



# City of Sunnyvale

## Notice and Agenda Housing and Human Services Commission

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Wednesday, March 27, 2024

7:00 PM

Online and Bay Conference Room, City  
Hall, 456 W. Olive Ave., Sunnyvale, CA  
94086

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Meeting online link: <https://sunnyvale-ca-gov.zoom.us/j/92867949471>

### Public Participation

- *In-person participation: You may provide public comment by filling out a speaker card (optional) and giving it to the Recording Officer.*

*As a courtesy, and technology permitting, members of the public may also attend online. However, the City cannot guarantee that the public's access to online technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Ralph M. Brown Act, the meeting will continue despite technical difficulties for participants using the online option.*

*The Chair may determine it would be impractical to include remote public comment during Oral Communications.*

- *Online participation: You may provide audio public comment by connecting to the Meeting online or by telephone. Use the Raise Hand feature to request to speak (\*9 on a telephone):*

*Meeting online link: <https://sunnyvale-ca-gov.zoom.us/j/92867949471>*

*Meeting call-in telephone number: 833-548-0276 | Meeting ID: 928 6794 9471  
(\*9 to request to speak | \*6 to unmute/mute)*

- *Watch the Housing and Human Services Commission meeting at:  
<http://youtube.com/SunnyvaleMeetings>*

- *Submit written comments to the Housing and Human Services Commission no later than 4 hours prior to the meeting start to  
[HousingHumanServices@sunnyvale.ca.gov](mailto:HousingHumanServices@sunnyvale.ca.gov) or by mail to City Clerk, 456 W. Olive Avenue, Sunnyvale, CA 94086.*

- Review recordings of this meeting and past meetings at <https://sunnyvaleca.legistar.com/calendar.aspx> or <http://youtube.com/SunnyvaleMeetings>

### **Accessibility/Americans with Disabilities Act (ADA) Notice**

*Pursuant to the Americans with Disabilities Act (ADA), if you need special assistance to provide public comment, or for other special assistance; please contact the City at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting. ADA contact: Housing staff may be reached at 408-730-7250 or [housing@sunnyvale.ca.gov](mailto:housing@sunnyvale.ca.gov) (28 CFR 35.160 (b) (1)).*

### **CALL TO ORDER**

### **SALUTE TO THE FLAG**

### **ROLL CALL**

### **PRESENTATION**

[24-0522](#)

PRESENTATION - Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) Funding Proposals

### **ORAL COMMUNICATIONS**

*The Chair may determine it would be impractical to include remote public comment during Oral Communications for the purpose of timeliness of the meeting or conducting an orderly meeting. Such a determination shall be made prior to opening public comment on Oral Communications.*

*This category provides an opportunity for members of the public to address the Housing and Human Services Commission on items not listed on the agenda and is limited to 15 minutes (may be extended or continued after the public hearings/general business section of the agenda at the discretion of the Chair) with a maximum of up to three minutes per speaker. Please note the Brown Act (Open Meeting Law) does not allow the Housing and Human Services Commission to take action on an item not listed on the agenda. If you wish to address the Housing and Human Services Commission, please refer to the notice*

*at the beginning of this agenda. Individuals are limited to one appearance during this section.*

### **CONSENT CALENDAR**

*All matters listed on the consent calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion of these items. If a member of the public would like a consent calendar item pulled and discussed separately, please refer to the notice at the beginning of this agenda.*

- 1.A**     [24-0465](#)            Approve the Housing and Human Services Commission Meeting Minutes of January 24, 2024

**Recommendation:** Approve the Housing and Human Services Commission Meeting Minutes of January 24, 2024, as submitted.

### **PUBLIC HEARINGS/GENERAL BUSINESS**

*If you wish to speak to a public hearing/general business item, please refer to notice at the beginning of this agenda. Each speaker is limited to a maximum of three minutes.*

- 2**        [24-0494](#)            Evaluations and Funding Recommendations for FY 2024/25 & FY 2025/26 Allocation of HOME Investment Partnership Program and FY 2024/25 Community Development Block Grant Funds.

**Recommendation:** Alternative 1: Fund the CDBG capital project and TBRA proposals in the amounts shown in Attachments 2 to this report.

- 3**        [24-0269](#)            Consider Request from MidPen Housing for Extension of \$964,750 HOME Loan for Carroll Inn

**Recommendation:** Alternative 1: Recommend the City Council approve the HOME loan Extension Request from MidPen for Carroll Inn for an additional 55 years, and Authorize the City Manager to enter into an Amended Loan Agreement for the remaining loan balance requiring annual residual receipt payments.

