



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: PH 20-021, **Version:** 1

DATE: April 28, 2020

TO: Mayor and City Council

FROM: Deputy City Manager

SUBJECT

Community Development Block Grant (CDBG) COVID-19 Emergency-Related Funding: Adopt a Resolution Authorizing the City Manager to Implement a Contingency Plan for Allocation and Expenditure of Up to \$1.47 Million in Available CDBG Funds for COVID-19 Emergency Expenditures; and Approving a Substantial Amendment to the CDBG FY 2020 Annual Action Plan

RECOMMENDATION

That the City Council adopts a resolution (Attachment II):

1. Authorizing the City Manager to implement a plan to allocate and expend up to \$1.47 million in available CDBG funds for COVID-19 emergency expenditures; and
2. Approving a Substantial Amendment to the CDBG FY 2020 Annual Action Plan.

SUMMARY

Since 1975, the City of Hayward has administered Community Development Block Grant (CDBG) funds received from the U.S. Department of Housing and Urban Development (HUD). The City submits an Annual Action Plan to HUD to detail the City's funding strategy for the CDBG Program. The City's Citizenship Participation Plan specifies that any changes to the year's funding allocations requires a Substantial Amendment.

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) allocates over two trillion in funds to respond to the COVID-19 pandemic at the federal, state, and local levels. In doing so, it makes available \$5 billion in supplemental CDBG funding for grants to prevent, prepare for, and respond to coronavirus (i.e. CDBG-CV). Additionally, the CARES Act provides CDBG grantees with flexibilities that make it easier to use CDBG-CV grants as well as FY 2020 and FY 2021 CDBG funds for coronavirus response and authorizes HUD to grant waivers and alternative requirements. Through the CARES Act, the City of Hayward is receiving an additional \$902,238 to address the COVID-19 crisis. Additionally, staff is proposing to amend the FY 2020 Action Plan to reallocate \$570,000 in non-committed funds from FY 2020, along with allocating the additional \$900,000 inn CARES Act CDBG-CV funds for a total of \$1.47 million to address the COVID-19 crisis. The proposed allocations are as follows:

Table 1: Summary of CDBG funds

CDBG Project Category	Current Funding	Proposed CDBG COVID-19 Funding	Total Substantial Amendment Funding Amount
Administration & Planning	\$300,427		\$300,427
Acquisition, Disposition, Clearance & Relocation	\$571,365		\$0
Economic Development	\$339,999	\$50,000	\$389,999
Housing	\$300,000		\$300,000
Public Facilities & Infrastructure Improvements	\$440,000		\$440,000
Public Services	\$253,551		\$1,677,154
<i>CDBG-CV CARES Act funds</i>	<i>N/A</i>	\$902,238	\$902,238
<i>Uncommitted CDBG funds</i>	<i>N/A</i>	\$521,365	\$521,365
Total	\$2,205,342	\$1,473,603	\$3,107,580

Staff is not proposing to remove funding from any existing activities funded through the FY 2020 community agency funding process, or any proposed activities through the FY 2021 community agency funding process. Staff will be returning to Council on May 26, 2020 for a work session to discuss the FY 2021 community agency funding process.

ATTACHMENTS

- Attachment I Staff Report
- Attachment II Resolution
- Attachment III Draft Action Plan Amendment