



DATE: April 18, 2017
TO: Mayor and City Council
FROM: Director of Library and Community Services
SUBJECT: FY 2018 Community Agency Funding Recommendations

RECOMMENDATION

That Council reviews and comments on this report. Staff has attached a draft funding resolution (Attachment III) that will be presented to the Council for adoption on May 2, 2017.

SUMMARY

The funding recommendations in this report were developed and formulated according to Council direction received during the October 18, 2016 work session, "[Review of Proposed Changes to the Community Agency Funding Process: Recommendations from the Community Services Commission](#)."

At the above noted work session, Council directed staff to make no changes to the existing funding process for the FY 2018 funding cycle, which is the subject of this report. However, Council also directed staff to schedule a joint work session of the Council and Community Services Commission to discuss Council priorities for the FY 2019 funding cycle. That joint work session is scheduled to take place on May 25, 2017.

The FY 2018 Community Agency Funding recommendations for the City of Hayward Social Services, Arts/Music, and Community Development Block Grant (CDBG) programs are presented in this report. The FY 2018 Community Agency Funding recommendations are summarized below and itemized in Attachment III.

Summary of FY 2018 Recommended Funding (All sources)

CATEGORY	AMOUNT
CDBG – Infrastructure, Jobs & Econ. Dev. grants to community agencies	315,233
General Fund - Social Services grants to community agencies	450,000
General Fund - Arts & Music grants to community agencies	81,955
Total Grants to Community Agencies	847,188
CDBG – City-operated programs and services for Hayward residents	510,268
CDBG – HUD-required fair housing activities	51,000
Total City-Operated Services and HUD-Required Fair Housing	561,268

GRAND TOTAL FY 2018 Recommended Funding (All Sources) \$1,408,456

The FY 2018 Community Agency Funding recommendations were developed by the Council-appointed Community Services Commission (CSC), in compliance with the City's federally-mandated and Council-authorized CDBG Citizen Participation Plan, and in accordance with the Council-authorized City of Hayward CDBG Compliance Policy Manual.

Social Services and Arts/Music allocations are sourced from the City of Hayward General Fund, and as such they are subject to final Council authorization in the City's FY 2018 Adopted Annual Budget. Allocations of FY 2018 CDBG funds are sourced in the CDBG special revenue fund, and as such they are subject to budget authorization by Congress.

Because the final adopted amounts of available FY 2018 funding are not yet known, the FY 2018 Funding Recommendations were established using estimates of available funding. When the exact amount of available funding has been determined, the Council-approved allocations will be adjusted on a percentage basis as needed.

DISCUSSION

Community Agency Funding Process

In FY 2018, the City of Hayward will make grant funding available to community agencies through the Community Agency Funding process. Grants are primarily sourced from the City of Hayward General Fund and the federal CDBG special revenue fund. From these sources, the estimated total amount of FY 2018 funding available for grants to community agencies is \$847,188.

All external agency applicants for Community Agency Funding used the same integrated application regardless of the type of service proposed or source of funding sought. Applicants submitted their funding requests electronically using the web-based City Data Services system. A complete set of application materials was also posted to the City's website.

The application materials included instructions, project eligibility guidelines, client income limits, and Council Priorities. Applicants were asked to describe in their applications how the services proposed would support one or more of the Council Priorities and, as applicable, HUD's CDBG Performance Measures. The application materials included an explanation of the purpose and limitations of the CDBG program and advised that no more than 15% of CDBG funds may be used for Public Services, as defined by HUD's CDBG regulations. The materials also included information about the City's Social Services program, which is funded by the City's General Fund, and provides grants to support services that are outside the parameters of the CDBG program. The application materials also included information about the Arts & Music program, which is funded by the City's General Fund.

Thirty-six applications were submitted before the December 19, 2016 deadline. No late applications were received. Applications were grouped into three major categories so that similar applications would be evaluated in cohorts as follows:

Community Agency Funding Categories and Sub-Categories

- Infrastructure, Jobs & Economic Development category. Funding Source: CDBG. Description: Affordable housing development; housing rehabilitation; nonprofit facility improvements; economic development; and capacity building. Requires compliance with federal regulations to document client income eligibility and financial management.
- Services category. Funding source: General Fund. Description: Crisis prevention and intervention; education and youth services; health and wellness; housing stability and homelessness prevention; services for seniors and people who have disabilities; and transportation related services to eligible low income seniors and people who have disabilities.
- Arts & Music category. Funding Source: General Fund. Description: Arts and music programs that benefit Hayward residents, with an emphasis on activities that support youth education.

Application Review Committee Structure

Community Services Commissioners reviewed all of the applications in all categories of Community Agency Funding (CDBG, Social Services, and Arts/Music), and provided comments and questions for each of the applicants online via the City Data Services system. There were three separate Application Review Committees (ARCs): the “Infrastructure, Jobs & Economic Development” committee; the “Services” committee; and the “Arts & Music” committee. Each committee interviewed all applicants assigned to that category.

- The “Infrastructure, Jobs & Economic Development” committee was chaired by Commissioner Arzo Mehdavi. Also serving on this ARC were Commissioners Araujo, Guzman, and Kassouf. The committee interviewed applicants in that category on Saturday, January 28, 2017, and presented preliminary recommendations to the Community Services Commission on Wednesday, February 15, 2017. The Commission established its official draft funding recommendations that evening, and a thirty-day Public Comment period was subsequently opened.
- The “Services” committee was chaired by Commissioner Linda Moore. Also serving on this ARC were Commissioners Fagalde, Isais, Glover-Gardin, and Davis. The committee interviewed applicants on Saturday, January 28th, and February 4, 2017 and presented preliminary funding recommendations to the Community Services Commission on Wednesday, February 15, 2017. After discussion, the Commission established its official draft funding recommendations that evening, and a thirty-day Public Comment period was subsequently opened.
- The “Arts & Music” committee was chaired by Commissioner and CSC Chair Ray Bonilla. Also serving on this ARC were Commissioners Balram, Zargar, Samayoa, and Roche. The committee interviewed applicants on Saturday, February 4, 2017, and presented preliminary funding recommendations to the Community Services Commission on Wednesday, February 15, 2017. After discussion, the Commission

established its official draft funding recommendations that evening, and a thirty-day Public Comment period was subsequently opened.

After the conclusion of the Public Comment periods, the Commission discussed and unanimously approved its FY 2018 funding recommendations at its publicly noticed meeting of Wednesday, March 15, 2017. The Community Services Commission FY 2018 funding recommendations for all funding sources (CDBG, Social Services, and Arts/Music) are provided for Council consideration as Attachment II.

All of the applications submitted proposed to support at least one City Council Priority, and all proposed to serve low-income Hayward residents. Attachment III presents the funding recommendations for all funding sources. There are several applicant agencies that were not recommended to receive funding. Brief analyses and rationale regarding each of those recommendations are provided in this report.

Minimum Contracting Standards for Nonprofit Agencies Requesting City Funds

The City's Minimum Contracting Standards were established in consultation with HUD and the Finance Department and approved by Council in FY 2011 for the CDBG, Social Services, and Arts & Music grant programs in order to provide a fair and consistent way to confirm that adequate internal controls exist to account for an applicant's resources, including City funds. Furthermore, the CDBG program has intensified its requirements with tighter fiscal controls and more frequent reporting and documentation. In turn, the City must also be attentive to a grantee's programmatic and financial management capabilities.

One of the Minimum Contracting Standards requires applicants to undergo an annual financial audit. An independent third-party audit can cost \$3,000 - \$5,000 or more depending on the size of an agency's budget, which can be beyond the means of some of Hayward's smaller nonprofit agencies unless they are able to secure pro bono services. To mitigate this barrier while still maintaining accountability, the City's funding process allows agencies that are unable to meet the Minimum Contracting Standards to apply for funding through an eligible fiscal sponsor. The fiscal sponsor may utilize up to 10% of the awarded funds to offset their administrative costs for managing the grant on the applicant's behalf.