### **STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES**

### **NON-AGENDA ITEMS & COMMENTS**

**-Commissioner Comments**

**-Staff Comments**

**INFORMATION ONLY REPORTS/ITEMS**

[24-0523](#)

Housing and Human Services Commission Proposed Study  
Issues, Calendar Year: 2025

**ADJOURNMENT**

*Notice to the Public:*

*Any agenda related writings or documents distributed to members of this meeting body regarding any item on this agenda will be made available for public inspection in the originating department or can be accessed through the Office of the City Clerk located at 456 W. Olive Avenue, during normal business hours and in the Bay Conference Room (Room 145) on the evening of the Housing and Human Services Commission Meeting, pursuant to Government Code §54957.5.*

*Agenda information is available by contacting Edith Alanis at 408-730-7254 or [ealanis@sunnyvale.ca.gov](mailto:ealanis@sunnyvale.ca.gov). Agendas and associated reports are also available 72 hours before the meeting on the City's website at [sunnyvale.ca.gov](http://sunnyvale.ca.gov) and during normal business hours at the NOVA Workforce Services reception desk located on the first floor of City Hall at 456 W. Olive Avenue.*



# City of Sunnyvale

## Agenda Item

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**24-0522**

**Agenda Date: 3/27/2024**

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PRESENTATION - Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) Funding Proposals



# City of Sunnyvale

## Agenda Item

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**24-0465**

**Agenda Date:** 3/27/2024

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**SUBJECT**

Approve the Housing and Human Services Commission Meeting Minutes of January 24, 2024

**RECOMMENDATION**

Approve the Housing and Human Services Commission Meeting Minutes of January 24, 2024, as submitted.



# City of Sunnyvale

## Action Summary Housing and Human Services Commission

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Wednesday, January 24, 2024

7:00 PM

Online and Bay Conference Room, City  
Hall, 456 W. Olive Ave., Sunnyvale, CA  
94086

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### **CALL TO ORDER**

Chair Duncan called the meeting to order at 7:01 p.m.

### **SALUTE TO THE FLAG**

Chair Duncan led the salute to the flag.

### **ROLL CALL**

**Commissioner Elinor Stetson (excused absence)**  
**Council Liaison Russ Melton (present)**

### **ORAL COMMUNICATIONS**

Sunnyvale Community Services Executive Director Marie Bernard provided a short report on the Tenant Based Rental Assistance (TBRA) program. Ms. Bernard noted that there are 38 households currently enrolled to receive up to 24 months of rental assistance. Clients are carefully selected and case managed with the goal that they will be able to be self-sufficient when the TBRA assistance ends. Six families are being assessed and 12 families are in the waiting list. She highlighted that last month there were 36 families in the program and only six of them are still living in Sunnyvale, the rest of the families tend to end up in places with rent stabilization, such as San Jose.

### **CONSENT CALENDAR**

- 1.A** Approve the Housing and Human Services Commission Meeting  
Minutes of November 29, 2023

Chair Duncan asked if anyone wished to discuss the item on the Consent Calendar.

No members of the public wished to speak.

Chair Duncan asked for a motion or any additional discussion on the Consent

Calendar.

MOTION: Commissioner Davis moved and Commissioner Weiss seconded the motion to approve the Consent Calendar as submitted.

The motion carried by the following vote:

**PUBLIC HEARINGS/GENERAL BUSINESS**

**2** Review and Rank 2024 Study Issues

Housing Officer Jenny Carloni gave an overview the Study Issues Ranking Process and noted that there were two study issues to be considered by the Commission.

- CDD 24-03 Establishment of a Sanctioned Encampment for Unhoused Individuals in Sunnyvale
- CDD 24-04: Peery Park Specific Plan Amendment (area east of Mathilda Avenue)

After a short review of each of the study issues and some clarifying questions of staff, Chair Duncan opened the public hearing at 7:42 p.m.

Sunnyvale Community Services Executive Director Marie Bernard spoke in support of study issue CDD 24-03 Establishment of a Sanctioned Encampment for Unhoused Individuals in Sunnyvale.

Chair Duncan closed the public hearing at 7:46 p.m.

After additional discussion Chair Duncan asked if there were any issues to be dropped or deferred.

