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**Attachment 1**      Map of Hayward Neighborhood and Census Tracts

**Attachment 2**      Housing Needs Table

**Attachment 3**      Map of Hayward CDBG Target Areas

**Attachment 4**      Housing Market Analysis

**Attachment 5**      Community Development Needs Table

**Appendix A**        Citizen Participation Plan



# 5 Year Strategic Plan

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

## GENERAL

### Executive Summary

The City of Hayward is a member of the Alameda County HOME Consortium. Alameda County Housing and Community Development Department, as lead agency of the HOME Consortium, coordinates the development of the Consortium's Consolidated Plan which presents both countywide information and information specific to each of the eight participating jurisdictions. The Consortium is also the mechanism by which the U.S. Department of Housing and Urban Development (HUD) funnels HOME funds to these jurisdictions. While Alameda County administers HOME funds for the participating jurisdictions, Community Development Block Grant (CDBG) funds come directly from HUD to the larger jurisdictions, including Hayward, as annual “entitlement” funds.

This is the Consortium and Hayward’s third Consolidated Plan. It covers the period July 1, 2005 – June 30, 2010 and includes:

- 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 Strategic Plan with a community profile, goals and objectives; and
- An Action Plan that identifies the specific activities to be implemented through the allocation of the City’s CDBG funds for the up-coming fiscal year. Each year following the adoption of the 5-Year Plan, the City adopts a new Action Plan.

The priorities and performance measures identified in the Strategic Plan cover the Consortium as a whole. These “priorities” are issues that HUD wants to see addressed in the Strategic 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.

### Housing

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

*Objective 1:* Support the availability of affordable rental housing, including “opt-out” projects<sup>1</sup>, in response to requests for gap financing to acquire and rehabilitate 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 when those households meet credit standards and have good references from previous landlords.

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

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

*Objective 4:* 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.

*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.

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<sup>1</sup>An “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.

**Priority 4:** Reduce housing discrimination.

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

**Homeless**

**Priority 1:** Maintain, improve and expand (as needed) the capacity of the housing, shelter and services for homeless individuals and families including integrated employment services and other services.

*Objective 1:* The City will work with interagency and interjurisdictional organizations to seek funds for homeless and support services, as well as, to encourage healthcare, job training, and social services agencies, to include homeless people in their service clientele.

*Objective 2:* In cooperation with other localities, the City will provide funds to rehabilitate emergency shelters and transitional housing facilities as the need to do so arises, in order to maintain the safety and therapeutic capacity of those environments.

**Priority 2:** Maintain and expand activities designed to prevent those who are currently housed from becoming homeless.

*Objective:* The City will continue to fund activities that assist currently housed people and families who are at-risk for homelessness.

**Priority 3:** Build on interjurisdictional cooperation to housing and homeless needs.

*Objective:* The City will continue to participate as an active member of the Alameda Countywide Continuum of Care Council to assist in the acquisition of funds to increase the availability of transitional housing and permanent supportive housing in Alameda County. On a case-by-case basis the projects will be evaluated to ensure the proposed program design (i.e., level of service, program staffing) corresponds with the needs of the population to be served.

**Community and Economic Development**

**Priority 1:** Neighborhood Facilities and Improvements

*Objective:* The City will support the construction, retrofit and/or rehabilitation of well-designed neighborhood facility projects that meet the communities' needs. Facilities providing child care, youth services, and programs for lower-income seniors, and/or persons with disabilities will receive priority.

## **Priority 2: Public Services**

*Objective 1:* In accordance with federal regulations, 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 to social services programs, as well as funds for program administration.

*Objective 2:* Address the special transportation needs of seniors and persons with disabilities who are unable to use other modes of public, or private, transportation. The City will utilize available Measure B Paratransit funds to provide special transportation services to Hayward seniors and persons with disabilities.

## **Priority 3: 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.

## **Non-Homeless Special Needs**

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

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

## **Strategic Plan**

### **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 excerpted from the City of Hayward General Plan Chapters 4 (“Economic Development Element”) and 5 (“Housing Element”). The full General Plan, which provides sources for all demographic data in Chapter 4, is available online at [www.hayward-ca.gov/about/general.shtm](http://www.hayward-ca.gov/about/general.shtm).

Hayward is a city of approximately 140,000 people (2000 Census). It is one of the oldest cities within the San Francisco-Oakland-San Jose area, a region with a population of almost 6 million people. Although Hayward is an employment center, substantial commuting occurs through Hayward and between Hayward and other major employment centers and outlying satellite communities. This is primarily due to the high cost of

housing in the Bay Area; many people cannot afford to live in the type of housing they desire near their site of employment.

Hayward's character remains in transition as the City evolves from a suburban community to a more urbanized older city. The downtown core is undergoing revitalization as housing units and retail stores are added to create transit-oriented developments. More than 700 units have been built in the downtown since 1997. Approximately 300 more are either under construction or in the design phase. A Cannery Design Plan has been adopted to renew the old Hunt's Cannery area with mixed use, high density residential development including 786-962 units of new housing, a new school and community center. Approvals have been granted for up to 785 new units in the Hayward Hills. To date, 135 of these units have been completed. Finally, approximately 530 units have been approved for a development south of State Route 92. This project will be completed in the summer of 2005.

### *Population and Household Growth*

From the 1990 to 2000 Census, Hayward's population grew by 25%, or almost 29,000 people. Almost half of Hayward's households are composed of one or two persons. One person households are relatively evenly divided between owners and renters and may indicate that the owner households are "over-housed," meaning their homes have a larger number of bedrooms than there are people living in the home. This data could indicate that these units will be sold in the foreseeable future, generating an influx of younger and, perhaps, larger households in various neighborhoods.

Approximately one third (32.5%) of Hayward households are composed of three or four persons. More than 18.16% of all households are households of five or more. Five census tracts have an average family size of 4.0 or higher. A map showing neighborhoods and census tracts appears as Attachment 1. Two of those census tracts, 4375 and 4377, are in the Harder-Tennyson neighborhood and have average family sizes of 4.09 and 4.13 respectively. This neighborhood contains highest percentage of multifamily housing in the city. The other three census tracts with high average family sizes consist primarily of residential neighborhoods with owner-occupied, single-family detached homes. One tract, 4367, has an average family size of 4.0 persons and is located at the northern end of the Santa Clara neighborhood. Tract 4382.01 in Tennyson-Alquire and tract 4383 in the Glen Eden neighborhood have the largest average family sizes in Hayward, 4.21 and 4.26 respectively. Larger size families need larger size units with more bedrooms.

### *Race and Ethnicity*

The City of Hayward is becoming more diverse in its racial and ethnic composition and has become a community where no race or ethnicity is in the majority. The proportion of non-Hispanic white population has decreased as the size of the City's other primary population groups increased. 2000 Census data on the composition of the general population shows a continuing trend of increasing diversity. This trend is supported by annual student enrollment data for the Hayward Unified School District.

From 1990 to 2000, the largest increases in population groups were among Hispanics, Asian/Pacific Islanders and African Americans. The countries of origin for the two groups with the largest increases in population are: seventy-one percent of the Hispanic population is of Mexican ancestry; the next largest group, 23.9%, is “Other Hispanic” (defined as people who checked Hispanic but did not originate in Mexico, Puerto Rico or Cuba). The ancestry of the Asian/Pacific Islander population is 48% Filipino, 15.5% Asian Indian, 15% Chinese, 10.4% Vietnamese, and 11.6% other Asian.

Overall, the City of Hayward enjoys a rich blend of racial and ethnic diversity. Out of 35 census tracts, there are only six census tracts within City limits where one racial/ethnic group is more than 50% of the population. Two of those census tracts have a majority White population and four have a majority Hispanic population.

### *Income*

In 1999, the median household income for the City of Hayward was \$51,177 and the median household income for Alameda County as a whole was \$55,946. When compared with households in the Oakland PMSA (which consists of Contra Costa and Alameda Counties), approximately 48% of Hayward households were considered to be low income, according to the definition used by the U.S. Department of Housing and Urban Development (HUD). That is, they had incomes that were at or below 80% of the Oakland PMSA median income.

Although Hayward has gained a number of middle and upper income residents due to the construction of new single family homes, many developments were still in the process of construction when households were surveyed in 2000 for their incomes in 1999. Also, the increase in home prices came relatively late to Hayward. In 1999, there were still existing homes selling in the mid-\$200,000s that were affordable to, and attracted, moderate-income households.

Because Hayward’s household incomes are relatively low and household size is relatively large in comparison to other cities, Hayward’s per capita income is among the lowest in Alameda County; only Oakland and Alameda County have a larger percentage of people below the poverty level than Hayward. However, the magnitude of the County’s poverty rate is most likely due, in part, to the high poverty level in Oakland since Oakland is about 28% of the County’s population. Hayward’s percentage of people below poverty level (10%) shows a pattern similar to that regarding per capita income.