In FY 2018 as in past years, all applicants were required to maintain the Minimum Contracting Standards prior to applying for City funding. This is the third year in which it is required for Arts & Music programs. To assist the Arts & Music applicants to meet the standards, City staff for the fourth consecutive year identified a fiscal sponsor for all of those agencies (Hayward Area Historical Society), and helped facilitate the fiscal sponsorship and application processes with applicants and the fiscal sponsor.

To ensure that grantees had sufficient capacity to meet the Minimum Contracting Standards, applicants were required to attach the agency's most recent annual financial audit, agency-wide budget, and proposed project budget to their grant proposal. Proposals that did not include these required attachments were deemed ineligible for funding. Applicants were advised of the requirements in the published Notice of Available Funding and at the Funding Forum. The application materials also clearly indicate that agencies are required to meet the Minimum Contracting Standards in order to be eligible for City funding. Additional

clarification regarding the audit requirement is provided on page 3 of the application materials, as follows:

"In order to be eligible to apply for City funding, an applicant must have completed an independent fiscal audit for FY 2013-2014 (or calendar year 2014). If awarded funding, in order to execute a FY 2016-2017 contract, each agency must have completed an independent fiscal audit for FY 2014-2015 (or calendar year 2015). Submission of the management letters that accompanied the audits is also required. If there were any findings in the audits, a letter from the board of directors explaining the corrective measures taken to resolve the problem(s) must be provided.

"Agencies that do not have a current audit as described above are eligible to apply for City funding only under the auspices of a fiscal agent that can meet this standard. The fiscal agent must apply for the funding, and if granted, the fiscal agent may utilize up to 10% of the grant for its own expenses."

All of the FY 2018 applicants were determined to be able to meet the fiscal audit standard and eligible to receive City funding. In past years when there were ineligible applicants, staff conferred with each of the applicants to further explain the specifics of an independent fiscal audit, options for applying through a fiscal sponsor, and other eligibility resources which the applicants can explore for future funding cycles.

FY 2018 CDBG Program Overview

During FY 2018, the City will administer CDBG funds received from the U.S. Department of Housing and Urban Development (HUD). Because of Hayward's population size, it is considered a CDBG Entitlement jurisdiction. Formula funding is provided annually upon HUD's approval of Council's CDBG allocations, which form the substantive portion of the City's CDBG Annual Action Plan. The formula by which CDBG Entitlement funding is determined considers the total Congressional budget appropriation to HUD, and is calculated according to each Entitlement jurisdiction's population size and poverty level derived from the most recent Census data.

In recent years, reductions in the federal budget have diminished the City's CDBG Entitlement formula allocation from HUD. The City's CDBG Entitlement allocation has shrunk approximately 24% over the last six fiscal years.

On February 27, 2017, the Trump Administration unveiled its "America First" budget proposal containing \$54 billion in reductions to domestic programs. The budget proposal included the complete elimination of the \$3 billion CDBG program. If that budget proposal is ultimately enacted by Congress, then the City of Hayward would no longer receive any CDBG entitlement allocation. In FY 2017, the City of Hayward's final CDBG entitlement allocation was \$1,405,002.

Subsequent reports out of Washington indicate that Congress is not likely to approve the complete elimination of the CDBG program due to its popularity and effectiveness at providing needed funds for infrastructure projects in particular; however, a severe reduction of up to 50% is a possibility. Perhaps more likely is a cut to CDBG in the range 12% to 17%,

consistent with proposed cuts to other domestic programs. However, at this time there is no clear indication from HUD nor from Congress exactly what reduction to the CDBG program, if any, will emerge from the other side of the federal budget development process.