MOTION: Commissioner Davis moved and Commissioner Weiss seconded the motion to drop study issue CDD 24-04: Peery Park Specific Plan Amendment (area east of Mathilda Avenue)

The motion carried by the following vote:

Since there was no further motion to drop or defer, and with only one study issue left to rank, Chair Duncan noted that individual ranking was not necessary and asked for a motion to accept the remaining study issue as ranked number 1



MOTION: Commissioner Hiremath moved and Commissioner Davis seconded the motion to accept study issue CDD 24-03: Establishment of a Sanctioned Encampment for Unhoused Individuals in Sunnyvale as ranked number 1

The motion carried by the following vote:

**STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES**

None

**NON-AGENDA ITEMS & COMMENTS**

**-Commissioner Comments**

**-Staff Comments**

Housing Officer Carloni made the following announcements:

- The strategic workshop is tomorrow, 1/25, it starts at 8:30 a.m. and one can join in person or watch via Zoom.
- The Housing Division welcomed Amanda Sztoltz as their new Homeless Services Manager. Ms. Sztoltz will be present at the March Housing and Human Services Commission meeting.
- The February meeting is cancelled. Next meeting is scheduled for 3/27.
- Council Liaison Russ Melton noted that he always appreciates the thoughtful discussions that the commissioners have and is looking forward to being the liaison for the next few months.

**INFORMATION ONLY REPORTS/ITEMS**

Housing and Human Services Commission Proposed Study Issues,  
Calendar Year: 2025

**ADJOURNMENT**

Chair Duncan adjourned the meeting at 8:22 p.m.



# City of Sunnyvale

## Agenda Item

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24-0494

Agenda Date: 3/27/2024

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### REPORT TO HOUSING AND HUMAN SERVICES COMMISSION

#### **SUBJECT**

Evaluations and Funding Recommendations for FY 2024/25 & FY 2025/26 Allocation of HOME Investment Partnership Program and FY 2024/25 Community Development Block Grant Funds.

#### **BACKGROUND**

Sunnyvale receives an annual allocation of Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds from the U.S. Department of Housing and Urban Development (HUD) to be used for community development programs and local housing strategies designed to increase opportunities for low and very low-income residents.

#### ***CDBG Eligible Projects***

The City operates its CDBG funding on a two year cycle. Year one of the funding cycle awards CDBG funds, in either grant or loan form, to both capital projects and human service grantees. In addition to the CDBG funds, the City supplements an additional \$135,000 annually from the General Fund to further support human service grantees. All human service grantees funded through CDBG and General Fund are awarded two year funding contracts contingent on available funding and performance. Should CDBG funding increase or decrease, all human service grants would be adjusted proportionately.

During year two of the funding cycle, only CDBG capital project funds are considered. CDBG capital project proposals may include housing rehabilitation projects, economic development activities, public facilities and/or infrastructure, acquisition of land for CDBG-eligible projects, commercial building rehabilitation, and several other miscellaneous types of projects listed in the CDBG statutes. Any of the project types must show clear evidence that they will “primarily benefit” low-income residents; this means at least 51% of the users of the facility to be assisted, or beneficiaries of the activity (loan recipient, occupants of housing to be improved, job training program participants etc.) must be lower-income.

Since FY 2024/25 will be the second year of the City’s CDBG funding cycle, only CDBG capital projects are being considered under this RFP; human service grants will automatically enter year two of their contract.

#### ***HOME Eligible Projects***

Over the past few years, the City’s HOME allocation has remained steady but limited. There has been less demand for these funds for new construction due to the minimal funding availability compared to high cost of construction. Since 2022, HOME funds are now committed solely to the City’s Tenant Based Rental Assistance (TBRA) program in two-year funding contracts. The TBRA program assists income eligible households by providing rental assistance. Therefore, with this RFP, the City plans to use FY 2024/25 and FY 2025/26 HOME funding towards a new two-year TBRA

Administrator contract.

Final grant recommendations will be used to prepare the 2024-25 Annual Action Plan, which will be considered by the HHSC on April 16<sup>th</sup>, and City Council on May 7<sup>th</sup>.

## **EXISTING POLICY**

### **2020-2025 HUD Consolidated Plan:**

- Goal A Assist in the creation, improvement, and preservation of affordable housing for lower-income and special needs households.
- Goal B Alleviation of Homelessness.
- Goal C Support provision of essential human services, particularly for special needs populations.
- Goal D Expanding Economic Opportunities.

### **Council Policy 5.1.3 Human Services *(from Purpose Statement)***

The City shall make its best efforts to provide supplemental human services, which include but are not limited to emergency services, senior services, disabled services, family services, and youth services.

## **Sunnyvale Housing Element**

### **Goal H-5: Equal Housing Opportunities and Special Needs**

Promote equal housing opportunities for all residents, including Sunnyvale's special needs populations, so that residents can reside in the housing of their choice.

#### **Policy H-5.13: Housing and Services to Address Homelessness.**

Participate in the County Collaborative on Affordable Housing and Homeless Issues to support its efforts to prevent and end homelessness. Facilitate and sponsor the provision of permanent supportive housing for homeless people. Support local service providers that offer facilities and support services to homeless individuals and families, and persons at risk of homelessness.

