



City of Sunnyvale FY2014-15 Action Plan

ATTACHMENT 1



This Annual Action Plan is based on a template provided by HUD, and includes the SF 424 and Narrative Responses to Action Plan questions that CDBG and HOME grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. It is due on or before May 15 of each year. HUD does not accept plans between August 15 and November 15.

Narrative Responses

A. Executive Summary

91.220(b) ¹

Program Year 5 (FY2014-15):

This Action Plan covers the fiscal year beginning July 1, 2014 and ending June 30, 2015, the fifth year of the City's 2010-2015 Consolidated Plan (ConPlan) period. The Action Plan describes the eligible activities that the City intends to undertake in FY2014-15 to address the priority needs and implement the strategies identified in the Plan, using the City's Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) grants. The activities described in this plan are intended to primarily benefit the lower-income residents of Sunnyvale, affirmatively further fair housing choice, and meet priority needs.

Summary of 2014 CDBG Objectives and Outcomes

CDBG funds must be used to develop viable urban communities by providing decent housing and a suitable living environment, and expanding economic opportunities, principally for lower income persons (those earning at or below 80% of "area median income" which is determined annually by HUD).

CDBG funds may also be used to aid in the prevention or elimination of slums or blight, or in rare cases, to address major threats to the health and welfare of the community, such as a major natural disaster, if other funds are not available to the community. The City's CDBG funds available in 2014-15 will be allocated to achieve the nationally reportable outcomes shown on Table I, below.

All of the activities listed on Table I will principally benefit lower-income persons, either through provision of limited clientele or presumed benefit activities (public services, economic development, infrastructure improvements, and housing programs).

¹ All statutory references are to Title 24 Code of Federal Regulations (CFR), Subtitle A, §91

Table I: Addressing National Objectives and Desired Outcomes in 2014

CDBG National Objective(s)	Activity (Eligibility Code**)	Funding Type	Proposed Funding	Desired Outcome(s)
Create a Suitable Living Environment	Job Training & Placement Program for Homeless/Transitioning Adults (CBDO) (LC & PB)	CDBG	\$322,000	Accessibility
	Accessibility Improvements (Curb Ramps) (PB)	CDBG	\$200,000	Accessibility
	Sidewalk Improvements in eligible areas (AB)	CDBG	\$138,297	Sustainability
	Public Services (LC & PB)	CDBG	\$198,933	Accessibility Affordability
Provide Decent Affordable Housing	Fair Housing Services (N/A)	CDBG Admin	\$19,300	Accessibility
	Tenant Based Rental Assistance (LC)	HOME	\$278,182	Affordability
	<i>Rental Housing Rehabilitation</i>	<i>CDBG RLF</i>	<i>\$411,000</i>	<i>Accessibility Sustainability</i>
	Housing Improvement Program (LC)	CDBG	\$65,000	Accessibility Sustainability
TOTAL *			\$1,221,712	

Note: *Total above does not include RLF funds or costs for program administration.

**** Eligibility Codes:** Low Income Benefit: AB (Area Benefit); PB (Presumed Benefit) or LC (Limited Clientele).

The City has consistently used its federal resources to address the needs of its most vulnerable residents, including those who are chronically homeless, seniors, disabled people, and those in poverty and/or at risk of homelessness, by spending the maximum of 15% of its CDBG funds on human services for those in need. In FY2012-13, approximately 2,800 special needs and/or lower-income households were assisted by City-assisted human services programs.

The City has a strong record of success with a variety of CDBG and HOME activities. In Fall 2014, the City will release a draft 2013-14 Consolidated Annual Performance Evaluation Report (CAPER) describing its accomplishments in FY2013-14. Table II below provides a summary of

the primary objectives and accomplishments achieved in FY2012-13, the most recent CAPER submitted to HUD.

Most of the objectives for that year were met or nearly met, except for the TBRA program, which was not fully implemented until the beginning of FY2013-14. Currently, a total of 17 households are participating in the new TBRA program for homeless clients, and seven households are participating in the Housing Authority-administered TBRA program.

Table II: Summary of FY2012-13 Community Development Accomplishments

Priority Need Category	CDBG Expended	HOME Expended	Units	
			Proposed	Accomplished
AFFORDABLE HOUSING				
Momentum (Arbor House) Group Home	\$53,000	\$265,889	1	1
Removal of Architectural Barriers & other Minor Rehabilitation (Home Access, Paint Grants/Loans, and Emergency Loans) (Housing Units improved)	\$52,971	n/a	18	15
Housing Rehabilitation Loans (RLF) (Housing Units)	\$34,167	n/a	2	2
PUBLIC SERVICES				
Human Services Agencies (Households)	\$216,436	n/a	2,862	2,849
ALLEVIATION OF HOMELESSNESS				
Tenant Based Rental Assistance (Households Assisted)	n/a	\$168,780	28	17
ECONOMIC DEVELOPMENT				
Work First Sunnyvale - Job Search Skills Training (Individuals Assisted)	\$219,967	n/a	50	51

B. Citizen Participation

91.220(b)

Program Year 5 (2014-15)

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 March 26, 2014 and April 23, 2014. A notice of public hearings and an announcement of the 30-day public comment period was published in the Sunnyvale *Sun* on April 4, 2014. An initial draft of the Action Plan was released on April 7, 2014, and comments were accepted through May 7, 2014.