CDBG Program Reconciliation Update

In FY 2015, HUD conducted a major thirty-year reconciliation of the entire City of Hayward CDBG program going back to its inception in 1986. As a result of that significant review, several recommendations were made by HUD for utilizing unspent funds on new projects, closing out inactive projects, and returning funds to the City's CDBG/HUD line of credit. CDBG regulations stipulate that funds must directly benefit low-income residents and neighborhoods, with activities restricted to "Infrastructure, Jobs and Economic Development" projects such as affordable housing development, housing rehabilitation, community facility rehabilitation, blight removal, economic development, and pavement reconstruction, among others.

Subsequent to the FY 2015 reconciliation process, staff implemented a biennial comprehensive review of all unspent and underspent CDBG projects, including program income received from revolving loan funds, to ensure that future reconciliations would not accumulate to a too-large degree. Staff is in the process of finalizing the FY 2017 biennial review and will present the results to Council along with any recommended next steps at the joint work session on May 25, 2017.

FY 2018 Fair Housing and City-Operated Programs Overview

The City of Hayward utilizes a portion of its CDBG entitlement grant to operate programs that deliver critical services to low-income Hayward residents; stimulate economic development and create jobs; and ensure fair housing practices in the community. The utilization of CDBG entitlement funds to deliver direct services to the community is the standard practice among CDBG entitlement jurisdictions since the 1970s, including Hayward. The CDBG entitlement jurisdiction is often the most efficient and effective service provider in their community in identified areas of need due to its organizational capacity, infrastructure, authority, and ability to leverage partnerships and economy of scale. This is also the case in Hayward.

Per the City of Hayward CDBG Compliance Policy Manual adopted by Council on October 21, 2014, in each CDBG program year, the costs of program administration, HUD-required fair housing activities, and City of Hayward operated CDBG projects are subtracted from the annual entitlement award amount. After this internal allocation process is complete, remaining funds are made available to eligible community partner and public services applicants through the Community Agency Funding process. All CDBG funding allocations including internal allocations and external grants are subject to final approval at the discretion of Council.

An overview of HUD-required fair housing activities and City of Hayward operated projects sourced from CDBG funds in FY 2018 follows (Total Allocation = \$561,768):

- *Housing Rehabilitation Program.* The Housing Rehabilitation Program offers loans and grants for home repairs to Hayward homeowners who are senior (62+), certified severely disabled, or HUD qualified low-income. Projects are focused on improving health, safety, and mobility in the home, and are intended to help vulnerable

populations with limited income to continue to live independently in their homes. Repairs are restricted to accessibility/mobility modifications, corrections of code violations, and/or addressing major systems failures in eligible owner-occupied homes. Established in 1977, the program completes approximately 35-40 home rehabilitation and accessibility projects per year. FY 2018 program cost: \$349,500.

- *Family Education Program:* The Family Education Program (FEP) delivers literacy and academic support services to low-income Hayward families. Established in 2009, the Family Education Program is a unique collaboration between the City of Hayward homework/adult literacy tutoring programs, Chabot Community College, and Hayward Unified School District. The program delivers after-school academic support to 3,200 Hayward students in grades K-12, as well as English as Second Language (ESL) literacy tutoring services to approximately 150 parents of Hayward students. FY 2018 program cost: \$161,268.
- *Fair Housing Requirement:* One of the Department of Housing and Urban Development's guiding principles is its strong commitment to affirmatively further fair housing. Commitment and accountability in fair housing is a requirement for participating in the Community Development Block Grant (CDBG) Program. Eden Council for Hope and Opportunity (ECHO Housing) is a HUD-qualified agency fair housing agency, and has provided the fair housing component of the City of Hayward CDBG program since 1978. ECHO Housing provides fair housing counseling, carries out fair housing investigations, and provides low income individuals/tenants with legal information for education and self-empowerment. FY 2018 program cost: \$51,000, the same as in FY 2017.

FY 2018 Social Services Program Overview

The City of Hayward administers grants from the General Fund to support Social Services programs for the benefit of low-income Hayward residents. Because Social Services program funds are sourced from the City's General Fund, it is not yet known what amount of Social Services funding, if any, will be available for allocation in FY 2018. Presentation of the City Manager's Recommended Budget to Council is scheduled in May 2017; Council adoption of the budget is scheduled in June 2017.