## **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

## **DISCUSSION**

### ***Available Funding for Fiscal Year 2024/25***

As of March 2024, the City has not been notified of its formal 2024/25 entitlement allocation; therefore, staff will utilize the standard practice of using the previous year allocation as an estimate of funds available for the coming year, given that recent annual entitlement grants are generally consistent. Sunnyvale plans to receive an estimated CDBG funding allocation from the U.S. Department of Housing and Urban Development (HUD) in the amount of \$1,000,000 and HOME funds in the amount of approximately \$450,000.

In addition to the FY 2024/25 allocation, staff estimates that approximately \$150,000 in CDBG program income (prior year loan repayments) will be received by the end of the current fiscal year for CDBG, and \$262,183 for HOME. For FY 2024/25, staff will continue to prioritize that CDBG program income be deposited into the City's Revolving Loan Fund (RLF) as it is nearly depleted.

HOME funding estimates are presented in a two-year format to account for the two year funding cycle of the TBRA program.

<b>ESTIMATED Funds Available for FY 2024/25 (1 Year Grant Cycle)</b>	<b>CDBG</b>
Entitlement Grant	\$1,000,000
Prior Year Fund Balances Available to Commit	\$220,000
FY 23/24 Program Income (PI) for RLF	\$150,000
<b>Total Budget Allocation Estimates Total Grant + PI</b>	<b>\$1,370,000</b>
Maximum Funds Available for Program Administration (20% of CDBG Grant)	\$200,000
Year 2 Public Services Grants	\$150,000
Revolving Loan Fund (PI Only)	\$150,000
Funds Available for Capital Projects*	<b>\$870,000</b>

\* "Funds available for capital projects" includes activities funded through the City's Home Improvement Program (approximately \$250k).

<b>ESTIMATED Funds Available for FY 2024/25 &amp; 2025/26 (2 Year Grant Cycle)</b>	<b>HOME</b>
Entitlement Grant	\$900,000
Prior Year Fund Balances	\$710,000
Available Program Income (PI)	\$262,183
CHDO Disencumbered Fund Balance	\$248,412
<b>Total Budget Allocation Estimates Total Grant + PI</b>	<b>\$2,120,595</b>
Maximum Funds Available for Program Administration (10% of HOME Entitlement Grant + PI)	\$116,000
Estimated Funds Available for 2 Year TBRA Contract	<b>\$2,004,595</b>

The City received one proposal for HOME TBRA funding and two CDBG capital project proposals in response to the RFP issued in December 2023. Descriptions of each program and their application ranking is discussed in depth below. The applications are included as Attachment 3.

### **FY 2024/25 Funding Proposals**

#### **Staff Scoring Committee**

The staff scoring committee, consisting of several Community Development Department staff members, met to discuss the proposals, eligibility, completeness requirements, scoring, and possible funding scenarios based on the requirements and evaluation criteria located in the RFP. In addition, the staff scoring committee, when reviewing proposals, referred to the priority needs described in the City's 2020-2025 Consolidated Plan. Each member of the committee independently scored each proposal, and their scores for each proposal were averaged. Staff then ranked the proposals by average score, as shown in Attachment 2.

### **CDBG Capital Project Proposals**

For FY 2024/25, two capital project proposals were received as shown in Attachment 2 however only one is being recommended for funding.

1. Sunnyvale Community Services WorkFirst Sunnyvale (WFS)
  - a. Sunnyvale Community Services has requested \$511,811 for their WorkFirst Sunnyvale program for FY 2024/25. The WFS program has been CDBG funded for over ten years and is a job-training and placement program that serves the City's unhoused population; this unique program is considered a community based development organization (CBDO) and is allowed to apply under Capital Project funding. The program proposes to engage up to 60 unhoused individuals who would receive ongoing supportive services (i.e., benefits counseling, housing search, food security, etc.), coupled with job-training and placement opportunities through WFS's Job Squad Program and Weekly Success Meetings. Out of the 60 participants engaged each year, about 15 participants will be placed in employment opportunities. As the top ranked proposal, staff recommends funding this proposal for the full requested amount, shown in Attachment 2.
2. WeeCare
  - a. WeeCare has requested \$280,000 for their Upwards BOOST Program, An economic development program that offers personalized business and technical support for small, micro-enterprise daycare providers to grow their business. Over twelve months, BOOST coaches the daycare providers, equipping them with digital tools and professional guidance to build sustainable operations and proposes to serve 35 low-moderate households with this program. Staff does not recommend funding this proposal based on the lack of demonstrated experience with the financial management, administration and compliance of CDBG funds, unclear objectives and need, and a budget focused on staffing rather than program outcomes. Proposal was also missing the mandatory 25% matching funds.

