



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 05/02/00
AGENDA ITEM _____
WORK SESSION ITEM WS 3

TO: Mayor and City Council
FROM: Director of Community and Economic Development
SUBJECT: FY 2000-2004 Consolidated Plan

RECOMMENDATION:

It is recommended that the City Council review and comment on the draft FY 2000-2004 Consolidated Plan.

BACKGROUND:

The City of Hayward recently completed a draft version of the FY 2000-2004 Consolidated Plan (CP). Attachment A describes highlights of the Draft Consolidated Plan. The CP replaces the Comprehensive Housing Affordability Strategy (CHAS) and other plans required by the U.S. Department of Housing and Urban Development (HUD). The CP has become HUD's primary long-term planning document for both the HOME and CDBG programs. In order for the City to receive both CDBG and HOME funds, it must prepare a CP every five years.

The City is a member of the Alameda County HOME Consortium. The Alameda County Housing and Community Development Department, as lead agency of the HOME Consortium, is responsible for coordinating the development of the Consortium's CP, including conducting the HUD-required public hearing on the draft CP. The Consortium's CP presents both countywide information and information specific to each participating jurisdiction. Hayward's CP will become a chapter in the Consortium's CP. The priorities identified in the CP cover the county as a whole. These "priorities" are issues that HUD wants to see addressed in the plan. The number assigned to each priority does not denote its level of importance either to the Consortium as a whole or any participating jurisdiction.

The CP consists of:

- A citywide housing and community development needs assessment;
- An inventory of resources (including HOME and CDBG funds) available to address those needs;
- A five-year strategy with goals and objectives, and

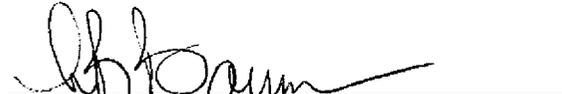
- A one-year Annual Action Plan that identifies the specific activities to be implemented and presents the allocation of the City's HOME and CDBG funds for one fiscal year. Each year following the adoption of the Five Year CP, the City adopts a new Annual Action Plan.

The City's first CP was prepared in 1995. The demographic, housing and community development needs assessments presented in the Plan were based on 1990 Census data. New information from the 2000 US Census will not be available prior to the HUD-mandated submission deadline for the CP. Therefore, the FY 2000-2004 draft CP uses a combination of 1990 Census data, ABAG Projections 2000 data, 1999 data from Precision Marketing Group/VNU Marketing Information Services, and locally-developed data from nonprofit organizations. Each data source is noted in the CP.

During the preparation of Hayward's Consolidated Plan, CED staff conducted three round-table discussions with local housing, homeless and social service providers. During these discussions, service providers shared their perspectives on the community's needs. This information was used in conjunction with other data sources in the development of the objectives presented in the draft CP.

The City Council must formally approve both the Consolidated Plan and the FY 2000-2001 Action Plan. The Action Plan will list the allocation of CDBG resources decided by Council and will be addressed in a separate Agenda Report.

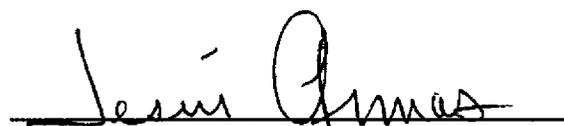
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Attachment A: Highlights of the FY 2000-2001 Consolidated Plan
Attachment B: FY 2000-2004 Consolidated Plan

HIGHLIGHTS OF THE FY 2000-2004 CONSOLIDATED PLAN

OVERVIEW

The Consolidated Plan consists of a Community Profile, an Affordable Housing, Homeless, and Community Development needs assessment and a five-year strategy for addressing those needs. This summary provides an overview of each section.

COMMUNITY PROFILE

The Community Profile describes Hayward residents and workers, development trends and remaining development potential. It also provides a forecast of growth. It is based on information from the 1998 State of City Report¹, Association of Bay Area Governments (ABAG) Projections 2000, Eden Information & Referral's FY 1999 data, 1999 data from Precision Marketing Group/VNU Marketing Information Services 1999 housing data for Hayward and Alameda County from Real Facts and 1990 U.S. Census data. It presents information on:

- Population / Household Size
- Persons Per Household
- Senior Citizen Households
- Percent of Households of Various Age Groups At Or Below HUD Low Income
- Racial/Ethnic Diversity
- Income
- Education
- Employment

Analysis presented in the Community Profile shows that the difference in household size between Hayward and neighboring cities is generally attributable to the proportion of one and two-person households (mostly senior citizens) in each city in relationship to the proportion of four, and five-person households. Hayward and San Leandro are on the lower end of the increase in household size, with Newark and Union City on the upper end. Among East Bay cities, including Fremont, Newark, San Leandro and Union City, Hayward has the highest percentage of

¹City of Hayward, Advance Planning Program 1997, 1998

senior households who are at or below HUD's definition of low-income. The Profile also shows that Hayward is becoming even more ethnically diverse and that this diversity is distributed throughout the entire community. There are few neighborhoods dominated by a single ethnicity.

The Profile also identified recent housing and commercial development trends and assessed the remaining development potential described in the State of the City reports. It also presented population, housing and employment forecasts from ABAG.

HOUSING AND COMMUNITY DEVELOPMENT NEEDS

Each "needs" section provides an analysis of the needs of low-income Hayward residents as related to housing, homelessness and community development. Each section lists priorities which address needs. Although the word "priorities" is used in the CP, these priorities are not placed in a sequence that indicates their relative importance to the City of Hayward. The sequence used in the CP was developed by Alameda County and is used by every city that is part of the HOME Consortium for consistency. Specific objectives are also presented which describe actions to implement the priorities. These priorities and objectives provide a foundation for the specific activities conducted each year and described in the annual Action Plan.

Affordable Housing

The needs of families and seniors that rent or own homes are discussed along with other housing related issues in this section. There are four priorities presented that address affordable housing.

Priority 1: Increase the availability of affordable rental housing for low and moderate income households.

The needs analysis for this priority indicates that more than 40 percent of very low-income renter households spend more than 50 percent of their income on housing expenses. The following objectives seek to address the high cost of rental housing in Hayward.

Objective 1: Support the availability of affordable rental housing, including "opt-out" projects², in response to requests for gap financing to acquire and rehabilitate existing units, where an

²An "opt-out" project is a housing development that was built with a federal subsidy or federal loan guarantee that has the right, after 20 years, to pre-pay the mortgage and "opt-out" of federal requirements that generally keep rents below market rates and affordable to low-income families.

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appropriate percentage have affordability restrictions. Any development that may occur pursuant to these policies, must also conform to the City's Design Guidelines.

Objective 2: Reduce discrimination against Section 8 Voucher holders by requiring property managers not to discriminate against Section 8 households in the City's Mortgage Bond-financed developments when those households meet credit standards and have good references from previous landlords.

Priority 2: Preserve existing affordable rental and ownership housing for low and moderate income households.

The needs analysis for this priority shows that the City should continue its efforts to help property owners maintain the quality of both owner and renter-occupied units. Additionally, the City will work to ensure that affordable units remain affordable to lower-income households within the constraints of the housing market. The following objectives present strategies for addressing these needs.

Objective 1: Preserve existing single-family housing stock occupied by lower income households by rehabilitating single-family owner-occupied homes and mobile homes.

Objective 2: The City will continue to implement an interdepartmental program to abate "nuisance" properties.

Objective 3: Preserve existing multi-family housing stock occupied by lower, moderate and middle-income households by having substandard units rehabilitated.

Objective 4: The City will monitor units which are affordable and at risk of local, state or federal subsidy termination.

Objective 5: The Redevelopment Agency will replenish the housing stock on a one-for-one basis for any existing housing units which are lost as a direct result of Redevelopment Agency actions.

Priority 3: Assist low and moderate income first time home buyers.

The needs analysis for this objective demonstrates that home ownership provides benefits for both the home owner and the community. However, the high cost of ownership housing and the difficulty many low-income families have in saving for down payment and other home buying

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expenses make ownership virtually impossible at present. The following objectives address these needs through educating potential home buyers and providing strategic financial assistance.

Objective 1: The City will continue to participate in the federal Mortgage Credit Certificate (MCC) Program administered by the Alameda County Housing and Community Development Department.

Objective 2: The City will continue to provide assistance to moderate income first-time homebuyers in the form of direct financial assistance.

Objective 3: The City will provide assistance to all first-time homebuyers through the provision of information, education/workshops and/or referral services regarding the home buying process.

Priority 4: Reduce housing discrimination.

The needs analysis for this objective shows that housing discrimination continues to impact the ability for some households to find housing. The following objective addresses this need by supporting programs that track and reduce housing discrimination incidents.

Objective: The City of Hayward will fund services to reduce housing discrimination. Funding will be provided by the CDBG program.

Homeless Needs

There are four priorities that address homeless needs.

Priority 1: Maintain and improve the current capacity of the housing and shelter system, expand transitional and permanent supportive housing.

The needs analysis for this objective shows that homelessness continues to affect many very low-income families and individuals throughout Alameda County. The following objectives address the regional nature of homelessness by helping to maintain the quality of current shelters and through strategic cooperation with other jurisdictions. These objectives also describe the City's continuing support of programs and facilities that provide both emergency and transitional housing for homeless families.

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Objective 1: In cooperation with other localities, the City will provide funds to rehabilitate emergency shelters and transitional housing as the need arises.

Objective 2: The City will support the efforts of the Continuum of Care to obtain funds to increase the stock of transitional housing and permanent supportive housing in Alameda County. Specific projects will be evaluated on a case-by-case basis in terms of program design and appropriateness of staffing to meet the needs of the population to be served.

Priority 2: Increase and expand activities designed to prevent those currently housed from becoming homeless.

The needs analysis for this objective shows that the high cost of housing in the Bay Area contributes to homelessness. The following objectives address this issue by helping very low-income households that have housing maintain their tenancy through a professional counseling and specific financial support.

Objective: The City will continue to fund activities that help families who currently have housing to not become homeless. Examples of such activities are ECHO's Rental Assistance Program and landlord-tenant counseling.

Priority 3: Maintain, improve and expand services for homeless individuals and families including integrated health care, employment services and other supportive services.

The needs analysis for this objective shows that helping the homeless requires special services beyond providing emergency, transitional, and permanent housing. The following objective addresses this need by supporting homeless services.

Objective: The City will work with interagency and interjurisdictional organizations to seek funds for homeless services and to encourage health care, job training and social services agencies to include the homeless in their provision of services.

Priority 4: Build on interjurisdictional cooperation and further coordination and improvement of the homeless "Continuum of Care" system.

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The needs analysis for this priority shows that cooperation with other Alameda County jurisdictions helps leverage the limited resources available for homeless services. The following objective continues the City's participation in the Alameda County Continuum of Care Council.

Objective: Continue participation in the Alameda County Continuum of Care Council.

Supportive Housing Needs

There is one priority that addresses supportive housing needs.

Priority 1: Increase the availability of service-enriched housing for persons with special needs.

The needs analysis for this objective shows that providing services for those with special needs may prevent these individuals from becoming homeless. The following objective demonstrates the City's continuing support for regional projects that serve those with special needs.

Objective: The City will participate with other jurisdictions to jointly fund service-enriched special needs projects that serve Hayward residents.

Community Development (Non - Housing) Needs

During the preparation of the Consolidated Plan, City staff conducted several roundtable discussions with local service providers to gather information regarding community facilities and program needs. Representatives from housing, homeless and social service programs provided information on community needs from a unique perspective. Using this information, 1990 US Census data, current information from the Association of Bay Area Governments (ABAG) and demographic information from private firms, City staff identified social service need areas for the City of Hayward.

There are three priorities that address community development needs.

Priority 1: Neighborhood Facilities and Improvements

Objective: The City will support the construction and/or rehabilitation of well-designed neighborhood facility projects that meet the community's needs. Facilities providing child care and other youth services will receive priority.

Priority 2: Public Services

Objective 1: The City may allocate up to 15% of its CDBG funds to public services. The City also anticipates continued support of public services through the Social Services Program by allocating General Fund monies for grants to social services programs and funds for program administration.

Priority 3: Community Development Need - Economic Development

Objective 1: Continue to provide small business loans through the City's Revolving Loan Program.

Objective 2: Provide neighborhood economic development revitalization services.

Objective 3: Increase the number of permanent jobs available to lower income Hayward residents by increasing business attraction, retention and expansion activities.

OTHER ACTIONS

HUD regulations require the City to address several issues related to housing and community development including the following:

- **Barriers to Affordable Housing** – The City will review its development process and policies to assure there are no artificial barriers to affordable housing development. All developments, including affordable projects, must meet the City's design guidelines.
- **Lead-based Paint Hazard Reduction** – The city will ensure that Environmental Protection Agency/HUD requirements for lead-based paint hazard identification and reduction.
- **Anti-poverty Strategy** – The City will participate in joint efforts to promote self-sufficiency, economic development and job-creation activities for low-income persons and families. Such activities may include partnerships with California State University, Hayward; Chabot College; Hayward Unified School District; Hayward Area Recreation and Park District; Community-Based Organizations (CBO's); and neighborhood groups. The City has a history of participating in these types of partnerships.

INSTITUTIONAL STRUCTURE

The City of Hayward will implement housing and community development programs within a structure that includes various Federal, State, and local public and private agencies and organizations.

COORDINATION EFFORTS

The City of Hayward Department of Community and Economic Development (CED) coordinates housing and community development activities including current and advance planning, building plan check and inspection services, community preservation, economic development, affordable housing, the Community Development Block Grant and associated construction programs and redevelopment. In addition, CED actively interfaces with public works, fire and police. The City also augments its efforts to assist lower income residents by supporting a variety of non-profit public service organizations with grants from the City's Social Services Program and CDBG funds. The City also coordinates with County agencies including the Alameda County Housing Authority and the Alameda County Department of Housing and Community Development.