### *Employment Trends*

Of the nearly 40,000 Hayward residents that work in Alameda County, the 2000 Census reported that almost half work in Hayward and another 31.30% work in cities within ten miles of Hayward.

According to the Association of Bay Area Governments (ABAG), total employment in Hayward was 90,080 in 2000, with 43,696 (48%) of these jobs located in the Industrial Corridor. Total employment in the City increased 18% over the jobs in 1990, while employment in the Industrial Corridor increased 32% in the same period. Employment was relatively stable in the early 1990's, even while significant job losses were occurring elsewhere in the Bay Area due to military base closures and the California recession, because of Hayward's diversified industrial base. Employment growth during the latter part of the decade can be attributed to the economic resurgence at the regional, state and national levels. According to ABAG, over the next twenty years, employment in the Hayward area is expected to increase by almost 22,000 (24%), with an increase of 12,673 jobs (29%) anticipated in industries that would be located in the Industrial Corridor. If these forecasts are realized, the Industrial Corridor would account for 58% of the growth in jobs throughout the City, increasing its share of total employment within the city to 50%.

### **Managing the Consolidated Plan Process (91.200 (b))**

The City of Hayward Department of Community and Economic Development (CED) is the lead agency for the preparation, implementation and evaluation of the Consolidated Plan and related documents and processes. 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 (CDBG) program, and redevelopment. In addition, CED actively coordinates with Public Works, Fire and Police. The City also works with many county agencies to coordinate the delivery of needed services to the community. A description of the various partner agencies that work with the City is provided under the heading "Institutional Structure" in this report.

The City augments all of 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 (Social Services) and CDBG funds; which are administered by CED. The allocation of both CDBG and Social Services funding follows a formalized process that includes input from City staff, citizen advisory commissions and public comment. The application process provides extensive information and technical assistance to help prospective applicants. Both CDBG and Social Services funds are allocated on an annual basis through a process that complies with HUD citizen-participation requirements and includes public hearings.

The City encourages the coordination of activities among the various housing and social service providers 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.

The Consolidated Plan integrates information gathered from a variety of planning activities, including: the Economic Development and Housing Elements, a Community Needs Analysis, staff research on housing and community development issues, workshops conducted by the City with local service organizations, information gathered from annual funding applications, and regular public hearings conducted by Alameda County Housing and Community Development, the Hayward Citizens Advisory Commission (CAC), the Hayward Human Services Commission (HSC), and the Hayward City Council.

In 2002 the City conducted a year-long Community Needs Analysis. Both the HSC and CAC were involved in this analysis so that they could have a better understanding of the various needs of Hayward's low-income residents. Eight topics were identified for analysis and explored in separate presentations. The comments and conclusions made by the Commissioners regarding each topic area are provided in the Community Development section of this report.

The Consolidated Plan process concluded in May 2005 with a work session held by City Council to discuss the Plan, followed one week later with a public hearing before the Council to consider its adoption. The meetings held by the City are in addition to the citizen participation process conducted by Alameda County as the lead agency for the County's HOME Consortium.

### **Citizen Participation (91.200 (b))**

The City's updated Citizen Participation Plan is attached as Appendix A and provides details regarding the annual CDBG and Social Services funding process. On April 9, 2005, English and Spanish notices appeared in *The Daily Review* publicizing the May 10 public hearing before the City Council and inviting comments through the April 9 – May 10, 2005 period. No comments were received.

### **Institutional Structure (91.215 (i))**

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. 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 (CalHFA)** - 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.

## 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, Housing Opportunities for Persons with AIDS (HOPWA) and the Mortgage Credit Certificate programs. HCD also staffs 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 annual plans 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 Housing Choice Voucher Program and the project-based Section 8 program.

**Alameda County Transportation Improvement Authority (ACTIA):** ACTIA administers and monitors the allocation of County funds generated through the Measure B ½ cent sales tax for transportation related projects, including paratransit, throughout the County.

The City of Hayward also coordinates the support and delivery of services with several other County agencies including: the Alameda County Social Services Agency, the Alameda County Department of Public Health, the Alameda County Workforce Investment Board, and the Alameda County Office of Education.

### **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 (NED) is responsible for planning and implementing the City's housing and economic 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. NED staff also administers the Community Development Block Grant Social Services and Paratransit Programs, the 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.

**Hayward Unified School District (HUSD):** HUSD is responsible for the administration and implementation of public education services to Hayward children who are in elementary, middle and high school, including special education services for children with disabilities.

**Hayward Area Recreation and Park District (HARD):** The Hayward Area Recreation & Park District is an independent special use district providing park and recreation services for over 250,000 residents living within a 64 square-mile area which includes the City of Hayward, Castro Valley, San Lorenzo and the unincorporated Ashland, Cherryland and Fairview districts. The Park District, known locally as “H.A.R.D.”, administers and maintains many facilities and parks, and offers educational and recreational classes and programs.

### **Nonprofit Agencies**

Many nonprofit (or community-based) agencies provide critical services to Hayward residents. Many community and faith-based organizations have historically assisted the City 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, some agencies may not necessarily receive financial support from the City of Hayward during the duration of this Plan; nonetheless, the City provides technical assistance to, and coordinates efforts with, these agencies whether or not City funding is provided to them.

### **Monitoring (91.230)**

The City will monitor progress on activities carried out in furtherance of its Consolidated Plan to ensure long-term compliance with program requirements. The overall process begins with the development of needs, the funding proposal evaluation and allocation process and an Annual Plan. Through Agreements with sub-grantees and Memorandum of Understandings (MOU’s) with other public agencies, the City sets the stage by incorporating goal requirements and reporting procedures by outlining specific objectives, timelines and budgets against which performance is measured. The City also provides the CDBG Program Policies and Procedures Manual to all subgrantees.

Additional procedures for monitoring include:

#### **Housing**

- Redevelopment Agency Implementation Plan describing affordable housing programs.
- Redevelopment Agency Annual Report discussing affordable housing development in Redevelopment areas.
- On-site monitoring of construction progress.
- Review of project expenses.
- Housing Element Annual Report.
- Consolidated Annual Performance Report (CAPER).

## **Public Services**

- Annual Subgrantee Meeting.
- Annual or bi-annual on-site monitoring.
- Extensive technical assistance to developing agencies.
- Annual review of Subgrantee audit (if required by Grant Agreement).
- No less than quarterly review of expenditures and goals achieved to-date.
- Consolidated Annual Performance Report (CAPER).

## **Facilities and Improvements**

- On-site monitoring of construction progress and labor compliance.
- Project oversight by City staff.
- Consolidated Annual Performance Report (CAPER).

Additional Monitoring Standards and Procedures are outlined in the Alameda County HOME Consortium-Wide Consolidated Plan.

## **Priority Needs Analysis and Strategies (91.215 (a))**

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 Plan, these priorities are not placed in a sequence that indicates their relative importance to the City of Hayward. The sequence used in the Plan was developed by Alameda County HCD and is used by every city that is part of the Alameda County 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.

## **Lead-based Paint (91.215 (g))**

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.

As of September 15, 2000, joint HUD and EPA Lead-Based Paint regulations require that *all* properties acquired or rehabilitated with CDBG or HOME funds must have an assessment of lead-based paint risk and, funding between \$5,000 and \$25,000, have interim controls applied and, if over \$25,000, have all lead-based paint hazards abated.

Lead-based hazards are defined by HUD and the EPA 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. 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. In accordance with the HUD/EPA regulations, City property rehabilitation staff have been trained in inspection, project design and monitoring. The Minor Home Repair and Housing Conservation Loan Programs have been restructured to incorporate the regulations. City staff implements the regulations affecting property rehabilitation with CDBG funds. Almost all of the City's housing rehabilitation projects for conventional homes involve pre-1978 houses; however, assessments during the past four years rarely reveal the presence of lead hazards. When located these hazards are remediated, creating a safe housing stock for present and future Hayward. Most of the mobile homes in Hayward were built after 1978 so those rehabilitation projects are not affected.

## HOUSING

### Housing Needs (91.205)

The Housing Needs Table (Attachment 2) presents complete statistical information about housing cost, and housing problems facing lower income households. The source data that fills this table is derived from the 2000 Census. For discussion purposes, "Cost Burden" is defined by HUD as the percentage of total monthly income a household pays for housing-related costs. "Housing Problems" are defined as including overcrowded and/or substandard housing conditions. The following is a summary of the housing issues facing extremely low-income, very low-income, low-income and other households. The Housing Element provides an extensive discussion of the issues addressed in this section. The Housing Element is available online at [www.hayward-ca.gov/about/general.shtm](http://www.hayward-ca.gov/about/general.shtm).

#### Renter Households:

**Extremely Low-Income Renter Households:** These households have income of 30% or less than the Area Median Income (AMI). More than a third of these households pay more than 30% of their monthly income for housing-related costs and more than half pay more than 50%. Large households face the daunting combination of both large cost burdens and housing problems, all reported substandard or overcrowded housing conditions.