### **HOME Tenant Based Rental Assistance (TBRA) Proposals**

The City received one TBRA proposal from the existing TBRA program administrator, Sunnyvale Community Services (SCS), who is requesting \$2,000,000 in HOME funding to continue administering the TBRA program for the next two fiscal years.

Sunnyvale Community Services proposes to use the HOME funding to:

- a. Serve up to 50 low-income households through the TBRA program annually, specifically targeting those who are experiencing homelessness or at risk of homelessness.
- b. Provide ongoing case-management/benefits counseling to program participants.
- c. Recruit, retain and sustain productive partnerships with new and existing landlords.

The Evaluation Committee recommends funding SCS in the amount of up to \$2,000,000 to continue administering the City's TBRA program for the 2024-25 and 2025-26 fiscal years, \$1,000,000 per fiscal year. The City also allocates local funding for administrative and case management support outside of the RFP process for the TBRA program Administrator.

### **NEXT STEPS**

Staff will include the Housing and Human Services Commission (HHSC) funding recommendations in the draft 2024 Action Plan, which will be considered by the HHSC at its regular meeting on April 16, 2024. The 2024 Action Plan will then be reviewed by the Council on May 7, 2024, before being submitted to HUD no later than May 15, 2024. Awards will not become final until after Council and HUD approve the City's 2024 Action Plan.

### **PUBLIC CONTACT**

Public contact was made by posting the Council meeting agenda on the City's official-notice bulletin board at City Hall, at the Sunnyvale Public Library and in the Department of Public Safety Lobby. In addition, the agenda and this report are available at the NOVA Workforce Services reception desk located on the first floor of City Hall at 456 W. Olive Avenue (during normal business hours), and on the City's website.

### **ALTERNATIVES**

1. Fund the CDBG capital project and TBRA proposals in the amounts shown in Attachment 2 to this report.
2. Fund one or more of the proposals with a different amount(s) than those recommended by staff as show in Attachment 2, not to exceed the total amount of funding estimated to be available for each funding source.

### **RECOMMENDATION**

Alternative 1: Fund the CDBG capital project and TBRA proposals in the amounts shown in Attachments 2 to this report.

Prepared by: Amanda Sztoltz, Homeless Services Manager  
Reviewed by: Jenny Carloni, Housing Officer  
Reviewed by: Trudi Ryan, Director, Community Development

### **ATTACHMENTS**

1. FY 2024/25 List of Grant Proposals Received
2. FY 2024/25 CDBG and HOME TBRA Draft Funding Recommendations
3. FY 2024/25 Capital Project and HOME TBRA Proposals

### FY 2024/25 List of Grant Proposals Received

Agency Name	Program	Funding Amount Requested	
		CDBG	HOME
Sunnyvale Community Services CDBO	WorkFirst Sunnyvale (w/ DTST)	\$ 511,811	
WeeCare, Inc.	BOOST	\$280,000	
Sunnyvale Community Services	TBRA Program		\$2,000,000

Total Requested: \$2,791,811

**FY 2024/25 CDBG Funding Recommendations**

CDBG Funding Category	Agency Name	Program	Final Rank	Average Staff Rating	Funding Amount Requested	STAFF RECOMMENDATION
Capital Projects	Sunnyvale Community Services (CDBG Capital/Economic Development Projects)	WorkFirst Program	1	55	\$ 511,811	\$ 511,811
	WeeCare Inc. (DBA Upwards)	BOOST (Business Operation & Optimization Support Tools)	-	32	\$ 280,000	\$ -
	City of Sunnyvale	Minor Home Repair Program	N/A	N/A	\$ 250,000	\$ 250,000
Public Services (Year 2)	Multiple Agencies	Varied	N/A	N/A		\$ 150,000
Administration (20% Cap)	City of Sunnyvale	Administration & Contract Management	N/A	N/A		\$ 200,000
Revolving Loan Fund	City of Sunnyvale	Revolving Loan Fund Deposit*	N/A	N/A	N/A	\$ 150,000
Total Funding Recommendations						\$ 1,261,811
Total Funds Available						\$ 1,370,000
Remaining Funds						\$ 108,189

**FY 24/25 HOME FUNDING RECOMMENDATIONS**

HOME Funding Category	Agency Name	Program	Final Rank	Average Staff Rating	Funding Amount Requested	STAFF RECOMMENDATION
Tenant Based Rental Assistance	Sunnyvale Community Services (HOME-TBRA)	TBRA Program	1	61	\$ 2,000,000	\$2,000,000
Total Funding Recommendations						\$ 2,000,000
Total Combined Funds Available						\$ 2,000,000
Remaining Funds						\$ -



