City Council was called to order by Mayor Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Council Member Peixoto.

ROLL CALL

Present: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Peixoto, Lamnin, Salinas
MAYOR Halliday
Absent: None

Mayor Halliday asked for a moment of silence to commemorate the 17th anniversary of the September 11 attacks.

PUBLIC COMMENTS

Ms. Peggy Guernsey, Hayward resident, spoke about unresolved issues with the AC Transit bus service and asked for the City's assistance.

Ms. Theresa Pedrosa, spoke about issues with the AC Transit bus service related to the number of buses, trips, and service hours.

Mr. Jim Drake, Hayward resident, spoke about the need for more police officers and enforcement for tinted windows.

Mr. Kim Huggett, Hayward Chamber of Commerce President, invited all to the annual Hayward Mariachi Festival at City Hall Plaza on September 14, 2018.

Mr. Monzella Curtis, Hayward resident, reiterated his suggestion for an ordinance that prohibits landlords and managers from refusing Section 8 renters.

Mr. John Manrique, Hayward resident, spoke about the new water meters, the significant increase to his water bill, and asked for a review of third-tier charges.

Ms. Mary Lawry, Hayward resident, reported that AC Transit discontinued the Line 22 bus service and replaced it with lines that do not service the same areas, and requested that Line 22 be reinstated.

Ms. Heather Reyes, Hayward resident, announced her group was able to raise \$750 for the Hayward Animal Shelter and presented the funds to Hayward Animal Shelter staff.

Ms. Sophia Sanchez, Chabot College and Rising Sun Energy Center representative, spoke about her work providing energy and water audits in Hayward and the partnership between Chabot College and the City around the work done with the Tennyson Corridor.

Mr. Daniel Vásquez, Hayward resident and father of Mia Vasquez who inspired the creation of the Mia's Dream Come True Park, spoke about the housing crisis that is also affecting working professionals.

Ms. Wynn Grcich, Hayward resident, spoke about the dangers of water meters and the Climate Action Plan.

Mr. Dale Silva, Fairview resident, noted that if the City provides water service to the Terrace View development, the City will get an increase in revenue and a trail.

Mr. Don Keller, Fairview resident, requested that the City renew the water service agreement between the City of Hayward and the Terrace View development.

Ms. Janice Keller, Fairview resident, spoke about a Castro Valley Municipal Advisory Council letter supporting that water be provided to the development by Hayward, and asked Council to direct staff to sign needed documents.

Ms. Diane Fagalde, Hayward resident, shared she found a vacant building in South Hayward to serve as retail space.

Mr. Joe Orlando Ramos, Hayward resident and Council candidate, spoke about gentrification and the City's Measure T on the November 2018 ballot.

Ms. Lacei Amodei, Hayward resident and Hayward Collective member, spoke about the need for rent control laws and added that the Collective will continue to fight against injustice and inequality.

Ms. Marisa Leasure, Hayward resident, noted the plan for Tennyson Corridor did not have enough low-income housing; and blight, traffic and congestion issues needed to be addressed.

Council Member Lamnin noted she had to fly out this evening to attend a state-wide meeting in the morning and might have to leave the meeting, but would watch the video.

CONSENT

1. Resolution Supporting Two League of California Cities Policy Resolutions Being Considered at the 2018 League of California Cities Annual Business Meeting **CONS 18-559**

Staff report submitted by Assistant City Manager Hurtado, dated September 11, 2018, was filed.



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Matt Jimenez Community Center
28200 Ruus Road, Hayward, CA 94544
Tuesday, September 11, 2018, 7:00 p.m.

City Manager McAdoo provided a synopsis of the report.

Mayor Halliday offered a motion per staff's recommendation and Council Member Salinas seconded the motion.

Mayor Halliday expressed support for the two League Policy resolutions noting that one of them was designed to consider a ballot measure that would restrict the State's ability to take away local authority and support democracy.

Council Member Salinas concurred with the Mayor's comments.

It was moved by Mayor Halliday, seconded by Council Member Salinas, and carried unanimously, to adopt the following:

Resolution 18-185, "Resolution Supporting Two League of California Cities Policy Resolutions Being Considered at the 2018 League of California Cities Annual Meeting"

WORK SESSION

2. Update on the Implementation of the Three Council Strategic Initiatives Two-Year Action Plans: Complete Streets, Complete Communities, and Tennyson Corridor (Report from City Manager McAdoo) **WS 18-030**

Staff report submitted by Assistant City Manager Hurtado, dated September 11, 2018, was filed.

City Manager McAdoo provided background about the three initiatives: Complete Streets, Complete Communities and Tennyson Corridor; and introduced City staff.

Council Strategic Initiatives Co-chairs Senior Civil Engineer Baquilar, Landscape Manager Nield, Streets Manager Affonso, Senior Management Analyst Narain and Management Analyst Thomas provided an update on the implementation progress of the Tennyson Corridor Initiative regarding: South Hayward BART Station landscape improvements; the Downtown Streets Team Tennyson Pilot; Façade Improvement Program; South Hayward Family Center; NERT (Neighborhood Emergency Response Team) Program; energy/water efficiency work; vision plan work for FY19; five proposed opportunity areas; and the five draft proposed focus nodes for sections of the corridor.

Housing Manager Morales and Planning Manager Buizer provided an update on the implementation progress of the Complete Communities Strategic Initiative regarding:

Notice of Funding Availability (NOFA); rent stabilization; park in-lieu fee review; Form Based Code; Shoreline Master Plan; Industrial District regulations; and vacant property ordinance and registration program.

Transportation Manager Kelley and Information Technology Solution Analyst Wong provided an update on the implementation progress of the Complete Streets Initiative regarding: Bicycle and Pedestrian Master Plan; Neighborhood Traffic Calming Program; Mission Boulevard Phase II and III projects; Main Street project; Hayward Boulevard Feasibility Study; Citywide Intersection Study; and lessons learned from the three initiatives.

Mayor Halliday opened the public comments section at 8:47p.m.

Mr. Eric Heltzel, Chabot College representative, thanked the City for the partnership with the Chabot College Student Initiative Center (SIC) and the community; and invited all to a symposium hosted at Chabot College.

Mr. Sean McFarland, Chabot College faculty member, favored having City Council meetings in the community and to continue to create platforms for student involvement and interaction with the community.

Ms. Susie Hufstader, Bike East Bay community organizer, announced the Community Pedestrian and Bicycle Safety Training was on September 21, 2018, at Weekes Park Community Center; and advocated for ways to make streets usable and safe.

Ms. Peggy Guernsey, Hayward resident, thanked Chabot College students and City staff; and expressed the photographs in the pamphlet were not identified and were not a representation of what the community needs in South Hayward.

Bishop Macklin, Glide Tidings representative, offered the following recommendations: engage non-profit agencies early in the process to help with the vision for South Hayward; Glad Tidings would like to participate in locating a Farmer's Market on Tennyson Road; would like to help establish walk lanes that are well-lit; would support police on bikes; landscape major streets that lead up to Tennyson Road and use local landscape partnerships; include the Red Cross to the Community Emergency Response Team; consider the possibility of a non-profit agency that can provide a shuttle service to and from Mission Boulevard and Chabot College; and noted that Glad Tidings is partnering with Eden Housing to get affordable housing developed.

Council Member Lamnin left the Council Chambers at 9:03 p.m.

Ms. Angela Andrews and Ms. Sharon Eva, Keep Hayward Clean and Green Task Force members noted that the Task Force is also helping with the vision for the Tennyson Corridor, and invited all to a beautification project on September 22, 2018.

Mayor Halliday closed the public comments section at 9:05 p.m.



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Matt Jimenez Community Center
28200 Ruus Road, Hayward, CA 94544
Tuesday, September 11, 2018, 7:00 p.m.

The Mayor and Council Members thanked City staff, Chabot College students, the faith community, and various stakeholders for the implementation progress around the three initiatives, and the input provided at the meeting.

The City Council was in general support of the six-month progress report on the implementation of the Strategic Initiative Action Plans. Members of the Council highlighted additional progress made such as: construction of La Vista Park at the end of Tennyson Road; a project in the pipeline through the Alameda County Transportation Commission to make the railroad overpass safer; the East Bay Greenway Bike Pathway project; and the Hayward Promise Neighborhood initiative from Jackson Triangle through the Tennyson Corridor.

Members of the Council offered the following recommendations: within traffic calming measures consider disruption for street racing and driving donuts; partner with AC Transit to address community input related to bus service problems; consider coworking spaces and creative use of spaces; partner with Downtown Streets Team or similar groups to address commercial centers that have been problematic; consider strategies for getting cars back in garages, where they exist; remember to include fair housing and rehab services and information from applicants about what they would do with the funding during the community grant process; one of the focus nodes (Tennyson Road and Hesperian Boulevard intersection) might need to be a little bigger; consider staff hires to work on the strategic initiatives if Measure T passes; engage non-profit agencies such as South Hayward Neighborhood Collaborative and South Hayward Parish; consider reprioritizing solutions that focus on investment in place as follows: 1) Diverse Housing Options, 2) Diverse Transportation Options, 3) Green and Resilient Environments, 4) Dynamic Public Spaces and Amenities, and 5) Unique Neighborhood Identities; ask California State University East Bay (CSUEB) to expand its bus shuttle trip from CSUEB to downtown to Southland and Chabot College; be more forceful in creating affordable housing; south of Jackson and all the way to Union City is impacted with litter and needs attention; garbage dumpsters are needed at the corner of Huntwood Avenue and Tennyson Road; consider a mural for the concrete wall on Tennyson Road from Industrial Boulevard to Mission Boulevard; consider a Cesar Chavez mural for South Hayward; consider a path or course equipped with workout equipment from Industrial to Mission boulevards; have kiosks at Tennyson Road and Hesperian Boulevard and Tennyson and Mission Boulevard intersections to emphasize activities and businesses in South Hayward; consider holding Council meetings on a monthly/quarterly basis in South Hayward/community; engage key stakeholders in the conversation related to the three strategic initiatives; the Form Base Code needs to be reviewed so it makes sense to developers and when considering land use, strike out future uses for tobacco, liquor and others unhealthy stores; consider vacant properties when reviewing a vacant building ordinance; issues with traffic and the Downtown Loop need to be addressed; focus on bringing healthier stores and be responsive to neighborhoods'

needs; make the Tennyson Corridor a “health zone” and concentrate on health and nutrition; consider Bishop Macklin’s ideas related to the shuttle service and Farmer’s Market; consider a community benefit district for the Tennyson Corridor; the Bicycle and Pedestrian Master Plan needs to be completed; address issues with speeding and lack of parking; and consider an Arts Commission.

CITY MANAGER’S COMMENTS

There were no comments.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Salinas announced the annual Hayward Mariachi Festival on September 14, 2018, at City Hall Plaza.

Council Member Márquez encouraged residents to register to vote.

ADJOURNMENT

Mayor Halliday adjourned the special meeting at 9:59 p.m.

APPROVED

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
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File #: CONS 18-635

DATE: October 2, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Authorization for the City Manager to Negotiate and Execute a Professional Services Agreement with New City America for Establishing the Downtown Hayward Community Benefit District Non-Profit Management Corporation Interim Administration in an Amount Not to Exceed \$30,000

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment I) authorizing the City Manager to execute an agreement with New City America in an amount not to exceed \$30,000 to pursue the creation of the Downtown Community Benefit District's Non-Profit Management Corporation and its interim administration.

SUMMARY

On July 10, 2018, downtown Hayward property owners voted in favor of establishing a Community Benefit District (CBD), levying a special assessment that would generate upwards of \$600,000 annually for a variety of special services in downtown Hayward. The downtown property owners are now working to develop a non-profit management corporation to administer the programs and projects of the planned CBD. This contract with New City America is for the interim administration of the CBD and to establish a non-profit management corporation to govern and manage the CBD moving forward. This item is being brought to the City Council given the total amount of compensation the contractor has received over the last four years.

ATTACHMENTS

| | |
|----------------|-------------------|
| Attachment I | Staff Report |
| Attachment II | Resolution |
| Attachment III | Scope of Services |



DATE: October 2, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT Authorization for the City Manager to Negotiate and Execute a Professional Services Agreement with New City America for Establishing the Downtown Hayward Community Benefit District Non-Profit Management Corporation Interim Administration in an Amount Not to Exceed \$30,000

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BACKGROUND

On July 10, 2018, downtown Hayward property owners voted in favor of establishing a Community Benefit District (CBD), levying a special assessment that would generate upwards of \$600,000 annually for a variety of special services in downtown Hayward. There are four general categories of services articulated in the CBD's Management District Plan. Each category will receive a certain percentage of the total assessments as shown below:

1. Sidewalk Operations—This category of special benefits reserves 69% of expenditures for safety, cleanliness, beautification, and the maintenance of an attractive appearance of the District.

2. District Identify and Streetscape Improvements—This category reserves 15% of expenditures for branding and advertising, seasonal decorations and events, art, potential valet service, and public space design and development.
3. Program Management and Corporate Operations—This category reserves 13% of expenditures for staff and administration, insurance, rent, legal, and accounting.
4. Contingency/City and County Fees/Reserve—This category reserves 3% of expenditures for delinquencies, City and County fees, and reserves.

Since the Spring of 2014, the City has contracted with New City America to assist in the creation of the Downtown Hayward Community Benefit District. Over the last four years, the City has spent \$112,405 to fund these services. These funds shall be reimbursed to the City through district assessment revenue, once the district begins to receive revenue. This is anticipated to begin in early 2019.

DISCUSSION

Downtown property owners and New City America are in the process of developing a non-profit management corporation to administer the programs and projects of the planned CBD. The first step in this process is to establish an interim Board of Directors for the CBD non-profit management corporation (CBD Corporation). On September 5, 2018, property owners in the District met to discuss the composition of the interim board of the CBD Corporation as well as the steps necessary to formally establish the CBD Corporation.

The property owners have elected four officers to lead the Interim Board of Directors. They are:

- President—Jeff Jurow, Structure Properties (Green Shutter Hotel)
- Vice President—Blake Peters, Bay Area Property Developers (Maple & Main)
- Secretary—Stacey Bristow, City of Hayward—Development Services Department
- Treasurer—Dinesh Shah, Property Owner (926 B Street)

Under this contract, New City America will complete the following tasks as described in Attachment III Scope of Services:

- Consolidate Interim Board of Directors with Formal Board of Directors.
- Coordinate selection of Board and Officers.
- Schedule monthly interim Board meetings.
- Adopt Articles of Incorporation and file with Secretary of State.
- Submit bylaws and 501(c)3 application to Internal Revenue Service.
- Present first year Downtown Hayward CBD budget.
- Establish committee structure and committee workplans.
- Establish contract between City and CBD Corporation for collection and remittance of assessments to CBD Corporation.
- Set up bank account and insurance coverage for CBD Corporation.
- Solicit for administrator or executive director to run the CBD Corporation.

This work is ongoing and scheduled to be completed by January 15, 2019.

ECONOMIC IMPACT

The Downtown Hayward Community Benefit District will raise \$596,000 annually to be spent for special benefit services in Downtown for the purpose of increasing customer demand, commerce, and creating a cleaner and more dynamic community. Similar districts have produced a return on investment in the form of higher sales and higher property values.

FISCAL IMPACT

Total compensation previously paid to this consultant for tasks associated with the formation of the Downtown Community Benefit District over the past four years exceeds the \$75,000 contract threshold requiring City Council approval. The total cost of this contract is \$30,000 and will be funded from of the Economic Development Division's FY2019 budget. The General Fund will be reimbursed for this contract through future revenues from the Downtown CBD.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities strategic initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. Specifically, this item supports the following goal and objectives:

- Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.
 - Objective 1: Increase neighborhood safety and cohesion.
 - Objective 2: Foster a sense of place and support neighborhood pride.
 - Objective 3: Increase collaboration with businesses.

NEXT STEPS

Following execution of this contract, New City America will coordinate all necessary activities to formally establish the Downtown Hayward CBD and its Non-Profit Management Corporation.

Prepared and Recommended by: John Stefanski, Management Analyst II

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH NEW CITY AMERICA FOR DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT NON-PROFIT MANAGEMENT CORPORATION INTERIM ADMINISTRATION, IN AN AMOUNT NOT TO EXCEED \$30,000

WHEREAS, On July 10, 2018 downtown Hayward property owners voted in favor to establish the Downtown Hayward Community Benefit District; and,

WHEREAS, Said Downtown Community Benefit District will be governed by a Non-Profit Management Corporation; and,

WHEREAS, New City America is specially trained, experienced, and competent to perform the special services described in the staff report and attachments accompanying this resolution

NOW, THEREFOER BE IT RESOLVED, that the City Council directs and authorizes the City Manager to negotiate and execute a professional services agreement with New City America for Downtown Hayward Community Benefit District Non-Profit Management Corporation Interim Administration, in an amount not to exceed \$30,000, in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

**Scope of Services for the new *Downtown Hayward Community Benefit District*
and Creation of a new District Management Corporation for Interim
Administration of the District – August 15th, 2018**

The following services would be performed by New City America staff to expedite the transfer of funds from the City to the new Management Corporation by late December 2018.

Period of Services: August 15th, 2018 – January 15th, 2019

| <i>Tasks to be Performed</i> | <i>Time Period</i> | <i>Comments</i> |
|---|---------------------------|--|
| Consolidate Interim Board of Directors, select name of new corporation | August - September | Pending |
| Coordinate selection of Board and Officers | August - September | Pending |
| Set up monthly interim Board meeting schedule | August | Pending |
| Adopt Articles of Incorporation | September | Pending |
| File with Secretary of State | September | Pending |
| Submit bylaws for review and approval (501c3), prepare application for filing with the IRS | November | Interim Board must approve the bylaws before they are sent to the IRS for review. Review may take up to 3 - 4 months |
| Present first year Downtown CBD budget for review and approval | November | |
| Present Committee Structure, create tasks for committees | November | |
| Issue RFP for services (cleaning, security, RFP) or determine to do the services in house | December | |
| Work with City on contract between Management Corporation and City | September – November | |
| Get contract approved thru City Council | October - November | |
| Work with interim Treasurer and officers to set up Bank Account | November | Interim Board to decide who to bank with, work with Treasurer to set up the account. |
| Solicit for administrator or Executive Director to run the new corporation | December | Under the direction of the Executive Committee |
| Set up transfer of funds from City to Management Corp | November - December | |
| Get general liability and Directors and Officers insurance quotes | November | |

Period of Services: August 15th, 2018 – January 15th, 2019

Cost: Flat retainer of \$6,000 per month for 5 months or \$ 30,000.00 for total contract

(Retainer includes direct reimbursable items such as copies, Secretary of State filing, postage, FED EX, does NOT include IRS filing due to costs associated with that. That cost will be borne by the new management corporation)

On site: Marco Li Mandri will be on site a minimum of two times per month, but NCA staff will conduct most of the tasks from the Bay Area office

Funded from: City of Hayward

Payable: Monthly from the City of Hayward, billings sent on the 15th of each month and are due by the 1st of the following month for the five-month contract. (For example, August billing for the month of August/September will be due on or around the 1st of September)

Staff Included: Marco Li Mandri, Project Manager
Shirley Zawadzki, Articles of incorporation, budget creation
Monica Montes, staff support
Shirley Zawadzki, IRS filing
Dominic Li Mandri, Assistant Project Manager



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 18-657

DATE: October 2, 2018

TO: Mayor and City Council

FROM: Director of Utilities & Environmental Services

SUBJECT

Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Zipcar for Car Sharing Services in Hayward

RECOMMENDATION

That the City Council adopts the attached resolution authorizing the City Manager to negotiate and execute an agreement with Zipcar, Inc., to implement a car sharing pilot program in Hayward.

SUMMARY

Staff is seeking Council authorization to implement a car sharing pilot program with Zipcar. This vendor has proposed locating four cars across three locations throughout Hayward. The program will involve the use of \$200,480 in Metropolitan Transportation Commission (MTC) grant funding to subsidize the vendor's local marketing efforts. Staff will meet the grant's local match requirement through in-kind-services totaling \$45,400 in value. These in-kind-services will consist of staff time spent managing the project. Zipcar will cover all other program implementation and marketing costs, in addition to providing utilization data that will help staff gauge the community's interest in car sharing. This data will also be used by staff to determine whether to pursue long-term car sharing programs beyond the eighteen-month pilot.

Council Sustainability Committee - On September 24, 2018, the Committee considered the Zipcar proposal and recommended that Council adopt a resolution authorizing the City Manager to negotiate and execute an agreement with Zipcar.

ATTACHMENTS

| | |
|---------------|--------------|
| Attachment I | Staff Report |
| Attachment II | Resolution |

File #: CONS 18-657



DATE: October 2, 2018

TO: Mayor and City Council

FROM: Director of Utilities & Environmental Services

SUBJECT: Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Zipcar for Car Sharing Services in Hayward

RECOMMENDATION

That the City Council adopts the attached resolution authorizing the City Manager to negotiate and execute an agreement with Zipcar, Inc., to implement a car sharing pilot program in Hayward.

SUMMARY

Staff is seeking Council authorization to implement a car sharing pilot program with Zipcar. This vendor has proposed locating four cars across three locations throughout Hayward. The program will involve the use of \$200,480 in Metropolitan Transportation Commission (MTC) grant funding to subsidize the vendor's local marketing efforts. Staff will meet the grant's local match requirement through in-kind-services totaling \$45,400 in value. These in-kind-services will consist of staff time spent managing the project. Zipcar will cover all other program implementation and marketing costs, in addition to providing utilization data that will help staff gauge the community's interest in car sharing. This data will also be used by staff to determine whether to pursue long-term car sharing programs beyond the eighteen-month pilot.

Council Sustainability Committee – On September 24, 2018, the Committee considered the Zipcar proposal and recommended that Council adopt a resolution authorizing the City Manager to negotiate and execute an agreement with Zipcar.

BACKGROUND

MTC Climate Initiatives Program Grant – In December 2014, the City was approved for funding from the Metropolitan Transportation Commission's Climate Initiatives Program to implement a car sharing pilot program and identify participating car sharing vendors through a competitive Request for Proposals process. Funding for the grant comes from Federal Congestion Mitigation and Air Quality Improvement (CMAQ) funds.

Council Sustainability Committee - On January 12, 2015, staff presented a report to the Council Sustainability Committee providing an overview of car sharing and its alignment with the City's greenhouse gas emission reduction efforts, as well as a number of General Plan policies and implementation programs.¹ Staff also reported on the MTC Climate Initiatives Program Grant and how the funding could be used toward implementing car sharing services in Hayward.

City Council – On January 27, 2015, Council adopted Resolution 15-014 authorizing receipt of the MTC grant funds to implement the Car Sharing Pilot Program.²

Council Sustainability Committee – Initial iterations of the Car Sharing Pilot Program focused on using the grant funding to subsidize the purchase of fuel-efficient car share vehicles. However, after in-depth discussions with MTC and the California Department of Transportation (Caltrans), staff was unable to identify vehicles that met both the City's efficiency goals and the grant requirements. As such, the program's scope was revised in late 2015 to specify that the grant funding would be used toward assisting selected car share vendors with their local marketing efforts. On December 10, 2015, staff presented a report to the Council Sustainability Committee summarizing these changes to the program's scope and identifying potential provisions to be included in the Request for Proposals.³

Caltrans, the administrator of the grant funds, approved the amended project scope in early 2017. Additional delays have been caused by staff turnover and higher priority projects.

DISCUSSION

Request for Proposals

A Request for Proposals was released on August 9, 2018, requesting that interested car share vendors submit proposals to implement an eighteen-month pilot program in Hayward. Proposals were required to identify a minimum of two locations for car share vehicles in the City. The first required location was within the City-owned municipal parking garage at Watkins and B Street, with the intent of serving patrons of the Downtown Hayward BART Station and area businesses. The second location could be near the South Hayward BART Station, Life Chiropractic College, Chabot College, the Hayward Amtrak Station or another location suggested by the vendor.

In an effort to help meet the City's emission reduction goals and to evaluate the community's level of interest in car sharing with alternative-fuel/low-emission vehicles, the Request for

¹ January 12, 2015 CSC Agenda Packet:

<https://hayward.legistar.com/MeetingDetail.aspx?ID=505651&GUID=98EB77F5-CD85-49A7-871E-FF45D9AF6B60&Options=info&Search>

² January 27, 2015 City Council Agenda Packet:

<https://hayward.legistar.com/MeetingDetail.aspx?ID=454159&GUID=6980F6E4-B56F-4638-AFA1-548E73417972&Options=info&Search>

³ December 10, 2015 CSC Agenda Packet:

<https://hayward.legistar.com/MeetingDetail.aspx?ID=447895&GUID=267FA428-D765-44D4-9F7E-A3F754187530&Options=info&Search>

Proposals also indicated a particular interest in proposals that included a plan for at least one electric vehicle and/or plug-in electric hybrid vehicle.

The four-week Request for Proposals period closed on September 7, 2018, by which time one proposal had been received from Zipcar. The proposer participated in a finalist interview on September 17, 2018.

Based on Zipcar's proposal, interview and qualifications, staff presented a report to the Council Sustainability Committee on September 24, 2018, recommending that this vendor be selected to implement the Car Sharing Pilot Program in Hayward.⁴ The Committee concurred with staff's recommendation to proceed with Zipcar.

About Zipcar

Zipcar provides car sharing services in more than 500 cities and towns and 600 colleges and universities worldwide, operating 400 locations in the Bay Area alone. The vendor currently has partnerships established with a number of local agencies including the San Francisco Municipal Transportation Agency, City of San Jose, Sonoma County Transportation Authority, City of San Mateo, City of Emeryville, and the City of Fremont.