DRAFT HOUSING AND
COMMUNITY DEVELOPMENT
STRATEGIC PLAN
FY 2000 - FY 2004

CITY OF HAYWARD

*ALAMEDA COUNTY
HOME CONSORTIUM*

MAY 15, 2000

COMMUNITY PROFILE

The Community Profile describes Hayward residents and workers, development trends and remaining development potential and provides a forecast of growth. It is based on information from the 1998 State of City Report¹, Projections 2000², Eden Information & Referral's FY 1999 data, 1999 data from Precision Marketing Group/VNU Marketing Information Services 1999 housing data for Hayward and Alameda County from Real Facts and 1990 U.S. Census data.

Socioeconomic Profile

Population / Household Size

The City's population was estimated at 126,452 as of January 1, 1998³. This was an increase of 14,954 over the 1990 census population of 111,498. Approximately 20% of that increase was the result of annexations in the Happyland and Tennyson-Alquire areas, which, in 1990, were County "islands" totally surrounded by the City of Hayward. The Association of Bay Area Governments (ABAG) projects that Hayward's population will grow to 136,900 by 2005, a 10.4% increase.

Population Growth Summary: 1990 - 1998

	1990	1998	% Change	2005	% Change
Population³	111,498	126,452	13%	136,900	10%
Households²	40,117	42,136	5%	45,610	7%

Source: ABAG Projections 1998

The total number of households in 1998 is estimated at approximately 42,136, an increase from the 40,117 reported in 1990. In 1990 Non-family households comprised approximately 31% of households and the number of family households accounted for 69% of the total. The percentage of "traditional" family households -- defined as a married couple with or without children -- comprised 50% of all households in 1990, down from 57% in 1980. The percentage of family

¹City of Hayward, Advance Planning Program

²Association of Bay Area Governments (ABAG), Projections 2000

³State of California Department of Finance

households headed by either a single female or male increased from 20% in 1980 to over 26% in 1990. The following table shows the projected increase in household size for cities in mid- and south county.

Persons Per Household

City	1990	2000	2005
Fremont	2.86	3.07	3.19
Hayward	2.75	2.92	2.96
Newark	3.15	3.36	3.48
San Leandro	2.83	2.55	2.55
Union City	3.39	3.62	3.71

Source: ABAG Projections 2000

The difference in household size among cities is generally attributable to the proportion of one and two-person households (mostly senior citizens) in each city in relationship to the proportion of four, and five-person households. As depicted in the chart above, the average household size in Hayward is expected to increase from 2.75 persons per household in 1990 to 2.92 in 2000. Hayward and San Leandro are on the lower end of the increase in household size, with Newark and Union City on the upper end. Increases in household size projected by ABAG are based, in part, on the projected residential development potential used to create Projections 2000. Increases in household size remain the same between 2005 and 2025 and decline slightly by 2020.

Senior Citizen Households

The following chart shows the percentage of two, three, four, and five person households in Hayward and surrounding cities and the percentage of senior citizen (usually one and two person) households in these cities. If we apply the ABAG trends from Projections 2000 to the 1990 Census data, it is reasonable to expect that the percentages of three or more person households will increase at a slightly faster rate than one and two-person households through 2010.

Household Size and Percentage of Senior Households

City	Persons Per Household				2 Persons Households		1 + Person Non Family Households	
	2	3	4	5	Ages 65-74	Age 75+	Ages 65-74	Age 75+
Fremont	31.9%	20.2%	18.6%	8.4%	6.2%	1.9%	7.9%	8.3%
Hayward	31.8%	17.8%	14.8%	7.8%	9.9%	3.9%	14.7%	12.5%
Newark	27.8%	21.6%	19.3%	10.0%	5.5%	1.6%	11.4%	10.7%
San Leandro	36.1%	14.3%	11.0%	5.0%	16.8%	8.8%	8.3%	19.2%
Union City	34.3%	18.6%	21.0%	12.1%	5.7%	2.1%	13.1%	9.7%

Source: 1990 U.S. Census

Family households are married couples; non-family households are unrelated persons who live together in the same dwelling unit or in group quarters. Since a very small fraction, approximately 5% of Hayward seniors over age 65 live in group quarters, non-family households appear likely to consist of one person living alone or with an unmarried partner or health aide.

San Leandro has the highest percentage and absolute numbers of senior citizen households; Hayward has the next highest. Fremont has one of the lowest percentages; however, in absolute numbers, there are almost as many family households age 65 and over in Fremont (3,696) as there are in Hayward (3,867). This is due to the fact that Fremont has almost twice as many family households as Hayward (45,632 versus 28,023). The number of non-family households in both cities is very close; 14,506 in Fremont and 12,223 in Hayward, about 18% difference. The following chart shows the percent of senior citizen households by city whose income was at or below HUD Low Income limits in 1990.

Percent of Senior Households at or below HUD Low Income

City	55 to 64 yrs	65 to 74 yrs	75+ yrs
Fremont	28.30	59.60	84.20
Hayward	45.20	71.70	86.00
Newark	25.70	59.20	79.40
San Leandro	44.20	67.30	84.00
Union City	30.40	66.90	79.40

Source: 1990 U.S. Census

Overall, Hayward has the largest percentage of senior households below HUD Low Income; San Leandro is next and then Union City. However, the percentage of low income households of those who are 75+years in age in Fremont were equal to San Leandro. In general, households over 75 years of age have the lowest incomes in Hayward and surrounding cities. Given the information available, it is not possible to say whether this is because the income stream generated by assets is low or because they have few or no assets and live on Social Security or SSI.

Many Hayward seniors live in one of the nine mobile home parks in the City. Although they own their mobile homes, many of these seniors have very low incomes and, therefore, must defer needed maintenance on their coaches. Hayward has the largest number of mobile home parks in mid- and southern Alameda County. Unincorporated Castro Valley has the next largest number and then . In all cities, senior households 75 years and older were the poorest group and the smallest group in absolute numbers. Other seniors live in older (and poorer) subdivisions in the "flat-lands" areas of the city.

Percent of Households of Various Age Groups At Or Below HUD Low Income

The 1990 Census showed that Hayward and San Leandro, as older cities with more affordable housing stock, have the highest percentage of lower income households across all age groups -- about 46% for Hayward.. However, Hayward and Fremont have approximately the same absolute numbers of lower income households, for age groups from "under 25 years" through households ages "55 to 64 years." The Census also showed that among age groups in Hayward, up to age 65, the largest percentage of lower income households were between 51% and 80%,⁴ except households under 25 years of age, where the largest percentage of lower income households appeared to be around 50% of median income.⁵

Racial/Ethnic Diversity

The City of Hayward is becoming more diverse in its racial and ethnic composition. The non-Hispanic white population decreased from 1980 to 1990 as the size of the City's other primary population groups -- Hispanic, Asian/Pacific Islander, and African-American increased. More recent data on the composition of the general population from Claritas shows a continuing trend of increasing diversity. This trend is supported by annual student enrollment data for the Hayward Unified School District. Overall, the percentages of Hispanics and Asian/Pacific Islanders appear to have increased the most as illustrated in the following two tables.

⁴ HUD defines this range as "low income."

⁵ HUD defines the range between 31% and 50% as "very low income."

Racial/Ethnic Diversity 1990 – 1999

	White	Black	American Indian	Asian / Pacific Islander	Other	Hispanic
1990	82,350	13,117	1,349	19,038	14,908	29,841
1999	56,261	16,066	675	24,367	470	43,334
% Change	-32%	22%	-50%	28%	-97%	45%

Sources: 1990 US Census, Claritas 2000

Racial/Ethnic Diversity as a Percentage of Total Population 1990 – 1999

	White	Black	American Indian	Asian / Pacific Islander	Other	Hispanic
% of 1990 Total	73.9%	11.8%	1.2%	17.1%	13.4%	26.8%
% of 1999 Total	44.5%	12.7%	0.5%	19.3%	0.4%	34.3%
Change	-29.4%	0.9%	-0.7%	2.2%	-13.0%	7.5%

Sources: 1990 US Census, Claritas 2000

The City of Hayward demographic character is unique. In addition to enjoying a rich racial and ethnic diversity, what makes the City unique is that there are few neighborhoods that are predominately occupied by a single racial or ethnic group. Claritas data shows that neighborhoods in all income ranges have become more diverse; there are fewer predominately white neighborhoods than in 1990. Claritas data shows that in almost all neighborhoods throughout Hayward, regardless of income, the percentage of Hispanic households has increased. The percentage of Asian-Pacific Islander households has increased particularly in middle and upper-middle income neighborhoods. The proportion of census tracts with lower income households appears to be similar to the 1990 Census data. It is important to note that even in lower-income neighborhoods, there are no concentrations of a single racial or ethnic group. The diversity that is characteristic of Hayward as a whole is also reflected in these lower-income neighborhoods.

Income

The mean household income in Hayward in 2000 is \$57,900, according to the Association of Bay Area Governments. This represents a 12.4% increase from \$51,500 in 1990. During the same period, the mean household income for Alameda County as a whole increased from \$57,200 to \$66,800. The proportion of lower-income households (those earning less than 80% of the PMSA median) in Hayward was 46% in 1990. Claritas data shows the percentage of lower income households to be about the same in 1998. In 1990, per capita income for all persons age fifteen and older was \$19,137. The following table illustrates per-capita income by race.

Per Capita Income By Race

Race	Income
White	\$20,091
African-American	\$20,380
American Indian	\$16,893
Asian-Pacific Islanders	\$17,851
Other	\$14,310
Hispanic	\$15,393

Source: 1990 US Census

Whites and African-Americans were approximately equal in per capita income. Asian-Pacific Islanders and Hispanics have lower per capita incomes; however, they may not have lower household incomes because there may be more people in their households who are age fifteen and above than in white and African-American households. Given the lack of cross-tabulations provided by the Census, it is not possible to tell if Asian-Pacific Islander and Hispanic households are disproportionately poorer than white and African-American households in specific Hayward neighborhoods. According to the 1990 Census, of those below poverty, the largest group by far (57.6%) are white. Hispanic households are 26.4% of those below poverty and Asian-Pacific Islanders are 13.3%. Due to the timing of the 2000 US Census, updated information was not available for comparison in this document.

Education

The most recent data on education levels is from the 1990 Census and 1999 Claritas data. Educational attainment of Hayward residents over the age of 25 for 1980, 1990 and 1999 (estimated) is as follows:

Education Level Summary: 1980 - 1999

Educational Level	1980	1990	1999
Less than High School Diploma	30.1%	24%	23%
High School Diploma	36.7%	29%	28%
Some college work; no Bachelors Degree	19.7%	31%	31%
Bachelors degree or Graduate Degree	13.5%	17%	18%

Source: US Census and Claritas 2000

Employment

Total employment in Hayward as of 1998 is currently estimated at approximately 78,000, based on projections by the Association of Bay Area Governments. Employment in Hayward was relatively stable in the early 1990's because of Hayward's diversified industrial base. It declined slightly while significant job losses were occurring elsewhere in the Bay Area due to military base closures and the California recession. The number of employed Hayward residents has increased with the economic resurgence at the regional, state and national levels.

Employed Residents

Over the decade from 1980 to 1990, there was an increase in the number of Hayward residents employed in "white collar" occupations while there was a decrease in the number of residents employed in "blue collar" occupations. The number of residents employed in service-based occupations remained at 11 percent.

Employment by Industry: 1980 - 1990

Industry	1980	1990	% Change
Executive, Administrative, Managerial	18%	22%	22%
Technical, Sales, Support	34%	36%	6%
Service	11%	11%	0%
Manufacturing	35%	30%	-14%

Of the nearly 40,000 Hayward residents that work in Alameda County, the 1990 Census reported that almost half work in the City of Hayward. It will be interesting to see whether as large a percentage in the year 2000 work and live in Hayward.

Location of Employment By City: 1990

Location of Employment	% of Residents
Hayward	43.20%
Oakland	14.00%
San Leandro	9.00%
Fremont	8.30%
Other Bay Area Cities	22.20%

Recent Development Trends

The following charts show the most recent information regarding the City's owner occupancy rates and percentage of ownership type housing. As of 1999, the number of ownership-type housing units was 30,336 or 66.2% of the total. The percent of owner-occupied units was 53%, an increase from 1990 of approximately 2%.

Housing

Residential development in Hayward since 1990 have primarily been ownership products. The following tables illustrate the type, by tenure, of housing units developed since 1990.

Percent of Ownership Type Housing Units 1990-1999

Year	Total Housing Units	Ownership Type Housing Units			Ownership Units as % of Total Units
		SF	MF	Total	
Total 1990	43,122	24,102	3,508	27,610	64.0%
1990-1999	2,726	1,751	975	2,726	64.0%
1999 Total	45,848	25,853	4,483	30,336	66.2%

Source: City of Hayward, Advance Planning Program 3/2000

Percent of Owner-Occupied Housing Units 1990-1999

Year	Total Occupied Units	Owner Occupied Units			Owner-Occupied Units as % of Occupied Units
		SF	MF	Total	
Total 1990	40,964	18,335	2,584	20,919	51.1%
1990-1998	2,736	1,751	488	2,239	81.8%
1999 Total	43,700	20,086	3,072	23,158	53.0%

Source: City of Hayward, Advance Planning Program 3/2000

In 1998, all of the housing units built or under construction were single-family house, with the exception of one rental condominium project. Of the 1,793 proposed units in projects which have been approved or for which applications are pending, 1,593 are single-family detached units and 200 are condominiums or multi-family units. The number of rental multifamily units being built per year has declined as the number of single-family homes has increased. It is expected that market demand

will encourage builders to continue to construct the same overall proportion of single-family homes in Hayward. In any case, it is highly unlikely that the number of new multifamily units built will approach the high levels developed in Hayward during the 1980's. The remaining potential for further housing development is discussed in the next section.