**Capital and Affordable Housing Projects Funding Application**  
**City of Sunnyvale**  
**FY 2024/2025 and 2025/2026**  
**Community Development Block Grant (CDBG)**

**Applicant Information**

Legal Name of Organization:	WeeCare, Inc. (DBA Upwards)		
Mailing Address:	5521 N University Drive	City: Coral Springs, CA	Zip: 33067
Website:	upwards.com		
Contact Person:	Kat Fuentes	Title:	Community Impact Senior Manager
Contact Email:	kat@upwards.com	Telephone:	626-722-7995
Executive Director:	Jessica Chang	Email:	jessica@upwards.com
Agency Type:	Other Type of Organization Describe: For-Profit		
SAM Number:	HRBLHQGMG4T5		

**PROGRAM OVERVIEW**

Project Name:	BOOST (Business Operation & Optimization Support Tools)		
Project Address:	35 locations	City: Sunnyvale	Zip: 94087

**Select an Application:**  
**Capital and Affordable Housing Projects Funding**

**Loan Request**

Requested Amount	\$280,000
Other Funding Sources	\$0
Total Project Cost	\$280,000
Percentage of City of Sunnyvale funds toward Total Project Cost	100%

**Brief Project Description:**

The Upwards' BOOST Program offers personalized business and technical support to small, in-home daycare providers. It focuses on those with under 5 employees, catering to children aged 0-5 and providing before and after school care up to age 13. Over 12 months, BOOST coaches providers, equipping them with digital tools and professional guidance to build sustainable operations. The program aims to enhance economic opportunities for childcare entrepreneurs, enabling efficient facility management and growth. Services include marketing, enrollment automation, attendance tracking, billing, and curriculum management, crucial for supporting low to moderate-income families and creating jobs in the childcare sector.

Provide the following information for a **program contact person**, a **financial contact person**, the **person who wrote the application**, and an **authorized contact**. Include attachments of job descriptions and resumes for key staff.

	NAME	TITLE	PHONE	EMAIL
<b>Program Contact</b> Someone who works with the project on a daily basis, and can answer questions	Judy Ahumada	Program Director	(323) 421-7479	judy@upwards.com
<b>Finance Contact</b>	Johnny Chan	CFO	(323) 421-7479	johnny@upwards.com
<b>Application Contact</b> Person who wrote this application	Kat Fuentes	Community Impact Senior Manager	626-722-7995	kat@upwards.com
<b>Authorized Contact</b> Person authorized to make	Jessa Santangelo	VP Business Development	(310) 710-2833	jessa.c@upwards.com

commitments on behalf of the organization				
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## SECTION 1: ORGANIZATIONAL CAPACITY AND EXPERIENCE

### A. Provide an organizational overview of your agency, including:

- a description of the history and purpose of the organization
- years in operation
- years of direct experience with proposed project type
- staff experience with proposed project type
- federal grant management experience
- financial capacity
- CBDO qualifications, if applying for a CBDO activity (See CFR 570.204)

Provide a project-specific organizational chart as an attachment to all copies of the proposal in Tab D and one copy only of the organizational chart for the entire agency in the original application (Tab E).

Upwards is a tech-powered childcare marketplace founded in 2017 with the mission to solve care for good by making childcare accessible to all families while enabling caregivers to thrive. We have over 5 years of experience connecting families with licensed home-based childcare providers across all 50 states.

Our proposed project, the BOOST Program, provides 12 months of personalized business and technical support to local licensed family childcare facilities operated by low- and very low-income microenterprise owners. We have successfully run similar programs supporting small business childcare providers through funding from the Community Development Block Grant (CDBG) over the past 2 years in multiple cities across California, Florida, and Washington.

The BOOST Program is overseen by our dedicated government partnerships division, which has collectively overseen \$15 million in CDBG and government contracts since 2021. Our team has extensive experience managing federally funded programs and meeting rigorous reporting requirements related to income eligibility, population tracking, expenditure documentation, and more.

Key personnel include:

Judy Ahumada, Program Director: Extensive experience managing government-funded childcare initiatives  
 Jessa Santangelo, VP Business Development: Extensive community and government partnership experience  
 Starlynn Perez, Child Care Specialist: Extensive child care industry experience

With nearly 100 full-time staff operating nationally and over \$6 million in 2022 revenue, Upwards has the financial capacity and operational infrastructure to effectively administer the proposed 12-month BOOST Program. We utilize robust systems for participant tracking, results measurement, and fiscal oversight ensuring proper stewardship of public funds.

In summary, Upwards combines substantial organizational expertise running community-based programs supporting childcare providers and families with a sound financial position and commitment to transparency and accountability. We are confident in our ability to successfully deliver on the proposed project goals.

