



CITY OF HAYWARD

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Cover Memo

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DATE: June 3, 2021

TO: Homelessness-Housing Task Force

FROM: Assistant City Manager

SUBJECT

Provide Comments on Proposed Federal Stimulus Housing Programs

RECOMMENDATION

That the Homelessness-Housing Task Force (HHTF) reviews this report and provides input on the proposed Federal stimulus housing programs and allocations.

SUMMARY

On April 27, 2021, Council adopted a resolution authorizing the acceptance of the Federal stimulus allocation under the American Rescue Plan Act of 2021 (ARPA) to address the economic and fiscal impacts of the COVID crisis in the City of Hayward and provided comments on a detailed expenditure plan and process for allocating the funds. The City of Hayward is estimated to receive approximately \$38 million in local relief from the federal government to address the internal and external needs of the City associated with the COVID crisis. The draft expenditure plan proposed allocations to promote Fiscal Recovery & Stabilizing City Operations, as well as Community Safety & Economic Recovery, which prioritizes the external needs of the community. Under the Community Safety & Economic Recovery Category, \$10 to \$14 million was identified for programs related to housing and homelessness.

In May, the United States Treasury issued the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule that provides guidelines on how State and local governments should implement ARPA and allocate any funds received pursuant to ARPA (Guidelines). Housing and homelessness programs are explicitly eligible under the Guidelines and remain unchanged in the City's proposed expenditure plan.

The proposed federal stimulus housing programs have been identified based on multiple factors including Hayward housing needs, anticipated foreclosures, existing protections, impacts of the history of systemic racism and disparate impacts of COVID-19. The stimulus expenditure plan to address homelessness is discussed in a concurrent report. Specifically, staff recommends reserving \$4.25 million of federal stimulus funding to the following housing programs:

- Foreclosure Prevention Loan Program for low-income homeowners - \$1,000,000
- Relocation Assistance Emergency Fund for displaced tenants - \$250,000
- Wealth Building Program possibly as a reparations program for Black residents to mitigate the impact of systemic racism and the compounding disparate impacts of COVID-19 - \$2,000,000
- Tax-Defaulted and Foreclosed Property Acquisition Assistance Programs to stabilize defaulted property and to facilitate ownership by community members - \$1,000,000

Staff recommends that the HHTF support allocation of funds to the Foreclosure Prevention Loan Program and the Relocation Assistance Emergency Fund for implementation in FY 2022. The Wealth Building Program and the Tax Defaulted and Foreclosed Property Acquisition Assistance Program are included as initial concepts for feedback. If supported by the HHTF, staff would return to the HHTF in FY 2023 with fully developed programs for consideration. Again, staff will return to Council with a budget appropriation for expenditure of stimulus funding in July 2021. Funding provided under the Federal stimulus must be fully expended by December 2024.

ATTACHMENTS

Attachment I Staff Report