Zipcar is also currently the only car sharing provider operating within Hayward boundaries, with six vehicles at the California State University East Bay campus. These cars are intended for students living on campus and do not serve the larger Hayward community.

Zipcar's Proposed Pilot Program Details

Zipcar's proposed Car Sharing Pilot Program includes the establishment of four designated parking spots at three locations, each of which were identified in the Request for Proposals as either mandatory or optional:

1. Watkins Street and B Street Municipal Parking Garage (two spaces)
2. South Hayward BART Station (one space)
3. Chabot Community College (one space)

The proposal did not include an electric vehicle sharing option due to the challenges associated with keeping these vehicles adequately charged, both during and between trips. Patrons often do not have access to a charging station at their destinations. The car must also recharge before a new trip with a new member can begin. These challenges make electric vehicle carsharing largely infeasible at this time.

⁴ September 24, 2018 CSC Agenda Packet:
<https://hayward.legistar.com/MeetingDetail.aspx?ID=606472&GUID=A6C710ED-CDBA-4933-8955-E0A546294515&Search>

Zipcar is a membership-based program, with current pricing at \$7 per month or \$75 per year, and the pre-requirement of a \$25 application fee. Trip rates are structured either hourly, ranging from \$8.50 to \$13.50 per hour, or daily, ranging from \$79 to \$101 per day.

Upon approval for membership, each new driver receives a unique account number and a “Zipcard” that can be used to access any Zipcar in cities all over the world. Reservations can be made via the Zipcar website, mobile app, or with a live service representative. The program is also return-trip based, meaning that members pick cars up at a designated location and must return the car to the same location. This model ensures the availability of the vehicles at their designated location whenever they are not in use.

Zipcar has proposed sharing data with the City on a quarterly basis regarding the number of unique users per month at each location, average number of miles driven per trip based on reservations from each location, and average vehicle utilization based on reservations from each location.

Zipcar’s Proposed Marketing Efforts

Zipcar’s proposed marketing plan includes both an immediate marketing push to announce the Zipcar program in Hayward, as well as a long-term plan. Marketing initiatives identified in the proposal include a dedicated newsletter to Zipcar members at launch, social media promotion, Zipcar digital ads, inclusion in City newsletters, discounted membership for residents and employees for a limited time, and hard promotional materials including flyers and postcards. Further details regarding the marketing plan and portion of MTC funds allocated to subsidize these efforts will be identified during the negotiation phase.

At the end of the pilot operation period, staff will evaluate the data provided and gauge the community’s interest in car sharing. Staff will also determine whether to work with the vendor to extend the program period or to issue another Request for Proposals for a longer-term and potentially larger-scale car share program.

ECONOMIC IMPACT

Car sharing can reduce the need for car ownership and/or the use of personal vehicles. As such, this pilot program could potentially reduce consumer spending on automobile-related purchases and services. Any savings realized by Hayward households could lead to increased spending in non-automotive sectors.

FISCAL IMPACT

The grant amount is \$200,480 and the City will also provide an in-kind City match of \$45,400 in the form of staff time spent managing the project. All program implementation costs that go beyond the scope of the grant or in-kind funding will be covered by Zipcar and will therefore have no impact on the City’s General Fund.

STRATEGIC INITIATIVES

This item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities initiative is to create and support structures, services and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. Car sharing provides community members cost-effective and equitable access to transportation, and is therefore aligned with the following goal:

Goal 1: Improve quality of life for residents, business owners and community members in all Hayward neighborhoods.

SUSTAINABILITY FEATURES

Car sharing reduces the need for personal vehicle ownership by providing access to vehicles when needed but on a limited basis. As such, the car sharing model can also contribute to the use of public transportation, biking and walking, which ultimately results in reduced greenhouse gas emissions.

Air: Car sharing can reduce car use and congestion, thereby reducing time spent on the road or idling in traffic, as well as associated emissions.

PUBLIC CONTACT

On August 9, 2018, the Request for Proposals associated with this pilot program was published to the Request for Proposals Portal on the City's Website.

NEXT STEPS

If Council agrees that Zipcar has the appropriate experience and qualifications to implement this Car Sharing Pilot Program and adopts the attached resolution authorizing the City Manager to negotiate and execute an agreement with Zipcar, staff will initiate the program.

Prepared by: Kait Byrne, Management Analyst

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:



Kelly McAadoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH ZIPCAR, INC. TO IMPLEMENT A CAR SHARING PILOT PROGRAM IN HAYWARD

WHEREAS, The City of Hayward (herein referred to as City) General Plan includes policies supporting car sharing and the availability of transportation alternatives; and

WHEREAS, On December 18, 2014, the Metropolitan Transportation Commission (MTC) approved the City's application for a grant in the amount of \$200,480, to be used to establish a Car Sharing Pilot Program in Hayward by identifying car share vendors through a competitive Request for Proposals process and subsidizing each vendor's program marketing and implementation costs; and

WHEREAS, On January 17, 2015, the City Council accepted these grant funds via Resolution 15-014; and

WHEREAS, The MTC grant also requires the provision of in-kind services totaling \$45,400, to be provided by the City via staff time spent managing the project; and

WHEREAS, On August 9, 2018, the City issued a Request for Proposals to identify vendors to implement this Car Sharing Pilot Program; and

WHEREAS, By September 7, 2018, one proposal had been received by Zipcar, Inc. (herein referred to as Zipcar) and Zipcar was subsequently interviewed by a panel of City department representatives.

NOW, THEREFORE, BE IT RESOLVED that Zipcar is hereby selected to implement a Car Sharing Pilot Program in Hayward.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to negotiate and execute an agreement with Zipcar in the name of and on behalf of the City of Hayward.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 18-671

DATE: October 2, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT

Approval of Parkside Heights Tract 8233 Final Map Creating Ninety-seven lots for Single-Family Residences and Common Use Lots Substantially Conforming to its City approved Vesting Tentative Map and Planned Development Plan on a 10.68-Acre Site Located at the South-east Corner of 2nd Street and Walpert Street; Pulte Homes (Applicant/Subdivider)

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment II) approving Final Tract Map 8233, finding it in substantial conformance with the approved Vesting Tentative Tract Map 8233 and the Conditions of Approval thereof, and authorizing the City Manager to execute a Subdivision Agreement and other related documents, and release the Final Map for its filing in the County Recorder's public records. The tract is located at the south-east corner of 2nd Street and Walpert Street.

SUMMARY

The Applicant has submitted a Final Map and Improvement Plans that have been reviewed and determined to be in substantial compliance with the approved Vesting Tentative Map for Tract 8233 by the City Engineer. City Council's approval of the attached resolution would approve the Final Map and authorize the City Manager to execute a Subdivision Agreement between the City and Applicant for the construction of improvements and other obligations required per conditions of approval of the Vesting Tentative Tract Map.

The Final Map approval was continued to October 2, 2018 so that staff may provide additional information related to items brought up through public comment and Council members at the September 18, 2018 meeting.

ATTACHMENTS

| | |
|----------------|--------------------------|
| Attachment I | Staff Report |
| Attachment II | Resolution |
| Attachment III | Developer Correspondence |

File #: CONS 18-671

Attachment IV Revised Grading Plans



DATE: October 2, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT: Approval of Parkside Heights Tract 8233 Final Map Creating Ninety-seven Lots for Single-Family Residences and Common Use Lots Substantially Conforming to its City Approved Vesting Tentative Map and Planned Development Plan on a 10.68-Acre Site Located at the South-east Corner of 2nd Street and Walpert Street; Pulte Homes (Applicant/Subdivider)

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment II) approving Final Tract Map 8233, finding it in substantial conformance with the approved Vesting Tentative Tract Map 8233 and the Conditions of Approval thereof, and authorizing the City Manager to execute a Subdivision Agreement and other related documents, and release the Final Map for its filing in the County Recorder's public records. The tract is located at the south-east corner of 2nd Street and Walpert Street.

SUMMARY

The Applicant has submitted a Final Map and Improvement Plans that have been reviewed and determined to be in substantial compliance with the approved Vesting Tentative Map for Tract 8233 by the City Engineer. City Council's approval of the attached resolution would approve the Final Map and authorize the City Manager to execute a Subdivision Agreement between the City and Applicant for the construction of improvements and other obligations required per conditions of approval of the Vesting Tentative Tract Map.

The Final Map approval was continued to October 2, 2018 so that staff may provide additional information related to items brought up through public comment and Council members at the September 18, 2018 meeting.

BACKGROUND

City Council received the staff report ¹ recommending approval of the Parkside Heights Tract 8233 Final Map at its regularly scheduled meeting on September 18, 2018. Two neighboring

¹ Link to September 18, 2018 Staff Report & Attachments
<https://hayward.legistar.com/LegislationDetail.aspx?ID=3676291&GUID=610C7D7A-D0BB-4981-A996-0E1297278FFB>

property owners present at the Council meeting stated that their properties would be adversely impacted unless the Tract 8233 improvement plans were amended. Council continued the item to its meeting on October 2, 2018 and directed staff to provide a report addressing the issues, and provide a report outlining the differences between the approved vesting Tentative Map and Final Map for Tract 8233.

DISCUSSION

The main areas of concern expressed during Public Comments at the September 18, 2018 Council meeting are related to the following:

1. Accommodation of existing driveway easements potentially impacted by the proposed improvements.
2. Grading at 24237 2nd Street and its adjacent Parkside Heights development site.

Existing Driveway Easement:

Parkside Heights site improvements include construction of a new privately maintained street (Amaranth Loop) serving the new lots and extending from Walpert Street to 2nd Street. The new street improvements will extend over a portion of an existing driveway easement providing vehicular access from 2nd Street to two existing lots on the east side of Parkside Heights Tract 8233. Amaranth Loop, with concrete curb, gutter, and a retaining wall along its east side, will block the full use of the existing driveway easement. To address and resolve this issue, the subdivider and the affected property owners have tentatively agreed to the following:

- a) The two affected property owners will be offered access easements over the full length of Amaranth Loop, extending from Walpert Street to 2nd Street.
- b) In exchange for the Amaranth loop easements, the two affected property owners will relinquish their driveway easements.
- c) Street A curb shall have driveway cuts for both affected property owners, and
- d) One property owner, at the corner of 2nd Street and Street A, currently has no garage. Two new parking spaces on the west side of private Street A will be designated with signs for exclusive use of this property owner.

At the direction of the Subdivider/Developer, the Project Engineer has memorialized this agreement in the attached letters to City staff (Attachment III).

Grading at 24237 2nd Street and its adjacent Parkside Heights Development:

The Parkside Heights grading plans approved by the City's Public Works Department on May 4, 2018, proposed no grading on any property not owned by Pulte Homes.

Subsequently, the developer, with the homeowner's consent, re-graded a portion of the backyard at 24237 2nd Street, to improve drainage and create a more leveled area. This minor grading did not require a grading permit.

In the middle of August 2018, the homeowner, Ms. Candi Cross, requested a meeting with City staff to review certain grading related issues. City staff reviewed the issue including an onsite meeting on August 21, 2018. Following the Council meeting of September 18, another meeting involving the property owner, City staff, and the developer was held onsite on September 21, 2018. An agreement was reached between the developer and the homeowner to resolve the issues as follows:

- a) Developer will place additional fill to create a more level backyard on the Cross-Harnage property. The fill slope will be entirely on the Parkside Heights property. The new property fence will be at the top of the fill slope.
- b) New lot grades adjoining the Cross-Harnage property's side yard will be lowered by two feet, to minimize grade differential. The initially proposed retaining wall will be eliminated to minimize potential damage to existing Cedar tree roots.
- c) A graded swale will be created to drain the Cross-Harnage property's side yard. The swale grading will direct drainage around an existing Oak tree with minimum grading.
- d) Disturbed land areas on the Cross-Harnage property will be protected against erosion by hydroseeding sufficiently in advance of the forthcoming rains.

Parkside Heights grading plans will be revised as shown in attached Attachment IV.

Tentative Map and Final Map differences:

The changes to the Parkside Heights Project (previously 2nd and Walpert) between the Tentative Map and Final Map, were the subject of an Administrative Modification to the approved Planned Development plan which was publicly noticed and approved by the Planning Director on March 27, 2018 following a fifteen-day appeal period.

The Administrative Modification included the reorientation of fourteen homes to front 2nd Street with alley loaded garage access; expansion of the neighborhood green, pedestrian pathways and undeveloped open space on the site; and reconfiguration of the roadways and utilities to accommodate the new site layout. The modified plans would retain the same number of lots and external driveway connections where the new development connects to the existing roadway network.

Pursuant to Hayward Municipal Code (HMC) Section 10-1.2555, minor modifications to existing preliminary and precise development plans may be approved by the Planning Director. Staff determined that the proposed modifications are minor in that they would not change the number of lots or the access points from the development to the surrounding roadway network. Further, staff determined that the proposed modifications would be

beneficial in that it would: result in a more integrated development pattern along 2nd Street; expand developed and undeveloped open space areas; preserve existing heritage trees; minimize impervious areas and grading; and reduce the number and height of retaining walls on the site.

The staff report presented for the approval of Final Map Tract 8223 at the City Council meeting of September 18, 2018, provides information regarding the Final Map and its conformity with the approved Tentative Map.

ECONOMIC AND FISCAL IMPACT

The Final Map approval is consistent with the approved project and the Final Map approval will not have any fiscal or economic impacts other than those identified during the original project approvals.

STRATEGIC INITIATIVES

This agenda item supports the Complete Streets Strategic Initiatives. The purpose of the Complete Streets Initiative is to build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including: motorists, pedestrians, bicyclists, and public transportation riders. This item supports the following goal and objective:

Goal 2: Provide Complete Streets that balance the diverse needs of users of the public right-of-way.

Objective 1: Increase walking, biking, transit usage, carpooling and other sustainable modes of transportation by designing and retrofitting streets to accommodate all modes.

This agenda item also supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This item supports the following goal and objectives:

Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources.

Objective 2: Facilitate the development of diverse housing types that serves the needs of all populations

Objective 3: Conserve and improve the existing housing stock

PUBLIC CONTACT

A public hearing is not required for the approval of the Final Map for Tract 8233. Public hearings were previously conducted as part of the approval of the Vesting Tentative Map application for Tract 8233.

NEXT STEPS

If Council approves the Final Map, the applicant will have the final map recorded, obtain construction permits, and commence the construction of improvements shown on the approved Improvement Plans.

Prepared by: Mo Sharma, Associate Civil Engineer
Allen Baquilar, Senior Civil Engineer

Recommended by: Alex Ameri, Interim Director of Public Works

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION APPROVING FINAL MAP FOR TRACT 8233 AND AUTHORIZING
THE CITY MANAGER TO EXECUTE A SUBDIVISION AGREEMENT

WHEREAS, Vesting Tentative Tract Map No. 8233, Parkside Heights, was approved by the Hayward City Council on March 15, 2016; and

WHEREAS, The Final Map for Tract 8233 has been presented to the City Council of the City of Hayward for development of 97 single-family homes located at the southern corner of 2nd Street and Walpert Street; and

WHEREAS, The City Engineer reviewed the Final Map and found it to be in substantial compliance with the approved Vesting Tentative Tract Map, the Subdivision Map Act and the City of Hayward regulations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward does hereby find that the Final Map for Tract 8233 is in substantial compliance with the approved Vesting Tentative Tract Map and does hereby approve the Final Map for Tract 8233, subject to the subdivider entering into a subdivision agreement for the construction of improvements and other obligations, as required by the conditions of approval of the Vesting Tentative Tract Map for Tract 8233, and that the approval of the Final Map for Tract 8233 shall not be effective until and unless such agreement is entered into.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized for and on behalf of the City of Hayward to negotiate and execute a subdivision agreement in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CIVIL ENGINEERS • SURVEYORS • PLANNERS

September 24, 2018
Job No.: 2360-020

Allen Baquilar, PE
Senior Civil Engineer
CITY OF HAYWARD
Development Services
777 B Street
Hayward, CA 94541

Subject: Jasper Property Access and Parking

Dear Mr. Baquilar:

In response to Ms. Jasper's concern of losing parking and access to her house located on the east side of the proposed Parkside Heights Project entrance along second street. The following terms were verbally agreed upon prior to the city council meeting on September 18, 2018:

1. Pulte Group to provide Ms. Jasper with 2 dedicated striped and signed exclusive parallel parking stalls along the west side of proposed Amaranth Loop. (See Exhibit A)
2. Pulte Group to provide a 20' section rolled curb south of the Second Street intersection to allow Ms. Jasper vehicular access to her front yard. (See Exhibit A)
3. Pulte Group to provide stairs to allow Ms. Jasper pedestrian access to her front yard from Amaranth Loop. (See Exhibit A)
4. Pulte Group to grant Ms. Jasper vehicular parking and access easement over Parcels M, O and P as shown on the Tract 8233 Final Map. (See Exhibit B)
5. Ms. Jasper to vacate/quitclaim existing private access easement. (See Exhibit A)

Feel free to contact me with any questions or Concerns.

Very truly yours,

A handwritten signature in blue ink that reads 'Colt R. Alvernaz'.

Colt R. Alvernaz, PE
Project Manager

CRA:air

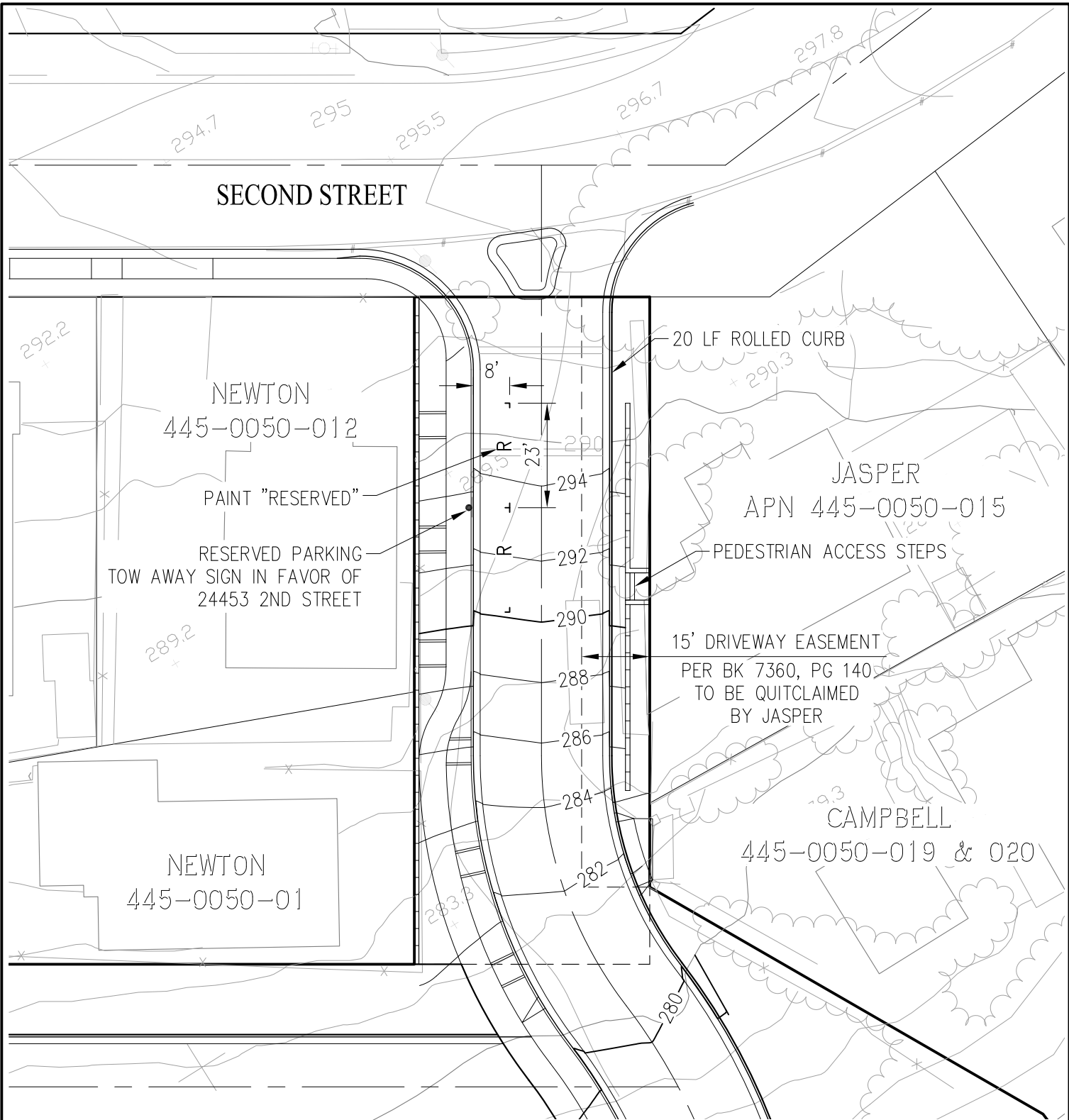
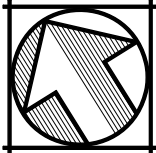


EXHIBIT A

PARKSIDE HEIGHTS

CITY OF HAYWARD ALAMEDA COUNTY CALIFORNIA

DATE: SEPTEMBER 2018 SCALE: 1"=30'



SAN RAMON (925) 866-0322
SACRAMENTO (916) 375-1877
WWW.CBANDG.COM

CIVIL ENGINEERS • SURVEYORS • PLANNERS

9/24/2018 4:18 PM

EXHIBIT B

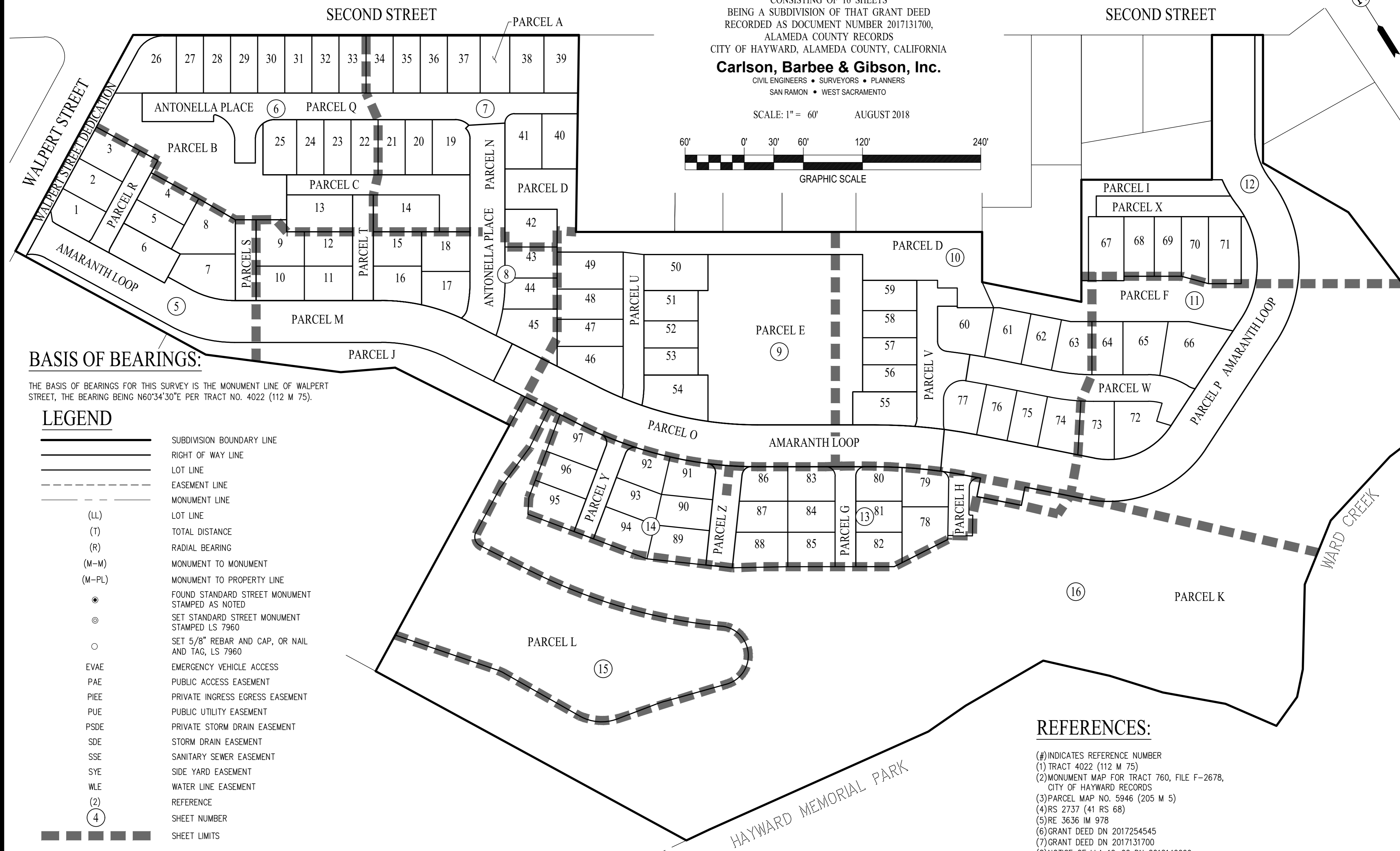
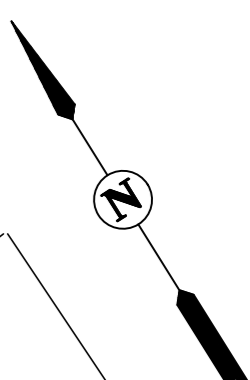
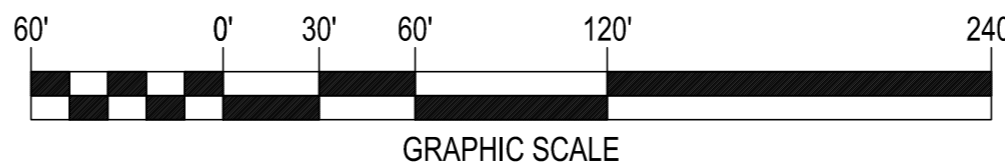
TRACT 8233 PARKSIDE HEIGHTS

CONSISTING OF 16 SHEETS
BEING A SUBDIVISION OF THAT GRANT DEED
RECORDED AS DOCUMENT NUMBER 2017131700,
ALAMEDA COUNTY RECORDS
CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA

Carlson, Barbee & Gibson, Inc.