### B. Previous experience using federal funds:

1. Does your organization have previous experience with capital projects involving federal funds? **Yes**

2. How many years of previous experience do you have with federally funded projects? **3**

Briefly describe your experience below:

Upwards has over 5 years of experience managing federally-funded programs and working with government partners at the federal, state, and local levels.

At the State level, Upwards is contracted with California to administer childcare subsidies to income-eligible families.

This is funded through the Child Care and Development Block Grant (CCDBG). Upwards was awarded \$2.065 million to provide direct tuition subsidies. Through our program, WeeSubsidy, Upwards expands access to quality childcare services in areas experiencing significant shortages. The program is designed to support high-need, low-income families, especially those facing a great housing instability risk. WeeSubsidy aims to establish a modern approach to an antiquated subsidy system to increase access to the most vulnerable families, making childcare truly more equitable.

3. If you have previous experience with federal projects, was your organization ever required to pay back funds, or found to have violated regulations, etc? **No**

### C. Previous Experience with City-funded projects

#### 1. Do you have previous experience with City-funded projects? Yes

Describe:

Upwards has extensive experience working with government partners and administering federal funds. We operate Federal, State, and Local programs and have become very familiar with government compliance, monitoring, and reporting requirements. On the Local level, this year Upwards is running its community program, BOOST, for various cities and counties across the country in California, Florida, Washington, and more.

BOOST is designed to provide free business support services and tools to low-to-moderate income microenterprise childcare providers. Funded by the Community Development Block Grant (CDBG), this program treats providers as the small business owners they are. It equips them with essential digital tools to make their operations more efficient and helps them learn how to run a sustainable operation. The goals are to empower these microenterprise businesses to reach their full revenue potential, stabilize their jobs in the childcare industry, and create new childcare jobs – all of which lead to more robust childcare services for the local communities.

Upwards piloted this program in 2022 in Cathedral City, CA, and is thrilled its success has led to more municipalities adopting the program for their residents.

CDBG Case Study: During the 2021-2022 program year, Upwards worked with Cathedral City, CA, as a sub-recipient of Community Development Block Grant (CDBG) funding to implement programs to benefit low-to-moderate income (LMI) clientele. These programs were BOOST (business support for daycare providers), CASE (childcare benefits for small enterprises), and Back2Work (tuition assistance for unemployed families seeking work). The total project budget amount for the first program year was \$275,690, and all programs were completed successfully. In summary, the BOOST program assisted 40 LMI daycare Providers and 232 LMI families, the CASE Program assisted 205 employers and 1,416 LMI families, and the Back2Work Program assisted 15 unemployed LMI parents. In total, Upwards assisted 1,703 LMI persons with the \$138,500 CDBG funds, equaling \$81.32/LMI person assisted.

We are committed to assisting all families, especially LMI families facing housing or employment instability, by providing safe and reliable childcare options. Upwards's experience in successfully implementing pilot-to-large-scale projects and meeting federal reporting requirements has strengthened its position in the Early Care and Education (ECE) field. It has also invigorated our leadership to find innovative ways to apply the latest technology to long-standing challenges in childcare.

#### 2. Has your organization received HUD funds previously from the City of Sunnyvale? No

5. Describe your experience managing similar projects funded by other public sources (state, federal, other local government). Upwards has over 5 years of experience managing federally-funded programs and working with government partners at the federal, state, and local levels.

At the State level, Upwards is contracted with California to administer childcare subsidies to income-eligible families. This is funded through the Child Care and Development Block Grant (CCDBG). Upwards was awarded \$2.065 million to provide direct tuition subsidies. Through our program, WeeSubsidy, Upwards expands access to quality childcare services in areas experiencing significant shortages. The program is designed to support high-need, low-income families, especially those facing a great housing instability risk. WeeSubsidy aims to establish a modern approach to an antiquated subsidy system to increase access to the most vulnerable families, making childcare truly more equitable.

D. Complete the table below for each current member of the applicant's Board of Directors. If your organization does not have a board of directors (e.g., governmental entity), include this page and an explanation of why this form is not applicable (NOTE: Font, margins, or table may be modified to fit information on one page, as long as information below is included.) Identify board office held as applicable.

Board Member Name	Sunnyvale Resident	Employer (if any)	Office Held on Board	Term of Office (Beginning and Ending years)	Length of Service
Jessica Chang	No	Upwards CEO	Chair	2017-Present	6
Jesse Forrest		Upwards CTO	Member	2017-Present	6
Anna Barber		Partner at M13	Member	2017-Present	6
Richard Kerby		Partner Equal Ventures	Member	2017-Present	6

SECTION 2: EVIDENCE OF NEED FOR PROJECT

Complete this section accurately and completely.