As a starting point for the FY 2018 Community Agency Funding process when it began in October 2016, staff estimated that total funding available for Social Services grants in FY 2018 would be the same level as in the previous fiscal year: approximately \$450,000. Social Services grants are sourced from the General Fund, and this total can be changed at Council's discretion. The FY 2018 Social Services funding recommendations are shown in Attachment II.

FY 2018 Arts & Music Grant Program Overview

The City of Hayward administers grants from the General Fund to support Arts & Music programs for the benefit of Hayward residents. Because Arts & Music programs are funded from the City's General Fund, it is not yet known what amount of Arts & Music funding, if any, will be available until Council adoption of the FY 2018 budget.

As a starting point for the FY 2018 Community Agency Funding process, staff estimated that the funding for Arts & Music program grants in FY 2018 would be comparable to the FY 2017 amount, totaling \$81,955. The FY 2018 Arts & Music funding recommendations are shown in Attachment II.

FY 2018 Applications Not Recommended for Funding

- Close Up Foundation – Civic Education Expansion: Agency requested funds to provide scholarships for week long, hands on education in Washington, D.C. The Application Review Committee felt that it would be difficult to evaluate the effectiveness of the program and there are programs that can provide data requesting the same funding dollars.
- Community Resources for Independent Living – Independent Living and Housing Services: Agency requested funds to provide services of comprehensive life skills training & support, coupled with affordable, accessible housing search assistance. The Application Review Committee felt that the application could be funded through alternate sources.
- East Bay Community Recovery Project – Hayward Services: Agency requested funds to install new carpet and phone lines throughout the office building at 22971 Sutro Avenue in Hayward. The Application Review Committee felt that the proposed upgrades were not essential to client service delivery. The lack of an Capital Improvement Plan made it unclear what facility needs should receive priority.
- East Bay Agency for Children – Child Assault Prevention Program: Agency requested funds to provide and expand anti-bullying trainings at various Hayward School sites. Application Review Committee felt that the nature of the program outcomes were difficult to track.
- Eden Area YMCA – Teen Leadership Development: Agency requested funds for staff salary for their Youth & Government Program which is a state-wide educational program with hands on experience of state government. While the Application Review Committee felt this is a good program, they did not feel it is was as high a priority as other programs requesting the same funding.
- Family Paths – Child Abuse and Prevention and Treatment Program: Agency requested funds for Parent Educators to operate their Positive Parenting Class series. While the Application Review Committee felt this is a good program, they felt that their services are duplicative of other agencies that focus on abused and at-risk youth.
- New Community Pathways – Rally Point Veterans Housing Program: Agency requested funds for staff salary and rent for a new program to utilize VASH vouchers to house veterans. The Application Review Committee expressed concern that the program would be new and had no record of accomplishment. They also felt that the budget proposal was unrealistic and felt that the fiscal sponsorship relationship was lacking oversight.
- Safe Alternatives to Violent Environments – Community Oriented Prevention Services (COPS): Agency requested funds for a COPS advocate to operate out of Hayward PD part time. While the Application Review Committee felt that this is a good program, they felt that their services are duplicative of other agencies that focus on domestic violence.

- Silver Oak High School – Russell City Greens: Agency requested funds for the Russell City Greens project, which plans to provide low-income clients vegetable gardens by focusing primarily on supplying low-income residents with ready-to-plant seedlings to produce their own healthy and nutritious gardens. The Application Review Committee felt that there is no measurement or oversight of the program outcomes. They felt it would be difficult to evaluate the effectiveness of the program and there are programs that can provide data requesting the same funding dollars.
- Women on the Way – Men on the Way Program: Agency requested funds for utilities and administrative services costs at their treatment program site. The Application Review Committee expressed concerns that the program had no data regarding program performance or participant recidivism rates.