CIVIL ENGINEERS • SURVEYORS • PLANNERS
SAN RAMON • WEST SACRAMENTO

SCALE: 1" = 60' AUGUST 2018



BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS THE MONUMENT LINE OF WALPERT STREET, THE BEARING BEING N60°34'30"E PER TRACT NO. 4022 (112 M 75).

LEGEND

| | |
|--------|---|
| | SUBDIVISION BOUNDARY LINE |
| | RIGHT OF WAY LINE |
| | LOT LINE |
| | EASEMENT LINE |
| | MONUMENT LINE |
| (LL) | LOT LINE |
| (T) | TOTAL DISTANCE |
| (R) | RADIAL BEARING |
| (M-M) | MONUMENT TO MONUMENT |
| (M-PL) | MONUMENT TO PROPERTY LINE |
| ● | FOUND STANDARD STREET MONUMENT STAMPED AS NOTED |
| ⊙ | SET STANDARD STREET MONUMENT STAMPED LS 7960 |
| ○ | SET 5/8" REBAR AND CAP, OR NAIL AND TAG, LS 7960 |
| EVAE | EMERGENCY VEHICLE ACCESS |
| PAE | PUBLIC ACCESS EASEMENT |
| PIEE | PRIVATE INGRESS EGRESS EASEMENT |
| PUE | PUBLIC UTILITY EASEMENT |
| PSDE | PRIVATE STORM DRAIN EASEMENT |
| SDE | STORM DRAIN EASEMENT |
| SSE | SANITARY SEWER EASEMENT |
| SYE | SIDE YARD EASEMENT |
| WLE | WATER LINE EASEMENT |
| (2) | REFERENCE |
| ④ | SHEET NUMBER |
| | SHEET LIMITS |

REFERENCES:

- (#) INDICATES REFERENCE NUMBER
- (1) TRACT 4022 (112 M 75)
- (2) MONUMENT MAP FOR TRACT 760, FILE F-2678, CITY OF HAYWARD RECORDS
- (3) PARCEL MAP NO. 5946 (205 M 5)
- (4) RS 2737 (41 RS 68)
- (5) RE 3636 IM 978
- (6) GRANT DEED DN 2017254545
- (7) GRANT DEED DN 2017131700
- (8) NOTICE OF LLA 12-02 DN 2012146699



September 25, 2018
Job No.: 2360-020

Allen Baquilar, P.E.
Senior Civil Engineer
CITY OF HAYWARD
Development Services
777 B Street
Hayward, CA 94541

Subject: Campbell Property Access (APN 445-0050-019, -020)

Dear Mr. Baquilar:

In response to Mr. Campbell's concern of losing access to his house located on the east side of the proposed Parkside Heights Project entrance along second street are South of the Jasper property. The following terms were verbally agreed upon prior to the city council meeting on September 18, 2018:

1. Pulte Group to provide Mr. Campbell with a driveway curb cut off of Amaranth Loop. (See Exhibit A)
2. Pulte Group to grant Mr. Campbell vehicular parking and access easement over Parcels M, O and P as shown on the Tract 8233 Final Map. (See Exhibit B)
3. Ms. Campbell to vacate/quitclaim existing private access easement. (See Exhibit A)

Feel free to contact me with any questions or Concerns.

Very truly yours,

Colt R. Alvernaz, P.E.
Project Manager

CRA:svl

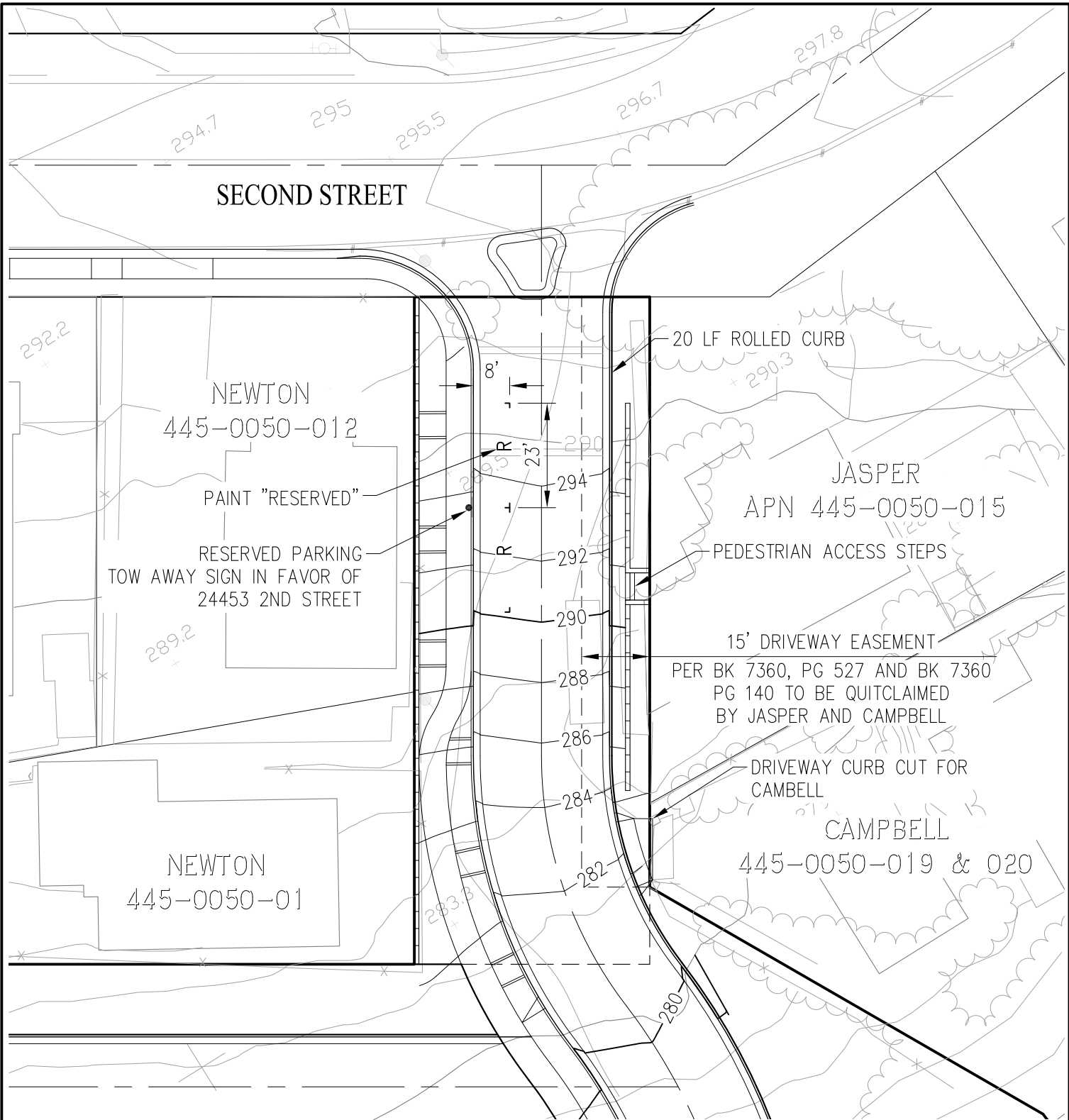
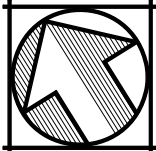


EXHIBIT A

PARKSIDE HEIGHTS

CITY OF HAYWARD ALAMEDA COUNTY CALIFORNIA

DATE: SEPTEMBER 2018 SCALE: 1"=30'



SAN RAMON (925) 866-0322
SACRAMENTO (916) 375-1877
WWW.CBANDG.COM

CIVIL ENGINEERS • SURVEYORS • PLANNERS

9/25/2018 1:06 PM

EXHIBIT B

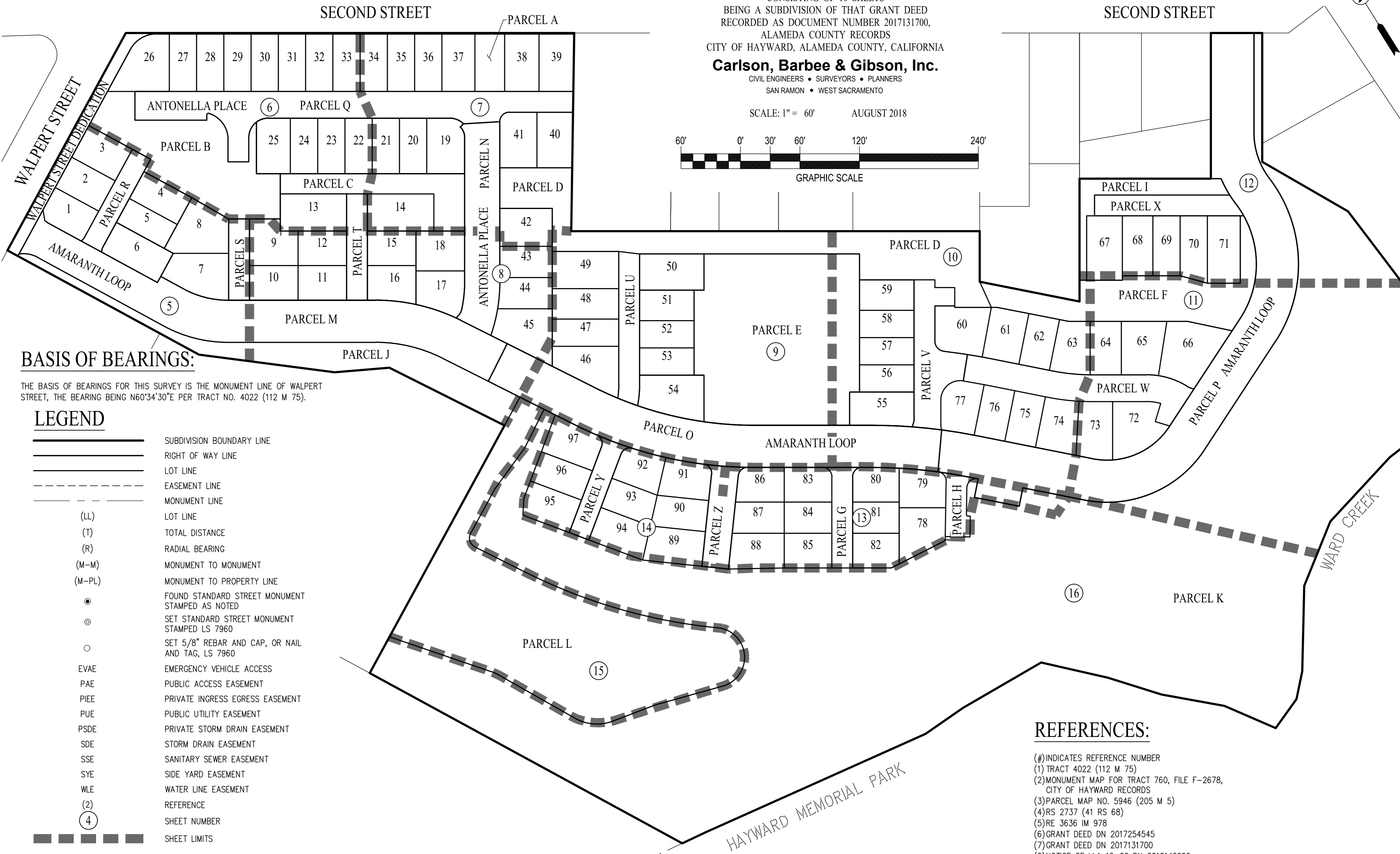
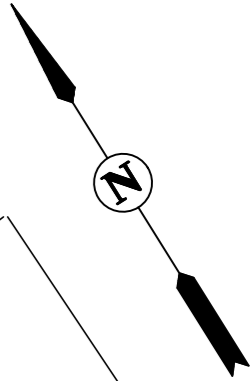
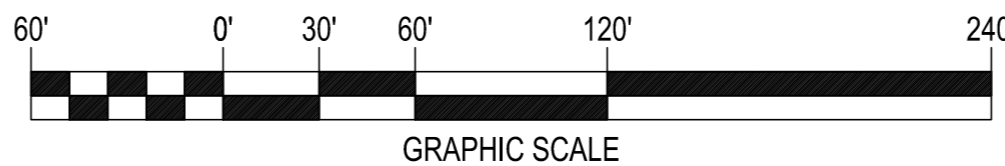
TRACT 8233 PARKSIDE HEIGHTS

CONSISTING OF 16 SHEETS
BEING A SUBDIVISION OF THAT GRANT DEED
RECORDED AS DOCUMENT NUMBER 2017131700,
ALAMEDA COUNTY RECORDS
CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA

Carlson, Barbee & Gibson, Inc.

CIVIL ENGINEERS • SURVEYORS • PLANNERS
SAN RAMON • WEST SACRAMENTO

SCALE: 1" = 60' AUGUST 2018



BASIS OF BEARINGS:

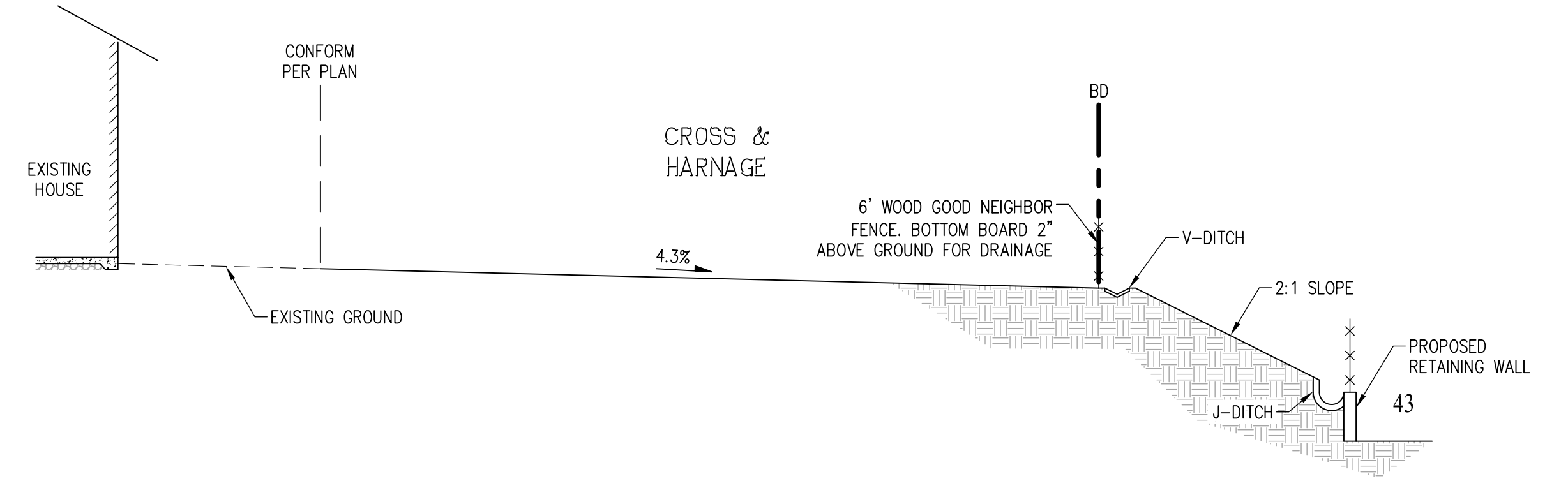
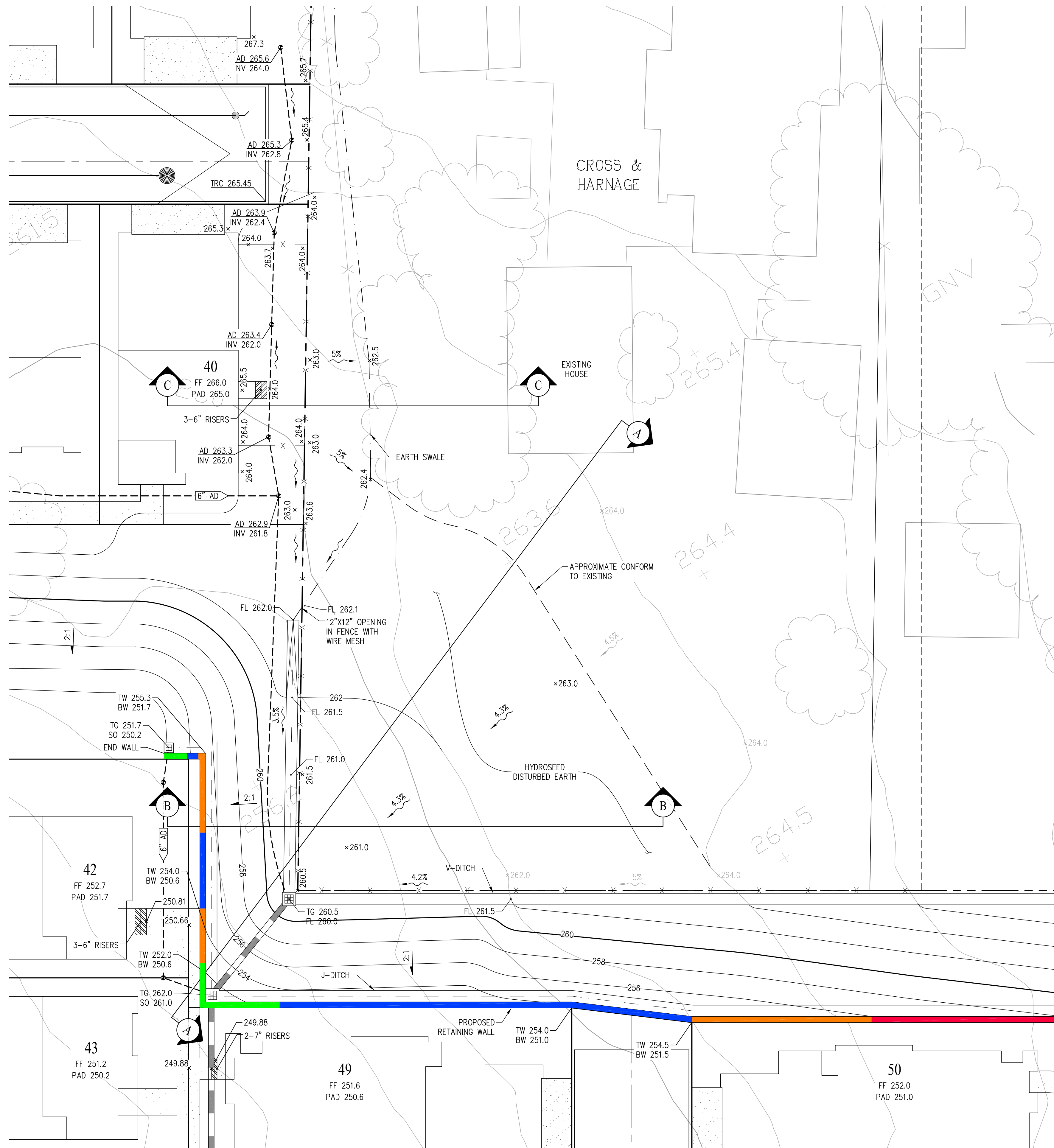
THE BASIS OF BEARINGS FOR THIS SURVEY IS THE MONUMENT LINE OF WALPERT STREET, THE BEARING BEING N60°34'30"E PER TRACT NO. 4022 (112 M 75).

LEGEND

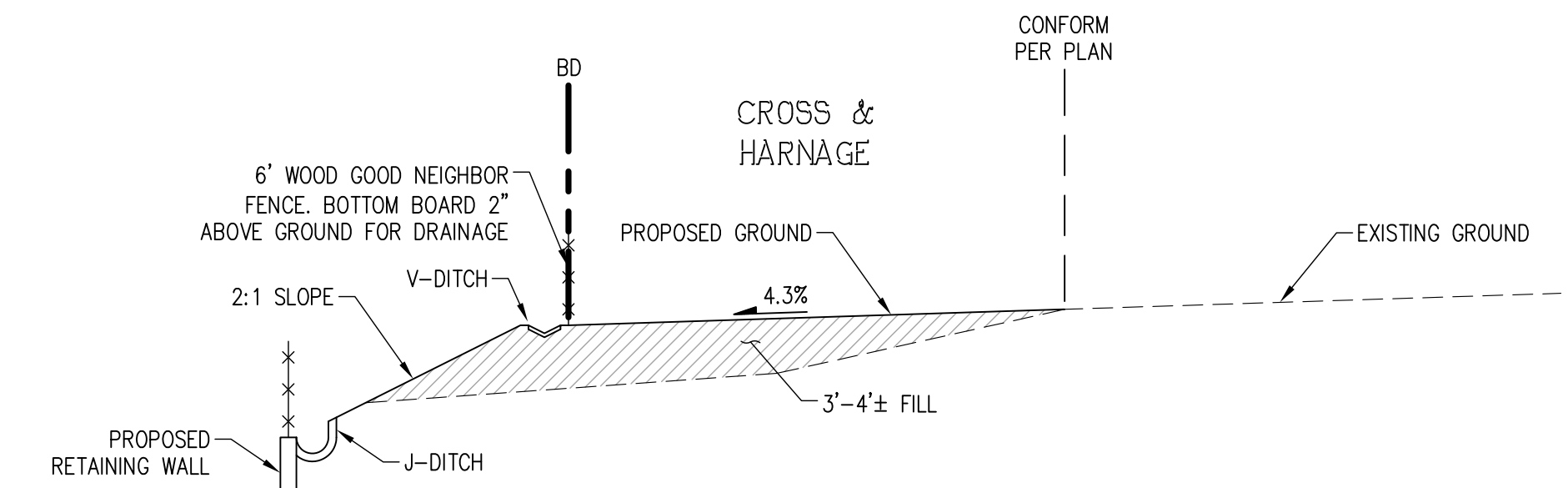
| | |
|--------|--|
| | SUBDIVISION BOUNDARY LINE |
| | RIGHT OF WAY LINE |
| | LOT LINE |
| | EASEMENT LINE |
| | MONUMENT LINE |
| (LL) | LOT LINE |
| (T) | TOTAL DISTANCE |
| (R) | RADIAL BEARING |
| (M-M) | MONUMENT TO MONUMENT |
| (M-PL) | MONUMENT TO PROPERTY LINE |
| ● | FOUND STANDARD STREET MONUMENT STAMPED AS NOTED |
| ⊙ | SET STANDARD STREET MONUMENT STAMPED LS 7960 |
| ○ | SET 5/8" REBAR AND CAP, OR NAIL AND TAG, LS 7960 |
| EVAE | EMERGENCY VEHICLE ACCESS |
| PAE | PUBLIC ACCESS EASEMENT |
| PIEE | PRIVATE INGRESS EGRESS EASEMENT |
| PUE | PUBLIC UTILITY EASEMENT |
| PSDE | PRIVATE STORM DRAIN EASEMENT |
| SDE | STORM DRAIN EASEMENT |
| SSE | SANITARY SEWER EASEMENT |
| SYE | SIDE YARD EASEMENT |
| WLE | WATER LINE EASEMENT |
| (2) | REFERENCE |
| ④ | SHEET NUMBER |
| | SHEET LIMITS |

REFERENCES:

- (#) INDICATES REFERENCE NUMBER
- (1) TRACT 4022 (112 M 75)
- (2) MONUMENT MAP FOR TRACT 760, FILE F-2678, CITY OF HAYWARD RECORDS
- (3) PARCEL MAP NO. 5946 (205 M 5)
- (4) RS 2737 (41 RS 68)
- (5) RE 3636 IM 978
- (6) GRANT DEED DN 2017254545
- (7) GRANT DEED DN 2017131700
- (8) NOTICE OF LLA 12-02 DN 2012146699