Remaining Development Potential

Housing Development

In 1998, City staff undertook a review of the remaining housing development theoretically possible under General Plan policies. Based on this review, it was found that there is still potential for an additional 3,300 to 7,800 housing units at "build-out." The smaller number assumes all development will occur at the low end of the permitted density range, while the larger number assumes all development will occur at the high end of the permitted density range. The number of additional housing units actually realized may be 5,600 units or below -- about the midpoint of the permitted density range due to the demand for single family homes.

Commercial and Industrial Development

City Staff maintains a parcel-based listing of marginally-developed and vacant land which is available for non-residential development. Although some acreage has been added to the inventory through approval of the South of Route 92 Specific Plan, continued construction activity has reduced the amount of acreage which could accommodate additional development. Recently approved development has also further reduced the availability of relatively large parcels. There are only about six or seven locations remaining in Hayward where there are 25 or more contiguous acres that are vacant and/or underutilized. Only one of these has a significant amount of vacant acres. The other areas include underutilized parcels containing auto dismantlers and other low employment, low wage uses.

Forecasts of Population, Housing, and Employment

The Association of Bay Area Governments (ABAG) updates its regional forecasts of population, housing, and employment every two years. These forecasts are presented in five-year intervals extending to the year 2020. Projections for the Hayward area generally reflect trends and expectations for the region as a whole. The projections are consistent with the level of development currently permissible under the General Policies Plan.

Population and Housing

The forecast for households reflects the overall change in the housing potential in the city. While this trend is also reflected in lower population projections, the household population will continue to rise gradually in the short-term period due to the continuing increase in the number of persons per household. In part, this is due to the construction of new residential development consisting of three and four bedroom single family homes which tends to attract larger families.

Employment

Over the short-term (2005) forecast period, the number of jobs will rise at a faster rate as the state economy recovers. Continued job growth is forecast through the long-term (2020) period. The total job gain for the 20-year horizon period for the Bay Area is almost 1.0 million new jobs. The largest Bay Area growth sector is anticipated to be in the Service sector (44 percent). The three remaining sectors are Manufacturing/Wholesale (21 percent), Retail (17 percent), and Other (18 percent).

In terms of growth at the county level, Alameda County is expected to capture 21 percent of the total Bay Area growth with slightly over 200,000 new jobs. In the Manufacturing/Wholesale category, County growth will comprise about 21 percent of the total growth within the Bay Area. The County Service sector growth represents 23 percent of Bay Area growth. This sector represents the largest amount of net new jobs - over 104,610. Overall, Hayward should account for 11 percent of the total job growth within Alameda County with slightly over 22,000 new jobs expected to be created by the year 2020.

Projected Jobs 2005

Industry	Hayward	Alameda County	Hayward % of Alameda Co. Jobs
Agriculture, Mining	410	3,420	11%
Manufacturing and Wholesale	25,520	102,020	25%
Retail	14,320	121,600	12%
Service	31,710	302,730	10%

Source: ABAG Projections 2000

Only Fremont (33,800 jobs) and Oakland (29,450 jobs) are projected to have more manufacturing jobs than Hayward. This means that Hayward will continue to have significantly more manufacturing jobs per capita than any other city in Alameda County. These "blue color" jobs have generally been open to high school graduates and those with some college. Approximately 59% of Hayward residents have a high school degree or some college, providing a good match for the

manufacturing jobs available. However, as manufacturing becomes increasingly more computerized, the educational requirements may rise. Manufacturing jobs also tend to pay moderate to middle income wages and provide benefits.

Oakland (22,970 jobs) and Fremont (16,100 jobs) are projected to have more retail jobs than Hayward. Berkeley is close behind Hayward with 13,840 retail jobs. Most retail jobs are relatively low paying and many do not have health or retirement benefits. Many of these jobs are open to high school graduates.

Service jobs include the following: personal, business, repair, motion pictures, amusement, and recreational, health, educational, legal, social, engineering, accounting, research and management, as well as services provided by hotels and other lodging places. In the service sector, Oakland has significantly more jobs (83,340) than the next highest city, Berkeley, with 46,660 jobs. Hayward follows with 31,710 jobs and Fremont follows with 29,800 service jobs. Since service jobs include the widest range of occupations, wages and benefits vary greatly as does entry level access for those with high school degrees and/or some college.

PART I. PRIORITY AFFORDABLE HOUSING NEEDS

General Characteristics

During the late 1990's, the San Francisco Bay Area economy expanded with unprecedented growth in high-paying jobs in the computer and high-tech industries. However, the growth in employment opportunities has not been matched by an expansion of the housing supply. The influx of highly-paid workers into the housing market has resulted in skyrocketing rents and the highest home prices in the United States. These economic conditions have resulted in new wealth for some. However, these new job opportunities may not be available to lower skilled, lower-income workers. Meanwhile lower-income families are forced to compete with more affluent families for fewer available units. These housing market conditions coupled with a lack of land available for residential development, have combined to create a housing crisis for low and moderate-income families.

The Hayward housing market has traditionally been one of the most affordable in the Bay Area. Hayward is similar to other communities in the San Francisco Bay Area in that a substantial portion of the total housing stock are single-family units. During the 60's, 70's and 80's there were substantial increases in the number of multifamily units and mobile homes. During the 90's, increases in the number of units occurred primarily in single family developments.

The following table describes the distribution, by type, of Hayward's housing units:

Housing Unit Type: 1960 - 1999

Structure	1960	%	1970	%	1980	%	1990	%	1999	%
Single Family	18,768	92.8	19,951	69.6	20,629	57.5	22,179	52.6	25,853	56.4
Multifamily	1,455	7.8	8,082	28.2	13,402	37.4	18,109	43	18,145	39.6
Mobile Homes	20	.1	636	2.2	1,839	5.1	1,848	4.4	1850	4
TOTAL	20,243	100	28,669	100	35,870	100	42,136	100	45,848	100

Source: City of Hayward Advance Planning Department March 2000

Please note that ownership type units include single family, multifamily (condominium) and mobile homes. Approximately, 30,000 Hayward housing units are owner-occupied.

Low Income Tenants

According to HUD, a family should pay no more than 30 percent of its gross monthly income on housing-related expenses. The Alameda County HOME Consortium Housing Needs Analysis indicates that the majority of low income rental households at HUD Low Income Limits⁶ or \$50,200 for a family of four, spend more than 30% of their incomes (\$1297 per month) on housing costs.

The 1990 US Census reported that there are slightly more than 40,000 total households in Hayward and of this amount there are 19,000 households that rent or lease either an apartment, condominium, mobile home, town home or single-family home. More than half (54%) of these households reported some type of housing problem. These problems include households paying more than 30 percent, and in some cases, 50 percent of their monthly income on housing-related expenses. The Census information indicates that there are more than 6,082 low income renters in Hayward. Of the very low-income families who rent, more than 80 percent spend more than 30 percent of their income on housing expenses and more than 70 percent spend more than 50 percent of their income on housing. It seems clear that this trend will continue into the 2000-2004 period. The following table illustrates the cost burden for renter households.

Cost Burden for Renter Households

		Elderly	Small Related	Large Related	All Other	Total Renters
Very Low-Income (0-30% MFI)	Number of Households	911	1,502	435	522	3,400
	Cost Burden > 30%	76%	89%	90%	69%	83%
	Cost Burden > 50%	57%	80%	84%	59%	71%
Low-Income (31-50% MFI)	Number of Households	422	1,270	419	571	2,682
	Cost Burden > 30%	86%	89%	88%	89%	88%
	Cost Burden > 50%	46%	40%	33%	52%	42%
Other Low-Income (51-80% MFI)	Number of Households	236	1,652	526	1,137	3,551
	Cost Burden > 30%	75%	61%	41%	76%	64%
	Cost Burden > 50%	22%	2%	1%	5%	4%
Moderate-Income (81-95% MFI)	Number of Households	105	824	376	849	2,154
	Cost Burden > 30%	44%	15%	16%	42%	27%
	Cost Burden > 50%	15%	0%	0%	0%	1%

Source: 1990 US Census, HUD CHAS Table 1-C

⁶ HUD Low Income approximates 72 percent or less of the area's median income.

According to Eden Information and Referral's affordable housing database for the City of Hayward, there are approximately 4,900 affordable units; most are one and two bedrooms (4,472 units). The average rent for a one bedroom unit is between \$768 and \$774 per month; two bedroom units average \$892-904 per month. There are only 262 three bedroom units in their database with average rents of \$1169 to \$1188. The lowest rent for a three bedroom is \$700. Eden I & R's analysis indicates that there is a 2% vacancy rate which mirrors the Bay Area vacancy rate for all rental units. While these rents are affordable for households at HUD Low Income, households at 50% of median income will have to pay considerably more than 30% of their gross income, depending upon the size unit needed.

The high cost of housing in the San Francisco Bay Area is as much a problem for moderate and lower-income families as the physical condition of housing units or the incidence of neighborhood crime. High rents lead to overcrowding as families cut their expenses by living in smaller, more affordable units that may not be appropriate for the number of individuals in their family. Parents must work more than one job to earn enough to pay these high rents. Meanwhile, children are left unsupervised or enrolled in expensive day-care programs. Excessive cost burden may not be as visible as poorly-maintained deteriorated buildings, but it has a significant impact on a families quality of life.

Priority: Increase the availability of affordable rental housing for low and moderate income households.

Priority Analysis and Obstacles to Meeting Underserved Needs

The Alameda County Subsidized Housing Inventory (1997) identified 19,764 rental housing units with long-term affordability and income level restrictions. Even with this supply of affordable housing, there are still more than 37,000 low income renter households that pay more than 30% of income for rent. In addition, the majority of the available supply of units are smaller units, more suitable for singles, elderly and smaller households than for larger families. Of the total designated subsidized rental units, 9,350 units are designated for family housing, 6,753 units are designated for senior housing, 997 are Single Room Occupancy (SRO) units, and 757 units have been identified as accessible to people with disabilities (these units often overlap with other types of housing). Classifications are unknown for 1,907 units. Most subsidized housing developments have long waiting lists.

According to the California Housing Partnership Corporation, there are nineteen projects with 1,110 project-based Section 8 rental units within Consortium jurisdictions that will face conversion to market-rate rents in the next five years (FY 00-04). The Alameda County Subsidized Housing Inventory (1997) found that between 1993 and 1995 there was a 9% reduction in affordable restricted rental units for very low income families and a 16% reduction in affordable restricted units for

extremely low income. This indicates that very low income families are facing an increasing risk of becoming homeless, are doubled up in overcrowded conditions and/or are paying precariously high percentages of their incomes for housing.

The following properties are at-risk of conversion to market rate housing during the period of this plan:

- Summerwood Apartments: Conversion date: 2003 - 162 total units; 32 below-market rate units; most two bedrooms.

Unless action is taken to preserve the affordability of these units, they will convert to market-rate housing. Given the large unmet affordability needs in the City, even with the current supply of below-market rate rental housing, it is essential that these be preserved. In the mid-1990's, the City worked with California Housing Partnership Corporation (CHPC) to identify financing sources and incentives to keep "opt-out" properties affordable. It is our intention to continue to work with CHPC and property owners prior to the time "opt-out" dates occur to keep as many units affordable as possible.

Section 8 Vouchers

There are 16,385 (United Way Community Assessment, 1997) Section 8 vouchers and certificates in use in the county. The average waiting time is approximately 2 years. Section 8 and Public Housing programs within the HOME Consortium have approximately 11,000 households on their waiting lists. In FY 2001 there will be an additional 600 vouchers added to Consortium jurisdictions, according to recent HUD estimates.

Since Hayward rents have been lower than those in neighboring localities, households with Section 8 vouchers have sought housing here. According to the Alameda County Housing Authority, there are 947 households with certificates and 629 households with vouchers in Hayward as of the end of 1999. This compares with 558 certificates and 535 vouchers in Fremont and 460 certificates and 310 vouchers in San Leandro.

The number of landlords who are willing to provide Section 8 housing has not kept up with demand. An increasing number of vouchers and certificates are returned to housing authorities due to the fact that the participants cannot find landlords who are willing to rent to them. Alameda County Housing Authority has requested and received authorization to allow participants to pay higher rates than currently set for the area by HUD. While this gives tenants the ability to rent market rate units, it will create a greater cost burden for these participants.

Objectives

The needs analysis for this priority indicates that most low-income renter households have a housing cost burden which monopolizes most of their income. The following objectives seek to address the high cost of rental housing in Hayward.

Objective 1: Support the availability of affordable rental housing, including "opt-out" projects, in response to requests for the acquisition and rehabilitation of existing units where an appropriate percentage have affordability restrictions. Any development that may occur pursuant to these policies, must also conform to the City's Design Guidelines.

Objective 2: Reduce discrimination against Section 8 Voucher holders by requiring property managers not to discriminate against Section 8 households in the City's Mortgage Bond-financed developments if they meet credit standards and have good references from previous landlords.