Households	% With Housing Problems	Cost Burden
Elderly	70%	69% have a housing cost burden exceeding 30% of their monthly income. Almost 60% have a cost burden exceeding 50% of their monthly income.
Small Related	85%	More than 80% have a housing cost burden exceeding 30% of their monthly income. More than 75% have a cost burden exceeding 50% of their monthly income.
Large Related	100%	More than 95% have a housing cost burden exceeding 30% of their monthly income. More than 77% have a cost burden exceeding 50% of their monthly income.
All Other Households	85%	More than 80% have a housing cost burden exceeding 30% of their monthly income. More than 75% have a cost burden exceeding 50% of their monthly income.

**Very Low-Income Renter Households:** These households have income of 31 to 50% of the AMI. More than 70% of these households pay more than 30% of their monthly income for housing-related costs and between 12 to 50% pay more than 50%. Large households are the most impacted from substandard or overcrowded housing conditions with 97% reporting some type of housing problem.

Households	% With Housing Problems	Cost Burden
Elderly	70%	70% have a housing cost burden exceeding 30% of their monthly income. More than 38% have a cost burden exceeding 50% of their monthly income.
Small Related	87%	More than 79% have a housing cost burden exceeding 30% of their monthly income. More than 24% have a cost burden exceeding 50% of their monthly income.
Large Related	97%	More than 70% have a housing cost burden exceeding 30% of their monthly income. More than 12% have a cost burden exceeding 50% of their monthly income.
All Other Households	88%	More than 86% have a housing cost burden exceeding 30% of their monthly income. More than 53% have a cost burden exceeding 50% of their monthly income.

**Low-Income Renter Households:** These households have income of 51 to 80% of the AMI. 20 to 70% of these households pay more than 30% of their monthly income for housing-related costs while a much smaller percentage (1 to 16%) pay more than 50%. Again, Large households reported the highest percentage of substandard or overcrowded housing conditions.

Households	% With Housing Problems	Cost Burden
Elderly	56%	More than 53% have a housing cost burden exceeding 30% of their monthly income. 16% have a cost burden exceeding 50% of their monthly income.
Small Related	62%	More than 41% have a housing cost burden exceeding 30% of their monthly income. Only 1% have a cost burden exceeding 50% of their monthly income.
Large Related	84%	More than 19% have a housing cost burden exceeding 30% of their monthly income. None reported a cost burden exceeding 50% of their monthly income.
All Other Households	73%	More than 71% have a housing cost burden exceeding 30% of their monthly income. Only 6% have a cost burden exceeding 50% of their monthly income.

**Owner Households:**

**Extremely Low-Income Owner Households:** More than a third of these households pay more than 30% of their monthly income for housing-related costs and more than half pay more than 50%. Large households have the largest percentage of housing problems and cost burden.

Households	% With Housing Problems	Cost Burden
Elderly	66%	More than 66% have a housing cost burden exceeding 30% of their monthly income. 46% have a cost burden exceeding 50% of their monthly income.
Small Related	86%	More than 76% have a housing cost burden exceeding 30% of their monthly income. 68% have a cost burden exceeding 50% of their monthly income.
Large Related	92%	More than 77% have a housing cost burden exceeding 30% of their monthly income. More than 74% have a cost burden exceeding 50% of their monthly income.
All Other Households	68%	More than 66% have a housing cost burden exceeding 30% of their monthly income. More than 61% have a cost burden exceeding 50% of their monthly income.

**Very Low-Income Owner Households:** With the exception of Elderly households, more than 70% pay more than 30% of their monthly income for housing-related costs and more than 40% pay more than 50%. Large households are the most impacted from substandard or overcrowded housing conditions with 94% reporting some type of housing problem. More than two-thirds of Elderly households did not report any housing problems and less than 15% have a cost burden exceeding 50%.

Households	% With Housing Problems	Cost Burden
Elderly	27%	More than 27% have a housing cost burden exceeding 30% of their monthly income. 13% have a cost burden exceeding 50% of their monthly income.
Small Related	74%	More than 72% have a housing cost burden exceeding 30% of their monthly income. More than 55% have a cost burden exceeding 50% of their monthly income.
Large Related	94%	More than 84% have a housing cost burden exceeding 30% of their monthly income. More than 42% have a cost burden exceeding 50% of their monthly income.
All Other Households	64%	More than 64% have a housing cost burden exceeding 30% of their monthly income. More than 44% have a cost burden exceeding 50% of their monthly income.

**Low-Income Owner Households:** Again, with the exception of Elderly households, 60% pay more than 30% of their monthly income for housing-related costs. Less than one-quarter pay more than 50%. Large households reported the highest percentage of substandard or overcrowded housing conditions.

Households	% With Housing Problems	Cost Burden
Elderly	26%	More than 36% have a housing cost burden exceeding 30% of their monthly income. More than 12% have a cost burden exceeding 50% of their monthly income.
Small Related	63%	61% have a housing cost burden exceeding 30% of their monthly income. 20% have a cost burden exceeding 50% of their monthly income.
Large Related	85%	More than 62% have a housing cost burden exceeding 30% of their monthly income. Only 9% reported a cost burden exceeding 50%.
All Other Households	60%	More than 59% have a housing cost burden exceeding 30% of their monthly income. More than 25% have a cost burden exceeding 50% of their monthly income.

### Areas of Disproportionate Need among Racial and Ethnic Groups

The City continues to become more racially and ethnically diverse (see Community Profile). HUD defines an area of racial or ethnic concentration as a census tract in which the total population of a particular “minority” group is double or more than that of the jurisdictions overall percentage of that group. In only one Census Tract (4352) is a single ethnicity (African American) twice or more than that of the City of Hayward’s overall percentage for that group. In this tract, African Americans are 29.8% of the total population compared with 12.7% of the population of Hayward as a whole. A map of Hayward neighborhoods and census tracts appears as Attachment 1.

### Income Profile

According to the 2000 U.S. Census, statistics for the City indicate that the median

household income in 1999 was \$51,177. The per-capita income was \$19,695. The number of persons in poverty was 13,805 or 10 percent of Hayward’s total population; there were 2,313 families in poverty out of 32,228 Hayward families for a total of 7.2% families in poverty.

The following table presents 2000 Census data regarding income and household tenure per race and ethnicity.

### **Median Income of Households by Race/Ethnicity and Household Tenure**

	<b>Median Income 1999</b>	<b>Total Households</b>	<b>Home Owner</b>	<b>%</b>	<b>Tenant</b>	<b>%</b>
<b>White</b>	\$48,507	18,245	11,589	64%	6,656	36%
<b>Black</b>	\$53,036	5,553	1,868	34%	3,685	66%
<b>Native American</b>	\$58,125	332	161	48%	171	52%
<b>Asian</b>	\$63,375	7,285	4,207	58%	3,078	42%
<b>Pacific Islander</b>	\$48,409	605	238	39%	367	61%
<b>Two or More</b>	\$51,563	4,198	1,146	27%	3,052	73%
<b>Hispanic</b>	\$58,393	11,107	5,195	47%	5,912	53%

Although all the racial/ethnic categories above have median incomes greater than 80% of the Alameda County median (\$44,756), Whites and Pacific Islanders have the lowest median incomes. Whites in Hayward tend to be older than the other racial categories and more white households are on fixed incomes than in other racial categories. Because this chart looks at median incomes, the real wealth of White homeowner households who are “house rich, but cash poor” is not apparent. Pacific Islander households are few in Hayward and tend to be poorer than other racial categories.

### **Areas of Disproportionate Need Among Income Groups**

There are three census tracts in Hayward where more than 50% of the households have incomes of between 51% and 80% of the Alameda County median income. These census tracts are: 4377 and 4375 in the Harder-Tennyson neighborhood and 4366.02 in the Jackson Triangle. A map of Hayward neighborhoods and census tracts appears as Attachment 1 and a map of the low and moderate income “CDBG Target Areas” appears as Attachment 3.

The Oakland PMSA median income is higher than the County median. If the Oakland PMSA were used instead of the Alameda County median, the likelihood is very great that several other Hayward census tracts would also be included: 4366.01 in the Jackson Triangle; 4369, the Burbank neighborhood; 4379 and 4382.02.

Ethnicity	% of Households with any Housing Problems		
	Renters	Owners	All Households
White Non-Hispanic	44%	25%	32%
Black Non-Hispanic	53%	45%	50%
Hispanic	73%	57%	65%
Native American Non-Hispanic	30%	30%	30%
Asian Non-Hispanic	62%	46%	52%
Pacific Islander Non-Hispanic	54%	61%	56%

## Housing Market Analysis (91.210)

Please also refer to the Housing Market Analysis Table (Attachment 4).

The Housing Element provides detailed analysis of housing supply, condition and cost. It is available online at [www.hayward-ca.gov/about/general/shtm](http://www.hayward-ca.gov/about/general/shtm).

As of December 31, 2004 there were a total of 47,472 total housing units in the City. Additional development potential (not yet in the planning process) has been estimated at approximately 3,500 housing units, for a total housing potential of approximately 5,246 housing units that may be developed by 2025.

There are several factors that contribute to the condition of Hayward's housing stock including, design, construction, age, and maintenance. Single-family homes have been built in Hayward for more than 100 years. Given the City's age, the type and quality of single-family homes vary. There are many older craftsman style bungalows built in the 1920s that are in better condition than some post-World War II tract homes that were built 30 years later. The post-War housing boom resulted in the development of thousands of single-family homes that were built quickly; and some lack modern amenities such as ceiling insulation. Most of the single-family homes in poor condition in Hayward were built during this period.

The majority of multi-family development in Hayward occurred during a twenty-year period between 1960 and 1980. Consequently, there is less diversity in the design and condition of multi-family developments than that of single-family homes. Most multi-family developments that are currently in poor condition were built in the early 1960s and suffer from poor design, shoddy construction and lack of tenant amenities. The majority of multi-family developments built since 1980 have been subject to stringent design and construction standards and have benefited from consistent maintenance. As a result, those developments are in good condition.

Most of Hayward's current housing stock was built within the last 30 years. Almost two-thirds of the housing units have been built since 1960, with approximately 38 percent built between 1960 and 1979. According to 2000 Census information, approximately half of Hayward homeowners live in homes built within the last 40 years. More than two-thirds of Hayward's renters live in units built within the last 40 years. More

specifically, almost half of the renter households' units were built between 1960 and 1980. Please refer to the City of Hayward Housing Element for detailed analysis of the City's housing stock.

*Housing Condition Survey*

The 2000 Census provides limited information about the condition of Hayward's housing stock. To better understand the condition of Hayward's housing stock, and the number of units requiring rehabilitation and replacement, City staff surveyed housing units in each of the City's 16 Neighborhood Planning Areas. There were two stages to the survey: first, each of the Neighborhood Planning Areas were surveyed on a "spot-check" basis in order to informally compare the condition of the housing stock in the rest of the City with that of the neighborhoods selected for the survey. Second, a detailed survey of five selected Neighborhood Planning Areas was conducted: Burbank, Harder Tennyson, Jackson Triangle, Longwood Winton Grove and Tennyson-Alquire. These neighborhoods were selected because properties in these neighborhoods are known to be in need of some repair. Please refer to the Housing Element for detailed information about the survey methodology.

**Housing Condition Survey Results  
by Selected Neighborhood Planning Areas**

Neighborhood	Census Tracts	Good		Fair		Poor	
		Units	%	Units	%	Units	%
Burbank	4363	17	68%	4	16%	4	16%
Harder Tennyson	4374, 4375, 4376, 4377, 4378	7	29%	10	42%	7	29%
Jackson Triangle	4366.01, 4366.02	17	68%	3	12%	5	20%
Longwood Winton Grove	4369	12	48%	6	24%	7	28%
Tennyson-Alquire	4382.01, 4382.02	19	73%	5	19%	2	8%
All Survey Neighborhoods		72	58%	28	22%	25	20%

*Source: City of Hayward, Department of Community and Economic Development*

The Harder-Tennyson neighborhood had the largest percent of housing units in poor condition. This is most likely due to the fact that there is a large concentration of poorly managed and maintained multifamily housing that was built in the late 1950s and early 1960s. While the Burbank neighborhood is characterized by a concentration of older homes (dating from the 1930s), more than two-thirds of the units are in good condition. The condition of the homes in Burbank indicates that the age of housing stock does not necessarily correspond with the condition of the housing stock.

The results of the survey are consistent with a housing stock that primarily consists of units built during the housing boom following World War II. Approximately 58 percent

of all the units surveyed, regardless of location or type of unit, are in good condition; having only minor defects in no more than two of the five systems surveyed. Approximately 22 percent are in fair condition (minor defects in four of the systems) and 20 percent were in poor condition (minor defects in all of the systems or major defects in two or more systems). These conclusions should *not* be extrapolated and applied to all of Hayward's housing stock since three of the neighborhoods chosen were selected on the basis of having some of the worst housing in the City. Rather, the purpose of this survey was to gauge the condition of units within these specific neighborhoods.

The City has helped finance the acquisition and rehabilitation of multifamily developments in exchange for long-term affordability restrictions. Based on the City's experience with multifamily developments primarily occupied by lower income households, typical repairs include new roofing; plumbing; mechanical systems; rehabilitation of unit interiors, such as upgrading bathrooms and kitchens; interior and exterior painting; and landscaping. Please refer to the City of Hayward Housing Element for detailed information about the condition of the City's rental housing stock.

The City operates an active residential rehabilitation program. City staff coordinates a variety of rehabilitation projects for single-family dwellings. These programs are intended to improve the quality of the housing stock occupied by low- and moderate-income households. They report that, given the age of the owner-occupied housing stock, there is some deterioration, but, on the whole, most owner-occupied units are in good condition. The City's rehabilitation programs address major and minor home repair problems in approximately 80 units per year. Based on the number of inquiries received by program staff, there is a high demand from low- and moderate-income households for housing rehabilitation assistance. There are three categories that most need City assistance: senior citizens on fixed incomes whose homes have many deferred maintenance issues; households with a disabled individual who may or may not be elderly; and those few low-income families who were able to become homeowners and usually bought the house "as is" in very poor condition.

The Hayward housing market has traditionally been one of the most affordable in the Bay Area. In addition to rents and sales prices that have been relatively low in comparison with surrounding jurisdictions, Hayward has 1,542 units of subsidized housing and 1,616 households with Section 8 Housing Vouchers.

Change in the real estate market due to the boom of the late 1990's came later to Hayward than it did to many other cities in the inner Bay Area. Between 1999 and 2000, there was a 24% jump in rents in buildings of 50 units or more and an even larger percentage increase in sales prices of new and existing homes. With the demise of many of the technology companies, the intensity of demand has decreased. However, rents have moderated only slightly because the problem – that there is an insufficient number of housing units affordable to the households that need them -- continues. Sales prices have continued to climb.

The 2000 Census showed that approximately 32% of Hayward homeowners with a mortgage pay more than 30% of their household income for housing. Twenty-three

percent (23%) pay more than 35% of household income. This is partly due to the long-term trend of Bay Area household incomes not keeping pace with increasing rental and ownership costs. The current obstacles facing tenant 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 following discussion illustrates the cost burden for owner households.

According to the U.S. Department of Housing and Urban Development (HUD), no more than 30% of gross household income adjusted for household size should be spent on rental housing costs. Tenants who pay housing costs in excess of this amount are considered to be “cost burdened” or overpaying for housing. More than 41% of Hayward’s tenant households pay 30% or more of household income for housing. 2000 Census figures also show that 32% of tenant households pay 35% or more of their household income for housing and 18% pay more than 50% of their household income for housing.

According to Eden Information and Referral’s (Eden I & R) housing database for Hayward, as of March 31, 2005 there are approximately 6,950 rental housing units; most are one and two bedroom (6,430 units). Few of these units are vacant at any given point in time, because the rents charged for these units are typically at the low end of the market. The average rent for a one-bedroom unit is \$900 per month; two bedroom units average \$1,116 per month. There are 500 three-bedroom units in their database; their average rents are \$1,539.

While these rents may be affordable for households at the HUD Low Income level, they are not affordable to households at or below 50% of median income. Households at 50% of median income will need to pay considerably more than 30% of their gross income, depending upon the size unit needed. ECHO and Eden I & R staff indicate that rents for the lowest-priced units were raised the most between 1998 and 2000. Rent increases of \$300 to \$400 per month were not unusual, creating an additional burden for very low-income households who are already paying more than 30 percent of their income on housing costs. However, vacancy rates have increased slightly since the economic downturn and low interest rates have allowed some renters to become homeowners.

The high cost of housing in the San Francisco Bay Area is as much a problem for moderate- and lower-income families as is 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. Excessive cost burden may not be as visible as poorly maintained deteriorated buildings, but it has a significant impact on a family’s quality of life and on the ability to maintain the property. This also has an impact on the quality of life in the neighborhood since poor maintenance, too many automobiles, and insufficient park and recreational space affect the neighborhood as well as the property and the residents.

## Specific Housing Objectives (91.215 (b))

Hayward has a wide variety of housing types, ranging from high-end estates in the Hayward hills to bungalows from the 1920's in poor condition. 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 extremely low, low and moderate income households.

The needs analysis for this priority indicates that more than 40 percent of extremely 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” projects<sup>2</sup>, in response to requests for gap financing to acquire and rehabilitate 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 when those households meet credit standards and have good references from previous landlords.

**Priority 2:** Preserve existing affordable rental housing and ownership 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.

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<sup>2</sup>An “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.

*Objective 3:* The City will monitor units which are affordable and at risk of local, state or federal subsidy termination.

*Objective 4:* 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 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.

## **Needs of Public Housing (91.210 (b))**

There are no public housing units located in the City of Hayward.

## **Public Housing Strategy (91.210)**

There are no public housing units located in the City of Hayward.

## **Barriers to Affordable Housing (91.210 (e) and 91.215 (f))**

The City's Housing Element provides detailed analysis of barriers to housing production and is available online at [www.hayward-ca.gov/about/general.shtm](http://www.hayward-ca.gov/about/general.shtm). Eden Housing, Inc., a large nonprofit housing developer based in Hayward, reports that it currently costs between \$230,000 - \$240,000 per three bedroom apartment unit to develop affordable family projects and, somewhat less, about \$140,000 per unit in multifamily developments for seniors, since the unit square footage is about half that of larger family units. A newly constructed single-family, owner-occupied three bedroom, two bath home on a small, in-fill lot can cost approximately \$280,000 - \$300,000 to develop depending on the cost of the land and the quality of design and construction.

In order to be financially feasible and permanently affordable for lower income, particularly very low-and extremely low income households, affordable multi-family rental residential projects require a number of financing sources. At a minimum, the financing includes:

- A first mortgage from a lending institution;
- Low Income Housing Tax Credits and/or tax exempt mortgage bonds;
- Redevelopment Agency Low and Moderate Income Housing Fund monies;
- Community Development Block Grant and/or HOME Investment Partnership funds;
- State of California Multifamily Loan Program funds and/or a loan from the California Housing Finance Agency.

Financing may also include an Affordable Housing Program (AHP) grant, a Supportive Housing Program (SHP) grant, a bridge loan from a private or public lender or a foundation grant.

Depending upon the financing structure used, a multifamily development with rents affordable to families with incomes no more than 60% of median income will have a gap between the revenue generated by rent and the debt service that is \$25,000 to \$50,000 per unit. Typically, this gap is filled by City and state subsidies.

In order to fully understand the current constraints on the production of housing in Hayward, it is first important to look at the residential development practices of the past. Between 1950 and 1960, Hayward's population increased more than 400%. This population boom created a demand for single-family detached housing; approximately 15,000 units (more than 70%) of Hayward's single-family detached homes were built between 1950 and 1960. From 1960 to 1990, very few (only 2,460) units of single-family detached housing were developed. The perception of community residents was that Hayward was supporting multifamily rental housing, to the detriment of home ownership. Out of this belief was born the City's homeownership initiative in the early 1990s. Due to this initiative and the economic boom of the 1990's, almost as many

single-family detached units – slightly more than 2,000 -- were developed during the period 1990 to 2000 as had been developed in the previous thirty years.

Prior to 1960, there were relatively few multifamily housing units (approximately 1,400) in Hayward. To accommodate the substantial population increase and reduce the costs of extending city utilities, including water, storm drain and sewer, throughout Hayward, developers began to focus on building multifamily housing. Between 1960 and 1970 approximately 7,000 units of multifamily housing were built. In the next two decades, approximately 10,000 units of multifamily housing were developed. During most of that time, apartment developers/owners were allowed to maximize density and lot coverage; one parking space per unit was required. Building and planning fees were very low; little attention was paid to the quality of construction and materials and to site design, as builders rushed to meet the population boom.

In summary, architecture, site planning, construction, landscaping, parking, open space, recreational amenities and property maintenance have had a significant impact on the overall quality of older neighborhoods and a cumulative impact on the quality of life in Hayward.

## HOMELESS

### Priority Homeless Needs/Homeless Strategic Plan

In May 2004, the Alameda County-Wide Continuum of Care Council published a report containing the first reliable estimates regarding the number of homeless people living in Alameda County, the *Alameda County-Wide Shelter and Services Survey* (the “Survey”). The full report is available online at [www.alameda.co.ca.us.cda/ACSSScountywide.pdf](http://www.alameda.co.ca.us.cda/ACSSScountywide.pdf).

The Survey provides data indicating that the characteristics of homeless people in mid-County where Hayward is located, differ significantly from County-wide characteristics, including:

- Each night nearly 1,100 homeless people sleep in mid-County, of whom fully 50% are children. Seventy-two percent of the adults they accompany are female.
- The Hayward area has the *second-lowest* chronically homeless population in Alameda County. This may be because most homeless people in mid-County are part of a family with children and as such are more likely to access services.
- The percentage of mid-County homeless adults who report being drug and/or alcohol dependent is approximately 25%, possibly also related to family status.
- County-wide, approximately 75% of all homeless adults report having at least one disability; in mid-County, 66% report having a disability.

In addition, domestic violence is a primary cause of homelessness for women and their children, and according to statistics provided by the Family Violence Law Center, the Hayward Police Department responds to the second-largest number of incidents of domestic violence in Alameda County.

The Survey indicates the causes of homelessness are usually multi-dimensional. Although emergency shelters provide safe, warm places to sleep, hot meals, and case management services, the variety of ancillary services necessary to support families on the road to stable housing are as diverse as the families the programs serve.

For families who are homeless primarily due to their financial circumstances, economic intervention may prove sufficient. More frequently, however, services to help grow a family's income would be appropriate (e.g., financial literacy workshops, job readiness or placement services, academic coursework) and greatly improve the likelihood for long-term stability.

Other factors that affect a homeless family's, or individual's, ability to secure and maintain housing include disability status, health conditions, mental health problems, and alcohol and/or drug addictions. Even when a family or individual is eligible for public benefits or insurance, language competency or the complexity of the enrollment process may prove to be barriers to receiving services.

In addition to stabilizing and improving income, the additional needs of families where children are present must be considered. As a family transitions from homelessness to stable housing and regular employment, children will need ample measures of emotional and educational support in order to remediate academically and reintegrate with their peers.

The Survey confirms that shelter and stabilizing support services continue to be important to Hayward residents who are homeless or marginally housed. The following objectives address the mid-County characteristics of homeless people and describe the City's continuing support of programs and facilities that provide emergency and transitional housing for homeless families and individuals.

**Priority 1:** Maintain, improve and expand (as needed) the capacity of the housing, shelter and services for homeless individuals and families including integrated employment services and other services.

*Objective 1:* The City will work with interagency and interjurisdictional organizations to seek funds for homeless and support services, as well as, to encourage healthcare, job training, and social services agencies, to include homeless people in their service clientele.

*Objective 2:* In cooperation with other localities, the City will provide funds to rehabilitate emergency shelters and transitional housing facilities as the need to do so arises, in order to maintain the safety and therapeutic capacity of those environments.

### **Geographic Distribution**

Homelessness is an Alameda County-wide concern. Consequently, and the City of Hayward will work closely with other jurisdictions to alleviate homelessness and its causes, and to ensure shelter and supportive services are available to homeless people in the City of Hayward.

**Priority 2:** Maintain and expand activities designed to prevent those who are currently housed from becoming homeless.

In the San Francisco Bay Area, housing represents the largest monthly expense for most households. Federal, state, and local subsidized housing programs limit rents to 30% of a household's income to ensure adequate funds remain for other necessities such as food, clothing, transportation, and utility bills. Discussion of various households overburdened with housing costs appears in the Housing Needs section.

Low-income families' inability to reliably meet the rising costs of housing and other necessities puts them at risk for homelessness. Interviews conducted with families at homeless shelters throughout Alameda County indicated the most common reason for having become homeless was the inability to pay their rent.

Families just barely able to pay their rent are vulnerable to other setbacks (such as family illness or job loss) that can trigger a downward spiral resulting in homelessness. Physical health issues, mental health problems, and drug or alcohol dependency are life-events that might otherwise be manageable if not for the financial precariousness of those marginally-housed families.

Despite the risks associated with extreme financial instability, Survey data indicate that people who are even marginally housed differ significantly in several respects from people who are homeless. This data was collected from interviews with people who comprise the growing sector of non-homeless users of food distribution programs and other services intended for use primarily by homeless people.

Marginally-housed people (as contrasted with homeless people):

- Are more likely to belong to intact families;
- Experience hunger less frequently;
- Are employed and work more hours with improved regularity;
- Are more likely to have some form of health insurance; and

- Have larger incomes.

The City of Hayward allocates funds to Hayward-based programs that provide intervention and support for families that are marginally housed in order to stabilize and improve their circumstances, and to prevent homelessness. These projects include:

- Community Resources for Independent Living (CRIL) which provides housing counseling to people with disabilities. CRIL also provides education, peer counseling, information and referral, and other support services for people with disabilities.
- ECHO Housing which provides rental assistance, fair housing counseling, and landlord-tenant mediation;
- Eden Information and Referral which maintains an affordable housing database to provide housing and other types of information and referral services;
- Hayward Community Gardens which provides gardening opportunities for low-income households (to supplement their grocery budgets); and
- South Hayward Parish which administers an emergency food pantry.

The needs analysis for this priority shows that the high cost of housing in the Bay Area contributes to homelessness. The following objective addresses this issue by helping very low-income tenants retain their housing through housing counseling and education, and specific types of financial support.

*Objective 1:* The City will continue to fund activities that assist currently housed people and families who are at-risk for homelessness.

### **Geographic Distribution**

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

**Priority 3:** Build on interjurisdictional cooperation to housing and homeless needs.

The goal of the Alameda County-Wide Homeless Continuum of Care Council is to provide a coordinated and comprehensive system of housing and support services to prevent and reduce homelessness. The Continuum of Care is more fully discussed in the Consortium's portion of the Consolidated Plan. The Council's Plan is a blueprint for ending chronic homelessness within 10 years and was updated in December 2004. Systems and programs that have traditionally provided services to homeless people, and to people at risk for homelessness, must be coordinated at every level to diagnose and intervene promptly and accurately.

The results of the Survey are being used to inform an Alameda County Homeless and Special Needs Housing Plan, which will assist local jurisdictions in targeting resources at specific needs.

The needs analysis for this priority indicates that cooperation with other Alameda County jurisdictions helps leverage the limited resources available for homeless services.

*Objective 1:* The City will continue to participate as an active member of the Alameda Countywide Continuum of Care Council to assist in the acquisition of funds to increase the availability of transitional housing and permanent supportive housing in Alameda County. On a case-by-case basis the projects will be evaluated to ensure the proposed program design (i.e., level of service, program staffing) corresponds with the needs of the population to be served.

### **Geographic Distribution**

The City will continue to work closely with other jurisdictions to alleviate homelessness and its causes, and to ensure shelter and supportive services are available to homeless people in the City of Hayward.

### **Homeless Inventory (91.210 (c))**

Within Hayward, there are 142 emergency shelter beds, provided by five non-profit agencies, available to serve different segments of the 1,100 homeless people staying in mid-County.

- Emergency Shelter Program (ESP) provides shelter and support services to homeless women and their children, and to female survivors of domestic violence and their children (40 beds).
- Family Emergency Shelter Coalition (FESCO) provides shelter and support services to homeless families (24 beds).
- Human Outreach Agency (HOA) provides shelter and support services to homeless male adults (20 beds).
- Seventh Step Foundation operates a residential program that provides housing and support services to adult male homeless parolees (24 beds).
- South County Homeless Shelter operated by Building Opportunities for Self-Sufficiency (BOSS) provides shelter and support services to single adults of either gender, who suffer from mental health problems and are also addicted to drugs and/or alcohol (24 beds).
- Women on the Way Recovery Center provides emergency shelter and drug and alcohol recovery services to homeless women (10 beds).

All the emergency shelters located in Hayward have made accessibility modifications to their facilities (most often using City of Hayward CDBG funds) to improve accommodation for homeless people who have physical disabilities.

The City also provides funding for a motel voucher program for use by homeless people when appropriate bed-space is not available at the local shelter programs, and an emergency response team that works in conjunction with the Hayward Police Department to provide in-person crisis intervention and temporary placement in local motels for victims of domestic violence.

In addition to programs that provide emergency shelter and support services, there are sixty units of transitional housing, provided by three non-profit agencies:

- BOSS/Pacheco Court provides 10 transitional housing units for mentally ill homeless adults with families and/or single adults.
- BOSS/South County Sober Housing is a transitional housing project for 21 single adults dually diagnosed with substance abuse and mental health disabilities.
- FESCO also provides 4 units of transitional housing, as well as co-housing facilities for 11 additional families at its Banyan Street program.
- Shelter Against Violent Environments (SAVE) operates 14 units of transitional housing for female survivors of domestic violence and their children.

### **Emergency Shelter Grants (ESG)**

Not Applicable – This section is required for State grantees only.

## **COMMUNITY DEVELOPMENT**

### **Priority Community Development Needs (91.215)**

In 2002 the City conducted a year-long Community Needs Analysis. Both the Human Services Commission (HSC) and the Citizens Advisory Commission (CAC) were involved in this exercise which provided both commissions, and City staff, with a better understanding of the needs of Hayward's low-income residents, which in turn helps each to make more informed funding recommendations to the City Council.

Eight topic areas were identified for analysis and explored in separate monthly presentations throughout 2002. Each presentation was made by one or more local professionals working in a particular subject area and focused on service delivery systems and related issues, not specific agencies and programs.

The topic areas were:

- 2000 Census Data
- Housing
- Health / Mental Health
- Employment / Training
- Childcare
- Transportation
- Safety
- Issues Relating to Income

After the presentations were completed, both the HSC and CAC considered what they learned and drew conclusions regarding each topic area as follows:

**2000 Census Data:** Commissioners noted that while the number of low-income Hayward residents has increased, and the general economy has worsened causing charitable giving to decrease, City funding for social services has stayed constant over the last 10 years. It was also noted that the number of non-White Hayward residents has increased to the extent that there is no longer any single race that makes up over 50% of the Hayward community. Consequently, it was recommended that the City focus efforts to recruit commission members that are more reflective of Hayward’s growing diversity.

**Housing:** The Community Needs Analysis revealed many possible barriers to affordable housing including: the scarcity of currently available affordable housing stock, the lack of new affordable housing developments, and many families’ inability to access affordable housing. Helping more low-income families to access affordable housing and affordable quality childcare that is located near to working parents’ jobs were considered issues that should be given special consideration. It was also concluded that homeownership assistance, and the maintenance of the City’s existing housing stock were areas that should be emphasized. Assistance to affordable housing projects, and the City’s First-time Homebuyer and Housing Rehabilitation Loan/Grant programs were identified as positive examples of current City projects and activities.

**Health / Mental Health:** Access to insurance was seen as the primary barrier to low-income Hayward residents being able to access appropriate health care. Many “working poor” have jobs that do not include health care benefits, and so individuals who earn too much to qualify for government healthcare benefits often are under-insured, or go without insurance altogether, and so often do without needed health care for themselves and their family. The data obtained suggested that Hayward youth are particularly underserved in this area.

**Employment / Training:** The Community Needs Analysis pointed out that many of those seeking employment are ill prepared for the work place in that they have poor literacy skills and work habits, and few know how to effectively seek employment. It was determined that the public school system should be provided with the resources needed to prepare young adults for work by improving their literacy and giving them “hard” skills that will make them more employable, and that the schools should be held accountable for achieving these outcomes. Additionally, work training programs and job assistance services, for both teens and adults, should be promoted.

**Childcare:** The Community Needs Analysis indicated that there is a severe shortage of affordable licensed childcare, especially for low-income families. Those with children

ages three years and younger have a particularly difficult problem because there are fewer infant care slots available in Hayward. In 2004, two Hayward-based infant care programs had to discontinue operations because the staff to child ratios required for this age group increased costs beyond what government subsidies paid for, and beyond what families could afford. Affordable licensed child care located near parents' work, quality child care services offered during non-traditional work hours (for those who have evening or late-night work shifts) and affordable and accessible quality child care programs that serve sick children are also lacking in the community. Support for these services is highly encouraged. Employers are also encouraged to adopt workplace policies that are supportive of working parents.

**Transportation:** The study showed that there is inadequate, or no, bus service available which low-income people can access to get to and from work, especially for those who work during non-traditional work hours. Parents who must rely on public transportation have the added problem of getting their children to and from child care or school as well as getting to and from work themselves. School transportation for children has also been severely curtailed over the years due to funding constraints. Often, only those children with disabilities have access to school transportation services. The development of affordable housing and affordable licensed child care services near parents' place of employment are strategies that are recommended to mitigate the transportation problems faced by low-income Hayward residents.

**Safety:** Programs like the City's Community Emergency Response Training (CERT) program help to prepare community members for disaster. It was noted, however, that "vulnerable" populations within the community (such as seniors, persons with disabilities, the "pre-disaster" homeless, etc.) have special needs that may be difficult to address by traditional disaster response personnel and services. Consequently, it is recommended that the City work with local community and faith-based organizations to prepare to address the special needs of these community members during and after a disaster. With regard to crime and crime prevention, it was noted that domestic violence, teen violence and gang problems are seriously under-addressed in Hayward. It was recommended that more services designed to assist victims of domestic violence, and after-school programs and activities should be promoted and supported. The City's Neighborhood Watch program helps reduce crime and increase police response to crime by creating partnerships between the police and neighborhood groups - this program was seen as very useful. So too was the Hayward Police Departments' Youth and Family Services Bureau which couples mental health professionals with police officers who provide intervention services to troubled teens and their families in order to divert first-time offenders from the juvenile justice system. The study also brought to light the fact that when resources are limited, both the police and the District Attorney's office tend to prioritize (and prosecute) violent crimes over non-violent crimes. Consequently, it was recommended that safety be given high priority when considering how limited resources should be allocated.

**Issues Relating to Income:** The Community Needs Analysis highlighted the fact that welfare recipients who are nearing or who have reached their five-year lifetime limit

(imposed by the federal government during the past decade) are moving into the ranks of the “working poor”. There is a great concern about those who have “timed-out” of the welfare system, but whom for a variety of reasons, remain unemployed. These individuals are seen as particularly vulnerable, and potentially prone to turn to criminal activity in order to survive. As was noted earlier, the wages earned by those who can only find low-paying jobs often make them ineligible for government subsidized benefits, but do not provide enough income to meet all of their needs. This in turn forces low-income individuals and families to choose between paying for rent, food, clothes, and other basic need costs. It was recommended that supportive services that target these special groups be given careful consideration.

A study conducted by the Alameda County Public Health Department on Hayward in 2004 (<http://www.acphd.org/user/data/datareports.asp>) reports that diabetes-related hospitalizations and mortality has increased in Hayward over the last ten years. This study also concludes that neighborhoods with high poverty rates have poorer health outcomes. Consequently, it is recommended that social and environmental factors that promote good health be supported (i.e., insuring access to healthy foods, safe parks and playgrounds, quality housing, transportation, education, employment, and universal access to quality health care.) The study also emphasizes that increased access should be given to early detection, diagnosis, treatment and acute care services, particularly for persons with chronic diseases such as diabetes and cancer.

The community development activities undertaken by the City are based on community needs information gathered and integrated from a variety of sources including: the Community Needs Analysis (described above), City and County staff research on community development issues, workshops conducted by the City with local service organizations, information gathered from the City’s annual funding processes, and regular public hearings conducted by the Alameda County Housing and Community Development Department, the Hayward Citizens Advisory Commission, the Hayward Human Services Commission, and the Hayward City Council.

The community development activities to be undertaken by the City are described below, as well as on the Community Development Needs Table (Attachment 5).

### **Priority 1: Neighborhood Facilities and Improvements**

It is important to have safe and appropriate facilities in the community that serve a variety of population groups. Youth centers for after-school programs, facilities that are designed to accommodate clients with physical, cognitive and/or mental health disabilities, 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 which include social and recreational services, child care, youth development programs, crises intervention, health, mental health, legal and case management services

to lower income Hayward residents. Service representatives reported while many public and private funding sources may provide funding to nonprofits for capital expenses and new program services, sustainable funding that can be used to pay for ongoing administrative and operational support is difficult to obtain.

*Objective:* The City will support the construction, retrofit and/or rehabilitation of well-designed neighborhood facility projects that meet the communities' needs. Facilities providing child care, youth services, programs for lower-income seniors, and/or persons with disabilities will receive priority.

### **Geographic Distribution**

The facilities funded are usually located within the municipal boundaries of the City of Hayward and are intended to serve a specific low and moderate income clientele or a low and moderate income neighborhood, known as a CDBG Target Area. Target Areas are shown on Attachment 3. However, from time to time an agency or facility that is located outside of the City, but still serves Hayward residents, may receive funding.

### **Priority 2: Public Services**

A comprehensive strategy is required to address the various needs of lower and moderate-income families, children, seniors, victims of domestic violence, and persons with special needs. The City's Social Services Program assesses community needs and coordinates the work of private social service agencies. City staff monitors programs to assure compliance with City Council policies, State and local requirements and provides technical assistance to help maintain high quality services, sound reporting, and appropriate financial 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.

In October, 1996, the Hayward City Council adopted a policy which established a funding formula to determine the amount of money that will be made available from the City's General Fund each year 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, or a minimum of \$350,000, to support community services with Social Services funding. These funds are then 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 – When economic conditions permit, these funds will be used to address annual City Council priorities, focusing on innovative prevention or intervention strategies designed to benefit Hayward children, youth and families,

and which are based on the emerging needs that come to the Council's attention on an annual basis.

The City also uses 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 above-described Social Services funding.

*Objective 1:* In accordance with federal regulations, 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 to social services programs, as well as funds for program administration.

*Objective 2:* Address the special transportation needs of seniors and persons with disabilities who are unable to use other modes of public, or private, transportation. The City will utilize available Measure B Paratransit funds to provide special transportation services to Hayward seniors and persons with disabilities.

### **Geographic Distribution**

Public services supported with CDBG or City Social Services funds address needs throughout the City of Hayward.

### **Priority 3: Economic Development**

The City's full Economic Development Element of the General Plan ("ED Element") is available online at [www.hayward-ca.gov/about/general.shtm](http://www.hayward-ca.gov/about/general.shtm) and was most recently revised in 2002.

The purpose of the ED Element is to identify economic conditions, constraints and opportunities in the City and to establish policies and strategies that:

- Support economic growth;
- Maintain a healthy balance between economic growth and environmental quality;
- Provide the necessary support to businesses;
- Eliminate cumbersome and unnecessary regulations;
- Prevent the wasteful underutilization of physical resources;
- Encourage businesses that create permanent, higher wage jobs to locate and/or expand in Hayward; and
- Assist City residents to acquire skills so that they may fill the jobs of the future.

The ED Element provides an important statement of the policies and goals of the City relating to economic development. As such, it serves as a source of information and a statement of public policy to aid residents, businesses, other agencies, and city officials in making recommendations or decisions on matters relating to economic development. The ED Element is closely linked to other elements of the General Plan, including Land Use, Circulation, and Housing and provides guidance to the Planning Commission and

the City Council when considering specific projects. It calls for an analysis of benefits and disadvantages in order to provide decision-makers with information regarding long-term impacts. It is expected that over time the ED Element will be amended to adapt to changing needs and economic conditions.

The ED Element is a framework that will allow the City to be proactive and respond to opportunities in the environment more quickly and efficiently to ensure Hayward's long-term economic health and vitality. It must be recognized that the environment in which the City functions is primarily a regional economy. Within that context, the City must continually monitor the range and type of change that takes place and be prepared to respond appropriately. The Bay Area is a vibrant, competitive economic environment, providing continuous opportunities and challenges for the City. Keeping abreast of and acting upon changes which may impact our local economy is a vital part of the framework for economic development.

The 1990s ushered in a new reality for every city in California: fiscal self-reliance. A self-reliant city's ability to fund public safety, infrastructure and other vital municipal services is determined by its economic base and revenue structure. Faced with permanent cutbacks in federal spending and the loss of local property tax revenue, which was taken from cities and counties by the state, each locality is now dependent upon the revenue generated from its own economic base to define the level of services it can afford to provide.

The economic base consists of land, buildings and other structures and personal property of commercial, industrial, residential, institutional, and government users. The revenue structure consists of non-discretionary taxes which a city does not have the authority to directly control --such as property tax, sales/use tax and state subventions --and discretionary taxes which are revenue sources that a city has the authority to directly control --such as business license tax, transient occupancy tax, utility users tax (where applicable) and franchise fees.

Cities experience changes in their business base at an average rate exceeding 20% per year, due to business openings, closings, expansions, consolidations, relocations, mergers, acquisitions and other events. Not only do cities' economic bases change, but their revenue structures change as well, due to legal decisions, legislation, regulation, deregulation, and emerging technology. In order to survive, Hayward has reduced costs and improved efficiency by restructuring and reorganizing service delivery. Reducing costs and improving efficiency are important, but they are not the only strategies that will assure Hayward can continue to provide residents, businesses and their customers and suppliers with quality services. Strategies that encourage land use, development and businesses that generate sufficient revenue from non-discretionary taxes (sales/use and property taxes) to pay their way *and* meet the needs of Hayward residents and businesses are important. Equally important, since developable land is limited, are strategies that discourage land use, development and businesses that do not generate sufficient revenue to pay their way without creating a public good. As the City approaches build-out, the

challenge will be how to ensure productive re-use of existing resources to create a healthy, self-sustaining city.

### Employment Base and Local Resources

Hayward's economic development resources consist of its businesses, its employed residents, its training and education systems, and the local business climate. According to available Census data, there has been an increase in the number of Hayward residents employed in the following industries: finance/insurance/real estate, wholesale trade, communications/public utilities, transportation, and construction. The number of residents employed in manufacturing durable goods has decreased. In general, Hayward residents appear to be employed in the same industries that do business in Hayward, although, residents may work for firms that are not located in Hayward.

The State Economic Development Department (EDD) projects openings by occupation, based on survey data collected from employers. In recent years, in Alameda County, occupations with the most openings have been in relatively low wage fields such as retail salespersons, cashiers, clerical, waiters and waitresses, janitors, food preparation workers and many different types of clerks. Out of the 25 occupations with the most openings, only three -- general managers/top executives, computer programmers and accountants/auditors -- were higher wage jobs that require a college or technical education. The occupations with the highest growth rate are not the occupations with the most openings. In general, those occupations require higher education and are relatively high wage jobs such as tax examiners, computer engineers, technical writers, and data processing equipment repairers.

Hayward Unified School district serves over 20,000 students of varied cultures, languages, and backgrounds. The district's diversity, openness to change, and commitment to student learning have led to its recent involvement in several major school reform projects. Problems do remain. Many schools still have relatively high transiency rates and many are now close to physical capacity. In recent years, the District's high schools have had approximately the same college attendance rate as the New Haven and San Lorenzo school districts and Alameda County as a whole. However, the rate is lower than the San Leandro and Fremont districts. The District's dropout rate is higher than surrounding districts. New programs have been implemented which focus on at-risk students and these programs are beginning to show some positive results. There have also been coordinated efforts to improve educational achievement including Healthy Start (with city, county, and nonprofit organizations) and the School-To-Career program (with Chabot College and Cal State East Bay).

Hayward is home to Chabot College, a community college, and to California State University East Bay (CSUEB). CSUEB is a leader in multimedia studies. It has one of the top business schools in the State system and has been a training ground for entrepreneurs from Russia and China. Both Chabot and CSUEB work closely with employers to tailor training programs for employees. In addition there is a myriad of other educational resources located in Hayward, including the Hayward Adult School,

business colleges, technical training programs, a Regional Occupational Program, and a Career Center for displaced workers.

According to past surveys of Hayward firms, the most important factors attracting them to Hayward were access to markets, relatively low lease rates/building costs, access to transportation facilities, proximity to owner's residence, and labor availability. Local commercial and industrial brokers have indicated that these same factors, with the exception of proximity to the owner's residence, remain important today.

Streamlining city government, particularly the development process, continues to be an important issue for businesses and realtors. The City has made significant progress in improving the development review and permitting process. As Hayward has improved its development process, so have surrounding localities. Cities have begun to compete for certain types of new business and a streamlined regulatory process provides a competitive advantage.

Hayward currently offers the following incentives, depending on the business type:

*Financial assistance.* Types of assistance include CDBG loans, assistance with SBA loan packaging, deferral of some City fees for high priority projects, assistance with land assembly and land-write downs in the redevelopment area, construction of infrastructure, and tax-exempt and taxable industrial bond financing.

*Non-financial assistance.* Types of assistance include pre-application meetings, fast-track development processing, and meetings with architects, engineers, and contractors on an as-needed basis. No site plan review is required within the Industrial District as long as the project meets design guidelines.

The City's key economic development policies are:

1. Utilize an economic strategy that balances the need for development with other City goals and objectives;
2. Create a sound local economy that attracts investment, increases the tax base, creates employment opportunities for residents and generates public revenues;
3. Facilitate the development of employment opportunities for residents;
4. Continue to enhance the City's image in order to improve the business climate;
5. Attract new businesses; and
6. Retain existing businesses.

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 jobs available 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.

The purpose of the City's Small Business Revolving Loan 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-businesses. 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.

*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.

### **Geographic Distribution**

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

### **Antipoverty Strategy (91.215 (h))**

According to the 2000 Census, the number of persons in poverty was 13,805 or 10 percent of Hayward's total population; there were 2,313 families in poverty out of 32,228 Hayward families for a total of 7.2% families in poverty.

Because available federal and local resources are limited, the City cannot possibly implement an effective anti-poverty strategy on its own. Consequently, the City plans to continue to participate in joint efforts to promote economic development and job-creation activities for low-income persons and families. Such activities include partnerships with California State University, East Bay; Chabot College; Hayward Unified School District; Hayward Area Recreation and Park District; the State Employment Development Department - Hayward office, the Alameda County Economic Development Alliance for Business (EDAB); the Alameda County Workforce Investment Board (WIB) as well as local Community-Based Organizations (CBO's) and neighborhood groups.

Specifically, the City is involved in and supports the following:

- **ACCESS One Stop Career Center - Eden Area Partnership:** The City is a managing partner of the One-Stop Career Center in Hayward which provides job placement and training services, and is funded with Department of Labor Workforce Development Act (Workforce Investment Board) funds. Other

participants in the One Stop Career 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 Center provides job placement information, access to computers, telephones and other office equipment for job seekers, internet access for job leads and applications, job counseling and interview opportunities with employers who are seeking personnel. 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.

- **Alameda County Continuum of Care** (See Homeless Needs section).
- **Alameda County Workforce Investment Board (WIB)** - The WIB is 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). The WIB allocates federal Department of Labor funds which support job training programs designed to upgrade the skills of lower income adults and youth, and to provide services to dislocated workers. City representatives sit on the WIB, as well as on the WIB's Youth Policy Council, to ensure that funded job training programs are meeting the needs of lower income Hayward residents seeking work.
- **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. 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.
- **Economic Development Alliance for Business (EDAB)** - EDAB is a county-wide 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.
- **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. 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 care givers. Standing committees of the Senior Services Coalition include: Advocacy, Marketing and Public Relations, Program & Resource Development, Technology and other ad hoc committees as needed.
  
- **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. 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 Resource 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.
  
  - *Healthy 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.

- **Youth Enrichment Program (YEP!)** - YEP! Was initiated as 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 based on school campuses. The program provides after-school and summer enrichment activities for children ages 8 – 14 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. HUSD has expanded the Youth Enrichment Program to all of its elementary and middle schools with the support of State Department of Education funding. Thousands of youth participate in and benefit from YEP annually.

### **Low Income Housing Tax Credit (LIHTC) Coordination (91.315 (k))**

Not Applicable – This section is required for State grantees only.

## **NON-HOMELESS SPECIAL NEEDS**

### **Specific Special Needs Objectives (91.215)**

#### **Non-homeless Special Needs Analysis (including HOPWA)**

The City has a long history of participating with other jurisdictions in Alameda County, and with Eden Housing, in jointly funding housing projects that serve lower-income Hayward residents with special needs. Additionally, there are privately-operated facilities located in Hayward that serve developmentally disabled children, teens, adults, and seniors. The City is strongly committed to encouraging all people, including people with disabilities, to participate in the public process and provides accommodations in compliance with the Americans with Disabilities Act of 1990 (ADA).

2000 Census data on Hayward residents with disabilities shows that 19% of the City's residents have one or more disabilities that may impact on their housing requirements. 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. Supportive housing can increase life expectancy and quality of life for persons with special needs. For many, it can be the key to preventing or permanently ending homelessness. However, there are very few housing developments that provide direct supportive services.

The California Department of Rehabilitation estimates that 3% of the total population has disabilities which have an impact on their housing requirements to a significant degree, forcing persons with disabilities to live near medical facilities, live in specially designed homes or live in congregate housing. Because the sole source of support for many people with disabilities is SSI, these are extremely low-income households. Many have difficulty obtaining housing when vacancy rates are low, and even when there are vacancies, most market rate housing is unaffordable for these individuals. Many units of affordable housing are not accessible and cannot accommodate physically disabled persons. Education of landlords and disabled tenants regarding reasonable accommodation is sporadic. The lack of understanding by landlords of 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 even more difficult.

There are many privately-operated residential facilities, including nursing homes and numerous licensed and unlicensed group homes, located in Hayward that serve children, teens, adults, and seniors with disabilities. There are 107 licensed group homes in the City. It is not known how many unlicensed group homes there are serving six or more residents; although, City staff estimate that there are at least as many unlicensed as licensed homes. The City does not require a use permit for group homes serving fewer than seven residents; these are treated as single-family homes. Also, the City does not require a use permit for either child or adult day care programs serving fourteen or fewer people.

Recognizing these issues, the City has a long history of funding such community-based service organizations as: Community Resources for Independent Living (CRIL) - the southern Alameda County independent living center, and Eden Council for Housing Opportunities (ECHO) to educate landlords regarding the needs and rights of people with disabilities, the availability of the City's accessibility grant program and the state and federal government's fair housing requirements, e.g. Section 504. ECHO also audits rental residential developments for housing discrimination as part of ECHO's CDBG contract with the City. After audits are completed ECHO follows up with an educational campaign directed at the owners and managers of the apartments involved so that they receive feedback on their performance in the audit, as well as information and training regarding fair housing laws.

While less vulnerable populations may need fewer services located at their place of residence, they still need to be able to access services from local community and faith-based organizations. In these instances, affordable, reliable, and in some cases "accessible" transportation is required (i.e., vehicles that can transport persons who use wheelchairs). In 2002 Alameda County voters elected to continue the "Measure B ½ Cent Sales Tax" which generates revenue for transportation related projects and services throughout the County, including special services for seniors and persons with disabilities referred to as paratransit. The City utilizes Measure B funds to support the Hayward Paratransit Program, designed to supplement and compliment the ADA paratransit

services offered by AC Transit and BART. This program is designed to address the unmet special transportation needs of Hayward seniors and persons with disabilities.

**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.

### **Housing Opportunities for People with AIDS (HOPWA)**

Please refer to the Alameda County Consortium Consolidated Plan for a discussion of these issues.

## **Attachment 1**

### **Map of Hayward Neighborhood and Census Tracts**

## **Attachment 2**

### **Housing Needs Table**

## **Attachment 3**

### **Map of Hayward CDBG Target Areas**

## **Attachment 4**

### **Housing Market Analysis**

## **Attachment 5**

### **Community Development Needs Table**

## **Appendix A**

### **Citizen Participation Plan**