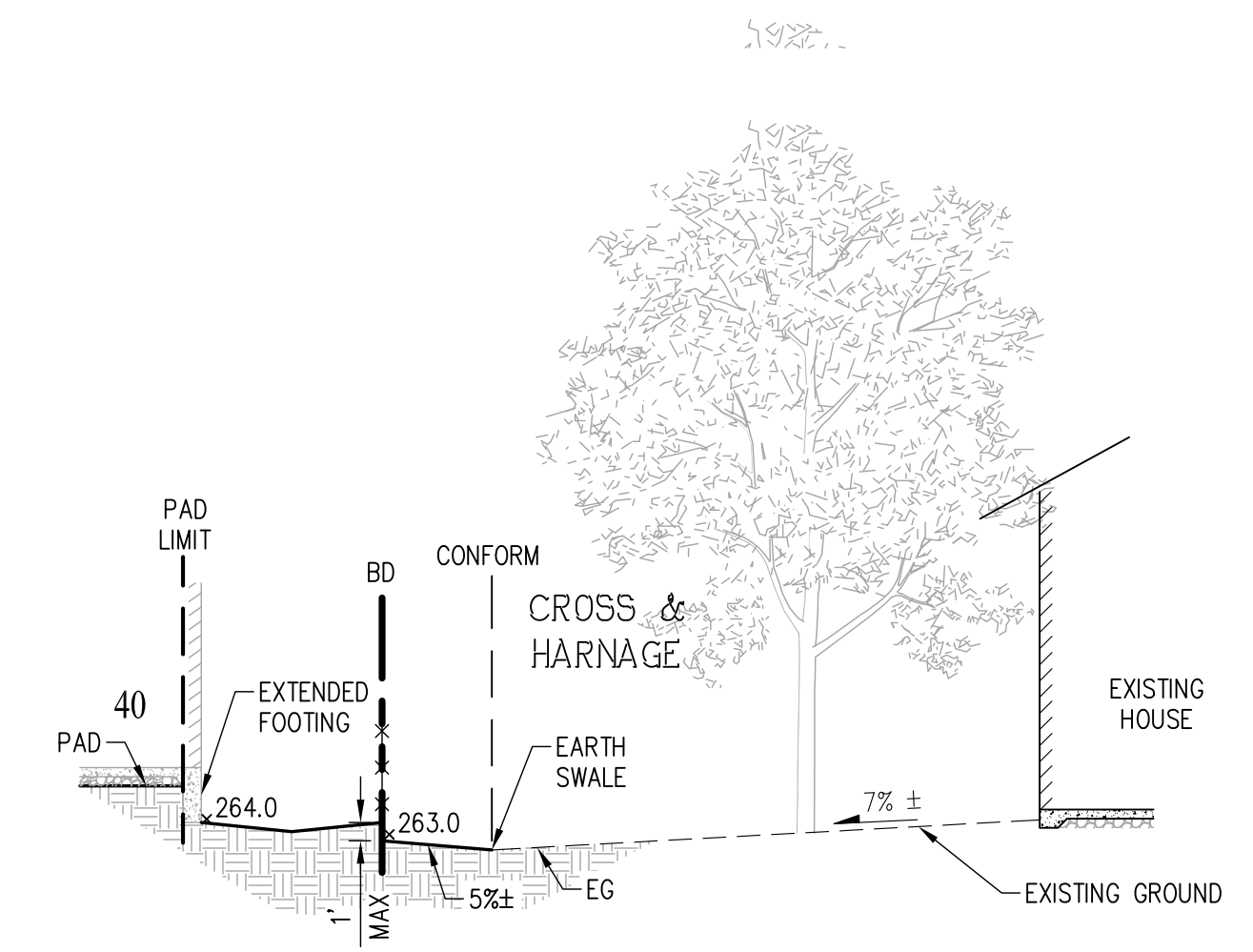
SECTION A-A
SCALE: 1"=10'



SECTION B-B
SCALE: 1"=10'

LEGEND

- PROJECT BOUNDARY
- EARTH SWALE
- GRADING DAYLIGHT
- STEPS
- FIELD INLET
- STORM DRAIN
- AREA DRAIN
- V-DITCH/J-DITCH
- 0' < H ≤ 2' RETAINING WALL
- 2' < H ≤ 3' RETAINING WALL
- 3' < H ≤ 4' RETAINING WALL
- H ≤ 4' RETAINING WALL

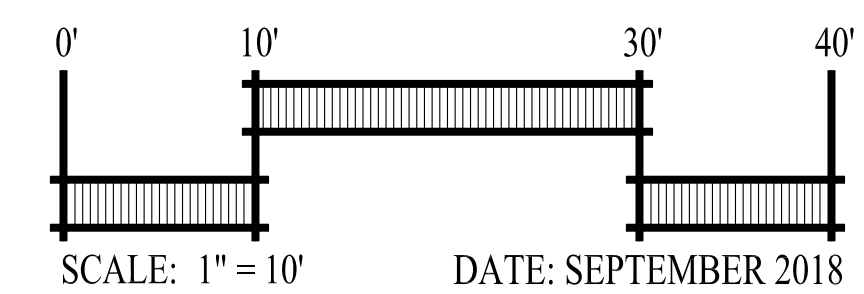
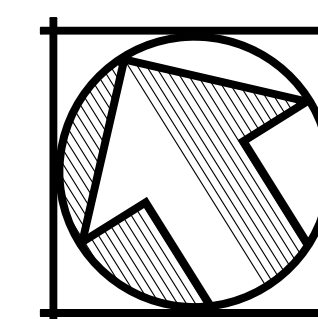


SECTION C-C
SCALE: 1"=10'

CROSS & HARNAGE GRADING

PARKSIDE HEIGHTS

CITY OF HAYWARD ALAMEDA COUNTY CALIFORNIA



SAN RAMON • (925) 866-0322
SACRAMENTO • (916) 375-1877
WWW.CBANDG.COM
CIVIL ENGINEERS • SURVEYORS • PLANNERS



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 18-667

DATE: October 2, 2018

TO: Mayor and City Council

FROM: Deputy City Manager

SUBJECT

Adopt a Resolution Authorizing the City Manager to Award a \$400,000 Small Business Incentive Program Grant to Russell City Distillery, Inc. to Complete a New Distillery and Tasting Room in Downtown

RECOMMENDATION

That the City Council adopts a resolution to authorize the City Manager to provide financial assistance in the form of a grant in the amount of \$400,000 as part of the Economic Development Small Business Incentive Program to Russell City Distillery, Inc. (RCD) to complete a new downtown distillery and tasting room.

SUMMARY

RCD is a boutique craft distillery maker of premium Spirits and is constructing a new distillery and small tasting room in downtown Hayward where patrons can sample and learn about the distillation process. The distillery and tasting room will provide a new destination for visitors of the downtown and will complement the existing restaurants and entertainment venues in the surrounding area. Customers will also be able to purchase product in the retail store to be located in the distillery, which will generate sales tax revenue to the City. RCD products will be sold throughout California and surrounding states. Staff recommends that the City Council adopts a resolution authorizing the City Manager to award a \$400,000 small business incentive program grant to Russell City Distillery, Inc. to complete a new distillery and tasting room in the downtown.

ATTACHMENTS

| | |
|---------------|--------------|
| Attachment I | Staff Report |
| Attachment II | Resolution |



DATE: October 2, 2018

TO: Mayor & City Council

FROM: Economic Development Manager

SUBJECT: Adopt a Resolution Authorizing the City Manager to Award a \$400,000 Small Business Incentive Program Grant to Russell City Distillery, Inc. to Complete a New Distillery and Tasting Room in Downtown

RECOMMENDATION

That the City Council adopts a resolution to authorize the City Manager to provide financial assistance in the form of a grant in the amount of \$400,000 as part of the Economic Development Small Business Incentive Program to Russell City Distillery, Inc. (RCD) to complete a new downtown distillery and tasting room.

SUMMARY

RCD is a boutique craft distillery maker of premium Spirits and is constructing a new distillery and small tasting room in downtown Hayward where patrons can sample and learn about the distillation process. The distillery and tasting room will provide a new destination for visitors of the downtown and will complement the existing restaurants and entertainment venues in the surrounding area. Customers will also be able to purchase product in the retail store to be located in the distillery, which will generate sales tax revenue to the City. RCD products will be sold throughout California and surrounding states. Staff recommends that the City Council adopts a resolution authorizing the City Manager to award a \$400,000 small business incentive program grant to Russell City Distillery, Inc. to complete a new distillery and tasting room in the downtown.

BACKGROUND

Geoff Harries has owned and operated Buffalo Bill's Brewpub, a successful restaurant and micro-brewery in the downtown since 1994. In 2010, he purchased the building located at 22549 Foothill Blvd. in downtown, which is adjacent to Buffalo Bill's Brewpub. Mr. Harries purchased this property to renovate it and eventually transform it into a new craft distillery and tasting room, called Russell City Distillery (RCD). . Mr. Harries owns over 80% of the new Russell City Distillery, Inc. and over 80% of the Buffalo Property Group LLC that owns the business properties. Mr. Harries has been preparing for the RCD project for several years and has attended the Siebel Institute on Distillation in Chicago, taken a distillation course in Arizona, and has consulted with owners of several local distillers. Mr. Harries will use many of the same service providers for RCD that he uses for Buffalo Bill's.

In 2012, Mr. Harries received construction financing from Seacoast Bank to renovate 22549 Foothill Blvd. for the RCD project. After several unforeseen project delays stemming from predevelopment and contractor delays, project costs have escalated, resulting in a capitalization shortfall of \$400,000 to complete the project.

DISCUSSION

RCD will be a boutique craft distillery maker of premium gin, vodka, rum and agave spirits. The RCD project will also include a small tasting room where patrons can sample and learn about the distillation process. The RCD project will create a unique addition to the downtown areas and it will become a new destination for visitors and residents. The project will also complement, not compete with, the existing restaurants and entertainment venues in the surrounding area. Customers will be able to purchase product in the retail store to be located in the distillery, which will generate sales tax to the City. RCD products will also be sold throughout California and surrounding states.

This grant will provide funding to enable Mr. Harries to complete the important RCD project. Upon project completion, Mr. Harries will immediately hire six new employees for the project, including tasting room employees, a master distiller, manager, and inside sales personnel.

ECONOMIC IMPACT

This grant will provide funds for project completion that are not currently available through traditional lending institutions. Micro-distilleries represent an emerging industry looking to create experiential retail. An experiential retail establishment would drive new visitors to Hayward, stimulating interest in other restaurant, retail, and entertainment venues in the downtown.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Initiative is to create and support structure, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This item supports the following goal and objective:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.

The RCD project will increase entertainment amenities in the downtown.

Objective 3. Increase collaboration with businesses, non-profits and neighborhood groups on placemaking projects.

RCD will provide a new destination venue for visitors and Hayward residents.

FISCAL IMPACT

The total cost of the recommended grant is \$400,000. Funds to support this economic development incentive have been allocated in the Economic Development Division budget adopted along with the rest of the City's FY 2019 Operating Budget. Hayward will be the point of sale for Russell City Distillery and will receive the City portion of the sales tax for all sales that are completed at the retail location.

Prepared by: Sally Porfido, Economic Development Consultant

Recommended by: Micah Hinkle, Economic Development Manager

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO PROVIDE FINANCIAL ASSISTANCE IN THE FORM OF A GRANT IN THE AMOUNT OF \$400,000 TO RUSSELL CITY DISTILLERY, INC. AS PART OF THE ECONOMIC DEVELOPMENT SMALL BUSINESS INCENTIVE PROGRAM

WHEREAS, On June 12, 2018 the City of Hayward received a request from Geoff Harries, for grant assistance to provide capitalization funding to complete the Russell City Distillery, Inc. (RCD) project; and

WHEREAS, The RCD project has been ongoing since 2012; and

WHEREAS The business purveyor has experienced several unforeseen project delays stemming from permitting and contractor issues; and

WHEREAS The City of Hayward has authorized an economic development incentive program for small business; and

WHEREAS, The City of Hayward, Economic Development Division allocated funds in support of small businesses through the Incentive Program; and

WHEREAS, The support of the grant request would allow for the completion of the RCD project thereby enhancing Downtown Hayward as a destination for dining and entertainment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to approve a grant to Russell City Distillery, Inc. in the amount of \$400,000 in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 18-675

DATE: October 2, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Adoption of a Resolution Declaring a Shelter Crisis in Hayward for Purposes of Eligibility for State of California Homeless Emergency Aid Program (HEAP) Funds through Alameda County

RECOMMENDATION

That the City Council adopts a resolution declaring a shelter crisis in Hayward to be eligible to obtain State of California Homeless Emergency Aid Program (HEAP) funds made available through the County of Alameda (Attachment II).

SUMMARY

In June 2018, the State of California budgeted \$500 million in one-time Homeless Emergency Aid Program (HEAP) funds to provide immediate emergency assistance to people experiencing homelessness. Eligible applicants for the HEAP program are the Counties Continuums of Care and large cities with populations over 330,000. Alameda County will submit the county's application for HEAP funding. The County requires cities within Alameda County who intend to apply for HEAP funds to adopt resolutions declaring a shelter crisis to be eligible to receive the funds.

HEAP funds are intended to provide funding for immediate emergency assistance to people experiencing homelessness. Eligible uses include, but are not limited to the following:

- Homelessness prevention activities;
- Criminal justice diversion programs for homeless individuals with mental health needs;
- Establishing or expanding services meeting the needs of homeless youth or youth at risk of homelessness; and
- Emergency aid.

ATTACHMENTS

| | |
|---------------|--------------|
| Attachment I | Staff Report |
| Attachment II | Resolution |

File #: CONS 18-675

Attachment III HEAP Overview



DATE: October 2, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Adoption of a Resolution Declaring a Shelter Crisis in Hayward for Purposes of Eligibility for State of California Homeless Emergency Aid Program (HEAP) Funds through Alameda County

RECOMMENDATION

That the City Council adopts a resolution declaring a shelter crisis in Hayward to be eligible to obtain State of California Homeless Emergency Aid Program (HEAP) funds made available through the County of Alameda (Attachment II).

SUMMARY

In June 2018, the State of California budgeted \$500 million in one-time HEAP funds to provide immediate emergency assistance to people experiencing homelessness. Eligible applicants for the HEAP program are the Counties Continuums of Care and large cities with populations over 330,000. Alameda County will submit the county's application for HEAP funding. The County requires cities within Alameda County intending to apply for HEAP funds to adopt resolutions declaring a shelter crisis to be eligible to receive HEAP funds.

HEAP funds are provided for immediate emergency assistance to people experiencing homelessness. Eligible uses include, but are not limited to the following:

- Homelessness prevention activities;
- Criminal justice diversion programs for homeless individuals with mental health needs;
- Establishing or expanding services meeting the needs of homeless youth or youth at risk of homelessness; and
- Emergency aid.

BACKGROUND

HEAP is a \$500 million State block grant program designed to provide direct assistance to cities and counties to address the homelessness crisis throughout California. HEAP funding is authorized by Senate Bill (SB) 850, which was signed into law by Governor Brown in June 2018 (Attachment III).

Eligible applicants for the HEAP program are the Counties Continuums of Care and large cities with populations over 330,000. In Alameda County, approximately \$24 million is anticipated as follows:

TABLE 1 : ALAMEDA COUNTY FUNDING ALLOCATION

| ELIGIBLE APPLICANT | HOMELESS EMERGENCY AID PROGRAM (HEAP) |
|-----------------------------------|---------------------------------------|
| Alameda County/Continuum of Care | \$16,192,049 |
| City of Oakland | <u>\$8,671,116</u> |
| Total Funding for Alameda County: | <u>\$24,863,165</u> |

The County requires cities within Alameda County that intend to apply for HEAP funds to adopt resolutions declaring a shelter crisis no later than October 5, 2018 to be eligible to receive the funds.

DISCUSSION

The HEAP funds are intended to provide immediate emergency assistance to people experiencing homelessness, and may include but are not limited to:

- Homelessness prevention activities;
- Criminal justice division programs for homeless individuals with mental health needs;
- Establishing or expanding services meeting the needs of homeless youth or youth at risk of homelessness; and
- Emergency aid

Pursuant to Chapter 7.8, Division 1 of Title 2 of the Government Code, the governing body can declare a shelter crisis upon a finding by that governing body that a significant number of persons within the jurisdiction are without the ability to obtain shelter, and that the situation has resulted in a threat to the health and safety of these people.

For the City of Hayward, the Point-in-Time Count shows that a significant number of homeless are without the ability to obtain shelter due in part to the limited number of shelter beds available in Hayward, hence resulting in a threat to the health and safety of persons experiencing homelessness.

POINT-IN-TIME COUNT: As mandated by the U.S. Department of Housing and Urban Development (HUD), jurisdictions that receive federal homeless assistance funds must conduct a count of their sheltered and unsheltered homeless population. Known as a “Point-in-Time Count,” this count took place on January 31, 2017, and was conducted by Alameda County’s EveryOne Home program, the entity charged with ending homelessness in Alameda County. According to the 2017 Alameda County Point-in-Time Count, there are approximately 397 individuals experiencing homelessness in Hayward on any given night. A majority (79%, n =313) of these individuals are unsheltered homeless.

SHELTER BEDS IN HAYWARD: Table 2 below illustrates that in Hayward, there are currently 63 shelter beds available to individuals experiencing homelessness. With an unsheltered homeless population of approximately 313 individuals, this leaves a critical shortage of beds for the homeless population.

TABLE 2: SHELTER BEDS IN HAYWARD, CA

| ORGANIZATION | SHELTER BED CAPACITY | TARGET POPULATION |
|---------------------------|----------------------|---|
| FESCO – Les Marquis House | 21 | Families of all configurations |
| Ruby’s Place | 42 | Families and victims of domestic violence and human trafficking |

If the City of Hayward chooses not to declare a shelter crisis, the City of Hayward will not be eligible to apply for or receive HEAP funds awarded to Alameda County.

Additionally, staff is aware of the September 4, 2018 Ninth Circuit Court of Appeals decision (*Martin v. Boise*) in which the court held that cities may not punish the homeless for sleeping outside if they do not have access to shelter elsewhere. This ruling has prompted cities to review any ordinance that may impose criminal penalties for sitting, lying, or sleeping on public property especially in those jurisdictions that do not have sufficient shelter space to accommodate all the homeless individuals who reside in their jurisdiction. This review should not be limited to simply “camping” ordinances, but any ordinance that could criminalize any conduct that is the unavoidable consequence of being homeless, primarily sitting, lying, or sleeping. City staff is currently reviewing its ordinances and practices to ensure that the City is consistent with the Ninth Circuit’s ruling in *Martin v. Boise*.

ECONOMIC IMPACT

There is no known economic impact associated with the discussion of this report.

FISCAL IMPACT

There is no fiscal impact associated with the discussion of this report.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work, and play for all. This item supports the following goal and objective:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.

Objective 5: Actively value diversity and promote inclusive activities.

NEXT STEPS

Upon notice of funding availability and application process from Alameda County, staff will return to Council for confirmation of proposed program/services for funding before preparing an application for submittal.

City staff is also currently reviewing its ordinances and practices to ensure that the City is consistent with the Ninth Circuit's ruling in *Martin v. Boise* and will report back to Council regarding any findings and recommendations regarding the *Martin v. Boise* case.

Prepared by: Jessica Lobedan, Management Analyst II

Recommended by: Dana Bailey, Community Services Manager

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION OF THE CITY OF HAYWARD, STATE OF CALIFORNIA
DECLARING A SHELTER CRISIS PURSUANT TO SB 850 (CHAPTER 48,
STATUTES OF 2018 AND GOVERNMENT CODE § 8698.2)

WHEREAS, California's Governor Edmund G. Brown, Jr. and the members of the California Legislature have recognized the urgent and immediate need for funding at the local level to combat homelessness;

WHEREAS, The Governor and Legislature have provided funding to local governments under the Homeless Emergency Aid Program (HEAP) as part of SB 850 and the 2018-19 Budget Act (Chapter 48, Statutes of 2018);

WHEREAS, The Governor and Legislature require jurisdictions seeking an allocation through HEAP funding to declare a Shelter Crisis pursuant to Government Code § 8698.2;

WHEREAS, The City of Hayward has undertaken multiple efforts at the local level to combat homelessness;

WHEREAS, The City of Hayward finds that 397 persons within Hayward are homeless and 313 are living without shelter;

WHEREAS, The City of Hayward finds that the health and safety of unsheltered persons in Hayward are threatened by a lack of shelter;

WHEREAS, The City of Hayward affirms Hayward's commitment to combatting homelessness and creating or augmenting a continuum of shelter and service options for those living without shelter in our communities;

NOW, THEREFORE, BE IT RESOLVED by the Hayward City Council, California, that a shelter crisis pursuant to Government Code § 8698.2 exists in Hayward;

BE IT FURTHER RESOLVED that the Hayward City Council authorizes Hayward's participation in the Homeless Emergency Aid Program and that the Hayward City Council resolve the City Manager be specifically authorized to act on available Homeless Emergency Aid Program funds on behalf of the City of Hayward.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



**Homeless Emergency Aid Program (HEAP) Grant
Program Guidance – August 2018**

The California Homeless Coordinating and Financing Council (HCFC) is pleased to announce the launch of the Homeless Emergency Aid Program (HEAP). HEAP is a \$500 million block grant program designed to provide direct assistance to cities and counties to address the homelessness crisis throughout California. HEAP is authorized by Senate Bill (SB) 850, which was signed into law by Governor Brown in June 2018. This overview provides a program timeline with key milestones and delineates when stakeholders may expect program deliverables.

Available Funding

HEAP funding is divided into three categories for distribution.

| Category for Distribution | Funded Amount | Eligible Applicants |
|--|----------------------|---|
| Continuum of Care – Based on Point in Time Count Ranges [SB 850: Section 2, Chapter 5, 50213 (a)] | \$250,000,000 | Continuum of Care (CoC) |
| Continuum of Care – Based on Percent of Homeless Population [SB 850: Section 2, Chapter 5, 50213 (b)] | \$100,000,000 | Continuum of Care (CoC) |
| City / City that is also a County – Based on Population [SB 850: Section 2, Chapter 5, 50213 (c)] | \$150,000,000 | Large Cities (LCs) with a population over 330,000 |

Eligible Uses

HEAP funds are intended to provide funding to Continuums of Care (COCs) and large cities (LCs) with populations over 330,000, so they may provide immediate emergency assistance to people experiencing homelessness. Eligible uses include, but are not limited to the following:

- a. Homelessness prevention activities,
- b. Criminal justice diversion programs for homeless individuals with mental health needs,
- c. Establishing or expanding services meeting the needs of homeless youth or youth at risk of homelessness, and
- d. Emergency aid.

The parameters of the program are intentionally broad to allow local communities to be creative and craft programs that meet the specific needs they have identified. All activities must directly benefit the target population.

Expenditure Deadlines

The HEAP statute mandates that 50 percent of the awarded funds must be contractually obligated by January 1, 2020. Additionally, 100 percent of the funds must be expended by June 30, 2021. Unexpended funds must be returned to the Business, Consumer Services and Housing Agency (BCSH) and will revert to the General Fund. Finally, administrative costs are

capped at five percent of program funds, but this does not include staff costs directly related to carrying out program activities.

Eligible Applicants

For the HEAP program, an Administrative Entity (AE) is the CoC. The CoC is the eligible applicant for HEAP funding for the same geographic boundaries for which it administers federal Department of Housing and Urban Development CoC funds. LCs with populations over 330,000 are also eligible applicants. Please refer to the California Department of Finance [website](#) for population estimates. LC grant applicants will enter into a contract with BCSH and administer their own funds separately, however, they will still be expected to collaborate with their CoC.

Shelter Crisis Declaration

The shelter crisis declaration is required for all cities and counties within a CoC that wish to receive HEAP funds, except for CoCs with fewer than 1,000 homeless people, based on the 2017 Point in Time count. Each incorporated city must declare a shelter crisis pursuant to Chapter 7.8 (commencing with Section 8698) of Division 1 of Title 2 of the Government Code. Counties may declare a shelter crisis only for the unincorporated areas of the county. The declaration is a resolution that must be adopted by the governing body of a jurisdiction or jurisdictions within a CoC or LC. A sample resolution has been provided (see attachment A). If a CoC has fewer than 1,000 homeless people, they may submit with their application a waiver exempting all cities and the counties that are part of the CoC from declaring a shelter crisis.

Pre-Application Program Timeline

Beginning in early August, the HEAP team will begin the distribution of key program information and documents. These pre-application materials will help inform the local collaborative process and assist stakeholders as they plan their applications.

| Program Guidance, Timeline, Sample Shelter Crisis Resolution, Funding Allocations | |
|---|--|
| August 3, 2018 | The guidance document includes a program timeline, sample resolution and funding allocation spreadsheet. |
| HEAP Frequently Asked Questions | |
| August 10, 2018 | The FAQs will be updated on a regular basis on the HCFC website: http://www.bcsch.ca.gov/hcfc/ |
| Sample Application and Instructions | |
| August 17, 2018 | An application map will be released in advance of the HEAP Notice of Funding Availability (NOFA). The map will track to the application. The map, once completed will make the application process seamless. |
| August 20, 2018 | Application instructions will be distributed along with the sample application. |
| Workshops/Webinars - Application Training Documents | |
| August 13 – Ongoing | Outreach and technical assistance will be conducted by the HEAP team. A detailed schedule will be posted on the HCFC website at a later date. |

Application Timeline

Applications will be accepted immediately upon release of the Round 1 Notice of Funding Availability (NOFA) beginning on September 5, 2018. The Round 2 NOFA is planned for release on February 15, 2019. If, after the second round of awards, not all funds have been

claimed by all administrative entities, the BCSH shall, no later than June 15, 2019, work with the Department of Finance to identify an appropriate allocation methodology for a third round of awards or determine if any unallocated funds should revert to the General Fund.

| Round 1 | |
|---------------------------------------|---------------------------------|
| NOFA Release | September 5, 2018 |
| Early Applications Reviews Start*** | Starting in September 2018 |
| Early Applications Awarded | Starting in September 2018 |
| Early Distribution of Funds Begins | Starting in late October 2018 |
| | |
| Round 1 Application Cut-off Date | No later than December 31, 2018 |
| Standard Applications Awarded | No later than January 2019 |
| Standard Distribution of Funds Begins | April 2019 |
| | |
| Round 2 | |
| NOFA Release | February 15, 2019 |
| Early Applications Reviews Start*** | Starting in February 2019 |
| Early Applications Awarded | Starting in February 2019 |
| Early Distribution of Funds Begins | Starting in late March 2019 |
| | |
| Round 2 Application Cut-off Date | No later than April 30, 2019 |
| Standard Applications Awarded | No later than May 2019 |
| Standard Distribution of Funds Begins | July 2019 |

***The HEAP team, recognizing the urgent need in cities and counties, encourages early applications and will review applications, make award decisions, and disburse funds on a rolling basis, immediately upon receipt.