Accomplishments

Program	Anticipated Accomplishments FY 2000-2004	Funding Amount	Funding Source
Heritage West	Approximately 141 households whose income is at or below 60% of median income adjusted for household size.	\$9,600,000	Mortgage Bond Revenue Financing
Multifamily Acquisition and Rehabilitation Programs	For each project, at least 20% of the units will be affordable to households whose income meets does not exceed 50% of the MFI	unknown at this time	Mortgage Revenue Bonds
	Approximately 15 rental properties housing lower income households will be rehabilitated.	\$1,500,000	Low/Mod Housing Fund monies
Non-discrimination towards Section 8 voucher holders	At least one ECHO audit to test for discrimination against Section 8 voucher holders.	\$15,000	CDBG
	All mortgage bond projects will include non-discrimination requirements.	\$0	Mortgage Revenue Bonds

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

Families to be Assisted: FY 2000-2004

	Income			
	Very Low	Low	Moderate	Middle
Families Assisted	60	150	NA	NA

GEOGRAPHIC DISTRIBUTION

These activities will be citywide.

Priority: Preserve existing affordable rental and ownership housing for low and moderate income households.

Priority Analysis and Obstacles to Meeting Underserved Needs

The Alameda County HOME Consortium Housing Market Analysis describes the condition of the Consortium's housing stock, including the existence of substandard rental and ownership housing. According to data collected for the American Housing Survey for the United States: 1997, about 12% of the rental housing stock and 5% of the owner housing stock were defined as having moderate to severe physical problems with the property. Of the rental units, 15% of the interiors and 9% of the exteriors were reported as inadequate. It is estimated that these figures are reflective of the housing and rental stock in the Alameda County HOME Consortium area, including the City of Hayward. Approximately two-thirds of the approximately 40,000 dwelling units in Hayward in 1990 were built before 1980, so the housing stock will require some rehabilitation. However, the greatest need for rehabilitation is in the City's mobile home parks. Since seniors are among the lowest income households in Hayward they are limited in their ability to pay for repairs. Additionally, there are no lending programs available to finance mobile home repairs.

Lead-Based Paint Hazards

Lead-based paint used in residential applications presents a potential health risk. The Federal Government banned the use of lead-based paint in 1978. However, many homes built prior to the ban may still have surfaces finished with lead-based paint. Simply painting over lead-based paint will not necessarily mitigate the potential health impacts of this product. Recent analysis indicates that the majority of homes in Hayward were built prior to the ban and may contain lead-based paint. The incidence of lead paint hazards in the County's older housing stock, which poses dangers for young children living in those dwellings, has been documented in the Consortium's Housing Needs Assessment.

Last year HUD and EPA jointly issued Lead-Based Paint regulations that significantly impact all CDBG-funded rehabilitation programs and first-time homebuyer programs. As of September 15, 2000, *all* properties acquired or rehabilitated with CDBG or HOME funds must have an assessment of lead-based paint risk and, if between \$5,000 and \$25,000, have interim controls applied and, if over \$25,000, have all lead paint abated.

Low Income Homeowners

Many low income homeowners cannot afford the substantial costs involved in rehabilitating their homes. In Alameda County's Owner Rehabilitation Program the average cost of major rehabilitation projects is \$30,000 per unit. The program has seen an steady increase in costs in recent years as the cost of building materials and labor increases. According to the CHAS data book compiled for the 1995 Consolidated Plan there are 38,575 elderly homeowner households in the HOME Consortium area; of those households, close to 31% were low income households. The significant rehabilitation needs of the low and moderate income owner occupied stock makes programs to preserve that supply a priority.

The 1990 Census showed that there were 3,310 mobile homes in the City of Hayward, the vast majority of which are owned by low income seniors. In addition, there were 20,667 single family owner-occupied homes and approximately 7,000 senior households, most of them low income homeowners.

Objectives

The needs analysis for this priority demonstrates that the City should continue its efforts to help property owners maintain the quality of both owner and renter-occupied units. Additionally, the City will work to ensure that affordable units remain affordable to lower-income households within the constraints of the housing market. The following objectives present strategies for addressing these needs.

Objective 1: Preserve existing single-family housing stock occupied by lower income households by rehabilitating single-family owner-occupied homes and mobile homes.

Objective 2: The City will continue to implement an interdepartmental program to abate "nuisance" properties.

Objective 3: Preserve existing multi-family housing stock occupied by lower, moderate and middle-income households by having substandard units rehabilitated.

- The City will operate a Rental Inspection Program to assure that all rental units are in compliance with housing codes.
- The City will conduct a rental rehabilitation program for blighted properties in the expanded Redevelopment Area.
- The City will assist nonprofit and for-profit corporations to acquire and rehabilitate existing blighted housing if the project substantially improves the neighborhood and at least 20% of the units are restricted for occupancy to very low income households (or at least 40% of the units are restricted for occupancy to households whose income is no more than 60% of area median income) adjusted for household size.

Objective 4: The City will monitor units which are affordable and at risk of local, state or federal subsidy termination.

Objective 5: The Redevelopment Agency will replenish the housing stock on a one-for-one basis for any existing housing units which are lost as a direct result of Redevelopment Agency actions.

Accomplishments

The City will continue to operate rehabilitation programs for single and multifamily housing units.

Program	Anticipated Accomplishments FY 2000-2004	Funding Amount	Funding Source
Minor Home Repair Program	Approximately 400 very low income households.	\$1,000,000	CDBG
Housing Conservation Loan Program (Single Family Conventional and Mobile Homes)	Approximately 75 low income households	\$2,000,000	CDBG
Multifamily Acquisition and Rehabilitation Programs	For each project, at least 20% of the units will be affordable to households whose income is at or below 50% of median adjusted for household size.	Unknown at this time	Mortgage Revenue Bonds
	Approximately 60 units occupied by lower income households will be rehabilitated.	\$1,500,000	Low/Mod Housing Fund monies

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

Families to be Assisted: FY 2000-2004

	Income			
	Very Low	Low	Moderate	Middle
Families Assisted	350	75	NA	NA

GEOGRAPHIC DISTRIBUTION

All of the objectives described above will be applied throughout the City of Hayward.

Priority: Assist low and moderate income first time home buyers.

Priority Analysis and Obstacles to Meeting Underserved Needs

The benefits of home ownership to the home owner and to the quality of neighborhoods with a large percentage of owner-occupied housing units are well documented. However, with the high cost of ownership housing, it is very difficult for even moderate income households to become homeowners. Initial down payment and closing costs, as well as high on-going mortgage and other costs, are significant barriers to home ownership. High rents in the area make accumulation of initial capital needed even more difficult. First time home buyers, who do not have the equity windfall from the sale of their previous home, face increasing costs. Younger working households are moving further out of the urban areas in order to afford a home – reducing economic vitality, adding to jobs/housing imbalances, and increasing congestion and environmental concerns.

The current obstacles facing renter households who would like to own their own homes are the limited supply of for-sale units and sale prices that exceed the financial means of many households, regardless of income. The Alameda County HOME Consortium Housing Needs Analysis documented that a sizable proportion of households earning moderate income (80% of median income) spend over 30% of their incomes on housing costs. This is partly due to the long-term trend of Bay Area household incomes not keeping pace with increasing rental and ownership costs. The following table illustrates the cost burden for owner households.

Cost Burden for Owner Households

		Elderly	All Other	Total Owners
Very Low-Income (0-30% MFI)	Number of Households	898	480	1,378
	Cost Burden > 30%	54%	6%	60%
	Cost Burden > 50%	34%	8%	42%
Low-Income (31-50% MFI)	Number of Households	1,192	770	1,962
	Cost Burden > 30%	21%	15%	36%
	Cost Burden > 50%	4%	14%	18%
Other Low-Income (51-80% MFI)	Number of Households	1,154	1,412	2,566
	Cost Burden > 30%	14%	19%	33%
	Cost Burden > 50%	3%	8%	11%
Moderate-Income (81-95% MFI)	Number of Households	551	1,224	1,775
	Cost Burden > 30%	13%	25%	38%
	Cost Burden > 50%	4%	1%	5%

Source: 1990 US Census, HUD CHAS Table 1-C

Affordability Gap

The gap between median incomes and median home prices is sizable. In 1999, according to HUD, the median household income (for a family of four) for Alameda County was \$65,700, while the median home price was \$276,825 (California Association of Realtors). According to current mortgage industry underwriting guidelines, a household should not spend more than 33 percent of their gross monthly income on housing-related expenses.

Because Hayward has more ownership type housing than owner-occupied housing, opportunities exist for an increase in the homeownership rate by helping tenants become home owners. However, recently both sales prices and interest rates have increased substantially, pricing low income tenants out of the first-time homebuyer market. For example, a three bedroom, one bath home on upper B Street, purchased for \$165,000 in 1998 is now on the market for \$225,000.

In addition, the supply of housing appears to be shrinking. For the week of March 20, 2000, there are only 20 homes on the market (versus more than 50 last year during this period).

During 1999 many of the older three bedroom, one bath homes in Hayward were affordable for low income households with a \$30,000 second mortgage (from CDBG funds) and about \$9,000 from the City's First-Time Homebuyer Program. Over the past four years, approximately 30 low income households have become first-time homebuyers using a combination of the City's programs.

However, the City is projecting high sales prices and the cost of lead-based paint remediation will increase the size of the subsidy needed for a low income household to purchase an existing single family home or condominium to more than \$50,000.

The following tables present a examples of the ownership affordability gap. These examples are based on a family of three who earn no more than \$45,200 (HUD low-income) and can pay no more than \$1,130 per month for housing (30% of their monthly income). The mortgage amount is based on a 30 year term at 8 percent interest. The prices for these examples are based on lower-end homes for sale in Hayward(as of March 20, 2000). Two bedroom, one bath homes are selling for between \$200,000 and \$225,000; three bedroom, one bath homes have sales prices of between \$225,000 and \$249,000! All of these homes were built prior to 1978; the two bedroom homes average 1,000 square feet and the three bedroom homes average 1200 square feet.

Current Sales Prices	\$ 188,000	\$ 190,000	\$200,000	\$215,000	\$225,000	\$230,000
Maximum Mortgage Amount	\$154,000	\$154,000	\$154,000	\$154,000	\$154,000	\$154,000
Gap	\$34,000	\$36,000	\$46,000	\$61,000	\$71,000	\$76,000

If condominiums are available for sale, their prices are also rising quickly. Condo association fees can also be quite high, between \$200 -- \$300. The same two bedroom condo that sold last year for \$140,000 is selling this year for \$177,000.

Current Sales Prices	\$150,000	\$155,000	\$160,000	\$170,000
Maximum Mortgage Amount (with \$200/month condo fee)	\$126,743	\$126,743	\$126,743	\$126,743
Gap	\$23,257	\$28,257	\$33,257	\$43,257

In general, \$150,000 – \$170,000 condos are two bedroom, one bath in size, were built before 1978, average 900 square feet and are located in older areas of the City. Condos built in the 1980s are usually priced at \$170,000 and up.

If condo fees are \$250 per month:

Current Sales Prices	\$150,000	\$155,000	\$160,000	\$170,000
Maximum Mortgage Amount (with \$250/month condo fee)	\$119,929	\$119,929	\$119,929	\$119,929
Gap	\$34,159	\$39,159	\$44,159	\$50,071

The March 20 Homes for Sale listed the following condos for sale:

- 918 Tennyson Road – \$188,000 (for each of 2 units)
- 949 Western Blvd – \$190,000

To get low income buyers into housing, lenders use variable rate loans (often with “teaser” rates) to qualify them. As interest rates rise, their monthly payments increase, often by \$150 or more per percentage point (depending upon the index used). At the same time the costs of repair increase faster than were estimated for reserves, causing an increase in the condo fee. The lower income household gets caught in the middle because family income is not rising compared to these increased expenses. Although single family homes are more expensive, owners have more control over costs and earn higher levels of property appreciation than in a condominium.

Homes and condos built before 1978 almost always contain lead-based paint. New regulations require that the home have a risk assessment and that any peeling or deteriorated lead-based paint be treated or abated prior to the buyer moving in. These regulations must be implemented regardless of whether there are children in the first-time homebuyer household. Lead-based paint is frequently found on the woodwork around doors and windows, on doors and windows themselves and in kitchens and bathrooms, on the home’s exterior and in the soil. Since lower income households usually can only afford older existing houses that contain lead-based paint, using the CDBG program to fund a first time homebuyer program has now increased the cost of homeownership substantially as the cost of lead-based paint assessment and remediation is quite high. Depending upon the amount, location, and level of deterioration of lead-based paint and how it is treated, the cost of meeting the lead-based paint requirements can be \$50,000 or more, without abating all of the lead-based paint in the house.

Objectives

The needs analysis for this objective demonstrates that home ownership provides benefits for both the home owner and the community. However, the high cost of ownership housing and the difficulty many low-income families have in saving for down payment and other home buying expenses make ownership virtually impossible. The following objectives address these needs through educating potential home buyers and providing strategic financial assistance.

Objective 1: The City will continue to participate in the federal Mortgage Credit Certificate (MCC) Program administered by the Alameda County Housing and Community Development Department.

Mortgage Credit Certificates

Authorized in the Tax Reform Act of 1984, the federal Mortgage Credit Certificate program was designed to assist first time homebuyers afford to purchase a house by providing a tax credit against

income taxes up to 20% of the mortgage for a total of five years. By reducing the amount of income taxes paid by the borrower, more income is generated to support a first mortgage. Households are eligible whose incomes are no greater than \$48,500 for a household of one or two person and \$55,700 for three or more person households. (This is approximately 95% of median income.) MCCs, therefore, help households on the lower end of moderate income finance a large enough mortgage to purchase a home.