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. A description of the Citizen Participation process implemented for development of the FY2014-15 Action Plan and the full text of the City's "Citizen Participation Plan" are provided in the 2010-2015 Consolidated Plan.

Summary of Efforts Made to Broaden Public Participation

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.

Public Notice and Availability of the Action Plan

A summary of the Plan was published on April 4, 2014 in the *Sunnyvale Sun* for the 30-day review period. The public was able to submit comments on the Plan through May 7, 2014. The proposed Plan was available for review at the library, City Hall, and on the City's website.

C. Available Resources

91.220(c)(1 - 2)

The City pursues, and also encourages its partner agencies to pursue, 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.

Federal Resources

The federal funds available to the City in FY2014-15 are shown in **Table III**. The City expects to receive entitlement grants of \$1,017,441 in CDBG funds and \$309,091 in HOME funds for FY2014-15. This is approximately 4.3% and 2% less for CDBG and HOME, respectively, than the FY2013-14 grant amounts. The City expects to receive approximately \$250,000 in program income, consisting of an estimated \$250,000 in CDBG loan payments. Approximately \$101,500 in disencumbered and/or reallocated prior year CDBG funds, and \$58,778 in excess FY2013-14 program income is estimated to be available for activities implemented in FY2014-15. Slightly over \$50,000 in HOME administrative funds is also available for next year. This Action Plan proposes to fund a number of activities in 2014, utilizing all of the CDBG and HOME funds available this year, estimated at \$1,788,703. In addition, the City plans to conditionally award a total of \$411,000 in CDBG Revolving Loan Funds for three housing rehabilitation projects.

Table III: Federal Resources and Proposed Activities in 2014

RESOURCES	CDBG	HOME
2014 Entitlement Grant	\$1,017,441	\$309,091
Excess FY 2013-14 Program Income/ Program Income Admin Balance	\$58,778	\$51,894
2014 Anticipated Program Income	\$250,000	\$0
Disencumbered/ Reserve Fund Balance	\$101,499	\$0
TOTAL RESOURCES	\$1,427,718	\$360,985
Proposed Uses		
Housing Programs		
Home Improvement Program (Accessibility, Paint, Emergency Repair, and Energy-Efficiency Grants)	\$65,000	\$0
Transfer of Program Income to Revolving Loan Fund (RLF) for home improvement loans	\$250,000	\$0
<i>Rental Rehabilitation Loans (RLF)*</i>	<i>\$411,000</i>	<i>\$0</i>
Tenant Based Rental Assistance (TBRA)	\$0	\$278,182
PUBLIC FACILITIES		
Accessibility Improvements (Curb Ramps)	\$200,000	\$0
Sidewalk Improvements in Eligible Areas	\$138,297	\$0
Economic/Community Development		
Sunnyvale Workforce Development (CBDO) Activity	\$322,000	\$0
Public Services		
Human Services	\$198,933	\$0
Administration		
Administration, Planning, and Monitoring	\$234,188	\$82,803
Fair Housing Services Contract	\$19,300	\$0
TOTAL (*does not include RLF expenditures)	\$1,427,718	360,985

Local (City) Resources

The City has a local Housing Mitigation Fund for the development, rehabilitation and/or acquisition of affordable housing. Nearly \$8 million was recently expended from this fund for the development of 117 new rental units, and several proposals for additional uses of this fund are currently under consideration.

Other Public Resources

The following is a list of potential financial resources that may be available to the City and/or housing providers in the area to address priority needs and specific objectives identified in the five-year plan. The amount and availability of funding from these funding programs varies.

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. Tax credits may also be used on rehabilitation or preservation projects. Developers and investors apply for an allocation of federal and State tax credits from the California Tax Credit Allocation Committee (CTCAC). The award of tax credits in California is usually extremely competitive. To be successful, applicants often have to provide 100% affordable projects serving mostly extremely low- to very low-income households.

Charities Housing applied for and received an award of tax credits in 2013 for its Parkside Studios project, which will provide 58 affordable studios for homeless and/or very low-income applicants. MidPen Housing applied for tax credits in early 2014 for the development of 57 affordable family apartments, and anticipates receiving an award later this year.

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

Santa Clara County serves as lead agency in 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. Tax credit projects such as the Parkside Studios project require millions of dollars in private equity and financing for construction and related costs. 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 (non-federal) housing funds to the Trust, which then uses those seed funds to seek matching contributions from corporations and various other sources.

