



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**File #:** CONS 23-322, **Version:** 1

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**DATE:** June 6, 2023

**TO:** Mayor and City Council

**FROM:** Assistant City Manager

### **SUBJECT**

Adopt a Resolution: (1) Authorizing the Reallocation of \$2 Million in American Rescue Plan Act of 2021 (ARPA) Funds for a Down Payment Assistance (DPA) Program; and (2) Authorizing the City Manager to Execute Loan Documents and Administer the Loans Including Subordinating, Extending, or Modifying Repayment Terms to Provide Down Payment Assistance Loans in an Amount Not-to-Exceed \$300,000 per Loan

### **RECOMMENDATION**

That the City Council adopts a resolution: (1) Authorizing the reallocation of \$2 million in American Rescue Plan Act of 2021 (ARPA) funds for a down payment assistance program; and (2) Authorizing the City Manager to execute loan documents and administer the loans including subordinating, extending or modifying repayment terms to provide down payment assistance loans in an amount not-to-exceed \$300,000 per loan.

### **SUMMARY**

On April 25, 2023, the Council directed staff to reallocate \$2 million of remaining housing American Rescue Plan Act of 2021 (ARPA) funds to provide downpayment assistance. The purpose of this report is to request authorization to provide down payment assistance loans to low-income, first-time homebuyers. Preference will be given to applicants that either live or work in the City of Hayward. The proposed down payment assistance program would provide shared appreciation loans (requiring no monthly payments) up to \$300,000 per loan. If an investor can be identified for the social impact bonds program, which would use bond proceeds to acquire and rehabilitate tax defaulted, vacant or blighted properties and turn them into affordable housing opportunities, the down payment assistance may be paired with this program.

### **ATTACHMENTS**

Attachment I Staff Report  
Attachment II Resolution