Application Process

HEAP applications will be received through an online portal, with supporting attachments submitted via email. There are separate applications for CoCs and LCs. The applicant (CoC or LC) must submit with the application proof that a resolution declaring a shelter crisis has been approved for all jurisdictions receiving funds. Applicants must conduct a local collaborative application process to determine how HEAP funds will be utilized in the CoC or LC. The submitting entity must also demonstrate coordination with stakeholders, including but not limited to, homeless service and housing providers, law enforcement, cities, and homeless advocates whose general service area falls within the CoC or LC. The CoC or LC in turn may make sub-awards to entities it determines are qualified to carry out the eligible activities and operate within areas with approved shelter crisis status.

Special Notes

Collaboration

CoCs and LCs must demonstrate that a local collaborative effort has been conducted prior to application submission. A collaborative process may include, but is not limited to, a public meeting, regional homeless taskforce meeting, letters of support with signatures of endorsement, an adopted homeless plan, and an adopted budget which includes HEAP funds. Proof of a public process may include sign-in sheets, meeting minutes, agendas, and public comment logs, among other items. It is important that a wide enough range of participants are consulted as part of this process. Participants should include representatives of local homeless

service provider entities, law enforcement, behavioral health, and city and county public officials.

Homeless Youth

The HEAP statute requires a minimum investment of five percent of all awards be set aside for emergency assistance for homeless youth. The HEAP team encourages and expects local CoCs and LCs to work with youth advocates and related stakeholders to consider the level of investment that makes sense for this most vulnerable segment of the target population.

Contact the Program

The HCFC will be providing ongoing technical assistance and training to support CoCs and LCs in successfully applying for and administering HEAP funds. Additional information regarding the HEAP program is available on the HCFC [website](#). To receive information releases regarding the HEAP program, please register for the program [listserv](#). If you have questions, please direct them to the HCFC inbox at HCFC@BCSH.ca.gov.

DRAFT

Sample Resolution: Declaration of a Shelter Crisis

RESOLUTION NO. _____

RESOLUTION OF [insert name of local governing body, e.g. City Council or County Board of Supervisors] OF THE [insert name of jurisdiction, e.g. City or County here] _____, STATE OF CALIFORNIA declaring a shelter crisis pursuant to SB 850 (Chapter 48, Statutes of 2018 and Government Code § 8698.2).

The _____ [insert name of local governing body, e.g. City Council or County Board of Supervisors] Finds:

WHEREAS, California’s Governor Edmund G. Brown, Jr. and the members of the California Legislature have recognized the urgent and immediate need for funding at the local level to combat homelessness;

WHEREAS, The Governor and Legislature have provided funding to local governments under the Homeless Emergency Aid Program as part of SB 850 and the 2018-19 Budget Act (Chapter 48, Statutes of 2018);

WHEREAS, The Governor and Legislature require jurisdictions seeking an allocation through the Homeless Emergency Aid Program to declare a Shelter Crisis pursuant to Government Code §8698.2;

WHEREAS, [insert name of city or county here] has developed a homelessness plan and undertaken multiple efforts at the local level to combat homelessness;

WHEREAS, [insert name of city or county here] finds that Insert the 2017 Point in Time Count for the jurisdiction persons within the [insert name of city or county here] are homeless and living without shelter;

REQUIRED

WHEREAS, [insert name of city or county here] finds that the number of homeless is significant, and these persons are without the ability to obtain shelter;

WHEREAS, [insert name of city or county here] finds that the health and safety of unsheltered persons in the [insert City or County] is threatened by a lack of shelter;

WHEREAS, [insert name of city or county here] affirms the [insert: City’s or County’s] _____ commitment to combatting homelessness and creating or augmenting a continuum of shelter and service options for those living without shelter in our communities;

NOW, THEREFORE, BE IT RESOLVED BY THE [insert name of city council or county board of supervisors here] _____, CALIFORNIA, that a **shelter crisis** pursuant to Government Code §8698.2 exists in [insert name of city or county here] _____, and authorizes the [insert: City's or County's] _____ participation in the Homeless Emergency Aid Program.

Required: This is a specific term used in the code. Other terms such as shelter emergency, or homeless crisis are not sufficient.

PASSED AND ADOPTED by the [insert governing body here] _____ of the [insert name of city or county here] _____, State of California at the meeting of the said [insert Board or City Council] held on the ____ day of _____ by the following vote:

AYES: [insert name of local governing body]: _____
NOES: [insert name of local governing body]: _____
ABSTAIN: [insert name of local governing body]: _____
ABSENT: [insert name of local governing body]: _____

By: _____
_____, CHAIR PERSON
_____ [insert name of local governing body]

ATTEST:
By: _____
Date: _____

APPROVED AS TO LEGAL FORM:
By: _____
Date: _____

Attachment B – Formula Funding Estimates

| CoC Number | Jurisdiction | Total Homeless, 2017 | Percent of Total State Homeless, 2017 | Section 50213(a) Per Jurisdiction portion of \$250M | Section 50213(b) \$100M Distribution Based on Percent of Homeless Population | Total of CoC Distribution per 50213(a) and (b) | 50214(c) 5% Minimum Youth Set-aside Per Continuum of Care total of 50213(a) and (b) |
|------------|---|----------------------|---------------------------------------|---|--|--|---|
| CA-600 | Los Angeles City & County | 55,188 | 41.100% | \$ 40,000,000.00 | \$ 41,099,807.86 | \$ 81,099,807.86 | \$ 4,054,990.39 |
| CA-601 | San Diego City & County | 9,160 | 6.822% | \$ 12,000,000.00 | \$ 6,821,668.48 | \$ 18,821,668.48 | \$ 941,083.42 |
| CA-500 | San Jose/Santa Clara City & County | 7,394 | 5.506% | \$ 12,000,000.00 | \$ 5,506,486.54 | \$ 17,506,486.54 | \$ 875,324.33 |
| CA-501 | San Francisco | 6,858 | 5.107% | \$ 12,000,000.00 | \$ 5,107,314.68 | \$ 17,107,314.68 | \$ 855,365.73 |
| CA-502 | Oakland, Berkeley/Alameda County | 5,629 | 4.192% | \$ 12,000,000.00 | \$ 4,192,049.33 | \$ 16,192,049.33 | \$ 809,602.47 |
| CA-602 | Santa Ana, Anaheim/Orange County | 4,792 | 3.569% | \$ 12,000,000.00 | \$ 3,568,715.65 | \$ 15,568,715.65 | \$ 778,435.78 |
| CA-503 | Sacramento City & County | 3,665 | 2.729% | \$ 10,000,000.00 | \$ 2,729,412.12 | \$ 12,729,412.12 | \$ 636,470.61 |
| CA-506 | Salinas/Monterey, San Benito Counties | 3,364 | 2.505% | \$ 10,000,000.00 | \$ 2,505,250.30 | \$ 12,505,250.30 | \$ 625,262.52 |
| CA-504 | Santa Rosa, Petaluma/Sonoma County | 2,835 | 2.111% | \$ 10,000,000.00 | \$ 2,111,291.50 | \$ 12,111,291.50 | \$ 605,564.57 |
| CA-608 | Riverside City & County | 2,406 | 1.792% | \$ 8,000,000.00 | \$ 1,791,805.06 | \$ 9,791,805.06 | \$ 489,590.25 |
| CA-508 | Watsonville/Santa Cruz City & County | 2,249 | 1.675% | \$ 8,000,000.00 | \$ 1,674,883.45 | \$ 9,674,883.45 | \$ 483,744.17 |
| CA-514 | Fresno City & County/Madera County | 2,016 | 1.501% | \$ 8,000,000.00 | \$ 1,501,362.84 | \$ 9,501,362.84 | \$ 475,068.14 |
| CA-609 | San Bernardino City & County | 1,866 | 1.390% | \$ 8,000,000.00 | \$ 1,389,654.30 | \$ 9,389,654.30 | \$ 469,482.71 |
| CA-606 | Long Beach | 1,863 | 1.387% | \$ 8,000,000.00 | \$ 1,387,420.13 | \$ 9,387,420.13 | \$ 469,371.01 |
| CA-603 | Santa Maria/Santa Barbara County | 1,860 | 1.385% | \$ 8,000,000.00 | \$ 1,385,185.96 | \$ 9,385,185.96 | \$ 469,259.30 |
| CA-510 | Turlock, Modesto/Stanislaus County | 1,661 | 1.237% | \$ 6,000,000.00 | \$ 1,236,985.95 | \$ 7,236,985.95 | \$ 361,849.30 |
| CA-505 | Richmond/Contra Costa County | 1,607 | 1.197% | \$ 6,000,000.00 | \$ 1,196,770.88 | \$ 7,196,770.88 | \$ 359,838.54 |
| CA-511 | Stockton/San Joaquin County | 1,542 | 1.148% | \$ 6,000,000.00 | \$ 1,148,363.84 | \$ 7,148,363.84 | \$ 357,418.19 |
| CA-512 | Daly City/San Mateo County | 1,253 | 0.933% | \$ 4,000,000.00 | \$ 933,138.71 | \$ 4,933,138.71 | \$ 246,656.94 |
| CA-509 | Mendocino County | 1,238 | 0.922% | \$ 4,000,000.00 | \$ 921,967.86 | \$ 4,921,967.86 | \$ 246,098.39 |
| CA-518 | Vallejo/Solano County | 1,232 | 0.917% | \$ 4,000,000.00 | \$ 917,499.52 | \$ 4,917,499.52 | \$ 245,874.98 |
| CA-519 | Chico, Paradise/Butte County | 1,195 | 0.890% | \$ 4,000,000.00 | \$ 889,944.74 | \$ 4,889,944.74 | \$ 244,497.24 |
| CA-613 | Imperial County | 1,154 | 0.859% | \$ 4,000,000.00 | \$ 859,411.07 | \$ 4,859,411.07 | \$ 242,970.55 |
| CA-611 | Oxnard, San Buenaventura/Ventura County | 1,152 | 0.858% | \$ 4,000,000.00 | \$ 857,921.63 | \$ 4,857,921.63 | \$ 242,896.08 |
| CA-614 | San Luis Obispo County | 1,125 | 0.838% | \$ 4,000,000.00 | \$ 837,814.09 | \$ 4,837,814.09 | \$ 241,890.70 |

| | | | | | | | |
|--------|---|-------|--------|-----------------|---------------|-----------------|---------------|
| CA-507 | Marin County | 1,117 | 0.832% | \$ 4,000,000.00 | \$ 831,856.30 | \$ 4,831,856.30 | \$ 241,592.81 |
| CA-515 | Roseville, Rocklin/Placer, Nevada Counties | 979 | 0.729% | \$ 2,000,000.00 | \$ 729,084.44 | \$ 2,729,084.44 | \$ 136,454.22 |
| CA-516 | Redding/Shasta, Siskiyou, Lassen, Plumas, Del Norte, Modoc, Sierra Counties | 934 | 0.696% | \$ 2,000,000.00 | \$ 695,571.87 | \$ 2,695,571.87 | \$ 134,778.59 |
| CA-513 | Visalia/Kings, Tulare Counties | 853 | 0.635% | \$ 2,000,000.00 | \$ 635,249.26 | \$ 2,635,249.26 | \$ 131,762.46 |
| CA-604 | Bakersfield/Kern County | 810 | 0.603% | \$ 2,000,000.00 | \$ 603,226.14 | \$ 2,603,226.14 | \$ 130,161.31 |
| CA-524 | Yuba City & County/Sutter County | 760 | 0.566% | \$ 2,000,000.00 | \$ 565,989.96 | \$ 2,565,989.96 | \$ 128,299.50 |
| CA-522 | Humboldt County | 759 | 0.565% | \$ 2,000,000.00 | \$ 565,245.24 | \$ 2,565,245.24 | \$ 128,262.26 |
| CA-525 | El Dorado County | 602 | 0.448% | \$ 1,000,000.00 | \$ 448,323.63 | \$ 1,448,323.63 | \$ 72,416.18 |
| CA-607 | Pasadena | 575 | 0.428% | \$ 1,000,000.00 | \$ 428,216.09 | \$ 1,428,216.09 | \$ 71,410.80 |
| CA-521 | Davis, Woodland/Yolo County | 459 | 0.342% | \$ 1,000,000.00 | \$ 341,828.15 | \$ 1,341,828.15 | \$ 67,091.41 |
| CA-520 | Merced City & County | 454 | 0.338% | \$ 1,000,000.00 | \$ 338,104.53 | \$ 1,338,104.53 | \$ 66,905.23 |
| CA-529 | Lake County | 401 | 0.299% | \$ 1,000,000.00 | \$ 298,634.18 | \$ 1,298,634.18 | \$ 64,931.71 |
| CA-526 | Tuolumne, Amador, Calaveras, Mariposa Counties | 367 | 0.273% | \$ 1,000,000.00 | \$ 273,313.57 | \$ 1,273,313.57 | \$ 63,665.68 |
| CA-517 | Napa City & County | 315 | 0.235% | \$ 1,000,000.00 | \$ 234,587.94 | \$ 1,234,587.94 | \$ 61,729.40 |
| CA-523 | Colusa, Glen, Trinity Counties | 176 | 0.131% | \$ 500,000.00 | \$ 131,071.36 | \$ 631,071.36 | \$ 31,553.57 |
| CA-612 | Glendale | 168 | 0.125% | \$ 500,000.00 | \$ 125,113.57 | \$ 625,113.57 | \$ 31,255.68 |
| CA-527 | Tehama County | 124 | 0.092% | \$ 500,000.00 | \$ 92,345.73 | \$ 592,345.73 | \$ 29,617.29 |
| CA-530 | Alpine, Inyo, Mono Counties | 121 | 0.090% | \$ 500,000.00 | \$ 90,111.56 | \$ 590,111.56 | \$ 29,505.58 |

Large Cities Allocation

| CoC Number | Jurisdiction | 50213(c) Large Cities \$150,000,000 Allocation | 50213(c) Minimum Youth Set Aside Per Large City Allocation |
|------------|---------------|--|--|
| CA-600 | Los Angeles | \$ 85,013,607.00 | \$ 4,250,680.35 |
| CA-601 | San Diego | \$ 14,110,397.95 | \$ 705,519.90 |
| CA-500 | San Jose | \$ 11,389,987.16 | \$ 569,499.36 |
| CA-501 | San Francisco | \$ 10,564,313.22 | \$ 528,215.66 |
| CA-502 | Oakland | \$ 8,671,116.82 | \$ 433,555.84 |
| CA-602 | Santa Ana | \$ 3,690,885.841 | \$ 184,544.29 |
| CA-602 | Anaheim | \$ 3,690,885.841 | \$ 184,544.29 |
| CA-503 | Sacramento | \$ 5,645,699.61 | \$ 282,284.98 |
| CA-514 | Fresno | \$ 3,105,519.90 | \$ 155,276.00 |
| CA-606 | Long Beach | \$ 2,869,833.12 | \$ 143,491.66 |
| CA-604 | Bakersfield | \$ 1,247,753.53 | \$ 62,387.68 |



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: LB 18-050

DATE: October 2, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Appropriation and Allocation of \$28.6 Million of the City of Hayward's Affordable Housing Funds and Measure A1 Base Allocation to Support the Development of 259 Units of Affordable Housing.

RECOMMENDATION

That the City Council:

1. Adopts a Resolution Authorizing the Finance Department to Amend the FY19 Housing Division Budget by Appropriating Four Million Nine Hundred Thousand Dollars (\$4,900,000) from Fund Balance in the Inclusionary Housing Trust Fund to Fund Affordable Housing Development Loans. (Attachment II); and
2. Adopts a Resolution Authorizing the Finance Department to Amend the FY19 Housing Division Budget by Appropriating One Hundred Fifty-Five Thousand One Hundred Twenty-Four Dollars (\$155,124) to the HOME Fund consistent with the 2018 Subrecipient Agreement with the County of Alameda. (Attachment III); and
3. Adopts a Resolution Authorizing the City Manager to Negotiate and Execute Loan Documents between the City of Hayward and EAH, Inc., in an Amount not to Exceed Two Million Dollars (\$2,000,000), for Matsya Family Villas located at 22648 2nd Street to Build Approximately Fifty-Seven Units of Affordable Housing (Attachment IV).
4. Adopts a Resolution Authorizing the City Manager to Negotiate and Execute Loan Documents Between the City of Hayward and EAH, Inc., in an Amount not to Exceed Two Million Five Hundred Thousand Dollars (\$2,500,000), for Mission Senior Paradise located at 28000 Mission Boulevard Street to Build Approximately Seventy-Six Units of Affordable Housing (Attachment V)
5. Adopts a Resolution Authorizing the City Manager to: 1) Negotiate and Execute Loan Documents Between the City Of Hayward and Allied Housing, Inc., in an Amount Not to Exceed One Million Six Hundred Ten Thousand Dollars (\$1,610,000); and 2) Commit up to Eighteen Million Three Hundred Thousand Dollars (\$18,300,000) of the Base City Allocation for the 2595 Depot Road Project Located

at 2595 Depot Road to Build Approximately 126 Units of Affordable Housing (Attachment VI).

That the Housing Authority of the City of Hayward:

1. Adopts a Resolution Authorizing the Finance Department to Amend the FY19 Housing Division Budget by Appropriating Four Million Two Hundred Thousand Dollars (\$4,200,000) from Fund Balance in the Hayward Housing Authority Fund to Fund Affordable Housing Development Loans (Attachment VII); and
2. Adopts a Resolution Authorizing the City Manager to Negotiate and Execute Loan Documents Between the Housing Authority of the City of Hayward and Allied Housing, Inc., in an Amount not to Exceed Four Million Two Hundred Thousand Dollars (\$4,200,000), for the 2595 Depot Road Project located at 2595 Depot Road to Build Approximately 126 Units of Affordable Housing (Attachment VIII).

SUMMARY

This staff report recommends the appropriation and allocation of \$28.6 million of the City of Hayward's affordable housing funds, including \$10.3 million of City housing funds ("City Housing Funds") and authorization of the use of \$18.3 million of the City's Measure A1 base allocation to support the development of 259 units of affordable housing that will provide housing for extremely low- to low-income households including seniors, veterans, homeless, and people with mental health disabilities. The appropriation of the \$10.3 million of local housing funds will be used to leverage \$18.3 million in the City's base allocation of Measure A1 County bond funds ("Measure A1 Funds") and potentially up to an additional \$10 million in Measure A1 Funds from the County's discretionary pool of funds.

The City solicited applications for project funding on a competitive project basis. The results of the City's Notice of Affordable Housing Funding Availability (NOFA) for New Construction of Affordable Housing are described in this report. Staff recommends awarding funds to maximize the total number of units developed, prioritize the most vulnerable residents and project readiness, and provide a diverse mix of unit types. Recommended actions include:

1. Authorization of a loan to EAH for Matsya Family Villas, in an amount not to exceed \$2 million from Inclusionary Housing Trust funds to build 57 units of affordable family housing located at 22648 2nd Street;
2. Authorization of a loan to EAH for Mission Senior Paradise, in an amount not to exceed \$2.5 million, including \$800,000 from Community Development Block Grant (CDBG) Funds for acquisition costs, and \$415,280 for HOME Investment Partnership (HOME) funds, and up to \$1.3 million from Inclusionary Housing Trust funds for development costs to build 76 units of affordable senior housing located at 28000 Mission Boulevard;
3. Authorization of a loan and allocation of Measure A1 Funds to Allied Housing for the 2595 Depot Road project, in an amount not to exceed \$24.1 million, including \$4.2 million for Housing Authority funds, \$1.61 million from the City's Inclusionary Housing Trust funds, and allocation of \$18.3 million

in Measure A1 Funds from the City's base allocation to build 126 units of affordable housing at 2595 Depot Road; and

4. Appropriation of nearly \$10.1 million of available City Housing Funds, including \$4.2 million of Hayward Housing Authority Funds, \$4.9 Affordable Housing Trust Funds, and \$155,124 in HOME funds.

By authorizing these funding amounts, these affordable housing developers can proceed with the next steps in the development process, which will include community engagement and any necessary land use applications and subsequent public hearings with the Planning Commission and City Council for those projects that have not already gone through that process.

ATTACHMENTS

| | |
|-----------------|--|
| Attachment I | Staff Report |
| Attachment II | City Resolution Appropriating Inclusionary Housing Trust Funds |
| Attachment III | City Resolution Appropriating HOME funds |
| Attachment IV | City Resolution Loan with EAH, Inc. (Matsya Family Villas) |
| Attachment V | City Resolution Loan with EAH, Inc. (Mission Senior Paradise) |
| Attachment VI | City Resolution Loan with Allied Housing, Inc (2595 Depot Road) |
| Attachment VII | Housing Authority Resolution Appropriating Housing Authority Funds |
| Attachment VIII | Housing Authority Resolution Loan with Allied Housing, Inc (2595 Depot Road) |
| Attachment IX | NOFA Scoring Summary |
| Attachment X | Project Descriptions |
| Attachment XI | Project Summary |



DATE: October 2, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Appropriation and Allocation of \$28.6 Million of the City of Hayward's Affordable Housing Funds and Measure A1 Base Allocation to Support the Development of 259 Units of Affordable Housing.

RECOMMENDATION

That the City Council:

1. Adopts a Resolution Authorizing the Finance Department to Amend the FY 2019 Housing Division Budget by Appropriating Four Million Nine Hundred Thousand Dollars (\$4,900,000) From Fund Balance in the Inclusionary Housing Trust Fund to Fund Affordable Housing Development Loans. (Attachment II); and
2. Adopts a Resolution Authorizing the Finance Department to Amend the FY 2019 Housing Division Budget by Appropriating One Hundred Fifty-Five Thousand One Hundred Twenty-Four Dollars (\$155,124) to the HOME Fund consistent with the 2018 Subrecipient Agreement with the County of Alameda. (Attachment III); and
3. Adopts a Resolution Authorizing the City Manager to Negotiate and Execute Loan Documents between the City of Hayward and EAH, Inc. (EAH), in an Amount not to Exceed Two Million Dollars (\$2,000,000), for Matsya Family Villas located at 22648 2nd Street to Build Approximately Fifty-Seven Units of Affordable Housing (Attachment IV); and
4. Adopts a Resolution Authorizing the City Manager to Negotiate and Execute Loan Documents Between the City of Hayward and EAH, Inc., in an Amount not to Exceed Two Million Five Hundred Thousand Dollars (\$2,500,000), for Mission Senior Paradise located at 28000 Mission Boulevard Street to Build Approximately Seventy-Six Units of Affordable Housing (Attachment V); and
5. Adopts a Resolution Authorizing the City Manager to: 1) Negotiate and Execute Loan Documents Between the City of Hayward and Allied Housing, Inc., in an Amount Not to Exceed One Million Six Hundred Ten Thousand Dollars (\$1,610,000); and 2) Commit up to Eighteen Million Three Hundred Thousand Dollars (\$18,300,000) of the Base City Allocation for the 2595 Depot Road Project Located at 2595 Depot Road to Build Approximately 126 Units of Affordable Housing.

That the Housing Authority of the City of Hayward:

1. Adopts a Resolution Authorizing the Finance Department to Amend the FY 2019 Housing Division Budget by Appropriating Four Million Two Hundred Thousand Dollars (\$4,200,000) from Fund Balance in the Hayward Housing Authority Fund to Fund Affordable Housing Development Loans (Attachment VII); and
2. Adopts a Resolution Authorizing the City Manager to Negotiate and Execute Loan Documents Between the Housing Authority of the City of Hayward and Allied Housing, Inc., in an Amount not to Exceed Four Million Two Hundred Thousand Dollars (\$4,200,000), for the 2595 Depot Road Project located at 2595 Depot Road to Build Approximately 126 Units of Affordable Housing (Attachment VIII)

SUMMARY

This staff report recommends the appropriation and allocation of \$28.6 million of the City of Hayward's affordable housing funds, including \$10.3 million of City housing funds ("City Housing Funds") and authorization of the use of \$18.3 million of the City's Measure A1 base allocation to support the development of 259 units of affordable housing that will provide housing for extremely low- to low-income households including seniors, veterans, homeless, and people with mental health disabilities. The appropriation of the \$10.3 million of local housing funds will be used to leverage \$18.3 million in the City's base allocation of Measure A1 County bond funds ("Measure A1 Funds") and potentially up to an additional \$10 million in Measure A1 Funds from the County's discretionary pool of funds.

The City solicited applications for project funding on a competitive project basis. The results of the City's Notice of Affordable Housing Funding Availability (NOFA) for New Construction of Affordable Housing are described in this report. Staff recommends awarding funds to maximize the total number of units developed, prioritize the most vulnerable residents and project readiness, and provide a diverse mix of unit types. Recommended actions include:

1. Authorization of a loan to EAH for Matsya Family Villas, in an amount not to exceed \$2 million from Inclusionary Housing Trust funds to build 57 units of affordable family housing located at 22648 2nd Street;
2. Authorization of a loan to EAH for Mission Senior Paradise, in an amount not to exceed \$2.5 million, including \$800,000 from Community Development Block Grant (CDBG) Funds for acquisition costs, and \$415,280 for HOME Investment Partnership (HOME) funds, and up to \$1.3 million from Inclusionary Housing Trust funds for development costs to build 76 units of affordable senior housing located at 28000 Mission Boulevard;
3. Authorization of a loan and allocation of Measure A1 Funds to Allied Housing for the 2595 Depot Road project, in an amount not to exceed \$24.1 million, including \$4.2 million for Housing Authority funds, \$1.61 million from the City's Inclusionary Housing Trust funds, and allocation of \$18.3 million in Measure A1 Funds from the City's base allocation to build 126 units of affordable housing at 2595 Depot Road; and

4. Appropriation of nearly \$10.1 million of available City Housing Funds, including \$4.2 million of Hayward Housing Authority Funds, \$4.9 Affordable Housing Trust Funds, and \$155,124 in HOME funds.