D. Annual Objectives**91.220(c)(3)**

(See also HUD Table 3A)

*Goals and objectives to be carried out during the action plan period are indicated as marked below:***Objective Categories:**

☒ Decent Housing Which includes:	☒ Create a Suitable Living Environment Which includes:	☒ Expanded Economic Opportunities Which includes:
☒ Assisting homeless persons obtain affordable housing	☒ Improving the safety and livability of neighborhoods	☐ Job creation and retention
☒ Assisting persons at risk of becoming homeless	☐ Eliminating blighting influences and the deterioration of property and facilities	☐ Establishment, stabilization and expansion of small business (including micro-businesses)
☒ Retaining the affordable housing stock	☐ Increasing the access to quality public and private facilities	☒ The provision of public services concerned with employment
☒ Increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability	☐ Reducing the isolation of income groups within areas through spatial de-concentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods	☐ The provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan
☒ Increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence	☐ Restoring and preserving properties of special historic, architectural, or aesthetic value	☐ Availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
☒ Providing affordable housing that is accessible to job opportunities	☒ Conserving energy resources and use of renewable energy sources	☐ Access to capital and credit for development activities that promote the long-term economic social viability of the community

See Table I for a summary of specific objectives that will be addressed during the program year.

E. Description of Activities**91.220(d - e)**

The following activities are planned for implementation during FY2014-15 to meet the objectives specified below:

AFFORDABLE HOUSING AND ALLEVIATION OF HOMELESSNESS

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. In addition, objectives related to energy efficiency also improve the affordability by lowering utility costs, and extend the useful life of existing housing. Those housing activities listed below that aim to alleviate homelessness and/or prioritize homeless applicants are indicated below with an “H”.

Priority Housing Needs

Housing assistance is proposed to be prioritized for those who cannot currently afford market rate housing, by providing rental assistance for lower (including very low and extremely low) income households.

Highly detailed prioritization and income targeting is not proposed for most programs, as identifying a very narrow range of priority household types and/or income levels often makes it difficult to achieve program objectives and meet expenditure deadlines for HOME and CDBG within the planned time frames, and/or increases the risk of fair housing complaints by those not equally represented within narrowly defined priority groups.

Affordable Housing and Homeless/Special Needs Households Objectives:

As described in the ConPlan, the Housing First model, developed over in the past decade and now adopted by the County Continuum of Care, prioritizes moving chronically homeless people off the streets or out of shelters and into housing as soon as possible, in order to avoid much more costly public interventions, as explained in more detail in the ConPlan. Priority is also given to preventing families with children, unaccompanied youth, and other vulnerable people from becoming homeless in the first place, and getting them into housing as soon as possible if they do become homeless. The Tenant-Based Rental Assistance program and housing rehabilitation projects (Objectives 1 and 2) are intended to alleviate homelessness and assist very low-income or at-risk renters to obtain and maintain stable housing. In addition, Objective 7 below includes funding for a number of supportive services and shelter operations to address homeless needs. Objectives 1, 2, 3(a), 5 and 7 address special needs objectives.

1. Tenant Based Rental Assistance (TBRA) and Security Deposit Program (H)

As set forth in the HOME Program guidelines, assist residents currently experiencing or at imminent risk of homelessness, and other very low-income households, to obtain and maintain rental housing. Include security deposit assistance as needed to assist program participants or other at-risk or currently homeless people to move into permanent housing.

Goal: Assist at least 15 households for up to two years.

Expenditures from the CDBG Revolving Loan Fund (RLF) are not required to be included in the Action Plan, which focus on activities funded with new CDBG revenues; however, for purposes of addressing priority housing needs, and consistent with the City’s goal to assist in the creation and preservation of affordable housing for lower-income households, the following housing rehabilitation projects are included in this Action Plan:

2. Rental Housing Rehabilitation

Provide housing rehabilitation loans from the revolving loan fund for renovation of three small rental properties:

- a. Stoney Pine Apartments, 267 W. California Street, Sunnyvale
Borrower: Charities Housing
Loan of \$201,000 for rehabilitation of 23 apartments for developmentally disabled tenants.
- b. Senior Group Homes, 1230 Klee Court and 1675 S. Wolfe Road, Sunnyvale
Borrower: Charities Housing
Loan of \$165,000 for rehabilitation of a duplex and a single family home, both of which operate as group homes for extremely low income seniors.
- c. Transitional Housing, 1284 and 1294 Jackson Street, Santa Clara
Borrower: Bill Wilson Center
Loan of \$45,000 for rehabilitation of a single family group home and a 5-unit apartment building, both of which are used as maternity homes for homeless young adults.

Goal: Assist with rehabilitation of 32 housing units.