All of the cities in Alameda County joined with County to participate in the MCC program. Since 1992, the County has received an allotment of MCCs. The MCC program used to be a substantial source of financing for first time buyers in Hayward. In 1992, 110 MCCs were issued to households in Hayward, totaling \$14,515,388 in mortgage financing. In 1996, after the California Debt Limit Allocation Committee decided to give the California Housing Finance Agency almost all the bond/MCC allotment instead of the cities and counties, Hayward received \$1,851,775 in mortgage financing which provided MCCs for 15 households. Thereafter, Hayward has received enough MCCs to assist approximately 15 households each year. It is difficult to predict the future availability of MCC funding due to competition on a State level for the ability to issue single family bonds. Furthermore, because the program's sales price limits are low, and sales prices in Hayward are rising, there are few homes that qualify.

Objective 2: The City will continue to provide assistance to moderate income first-time homebuyers in the form of direct financial assistance.

In 1994 the City of Hayward City Council amended the General Plan Housing Element to increase the percentage of Hayward households who become homeowners from 51% to 70%. In October 1995, the City Council adopted an amended Housing Element that included new policies and programs to help increase the City's homeownership rate.

The main purpose of the program is to assist median income households become homebuyers since, without such assistance, these families would be excluded from ownership. Creating a larger pool of potential homebuyers to purchase moderately priced Hayward homes also helps to preserve Hayward's ownership-type housing stock from becoming rental stock.

The home buyer program provides downpayment and closing costs assistance to borrowers whose income is no greater than 120% of median income, adjusted for household size. This program is historically funded through the Redevelopment Agency's Low and Moderate Income Housing Fund.

The program provides low interest loans for downpayment and closing costs which can be used to purchase homes throughout Hayward. Loans provide downpayment assistance up to 2% of the purchase price and funds for non-recurring closing costs. Eligible properties are those with sales prices which are at or below the median home price for Hayward.

The City's First-Time Homebuyer Program has been approved by HUD's Federal Housing Administration (FHA), the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and the California Housing Finance Agency (CHFA).

Objective 3: The City will provide assistance to first-time homebuyers through the provision of information and/or referral services regarding the home buying process.

The City funds a full-time Homeownership Coordinator to promote Hayward's programs teach homeownership classes, underwrite loans and coordinate a partnership with lenders and realtors to market Hayward and offer as many different first mortgage programs as possible. Information on the City's First Time Homebuyer Program is mailed to tenants in all of Hayward's apartment complexes. Three to five presentations per month, promoting the program, are made to community groups. Classes for potential first time homebuyers are conducted on a bi-weekly basis. Classes conducted in Spanish are on a monthly basis. When there is enough demand, classes are also conducted in Cantonese. The class helps potential homebuyers understand the realities of home ownership, credit, managing debt and budgeting. Staff also conducts post-purchase follow-up workshops to help homebuyers with credit, budgeting, and savings issues. More than two thousand potential homebuyers have attended these classes. Classes are mandatory for all who wish to participate in the City program.

Accomplishments

The City will continue to offer home ownership classes in English on a bi-weekly basis throughout the year. Similar courses in Spanish will be conducted monthly while courses in Cantonese will be conducted on an as-needed basis.

The City will provide direct financial assistance in the form of loans for down payment and closing cost expenses to qualified moderate income home buyers as funds are available. Since the current ownership housing market is characterized by rising sales prices and interest rates and shrinking inventory, it is difficult to estimate the exact number of home buyers that will be able to participate in the City's programs.

New federal lead-based paint regulations will require extensive paint analysis and mitigation for every unit purchased using federal funding. The cost of this lead-based paint work will reduce the effectiveness of federally-funded home ownership programs to the extent that these resources will, more than likely, not be used to assist home buyers. Based on the market conditions and new federal regulations, the City anticipates assisting between 25 low income home buyers annually through 2003 using non-federal funding sources.

Program	Accomplishments FY 2000-2004	Funding Amount	Funding Source
Alameda County Mortgage Credit Certificate Program	80 MCCs	\$12.8 million	Mortgage Credit Certificates/ Single Family Bond Authority
City of Hayward First-Time Homebuyer Program	150 Families	\$5 million	City of Hayward Low & Moderate-Income Housing Fund

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

Families to be Assisted: FY 2000-2004

	Income			
	Very Low	Low	Moderate	Middle
Families Assisted	0	25	150	0

GEOGRAPHIC DISTRIBUTION

All of the objectives described above will be applied throughout the City of Hayward.

Priority: Reduce housing discrimination.

Priority Analysis and Obstacles to Meeting Underserved Needs

The Federal Fair Housing Act, the California Fair Employment and Housing Act, and the California Unruh Civil Rights act all prohibit discrimination in the sale and rental of housing to persons or families based on a number of criteria.⁷ In some cases discrimination has a subtle, yet powerful character. A landlord may impose unfair or unreasonable lease terms on an individual based on some type of discriminatory criteria.

An Analysis of Impediments to Fair Housing Choice (AI) was prepared by the Alameda County HOME Consortium in February 1996. The AI used data from HUD's Fair Housing and Equal Opportunity Division (FEHO) to determine the frequency and types of housing discrimination.

⁷Fair Housing Audit Report, 1997-1998 prepared by the Eden Council for Hope and Opportunity.

incidents occurring in the Consortium jurisdictions. Much of the data about fair housing issues in the City of Hayward was provided by the Eden Council for Hope and Opportunity (ECHO), a Hayward-based nonprofit housing advocacy organization.

The AI surveyed the following impediments to fair housing in the following issue areas:

The sale and rental of housing.

ECHO conducted fair housing audits at five sites in the City of Hayward during the preparation of the AI. According to ECHO, three of the Hayward sites did not show any evidence of discriminatory treatment while data from the remaining two sites was inconclusive.

Provision of financing assistance for dwellings.

The Federal Home Mortgage Disclosure Act (HMDA) requires lenders to report information about loan approval and denial rates.

Public policies

The AI surveyed the policies and actions of Consortium jurisdictions affecting the approval of sites and other building requirements used in the approval process for the construction of housing. Hayward's zoning, processing and permitting procedures were assessed to determine if they were an impediment to fair housing choice. The City's zoning ordinance was shown to allow for higher density housing developments, second units in single-family neighborhoods, and manufactured and mobile homes in areas zoned for single-family development. All of these types of developments have the potential for providing units affordable to lower-income families.

A FHIP-funded testing conducted by Housing Rights, Inc. in 1995 found that while the City's zoning ordinance provides for group homes, that the occupancy of such homes was limited to no more than six individuals and a use permit was required. Housing Rights, Inc. believed that this policy did not comply with State and Federal fair housing laws. The City amended its zoning ordinance in 1999 such that all small group homes of 6 or fewer residents are considered to be occupied by a traditional household and not subject to the use-permit restrictions for larger group homes. Small group homes are now treated as standard residential properties and are not subject to zoning review and use permit requirements. The City further amended the zoning ordinance by adding a policy statement that emphasizes that provisions of the zoning ordinance will not preclude reasonable accommodation for handicapped or disabled clients.

The following table illustrates the number and types of fair housing complaints in the City of Hayward as presented in the Consortium AI:

SUMMARY OF AI COMPLAINTS

Bases of Complaint	Hayward Area Complaints
Race	10
White	2
Black	8
American Indian	0
Asian/Pacific Islander	0
Sex	2
Male	0
Female	2
Color	0
National Origin/Religion	0
Disability	5
Mental Disability	0
Physical Disability	5
Mental & Physical Disabilities	0
Other Disabilities	0
Familial Status	3
Religion	0
Retaliation	0
TOTAL	20

Source: HUD FEHO Data

The AI also presented other related fair housing problems beyond outright discrimination that affect low-income households and people of color. An impediment to the development of affordable or supportive housing is opposition to this type of housing by neighborhood residents. Neighbors of affordable housing developments often express concern that their property values will decrease or that the amount of criminal activity will increase if lower-income families live in their neighborhood. Residents of neighborhoods with poorly managed group homes are often concerned about additional group homes locating there because of past or current problems with the residents of existing homes.

Each year ECHO conducts a housing discrimination audit in order to update the City's information on housing discrimination issues. According to ECHO, their auditing activities are conducted in order to evaluate the housing industry's treatment of persons protected under federal and state fair housing laws. ECHO has sent professional testers posing as real individuals seeking either rental or for-sale housing to Hayward area landlords and leasing agents. ECHO uses these audits to determine if differential treatment has occurred regarding a protected class. Auditing is an objective process used to discover patterns of illegal housing practices. The following table describes the testing activities conducted by ECHO during the past few years.

HOUSING DISCRIMINATION TESTING ACTIVITIES

Testing Criteria	# of Hayward Test Cases	Cases of Discrimination
Single Mothers receiving AFDC	56	9
Marital Status	20	10
Sexual Orientation	20	1
Race (African-Americans)	20	2

Source: ECHO Fair Housing Audits, 1995-1999

Fair housing services are provided to reduce housing discrimination, such as housing counseling to tenants and landlords on their rights and responsibilities, investigating complaints of housing discrimination, dispute mediation and resolution, along with training for Realtors and property owners on fair housing laws.

Despite increased knowledge of fair housing law and continued community efforts, discrimination continues to exist. The discrimination has also become much more subtle. In tight housing markets, investigating complaints is harder due to the rapid speed in which vacancies are filled and the hesitancy of tenants to complain due to fear of losing their housing. It also gives the landlords the ability to pick and choose among prospective tenants, which may lead to increased illegal discrimination.

Objectives

The needs analysis for this objective shows that housing discrimination continues to impact the ability for some households to find housing. The following objective addresses this need by supporting programs that track and reduce housing discrimination incidents.

Objective 1: The City of Hayward will fund services to reduce housing discrimination. Funding will be provided by the CDBG program.

Accomplishments

Program	Accomplishments FY 2000-2004	Funding Amount	Funding Source
Annual Housing Discrimination Audit Program	5 Audits	\$100,000	CDBG
Housing Counseling Programs	1,000 low income households	\$300,000	CDBG

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

GEOGRAPHIC DISTRIBUTION

All of the objectives described above will be applied throughout the City of Hayward. Special emphasis will be directed towards neighborhoods that report a higher incidence of housing discrimination.

PART II. PRIORITY HOMELESS NEEDS

Priority: Maintain and improve the current capacity of the housing and shelter system, expand transitional and permanent supportive housing.

Priority Analysis and Obstacles to Meeting Underserved Needs

The Alameda Countywide Homeless Continuum of Care Plan indicates there are an estimated 9,000 to 16,500 people homeless within Alameda County on any given night. Although three-quarters of this population identify Berkeley or Oakland as their place of residence, between 2,000 and 3,500 (23%) considered other jurisdictions within Alameda County as their primary place of residence before becoming homeless. While services and housing opportunities for homeless people have steadily increased in Alameda County, they have not kept up with the growth of the homeless population.

The Alameda Countywide Homeless Continuum of Care Plan estimates that families make up between 30-49% of the homeless population. Forty-nine percent of the shelter beds in the county serve families, however the number of beds does not meet the number of homeless who would like to sleep in them. These beds are distributed across the county in proportion to the homeless population (e.g. most of the beds are in Oakland and Berkeley, with the remaining 35% spread throughout the County).

The Plan also indicates that 38-48% of the county's homeless population have alcohol or other drug problems and 22-42% have moderate to severe mental health problems. There are a high percentage of people who are dually diagnosed with both alcohol/other drug problem and some form of mental illness (19-40% of total homeless). HIV infection is estimated at 15-25% of the total homeless adult population. For women, domestic violence is a major cause of homelessness, affecting 22-60% of homeless women. Veterans make up approximately 34% of the homeless populations (primarily male veterans).

Many of the shelter beds serve a portion of these subpopulations, however many people are more comfortable and more willing to get services from shelters that target people with their specific

needs. Many general shelters are unable to deal with the complex needs of some subpopulations, such as those dually diagnosed and those released from prison. Currently shelters offer beds, supported housing units, and residential treatment beds, in addition to multi-service centers for day-time use. Targeted services for people with one or more special needs or disabilities are needed outside of Berkeley, Oakland and Hayward. However, creating new capacity will not result in a net increase if, at the same time, beds are being lost elsewhere in the county.

There are four homeless shelters within the City of Hayward:

- Emergency Shelter Program (ESP) serves women and their children who are survivors of domestic violence and women and their children who are homeless. (32 beds)
- Family Emergency Shelter Coalition (FESCO) serves two parent families who are homeless and single parent headed households. (24 beds)
- Human Outreach Agency (HOA) serves single men who are homeless and referred by Alameda County Social Services. (18 beds)
- South County Homeless Shelter (Building Opportunities for Self Sufficiency) serves mentally disabled homeless men and women. (30 beds)

These facilities provide shelter and services specifically designed for either women, children or single men. All of these shelters are full on a nightly basis and often have to turn away people in need.

In addition to providing emergency shelter services, there are two transitional housing programs within the City of Hayward that help families moving from homelessness to permanent housing.

- WINGS serves women and children who are survivors of domestic violence. (14 units)
- FESCO serves homeless families. (4 units)

Objectives

The needs analysis for this objective shows that homelessness continues to affect many very low-income families and individuals throughout Alameda County. The following objectives address the regional nature of homelessness by helping to maintain the quality of current shelters and through strategic cooperation with other jurisdictions. These objectives also describe the City's continuing support of programs and facilities that provide both emergency and transitional housing for homeless families.

Objective 1: In cooperation with other localities, the City will provide funds to rehabilitate emergency shelters and transitional housing as the need arises.

Objective 2: The City will support the efforts of the Continuum of Care to obtain funds to increase the stock of transitional housing and permanent supportive housing in Alameda County. Specific projects will be evaluated on a case-by-case basis in terms of program design and appropriateness of staffing to meet the needs of the population to be served.