By authorizing these funding amounts, these affordable housing developers can proceed with the next steps in the development process, which will include community engagement and any necessary land use applications and subsequent public hearings with the Planning Commission and City Council for those projects that have not already gone through that process.

BACKGROUND

In November 2016, voters passed Measure A1, the Alameda County General Obligation Bond for Housing. The Alameda County Board of Supervisors authorized a \$580 million Countywide housing bond program to fund development of affordable rental housing, down payment assistance loans, homeownership housing development, and home ownership preservation loans, which included \$20.3 million of bond funds set aside for projects within the City of Hayward less ten percent retained by the county for project delivery and bond issuance costs (“Hayward Base Allocation”). As a result, there is a total of \$18.3 million available from the Hayward Base Allocation. The County requires that all projects receive local matching funds in order to be eligible for Measure A1 Funds, and that the local jurisdiction approve and support the projects that will receive Measure A1 Funds from the jurisdiction’s base allocation. Additionally, projects that receive matching funds from City resources can apply to the County directly for Measure A1 regional pool funds (“Regional Pool Funds”). The County has set aside \$45 million for affordable housing projects in the Mid-County, including in the City of Hayward.

On January 31, 2017¹, the City Council convened a work session to review housing affordability strategies and resources in Hayward and Alameda County. Council explored four major areas in depth and directed staff to pursue five specific strategies for further Council review and potential implementation. One of these strategies included the issuance of a NOFA for affordable rental housing development projects.

On December 12, 2017², after the Alameda County Board of Supervisors approved the rental housing development policies, Council held a work session to provide preliminary direction on the NOFA for affordable housing projects.

On March 20, 2018³, Council adopted a resolution authorizing the City Manager to issue a NOFA for new construction of affordable rental housing. The NOFA was issued on April 30,

¹ January 31, 2017 Staff Report and Attachments:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=2947412&GUID=7B833FA7-2B44-404D-86D2-031C37926B34>

² December 12, 2017 Staff Report and Attachments:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=3289809&GUID=D2B546CE-3068-4409-82DE-EE2AA5CEB3FB>

2018 and applications were received on June 29, 2018.

DISCUSSION

Overview of NOFA Applications

City staff issued a NOFA for the construction of affordable rental housing on April 30, 2018 and four applications were received on June 29, 2018. Funding requests totaled \$8.71 million for City Housing Funds and nearly \$44.7 million for the Hayward Base Allocation, which exceeds the amount of available funds. The City has identified \$10.8 million in City Housing Funds and has \$18.3 million available from Hayward Base Allocation. Applications were reviewed for completeness and to determine whether the City's minimum standards for the project and the qualifications for the developer had been met. The eligible applications have been ranked per prepared criteria outlined in the NOFA solicitations. Table 1 below lists the projects in order of their ranking. Attachment IX provides the project scoring detail.

TABLE 1. SUMMARY OF ALL FUNDING REQUESTS RECEIVED AND PROJECT RANKING

| RANK | PROJECT/ DEVELOPER | PROJECT TYPE | TOTAL UNITS | Total Funds Available | | | \$10.8M | \$18.3M | \$29.1M |
|-----------------|--|-----------------|----------------|---------------------------|---------------------------|------------------------|------------------------------|----------------------------|-------------------------------|
| | | | | ELI UNITS ¹ | SPECIAL NEEDS UNITS | HOME -LESS UNITS | CITY FUNDING REQUESTED | A1 FUNDING REQUESTED | TOTAL FUNDING REQUESTED |
| 1 | Matsya Family Villa (EAH) | Family | 57 | 11 | 0 | 11 | \$2.0M | \$4.7M | \$6.7M |
| 2 | Hayward Mission Apartments (META) | Family | 121 | 30 | 26 | 0 | \$1.2M | \$13.3M | \$14.5M |
| 3 | Mission Senior Paradise (EAH) | Senior | 76 | 15 | 0 | 15 | \$2.5M | \$5.6M | \$8.1M |
| 4 | 2595 Depot Road (Allied Housing- Abode) | Micro Units | 126 | 48 | 31 | 31 | \$3.0M | \$21.1M | \$24.1M |
| Totals | | | 380 | 106 | 57 | 57 | \$8.7M | \$44.7M | \$53.4M |
| Remaining Funds | | | | | | | \$2.1M | \$(26.4M) | \$(24.3M) |

¹Extremely Low Income Units (30% AMI and below)

³ March 20, 2018 Staff Report and Attachments:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=3379212&GUID=406C1BF4-61A3-4A8B-9A2D-0F08ACE3012A>

When evaluated as a group, all of the projects serve the diverse needs of Hayward residents including extremely low-income households, homeless or at-risk homeless households, developmentally disabled households, mentally disabled households, seniors and rent burdened low-income households. All projects submitted under the NOFA are 100 percent affordable. Affordability ranges between 20% Area Median Income (AMI) and 80% AMI. There are two family projects, one senior project, and a micro unit project that will house individuals. Project development innovations include factory-built micro units and stacking units that provides construction cost and time savings and acquisition of entitled projects to expedite predevelopment. Project amenity innovations include ongoing cost savings through energy efficient features, electric vehicle charging stations, on-site car sharing, car service pick-up zones, roof top garden, movie wall, basketball court, education centers designed to meet the needs of the target population, computer rooms or access to laptops, wireless connectivity, and technology plans that supports residents with technology as it evolves. All projects will have a resident services coordinator to provide resource referral and educational activities, and case managers to provide supportive services. All projects exceed green building and energy codes. Attachment X provides a description of each of the projects. Attachment XI provides a cross comparison of project summary details.

Availability of Measure A1 Funding

Alameda County has significantly changed the process for awarding Measure A1 Funds because only \$79 million remains from the first issuance of the bond. The County will release a request for proposals (RFP) for Measure A1 Funds in October 2018. All projects seeking base allocation funds from a local jurisdiction or regional pool will have to apply through this competitive process due to the limited remaining funds in this bond issuance. All projects are required to have discretionary land use approvals by December 31, 2018 to apply. Matsya Family Villa and Mission Senior Paradise are the only two projects that will meet this criterion. To compete for the Regional Pool Funds, both projects will need matching funds from the City in an amount equal to the planning and permit fees. If the City does not position projects to compete for the Regional Pool Funds, it may lose the opportunity to apply for this resource to support affordable housing development in Hayward. Additionally, even if all the mid-county regional pool funds are not committed this round, the second bond issuance is not anticipated until 2020 which will delay the project schedules by over a year.

Funding Recommendation: Strategy to Prioritize Vulnerable Residents and Project Readiness

Staff recommends funding projects that will provide a diverse mix of units, prioritizes housing for Hayward's most vulnerable residents, and are "project ready," which makes them eligible to compete for Measure A1 Funds this fall, thus securing Measure A1 Funds for Hayward residents as soon as possible. Staff recommends providing matching funds to Matsya Family Villa and Mission Senior Paradise in an amount not to exceed \$2 million and \$2.5 million, respectively, to enable the projects to compete for Regional Pool Funds and to provide housing to low and extremely-low income households including families, seniors and homeless veterans.

Staff recommends committing the remaining Hayward funds and the Hayward Base Allocation to 2595 Depot Road because it will provide housing to Hayward’s most vulnerable populations and help address homelessness in the City. The 2595 Depot Road project will develop 126 units, including 48 units for extremely low-income households and will develop 31 units for the homeless and 31 units for people with mental health disabilities. Table 2 summarizes the funding awards as described above and the target populations served.

TABLE 2. RECOMMENDED PROJECTS FOR FUNDING: DIVERSE UNIT MIX PRIORITIZING THE HOMELESS AND PROJECT READINESS

| Total Funds Available | | | | | | | \$10.8M | \$18.3M | \$29.1M |
|-----------------------|--|--------------|-------------|------------------------|---------------------|-----------------|-----------------------|------------------------------------|------------------------|
| RANK | PROJECT/DEVELOPER | PROJECT TYPE | TOTAL UNITS | ELI UNITS ¹ | SPECIAL NEEDS UNITS | HOME-LESS UNITS | CITY FUNDING PROPOSED | A1 FUNDING PROPOSED | TOTAL FUNDING PROPOSED |
| 1 | Matsya Family Villa (EAH) | Family | 57 | 11 | 0 | 11 | \$2.0M | Apply to regional pool | \$2.0M |
| 3 | Mission Senior Paradise (EAH) | Senior | 76 | 15 | 0 | 15 | \$2.5M | Apply to regional Pool | \$2.5M |
| 4 | 2595 Depot Road (Allied Housing-Abode) | Micro Units | 126 | 48 | 31 | 31 | \$5.8M | \$18.3 M (Hayward Base Allocation) | \$24.1M |
| Totals | | | 259 | 74 | 31 | 57 | \$10.3M | \$18.3M | \$28.6M |
| Remaining Funds | | | | | | | \$500,000 | \$0 | \$500,000 |

This funding scenario prioritizes targeting a diverse population including families, seniors, and individuals that are low-income, very-low income, and extremely low-income with additional set-asides for homeless, homeless veterans, and individuals with mental health disabilities. The developer for the Depot Road project has requested \$24.1 million from the City including \$21.1 million of Measure A1 bond funds and \$3 million from City Housing Funds. The developer anticipated applying for A1 regional pool funds for a portion of the Measure A1 funds. However, under the County’s new guidelines the project is ineligible to apply under the RFP this fall. To expedite the construction of this project, staff recommends using all \$18.3 of the Hayward Base Allocation and filling the funding gap by providing \$2.8 million more than the \$3 million requested from City Housing Funds for a total loan from the City in the amount of \$5.8 million. This funding proposal maintains the total amount requested of \$24.1 million but shifts the amounts awarded between the two funding sources.

While this funding scenario does not precisely follow the ranking under the NOFA, it prioritizes the most vulnerable Hayward residents and positions Hayward projects to more competitively compete for Regional Pool Funds. While the NOFA established a system to rank and score projects to assist staff in evaluating and recommending projects for City Council approval, as stated in the NOFA, City Council will make the final determination regarding which projects are awarded funds.

Hayward Mission Apartments ranked higher in the City's scoring system than both Mission Senior Paradise and the 2595 Depot Road project. Funding Mission Senior Paradise enables two Hayward Projects to compete for Regional Pool Funds since it has already obtained entitlements and will be able to compete for Regional Pool Funds this fall. Since Hayward Mission Apartments does not have discretionary land use approvals at this time, it will not be eligible to apply for Regional Pool Funds. Additionally, while Hayward Mission Apartments and the 2595 Depot Road project both provide a substantial number of units, the 2595 Depot Road project targets extremely low-income and homeless individuals. Considering the extent of the housing crisis and the increasing number of homeless individuals in our community, staff recommends supporting as many units for the homeless as possible. While Hayward Mission Apartments scored higher than the 2595 Depot Road project, the main distinction between the two projects is the project financing. META Housing, the developer of Hayward Mission Apartments, demonstrated project readiness by securing a funding commitment from a construction lender, and two commitments from service providers. Additionally, since the project targets higher income households, it can leverage other private financing based on the rental revenue. This enabled the developer to only request the amount necessary to make the project eligible for Measure A1 Funds and increasing its score over other projects.

City staff determined that prioritizing funding commitments and leveraged funds in the NOFA disadvantaged the 2595 Depot Road project because it is serving lower income households and is providing extensive supportive services, which requires greater subsidies and makes it more difficult to obtain private financing. Because of the distinct difference in the target populations served and the feasibility of securing private financing, the 2595 Depot Road project and Hayward Mission Apartments are not comparable projects and, as such, the scoring system does not provide an accurate comparable assessment of the two projects. In sum, because the rental revenue for the 2595 Depot Road project is so low, it requires substantial government development subsidy and is not likely to secure private financing; however, it will help address homelessness in the City, one of the Hayward community's most pressing issues. The recommended award to the 2595 Depot Road project will result in a fully funded project and allow it to move towards construction and provide much-needed homeless housing expeditiously.

Alternate Funding Recommendation: Strategy to Prioritize Workforce Housing

Alternatively, the Council could choose to award funds to Hayward Mission Apartments along with Matsya Family Villas and Mission Senior Paradise instead of the 2595 Depot Road project. Hayward Mission Apartments will provide a substantial number of workforce housing units. Seventy-three of the 120 units will provide workforce housing to low-income households, 10 units will be set-aside for very low-income households and 37 units will be

set-aside for extremely low-income households. City staff is recommending the 2595 Depot Road project over the Hayward Mission Apartments project because it serves a higher number of vulnerable Hayward residents. The 2595 Depot Road project will provide 31 units for the homeless, 31 units for individuals with mental health disabilities, an additional 5 special needs units, and 18 more units for extremely low-income individuals. Table 3 summarizes the funding awards as described above and the target populations served. Based on this alternative funding scenario, \$10 million would be remaining to award to another project at a later date.

TABLE 3. ALTERNATIVE FUNDING SCENARIO: PRIORITIZING WORKFORCE HOUSING

| Total Funds Available | | | | | | | \$10.8M | \$18.3M | \$29.1M |
|-----------------------|--|-----------------|----------------|---------------------------|---------------------------|------------------------|-----------------------------|--|------------------------------|
| RANK | PROJECT/ DEVELOPER | PROJECT TYPE | TOTAL UNITS | ELI UNITS ¹ | SPECIAL NEEDS UNITS | HOME- LESS UNITS | CITY FUNDING PROPOSED | A1 FUNDING PROPOSED | TOTAL FUNDING PROPOSED |
| 1 | Matsya Family Villa (EAH) | Family | 57 | 11 | 0 | 11 | \$2.0M | Apply to regional pool | \$2M |
| 2 | Hayward Mission Apartments (META) | Family | 121 | 30 | 26 | 0 | \$1.2M | \$13.3M (Hayward Base Allocation) | \$14.5M |
| 3 | Mission Senior Paradise (EAH) | Senior | 76 | 15 | 0 | 15 | \$2.5M | Apply to regional pool | \$2.5M |
| Totals | | | 254 | 58 | 26 | 26 | \$5.7M | \$13.31M | \$19.0M |
| Remaining Funds | | | | | | | \$5.1M | \$5.0M | \$10.1M |

While it is possible to fund all three top ranked projects, staff recommends fully funding the 2595 Depot Road project instead in order to expedite the development of much needed housing for homeless individuals and individuals with mental health disabilities.

ECONOMIC IMPACT

Social research indicates that access to affordable housing can improve educational outcomes, increase health and wellbeing, boost economic activity, and lower the costs for state and local governments to provide emergency housing, mental health crisis services, emergency medical care, and other services to assist the homeless or families and individuals with a housing crisis. Additionally, there are some direct economic benefits of affordable housing including:

One-Time and Ongoing Job Creation and Spending

Affordable housing creates both long-term and short-term employment.⁴ Short term employment includes jobs for construction workers, designers, project managers, architects, engineers, attorneys, and a variety of consultants from environmental consultants to financing consultants. The long-term employment opportunities include jobs for property managers, compliance managers, maintenance workers, social workers, resident coordinators, and asset managers. The developers have estimated that their projects will create a total of 402 short-term jobs and 22 long-term jobs. Table 4 provides an estimate of job creation by project.

TABLE 4. POTENTIAL JOB CREATION BY PROJECT

| PROJECT | SHORT-TERM JOBS | LONG-TERM JOBS |
|----------------------------|-----------------|----------------|
| Matsya Family Villa | 120 | 4 |
| Hayward Mission Apartments | 40-60 | 3-6 |
| Mission Senior Paradise | 172 | 4 |
| 2595 Depot Road | 50-70 | 8 |

Increasing the Buying Power of Residents

Approximately 57% of Hayward renters are cost burdened by their rent. In other words, they spend over 30% of their household income on rent. Affordable housing increases the disposable income available to low income households. Many low-income households must make difficult trade-offs to meet their basic needs.⁵ The increase in disposable income for low-income residents provides them with additional resources to spend on other basic needs such as food and clothing, which benefits local business.¹

Improving Worker and Employer Attraction and Retention

Lack of affordable housing makes recruitment and retention of employees costlier to local employers.¹ Table 5 provides 2017 wages for a sampling of occupations in the Oakland-Hayward-Berkeley Metropolitan Area from the 2017 Employment and Wages from Occupational Employment Statistics (OES) survey conducted by the Bureau of Labor and Statistics. Per rentjungle.com and zumper.com, asking rents in 2017 for a 1-bedroom apartment averaged \$2,000 per month in Hayward which exceeds the rent payment capacity of low-income households. The lack of affordable housing could impact employment in these industries as individuals seek less costly housing further away from their employment.

⁴ Cohen, R., & Wardrip, K. (2011). The Economic and Fiscal Benefits of Affordable Housing. *Planning Commissioners Journal*(83), 1-4. Retrieved from <http://plannersweb.com/wp-content/uploads/2012/07/501.pdf>

⁵ Enterprise. (2014). *Impacts of Affordable Housing on Families and Communities*. Retrieved from <https://www.enterprisecommunity.org/resources/impact-affordable-housing-families-and-communities-review-evidence-base-13210>

However, the projects proposed under the NOFA will provide much needed affordable housing for individuals who work in lower paying occupations.

TABLE 5. 2017 WAGES BY OCCUPATION FOR OAKLAND-HAYWARD BERKELEY METROPOLITAN AREA AND IN RELATION TO INCOME LEVELS

| OCCUPATION | ANNUAL MEAN WAGE | INCOME LEVEL 1-PERSON HOUSEHOLD | INCOME LEVEL 4-PERSON HOUSEHOLD |
|---|------------------|---------------------------------|---------------------------------|
| Food Preparation and Serving | \$29,660 | Very low-income | Extremely-low Income |
| Personal Care and Service | \$30,350 | Very low- Income | Extremely-low income |
| Building and Grounds Cleaning and Maintenance | \$37,630 | Very low- Income | Very-low Income |
| Healthcare Support | \$39,600 | Very low- Income | Very-low Income |
| Sales and Related | \$47,360 | Low-income | Very-low Income |
| Office and Administrative Support | \$45,580 | Low-income | Very-low Income |
| Installation, Maintenance, and Repair | \$58,820 | Low- Income | Very-low Income |
| Production | \$43,270 | Low- income | Very-low income |
| Transportation and Material Moving | \$43,420 | Low- income | Very-Low income |
| Community and Social Services | \$57,870 | Low- income | Very-Low income |
| Education, Training and Library | \$62,125 | Low-income | Very-low Income |
| Construction and Extraction | \$68,180 | Low-income | Low Income |

Increased Investment in Hayward

Hayward’s investment in affordable housing projects leverages additional local, state, and private resources that improves the quality of housing in Hayward. Projects have requested from 2 to 10 percent of their total development costs from the City of Hayward, which means that 90 to 98 percent of the costs will be secured from other resources. If the recommend projects are approved, over \$131 million will be invested in Hayward.

Fiscal Impacts for Local Governments

A report by the California Legislative Analyst’s Office determined that there is limited fiscal incentive to approve housing because compared to commercial development, housing development creates increased demands for public services and infrastructure while tax revenue is insufficient to cover the costs.⁶ Additionally, many non-profit affordable housing

⁶ Legislative Analyst's Office. (2015). California's High Housing Costs: Causes and Consequences. Retrieved from <https://lao.ca.gov/reports/2015/finance/housing-costs/housing-costs.pdf>

developments qualify for property tax welfare exemptions, which substantially reduces their property tax liability and revenue to the cities to cover the costs of public services. While there is concern that affordable housing produces insufficient tax revenue to support the demands for City services, it will cover its cost for all fee based and usage services such as planning, permit, and utility fees. Also, because affordable housing provides safe, stable housing and, in some cases, supportive services, affordable housing may reduce the need for emergency services provided because of unsafe living conditions. Studies have indicated that safe, stable and affordable housing improves certain health and education outcomes⁷. While affordable housing may not produce substantial tax revenue relative to commercial development or other housing, considering the benefits of job creation, employer attraction, increased buying power, leveraged investments, and the social benefits of stabilizing housing for Hayward residents, it provides other economic benefits and social benefits that will improve the quality of life for Hayward residents.

FISCAL IMPACT

There is \$10.3 million available in City Housing Funds for the projects recommended for approval. Table 6 provides a summary of the total City Housing Funds available by fund and the additional appropriation needed to award funding to these projects. This does not include the \$18.3 million in Hayward Base Allocation, which is allocated by the City, but appropriated by the County.

TABLE 6. CITY HOUSING FUNDS

| FUND | BUDGET ALLOCATION | AVAILABLE CASH BALANCE | APPROPRIATION /SPENDING AUTHORITY NEEDED | RECOMMENDED TOTAL |
|---------------------------------|-------------------|------------------------|--|-------------------|
| Housing Authority Fund | \$0 | \$4,634,000 | \$4,200,000 | \$4,200,000 |
| Inclusionary Housing Trust Fund | \$0 | \$4,955,000 | \$4,900,000 | \$4,900,000 |
| HOME Funds | \$275,165 | \$0 | \$140,115 | \$415,280 |
| CDBG | \$800,000 | \$0 | \$0 | \$800,000 |
| Total | \$1,075,165 | \$9,589,000 | \$9,240,115 | \$10,315,280 |

Housing Authority Fund

While the \$4.6 million in Housing Authority Funds was contemplated in the NOFA approved by the City Council and there are sufficient funds in the Housing Authority Fund, the FY 2019 operating budget did not include these funds and needs to be amended to appropriate the

⁷ Enterprise. (2014). Impacts of Affordable Housing on Families and Communities. Retrieved from <https://www.enterprisecommunity.org/resources/impact-affordable-housing-families-and-communities-review-evidence-base-13210>

proposed amounts. The action requires an additional appropriation in the amount of \$4.2 million to the Housing Authority Fund budget.

Inclusionary Housing Trust Fund

While the \$4.6 million in Inclusionary Housing Trust Funds was contemplated in the NOFA approved by the City Council and there are sufficient funds in the Inclusionary Housing Trust Fund, the FY 2019 operating budget did not include these funds and needs to be amended to appropriate the proposed amounts. The action requires an additional appropriation in the amount of \$4.9 million to the Inclusionary Housing Trust Fund budget.

HOME funds

On September 12, 2017, the City entered into a cooperation agreement with the County of Alameda to form a consortia for the purpose of receiving and administering HOME funds. On July 1, 2018, following the adoption of the FY 2019 budget, the City entered into a subrecipient agreement with the County of Alameda allocating \$440,444 to the City of Hayward for eligible project costs and cost related to administration of the project. \$415,280 of the HOME funds must be awarded to an eligible HOME project and \$25,165 can be retained by the City to cover the cost of administering the program. New construction of affordable housing is an eligible project under the HOME program and was added as a source of funding for the NOFA. The current budget allocation assumed that the HOME grant allocation would be the same as last year; however, Hayward received a higher allocation than in previous years. The 2019 operating budget includes \$275,165 for eligible projects and \$14,156 for administration. To expend the funds available under the subrecipient agreement with the County, the HOME fund appropriation will need to be increased by \$11,009 for administration and \$140,115 for eligible project-related funding.

CDBG

There are sufficient funds budgeted in the FY 2019 operating budget to cover the costs associated with the proposed affordable housing loans. The total fiscal impact is less than the amount budgeted, and there is no additional impact to the CDBG fund.

STRATEGIC INITIATIVES

The identification of potential projects for Measure A1 Funds supports the Complete Communities strategic initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work, and play for all. This item supports the following goal and objectives:

Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources.

Objective 1: Centralize and expand housing services.
 Objective 2: Facilitate the development of diverse housing types that serve the needs of all populations.

Objective 4: Increase the supply of affordable, safe and resilient housing in Hayward.

SUSTAINABILITY FEATURES

All projects are required to meet green building and energy codes. Table 7 identifies project elements that exceed code requirements.

TABLE 7. SUSTAINABILITY FEATURES THAT EXCEED GREEN BUILDING AND ENERGY CODES

| | MATSYA FAMILY VILLAS | HAYWARD MISSION APARTMENTS | MISSION SENIOR PARADISE | 2595 DEPOT ROAD |
|-------------------------|---|----------------------------|---|--|
| Certification Targeting | LEED Gold | LEED Gold | LEED Gold | Committed to LEED Silver trying for gold |
| Energy | Solar PV System projected to generate 100% demand | | Solar PV System projected to generate 100% demand | Solar PV System |
| Appliances | Energy Star | Energy Star | Energy Star | Energy efficient appliances |
| Transportation | Electric vehicle charging station | | Electric vehicle charging station | |

PUBLIC CONTACT

A NOFA pre-application meeting was held on May 14, 2018 to explain the NOFA application process. Staff was available to answer any NOFA-related questions. There were 11 participants who attended the meeting.

Applicants for the NOFA are required to hold at least two meetings with neighborhood residents prior to submitting a funding application. Additionally, applicants have prepared community outreach plans in order to continue to involve the community as the project develops.

NEXT STEPS

Projects that will apply for Regional Pool Funds this fall, will need to review County guidelines and priorities to ensure that their project will be competitive for regional pool funds. Staff will provide technical assistance to developers to ensure that both the City's priorities and the County's priorities are being met.

Projects that are awarded funds under this NOFA that do not meet the requirements for the County's regional pool RFP will continue to pursue discretionary land use approvals and other sources of funding in preparation for the second issuance of the Measure A1 Funds.

After the projects have been awarded Measure A1 Funds, they will apply for Low Income Housing Tax Credits. Once all the project financing has been secure and permits have been pulled, construction will begin. Construction completion dates range from December 2020 to June 2021. See Attachment IV for anticipated construction completion dates for each project. However, these anticipated timelines are likely to change based on the availability of Measure A1 bond funds.