3. Housing Improvement Program (HIP) (H)

The Housing Improvement Program includes the following types of assistance for very low-income homeowners:

- a) Home Access (ADA Retrofit) Grants
- b) Paint Grants/Loans
- c) Emergency Repair Grants
- d) Energy Efficiency Retrofit Matching Grants

Many of the clients of the HIP program, and all of the Home Access clients, are very low-income disabled and/or elderly households. The Home Access program provides ADA retrofits often needed by disabled people and/or seniors, such as the installation and maintenance of wheelchair lifts and ramps, grab bars, and accessible plumbing and other fixtures. Paint grants and loans include funding and assistance for lead hazard assessment and reduction services, as well as for repainting homes. The emergency repair grant provides up to \$5,000 for critical repairs needed to avoid imminent threats to life or safety, or major structural damage to mobile homes, or up to \$2,500 for emergency repairs to standard homes.

Energy efficiency retrofits provide assistance to low-income homeowners in conjunction with the national effort to improve residential energy efficiency, in order to reduce greenhouse gas emissions, energy consumption, and utility costs. These matching grants help homeowners to complete Tier II and III energy-efficiency retrofits (and install renewable energy devices if desired). Tier III energy retrofits can reduce household energy use by up to 70%, compared to Tier II retrofits or standard rehabilitation work, which reduce energy use by an average of about 10%. Completing Tier III retrofits prior to installing renewable energy devices, such as solar panels or small wind turbines, can greatly reduce the size of renewable energy system needed.

The retrofit matching grants are designed to motivate eligible homeowners to undertake Tier III energy retrofits and to serve as a model for their neighbors and the rest of the community, to encourage widespread participation in regional energy efficiency retrofit efforts. The City participates in the Bay Area Energy Upgrade program, which makes incentives and technical assistance available to all property owners (of any income level) in the County, including rental and owner-occupied properties.

Goal: Assist at least 10 households with home improvement grants.

The City also provides loans for major rehabilitation of single family and/or manufactured/mobile homes, using funds from its CDBG Revolving Loan Fund (RLF), however these RLF-funded activities are not included in Action Plan tables, in accordance with HUD guidance.

4. Fair Housing Services

Provide public outreach and education about fair housing laws and complaint procedures to local residents, landlords, and other housing industry professionals through local community outreach efforts, and through City agreements with fair housing and/or agencies that provide free legal assistance to residents with fair housing complaints.

Goal: Provide fair housing assistance to up to 21 households (as needed).

COMMUNITY DEVELOPMENT OBJECTIVES

5. Removal of Architectural Barriers (ADA Curb Retrofits)

This activity will address some areas of the city which have sidewalks which were built prior to the federal Americans with Disabilities Act (ADA) in 1990, therefore they may not be ADA-compliant.

Goal: Improve accessibility of city sidewalks (68 curb cuts)

6. Sidewalk Improvements/Replacement

Fund the reconstruction and/or installation of sidewalks, curbs and gutter in income-eligible areas. This is a priority non-housing community development need in the City.

Goal: Replace or install sidewalks, curbs and gutters in eligible areas.

7. Priority Human Services (Seniors, Youth, Homeless & Other Special Needs)

Public services are a high priority for the City, and generally the amount of funding available is not adequate to assist all those in need of such services. The City has a well-established policy for providing supplemental funding to various agencies for human services that help vulnerable residents meet their basic daily needs. The funding allocations for FY2014-15 are shown in **Table IV** of this Action Plan under Public Services.

These programs assist special needs populations such as: seniors, disabled people, homeless people, children, youth, victims of domestic violence, and other mostly very low-income clients with basic needs (such as food, shelter, transportation, health & mental health care, employment assistance/training, etc). The objectives and outcomes of these services are described in Table V. The accomplishments reported to HUD in the CAPER include only those programs funded with CDBG, pursuant to HUD direction.

Goal: Assist at least 435 individuals and/or households with human services.

ENVIRONMENTAL SUSTAINABILITY OBJECTIVES

The City, like many Bay Area jurisdictions, has been implementing and developing policies and initiatives to protect the environment and improve sustainability since the early 1970's. In January 2010, the City adopted a Green Building ordinance, using the "GreenPoint" rating system developed by "Build It Green" for residential construction, and has developed green building requirements and incentives for new residential, office, retail and industrial projects developed within the City. Housing Objective 3, above, includes energy efficiency retrofit grants, a program intended to address sustainability objectives. The housing rehabilitation projects listed in Objectives 2 and 3 will follow local green building requirements.

ECONOMIC DEVELOPMENT OBJECTIVES

Priority Needs

A need identified in the Consolidated Plan is to help people who are currently homeless or at imminent risk of homelessness obtain employment or other sources of income, and adequate support services/networks to obtain housing and achieve stability.

8. "Work First Sunnyvale" Workforce Development Program (CBDO Activity)

Community-Based Development Organizations (CBDO) must be based in the CDBG grantee jurisdiction (the City) to undertake specific kinds of CDBG-funded activities. CBDOs can be for-profit or nonprofit organizations, but cannot be governmental entities.

