



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**File #:** CONS 22-391, **Version:** 1

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**DATE:** June 28, 2022

**TO:** Mayor and City Council

**FROM:** Acting Assistant City Manager

### **SUBJECT**

Adopt a Resolution Authorizing the City Manager to Execute an Agreement with Bay Area Community Services for Fiscal Year 2022-2023 Shallow Rental Subsidy Program Operations in an Amount Not to Exceed \$500,000

### **RECOMMENDATION**

That the Council adopts a resolution (Attachment II) authorizing the City Manager to execute an agreement with Bay Area Community Services (BACS) in an amount not to exceed \$500,000 to operate the City's FY 2023 Shallow Rental Subsidy program.

### **SUMMARY**

In July 2021, Council adopted the Let's House Hayward! Strategic Plan (LHH Plan), which includes the activity of identifying funds for and developing a shallow subsidy program for extremely low income and high rent burden households. At the same time, Council adopted a federal expenditure plan for allocating the City's American Rescue Plan Act (ARPA) funding, which included allocating \$500,000 a year for three years to fund a shallow rental subsidy pilot program.

Shallow rental subsidy programs are partial rent payments made on behalf of a tenant directly to their landlord to reduce their household rent burden and increase their available income. Figure 1 summarizes the key components of the City's program, which staff will finalize with BACS before an estimated program launch of September 1, 2022. The eligibility criteria were identified in partnership with BACS and based on existing research demonstrating that prevention programs are most effective at stemming the in-flow into homelessness when they are targeted towards households with the greatest risk of homelessness.

**Figure 1. Hayward Shallow Rent Subsidy Program**

Eligibility	Subsidy Format	Implementation
<ul style="list-style-type: none"><li>•Extremely low income (30% of AMI or lower)</li><li>•Prior experiences of homelessness</li><li>•50% or greater cost burden</li><li>•Reside in a census tract at high risk for housing instability and homelessness</li></ul>	<ul style="list-style-type: none"><li>•Monthly payment made directly to landlord</li><li>•Lesser of either \$800 or amount required to bring cost burden under 50%</li><li>•18 month period</li><li>•Estimated \$690 per month per household, serving approximately 38 households per year</li></ul>	<ul style="list-style-type: none"><li>•Online application portal available in multiple languages, with staff available to support applicants</li><li>•Outreach to Hayward COVID-19 rental assistance program</li><li>•Case management services that meet each recipient "where they're at" and leverage existing suite of BACS services and partnerships</li></ul>

There is substantial regional support for shallow rental subsidy programs as valuable homelessness prevention strategies, including Alameda County’s Home Together 2026 Plan and the Regional Impact Council’s (convened by All Home) Regional Action Plan (RAP). All Home is also convening providers of these programs throughout the region to share learnings and build on successful findings.

Staff recommends Council adopt the attached resolution authorizing the City Manager to execute an agreement with BACS to operate the City’s FY 2023 Shallow Rental Subsidy program.

**ATTACHMENTS**

- Attachment I Staff Report
- Attachment II Resolution