



CITY OF HAYWARD

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

Cover Memo

File #: RPT 18-197, **Version:** 1

DATE: November 28, 2018

TO: Community Service Commission

FROM: Deputy City Manager

SUBJECT

Review and Comment on Proposed Contingency Plan for Allocation [and Expenditure](#) of Available Community Development Block Grant Funds

RECOMMENDATION

That the Community Services Commission reviews and comments on the proposed contingency plan for allocation [and expenditure](#) of available Community Development Block Grant ([CDBG](#)) funds.

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). Annually, 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.

On July 18, 2017, Council approved seven projects to apportion \$1,289,000 in available CDBG funds. On May 15, 2018, staff presented an update to Council on the status of CDBG funds and requested that Council authorize the reallocation of \$1,900,000 of available CDBG program funds to eligible projects.

In October 2018, the City contracted with HUD's recommended CDBG consultant, TDA Consulting to provide training and assistance in CDBG, financial management, policy and procedure, and reconciliation of past CDBG expenses and financial practices.

[While](#) Considerable progress has been made towards utilization of excess CDBG funds, [sStaff](#) recommends [approving a contingency plan, which allows for the](#) reprogramming and allocating [expenditure of](#) up to \$2,000,000 in available funds to CDBG eligible projects under the "Public Facilities and Infrastructure Improvements" as well as "Acquisition, Disposition, Clearance, Relocation." [The exact amount remaining in the City of Hayward's Line of Credit Control System \(LOCCS\) balance will be determined later this month upon completion of the reconciliation of past CDBG expenses and financial practices currently underway by staff and TDA Consulting.](#)

ATTACHMENTS

Attachment I	Staff Report
Attachment II	July 11, 2017 - Staff Report to Council
Attachment III	July 18, 2017 - Staff Report to Council
Attachment IV	May 15, 2018 - Staff Report to Council