Prepared by: Christina Morales, Housing Division Manager

Recommended by: Jennifer Ott, Deputy City Manager

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE FINANCE DEPARTMENT TO AMEND THE FY 2019 HOUSING DIVISION BUDGET BY APPROPRIATING FOUR MILLION NINE HUNDRED THOUSAND DOLLARS (\$4,900,000) FROM FUND BALANCE IN THE INCLUSIONARY HOUSING TRUST FUND TO FUND AFFORDABLE HOUSING DEVELOPMENT LOANS

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects and identified eligible projects for funding consistent with the intended use of the Inclusionary Housing Trust Fund; and

WHEREAS, The identified projects will require funding in an amount not to exceed \$4,900,000; and

WHERE AS, The City has an available fund balance that exceeds \$4,900,000; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward, hereby authorizes the Finance Department to amend the FY 2019 Housing Division budget by appropriating \$4,900,000 from fund balance in the Inclusionary Housing Trust Fund to fund affordable housing development loans.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE FINANCE DEPARTMENT TO AMEND THE FY 2019 HOUSING DIVISION BUDGET BY APPROPRIATING ONE HUNDRED FIFTY-FIVE THOUSAND ONE HUNDRED TWENTY-FOUR DOLLARS (\$155,124) TO THE HOME FUND CONSISTENT WITH THE 2018 SUBRECIPIENT AGREEMENT WITH THE COUNTY OF ALAMEDA

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects and identified eligible projects for funding consistent with the intended use of the Inclusionary Housing Trust Fund; and

WHEREAS, The identified projects will require funding in an amount not to exceed \$414,280, and

WHEREAS, The FY 2019 budget includes \$275,165 for eligible projects and \$14,156 for administration, and

WHEREAS, On July 1, 2018, following the adoption of the FY 2019 budget, the City entered into a subrecipient agreement with the County of Alameda allocating \$440,444 to the City of Hayward for eligible project costs and cost related to administration of the project, and

WHEREAS, \$415,280 of the HOME funds must be awarded to an eligible HOME project and \$25,165 can be retained by the City to cover the cost of administering the program, and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward, hereby authorizes the Finance Department to amend the FY 2019 Housing Division budget by appropriating an additional \$140,115 for HOME eligible activities and \$11,009 for administrative cost consistent with the 2018 Subrecipient Agreement with the County of Alameda.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE LOAN DOCUMENTS BETWEEN THE CITY OF HAYWARD AND EAH, INC., IN AN AMOUNT NOT TO EXCEED TWO MILLION DOLLARS (\$2,000,000), FOR MATSYA FAMILY VILLAS LOCATED AT 22648 2ND STREET TO BUILD APPROXIMATELY FIFTY-SEVEN UNITS OF AFFORDABLE HOUSING

WHEREAS, In November 2016, Alameda County voters passed a \$580 million Countywide Housing Bond (Measure A1) which will fund countywide housing development programs, and

WHEREAS, \$425 million of the total Housing Bond is allocated to the Rental Housing Development Fund to assist in the creation and preservation of affordable rental housing for vulnerable populations and of that \$200 million is allocated as “Regional Pool” funds allocated to Alameda County regions based on a geographical allocation formula, for which the Mid-County Regional Pool allocation is approximately \$200 million, and

WHEREAS, Alameda County requires that all projects that receive funds under the Countywide Housing Bond receive local match funds and approval from the local jurisdiction, and

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects, and

WHEREAS, On June 29, 2018 EHA, Inc. (the “Developer”) submitted a proposal in response to the NOFA, and

WHEREAS, The Developer proposed to develop a 57-unit affordable rental housing project at 22648 2nd Street in the City of Hayward known as Matsya Family Villas (the “Project”), and

WHEREAS, The Project is consistent with the City’s project development guidelines as described in the NOFA, and

WHEREAS, The Developer is seeking at least \$4,700,000 of Measure A1 Bond funds, and

WHEREAS, The Developer has requested a commitment of \$2,000,000 from the City as match funds to leverage Measure A1 County Bond funds to help support the construction of 57 new affordable housing units, and

WHEREAS, Funds are available in the City's Inclusionary Housing Trust Fund to provide match funds to the project in an amount necessary to make the project eligible to compete for Mid-County Regional Pool Funds, and

WHEREAS, The Planning Commission on July 13, 2017 found that the project is categorically exempt as Infill Development (Class 32) under the City's adopted procedures for the California Environment Quality Act ("CEQA") and that no further environmental analysis is required, and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines that the Recitals above are true and correct and by this reference makes them a part hereof, and

BE IT FURTHER RESOLVED, that the City Council hereby approves a loan of up to Two Million dollars (\$2,000,000) to the Developer, or an affiliate entity approved by the City Manager, from the Inclusionary Housing Trust Fund, and

BE IT FURTHER RESOLVED, that the City Council hereby acknowledges support of the Project in its application to Alameda County for Measure A1 Regional Pool Funds, and

BE IT FURTHER RESOLVED, that the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Manager, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Manager or his or her designee determine are in the best interest of the City and the Project, and

BE IT FURTHER RESOLVED, that the loan funds shall be reserved for a period of no more that twenty-four months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provide other assurances of adequate Project funding that the City Manager deems sufficient within his or her discretion, within the reservation period, and

BE IT FURTHER RESOLVED, that the City hereby authorizes the City Manager to conduct, negotiate, execute documents, and administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE LOAN DOCUMENTS BETWEEN THE CITY OF HAYWARD AND EAH, INC., IN AN AMOUNT NOT TO EXCEED TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000), FOR MISSION SENIOR PARADISE LOCATED AT 28000 MISSION BOULEVARD STREET TO BUILD APPROXIMATELY SEVENTY-SIX UNITS OF AFFORDABLE HOUSING

WHEREAS, In November 2016, Alameda County voters passed a \$580 million Countywide Housing Bond (Measure A1) which will fund countywide housing development programs, and

WHEREAS, \$425 million of the total Housing Bond is allocated to the Rental Housing Development Fund to assist in the creation and preservation of affordable rental housing for vulnerable populations and of that \$200 million is allocated as (“Regional Pool”) funds allocated to Alameda County regions based on a geographical allocation formula, for which the Mid-County Regional Pool allocation is approximately \$200 million, and

WHEREAS, Alameda County requires that all projects that receive funds under the Countywide Housing Bond receive local match funds and approval from the local jurisdiction, and

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects, and

WHEREAS, On June 29, 2018 EHA, Inc. (the “Developer”) submitted a proposal in response to the NOFA, and

WHEREAS, The Developer proposed to develop a 76-unit affordable rental housing project at 28000 Mission Boulevard in the City of Hayward known as Mission Senior Paradise (the “Project”), and

WHEREAS, The Project is consistent with the City’s project development guidelines as described in the NOFA, and

WHEREAS, The Developer is seeking at least \$5,600,000 of Measure A1 Bond funds, and

WHEREAS, The Developer has requested a commitment of \$2,500,000 from the City as match funds to leverage Measure A1 County Bond funds to help support the construction of 76 new affordable housing units, and

WHEREAS, Funds are available in the City's Inclusionary Housing Trust Funds, Community Development Block Grant funds, and HOME Investment Partnership Funds to provide match funds to the project in an amount necessary to make the project eligible to compete for Mid-County Regional Pool Funds, and

WHEREAS, The Planning Commission on February 22, 2018 found that the project is categorically exempt as Infill Development (Class 32) under the City's adopted procedures for the California Environment Quality Act ("CEQA") and that no further environmental analysis is required, and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines that the Recitals above are true and correct and by this reference makes them a part hereof.

BE IT FURTHER RESOLVED, that the City Council hereby approves a loan of up to Two Million Five Hundred Thousand dollars (\$2,500,000) to the Developer, or an affiliate entity approved by the City Manager, consisting of up to Eight Hundred Thousand dollars (\$800,000) from the CDBG Funds, up to Four Hundred and Fifteen Thousand Two Hundred Eighty dollars (\$415,280) from HOME Funds; and One Million Two Hundred Eighty-Four Thousand Seven Hundred Twenty dollars (\$1,284,720) from Inclusionary Housing Trust Funds to assist the Project with eligible uses, and

BE IT FURTHER RESOLVED, the City HOME Loan shall be subject to and specifically conditioned upon the completion of all environmental reviews and preparation and certification of all appropriate documents related thereto under and in accordance with the National Environmental Policy Act (NEPA) of 1969, as implemented by the United States Department of Housing and Urban Development regulations, and

BE IT FURTHER RESOLVED, that the City Council hereby acknowledges support of the Project in its application to Alameda County for Measure A1 Regional Pool Funds; and

BE IT FURTHER RESOLVED, that the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Manager, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Manager or his or her designee determine are in the best interest of the City and the Project; and

BE IT FURTHER RESOLVED, that the loan funds shall be reserved for a period of no more than twenty-four months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provide other assurances of adequate Project funding that the City Manager deems sufficient within his or her discretion, within the reservation period; and

BE IT FURTHER RESOLVED, that the City hereby authorizes the City Manager to conduct, negotiate, execute documents, and administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO: 1) NEGOTIATE AND EXECUTE LOAN DOCUMENTS BETWEEN THE CITY OF HAYWARD AND ALLIED HOUSING, INC., IN AN AMOUNT NOT TO EXCEED ONE MILLION SIX HUNDRED TEN THOUSAND DOLLARS (\$1,610,000); AND 2) COMMIT UP TO EIGHTEEN MILLION THREE HUNDRED THOUSAND DOLLARS (\$18,300,000) OF THE BASE CITY ALLOCATION FOR THE 2595 DEPOT ROAD PROJECT LOCATED AT 2595 DEPOT ROAD TO BUILD APPROXIMATELY 126 UNITS OF AFFORDABLE HOUSING

WHEREAS, In November 2016, Alameda County voters passed a \$580 million Countywide Housing Bond (Measure A1) which will fund countywide housing development programs, and

WHEREAS, \$425 million of the total Housing Bond is allocated to the Rental Housing Development Fund to assist in the creation and preservation of affordable rental housing for vulnerable populations and of that \$225 million is allocated as “Base City Allocation” funding to Alameda County jurisdictions based on a geographical allocation formula, which for the City of Hayward’s Base Allocation is approximately \$18.3 million, and

WHEREAS, Approximately \$18,300,000 of the Base City Allocation remains available to be committed to future affordable rental projects, and

WHEREAS, The Developer is seeking approximately \$18,300,000 of the Base City Allocation, and

WHEREAS, Alameda County requires that all projects that receive funds under the Countywide housing bond receive local match funds and approval from the local jurisdiction, and

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects, and

WHEREAS, On June 29, 2018 Allied Housing, Inc. (the “Developer”) submitted a proposal in response to the NOFA, and

WHEREAS, The Developer proposed to develop a 126-unit affordable rental housing project at 2595 Depot Road in the City of Hayward known as the 2595 Depot Road Project (the "Project"), and

WHEREAS, The Project is consistent with the City's project development guidelines as described in the NOFA, and

WHEREAS, The Developer has requested a commitment of \$5,810,000 from the City and Housing Authority of the City of Hayward as match funds to leverage Base City Allocation funds to help support the construction of 126 new affordable housing units, and

WHEREAS, \$1,610,000 are available in the City's Inclusionary Housing Trust Fund to provide match funds to the project to make the project eligible for the City Base Allocation, and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines that the Recitals above are true and correct and by this reference makes them a part hereof.

BE IT FURTHER RESOLVED, that the City Council hereby approves a loan of up to One Million Six Hundred Ten Thousand dollars (\$1,610,000) to the Developer, or an affiliate entity approved by the City Manager, from Inclusionary Housing Trust Funds, and

BE IT FURTHER RESOLVED, that the City Council authorizes the commitment of up to Eighteen Million Three Hundred Thousand dollars (\$18,300,000) of the Base City Allocation to the Project, and

BE IT FURTHER RESOLVED, the City Loan shall be subject to and specifically conditioned upon the completion of all environmental reviews and preparation and certification of all appropriate documents related thereto under the City's adopted procedures for the California Environment Quality Act ("CEQA"), and

BE IT FURTHER RESOLVED, that the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Manager, with repayment to the City from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Manager or his or her designee determine are in the best interest of the City and the Project, and

BE IT FURTHER RESOLVED, that the loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution and shall be subject to re-programming at the end of this period unless the Developer has secured commitments for full Project funding or provide other assurances of adequate Project funding that the City Manager deems sufficient within his or her discretion, within the reservation period; and

BE IT FURTHER RESOLVED, that the City hereby authorizes the City Manager to conduct, negotiate, execute documents, and administer the loan, extend or modify the repayment terms and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

HOUSING AUTHORITY OF THE CITY OF HAYWARD

RESOLUTION NO. HA 18-

Introduced by Commissioner __

RESOLUTION AUTHORIZING THE FINANCE DEPARTMENT TO AMEND THE FY 2019 HOUSING DIVISION BUDGET BY APPROPRIATING FOUR MILLION TWO HUNDRED THOUSAND DOLLARS (\$4,200,000) FROM FUND BALANCE IN THE HAYWARD HOUSING AUTHORITY FUND TO FUND AFFORDABLE HOUSING DEVELOPMENT LOANS

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects and identified eligible projects for funding consistent with the intended use of the Hayward Housing Authority Fund, and

WHEREAS, The identified projects will require funding in an amount not to exceed \$4,200,000, and

WHEREAS, The Hayward Housing Authority has an available unappropriated fund balance that exceeds \$4,200,000, and

NOW, THEREFORE, BE IT RESOLVED, that the Housing Authority of the City of Hayward, hereby authorizes the Finance Department to amend the FY 2019 Housing Division budget by appropriating \$4,200,000 from fund balance in the Hayward Housing Authority Fund to fund affordable housing development loans.

HAYWARD, CALIFORNIA, _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COMMISSION MEMBERS:
 CHAIR:

NOES: COMMISSION MEMBERS:

ABSTAIN: COMMISSION MEMBERS:

ABSENT: COMMISSION MEMBERS:

ATTEST: _____
Secretary of the Housing Authority
of the City of Hayward

APPROVED AS TO FORM:

General Counsel of the Housing Authority
of the City of Hayward

HOUSING AUTHORITY OF THE CITY OF HAYWARD

RESOLUTION NO. HA 18-

Introduced by Commissioner __

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE LOAN DOCUMENTS BETWEEN THE HOUSING AUTHORITY OF THE CITY OF HAYWARD AND ALLIED HOUSING, INC., IN AN AMOUNT NOT TO EXCEED FOUR MILLION TWO HUNDRED THOUSAND DOLLARS (\$4,200,000), FOR THE 2595 DEPOT ROAD PROJECT LOCATED AT 2595 DEPOT ROAD TO BUILD APPROXIMATELY 126 UNITS OF AFFORDABLE HOUSING

WHEREAS, In November 2016, Alameda County voters passed a \$580 million Countywide Housing Bond (Measure A1) which will fund countywide housing development programs, and

WHEREAS, \$425 million of the total Housing Bond is allocated to the Rental Housing Development Fund to assist in the creation and preservation of affordable rental housing for vulnerable populations and of that \$225 million is allocated as “Base City Allocation” funding to Alameda County jurisdictions based on a geographical allocation formula, which for the City of Hayward’s Base Allocation is approximately \$18.3 million, and

WHEREAS, Approximately \$18,300,000 of the Base City Allocation remains available to be committed to future affordable rental projects, and

WHEREAS, The Developer is seeking approximately \$18,300,000 of the Base City Allocation, and

WHEREAS, Alameda County requires that all projects that receive funds under the Countywide housing bond receive local match funds and approval from the local jurisdiction, and

WHEREAS, On April 30, 2018, the City of Hayward issued a Notice of Funding Availability (“NOFA”) soliciting applications for funding for new construction of affordable housing development projects, and

WHEREAS, On June 29, 2018 Allied Housing, Inc. (the “Developer”) submitted a proposal in response to the NOFA, and

WHEREAS, The Developer proposed to develop a 126-unit affordable rental housing project at 2595 Depot Road in the City of Hayward known as the 2595 Depot Road Project (the "Project"), and

WHEREAS, The Project is consistent with the City's project development guidelines as described in the NOFA, and

WHEREAS, The Developer has requested a commitment of \$5,810,000 from the Housing Authority of the City of Hayward ("Housing Authority") and the City as match funds to leverage Base City Allocation funds to help support the construction of 126 new affordable housing units, and

WHEREAS, \$4,200,000 are available in the Hayward Housing Authority Funds to provide match funds to the project to make the project eligible for the City Base Allocation, and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines that the Recitals above are true and correct and by this reference makes them a part hereof.

BE IT FURTHER RESOLVED, that the Housing Authority hereby approves a loan of up to Four Million Two Hundred Thousand dollars (\$4,200,000) to the Developer, or an affiliate entity approved by the City Manager, from Hayward Housing Authority Funds, and

BE IT FURTHER RESOLVED, the Housing Authority Loan shall be subject to and specifically conditioned upon the completion of all environmental reviews and preparation and certification of all appropriate documents related thereto under the City's adopted procedures for the California Environment Quality Act ("CEQA"), and

BE IT FURTHER RESOLVED, that the loan shall be for a maximum term of 55 years, with an interest rate to be determined by the City Manager, with repayment to the Hayward Housing Authority from surplus cash flow from the Project and other available funds during the term of the loan, with the balance due at the end of the term, or on such other repayment terms and schedule as the City Manager or his or her designee determine are in the best interest of the Housing Authority and the Project, and

BE IT FURTHER RESOLVED, that the loan funds shall be reserved for a period of no more than 24 months from the date of this Resolution and shall be subject to reprogramming at the end of this period unless the Developer has secured commitments for full Project funding or provide other assurances of adequate Project funding that the City Manager deems sufficient within his or her discretion, within the reservation period, and

BE IT FURTHER RESOLVED, that the Housing Authority hereby authorizes the City Manager to conduct, negotiate, execute documents, and administer the loan, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

HAYWARD, CALIFORNIA, _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COMMISSION MEMBERS:
 CHAIR:

NOES: COMMISSION MEMBERS:

ABSTAIN: COMMISSION MEMBERS:

ABSENT: COMMISSION MEMBERS:

ATTEST: _____
Secretary of the Housing Authority
of the City of Hayward

APPROVED AS TO FORM:

General Counsel of the Housing Authority
of the City of Hayward

2018 City of Hayward NOFA Application Scoring Summary

| Scoring Criteria | Potential Points | Matsya Family Villa | Hayward Mission | 28000 Mission | Depot Road |
|---|------------------|---------------------|-----------------|---------------|--------------|
| I. Readiness | 40.00 | 20.00 | 21.00 | 20.00 | 4.50 |
| A. Discretionary Land Use Approval | 20.00 | 20.00 | 2.00 | 20.00 | 2.00 |
| B. Funding Commitments | 15.00 | 0.00 | 14.00 | 0.00 | 0.00 |
| C. Partnerships with Service Providers | 5.00 | 0.00 | 5.00 | 0.00 | 2.50 |
| II. Leveraging | 8.00 | 5.00 | 8.00 | 5.00 | 2.00 |
| III. Location | 20.00 | 16.00 | 10.00 | 10.00 | 7.00 |
| A. Proximity to Public Transit | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| B. Proximity to Grocery or Drug Store | 5.00 | 3.00 | 0.00 | 5.00 | 0.00 |
| C. Proximity to Parks, Recreation, or Community Centers | 5.00 | 5.00 | 5.00 | 0.00 | 2.00 |
| D. Proximity to Services | 5.00 | 3.00 | 0.00 | 0.00 | 0.00 |
| IV. Target Population | 27.00 | 16.00 | 21.25 | 11.25 | 22.00 |
| A. Income Targeting- Total Percent of Affordable Units | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| B. Income Targeting- Extremely Low-Income Units | 5.00 | 0.00 | 5.00 | 0.50 | 5.00 |
| C. Unit Size | 5.00 | 5.00 | 5.00 | N/A | N/A |
| D. Units for People with Special Needs | 5.00 | 0.00 | 4.25 | 0.00 | 5.00 |
| E. Homeless - Permanent Supportive Housing Units | 5.00 | 4.00 | 0.00 | 3.75 | 5.00 |
| V. Developer Experience and Capacity | 27.00 | 26.75 | 23.25 | 26.75 | 22.00 |
| A. Developer Experience Exceeds Minimum | 10.00 | 10.00 | 10.00 | 10.00 | 8.00 |
| B. Developer Capacity | 8.00 | 8.00 | 7.00 | 8.00 | 8.00 |
| C. Developer Financial Strength | 6.00 | 5.75 | 4.25 | 5.75 | 3.00 |
| D. Strength of the Development Team | 3.00 | 3.00 | 2.00 | 3.00 | 3.00 |
| VI. Sustainability | 10.00 | 10.00 | 8.00 | 10.00 | 6.00 |
| VII. Innovations | 8.00 | 3.25 | 4.50 | 3.00 | 6.00 |
| Total Possible Points | 140.00 | 97.00 | 96.00 | 86.00 | 69.50 |
| Percentage Score | | 69.3% | 68.6% | 63.7% | 51.5% |

2595 Depot Road

2595 Depot Road, 94545

Developer

Allied Housing (Abode Services)

NOFA Request

\$3,000,000

Total Units (incl. MGMT unit)

126

Total Development Cost

\$61,333,748

Per Unit Cost

\$486,776

Projected Start of Construction

January 2020

Projected Construction Completion

December 2020

Neighborhood

Mt. Eden



Project Summary

- Depot Road is a 125-unit affordable housing development for extremely-low to low-income households, that is designed to create secure, stable and quality housing that addresses homelessness through permanent supportive housing. The project consists of 125-250 square foot factory-built units.
- Innovations and Innovative Amenities: The factory-built construction model will reduce construction time and costs. Residents will have access to wireless internet and laptops, shuttle for medical appointments, a basketball court, running track, community room, and outdoor patio/BBQ space.
- Services: On-site supportive services will be staffed by two services coordinators and one mental health social worker. Supportive Services will include individual service plan development and case management, computer training, employment assistance, peer-to-peer support, housing stability support, community activities, financial education, drug and alcohol services, health education and activities, recreational activities, conflict resolution and mediation, case management, clinical assessment of needs and strengths, counseling, clinical case conferencing, vocational training, primary health care and wound care, and medication management.
- Sustainability: The project is committed to pursuing a Silver LEED rating, and may incorporate photovoltaic (PV) solar, PV solar water heating, energy efficient appliances, and water-efficient landscaping.

Unit Mix and Affordability

| Income Level | Micro-Studio Units |
|--------------|--------------------|
| 20% AMI | 26 |
| 30% AMI | 22 |
| 40% AMI | 26 |
| 50% AMI | 29 |
| 60% AMI | 22 |
| Total | 125 |

Target Population

| Household Type | Total Units |
|--------------------------|-------------|
| Homeless Households | 32 |
| Special Needs Households | 31 |

Matsya Family Villas

22648 2nd Street, 94541

Developer

EAH

NOFA Request

\$2,000,000

Total Units (incl. MGMT unit)

57

Total Development Cost

\$37,864,811

Per Unit Cost

\$664,295

Projected Start of Construction

June 2020

Projected Construction Completion

June 2021

Neighborhood

Downtown Hayward (2nd and C Street)



Project Summary

- Matsya Family Villas is a 57-unit affordable housing project targeting extremely-low to low -income households with 2,000 square feet of ground-floor resident common facilities. Currently, there is a vacant two-story commercial building on the site which will be demolished.
- Innovations and Innovative Amenities: By purchasing an entitle project, the developer will reduce the predevelopment timeline. The developer will provide to provide an on-site car sharing service, an afterschool expanded learning program for school-age youth; onsite wellness classes; onsite technology lounge and technology program that helps residents advance their skills as technology rapidly changes; and rooftop community BBQ and patio space.
- Services: The project will have an onsite resident services coordinator who is responsible evaluating community needs, building relationships and trust between residents and staff, making residents aware of programs and services that are available in the local community and bringing programs and partnerships to the site. A third-party service provider will provide intensive case management for former homeless residents.
- Sustainability: The project is committed to achieving a LEED Gold certification and will incorporate a rooftop PV solar energy system and water heating, electric vehicle (EV) charging facilities, Energy Star appliances, countertop organic recycling bins for residents, and drought-tolerant landscaping.

Unit Mix and Affordability

| Income Level | 1-Bedroom | 2 -Bedroom | 3-Bedroom |
|--------------|-----------|------------|-----------|
| 20% AMI | 1 | 6 | 4 |
| 40% AMI | 2 | 4 | 4 |
| 50% AMI | 2 | 6 | 2 |
| 60% AMI | 3 | 7 | 4 |
| 80% AMI | 3 | 8 | 1 |
| Total | 11 | 31 | 15 |

Target Population

| Household Type | Total Units |
|-------------------|-------------|
| Homeless Veterans | 11 |

Hayward Mission Apartments

29497, 29547, 29553 Mission Blvd., 94544

Developer

Meta Housing

NOFA Request

\$1,210,000

Total Units (incl. MGMT unit)

121

Total Development Cost

\$73,481,076

Per Unit Cost

\$607,282

Projected Start of Construction

January 2020

Projected Construction

Completion

June 2021

Neighborhood

Tennyson/South Hayward BART
(Mission Boulevard near Industrial Parkway)



Project Summary

- Hayward Mission is a mixed-use development, within walking distance to BART, with 120 units of affordable housing for extremely-low to low-income households and over 4000 square feet of commercial space. The project will include studio, 1-, 2-, and 3-bedroom units with ground-floor commercial space for the proposed daycare center.
- Innovations and Innovative Amenities: The project will stack units to reduce costs. It will have an Uber/Lyft waiting area to support resident transportation needs, bike lockers and bike work space, onsite car-sharing, computer room, gym, outdoor deck, movie wall and an onsite daycare center.
- Services: The developer is partnering with East Bay Innovations to provide robust supportive services for the developmentally disabled population served by the project. It will also have an on-site resident services coordinator to arrange activities, classes and provide referrals to services. The resident service coordinator will survey residents to determine what types of services will be provided and may include computer classes, literacy, life skills, community building and local resources.
- Sustainability: The project is committed to achieving a Green Point Rating or LEED Gold Equivalent. The project will utilize Energy Star appliances, high efficiency faucets and toilets, and efficient irrigation.