Accomplishments

Program	Anticipated Accomplishments FY 2000-2004	Funding Amount	Funding Source
Rehabilitate Emergency Shelters and Transitional Housing Projects	Approximately 2 shelters serving 2,000 homeless individuals	unknown	CDBG

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

GEOGRAPHIC DISTRIBUTION

Homelessness is a regional issue. However, the City of Hayward will work towards ensuring that services for the homeless are available in the City.

Priority: Increase and expand activities designed to prevent those currently housed from becoming homeless.

Priority Analysis and Obstacles to Meeting Underserved Needs

For many people in the county who are working at low paid jobs, unemployed, or living on public benefits, it is very difficult to remain housed. According to the Alameda County-wide Homeless Continuum of Care Plan, as many as 120,000 Alameda County households survive on less than the equivalent of 50% of the area median income; of those, 66,000 households are at only 30% of area median income.

For most people, housing is typically the largest expense in the household budget. Federal, state, and local housing programs frequently require that low income households should pay no more than 30% of their gross income towards housing costs. According to the Alameda County-wide Homeless Continuum of Care Plan (April 1997), low income households in unsubsidized units spend 50% to 75% of their income on housing alone. The National Low Income Housing Coalition found that in order to afford the median fair market rent for a two bed-room unit it would require a job that paid \$16.56 per hour at 40 hours per week. (Present federal minimum wage is \$5.15 per hour, California's minimum wage is \$5.75.) The more housing costs rise, the less disposable income low

income households have for other necessities, including food, health care, and education. Most low income families live from paycheck to paycheck and are only one paycheck away from losing their current housing.

Even when housing is available and a household can afford the rent payment, there are barriers which make it difficult for the household to obtain and maintain the housing. The move-in costs of first and last month's rent and security deposit are a large barrier to low income households who have difficulty making ends meet at the end of the month. Any crisis such as job loss, health emergency, alcohol or drug (AOD) problems can cause the household to begin the spiral into homelessness.

Prevention activities need to be expanded in programs that provide short-term rental assistance, rental guarantees, move-in costs, and housing scholarships to homeless and very low income people. It is usually less expensive to prevent someone from becoming homeless than to help them once homeless and far less disruptive to the family.

The City of Hayward has funded several programs that are designed to prevent homelessness:

- ECHO provides landlord-tenant counseling services and referrals; ECHO also provides move-in deposit guarantees for credit worthy tenants.
- Eden Information & Referral provides information about affordable rental housing openings and shelter space availability through the CHAIN Line.
- CRIL provides housing counseling to assist people with disabilities obtain and retain housing.

Objectives

The needs analysis for this objective shows that the high cost of housing in the Bay Area contributes to homelessness. The following objectives address this issue by helping very low-income households that have housing maintain their tenancy through a professional counseling and specific financial support.

Objective 1: The City will continue to fund activities that help families who currently have housing to not become homeless.

Accomplishments

Program	Accomplishments FY 2000-2004	Funding Amount	Funding Source
Landlord/Tenant Counseling Programs	6,000 clients	\$300,000	CDBG
Moving Cost Assistance Programs	250 clients	\$150,000	CDBG
Tenant Information and Housing Counseling Programs	4,000 clients	\$150,000	CDBG

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

GEOGRAPHIC DISTRIBUTION

All of the objectives described above will be applied throughout the City of Hayward.

Priority: Maintain, improve and expand services for homeless individuals and families including integrated health care, employment services and other supportive services.

Priority Analysis and Obstacles to Meeting Underserved Needs

The Alameda County-wide Continuum of Care Plan identified an enhancement of supportive services as a priority. The Plan states that existing multi-service centers should include the following services: showers, restrooms, mail, messages, phone, individual voice mail and other telecommunications, haircuts, clothing, furniture and other housewares, client education, legal assistance, storage of personal items, links to health care, personal assistant services for disabled people, crisis counseling, recovery and mental illness counseling services, information and referral, access to respite services, and reading materials. New multi-service centers are also needed within the Consortium jurisdictions. The full range of supportive services outside of multi-service center activities would include access to existing (including government subsidized) food programs; expanding available subsidized childcare in coordination with housing and vocational services; maintaining and expanding access to affordable transportation programs that provide transportation passes or tokens to clients.

According to the Plan, gaps in the current safety net mean that thousands of individuals regularly rely on soup kitchens, food pantries, and shelters for a significant amount of their monthly food supply. Homeless and low income people are at great risk for developing nutrition-related diseases, including diabetes, cancer, and heart disease. Homeless people with one disability are also at greater risk for developing other disabilities. Many homeless people are dually or triply diagnosed with physical

health, mental health and alcohol and drug (AOD) problems. They typically receive health treatment through the public system of care, and only when their needs become acute, requiring expensive treatment. Improving the delivery of health services will reduce the numbers of people who continue to cycle through periods of homelessness and reduce the high costs of acute medical, in-patient substance abuse, and psychiatric treatment.

In order to compete in today's evolving job market, many homeless people need job training or re-training, followed by placement into "living wage" jobs created specifically for them. Due to their unique circumstances, training and placement for homeless people must also be matched by basic services such as appropriate clothing and literacy training, as well as intensive services such as transportation, child care, on-going job mentorship, counseling and substance abuse treatment. Homeless families not only need job assistance for the adult wage earner(s) but for other family members as the household transitions to work and its demands.

Objectives

The needs analysis for this objective shows that helping the homeless requires special services beyond providing emergency, transitional, and permanent housing. The following objective addresses this need by supporting homeless services.

Objective 1: The City will work with interagency and interjurisdictional organizations to seek funds for homeless services and to encourage health care, job training and social services agencies to include the homeless in their provision of services.

Accomplishments

Program	Accomplishments FY 2000-2004	Funding Amount	Funding Source
Work with interagency or interjurisdictional partnerships to seek funds for and encourage inclusion of the homeless in the provision of services		N/A	All sources

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

GEOGRAPHIC DISTRIBUTION

Homelessness is a regional issue. However, the City of Hayward will work towards ensuring that services for the homeless are available in the City.

Priority: Build on interjurisdictional cooperation and further coordination and improvement of the homeless "Continuum of Care" system.

Priority Analysis and Obstacles to Meeting Underserved Needs

Alameda County excels in interjurisdictional cooperation and coordination of services to the homeless. There has been coordination around homelessness since 1987, both in terms of planning and the provision of targeted housing and services. The Emergency Services Network, the Homeless Base Closure Collaborative and the Continuum of Care process has led to a strong system of services and coordination. The Alameda County-wide Homeless Continuum of Care Working Group was formed in 1995 to develop the County-wide Continuum of Care Plan. In 1997, the Continuum of Care Council (the standing body formed by the Working Group) adopted a completed Continuum of Care Plan. The Continuum of Care Plan creates a blue print for even greater participation on a regional and community basis.

There have been significant reductions in the funding of various federal and state programs that serve the homeless directly and indirectly. The jurisdictions in the HOME Consortium continue to work together to further the work to facilitate the funding of local projects and maximize leveraging of funds from a variety of sources.

The goal of the Alameda County-wide Homeless Continuum of Care Plan is to provide a coordinated and comprehensive system of housing and support service to prevent and reduce homelessness. The Continuum of Care addresses the immediate needs of homeless people as they enter the system and works to move them as quickly as possible to stability and greater levels of independence. Systems, including programs that have historically been difficult for homeless people to access, must be coordinated at every level and resources allocated to ensure that services and housing along the entire continuum are available and are appropriate for the populations that need them. Efforts to promote awareness of the issue of homelessness and improve public perceptions of homeless and affordable housing projects will help remove impediments and create an environment where program success is enhanced.

The Alameda County-wide Homeless Continuum of Care Plan strengthens agencies by establishing minimum standards of care, including grievances, mutual rights and responsibilities, client participation and empowerment, privacy, health and safety. All standards are developed through a community-wide, consensus-building process with strong participation by homeless people and built upon existing minimum standards in use in the county. The Plan also calls for developing an integrated management information system. The first steps being undertaken towards this goal are to improve the data collection instruments and establish the minimum standards of privacy protection and confidentiality of clients. The next step is to fill in the gaps regarding resources for the agencies to implement the system and train the agency staff. The focus of the Continuum of Care is to provide people with life-long skills to avoid homelessness and increase their ability to be self-sufficient.

Objectives

The needs analysis for this priority shows that cooperation with other Alameda County jurisdictions helps leverage the limited resources available for homeless services. The following objective continues the City's participation in the Alameda County Continuum of Care Council.

Objective 1: Continue participation in the Alameda County Continuum of Care Council.

Accomplishments

Program	Accomplishments FY 2000-2004	Funding Amount	Funding Source
Alameda County Continuum Of Care Council	City representative serves on the Executive Committee	NA	CDBG

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

GEOGRAPHIC DISTRIBUTION

Homelessness is a regional issue. However, the City of Hayward will work towards ensuring that services for the homeless are available the City.

PART III . PRIORITY SUPPORTIVE HOUSING NEEDS

Priority: Increase the availability of service-enriched housing for persons with special needs.

Priority Analysis and Obstacles to Meeting Underserved Needs

Low income persons and families with special needs, including the frail elderly, persons with disabilities, persons with HIV/AIDS, persons with alcohol or other drug problems, and victims of domestic violence need housing with support services. Within the HOME Consortium there is a critical need to increase the amount of housing with supportive services to meet a variety of special needs. Supportive housing can increase life expectancy and quality of life for persons with special needs. For many, it can be key to preventing or permanently ending homelessness.

Each special need population requires different levels of service and support. Persons with acute disabilities, such as end-stage AIDS or severe mental illness, may require a high level of service available on site. Less vulnerable populations may need fewer services at their residence, but may

require access services in the broader community. Services often associated with supportive housing include case management, alcohol and drug counseling, health and mental health care, money management and child care.

The California Department of Rehabilitation estimates that 3% of the total population have disabilities which effect their housing requirements to a significant degree, forcing the disabled to live near medical facilities, live in specially designed homes or live in congregate housing. Many have difficulty obtaining housing when vacancy rates are low and housing is unaffordable. Most affordable housing does not have the accessibility to accommodate a physically disabled person. Education of landlords and disabled tenants regarding reasonable accommodations is sporadic. The misunderstanding between landlords and the needs of disabled tenants often leads to eviction proceedings rendering the disabled person homeless and with a poor tenant history making future rental opportunities more difficult.

Although services for people with identified special needs are the most critical, more limited service enriching housing can be beneficial to lower income populations which do not have special needs. Each of us has a range of service needs, such as child care, health care, advise about financial matters and educational opportunities. People with adequate resources are able to purchase these services in the community. These who lack these resources benefit from affordable housing with services which can help stabilize individuals and families and also serve as a community base through which services can be provided.

The City of Hayward has a long history of participating with other jurisdictions in Alameda County and with Eden Housing in jointly funding projects that serve Hayward residents. Additionally, there are privately-operated facilities located in Hayward that serve developmentally disabled children, teens, adults, and seniors.

Objectives

The needs analysis for this objective shows that providing services for those with special needs may prevent these individuals from becoming homeless. The following objective demonstrates the City's continuing support for regional projects that serve those with special needs.

Objective 1: The City will participate with other jurisdictions to jointly fund service-enriched special needs projects that serve Hayward residents.

Accomplishments

Program	Accomplishments FY 2000-2004	Funding Amount	Funding Source
Provide financial support for at least one project.	At least one project	Unknown	CDBG

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

GEOGRAPHIC DISTRIBUTION

The City will work to ensure that services for Hayward residents will available on a regional basis.

**PART IV. PRIORITY COMMUNITY DEVELOPMENT
 (Non - Housing) NEEDS**

Introduction:

During the preparation of the Consolidated Plan, City staff conducted several roundtable discussions with local service providers to gather information regarding community facilities and program needs. Representatives from housing, homeless and social service programs provided information on community needs from a unique perspective. Using this information, 1990 US Census data, current information from the Association of Bay Area Governments (ABAG) and demographic information from private firms, City staff identified social service need areas for the City of Hayward.

Please refer to the Community Development Needs Table for information regarding need level, units, and funding for activities addressing community needs categories. A caution is in order, prior to reviewing the table. There are many different potentially eligible activities listed in the Table, since the localities which have CDBG-funded programs are extremely diverse. Some activities listed in the Table are eligible activities for the City of Hayward, while others are not. Under Infrastructure, there are many types of public works-type projects listed. However, these are eligible activities that serve target areas where no such infrastructure exists. Cities that have existing infrastructure cannot use CDBG funds to repair or replace that infrastructure.

HUD regulations specifically state that “any expense associated with *repairing, operating or maintaining* public facilities, improvements and services is ineligible. ...[As is] [m]aintenance and repair of publicly owned streets, parks, playgrounds, ...and other public facilities and improvements.”

Such community development activities in CDBG-eligible target areas -- designated areas where at least 51% of the households are lower income -- are allowed if there is no existing infrastructure

and new streets, sidewalks, water/sewer improvements, flood drain improvements etc. are part of an overall strategy to revitalize the neighborhood; this is also true for solid waste disposal improvements, fire stations, health facilities where none currently exist and the facilities and improvements serve the target area.

Priority: Community Development Need - Neighborhood Facilities and Improvements

Obstacles

Appropriate facilities are key in serving a variety of "special needs" populations. Youth centers for after school programs, facilities that are designed to accommodate physically-challenged clients, and senior centers are examples of these types of neighborhood facilities. Hayward is served by a number of neighborhood centers that provide programs and services that include recreation, child care, and counseling. The primary facility-related need as articulated by the Roundtable participants is for funding for operating expenses. The participants reported that funding sources for nonprofits pay for program administration but are often do not cover basic facility operational expenses.