FISCAL IMPACT

Because the final adopted amounts of available FY 2018 funding are not yet known, the FY 2018 Funding Recommendations were established using estimates of available funding. When the exact amount of available funding has been determined, the Council-approved allocations will be adjusted on a percentage basis as needed.

The CDBG Program has a neutral impact on the City's General Fund, as a portion of CDBG funds (up to 20%) may be used to pay for eligible Planning and Administration of the program, including NEPA environmental review, contracting, Labor Standards monitoring, lead-based paint compliance, procurement of contractors, site inspections, financial management, and federal reporting. However, as the City's CDBG grant size is reduced, and as program income diminishes, the administrative cap is lowered accordingly, providing for fewer staff resources to administer the CDBG program, which remains an administratively complex and process-laden program despite the grant's reduced size.

On February 27, 2017, the Trump Administration unveiled its "America First" budget proposal containing \$54 billion in reductions to domestic programs. The budget proposal included the complete elimination of the \$3 billion CDBG program. If that budget proposal is ultimately enacted by Congress, then the City of Hayward would no longer receive any CDBG entitlement allocation. In FY 2017, the City of Hayward's final CDBG entitlement allocation was \$1,405,002.

Subsequent reports out of Washington indicate that Congress is not likely to approve the complete elimination of the CDBG program due to its popularity and effectiveness at providing needed funds for infrastructure projects in particular; however, a severe reduction of up to 50% is a possibility. Perhaps more likely is a cut to CDBG in the range 12% to 17%, consistent with proposed cuts to other domestic programs. However, at this time there is no clear indication from HUD nor from Congress exactly what reduction to the CDBG program, if any, will emerge from the other side of the federal budget development process.

The Social Services and Arts & Music funding recommendations will be affected by Council's budget deliberations as they relate to overall General Fund obligations. Council has complete discretion and authority to change, increase, or decrease the total amounts in these two categories at will, within the context of the General Fund budget deliberations. If the final

amounts of Social Services or Arts & Music funding are reduced during budget deliberations, then individual grants would be adjusted on a percentage basis accordingly.

Because Social Services and Arts & Music grants are made using the General Fund, reducing or eliminating the grants would have a beneficial impact on the City's budget. However, it is acknowledged that the majority of Social Services grants in particular support "safety net" services (i.e., food, housing, support services for low-income people, and information and referral). Reducing or eliminating grants would have a fiscal impact on those affected with services also subsequently reduced or eliminated. There would also be an impact to the nonprofit agencies that have been doubly stressed by the economic downturn – those that have experienced both an increase in client demand and a decrease in public and private funding.

PUBLIC CONTACT

- On **October 14, 2016, a Notice of Funding Availability** was published in English and Spanish in the Daily Review newspaper and on the City's website. The notice was also posted at the Hayward Public Library and City Hall; and the Public Notice was emailed on October 14, 2016 to currently funded agencies, previously funded agencies, applications from previous years, and all other interested parties on the Community Agency Funding mailing list (several hundred individuals and local agencies) maintained by the Library and Community Services Department. Several broadcast email reminders were also sent in advance of the event.
- On **November 16, 2016**, application materials were published. The materials were readily accessible by logging onto City Data Services web-based system, or downloadable from the city's website. Also on this date, a public Funding Forum was conducted to provide information about the application process. Attendees received an orientation to CDBG, Social Services and Arts & Music funding. The orientation included an explanation of the purpose and limitations of the CDBG program and advised that up to 15% of CDBG funds may be used for Public Services, as defined by the CDBG Regulations and Council's Priorities and Categories of Need. Attendees were informed about the City's Social Services program, which is funded by the City's General Fund and provides grants to support other types of community services that are outside the parameters of the CDBG program. Attendees were also informed about the Arts & Music program, which is funded by the City's General Fund. The Forum presentation materials have been posted to the City's website for public review.
- All funding deliberations took place at properly noticed Community Services Commission meetings that were open to the public. These meetings took place on:
 - February 15, 2017 – Community Services Commission Meeting
 - March 15, 2017 – Community Services Commission Meeting.
- From **February 15, 2017 through March 15, 2017**, the Public Comment period for the recommendations in all categories were in effect. During this time, members of the public, including applicants, could submit their comments regarding the funding process or the funding recommendations. Notification of draft recommendations was sent to applicants and interested parties through electronic mail, and posted on the

City of Hayward website. During this public comment period, no verbal or written public comments were submitted by March 15, 2017.

