



CITY OF HAYWARD

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

Cover Memo

File #: PH 19-044, **Version:** 1

DATE: May 14, 2019

TO: Mayor and City Council

FROM: Deputy City Manager

SUBJECT

Approval of FY 2020 Community Agency Funding Recommendations and FY 2020 Community Development Block Grant Annual Action Plan

RECOMMENDATION

That Council:

1. Affirms the Community Services Commission's FY 2020 community agency funding recommendations as outlined in Attachment II, with final Council authorization of funding allocations for the Social Services and Arts and Music categories made within the context of the Council's FY 2020 budget to be adopted in May 2019;
2. Adopts a resolution (Attachment III) authorizing the City Manager to submit an application for the Community Development Block Grant (CDBG) Program for U.S. Department of Housing and Urban Development (HUD) Program Year 2019, including the City of Hayward Fiscal Year 2020 CDBG Annual Action Plan with the FY 2020 CDBG funding allocations; and
3. Reviews recent projects completed to meet timeliness.

SUMMARY

FY 2020 Community Agency Funding

The total funding available as part of the FY 2020 Community Agency Funding process is \$1,686,847. Listed below is a summary of the funding recommendations.

Table 1: Summary of FY 2020 Recommended Funding (All Sources)

Category	Funding for	Available Funding	Recommended Amount
Competitive Funds Pool			
Infrastructure, Econ Dev, & Public Serv	Community Agencies & City-Operated Programs	\$1,201,710	\$848,551
Arts & Music	Community Agencies	\$86,000	\$86,000
Social Services	Community Agencies	\$399,137	\$399,137
Total CSC Recommendations		\$1,686,847	\$1,343,688
Noncompetitive Funds			
Referral Services	Eden I&R	\$51,813	\$51,813
HUD Required Fair Housing Services	Community Agency	\$25,000	\$25,000
Total Referral & Fair Housing Services		\$76,813	\$76,813

In total, \$873,551 of CDBG funds are recommended in the Infrastructure, Economic Development, Public Services, and Fair Housing categories, and \$536,950 from General Fund is recommended for funding in the Arts & Music, Social Services, and Referral Services categories. Attachment II provides a more detailed summary of the Community Services Commission recommendations by category, agency, program, and funding amounts. The funding recommendations in this report include Council’s feedback from the April 2, 2019 Council work session.

In April 2019, the City was notified of its FY 2020 CDBG entitlement in the amount of \$1,502,138. Table 2 provides a summary of all anticipated CDBG resources for FY 2020.

Table 2: Anticipated Resources

Anticipated Resources	Program Year 2019 Funding Amount
Annual Allocation	\$1,502,138
Program Income:	\$188,205
Prior Year Resources	\$515,000
Total:	\$2,205,343

FY 2020 CDBG Annual Action Plan

In the City’s draft Annual Action Plan, staff proposes to allocate CDBG funding as follows:

Table 3: Summary Funding by Project Category

1. Administration & Planning	\$300,427
2. Acquisition, Disposition, Clearance & Relocation	\$571,366
3. Economic Development	\$339,999
4. Housing	\$300,000
5. Public Facilities & Infrastructure Improvements	\$440,000
6. Public Services	\$253,551

Total

\$2,205,343

FY 2019 Timeliness Update

The CDBG program annually provides formula entitlement grants to states and local governments with populations greater than 50,000. Annually on May 2, HUD conducts a point-in-time measure to assess an entitlement community's timely use of CDBG funds. To meet this "timeliness ratio," communities must have no more than 1.49 times their current program year entitlement in fund reserves.

In December 2018, staff sought guidance from Council and approval of a contingency plan to re-allocate up to \$1.75M in available CDBG funds to eligible projects. After successfully spending down the City's CDBG fund balance, the City's current timeliness ratio is 1.27, and by the end of the Fiscal Year will be below 1.0. In total across FY 2019, the City of Hayward spent \$4.6M in CDBG funds to create and maintain affordable housing, prevent homelessness, provide services for low-income and individuals and families, improve public facilities, and create economic development opportunities for all.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	CDBG and Social Services Final Funding
Attachment III	Resolution