

DATE: May 6, 2008

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: Execution of FY 09-11 Cooperation Agreement Between the City of Hayward and the County of Alameda to Participate in the Alameda County HOME Consortium

RECOMMENDATION

It is recommended that the City Council adopts the attached resolution authorizing the City Manager to execute the Cooperation Agreement (the Agreement) and all other implementing documents to enable the City of Hayward to participate in the Alameda County HOME Consortium.

BACKGROUND

Since 1991, the City of Hayward has been part of the Alameda County HOME Consortium (the Consortium), which includes the County of Alameda and the cities of Alameda, Fremont, Livermore, Pleasanton, San Leandro, and Union City. Hayward's participation in the Consortium has assured the City an allocation of federal HOME Investment Partnership funds since FY 1992. HOME funds must be used for HOME-eligible housing-assistance activities, including acquiring, rehabilitating, and constructing housing affordable to low-income households, as well as providing homebuyer and tenant-based rental assistance. HOME program regulations require that 90% of HOME funds be used to assist households with incomes at or below sixty percent (60%) of the area median income (AMI) adjusted for household size. In 2008, this sixty-percent figure in Alameda County for a family of four is \$51,660.

DISCUSSION

The City's participation in the Consortium assures the City an annual allocation of HOME funds and alleviates the administrative burden of the funds. As the representative of the Consortium, the County acts as the lead member for administrative and federal reporting purposes and coordinates the production of the Consolidated Annual Performance and Evaluation Report (CAPER) required by the Department of Housing and Urban Development (HUD). Several other reporting activities are also carried out in a joint effort by the participating jurisdictions.

The overall objective of the program is to provide high-quality affordable housing. During the last Agreement term (FY 06-08), HOME funds were used to help finance the construction of the Sara Conner Court Apartments, the rehabilitation of Huntwood Commons, and the acquisition of Cypress Glen Apartments. Funds have also been set aside to pay for rental subsidies for participants of Project Independence, a program that provides services and rental subsidies to emancipated youth (youth from 18 to 24 who have aged out of the foster care system).

Staff recommends that the City Council approves the continued participation in the Alameda County HOME Consortium for the next three federal fiscal years – October 1, 2008 through September 30, 2011.

FISCAL IMPACT

Participation in the Consortium ensures that the City receives an allocation of federal HOME funds of approximately \$575,000 per annum. Hayward's FY 09 (October 1st, 2008 to September 30, 2009) allocation is approximately \$576,288. A maximum of 10% of these funds may be used to pay for the administrative costs associated with the HOME program. Half of the administrative funds is retained by the County as payment for the costs associated with its administrative and reporting lead role in the Consortium. The other half of the HOME administrative funds is used to pay for a portion of the salaries of City staff overseeing the HOME program

PUBLIC CONTACT

This is a standard three-year contract allowing the City to participate in the Alameda County HOME Consortium, and does not commit funds for any particular project. Therefore, staff has not had any public inquiry regarding this matter, and no public hearing is required.

NEXT STEPS

Project-related funds will be used for HOME-eligible housing-assistance activities. The appropriation of those funds for such activities will require Council approval. Staff will later return to Council to recommend the allocation of HOME funds to eligible housing projects or programs when they are identified. No projects or programs have been identified for this Agreement term.

Upon execution by the City Manager, the Agreement will be sent to the County for execution. The County will forward the signed Agreement to HUD headquarters.

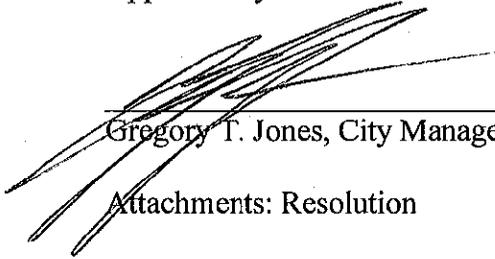
Prepared by:


Maret Bartlett, Redevelopment Director

Recommended by:


Susan J. Daludding, Director of Community and Economic Development

Approved by:


Gregory T. Jones, City Manager

Attachments: Resolution

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 08-

Introduced by Council Member _____

mm
4/22/08

RESOLUTION APPROVING CONTINUED
PARTICIPATION IN THE ALAMEDA COUNTY HOME
CONSORTIUM AND AUTHORIZING CITY MANAGER
TO EXECUTE THE HOME CONSORTIUM
COOPERATION AGREEMENT WITH ALAMEDA
COUNTY

BE IT RESOLVED by the City Council of the City of Hayward that continued participation in the Alameda County HOME Consortium is hereby approved for a three-year period including federal fiscal years 2008 through 2011 (October 1, 2008 through September 30, 2011) and the City Manager is authorized and directed to execute on behalf of the City of Hayward the HOME Consortium Cooperation Agreement and all other documents necessary to enable participation between the City of Hayward and the County of Alameda in substantially the form on file with the City Clerk.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2008

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward