

2023-2024 Draft Action Plan City of Sunnyvale

Community Development Block Grant Program
Home Investment Partnership Program
April 2023



Sunnyvale

Table of Contents

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)	3
PR-05 Lead & Responsible Agencies – 91.200(b)	5
AP-10 Consultation – 91.100, 91.200(b), 91.215(l)	6
AP-12 Participation – 91.105, 91.200(c).....	13
AP-15 Expected Resources – 91.220(c)(1,2).....	16
AP-35 Projects – 91.220(d).....	24
AP-38 Project Summary.....	26
AP-50 Geographic Distribution – 91.220(f)	30
AP-55 Affordable Housing – 91.220(g)	31
AP-60 Public Housing – 91.220(h)	32
AP-65 Homeless and Other Special Needs Activities – 91.220(i).....	33
AP-75 Barriers to affordable housing – 91.220(j)	35
AP-85 Other Actions – 91.220(k).....	36

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b) Introduction

This FY2023/24 Action Plan serves as an application for funds under two formula grant programs administered by the U.S. Department of Housing and Urban Development (HUD). These grants provide the City of Sunnyvale (City) with an average of roughly \$1.1 million annually. For 2023, the City will receive an allocation of Community Development Block Grant (CDBG) in the amount of \$1,054,691 - and a HOME Investment Partnerships (HOME) Program grant of \$454,952. This Action Plan covers the fiscal year beginning July 1, 2023 and ending June 30, 2024, the third year of the City's 2020- 2025 Consolidated Plan (ConPlan) period. The Action Plan describes the eligible activities that the City intends to undertake in FY2023/24 to address the priority needs and implement the strategies identified in the Plan, using the City's CDBG and HOME grants. The activities described in this Action Plan are intended to primarily benefit the lower-income residents of Sunnyvale, affirmatively further fair housing choice, and meet priority needs. In addition to these grants, the City has a local Housing Mitigation Fund (HMF), which is used to support local affordable housing programs, including some that are not eligible for HUD funding. This fund is derived from fees received occasionally in varying amounts, and there is no guaranteed annual funding amount, therefore less emphasis is placed on these funds as a regular funding source in this Action Plan.

In addition to these grants, the City has a local Housing Mitigation Fund (HMF) which is used to support local affordable housing programs, including some that are not eligible for HUD funding. This fund is derived from fees received occasionally in varying amounts, and there is no guaranteed annual funding amount, therefore less emphasis is placed on these funds as a regular funding source in this Action Plan.

2. Summarize the objectives and outcomes identified in the Plan

The City has organized its priority needs based on the structure presented in HUD regulations (24 CFR 91.215): affordable housing, alleviation of homelessness, economic development, and nonhousing community development. Priority is assigned based on the level of need that is demonstrated by the data that has been collected during the preparation of the Plan, specifically in the Needs Assessment and Market Analysis; the information gathered during the consultation and citizen participation process; current City policy, federal laws and regulations related to the HUD grants, and the availability of resources to address these needs. Based on these components, housing needs are considered a high priority, as well as alleviation of homelessness, economic development, and non-housing community development needs. The City's goals and objectives are organized into four categories: A. Affordable Housing (including housing for special needs households) B. Alleviation of Homelessness C. Other Community Development Efforts (Public Services, Community Facilities and Infrastructure) Page 2 D. Expanding Economic Opportunities Table 2 on page 15 summarizes the objectives and outcomes that will be addressed in this Action Plan.

3. Evaluation of past performance

The City is responsible for ensuring compliance with all rules and regulations associated with the CDBG and HOME entitlement grant programs. The City's Annual Action Plans and CAPERs, posted on the City's website, provide details about the goals, projects and programs completed by the City. The City recognizes that the evaluation of past performance is critical to ensure the City and its sub-recipients are implementing activities effectively and that those activities align with the City's overall strategies and goals. The City evaluates the performance of subrecipients on a quarterly basis. Sub-recipients are required to submit quarterly progress reports, which include client data, performance objectives, as well as data on outcome measures. Before the start of the program year, program objectives are developed collaboratively by the sub-recipient and the City, ensuring that they are aligned with the City's overall goals and strategies. The City utilizes the quarterly reports to review progress toward annual goals. During the past year, the City successfully implemented its planned programs and projects. Some projects take several years to complete, so in some cases they may not be completed in the same year in which they were initially funded, such as the Persian Drive sidewalk project. This is not unusual for projects involving major construction work.

4. Summary of Citizen Participation Process and consultation process

The City, in collaboration with other local jurisdictions and the consultant team, launched a comprehensive outreach strategy to enhance and broaden citizen participation in the preparation of the Consolidated Plan. The team informed the public that it was in the process of creating the 2020-2025 Consolidated Plan, and encouraged public participation in the process by conducting a Regional Needs Survey and hosting regional forums in collaboration with other jurisdictions in the County, and conducting local hearings. In addition to the extensive consultation conducted for the ConPlan several years ago, the City solicited additional input on this draft Action Plan. The City provides multiple opportunities for public review and comment on the Action Plan and on any substantial amendments to it. Public hearings on this Plan were held (or will be held) on April 19, 2023 and May 2, 2023. A notice of public hearings and an announcement of the 30-day public comment period was published in the Sunnyvale Sun on March 31, 2023. An initial draft of the Action Plan was released on March 31, 2023, and comments were accepted through May 2, 2023. It is the policy of the City of Sunnyvale to encourage and engage residents to participate in planning, implementation, and evaluation of its housing and community development programs.

5. Summary of public comments

All comments were accepted. Please refer to Attachment: "Proof of Publication and Citizen Participation Comments."

6. Summary of comments or views not accepted and the reasons for not accepting them

N/A

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
CDBG Administrator	SUNNYVALE	Department of Community Development
HOME Administrator	SUNNYVALE	Department of Community Development

The City of Sunnyvale is the Lead and Responsible Agency for HUD entitlement programs in Sunnyvale. The Housing Division (HD), a division of the City’s Community Development Department (CDD), is responsible for administering the City’s HUD entitlement grants, including the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) grant. In order to continue receiving these grants, the City must develop and submit to HUD a five-year Consolidated Plan (ConPlan) and Annual Action Plans listing priorities and strategies for the use of these federal funds. The ConPlan describes how the City plans to use its CDBG and HOME funds to meet the housing and community development needs of its residents in the next five years. To update its 2020-2025 ConPlan, the City collaborated with the County of Santa Clara (County) and other entitlement jurisdictions in the County to identify and prioritize housing and community development needs across the region, and to develop strategies to meet those needs. The 2023 Action Plan covers the third year of the 2020-2025 ConPlan period.

Consolidated Plan & Action Plan Public Contact Information

City of Sunnyvale Housing Division

Trudi Ryan, Director of Community Development
 Jenny Carloni, Housing Officer
 456 W. Olive Avenue / PO Box 3707
 Sunnyvale, CA 94088
 Tel: (408) 730-7250
 Fax: (408) 737-4906
 Email: Housing@Sunnyvale.ca.gov

Housing Division website: <https://sunnyvale.ca.gov/property/housing/default.htm>

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Consolidated Plan Development

The City has a long history of coordination and partnership with the local public housing provider, which is the Santa Clara County Housing Authority (SCCHA), and various assisted housing providers, such as Charities Housing, MidPen Housing Corp., First Community Housing, and others. The City also has a long history of coordinating with and/or providing funding to various local private and public health, mental health, and human services agencies, such as the County Mental Health Department, the local Valley Medical Center, and a variety of service providers that serve seniors, disabled clients, homeless clients, and other lower-income and at-risk clients.

In addition, in preparing the ConPlan, the City collaborated with seven other entitlement grantee jurisdictions (Entitlement Jurisdictions), including the cities of Cupertino, Gilroy, Mountain View, Palo Alto, San Jose, Santa Clara, and the County of Santa Clara (Urban County).

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

Public participation played a central role in the development of the ConPlan. The Entitlement Jurisdictions launched an in-depth, collaborative regional effort to consult with community stakeholders, many of whom represented public or assisted housing providers, health and service agencies, as well as elected officials, City and County staff, and beneficiaries of entitlement programs, to inform and develop the priorities and strategies contained within the ConPlan. The City, in partnership with Michael Baker International and the other Entitlement Jurisdictions, facilitated a comprehensive outreach process to enhance coordination with these stakeholders and discuss new approaches to using the HUD entitlement grant funds for eligible activities, projects, and programs throughout the county and/or in specific cities. Multiple community meetings took place in late 2019, and early 2020 – and included participation from a variety of stakeholders.

Additionally, Michael Baker International, with direction from the Entitlement Jurisdictions, conducted a Regional Needs Survey to solicit input from residents, workers, and stakeholders in the region, which consisted of all of Santa Clara County. Survey respondents were informed that the purpose of this survey was to help the Entitlement Jurisdictions determine local priorities for use of their HUD entitlement funds, and that these funds must be used to fund projects or programs that primarily serve lower income residents or neighborhoods with a higher percentage of lower-income residents. The Survey polled respondents about the level of need in their respective neighborhoods for various types of improvements, projects or programs that could possibly be funded by the HUD entitlement funds.

Action Plan Development

In addition to the extensive consultation in 2019 and 2020 noted above, the City solicited additional input for the FY2023-24 Annual Action Plan from community members at public hearings and planning meetings held on October 22, 2022, March 22, April 19 and May 2, 2023. The City and other community development organizations in the County coordinate frequently on a variety of initiatives. City Housing staff participates in a collaborative of HUD entitlement grantees within the County.

Quarterly meetings are held to discuss activities, technical assistance issues, and identify future opportunities for coordination and cooperation. The City also coordinates with other regional agencies, such as the Housing Trust of Silicon Valley, SV@Home, Joint Venture Silicon Valley, NOVA, Page 5 the County-wide Fair Housing Task Force, and the Valley Transportation Authority, among others, to achieve the goals described within this Action Plan.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City has coordinated with the Santa Clara County Continuum of Care (CoC) for many years on its efforts to end and prevent homelessness in the County. The CoC, a group of stakeholders from throughout the County, plans and implements many of these efforts. The CoC is governed by the CoC Board, which takes a systems-change approach to preventing and ending homelessness. The City's Housing Officer participated on the CoC's Review and Rank Panel in several recent years. This panel spends about a week reviewing and ranking local proposals for HUD funding through the federal CoC program.

Members of the CoC meet monthly to plan CoC programs, identify gaps in homeless services, establish funding priorities, and pursue a systematic approach to addressing homelessness. City staff, including the Housing Officer and Housing Analyst, as well as staff of other cities, meet and consult with the County's CoC staff during the quarterly county-wide "CDBG Coordinators Group" meetings, and communicate more frequently via email and/or phone on joint efforts. Destination:Home (D:H), a public-private partnership committed to ending chronic homelessness, is the governing organization for the CoC and implements by-laws and operational protocols for the CoC. D:H is also responsible for ensuring that the CoC complies with the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH).¹

In 2019, D:H released a draft "Community Plan to End Homelessness in Santa Clara County" (Community Plan), which outlines strategies for ending homelessness in the County by 2025. These strategies were informed by those who participated in a series of community summits conducted between April and

December 2019, including Sunnyvale HD staff and local stakeholders, among others. The Community Plan addresses the needs of homeless people in the County, including chronically homeless people, families with children, veterans, and youth, as well as those at risk of homelessness.

The City's current ConPlan and 2015-2023 Housing Element incorporate many policies and programs that are consistent with the Community Plan and "Housing First" policies in general.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City is not an ESG entitlement jurisdiction.

The CoC's HMIS is administered by the County Office of Supportive Services, using Clarity Human Services software. The project meets and exceeds HUD's requirements for HMIS and complies with HUD HMIS Standards. The County's HMIS is used by many service providers to record information and report outcomes.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Abilities United
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum(s) on Oct. 26, 2022 and April 19, 2023
2	Agency/Group/Organization	Bill Wilson Center
	Agency/Group/Organization Type	Counseling, Housing for Homeless Youth
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum(s) on Oct. 26, 2022 and April 19, 2023
3	Agency/Group/Organization	Catholic Charities of Santa Clara County
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum(s) on Oct. 26, 2022 and April 19, 2023
4	Agency/Group/Organization	City of Sunnyvale
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum (s) on Oct. 26, 2022 and April 19, 2023
5	Agency/Group/Organization	LIVE OAK ADULT DAY SERVICES
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum(s) on Oct. 22, 2022.
6	Agency/Group/Organization	Midpen Housing Corporation
	Agency/Group/Organization Type	Affordable Housing Developer
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum(s) on Oct. 22, 2022 and April 19, 2023
7	Agency/Group/Organization	PROJECT SENTINEL
	Agency/Group/Organization Type	Service-Fair Housing and Legal Services
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum (s) on Oct. 22, 2022 and April 19, 2023
8	Agency/Group/Organization	SENIOR ADULTS LEGAL ASSISTANCE
	Agency/Group/Organization Type	Service-Fair Housing and Legal Services
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency attended Community Forum (s) on Oct. 22, 2022 and April 19, 2023
9	Agency/Group/Organization	SUNNYVALE COMMUNITY SERVICES
	Agency/Group/Organization Type	Community/Family Services and Organizations
	What section of the Plan was addressed by Consultation?	Needs Assessment and Strategic Plan

<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Agency attended Community Forum (s) on Oct. 22, 2022 and April 19, 2023</p>
---	--

Identify any Agency Types not consulted and provide rationale for not consulting

There were no agency types that were not consulted as part of the 2020-2025 Consolidated Plan process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Table 3 – Other local / regional / federal planning efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Destination:Home	The D:H plan provides strategies for ending homelessness and increasing affordable housing stock in the County. This effort aligns with the Strategic Plan's goals to increase/support Affordable Housing and Alleviate Homelessness.
City of Sunnyvale General Plan, 2015-2023 Housing	City of Sunnyvale	Two of the primary goals of each of these plans are essentially the same: Increase/Support Affordable Housing; and Addressing Homelessness. Both plans also have goals related to improving local housing stock and neighborhoods, and addressing priority needs (non-housing community development needs). About 80% of the content of the two plans are very similar.
Comprehensive HIV Prevention & Care Plan	Santa Clara County HIV Planning Council for Prevention and Care	This plan guides the Santa Clara County HIV Planning Council for Prevention and Care in its development of a compassionate system of HIV prevention and care for the County. This effort aligns with the Strategic Plan's goal to address Other Community Development Needs

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Regional Housing Need Plan for the San Francisco B	Association of Bay Area Governments	This plan quantifies the needs of the 9-county Bay Area, which includes Sunnyvale, primarily for new housing units to address population growth projected to occur in the next 8 years. The regional housing need is further divided into an allocation or RHNA for each county and city in the region. The plan indicates Sunnyvale needs nearly 5,500 new housing units during this period. This plan aligns with the Strategic Plan's goals to increase/support Affordable Housing and Alleviate Homelessness. Sunnyvale's Housing Element describes how the City can accommodate the new units through its zoning and General Plan, and provide some affordable units by using its special funds for affordable housing.

The City ensures that all Action Plan projects and programs are consistent with the City's General Plan and the ConPlan. Regional planning efforts include Plan Bay Area and related statewide planning efforts.

Stakeholder Participation and Consultations with Agencies

The City consulted with various groups and organizations as part of the 2020-2025 Consolidated Plan process. Those stakeholders are listed in the Appendices of the ConPlan. A number of the same stakeholders participated in one or more hearings or funding workshops related to the development of the 2023 Action Plan.

Identify any Agency Types not consulted and provide rationale for not consulting

Not applicable.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Please see Table 3 provided in the Appendix of the ConPlan. The City ensures that its Action Plan projects and programs are consistent with the City's General Plan and the ConPlan. Regional planning efforts include Plan Bay Area and related statewide planning efforts.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

It is the policy of the City of Sunnyvale to encourage and engage residents to participate in planning, implementation, and evaluation of its housing and community development programs.

The City encourages low- and moderate-income residents, minorities, those with disabilities, and non-English-speaking residents to attend community meetings and/or provide written comments on its plans. The City provides a statement in the languages identified in its Language Access Plan on all public notices regarding HUD-funded activities, and sends public notices to organizations representing the groups listed above. In accordance with the Citizen Participation Plan, the City will provide translation services to any resident who requests such services in advance at such hearings and meetings. The City has translated its primary Housing Program brochures into Spanish, in accordance with the Language Access Plan.

Sunnyvale Request for Proposals

The City has a long-standing practice of issuing a request for proposals (RFP), annually for capital/housing projects and every second year for human services grants, to solicit applications for CDBG and HOME funds available to the City. This process aids in gathering community input on local needs and helps the City identify projects and programs that are eligible for and interested in HUD funding and have demonstrated capacity for successful implementation and compliance with HUD requirements. Staff issues the RFP, evaluates proposals for eligibility, scores the proposals according to criteria approved by the Housing and Human Services Commission, and provides its scores and funding recommendations to the Commission and Council for review. The Commission holds a public hearing before making its own recommendations on the proposed funding allocations, which are advisory to the Council, which approves the final funding awards as part of the annual Action Plan hearing. These programs and projects are also addressed in the ConPlan, as it is assumed that similar types of projects are likely to be implemented in additional years, depending on funding availability.

Public Notice and Availability of the Action Plan

As required by HUD, the City provides multiple opportunities for public review and comment on the Action Plan and on any substantial amendments to it. Community members had opportunities to attend public hearings on April 19 and May 2, 2023. A notice of public hearings and an announcement of the 30-day public comment period was published in the Sunnyvale Sun on March 31, 2023. An initial draft of the Action Plan was released on March 31, 2023, and comments were accepted through May 2, 2023. The proposed Plan was available for review at City Hall, and on the City's website.

Table 4 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted
1	Public Meeting	Non-targeted/ broad community	The HHSC met on October 22, 2022 for a Biennial Review of Priority Needs for Human Services for Recommendation to City Council.	Attachment - "Proof of Publication and Citizen Participation Comments." Fifteen members of the public, each representing human services agencies, spoke; four agencies submitted written correspondence.	All comments were accepted
2	Public Meeting	Non-targeted/ broad community	The City council held a public hearing on November 1, 2022 and approved the list of priority needs, excerpted from the 2020-2025 ConPlan.	Attachment - "Proof of Publication and Citizen Participation Comments."	All comments were accepted.
3	Public Meeting	Non-targeted/ broad community	The Housing and Human Services Commission (HHSC) met on February 22, 2023 to hear presentations from non-profit profit agencies, in response to the Request for Proposals for CDBG and HOME funding for FY 2023.	The presenters answered questions of the commissioners and urged them to support their project/funding request.	All comments were accepted.
4	Public Meeting	Non-targeted/ broad community	The HHSC met on Mar. 22, 2023 to discuss funding recommendations for FY 2023/24 CDBG/HOME grants. The HHSC recommended funding the HS proposals and capital project proposal in the amounts recommended by staff.	18 agencies representatives spoke during this meeting. See Attachment - "Proof of Publication and Citizen Participation Comments."	All comments were accepted.
6	Newspaper Ad	Non-targeted/ broad community	A display ad was published in the Sunnyvale Sun on March 31, 2023.	Attachment - "Proof of Publication and Citizen Participation Comments."	Not applicable
7	website	Non-targeted/ broad community	Draft Action Plan posted at: https://sunnyvale.ca.gov/property/housing/default.htm	Attachment - "Proof of Publication and Citizen Participation Comments."	Not applicable

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted
8	Public Meeting	Non-targeted/broad community	The HHSC held a public hearing on April 19, 2023 to recommend to the City Council to approve the 2023 Action Plan.	No public or written comments received.	Not applicable
9	Public Meeting	Non-targeted/broad community	The City council will hold a public hearing on May 2, 2023 to consider the Action Plan, consistent with the 2020-2025 Consolidated Plan.	Attachment - "Proof of Publication and Citizen Participation Comments."	Not applicable

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

As shown in Table A below, the City will receive \$1,054,691 in 2023 entitlement CDBG funds and \$454,952 in HOME funds. In addition, the City estimates that it will also receive approximately \$50,000 in CDBG program income in FY 2022, to be determined at end of fiscal year, and has approximately \$300,000 in disencumbered funds from prior years. The City will deposit all PI into the RLF with the exception of \$10,000 to support administrative functions. This brings the total CDBG funding for FY 2021 to \$1,364,691. This amount may increase slightly, as additional program income may be received before the end of this fiscal year. Total available HOME funding for FY 2023 will be \$879,952, which includes the new allocation, plus estimated program income administrative reserves and unencumbered funds from the prior program year.

Local (City) Resources

The City has a local Housing Mitigation Fund (HMF) and Below Market Rate (BMR) In-Lieu Funds for the development, rehabilitation and/or acquisition of affordable housing. In 2014, \$8.1 million in HMF was provided to the development of two new affordable rental projects, Parkside Studios and Onizuka Crossing, with a total of include 117 new affordable units. In 2017, \$7.43 million in HMF, plus \$600,000 in Home Funds, was committed to the 66-unit Benner Plaza project, completed in December 2018. Since December 2020, the City allocated about \$40 million to four developments (1178 Sonora Ct., 1171 Sonora Ct., Orchard Gardens and Block 15) through two separate competitive funding availabilities, which will increase the affordable housing stock by about 500-units. In addition, the City has funds available in its Housing Successor Agency Low-Mod Housing Fund, these funds are allocated outside of the Action Plan process, but with a similar goal of expanding and preserving the City's affordable housing stock.

Other Public Resources

Low-Income Housing Tax Credit Program (LIHTC)

The LIHTC program provides federal and state tax credits for developers and investors who agree to set aside all or a percentage of their rental units for low-income households for no less than 30 years. MidPen Housing applied for and received an award of federal low-income housing tax credits in 2016 for its Benner Plaza project, a new 66-unit affordable rental housing development. Most recently, Block 15 was awarded tax credits for their 90 unit development in 2021.

Homeless Emergency and Rapid Transition to Housing (HEARTH) and Emergency Shelter Grants (ESG)

Santa Clara County serves as lead agency for the County's Continuum of Care (CoC), which receives Hearth Act, ESG, and similar federal grants to provide shelter, housing, and supportive services to homeless people residing anywhere in the County. The City has contributed some of its local funds to various county-wide projects and programs that often receive CoC support as well, such as shelter facilities, transitional and permanent supportive housing, tenant-based rental assistance, and supportive

services.

Private Resources

Most of the City’s housing and human services programs leverage various sources of private financing. The City encourages the participation of local lenders in its housing and/or community development projects as needed. The City is a founding member of the Housing Trust of Santa Clara County, which raises voluntary contributions from the public and private sectors for affordable housing projects within the County. The City has contributed some of its local housing funds to the Trust, which then uses those seed funds to seek matching contributions from corporations and various other sources.

Table 6 - Resources – Priority Table

Program	Source of Funds	Uses of Funds	Amount Available Year 5				Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Estimate Program Income: \$	Prior Year Resource: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,054,681	\$10,000	\$300,000	1,364,691	\$0	Housing Rehabilitation; Public Infrastructure and Facilities; Public Services; Economic Development; Alleviation of Homelessness; Administration
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	454,952	\$120,000	\$305,000	\$879,953	\$0	Administration and Planning Activities To be programmed for FY 2024

Funds Available and Activities Proposed for Funding in FY 2023/24

AVAILABLE FUNDS	CDBG	HOME
FY 2023-24 Entitlement Grants	\$ 1,054,691	\$ 454,952
HOME PA (Admin Reserves)	\$ 0	\$ 0
Projected FY 2022-23 Program Income (Admin only)	\$ 10,000	\$ 120,000
Projected Disencumbered/Fund Balance	\$ 300,000	\$ 305,000
TOTAL	\$ 1,364,691	\$ 879,952

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City pursues and encourages its partner agencies to seek all available public and private funding sources in order to achieve the goals of the Consolidated Plan. Most projects and activities secure funding from a variety of sources, including public and private sector donations, grants, loans, and in-kind materials and services.

Most of the City’s housing and human services programs leverage various sources of private financing. The City encourages the participation of local lenders in its housing and/or community development projects as needed. Tax credit projects such as Block 15, Benner Plaza, and Onizuka Crossing, required millions of dollars in private equity and financing for construction and related costs. The City requires all applicants for CDBG and HOME funds for capital projects to provide a match of at least 25% to receive funding. For CDBG public services proposals, this match may consist of in-kind materials and services. Most applicants provide a match in excess of 25%.

Matching funds may include other available financing sources, such as tax credits, other public sector loans or grants, private capital or donations, rent proceeds, and/or the value of in-kind services (i.e., volunteer and staff services or pro-bono professional services used to implement the capital project). The City often provides more local funds than CDBG or HOME funds to assist major affordable housing projects, since those local funds are often available in larger amounts than federal funds.

Discussion

In recent years, the City has made several publicly owned properties available for affordable housing development, which is one of the needs identified in this plan. These projects included the Fair Oaks Plaza, Onizuka Crossing, Habitat Homes, and Parkside Studios. Another City-owned site known as Block 15 of the Downtown Specific Plan is currently under Planning Entitlement review for 90 units of affordable

housing. The City currently has another 175 unit affordable development pending tax credits on City owned land. The Public Works Department handles all City surplus property matters.

AP-20 Annual Goals and Objectives

Goals Summary Information

Table 7 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding 22/23	Goal Outcome Indicator
1	Affordable Housing	2023	2024	Affordable Housing	Citywide	Affordable Housing	CDBG: \$140,000 CDBG: \$490,000	Homeowner Housing Rehabilitated: 10 Affordable Rental Rehabilitation Multi-Family Rehabilitation of Carroll St Inn – and SRO property.
2	Alleviation of Homelessness	2023	2024	Homeless	Citywide	Homeless or at Imminent Risk of Homelessness	N/A	The City has a balance of funds from PY 2022, which it is using to continue expanding its TBRA program.
3	Other Community Development Efforts	2023	2024	Non-Homeless Special Needs Non-Housing Community Development	Citywide	Public Services or Facilities	CDBG: \$158,203	Public Service Grants
4	Expand Economic Opportunities	2023	2024	Expand Economic Opportunities	Citywide	Economic Opportunities for Lower Income People	CDBG: \$355,550	Jobs created/retained: 10 Jobs Other: 70 Other

Goal Descriptions

1	Goal Name	Affordable Housing
	Goal Description	<p>Goal A: Affordable Housing</p> <p>Needs Addressed</p> <p>Assist in the creation, improvement, and preservation of affordable housing for lower-income and special needs households by supporting affordable rental housing, providing the Home Improvement Program, and promoting fair housing choice.</p> <p>Geographic Area</p> <p>Affordable housing assistance is provided throughout the City, in order to avoid concentration of poverty, and to ensure fair access to affordable housing, rehabilitation assistance, and homeownership opportunities in all neighborhoods.</p> <p>Goal Outcome Indicator</p> <p>1. Home:</p> <ul style="list-style-type: none"> • CHDO Set-aside (statutory requirement, project site TBD) <p>2. CDBG:</p> <ul style="list-style-type: none"> • Home improvement program: 10 Units • Fair Housing Services: 25 Households

2	Goal Name	Alleviation of Homelessness
	Goal Description	<p>Goal B: Alleviation of Homelessness</p> <p>Needs Addressed</p> <p>Help people who are currently homeless or at imminent risk of homelessness to obtain housing, employment or other sources of income, and adequate support services/networks to achieve stability.</p> <p>Geographic Area</p> <p>City-wide</p> <p>Goal Outcome Indicator</p> <ul style="list-style-type: none"> • Assist 70 households with job training and assistance. • Assist 30 households through the Tenant Based Rental Assistance program
3	Goal Name	Other Community Development Efforts
	Goal Description	<p>Goal C: Other Community Development Efforts</p> <p>Needs Addressed</p> <p>1. The needs of very low, extremely low, and/or special needs households (seniors, disabled, homeless people, children, youth, victims of domestic violence, etc. for services and assistance to help them meet basic needs.</p> <p>Geographic Area</p> <p>City-wide</p> <p>Goal Outcome Indicator(s)</p> <ol style="list-style-type: none"> 1. Assist about 500 Households with human services. 2. Rehabilitation of Carroll St. Inn – assists 121 Households.

4	Goal Name	Expand Economic Opportunities
	Goal Description	<p>Goal D: Expand Economic Opportunities</p> <p>Support economic development activities that promote employment growth and help lower-income and/or homeless people secure and maintain jobs.</p> <p>Geographic Area</p> <p>City-wide</p> <p>Goal:</p> <p>70 Households assisted annually</p> <p>Job Placements: Assist 10 clients to obtain jobs.</p> <p>Job skills/classes: Assist 80 homeless clients with job training/skills and classes to enable them to obtain or improve their employment and housing opportunities.</p>

AP-35 Projects – 91.220(d)

Introduction

The activities that the City will undertake in FY 2023/24 using CDBG and HOME funds include: human services grants; rental housing rehabilitation and energy efficiency; employment development services for homeless and at-risk clients; access improvements, fair housing services, and program administration, as shown below. All of these activities are eligible for the indicated funding type based on federal regulations associated with these grants, and all of them meet one or more priority needs as identified through the City’s citizen participation process.

Projects

Table 8 - Project Information

#	Project Name
1	CDBG Administration and Monitoring
2	Minor Home Improvement Grants/Loans (Home Improvement Program)
3	WorkFirst Sunnyvale CBDO Activity
4	Public Services [5 projects]
5	Fair Housing Services
6	Carroll St. Inn Rehabilitation and Energy Efficiency
7	Home Administration and Monitoring
8	CHDO Set-Aside

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs:

Funding Priorities

The projects listed above were selected based on the needs identified in the Consolidated Plan, and in response to the proposals for funding received, and an evaluation of project feasibility.

Each year the City solicits proposals from local organizations for CDBG and HOME funding for eligible housing and community development programs or projects in Sunnyvale. The Request for Proposals sets forth the types of public services (human services) programs, capital and housing projects that are eligible for CDBG or HOME funding from the City, and explains the City’s process for evaluating and scoring proposals, determining award amounts, and approving awards. The City provides human services grants for public services which address identified priority needs and principally benefit lower-income people in Sunnyvale.

Applications for the human services grants are solicited every other year, following hearings held by the Housing and Human Services Commission (HHSC) and Council to determine the City’s current “priority human service needs.” The “Priority Needs” for the City of Sunnyvale's Community Development Block

Grant Program were determined through a series of community meetings held between April 2019 and January 2020 and were adopted as part of the 2020-2025 Consolidated Plan in accordance with regulations established by HUD.

FY 2023/24 is the first year of the two-year funding cycle for human services and the City confirmed in October 2022 that the list of Priority Needs in the 2020-2025 Consolidated Plan continues to be valid.

Obstacles to Meeting Underserved Needs

In the past several years, the primary obstacle to meeting underserved local needs in the near term has been the significant delays and continued uncertainty regarding federal appropriations for the CDBG and HOME programs, and other HUD programs, such as the Section 8 program and public housing funding, as well as changes to the LIHTC created by the recent federal tax reform bill. The region also continues to struggle finding a qualified CHDO to allocate funds toward.

AP-38 Project Summary

1	Project Name	CDBG Administration and Monitoring
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	
	Funding	CDBG: \$195,938
	Description	Program administration for CDBG Program activities.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A.
	Location Description	Citywide
2	Project Name	Minor Home Improvement Grants/Loans (Home Improvement Program)
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$140,000
	Description	Minor Improvement Grants/Loans
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Assist at least 10 households with minor home improvement grants or loans.
	Location Description	Citywide
	Planned Activities	The Home Improvement Program provides small grants and loans for minor improvements, such as: energy efficiency upgrades, exterior painting, emergency repairs and accessibility improvements. Homes must be owned and occupied by a lower-income household to be eligible for this program.
3	Project Name	WorkFirst Sunnyvale CBDO Economic Development Activity
	Target Area	Citywide

	Goals Supported	Expand Economic Opportunities
	Needs Addressed	Economic Opportunities for Lower Income People
	Funding	CDBG: \$355,550
	Description	Economic Development/CDBO Activity
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Assist 70 homeless clients with job training and job-placement services, to enable them to obtain or improve their employment and housing opportunities.
	Location Description	Citywide
	Planned Activities	This program provides work-readiness training, job placement assistance, and supportive services for homeless and at-risk clients. This program is administered by a valid Community Based Development Organization, as determined by HUD.
4	Project Name	Public Services
	Target Area	Citywide
	Goals Supported	Other Community Development Efforts
	Needs Addressed	Public Services or Facilities
	Funding	CDBG: \$158,203
	Description	Human Services Grants to non-profit agencies
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Assist approximately 500 individuals and/or households with human services through 5 separate non-profit programs.
	Location Description	Citywide
	Planned Activities	Assist clients with basic needs, such as food, shelter, transportation, health & mental health care, employment assistance/training, legal aid, etc.
5	Project Name	Fair Housing Services
	Target Area	Citywide
	Goals Supported	Other Community Development Efforts
	Needs Addressed	Public Services or Facilities

	Funding	CDBG: \$25,000
	Description	Provide fair housing services (utilizing administrative funds) to low-income residents of Sunnyvale.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	25 low-income households of Sunnyvale will benefit from this proposed activity.
	Location Description	Citywide
	Planned Activities	Provide fair housing services to low-income households.
6	Project Name	Carroll St. Inn Rehabilitation and Energy Efficiency
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$490,000
	Description	Assist a supportive housing community with property upgrades that support energy efficiency.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	121 households (property is 122-units with one unit set-aside for property manager)
	Location Description	Citywide
	Planned Activities	Replacement of central gas hot water heaters with electric hot water heaters – and replacing the current hydronic heating system, powered by gas, with Packaged Terminal Air Conditioners, which will be powered by electricity.
7	Project Name	Home Administration and Monitoring
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$57,495

	Description	Administration of HOME Activities : Planning and Monitoring (Includes authorized program income (PA))
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide
	Planned Activities	Funds are used for administering the HOME program, includes costs of HOME capital project management, tracking grant funds and program income, subrecipient monitoring, reporting, and compliance with federal requirements such as environmental, labor, and anti-discrimination. Indirect costs (overhead) are also included in program administration.
8	Project Name	CHDO Set-Aside
	Target Area	Countywide
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$68,243
	Description	To provide funding to a qualified Sunnyvale CHDO with a project site
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A. No CHDO application was received for 2023 funds.
	Location Description	TBD
	Planned Activities	Identify eligible Sunnyvale CHDO with a project site.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed:

Investments will be allocated citywide for affordable housing services and related capital projects, homeless services, fair housing, and public services.

Geographic Distribution

Table 5 - Geographic Distribution

Target Area	Percentage of Funds
Citywide	100%

Rationale for the priorities for allocating investments geographically

Most of the CDBG and/or HOME-funded programs and services are provided on a city-wide basis to income-eligible and/or special needs households. Certain capital projects are assisted at a specific site, based on the location of the project, but projects may be proposed in any area of the City. Projects that qualify for CDBG funding based on the area benefit method are limited to areas with the required proportion of lower- and moderate-income residents as determined by HUD.

Human services are supported in a number of facilities and locations throughout the City, and in some cases just outside the City, as long as Sunnyside residents are being served by the program. Affordable housing assistance is generally provided anywhere in the City, as opportunities arise, in order to avoid concentration of poverty, and to ensure fair access to affordable rental housing, rehabilitation assistance, and homeownership opportunities in all neighborhoods. The City does not have any blighted areas requiring major redevelopment, and private development is occurring throughout the City.

AP-55 Affordable Housing – 91.220(g)

Introduction

The City’s housing programs are intended to prevent and/or end homelessness, improve the quality, affordability, and/or accessibility of housing, and preserve, maintain, and extend the useful life of existing affordable housing. The goals below include only the new CDBG and HOME activities to be funded in FY 2023/24. Other activities funded in prior years’ Action Plans through non-HUD programs, will continue to be funded using carry-over funds, and will assist additional households.

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	10
Special-Needs	121
Total	131

Table 7 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	131
Acquisition of Existing Units	0
Total	131

AP-60 Public Housing – 91.220(h)

Actions planned during the next year to address the needs to public housing

Not applicable.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Not applicable.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable.

Discussion

Needs of Public Housing

This section is not applicable as there is currently no official public housing in Sunnyvale. The City collaborates with the SCCHA on its efforts to provide Section 8 vouchers, mortgage credit certificates, supportive services and other assistance to Sunnyvale residents. The City also supports the HACSC in its efforts to increase federal appropriations for Section 8 and other affordable housing programs in Sunnyvale and in the County.

The City has partnered with the Housing Authority on several efforts in recent years, including a joint TBRA program for clients on the Section 8 waiting list, and several Sunnyvale housing projects which were awarded project-based vouchers, including Block 15, the Fair Oaks Senior Housing project, two senior group homes, Parkside Studios, Onizuka Apartments, and Edwina Benner Plaza.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

This Action Plan includes a planned allocation of \$355,550 for a program that helps homeless people obtain jobs (WorkFirst Sunnyvale). WorkFirst Sunnyvale is an economic development activity facilitated by a valid Community Based Development Organization (CBDO), Sunnyvale Community Services (SCS). In 2021, HUD officially confirmed that SCS is a valid CBDO. The WorkFirst Sunnyvale program specifically serves the City's unhoused population by recruiting them to become a "team-member" who will receive job training and placement services, coupled with wrap-around services, including intensive case-management. The WorkFirst Sunnyvale program has partnerships/agreements with local employers, where "team-members" are hired – and a close relationship with the local shelter and service-providers, which is another source to recruit "team-members." There is also a link between the WorkFirst Sunnyvale and Tenant Based Rental Assistance program.

Additionally, and as well as funding for various public services, several of which address homelessness. The City continues to participate in the county-wide efforts to end homelessness throughout the County. Since December 2020, the City approved about \$40 million in funds to assist the development of Block 15, 1178 and 1171 Sonora Ct., and Orchard Gardens, which will increase the affordable housing supply by about 500-units.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The WorkFirst Sunnyvale programs include outreach to unsheltered homeless clients and assessment of their needs. To assess the needs of each client – Downtown Streets Team (DST) and Sunnyvale Community Services (SCS) facilitate outreach at local encampments, and areas where the unhoused reside and/or congregate. If an individual is open to services and support – then DST and SCS will conduct the VI-SPDAT, which is the vulnerability assessment utilized by the County, and other jurisdictions. Once a client is assessed, then the team will create a plan of action based on the need of each individual.

Addressing the emergency shelter and transitional housing needs of homeless persons

Several of the public services sub-recipients (YWCA, Next Door and Bill Wilson Center), provide emergency shelter, transitional housing, and services to homeless clients and victims of domestic violence. In addition, the County operates a year round Shelter Program facility in Sunnyvale with 175 beds that takes referrals and receives supportive services from a number of the City's CDBG sub-

recipients.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Several of the activities funded help homeless clients and families transition to permanent housing, including: WorkFirst Sunnyvale, and the human services grants to YWCA and Next Door. The total CDBG funding planned for these activities is about \$515,258 in 2023.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

See discussion below.

Discussion

Several of the Human Services grants will support the provision of services intended to prevent homelessness of Sunnyvale residents including the grants to Sunnyvale Community Services, YWCA, and Bill Wilson Center. In addition, the fair housing services provided can also help tenants avoid eviction and/or homelessness by addressing discrimination practices. In addition to the activities funded with CDBG, the City also provides assistance to other programs that aim to prevent homelessness using local funds or previous year HOME funds. These include grants to Senior Adults Legal Services, funding for tenant-landlord mediation programs, and the Homelessness Prevention and Rapid Re-Housing Program funded with general funds and prior year HOME funds.

AP-75 Barriers to affordable housing – 91.220(j)

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City does not impose any public policies that unreasonably constrain housing development. There are no growth limitations or rent control policies, and property tax policies are largely set by the State. The City's land use designations and zoning are supportive of development of a wide variety of housing types, including single- and multi-family housing, ownership and rental, mobile homes, manufactured/modular housing, and so on. The City follows the State building code, and its fees and charges are reasonable and consistent with prevailing prices in the region. Between 2006 and 2015, a total of 4,933 new housing units were issued building permits. Since 2018, 5,726 new housing units were issued building permits, with 750 of those affordable to very low, low, or moderate income households.

In 2014, the City updated the Constraints Analysis of its Housing Element, as required under California Housing Element law (Government Code 65580), to analyze city policies and land use regulations to determine if they had any negative effects on development. The State determined, with its certification in January 2015 of the City's 2015-2023 Housing Element, that the City does not currently implement policies that create barriers to affordable housing. The City is actively updating the 2023-2031 Housing Element, which will further analyze constraints. As noted above, thousands of new dwelling units of various types and price points have been developed and additional units renovated in recent years, in most cases without any direct assistance from the City. This demonstrates that the City's policies do not unduly constrain residential development. In addition, the City has successfully assisted a number of affordable housing developments in recent years, which demonstrates that City policies do not have negative effects on assisted housing production. Non-governmental barriers, primarily market factors such as high land costs, construction costs, and high prevailing market prices for housing, have been the primary challenges facing jurisdictions in the region, including Sunnyvale, in recent years, not city land use policies. These barriers are addressed, within the City's limited ability to address them, through the housing activities listed above and through the goals and policies listed in the Housing Element.

AP-85 Other Actions – 91.220(k)

Introduction:

This section discusses the City's efforts in addressing the underserved needs, expanding and preserving affordable housing, reducing lead-based paint hazards, and developing institutional structure for delivering housing and community development activities.

Actions planned to address obstacles to meeting underserved needs

The City has addressed obstacles to meeting underserved needs by adopting programs to generate local funds for affordable housing through impact fees or new development of affordable units (inclusionary zoning). The primary obstacle to meeting unmet needs is the continued decline in federal appropriations for affordable housing and community development programs. The City has established local policies to address needs to the extent possible with local resources.

Actions planned to foster and maintain affordable housing

Please see AP-35 (i.e., Affordable Housing Rehabilitation, Fair Housing Services, and Home Improvement Program).

Actions planned to reduce lead-based paint hazards

The City provides financial assistance to income-eligible homeowners to abate lead-based paint hazards through its Home Improvement Program. Paint grants and loans, as well as housing rehabilitation loans, are provided, as well as free lead-based paint testing and education services. Lead-based paint hazards in rental housing can also be addressed through housing rehabilitation loans.

Actions planned to reduce the number of poverty-level families

In 2014 the City adopted a new minimum wage ordinance increasing the local minimum wage, it is currently \$17.95/hour. It will be adjusted annually thereafter by the CPI. This action alone will help many local low-wage workers increase their household incomes to above the federal poverty levels.

The North Valley Workforce and Investment Board ("NOVA") helps prepare lower-income and unemployed residents of Sunnyvale for career growth and stable employment. NOVA provides employment and training services to low-income workers and dislocated professionals within Sunnyvale and the surrounding region under the federal Workforce Investment Act (WIA), with a goal of helping these clients obtain jobs and improve career prospects. In addition, many of the human services supported by the City help impoverished families meet their basic needs in the short term, or help them achieve living-wage employment.

The WorkFirst Sunnyvale Program is also a major anti-poverty program that helps Sunnyvale residents

who are currently homeless or at imminent risk of homelessness increase their incomes through job training and placement, and other employment-supportive services.

Actions planned to develop institutional structure

The institutional structure for carrying out the City's housing and community development activities consists of the City's cooperative relationships within its departments and other government agencies, local residents, non-profit organizations, and other institutions involved in the activities described herein.

Actions planned to enhance coordination between public and private housing and social service agencies

The City and other community development organizations in the County coordinate frequently on a variety of initiatives. The City Housing Division staff participates in a collaborative of HUD entitlement grantees within the County, which holds quarterly meetings to discuss activities, technical assistance issues, and identify future opportunities for coordination and cooperation between local governments, housing providers, social service agencies, and the Housing Authority.

The City also participates in the County's Continuum of Care (CoC), comprised of governmental agencies, homeless service and shelter providers, homeless persons, housing advocates, affordable housing developers, and various private parties, including businesses and foundations. The CoC prepares the Countywide Homelessness Continuum of Care Plan, which seeks to create a comprehensive and coordinated system of affordable housing and supportive services for the prevention, reduction, and eventual end of homelessness. The Plan provides a common guide for the County, cities, service providers, the faith community, the business sector, philanthropy, and the broader community to follow in addressing local housing and the goals and services needs for homeless people. The actions included in this Plan to address housing needs and homelessness are consistent with the CoC's plans and policies. The City's Housing Officer has served on the CoC's "Review and Rank" panel, evaluating and scoring applications for CoC funding, for the past three years.

Sunnyvale also coordinates with other regional agencies, such as the Housing Trust of Silicon Valley, Joint Venture Silicon Valley, NOVA, the County-wide Fair Housing Task Force, and the Valley Transportation Authority, and a number of other non-profit or public agencies, to achieve the goals described within this Action Plan.

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction:

Overall Benefit: FY 2023-2024

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total ESTIMATED amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	10,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	10,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income in FY 2023/24.	90.00%
Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows: N/A
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Not applicable: The City has not allocated any HOME funds for homebuyer program activities since 2014. The City does not plan to fund any home buyer loans with HOME funds for the foreseeable

future, since market-rate home prices in the City are far too high for such a program to be feasible, and the City has enough local (non-federal) Housing funds to meet demand for down payment assistance loans related to its inclusionary housing program.

For several years prior to 2014, the City allocated HOME funds for a First-Time Home Buyer (FTHB) Program, but only a very small number of HOME loans were made, and those were used to buy price-restricted affordable homes through the City's inclusionary home buyer program. These homes are subject to a thirty-year resale restriction. Currently there are four outstanding FTHB loans made with HOME funds at that time. These four loans are subject to the "resale" restriction rather than the "recapture" provision, consistent with the City's First Time Home Buyer Program guidelines, and the inclusionary program's resale restrictions. These restrictions are also included in the HOME loan documents and affordability covenants recorded against the home. The FTHB Program Guidelines, available online, and the provisions of the City's HOME Promissory Note and Loan Agreement comply with the resale provisions and requirements set forth in 24 CFR 92.254, and were approved by HUD in 2011. For the four participants who purchased inclusionary homes, the "resale option" was used to meet HOME program requirements. Although the market-rate home purchase option was made available for the several years during which the HOME FTHB program operated, and during that time the City had loan documents and guidelines available to impose the "recapture" provisions, the City never made any HOME loans to assist with purchase of market-rate homes, as none ever progressed to an escrow closing. The City does not plan to allocate HOME funds to home buyer activities in the future because the unpredictability of such transactions occurring in any given year does not mesh well with the expenditure deadlines imposed by the HOME regulations, and because there is no inventory of market-rate homes affordable to lower-income buyers.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Please see above. The City's FTHB program has not been funded with HOME funds since 2014 and the City does not intend to fund such activities in the future. The four outstanding HOME-funded FTHB loans made before 2014 used the resale method, which is a 30-year price restriction imposed through the City's inclusionary housing program (a.k.a. Below Market Rate Home Ownership Program, Sunnyvale Municipal Code 19.67) documents and is also included in the FTHB loan documents. For more information about the FTHB guidelines and the BMR Program, please see the information on the City's website: <https://sunnyvale.ca.gov/civicax/filebank/blobdload.aspx?BlobID=22887> [note that Guidelines still reference HOME funds as a possible funding source, although the City is no longer

allocating HOME funds to this program.

Chapter 19.67 of Sunnyvale Municipal Code:

http://qcode.us/codes/sunnyvale/view.php?topic=19-5-19_67-19_67_070&frames=off

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not Applicable. The City has not and does not plan to use HOME funds to refinance existing debt on multi-family housing.

The City does not use any of the methods addressed in Questions 1-4 above in administering its HOME programs.

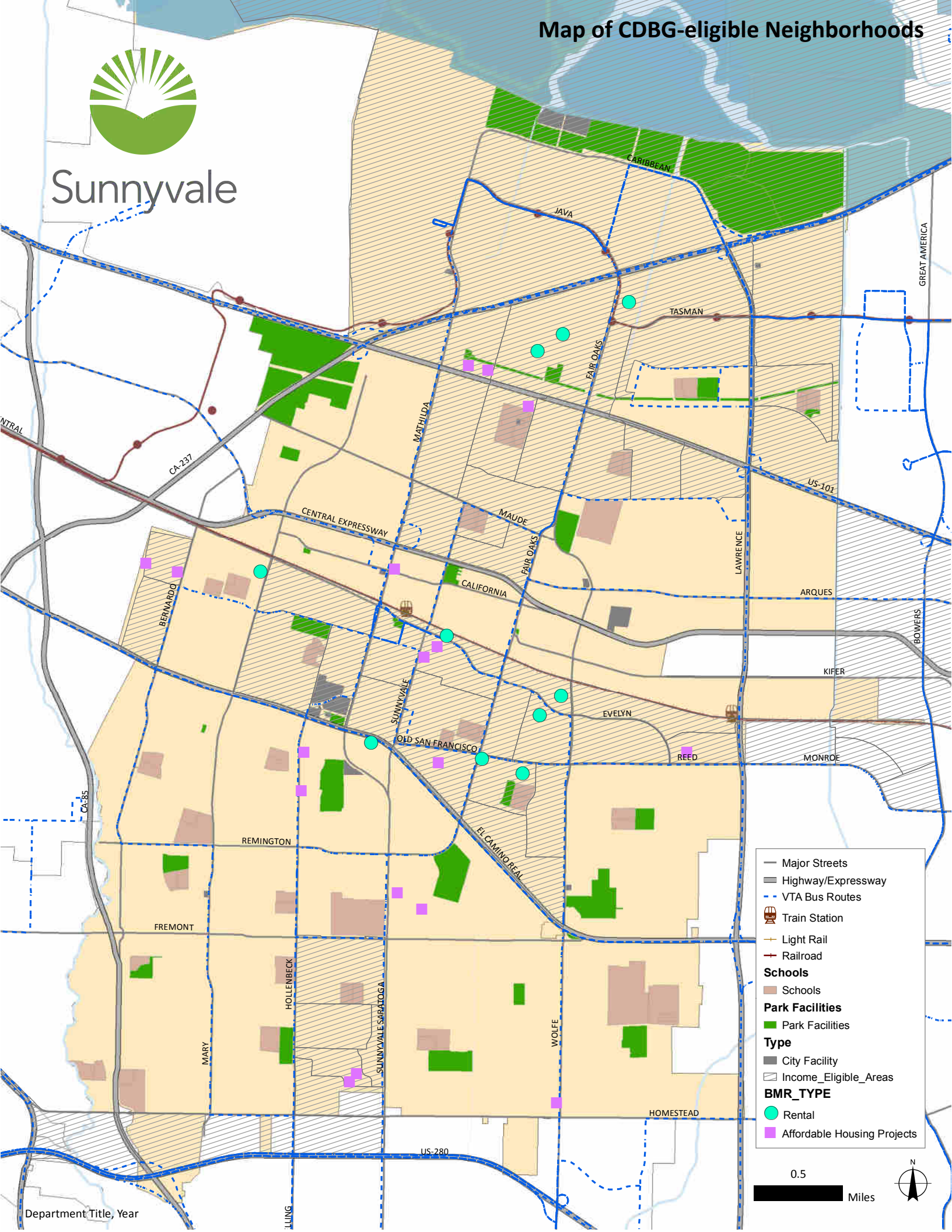
Attachments

Proof of Publication and Citizen Participation Comments

Map of CDBG-eligible Neighborhoods



Sunnyvale



- Major Streets
- Highway/Expressway
- - - VTA Bus Routes
- Train Station
- + Light Rail
- + Railroad
- Schools**
- Schools
- Park Facilities**
- Park Facilities
- Type**
- City Facility
- Income_Eligible_Areas
- BMR_TYPE**
- Rental
- Affordable Housing Projects

0.5 Miles