Unit Mix and Affordability

| Income Level | Studio | 1-Bedroom | 2 -Bedroom | 3-Bedroom |
|--------------|--------|-----------|------------|-----------|
| 20% AMI | 0 | 23 | 7 | 0 |
| 30% AMI | 3 | 0 | 0 | 4 |
| 50% AMI | 3 | 0 | 7 | 0 |
| 60% AMI | 5 | 5 | 7 | 14 |
| 80% AMI | 5 | 9 | 15 | 13 |
| Total | 16 | 37 | 36 | 31 |

Target Population

| Household Type | Total Units |
|---|-------------|
| Special Needs Households (Developmentally Disabled) | 26 |

Mission Senior Paradise

28000 Mission Boulevard, 94544

Developer
EAH
NOFA Request
\$2,500,000
Total Units (incl. MGMT unit)
76
Total Development Cost
\$39,708,500
Per Unit Cost
\$522,480
Projected Start of Construction
June 2020
Projected Construction Completion
June 2021
Neighborhood
Mission-Garin



Project Summary

- Mission Senior Paradise is a 76- unit affordable housing development for independent seniors who are extremely-low to low-income. The project will consist of two buildings and include 2,000 square feet of ground-floor resident common facilities.
- Innovations and Innovative Amenities: By purchasing an entitle project, the developer will reduce the predevelopment timeline. The developer will provide an on-site car sharing service, on-site wellness classes, on-site technology lounge and technology program that helps residents advance their skills as technology rapidly changes.
- Services: The project will have an onsite resident services coordinator who is responsible evaluating community needs, building relationships and trust between residents and staff, making residents aware of programs and services that are available in the local community and bringing programs and partnerships to the site. A third-party service provider will provide intensive case management for former homeless residents.
- Sustainability: The project is committed to achieving a LEED Gold certification and will incorporate a rooftop PV solar energy system and tankless water heating, electric vehicle (EV) charging facilities, Energy Star appliances, countertop organic recycling bins for residents, and drought-tolerant landscaping.

Unit Mix and Affordability

| Income Level | 1-Bedroom | 2 -Bedroom |
|--------------|-----------|------------|
| 20% AMI | 12 | 3 |
| 40% AMI | 9 | 2 |
| 50% AMI | 7 | 3 |
| 60% AMI | 21 | 3 |
| 80% AMI | 15 | 1 |
| Total | 64 | 12 |

Target Population

| Household Type | Total Units |
|-------------------|-------------|
| Homeless Veterans | 15 |

2018 City of Hayward NOFA Application Summary

| Item | Depot Road | Matsya Family Villa | Mission Blvd Senior | Hayward Mission Apts |
|--|------------------------|---------------------|---------------------|----------------------|
| Developer | ABODE | EAH | EAH | META |
| Units (includes manager's unit) | 126 | 57 | 76 | 121 |
| Bedrooms (includes manager's unit) | 126 | 124 | 92 | 220 |
| Special Needs Units | 31 | | 15 | 30 |
| Homeless Units | 32 | 11 | 15 | |
| Extremely Low-Income Units | 48 | 12 | 13 | 37 |
| Total Development Costs | \$61,333,748 | \$37,864,811 | \$39,708,500 | \$73,481,076 |
| Cost per Unit | \$ 486,776 | \$ 664,295 | \$ 522,480 | \$ 607,282 |
| Cost per Bedroom | \$ 486,776 | \$ 305,361 | \$ 431,614 | \$ 334,005 |
| City NOFA Request | \$ 3,000,000 | \$ 2,000,000 | \$ 2,500,000 | \$ 1,210,000 |
| Other City Funds | \$ 280,000 | | \$ - | |
| Projected A1 County Base Allocation Request | \$ 21,070,086 | \$ 4,726,000 | \$ 5,545,000 | \$ 13,310,000 |
| % City NOFA Funds to Total Development Cost | 5% | 5% | 6% | 2% |
| % of Local Funds (NOFA + A1) to Total Development Cost | 39% | 18% | 20% | 20% |
| Anticipated Construction Start | 1/1/2020 | 6/1/2020 | 6/1/2020 | 1/1/2020 |
| Anticipated Construction Completion | 12/27/2020 | 6/30/2021 | 6/1/2021 | 6/1/2021 |
| Total # of Units | 380 | | | |
| Total City NOFA Request | \$8,710,000.00 | | | |
| Total Projected A1 County Base Allocation Request | \$44,651,086.00 | | | |



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: WS 18-035

DATE: October 2, 2018

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT

Measure C Annual Report

RECOMMENDATION

That Council reviews and provides feedback on the City's Measure C Annual Report.

SUMMARY

In 2014, the voters of the City of Hayward approved a ½ cent district sales tax (Measure C), which is a general tax that can pay for any services within the City's General Fund. However, when the Council placed the measure on the ballot in 2014, they identified several priorities for the use of these funds based on issues identified by the community: police and public safety services; illegal dumping; litter control; graffiti abatement; and capital infrastructure projects. The prioritized capital projects identified were the construction of the City's new 21st Century Library and Community Learning Center, completion of fire station retrofits and improvements, rehabilitation and expansion of the existing fire training center located at Fire Station 6, as well as extensive street improvements. This report outlines progress made on Measure C projects to date as well as current financial projections for the funds.

ATTACHMENTS

| | |
|---------------|--------------------------------------|
| Attachment I | Staff Report |
| Attachment II | Measure C 20-Year Financial Forecast |



DATE: October 2, 2018

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT Measure C Annual Report

RECOMMENDATION

That Council reviews and provides feedback on the City's Measure C Annual Report.

SUMMARY

In 2014, the voters of the City of Hayward approved a ½ cent district sales tax (Measure C), which is a general tax that can pay for any services within the City's General Fund. However, when the Council placed the measure on the ballot in 2014, they identified several priorities for the use of these funds based on issues identified by the community: police and public safety services; illegal dumping; litter control; graffiti abatement; and capital infrastructure projects. The prioritized capital projects identified were the construction of the City's new 21st Century Library and Community Learning Center, completion of fire station retrofits and improvements, rehabilitation and expansion of the existing fire training center located at Fire Station 6, as well as extensive street improvements. This report outlines progress made on Measure C projects to date as well as current financial projections for the funds.

BACKGROUND

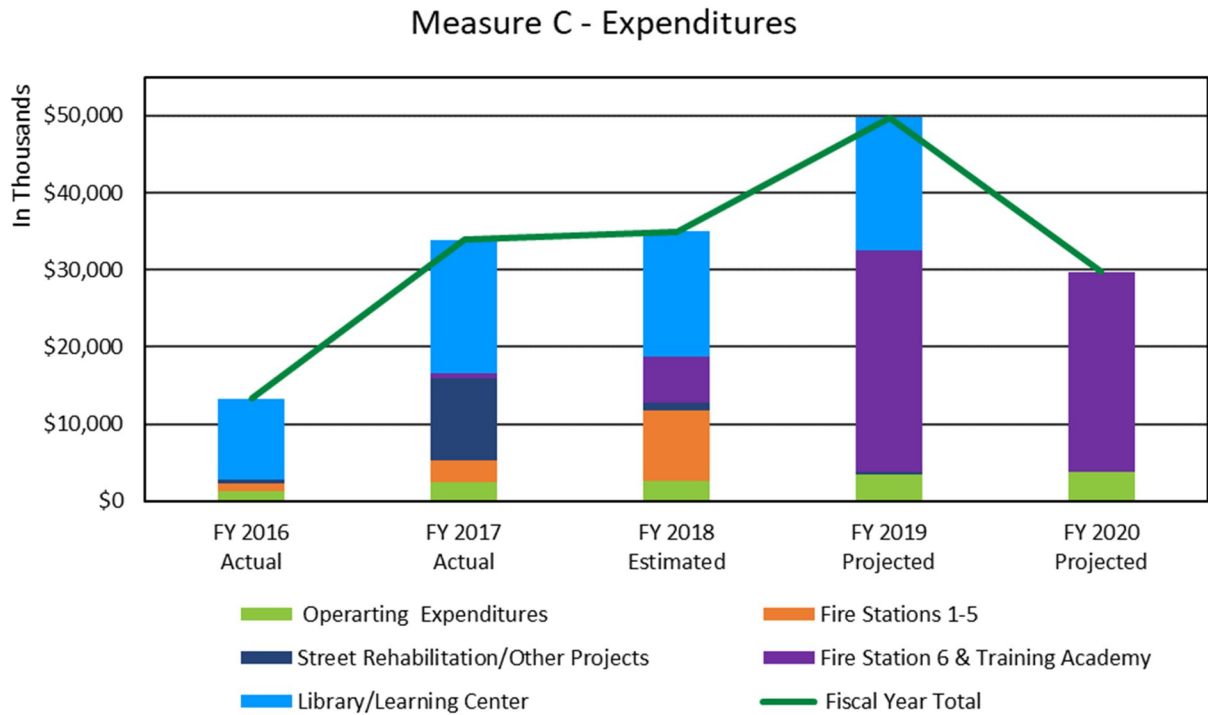
On June 3, 2014, the voters of the City of Hayward passed Measure C to create a district sales tax and increase the City's Sales and Use Tax by half a percent for twenty years. Since that time, staff has focused on the completion of current and future capital improvement projects funded by Measure C, and has looked for ways to utilize revenues to achieve the promises of Measure C. Using Measure C funds, the City completed its largest road improvement project in history, reduced graffiti around the City, built a state of the art 21st Century Library and Learning Center, retrofitted five of the City's fire stations and will create a comprehensive regional fire training center that will be used by agencies and educational institutions from around the western United States.

DISCUSSION

Measure C Performance

With the passing of Measure C, the City developed a 20-Year Financial Forecast (Attachment II) allowing the City to project Measure C revenue, and develop program budgeting for capital improvement projects and ongoing operating costs that support the promises of Measure C.

The following graph illustrates the use of Measure C related funds through FY 2020.



In FY 2016, the City began using Measure C funds for capital improvements, including funding the largest road improvement project in City history, commencement of the 21st Century Library and Community Learning Center, and significant improvements at several fire stations. While the bulk of capital improvement expenditures occur between FY 2016 and FY 2019, expenditures begin to drop off in FY 2020 with the completion of several projects. Beginning in FY 2020 with the completion of the projects, Measure C funds are primarily earmarked for the completion of the Regional Fire Training Center and ongoing operating costs in the Police and Maintenance Services Department for the staffing that was added with Measure C funds. The City was also able to secure a partnership with the Chabot-Las Positas Community College District to assist in funding the Fire Training facility. Chabot will provide \$20 million in funding to this project to ensure that the facility provides a regional training facility for agencies from around northern California as well as for students pursuing public safety professions.

While voters voiced a desire to prioritize certain capital infrastructure projects, voters also voiced their desire to address concerns surrounding illegal dumping, litter control, and graffiti abatement. While the graph above illustrates high priority expenditures associated with capital improvement driven projects, the City continues to effectively utilize Measure C funds for targeted operating costs, such as police personnel, landscape enhancements and beautification, homeless encampment abatement, litter control, and graffiti abatement as promised. The minimal increase in annual operating costs are primarily associated with personnel costs and increase in field supplies to address concerns voiced by the Hayward

community.

Detailed expenditures of Measure C in FY 2018 and FY 2019 are provided in the following table. The table shows projected revenue and expenditure activity as it relates to Measure C for FY 2019, including a breakdown of capital and operating expenditures.

| | FY 2018 Estimated | FY 2019 Projected |
|--------------------------------|----------------------|----------------------|
| Revenues | | |
| Measure C District Sales Tax | 15,154,973 | \$ 15,187,504 |
| Other Partnering Contributions | | 10,000,000 |
| Total Revenues | 15,154,973 | 25,187,504 |
| Expenditures | | |
| Capital | | |
| Library/ Learning Center | 16,217,628 | 17,282,372 |
| Fire Facilities Design | 686,008 | |
| Fire Station 1 | 766,707 | |
| Fire Station 2 | 2,060,513 | |
| Fire Station 3 | 1,902,173 | |
| Fire Station 4 | 2,083,700 | |
| Fire Station 5 | 1,774,027 | |
| Fire Station 6 | 5,981,992 | 3,500,000 |
| Regional Fire Training Center | | 25,187,000 |
| Street Rehabilitation | 954,923 | |
| Other Projects | 15,000 | 300,000 |
| Debt Service | 2,734,488 | 5,426,563 |
| Operating | | |
| Personnel | 1,935,132 | 3,065,193 |
| Other Operating | 610,926 | 415,733 |
| Total Expenditures* | 37,723,216 | 55,176,861 |

*While expenditures outpace projected revenues in FY 2018 and FY 2019, the City issued Certifications of Participation (COPs) in September 2015 for \$67.5 million to fund capital improvement projects, resulting in adequate fund balance to fund the capital improvement projects (payments for the COPs are shown on the Debt Service line of the table).

Measure C Funded Capital Improvement Projects

21st Century Library and Community Learning Center

The 21st Century Library and Community Learning Center will serve as an invaluable asset to

the Hayward community. Work on the 21st Century Library and Community Learning Center began with the selection of an architect in 2007, and construction began in January 2016. The estimated total project cost is \$65,680,000.

The new 21st Century Library and Community Learning Center is a three-story, 58,000 square foot building. As a net-zero energy facility, the building will be 100% self-sufficient of electricity and will receive a LEED certified rating of Platinum from the U.S. Green Building Council. In addition to its LEED certification, the library will house 50% more library materials, including books and multi-media for all ages, 53 additional computers made available for public use, and a Makerspace featuring 3D printers, robotics, and textiles. It will include multiple community meeting rooms, and a separate Homework Support Center within the Children's Library and will offer additional services to the Hayward community.

A grand opening and celebration of the 21st Century Library and Community Learning Center is scheduled for Saturday, October 27, 2018.

Fire Stations 1 through 5 Improvements

This project involved considerable renovations of Fire Stations 1-5. Substantial improvements included seismic retrofits, energy efficient enhancements, and accessibility upgrades. Seismic retrofits at all stations will allow for immediate occupancy following a 7.0 earthquake, facilitating a smooth transition into emergency response following a natural disaster. Traffic Pre-Emption systems were installed to speed response times and minimize negative effects of Code 3 responses on traffic patterns. Energy efficiency improvements were completed at each fire station, including the installation of solar panels on Stations 2-5, which are designed to offset 70% of electricity consumption of the old buildings. However, the solar panels are projected to offset more, as the building upgrades included new energy efficient lighting and windows. A celebration of the completion of these projects and a thank you to the community will take place on Saturday, October 13, 2018 at Station 2.

Roads / Street Improvements

Measure C funds were used for two projects in the Roads/Street Improvements program. The FY 2016 Pavement Preventive Maintenance and Resurfacing Project was a two-year project that was completed in February 2018.

The project provided new asphalt surfaces, and both intensive and minor roadway repairs on 312 street segments. The City leveraged funds from a combination of funding sources (i.e., Gas Tax, Measure B & BB), including \$12 million from Measure C to complete the City's largest road improvement project to date. These projects also included new and upgraded curb ramps, new striping for lane delineation, crosswalks, and bike lanes. With the completion of this project, the City's average Pavement Condition Index (PCI) increased from 66 to 70 in two years.

Future CIP – Fire Station 6 and Regional Fire Training Center Improvement

This project will replace the existing Fire Station 6 and Fire Training Center with a new fire station and create a regional training center that will include: Classroom Buildings; Apparatus Building; Training Tower; Burn Building; Storage Building; Hangar Building; USAR Structure

and Parking Lot; and an alternate design for an Outdoor Classroom, BART Station, and Entry Canopy. Final Design of Fire Station 6 and Regional Fire Training Center is anticipated in Spring 2019. Construction is anticipated to begin in 2019.

A partnership for the Regional Fire Training Center between the City of Hayward and the Chabot-Las Positas Community College District (District) will serve a mutual benefit. The Regional Fire Training Center will be a joint center and training program with dedicated classroom space, offices, and shared use of the grounds for City of Hayward fire personnel, as well as Chabot College’s Fire Technology Program. Chabot College’s Fire Technology Program is an Accredited Regional Fire Academy that will offer training opportunities for entry-level and active duty fire service professionals from around the region.

Staffing

The following table lists the positions that are authorized and budgeted for in FY 2019 from Measure C funds, as well as the status of each position. The green shading depicts the positions budgeted within the Maintenance Department; while the blue shading denotes the positions budgeted in the Police Department.

| Positions | Authorized | Budgeted | Filled | Vacant |
|---------------------------------|-------------------|-----------------|---------------|---------------|
| Grounds Keeper I / Laborer | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance Worker / Laborer | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance Lead | 1.0 | 1.0 | 1.0 | 0.0 |
| Police Officer | 3.0 | 3.0 | 3.0 | 0.0 |
| Lieutenant | 1.0 | 1.0 | 1.0 | 0.0 |
| Crime Analyst | 1.0 | 1.0 | 1.0 | 0.0 |
| Certified Latent Print Examiner | 1.0 | 1.0 | 1.0 | 0.0 |
| Communications Supervisor | 1.0 | 1.0 | 1.0 | 0.0 |
| Communications Operator | 7.0 | 7.0 | 6.0 | 1.0 |
| TOTAL FTE | 19.0 | 19.0 | 18.0 | 1.0 |

Currently, there is one vacancy among the 19 FTEs authorized by Measure C and budgeted in FY 2019.

ECONOMIC IMPACT

There is no economic impact associated with this report as it is informational only.

FISCAL IMPACT

There is no fiscal impact associated with this report; however, staff will continue to manage the Measure C 20-Year Financial Forecast to identify opportunities for City capital improvement projects, and other costs to fulfill the promises of Measure C.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This item supports the following goal and objectives:

Goal 1: Improve quality of live for residents, business owners, and community members in all Hayward neighborhoods.

Objective 2: Foster a sense of place and support neighborhood pride.

Objective 5: Actively value diversity and promote inclusive activities.

This agenda item also supports the Tennyson Corridor Strategic Initiative. The purpose of the Tennyson Corridor initiative is to develop an attractive, cohesive, thriving Tennyson Corridor through thoughtful engagement of residents, businesses and community partnerships. This item supports the following goal and objective:

Goal 3: Improve Community Appearance

Objective 3: Enhance landscaping – Update Existing Landscape along the Corridor

SUSTAINABILITY FEATURES

The 21st Century Library and Community Learning Center is a net-zero energy facility qualifying for LEED Platinum Certification. The Regional Fire Training Center Improvement Project will include sustainability features such as minimum LEED Silver Certification, or better, and zero net energy. Additional energy efficiency improvements, such as LED lighting improvements and energy efficient windows, were completed as part of the retrofits at Fire Stations 1-5.

PUBLIC CONTACT

The agenda for this item was posted in compliances with the California Brown Act.

NEXT STEPS

Staff will continue to prioritize the completion of current and future Capital Improvement Projects, and look for ways to utilize revenues to achieve the promises of Measure C and remain exemplary stewards of the funds available through Measure C.

Prepared and Recommended by: Nicole Gonzales, Budget Officer
Dustin Claussen, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read 'K McAadoo', written in a cursive style.

Kelly McAadoo, City Manager

Updated September 2018

| Measure C 20-Year Financial Forecast | | | | | | | | | | | | | | | | | | | | |
|---|------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 10-Year Ref. Fiscal Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 | FY 2033 | FY 2034 |
| Revenues | | | | | | | | | | | | | | | | | | | | |
| Measure C | 8,090,470 | 13,436,227 | 14,189,607 | 15,154,973 | 15,187,504 | 15,656,252 | 16,117,581 | 16,579,210 | 17,040,238 | 17,501,667 | 17,851,700 | 18,208,734 | 18,572,909 | 18,944,367 | 19,323,255 | 19,709,720 | 20,103,914 | 20,505,992 | 20,916,112 | 21,334,434 |
| Bond Issuance | | 65,789,797 | | | | | | | | | | | | | | | | | | |
| Other Partnering Contributors | | | | | 10,000,000 | 10,000,000 | | | | | | | | | | | | | | |
| Total Revenues | 8,090,470 | 79,226,024 | 14,189,607 | 15,154,973 | 25,187,504 | 25,656,252 | 16,117,581 | 16,579,210 | 17,040,238 | 17,501,667 | 17,851,700 | 18,208,734 | 18,572,909 | 18,944,367 | 19,323,255 | 19,709,720 | 20,103,914 | 20,505,992 | 20,916,112 | 21,334,434 |
| Expenditures | | | | | | | | | | | | | | | | | | | | |
| Capital Expenditures | | | | | | | | | | | | | | | | | | | | |
| Library/Learning Center | | 10,607,338 | 17,372,241 | 16,217,628 | 17,282,372 | | | | | | | | | | | | | | | |
| Fire Facilities Design | | 930,859 | 1,285,242 | 686,008 | | | | | | | | | | | | | | | | |
| Fire Station 1 | | | 358,293 | 766,707 | | | | | | | | | | | | | | | | |
| Fire Station 2 | | | 587,183 | 2,060,513 | | | | | | | | | | | | | | | | |
| Fire Station 3 | | | 472,826 | 1,902,173 | | | | | | | | | | | | | | | | |
| Fire Station 4 | | | 114,900 | 2,083,700 | | | | | | | | | | | | | | | | |
| Fire Station 5 | | | 75,973 | 1,774,027 | | | | | | | | | | | | | | | | |
| Fire Station 6 | | | 681,043 | 5,981,992 | 3,500,000 | 2,500,000 | | | | | | | | | | | | | | |
| Fire Training Academy | | | | | 25,187,000 | 23,500,000 | | | | | | | | | | | | | | |
| Street Rehabilitation | | 490,845 | 10,554,232 | 954,923 | | | 12,000,000 | | | 2,000,000 | | | | | | | | 2,000,000 | | |
| Street Slurry Seal | | | | | | | | | | | | | | | | | | | | |
| Police Building Rehab | | | | | | | | | 4,000,000 | 1,000,000 | | | | | | | | | | |
| Other Projects | | | | 15,000 | 300,000 | | | | | 1,000,000 | 4,000,000 | | 4,000,000 | 4,000,000 | 4,000,000 | | | | | |
| Subtotal | - | 12,029,042 | 31,501,932 | 32,442,670 | 46,269,372 | 26,000,000 | 12,000,000 | - | 4,000,000 | 4,000,000 | 4,000,000 | - | 4,000,000 | 4,000,000 | 4,000,000 | - | - | 2,000,000 | - | - |
| Operating Expenditures | | | | | | | | | | | | | | | | | | | | |
| Police Services | | 569,836 | 1,793,135 | 1,935,133 | 2,686,402 | 2,874,450 | 3,075,662 | 3,290,958 | 3,521,325 | 3,767,818 | 4,031,565 | 4,313,775 | 4,615,739 | 4,938,841 | 5,284,559 | 5,654,478 | 6,050,292 | 6,473,812 | 6,926,979 | 7,411,868 |
| Maintenance Services | 205,969 | 708,249 | 601,999 | 610,926 | 794,524 | 850,141 | 909,651 | 973,326 | 1,041,459 | 1,114,361 | 1,192,366 | 1,275,832 | 1,365,140 | 1,460,700 | 1,562,949 | 1,672,355 | 1,789,420 | 1,914,680 | 2,048,707 | 2,192,117 |
| Subtotal | 205,969 | 1,278,084 | 2,395,134 | 2,546,059 | 3,480,926 | 3,724,591 | 3,985,312 | 4,264,284 | 4,562,784 | 4,882,179 | 5,223,931 | 5,589,606 | 5,980,879 | 6,399,540 | 6,847,508 | 7,326,834 | 7,839,712 | 8,388,492 | 8,975,687 | 9,603,985 |
| Debt Service Expenditures | | | | | | | | | | | | | | | | | | | | |
| | | 2,326,436 | 2,859,637 | 2,730,688 | 5,426,563 | 5,424,813 | 5,420,938 | 5,419,563 | 5,415,313 | 5,407,938 | 5,425,488 | 5,419,188 | 5,436,938 | 5,434,838 | 5,434,063 | 5,426,800 | 5,424,913 | 5,420,657 | 5,379,350 | 5,372,350 |
| Total Expenditures | 205,969 | 15,633,562 | 36,756,704 | 37,719,417 | 55,176,861 | 35,149,403 | 21,406,250 | 9,683,847 | 13,978,096 | 14,290,116 | 14,649,419 | 11,008,794 | 15,417,816 | 15,834,378 | 16,281,571 | 12,753,634 | 13,264,625 | 15,809,149 | 14,355,037 | 14,976,335 |
| Annual Cash Flow | 7,884,501 | 63,592,462 | (22,567,097) | (22,564,444) | (29,989,357) | (9,493,151) | (5,288,669) | 6,895,363 | 3,062,142 | 3,211,551 | 3,202,282 | 7,199,940 | 3,155,093 | 3,109,989 | 3,041,684 | 6,956,086 | 6,839,289 | 4,696,844 | 6,561,076 | 6,358,100 |
| Cumulative Fund Balance | 7,884,501 | 71,476,963 | 48,909,867 | 26,345,423 | (3,643,934) | (13,137,086) | (18,425,754) | (11,530,391) | (8,468,249) | (5,256,699) | (2,054,417) | 5,145,523 | 8,300,616 | 11,410,605 | 14,452,289 | 21,408,375 | 28,247,664 | 32,944,508 | 39,505,583 | 45,863,683 |