Sunnyvale Community Services (SCS) is a Community-Based Development Organization, therefore SCS can apply for CDBG funds for certain types of programs that are not subject to the CDBG 15% public services cap. These activities include programs that are designed to increase economic opportunities through job training and placement and other employment support services, including, but not limited to, temporary housing assistance, child care, transportation, and supportive services. The proposed Workforce Development Program qualifies for CDBG funding under the CBDO category of activities.

This program has operated for two years, during which time 41 of the program participants got jobs and/or housing. The program addresses the Consolidated Plan objective to help people in Sunnyvale who are currently homeless or at imminent risk of homelessness to obtain employment or other sources of income and adequate support services/networks to obtain housing and achieve stability. Activities include job readiness training, job skills training, and job placement, as well as supportive services, including case management related to the client's application for the TBRA program. SCS intends to continue working with Downtown Streets Team to implement this activity.

Goal: Assist 50 homeless people with job training and job placement services to enable them to obtain employment and housing.

F. Other Required Topics**91.220 (d-j)****Geographic Distribution/Allocation Priorities 91.220(d) and (f)**

This topic is discussed in more detail in the Consolidated Plan. 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.

Human services are supported in a number of facilities and locations throughout the City, and in some cases just outside the City, in proportion to the number of Sunnyvale residents documented as being served by the program. Public facilities, infrastructure, and non-housing activities are supported only within the City limits. 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.

Obstacles to Meeting Underserved Needs

As explained in the needs assessment of the ConPlan, the number of households in need, particularly of very low-income households struggling to afford decent housing in the region as a whole, including Sunnyvale, is far greater than the number of households than can be assisted with the resources currently available to any single local jurisdiction. The high costs of land, materials, and labor, and/or the deep subsidies required to assist the lowest income groups, create obstacles to meeting all of the underserved need. The City aims to use its available resources to meet as many needs as it can by striving for cost-effective methods of providing assistance.

Annual Affordable Housing Goals

See Housing Objectives listed in Section E, above and also HUD Table 3A, Annual Housing Completion Objectives.

Needs of Public Housing

This section is not applicable as there is currently no official public housing in Sunnyvale. The City collaborates with the Housing Authority of the County of Santa Clara (HACSC) on efforts to provide vouchers, mortgage credit certificates, supportive services and other assistance to Sunnyvale residents. The City also supports the HACSC in its applications for funding to increase Section 8 vouchers and provide additional funding for affordable housing or services in the County.

Needs of Homeless People and/or those with Special Housing Needs

Please see also discussion in Section E, above.

Staff continues to participate in the county-wide efforts, such as the CoC and Destination Home, to end homelessness throughout the County; and the City continues to provide operating assistance for homeless services and rental assistance through the City's human services grants program and the TBRA program, which benefits from a partnership with the County. The Work First Sunnyvale Program also addresses these priority needs.

Barriers to Affordable Housing

This topic is addressed more in detail within the Consolidated Plan. As noted in Chapter 4 of the ConPlan, in 2008-09, the City completed a detailed "Constraints Analysis" pursuant to California Housing Element law (Government Code 65580), and the State determined, with its

compliance certification of the City's housing element, that the City does not currently implement policies that create barriers to affordable housing. Additional detail is available in the City's Housing Element, which is provided in its entirety on the City's website and in the Library. Non-governmental barriers (market factors), such as high land costs, construction costs, home prices, rents and financing difficulties, are addressed, within the City's limited ability to address them, through the housing activities listed above.

G. Other Actions

91.220(k)

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, non-profit organizations, and other institutions involved in the activities described herein. For additional detail, please refer to section 5.6 of the Consolidated Plan.

Lead-based Paint Hazard Reduction

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 rehabilitation loans, are provided, as well as free lead-based paint testing and education services.

Anti-poverty Strategy

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 and dislocated professionals within Sunnyvale and the surrounding region under the federal Workforce Investment Act (WIA) with a goal of placing these individuals in jobs with employers. 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. Although the economic situation has improved, particularly in the Silicon Valley, there is still an increased level of need and demand for assistance with employment services as well as basic needs. The City will continue its ongoing efforts to strengthen the local economy, and increase economic opportunities for all of its residents. The Work First Sunnyvale Program is also a major anti-poverty program that provides assistance to Sunnyvale residents who are currently homeless or at imminent risk of homelessness through job training and placement and other employment support services.

Coordination

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. Quarterly meetings are held to discuss activities, technical assistance issues, and identify future opportunities for coordination and cooperation.

As mentioned above, the City also participates in the CoC, also known as the "Santa Clara County Collaborative on Housing and Homelessness," comprised of governmental agencies, homeless service and shelter providers, homeless persons, housing advocates, and affordable housing developers. The Collaborative 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 City 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, among others, to achieve the goals described within this Action Plan.