The following are public services facilities serving Hayward residents.

Neighborhood Facilities:

- Eden Youth Center
- La Familia
- Salvation Army
- Boys and Girls Club

Service facilities for persons with disabilities:

- HEDCO House,
- Bay Area Community Services (BACS),
- Community Resources for Independent Living (CRIL),
- Deaf Counseling Advocacy and Referral Agency (DCARA),
- Community Alliance for Special Education (CASE),
- Alzheimer's Services of the East Bay,
- Evergreen Senior Center for Seniors with Disabilities

Objectives

Objective 1: The City will support the construction and/or rehabilitation of well-designed neighborhood facility projects that meet the communities needs. Facilities providing child care and other youth services will receive priority.

Accomplishments

The City will provide assistance that benefits low and moderate income persons through the improvement or development of neighborhood facilities.

GEOGRAPHIC DISTRIBUTION

All facilities funded are located within the municipal boundaries of the City of Hayward and are intended to serve the entire jurisdiction. However, from time to time an agency or facility that is located outside of the City yet serves Hayward residents may receive funding.

Priority: Community Development Need - Public Services

All of the organizations that participated in the Consolidated Plan Roundtable agreed that a comprehensive strategy is required to address the various needs of lower and moderate-income families, children and persons with special needs. Welfare "reform" has increased the need for a variety of social services for those entering the workforce and for those who are reaching the five year time limit for welfare. Affordable housing, transportation and child care were among the most pressing needs identified by the service providers.

Obstacles

Regardless of the specific type of activities that community service organizations conduct, all agree that the high cost of housing is the primary obstacle impacting the quality of life for lower and moderate-income families. Parents are forced to work multiple jobs to afford high rents, and many families share housing, resulting in overcrowded conditions. Social service organizations report that often families must often choose between paying rent or buying food. As more parents enter the workforce, the need for childcare increases, particularly for infants and children less than 3 years old. Service providers reported that many currently child care facilities are unable to provide care for children within this age range (lack of cost-effectiveness for the facility) or charge more for the service than parents can afford.

The following is a list of program types most needed by the Hayward community according to local service providers:

- Affordable or free after school academic programs;
- Child care for infants to 3 year-old aged children;
- Transportation for children to after school programs;
- Basic life skills education;
- Sober living environments;
- Security deposit assistance.

Short and Long Term Objectives

Objective 1: The City may allocate up to 15% of its CDBG funds to public services. The City also anticipates continued support of public services through the Social Services Program by allocating General Fund monies for grants to social services programs and funds for program administration.

The City of Hayward's Social Services Program assesses community needs and coordinates the work of private social service agencies to provide services to Hayward citizens. Funding for the various activities conducted through the Social Service Program comes from the use of City General Fund resources. City staff monitors programs to assure compliance with City Council policies and State and local requirements and provides technical assistance to help maintain high quality services, sound reporting, and appropriate financial account systems. Staff promotes public-private partnerships to maximize the use of available financial, human and agency resources. The Social Services Program also conducts activities, in accordance with the City's Anti-discrimination Action Plan, to promote a sense of community, and discourage discrimination among Hayward's ethnically, culturally, and economically diverse residents. Staff also provides support to the Human Services Commission.

In October, 1996, the Hayward City Council adopted a policy which established a funding formula to determine the amount of money that would be made available from the City's General Fund to support both community promotion activities and social service programs. This formula commits up to three-quarters of one percent (0.75%) of the City's projected General Fund to support community services. The social services funding was divided into two categories:

- Category A - Used to address the broad spectrum of social service needs of the Hayward community including prevention and enabling services, crisis intervention services, and basic needs services.

- Category B - Used to address annual City Council priorities, focusing on innovative prevention or intervention strategies designed to benefit Hayward children, youth and families. Based on the emerging needs that come to the Council's attention on an annual basis.

These policies and guidelines are based on a model which categorizes services along a "continuum of need." Each category represents different types of services which are designed to prevent an individual from moving across the continuum to a greater level of need. It is the policy of the City of Hayward to support social services which are designed to foster the independence of service recipients and prevent the need for services in the future, while also providing support to those organizations that assist persons in crises and those who lack the basic necessities of life.

The following is an illustrative list of the types of social service programs typically funded by the City of Hayward.

Public Services

- Handicapped Services - CRIL
- Legal Services - Eden I&R, ECHO
- Transportation Services - Paratransit Program
- Substance Abuse Services - Horizon Services
- Health Services - Eden Youth Center (Silva Peds Unit), Alameda County Health Dept., Tiburcio Vasquez Health Center
- Mental Health Services - La Familia, HEDCO House (Bay Area Community Services)

Senior Programs

- Senior Services - Spectrum Community Services, Alzheimer's Services of the East Bay

Youth Programs

- Youth Centers - Eden Youth and Family Center, La Familia Fuller Avenue Center, Boys and Girls Club
- Child Care Centers - A Special Place (ESP), Eden Youth Center
- Youth Services - Lambda Youth Services, Youth Enrichment Program (YEP)
- Abused and Neglected Children - Parental Stress Services

Accomplishments

The City will continue to use CDBG funds to support housing-related activities including housing counseling and fair housing services. Social service programs that address non housing-related needs may receive allocations from the City's General Fund Social Service Program.

Program	Accomplishments FY 2000-2004	Funding Amount	Funding Source
Public Services - General	8,000 Individuals	\$150,000	CDBG

NOTE: Allocation of funds for specific activities is based on an annual competitive process.

GEOGRAPHIC DISTRIBUTION

All of the objectives described above will be applied throughout the City of Hayward.

Priority: Community Development Need - Economic Development

Obstacles

The City's Economic Development Action Plan (EDAP) was adopted by City Council on December 20, 1994. The EDAP was developed from the input provided by various local business and community leaders who were convened in an Economic Development Forum held in October 1994. The Action Plan contains a series of economic development strategies. Several parallel and concurrent tracks are addressed in the Action Plan, along with the following objectives to further each goal:

I. Improve Hayward's Image and Business Climate

- A. Improve Hayward's image;
- B. Publicize/promote Hayward as an excellent place to do business;
- C. Focus on customer service to promote a positive business climate; and
- D. Develop long-term plans to address Hayward's short-comings.

II. Attract New Business

- A. Attract sales tax and employment generators; high performance; fast-growing firms; and community-serving retail; and

- B. Develop business attraction strategies focused on sales tax and employment generators, growth sectors and community-serving retail.

III. Retain Existing Businesses in Hayward and Assist Them to Expand

- A. Identify high performance, fast-growing firms and others with potential for expansion that are currently located in Hayward and develop programs to assist high performance firms' expansion in Hayward;
- B. Develop entrepreneurship programs;
- C. Expand small business loan program;
- D. Continue business retention visits and assistance;
- E. Continue ombudsman services for businesses; and
- F. Welcome/support businesses that locate or expand in Hayward by establishing Welcome Wagon-type approach with consistent follow through.

IV. Maximize Sales Tax Revenues from Businesses Currently Located in Hayward

Ascertain whether current rules and regulations act as disincentives to the City of Hayward serving as a point of sale for firms with existing plants or warehouses.

V. Apply New Technologies to the Development Process to Better Serve Our Customers

Identify and apply technological improvements to the City's provision of services and collection of revenue.

The City of Hayward has traditionally recognized the importance of economic development activities that are eligible for CDBG funding. Activities must benefit lower and moderate income persons, either by upgrading commercial areas of lower-income neighborhoods or by providing employment to lower income residents as a result of assistance. Assistance for these activities may be in the form of grants, loans, loan guarantees, interest supplements and technical assistance.

In 1989, City Council established the City's Small Business Revolving Loan Program. The purpose of the Program is to enable businesses to create job opportunities, particularly for lower and moderate income Hayward residents. Loans may be used for facade improvements, equipment acquisition, leasehold improvements, working capital and real estate acquisition/rehabilitation for owner-occupants. A Program condition includes the execution by borrowers of a First Source Hiring Agreement requiring 51% of all jobs created be offered to lower and moderate income Hayward residents. Special incentives are provided to businesses that serve the target neighborhoods of Harder-Tennyson and Burbank. In 1997, Council established a commercial facade program for properties in the downtown redevelopment area located in the CC-P zoning district.

Objectives

Objective 1: Continue to provide small business loans through the City's Revolving Loan Program.

Objective 2: Provide neighborhood economic development revitalization services.

Objective 3: Increase the number of permanent jobs available to lower income Hayward residents by increasing business attraction, retention and expansion activities.

Proposed Accomplishments

The City anticipates funding loans to 20 small businesses through the City's Revolving Loan Program.

GEOGRAPHIC DISTRIBUTION

All activities described in this section are intended to serve the entire jurisdiction.

PART V. OTHER ACTIONS

BARRIERS TO AFFORDABLE HOUSING

Cost of Land and Development Fees

In general, land in Hayward has been more affordable than in other parts of Alameda County. Hayward's development fees are evaluated against fees charged by other jurisdictions and existing infrastructure needs to ensure that fees are no higher than necessary. Hayward's development fees are in the middle range or lower middle range when compared with other cities in Alameda County. The City has its own financing authority so that it can issue mortgage revenue bonds for mixed income and affordable housing development.

The Permit Process

Prolonged delays in the permitting process can increase the housing production costs. Increased production costs translate to higher rents and purchase prices that negatively impact housing affordability. The City of Hayward will continue to streamline the land use approval process through the continuous process improvement meetings and by implementing a new development process

tracking system. Additionally, managers from various divisions involved in the development review process monitor the system to ensure that it works effectively and efficiently for the public.

Design Standards

The City requires that all new and rehabilitated housing developments meet design standards and have an appropriate number of parking spaces. "Affordable" projects must be well designed and contribute to the neighborhoods in which they are located so that they do not become the slum housing of the next decade. Well-designed, well-maintained and well-managed projects create a sense of self-esteem in the people who live there and add value to the neighborhood. They also help to reduce some community concerns about affordable housing. Over the long run, well-managed and well-maintained projects also help to dispel community stereotypes about lower income households.

LEAD-BASED PAINT HAZARD REDUCTION

Lead-based hazards are defined as any condition that causes exposure to lead from lead-contaminated dust, soil, or paint that is deteriorated or present in accessible surfaces, frictional surfaces, or impact surfaces that would result in adverse human health effects as HUD and the EPA (Environmental Protection Agency). The most common source of lead poisoning is lead-based paint. Up until 1978, when it was outlawed, lead-based paint was used extensively due to its durability. However, since lead is a heavy metal, it continues to be a hazard long after the surface has been repainted time and time again. Woodwork, windows, doors, bathrooms and kitchens, exterior surfaces and the soil adjacent to the home often have concentrations of lead that continue to create a health hazard. Ingestion of lead-based paint is particularly hazardous to children under six years of age.

According to the Alameda County Lead Abatement Program, Hayward has approximately 34,700 pre-1978 housing units which is 14% of the total number of units in the County HOME Consortium which does not include Berkeley and Oakland. These units are located throughout Hayward.

In accordance with the HUD/EPA regulations, City property rehabilitation staff will be trained in risk assessment prior to September 15, 2000. City staff will implement the regulations affecting property rehabilitation with CDBG funds. Almost all of the City's housing rehabilitation projects for conventional homes involve pre-1978 houses; most of the mobile homes in Hayward's mobile home parks were built after 1978 so those rehabilitation projects will not be affected. The Minor Home Repair Program is being revised to implement the requirements for projects with hard costs of under \$5,000. The Housing Conservation Loan Program is being restructured to incorporate the regulations for construction projects between \$5,000 and \$25,000 dollars.

The CDBG-funded first time homebuyer program is not being funded at this time due to the costs of the lead-based paint regulations (both time and money) and the high sales prices of existing homes in Hayward. In 1999, the program provided a \$30,000 CDBG-funded second mortgage to buy-down

the sales price to an affordable level and a \$9,000 down payment assistance and closing cost loan with Low and Moderate Income Housing Funds to help a household purchase a three bedroom, one bath single family home in an older neighborhood in Hayward. Analysis of current prices shows that, given these constraints, the City would need to spend \$50,000 or more per household simply to help purchase a two bedroom, one bath condominium of approximately 1,000 square feet.

In terms of the housing rehabilitation programs, Council will decide whether the cost of lead-paint remediation will be structured as a deferred loan or a grant to the homeowner. Since low income homeowners request repairs to the physical structure and major systems, it does not seem fair to lien their properties for the cost of lead remediation, an item they did not specifically request and whose costs may be many thousands of dollars.

ANTI-POVERTY STRATEGY

Hayward receives a relatively small – \$1.7+ million – CDBG grant from HUD and about \$400,000 in HOME funds each year. These funds, plus the City's General Fund Social Services Program monies of \$350,000 plus approximately \$100,000 for Council priorities, are all the monies the City has to assist lower income Hayward residents.