- On **Wednesday, March 15, 2017**, the Community Services Commission held a public meeting after which the Commission voted unanimously to approve the FY 2018 funding recommendations and present them to the City Council as shown in Attachment II to this report.
- On **Friday, March 17, 2017**, a notice was published in the Daily Review newspaper, in both English and Spanish to advise the general public that the City Council would conduct a work session on Tuesday, April 18, 2017, regarding FY 2018 funding allocations (subject to final approval by Council in June 2017, with the adoption of the FY 2018 General Fund budget). Notification was also sent through electronic mail to all applicants and interested parties, and posted on the City of Hayward website.
- On **Tuesday, April 18, 2017**, a City Council Work Session will be held to present and review the FY 2018 funding recommendations in the CDBG, Social Services and Arts & Music categories.
- On **Tuesday, May 2, 2017**, a Public hearing will be held regarding the FY 2018 funding recommendations at the City Council meeting.

REFERENCE LINKS

- City of Hayward. *CDBG Citizen Participation Plan*. 2016. <http://www.hayward-ca.gov/services/city-services/community-agency-funding>
- City of Hayward. *CDBG Compliance Policy Manual*. 2014. <http://www.hayward-ca.gov/your-government/departments/library-community-services/programs/community-development-block-grant-cdbg>
- City of Hayward. *Community Services Commission information webpage*. 2016. <http://hayward-ca.gov/your-government/boards-commissions/community-services-commission>
- City of Hayward. Council Work Session. "Review of Proposed Changes to the Community Agency Funding Process: Recommendations from the Community Services Commission." October 18, 2016. <https://hayward.legistar.com/LegislationDetail.aspx?ID=2860800&GUID=DF2392EA-7844-457B-AEBB-521F39496515&Options=&Search=>
- City of Hayward. *FY 2017 Community Agency Funding Recommendations including Community Development Block Grant (CDBG), Social Services, and Arts/Music; and Discussion of the CDBG Annual Action Plan and the CDBG Citizen Participation Plan*. 2016. <https://hayward.legistar.com/LegislationDetail.aspx?ID=2679985&GUID=D5CBA3C0-453B-4118-A49F-A616392AD33D&Options=&Search=>

- United States Government Publishing Office. *Code of Federal Regulations, 24 CFR Part 5 Affirmatively Furthering Fair Housing*. 2016. <http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=24:1.1.1.1.5>
- United States Government Publishing Office. *Code of Federal Regulations, 24 CFR 91.10 Consolidated Program Year*. 2016. http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=0793e3af881102bfe9d7c131b058176f&ty=HTML&h=L&mc=true&n=pt24.1.91&r=PART#se24.1.91_110
- United States Government Publishing Office. *Code of Federal Regulations, 24 CFR 91.105 Citizen Participation Plan for local governments*. 2016. http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=0793e3af881102bfe9d7c131b058176f&ty=HTML&h=L&mc=true&n=pt24.1.91&r=PART#se24.1.91_1105

NEXT STEPS

Staff recommends that the Council convene a public hearing on Tuesday May 2, 2017, at which time the staff will recommend that the Council:

- 1) Authorizes the FY 2018 CDBG Allocations, which will form the substantive portion of the City's FY 2018 (HUD Program Year 2017) Annual Action Plan; and
- 2) Authorizes preliminary funding decisions in the FY 2018 Social Services and Arts/Music categories. Final Council authorization of funding allocations in those categories will be made within the context of Council FY 2018 budget deliberations in May and June of 2017.

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Approved by:



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