



CITY OF HAYWARD

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Cover Memo

File #: CONS 24-080, **Version:** 1

DATE: March 5, 2024

TO: Mayor and City Council

FROM: Assistant City Manager

SUBJECT

Adopt a Resolution Amending Resolution Numbers 23-154 and 22-299 to Clarify that the City's Homekey Partnership is with Bay Area Community Services Housing Corporation and to Specify that Council Authorizes the City Manager or her Designee to Negotiate and Execute Documents Related to the Homekey Program

RECOMMENDATION

That the Council adopts a resolution (Attachment II) amending Resolution Nos. 23-154 and 22-299 to clarify that the entity the City is partnering with for its Round 3 Homekey application is Bay Area Community Services Housing Corporation and to specify that documents related to Homekey may be negotiated and executed by the City Manager or her designee.

SUMMARY

On June 20, 2023, Council adopted Resolution 23-154 authorizing a joint application with Bay Area Community Services (BACS) and the City of Union City for the State Homekey Program to fund the City's Scattered Site Housing program, called Project Reclamation. As a scattered site program, Project Reclamation involves acquiring multiple single-family homes and converting them to supportive shared housing, bringing housing for those experiencing chronic homelessness into existing residential communities with proximity to services, transport, and social connections.

In addition to applying for State Homekey funding to support Project Reclamation, the City received a State earmark of \$5.4 million for the program as part of the most recent State budget, Assembly Bill 179. Council adopted Resolution 22-299 on December 6, 2022, authorizing the City Manager to negotiate and execute a loan agreement with Bay Area Community Services for acquisition, rehabilitation, and operations associated with the scattered site program, using the AB 179 funding.

The City and its co-applicants received notice from the State Department of Housing and Community Development (HCD) in November 2023 that Project Reclamation received a conditional Homekey award. HCD laid out specific threshold requirements the City and its co-applicants had to meet by February 2,

2024, to be considered for a final award. After submitting these subsequent materials, HCD staff identified an inconsistency in language used across the application to refer to BACS and directed city applicants to amend applicable resolutions, changing references from “Bay Area Community Services” to “Bay Area Community Services Housing Corporation,” as the Bay Area Community Services Housing Corporation is the entity that will be making the capital transactions and managing the properties for Project Reclamation.

Resolution 22-299 addresses the Homekey threshold requirement for the City to provide an enforceable funding commitment for its local match. Resolution 23-154 demonstrates the Council’s authorization to apply for Homekey funding. Staff recommends that Council adopt a new resolution (Attachment II) amending each of these resolutions to address HCD’s feedback and clarify that the loan and Homekey partnership is with Bay Area Community Services Housing Corporation. Staff also recommends that, for consistency, each resolution be updated to reflect that Council authorizes the City Manager or her designee to negotiate and execute all documents related to the Homekey program.

ATTACHMENTS

Attachment I Staff Report
Attachment II Resolution