Transportation

The City encourages development of housing near public transit, especially for those dependent on transit. The City also encourages the Valley Transportation Agency (VTA) and Caltrain to maintain safe and efficient transit service between affordable housing and employment centers. The Senior Transportation Program, a paratransit-type service provided by Outreach, has been funded for a number of years with the City's CDBG public services funds to ensure that frail seniors can access health care, food, and social services.

Section 3 and Woman/Minority-Owned Business Outreach

It is the policy of the City of Sunnyvale that small, minority and woman owned businesses shall have the maximum opportunity to participate in the performance of Community Development Block Grant and HOME Investment Partnership assisted contracts. The City will continue to encourage participation from Woman-owned, Minority-Owned, and potential Section 3 business interests in responding to bid notices for City-sponsored capital projects involving use of CDBG and HOME funds. The City will also continue to encourage affordable housing developers to seek and contract with Section 3 businesses in carrying out new construction and rehabilitation projects where CDBG and/or HOME funds are used.

The City advertises in the Sunnyvale Sun, Bay Area Builder's Exchanges, Onvia DemandStar public procurement network, and the City's website.

The City includes equal opportunity provisions in its Invitation for Bids: Affirmative steps must be taken by contractor and all subcontractors to assure that small, minority and women-owned businesses and firms located in labor surplus areas are used when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

- Include any such qualified firms on solicitation lists.
- Assure that such firms are solicited whenever they are potential sources.
- When economically feasible, divide total requirements into small tasks or quantities so as to permit such firms maximum opportunities for participation through Subcontracting.
- Where possible, establish delivery schedules which will encourage such participation.
- Keep records of efforts and results.

Monitoring Plan

The City has established a monitoring process that includes annual on-site monitoring and review of its subrecipients' administration, fiscal management, and program management for those receiving federal funds through the City. The city audits each agency annually and requires submittal of quarterly performance reports and reimbursement requests prior to disbursing any grant funds committed to the subrecipients. Further detail regarding the monitoring procedures and policies implemented by the City is available in the Consolidated Plan.

H. CDBG Funding Details**91.220(l)(1)**

Program Income

The City anticipates receiving \$250,000 in program income from housing loan repayments in FY2014-15 and will deposit \$250,000 of these funds into the City's established Housing Rehabilitation RLF. The City received \$308,778 in CDBG program income in 2013.

Miscellaneous

The City has no proceeds from Section 108 loan guarantees, urban renewal surplus funds, float-funded income or other types of CDBG income that will be used during the year to address the priority needs and specific objectives identified in its strategic plan.

The City anticipates that 100% of the CDBG funds allocated by this Action Plan to activities will benefit lower-income persons.

I. HOME Details

91.220(I)(1)

Tenant Based Rental Assistance (TBRA)

Current market conditions that led to the initial use of HOME funds for Tenant Based Rental Assistance (TBRA) in FY2010-11 included: increasing rental vacancy rates, decreasing rents, and a high number of unemployed residents at risk of losing their housing due to temporarily decreased incomes. The local rental market conditions are also discussed in pp. 58-60 of the Consolidated Plan (including Table 4.32) and Sunnyvale-specific rental conditions are provided in more detail in Appendix F.1 of the Con Plan. The specific population targeted by the first TBRA pilot program consisted primarily of the unemployed, those in training or educational programs which would lead to self-sufficiency in two years or less, such as CalWorks participants, homeless families, non-retired Sunnyvale residents on the Section 8 waiting list, and/or others facing imminent homelessness due to the recession or a health crisis, but who can be reasonably expected to earn sufficient incomes to pay rent within two years. This two-year program is now nearly completed, and most recipients have moved off the assistance.

Next year, the TBRA program will continue to be reserved for individuals or families experiencing episodic homelessness, or who are at imminent risk of homelessness, and who are currently under-employed, but can be reasonably expected to regain economic self-sufficiency within the two-year period of TBRA assistance. This is in response to an increase in episodic homelessness following the recession, as well as to offset the loss of the County Winter Shelter at the Sunnyvale Armory this year. The new TBRA program is administered by contract with the County, which contracts with Abode Services. Several local homeless-serving organizations, including Sunnyvale Community Services, Downtown Streets Team, and West Valley Community Services, are also collaborating with the City to implement this program, which may serve as a model for an eventual county-wide program.

Affirmative Marketing

The City monitors all HOME-assisted projects for compliance with its affirmative marketing requirements for assisted units in housing projects with 5 or more units. In addition, the City will continue to require, as a condition of providing assistance, compliance with its *Affirmative Marketing Policies and Procedures for Affordable Housing*, which describes outreach and marketing efforts to reach a variety of applicants. The City also requires housing providers to market units to households with limited English proficiency, to reach “linguistically isolated” households with appropriate language access tools.