Since these funds cannot possibly meet the need, the City's anti-poverty strategy is to partner with other agencies whose focus is improving opportunities for low income families and youth and single adults who need shelter, prevention and intervention activities to improve their lives. Additionally, the City is a partner with other groups in creating innovative programs to meet these needs. To that end, the City is involved in and supports many of the following programs:

- **Youth Enrichment Program (YEP!)** - YEP! is a joint program created by the City, the Hayward Unified School District (HUSD), and the Hayward Recreation and Park District (HARD) in response to the need for more youth activities and improved academic performance in low income areas. YEP is an after-school and summer enrichment program for children in the public schools. Through YEP, youth participate in such activities as music, dance, trips, and art projects, as well as obtain help with homework and gain experience using computers. YEP is housed on school property and led by HARD youth program staff; the City has provided funds for YEP demonstration projects. Over 2,000 youth, ages 8 - 14 have participated in YEP and the program has won a number of awards.
- **South Hayward Neighborhood Collaborative** - The South Hayward Neighborhood Collaborative (the Collaborative) is a formal partnership of over thirty groups and individuals representing residents of South Hayward, community-based organizations, faith-based organizations, and public agencies (Attachment A). Since 1996, the Collaborative has continually developed a unique organizational structure designed to help local residents help themselves become as economically self sufficient as possible. Some of the current services offered through the Collaborative include:

The Institute for Success: This is a CalWorks Work-First employment training program located on the Glad Tidings community church campus.

The Employment Journey: A foundation grant given to the Collaborative supports this program which provides long-range employment planning and job retention services to both CalWorks participants and low-income workers who do not qualify for CalWorks benefits, but who still need assistance.

The Family Support Center: This program provides a menu of family case management and basic support services to families including: emergency food, clothing, transportation assistance, and case management services.

Respite Child Care: This prevention program provides short-term emergency child care to local families who are under economic and/or emotional stress which, if left without assistance, could lead to children being removed from their home.

Health Start: This program provides school-based support services for children and families through five different school sites in the community. All of the services listed above can be made available to program participants through the Collaborative.

Economic and Community Development Committee: This planning committee of the Collaborative attempts to coordinate the efforts of local community and faith based organizations, public agencies and private business interests in order to improve the quality of life in the South Hayward Neighborhood community.

- **Hayward Coalition for Youth** - The Hayward Coalition for Youth (Coalition) is made up of over one hundred individuals and representatives from community service and faith-based organizations, public agencies and businesses committed to creating an environment where youth can thrive and succeed (Attachment B). The mission of the Coalition is to achieve this through the promotion of the efficient and effective delivery of health, education, recreation, cultural, and human services for Hayward youth and their families.
- **Senior Services Coalition of Alameda County** - The Senior Services Coalition of Alameda County is made up of public and private organizations working together to ensure a system of security and well-being for older adults, their families and their caregivers (Attachment C). Standing committees of the Senior Services Coalition include: Advocacy, Marketing and Public Relations, Program & Resource Development, Technology and other ad hoc committees as needed.
- **Alameda County Service-Learning Partnership** - The Alameda County Service-Learning Partnership, formed in the spring of 1994, currently involves over 40 different teaching and community-based partners (Attachment D). The Partnership is designed to assist teachers in elementary, middle and high schools to create contextual learning experiences for their students while at the same time providing a service to local communities.

- **ACCESS One Stop Career Center** - The City is a managing partner of this One-Stop job placement and training center located in Hayward and funded through Department of Labor Jobs Training Partnership Act (Workforce Investment Board) funds. Other participants in the ACCESS Center are the Hayward branch of the California Employment Development Department, Vallecitos CET, Veterans Assistance Center, and the Hayward and Mission Valley Regional Occupational Programs, Hayward and San Leandro Adult Schools, the City of San Leandro, Davis Street Community Center, San Lorenzo and Castro Valley County Libraries, and Eden Information & Referral. The ACCESS provides job placement information, computers and telephones used by job seekers, internet access for job leads and applications, job counseling and interviews. Anyone who is unemployed, underemployed, and seeking work can use the Center. Special programs are also provided through the Center, such as those for CalWorks participants which offer opportunities for upgrading skills and knowledge, work habits, and dealing with stress.
- **Economic Development Alliance for Business (EDAB)** - EDAB is a countywide partnership of business and local governments designed to retain and attract jobs to Alameda County. EDAB works on a variety of issues facing businesses – transportation, workforce preparation, reducing “red tape” and State regulatory issues, and financing -- that may hamper expansion, retention and attraction efforts. EDAB led the County’s job development efforts for CalWorks participants. In addition, some of the industries to which EDAB has provided assistance, such as the food processing industry, hire and train entry level workers. The City of Hayward is a member of EDAB’s Economic Development Directors Council and participates in many EDAB activities.
- **Alameda County Continuum of Care** (See Priority Homeless Needs section, page 32)
- **Alameda County Private Industry Council/Workforce Investment Board (PIC/WIB)** - The PIC was funded through the Department of Labor to provide job training to upgrade the skills of lower income adults and youth and to provide services to workers dislocated by plant closings. A representative of the City sat on the Council, representing the Economic Development Directors of Alameda County and the City of Hayward, to ensure that job training met the needs of lower income people seeking work. In June/July the PIC will become the WIB, a policy board of 41 business and government members, whose mandate is to set policy for workforce placement and development throughout Alameda County (excluding Oakland which has its own WIB).

INSTITUTIONAL STRUCTURE

The City of Hayward will implement housing and community development programs within a structure that includes various public and private agencies and organizations. The following provides a brief summary of the institutional structure.

Federal Agencies

U.S. Department of Housing and Urban Development (HUD) - HUD was established in 1965 by the Department of Housing and Urban Development Act. It is the Federal agency responsible for national policy and programs that address housing needs, improve and develop communities, and enforce fair housing laws. HUD administers the following programs:

- Community Development Block Grants (CDBG) to help communities with economic development, job opportunities and housing rehabilitation.
- Subsidized housing in the form of Section 8 certificates or vouchers for low income households.
- Subsidized public housing for low-income individuals and families.
- Homeless assistance in a "continuum of care," through local communities and nonprofit organizations.
- HOME Investment Partnership Act block grants to develop and support affordable housing for low-income residents.
- Fair housing public education and enforcement.
- Mortgage and loan insurance through the Federal Housing Administration.

The City works with HUD through its participation in the Community Development Block Grant and HOME Investment Partnership programs.

State Agencies

State of California Department of Housing and Community Development (HCD) - HCD is the State agency that establishes the requirements for general plan housing elements. State law mandates that each jurisdiction in California prepare an element of their general plan that identifies local housing issues, determines housing needs, and establishes a housing strategy that addressed those needs in a manner that is consistent with adopted goals and policies. HCD provides oversight, technical assistance for housing element-related issues. HCD also reviews and certifies the City's Housing Element. The City works with the State HCD during the preparation and approval of the Housing Element.

California Housing Finance Agency (CHFA) - This State agency provides financing for affordable housing through its ability to issue mortgage-revenue bonds. Proceeds from the sale of these bonds are used for the construction or rehabilitation of rental and owner-occupied affordable housing programs and projects.

California State Treasurer's Office - The Treasurer's Office plays a central administrative role to numerous State Boards, Authorities and Commissions. Many of these agencies are authorized to issue debt for specific purposes as permitted by law. These agencies may also advise California

municipalities on debt issuance and oversee the State's various investment operations. Two of these agencies conduct housing-specific programs:

- **California Debt Limit Allocation Committee (CDLAC)** - Allocates California's \$1.6 billion in annual tax-exempt, low cost financing for private projects of public benefit — such as single family home mortgages, affordable multi-family housing, industrial development projects, environmental clean-up efforts, and student lending.
- **California Tax Credit Allocation Committee (TCAC)** - Administers a federal and state program, which provides hundreds of millions of dollars of investment in affordable rental housing for lower-income families and individuals. Federal and state tax credits, allocated by the Committee, assist in the creation and preservation of affordable housing by enabling affordable housing sponsors to raise project equity through the sale of tax benefits to investors.

Regional Agencies:

Association of Bay Area Governments (ABAG) - ABAG is a regional planning agency that studies land use, housing, environmental quality, and economic development on a regional scale. ABAG was established in 1961 and its membership includes nine counties and more than 100 cities. As an association of cities and counties, ABAG has been designated by the state and federal governments as the official comprehensive planning agency for the Bay Area. Its locally adopted Regional Plan provides a policy guide for planning the region's housing, economic development, environmental quality, transportation, recreation, and health and safety.

County Agencies

Alameda County Housing and Community Development (HCD) Program: The County HCD is the lead agency for the Alameda County HOME Consortium and other County-sponsored housing and community development programs. HCD administers several programs including the Shelter Plus Care and Housing Opportunities for Persons with AIDS (HOPWA) as well as the Mortgage Credit Certificate and Minor Home Repair programs. HCD also staff the Alameda County HOME Consortium Technical Advisory Committee (HOME TAC), which is comprised of representatives from each of the jurisdictions participating in the Consortium. The HOME TAC provides policy direction regarding the use of HOME funds and advises the County HCD staff on the preparation of the Consortium-wide Consolidated Plan and performance reports.

Housing Authority of Alameda County: The Housing Authority administers several housing programs that assist low and moderate-income households and those with special needs. These programs include the tenant-based Section 8 Existing Certificate and Voucher Program and the project-based Section 8 program.

Local Agencies

City of Hayward Department of Community and Economic Development (CED): CED is comprised of current and long-range planning, building inspection, redevelopment and community development. The Neighborhood and Economic Development Division is responsible for planning and implementing the City's housing and community development programs as well as preparing the City's housing policy documents including the Housing Element, Redevelopment Project Implementation Plan (housing component), and the Consolidated Plan. CED staff also administer the Community Development Block Grant (CDBG), the City's Small Business Revolving Loan Fund, Housing Conservation Programs, HOME and Mortgage Revenue Bond Programs, as well as the Redevelopment Agency's Low and Moderate Income Housing Fund.

City of Hayward Police Department: The Youth and Family Services Bureau (YFSB) is comprised of counselors and police officers who provide a combined mental health team approach to crisis intervention, crime prevention, juvenile diversion, family counseling, child abuse investigations and school programs. YFSB manages juvenile diversion programs for high risk youth status offenders, drug users and those charged with petty theft, as well as a program for runaway juveniles. YFSB also assists in the investigation of elder abuse and crimes against children and provides educational programs for families regarding individual rights and legal responsibilities. The Drug Abuse Resistance Education (D.A.R.E.) is also managed by YFSB. Many aspects of YFSB's activities are conducted as a coordinated effort in conjunction with HUSD, Alameda County Probation Department, Alameda County Department of Social Services and community-based agencies.

Nonprofit Agencies

Nonprofit agencies provide critical services for Hayward residents. The following agencies have historically assisted the City's by operating programs that address housing and community development needs including expanding the supply of affordable housing, providing emergency housing and/or transitional housing and meeting special (homeless and non-homeless) housing needs. Since City funding for nonprofit agencies is limited and the allocation process is competitive, the following agencies may not necessarily receive financial support from the City of Hayward during the duration of this plan.

Social Services

- Alameda County Food Bank
- Alzheimer's Services of the East Bay
- Bay Area Community Services (BACS)
- Boys and Girls Club
- Building Opportunities for Self-Sufficiency (BOSS)
- Community Resources for Independent Living (CRIL)

- Community Childcare Coordinating Council (4 C's)
- Community Alliance for Special Education (CASE)
- Deaf Counseling, Advocacy and Referral Agency (DCARA)
- Eden Youth and Family Center
- Eden Area YMCA
- Eden Information and Referral (Eden I & R)
- Eden Council for Hope and Opportunity (ECHO)
- Emergency Shelter Program (ESP)
- Family Emergency Shelter Coalition (FESCO)
- Girls Incorporated
- Hayward Unified School District (HUSD)
- Horizon Services, Inc. (HSI)
- Human Outreach Agency (HOA)
- International Institute of the East Bay
- La Familia Counseling Services
- Parental Stress Services
- Salvation Army
- Shelter Against Violent Environments (SAVE)
- Spectrum Community Services
- Tri-City Health Center
- Tri-City Children's Center
- Tri-City Homeless Coalition

Housing Development

- Eden Housing, Inc.

Other Services

- Hayward Area Recreation and Park District
- Hayward Community Gardens

Strengths and Gaps within the Institutional Structure

Strengths within the institutional structure include the City's coordination of services that impact community development. Gaps within the structure include limited federal, state, and local government funds and private resources available for affordable housing and supportive service programs.

PUBLIC HOUSING RESIDENT INITIATIVES

The City of Hayward does not manage any public housing units.

PART VI. COORDINATION EFFORTS

The City of Hayward Department of Community and Economic Development (CED) coordinates housing and community development activities including current and advance planning, building plan check and inspection services, community preservation, economic development, affordable housing, the Community Development Block Grant and associated construction programs and redevelopment. In addition, CED actively coordinates with public works, fire and police. The City also augments its efforts to assist lower income residents by supporting a variety of non-profit public service organizations with grants from the City's general fund and CDBG funds. The City also coordinates with County agencies including the Alameda County Housing Authority and the Alameda County Department of Housing and Community Development.

The allocation of both CDBG and General Fund resources follows a formalized process that includes input from City staff, citizen advisory commissions. The application process provides extensive information and technical assistance to help prospective applicants. CDBG funds are allocated on an annual basis through a process that complies with HUD citizen-participation requirements and includes public hearings. General Fund resources are allocated to local and regional nonprofit organizations on a biannual basis. This allocation protocol corresponds with the development of the City's budget which is also on a two-year planning cycle.

The City of Hayward encourages the coordination of activities among the various housing and social service agencies that serve Hayward residents. The City's CDBG and Social Services program application processes promote collaboration and coordination by service agencies in order to reduce service duplication and maximize the use of public resources available to fund these types of programs. Agencies and organizations applying for City funding must demonstrate how their proposed program or project differs from and/or complements existing activities and services, as well as how the applicant will collaborate and coordinate its efforts with other providers.

PART VII. PLAN PREPARATION PROCESS

[This section will be completed following the final public hearing on the Consolidated Plan]