



# CITY OF HAYWARD

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[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

## Cover Memo

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**File #:** LB 21-012, **Version:** 1

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**DATE:** April 27, 2021

**TO:** Mayor and City Council

**FROM:** City Manager

### **SUBJECT**

Federal Stimulus Funding: Adopt a Resolution Authorizing the Acceptance of the Federal Stimulus Allocation Under the American Rescue Plan Act of 2021 to Address the Economic and Fiscal Impacts of the COVID Crisis in the City of Hayward; and Provide Feedback on a More Detailed Plan and Process for Expenditure of Federal Stimulus Funding

### **RECOMMENDATION**

That the Council:

1. Adopts a resolution (Attachment II) authorizing the acceptance of the federal stimulus allocation under the American Rescue Plan Act of 2021 to address the economic and fiscal impacts of the COVID crisis in the City of Hayward, and the creation of Fund 103 to account for stimulus funds; and
2. Provides feedback on a more detailed plan and process for the expenditure of \$38 million in stimulus funding to be received from the federal government by the City of Hayward (Attachment III).

### **SUMMARY**

The recently passed America Rescue Plan Act of 2021 (ARPA), also known as the COVID-19 Stimulus Package, included over \$65 billion in direct federal relief to cities in order to address the economic and fiscal impacts of the COVID crisis and to assist in the recovery of local communities. The City of Hayward is estimated to receive approximately \$38 million in local relief from the federal government to address the internal and external needs of the City associated with the COVID crisis over the next year. The funding will be delivered to the City in two payments: the first 50% or \$19 million within 30-60 days and the second 50% or \$19 million within 12 months. The funds are intended to be flexible as long as they address a need in the City associated with the COVID-19 crisis and are expended by December 2024. Staff recommends that the Council adopt a resolution this evening authorizing acceptance of the federal stimulus funds (Attachment II).

At the April 6, 2021 Council meeting, City staff recommended splitting the funding into two major

expenditure categories in a range of approximately \$15 to \$25 million each: (1) Community Safety & Economic Recovery; and (2) Fiscal Recovery & Stabilizing City Operations. The Community Safety & Economic Recovery category will prioritize the external needs of the community in the areas of: economic development and recovery for small businesses and other impacted business industries; housing and homelessness programs and assistance for the City's most vulnerable populations; community and nonprofit programs and efforts; enhanced clean-up and maintenance; and partial implementation of some recommendations from the community public safety workshops. This category will focus particularly on addressing the needs of Hayward's most vulnerable populations and implementing funding and programs with an equity lens as has been done throughout the City's COVID response.

The Fiscal Recovery & Stabilizing City Operations category will focus on the internal fiscal needs of the City to stabilize City operations and services through: replenishing and offsetting the loss of past and projected City revenue, and any associated reduction in City reserves and service provision; funding to eliminate City furloughs and staffing reductions to allow the restoration of critical City services; investments in technology needed to return-to-work safely and enhance remote participation moving forward; and other building and infrastructure investments needed to help maintain and expand City operations and services in a post-COVID environment.

Upon receiving feedback from the Council at the April 6<sup>th</sup> meeting, staff developed an updated and more detailed expenditure plan and process for further review and comment by the Council and community (Attachment III).

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Detailed Plan and Process