HOME Matching Requirements

The City requires all applicants for HOME funds to provide a match of at least 25%. Most of the City’s HOME projects have provided a match of more than 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 third-party in-kind services (i.e., volunteer and staff services or pro-bono professional services used to implement the capital project). At least half of the matching funds provided shall be in real dollars (i.e., not in-kind services) which are either currently available to the applicant for project use, and/or evidenced by an irrevocable, written commitment of funds to the project signed by the funding agency or donor.

Monitoring Plan

The City monitors all HOME-assisted rental projects (of any size) annually for compliance with property standards and housing codes, and for HOME rental project management and leasing

requirements. This annual monitoring is more frequent than required by standard HUD HOME monitoring procedures. Further detail regarding the monitoring procedures and policies implemented by the City is available in the Consolidated Plan.

First Time Homebuyer Program

The City's First Time Homebuyer (FTHB) Program has guidelines for both resale and recapture, which are used for any loans made with HOME funds. The provisions of the City's HOME Promissory Note and Loan Agreement comply with the resale provisions and recapture requirements set forth in 24 CFR 92.254(a)(4)(5), and were approved by HUD in 2011. For participants buying restricted affordable homes, the "resale option" is used to meet HOME program requirements. For the purchase of market-rate homes, the "recapture option," limited to the HOME direct subsidy, (shared equity) will be utilized to meet HOME program requirements. The FTHB program is not currently being funded with HOME funds due to current market conditions. No HOME funds have been allocated for a FTHB Program in 2014.

J. Housing Opportunities for People with AIDS/HIV (HOPWA)

The City of San Jose administers the HOPWA funds on behalf of the entire County, including Sunnyvale. San Jose works directly with the Health Trust and other relevant agencies to identify effective service strategies and determine appropriate ways to meet the housing and support service needs of people living with HIV/AIDS.

K. Additional Tables and Figures

Table IV:	FY2014-15 Public Services Funding
Table V:	FY2014-15 Human Services Objectives and Outcomes
HUD Table 3A:	Summary of Specific Annual Objectives
Figure A:	Map of Income-Eligible Block Groups

Table IV: FY2014-15 Public Services Funding

Agency Name and Program	Grant Award
Sunnyvale Community Services: Year-Round Food Assistance for Families and Seniors	\$ 74,611
Outreach & Escort: Senior Transportation and Resources	\$ 26,016
Family & Children Services: School-Based Counseling	\$ 17,671
Bill Wilson Center: Family & Individual Counseling	\$ 17,180
HomeFirst SCC: North County Cold Weather Shelter Program	\$ 15,217
YWCA Silicon Valley: Domestic Violence Support Network	\$ 15,217
MayView Community Health Center: Primary Health Care & Disease Prevention	\$ 15,217
First United Methodist Church: Sunnyvale Senior Nutrition Program	\$ 13,744
The Health Trust: Meals on Wheels*	\$ 4,060
CDBG TOTAL	\$ 198,933

**This grantee will receive additional grant funds from the General Fund.*

Table V: CDBG-Funded Human Services: FY2014-15 Objectives and Outcomes

Program Name: Agency Name	Sunnyvale Residents Served*	Objective Category**	Outcome Category
Year-Round Food Assistance for Families and Seniors: Sunnyvale Community Services	138	SLE	Availability/ Accessibility
Senior Transportation Services: Outreach & Escort	43	SLE	Availability/ Accessibility
School Based Counseling: Family & Children Services	19	SLE	Availability/ Accessibility
Family & Individual Counseling: Bill Wilson Center	32	SLE	Availability/ Accessibility
Homeless Shelter Services: HomeFirst SCC	54	SLE	Availability/ Accessibility
Domestic Violence Support Network: YWCA Silicon Valley	87	SLE	Availability/ Accessibility
Primary Health Care & Disease Prevention: Mayview Community Health Center	31	SLE	Availability/ Accessibility
Sunnyvale Senior Nutrition Program: First United Methodist Church	27	SLE	Affordability
Meals on Wheels: The Health Trust	4	SLE	Availability/ Accessibility
Total	435		

* Unduplicated number of Sunnyvale residents proposed to be served by proposed grant amount.

