



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 15-116, **Version:** 1

DATE: September 15, 2015

TO: Mayor and City Council

FROM: Director of Library & Community Services

SUBJECT

Adoption of a Resolution to Accept a Housing Related Parks Program Funding Allocation

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment I): a) approving the Acceptance of a Housing Related Parks Program funding allocation for the 2014 Designated Program Year from the State of California Department of Housing and Community Development, and b) authorizing the City Manager to execute the State of California Standard Agreement and any and all other documents required or deemed necessary to secure the Housing Related Parks Program Grant from the Department.

BACKGROUND

On December 10, 2014, the State of California Department of Housing and Community Development (the Department) released the 2014 Designated Program Year (DPY) Notice of Funding Availability (NOFA) for the Housing-Related Parks Program (HRPP, the Program) grant funding. The HRPP, which is funded through Proposition 1C, the Housing Emergency Shelter Trust Fund Act of 2006, is a program that rewards jurisdictions that create housing affordable to very-low and low-income households (households with incomes up to 50% and up to 80% of AMI, respectively) by providing funding to create and/or improve parks and recreational facilities that provide benefits to the community. Approximately \$35 million was available statewide for the 2014 DPY.

In response to the NOFA, on January 27, 2015, the City Council, through the adoption of Resolution No. 15-018 authorized staff to submit a Program funding application (the report is available at:

<http://www.hayward-ca.gov/CITY-GOVERNMENT/CITY-COUNCIL-MEETINGS/2015/CCA15PDF/cca012715full.pdf>), see item No. 8) which was due February 5, 2015.

DISCUSSION

At the time Council authorized staff to submit the Program application, staff projected receiving a grant allocation of approximately \$620,000. This estimate assumed the maximum funding for the creation of affordable units in three Eden Housing, Inc. (Eden) projects: the Leidig Court Apartments; the B & Grand Senior Housing Apartments; and the South Hayward BART Affordable Project. However, because the goal of staff was to pursue the maximum amount of funding, staff continued to search for eligible affordable units

permitted, substantially rehabilitated, converted, and/or preserved in Hayward from January 1, 2010 through December 31, 2014 (this is actually the period encompassing the 2014 DPY) for inclusion in the application. Thus, with the help of Eden representatives, staff was able to identify additional projects eligible for funding in the 2014 DPY. Included among those additional projects were the substantial rehabilitation of Tennyson Gardens Apartments, which was approved by Council in 2009 but completed within the DPY period.

The Department has issued a letter approving a conditional 2014 DPY funding allocation in an amount not to exceed **\$1,082,475**. This award is approximately \$450,000 in excess of staff's initial projections. The increase is attributed to the affordable housing units from additional eligible projects identified by staff after the January 27 Council meeting but prior to the submittal of the funding application in February 2015.

As a condition to executing the State of California Standard Agreement and funding the grant, the Department is requiring that the City Council adopt a resolution approving the acceptance of the HRPP grant in the amount not to exceed \$1,100,000. To satisfy the Department's request, staff is recommending that Council approve the attached resolution authorizing acceptance of a HRPP grant allocation for the 2014 DPY from the Department in an amount not to exceed \$1,100,000 and authorizing the City Manager to execute the State of California Standard Agreement and any and all other documents required or deemed necessary to secure the HRPP grant from the Department.

As mentioned in the January 27 staff report regarding the Program application, in consultation and coordination with staff from the Hayward Area Recreation District (HARD), City staff proposes to use the funding award for the purchase of land for future development of the Valle Vista Park (the Site),(a group of six undeveloped parcels currently zoned for public use generally located on the southern corner of Valle Vista Avenue and Mission Street), which is an eligible use of the Program funds. Staff estimates that the award would allow the City to purchase two of the parcels at the Site, which are currently owned by CalTrans. The grant will help the City complete assembly of the Site for development as a park (all the other parcels at the Site are already owned by the City or HARD).

ECONOMIC IMPACT

As mentioned earlier in this report, the HRPP provides jurisdictions a financial reward for the creation of a public good (affordable housing) to create or improve another much-needed public good (parks). Developing the Valle Vista site as a park will greatly benefit present and future residents of an area that is rapidly developing with housing and other urban uses and where, therefore, the need for spaces for recreation or play will continue to grow.

FISCAL IMPACT

There is no fiscal impact on the City to receive the Program funds.

PUBLIC CONTACT

On January 27, 2015 during its regular meeting, the City Council authorized staff to submit a Program funding application. However, receiving the Program funding does not require any public outreach. Staff has worked closely with HARD staff on the development of the park proposal to document its eligibility for HRPP funding. To the extent required, City and HARD staff will conduct a separate public outreach process for the development of the Valle Vista Park at the Site.

NEXT STEPS

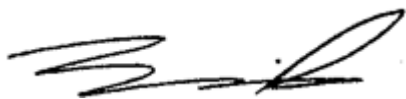
No other Council action will be required if the resolution hereby attached as Attachment I is adopted. Adoption of this resolution will authorize the acceptance of a HRPP grant allocation for the 2014 DPY from the Department in an amount not to exceed \$1,100,000 and also authorize the City Manager to execute the State of California Standard Agreement and any and all other documents required or deemed necessary to secure the HRPP grant from the Department.

The funding allocation expenditure deadline is June 30, 2017. Staff is confident that the funds will be spent on eligible expenses several months prior to that deadline.

Prepared by: Omar Cortez, Housing Development Specialist

Recommended by: Sean Reinhart, Library and Community Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I

Resolution