****SLE** = Suitable Living Environment

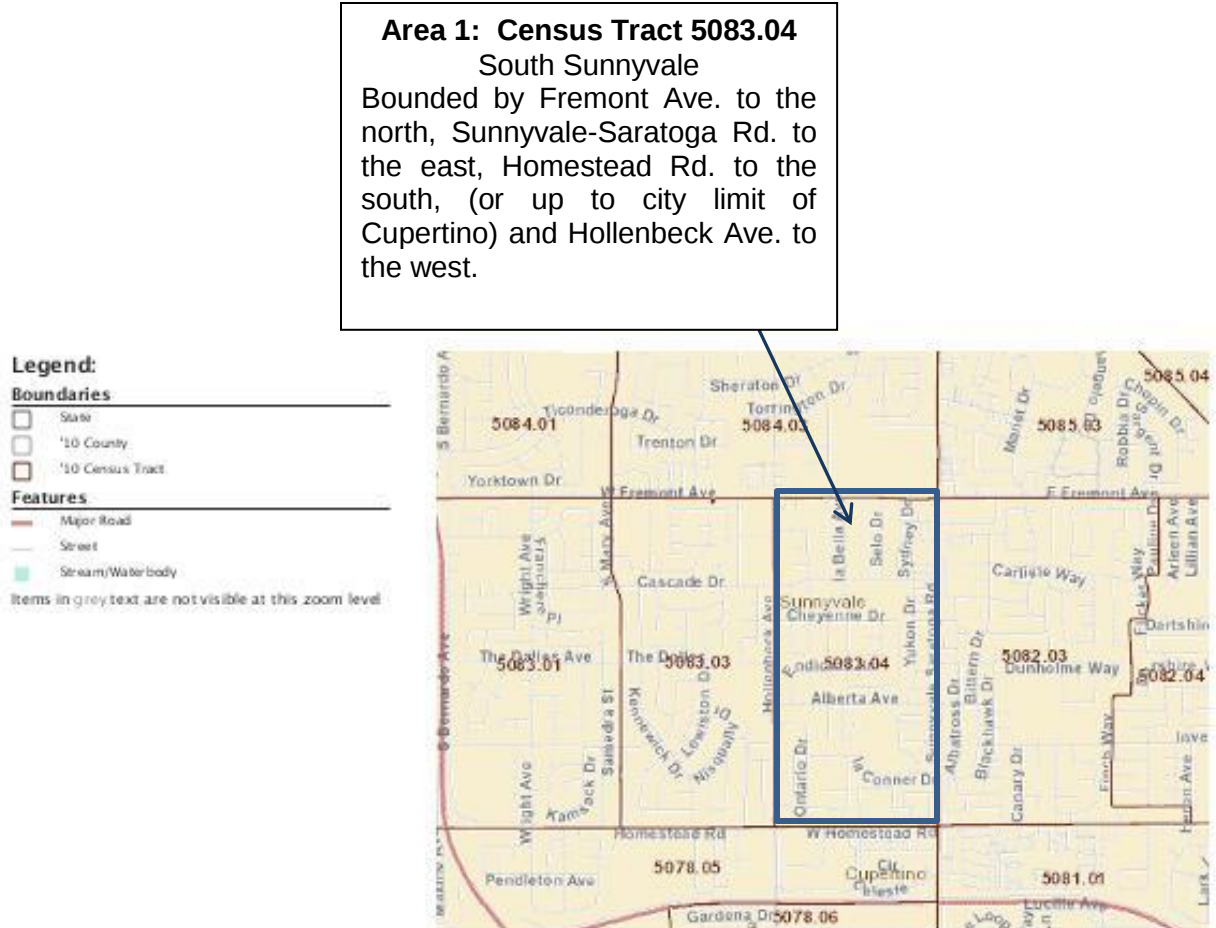
HUD Table 3A: Summary of Specific Annual Objectives

Specific Objectives	Funding Source	Performance Measure (Type of Units)	Goal	Achieved*	Outcome/ Objective**
Rental Housing Objectives					
1. Tenant-Based Rental Assistance & Security Deposit Program	HOME	Households	15	TBD	DH-2
2. Rental Housing Activities	CDBG	Housing Units	32	TBD	DH-3
Owner-Occupied Housing Objectives					
3. Housing Improvement Program <i>Includes the following:</i> a) Home Access Grants b) Paint & Emergency Repairs c) Energy Efficiency Retrofits	CDBG	Housing Units	10	TBD	DH DH-1 DH-3 DH-2, 3
Homeless Objectives: Objectives # 1, 2, and 4 address homeless objectives.					
Special Needs Objectives: Objectives 1, 2, 3, and 7 address special needs objectives.					
Community Development Objectives					
<i>Infrastructure/Public Facilities/Other Community Development</i>					
4. Work First Sunnyvale (CBDO Activity)	CDBG	Individuals	50	TBD	SL-1
5. Accessibility Improvements (Curb Ramps)	CDBG	Curb Cuts	68	TBD	SL-1
6. Sidewalk Improvements in eligible areas	CDBG	Linear feet	TBD	TBD	SL-1
<i>Public Services Objectives</i>					
7. Priority Human Services (Seniors, Youth, Homeless & Other Special Needs)	CDBG	Households	435	TBD	DH-2, SL-1, 2

* TBD: To be determined at end of Program Year.

** HUD's National Outcome/Objective Codes

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

Figure A: Map of Income-Eligible Areas

Area 2: Census Tract 5090.00
North Sunnyvale
Bounded by Ahwanee Ave./Hwy
101 to the north, Fair Oaks Ave. to
the east, E. Maude Ave. to the
south, and N. Mathilda Ave. to the
west.