Part 1 - Priority Activities

Program Priorities/Goals: Identify one or more Consolidated Plan goals the proposed project will address and explain how it will address these goals in Part 3 below.

For additional information, refer to the Sunnyvale Consolidated Plan.

- ☐ Goal A: Affordable Housing
- ☐ Goal B: Alleviation of Homelessness
- ☐ Goal C: Other Community Development Efforts
- ☒ Goal D: Expanding Economic Opportunities

Part 2 - National Objective and Beneficiaries

A. Identify the method of determining the eligibility of your project, and provide an explanation in the box below. See page 2 of this RFP for definitions of these methods. For all affordable housing projects, you must select "Limited Clientele".

1. Method of determining eligibility.

- ☐ Area Benefit
- ☒ Limited Clientele
- ☐ Activity Job Creation

The program is limited to a specific target population, microenterprise daycare owners, and documentation of their income is recorded to ensure at least 51% of participants meet the income threshold. The household size and annual income of each program participant are documented in the application they are required to fill out. Upon intake, income is determined by self-certification by all participants. Source documentation like a W2 and/or bank statements will be collected from participants as suggested by HUD's CDBG guidelines. We require at least 51% of participants qualify as LMI, however we anticipate 100% of participants will have income qualifying income.

B. Number of unduplicated Sunnyvale households (or individuals) to be served by the proposed capital project:

Total number of unduplicated households served	Number of unduplicated lower-income households to be served	Percentage of lower-income households served
35	35	100%

Part 3 - Demonstrated Need for Project

In the space below, provide a brief summary of current statistical data documenting the need for your proposed capital project. Include local Sunnyvale data as well as any relevant statistics collected by applicant. Provide sources for the information. Briefly explain the target population for the project, including demographics, and a typical client profile. Explain how your project's design will meet the needs you have described, and how it will achieve the Consolidated Plan goals you identified in Section 2, Part 1.

In Sunnyvale, the need for early childhood care and education is highlighted by the presence of over 10,324 children under the age of 5, a critical period for child development. The importance of early care in promoting brain development, social skills, school readiness, and long-term outcomes such as health and employment is underscored by organizations like the Annie E. Casey Foundation and UNESCO. These entities assert that early care is fundamental not only for preparation for primary school but also for lifelong emotional well-being and learning. The local demographic data reveals that there are approximately 5,982 households with a child under 6 years old, indicating a significant demand for childcare services. This need is particularly acute for the 1,483 children living with a single parent in Sunnyvale, as reliable childcare is crucial for these families' survival and housing stability.

The economic implications of the lack of childcare are profound. Many parents, especially single mothers, depend on childcare to join or rejoin the workforce. The absence of affordable childcare options can lead to increased social inequities and hinder local economic recovery. Childcare expenses account for almost 20% of a family's income in Sunnyvale, placing a considerable financial burden on families and impacting housing affordability and

economic mobility.

The project targets low- and very low-income microenterprise owners who run licensed childcare facilities, primarily female-run and minority-owned businesses. These childcare providers, with an average income of about \$38,147.2 a year, play a vital role in neighborhood revitalization efforts. The BOOST program, part of this project, selects participants based on High-Risk/ High Need Assessments, focusing on factors like income, housing ownership, race/ethnicity, and the needs of the area served, including populations of single-headed households and schools with high participation in free or reduced-lunch programs.

This proposed capital project is designed to address the gap in quality, affordable childcare, especially in disadvantaged communities. By supporting childcare microenterprises, the project not only aids in the provision of essential early care but also aligns with the Consolidated Plan Goal D: Expanding Economic Opportunities. This initiative aims to enhance the economic and social well-being of families in Sunnyvale, contributing to the community's holistic development and economic growth.

#### **Part 4 - Matching Funds**

**A.** List the funding from other sources for this capital project in the following table. Add additional rows to the table if necessary.

<b>Funding Source</b>	<b>Amount</b>	<b>Status as of Jan. 16, 2023*</b>	<b>Award Date</b>
<b>Total</b>	<b>\$0</b>		

\*If you have not received an official, legally binding loan commitment or other award letter by the time you submit this application, do not enter "approved".

**B.** Identify commitments for ongoing operating funding *for this facility/site only* in the space provided below, and attach all **letters of commitment**.

- All letters must be on the organization's letterhead and must include date, amount of match/leverage, and an authorized signature.
- Letters must be dated within 30 days of the application submission date.
- Letters must demonstrate that the funding is applicable to the project proposed in this application.
- Do not include letters of support, only letters making a firm financial commitment to the project.
- If the project will require formal approval of senior lienholders on the subject property, provide their letters of approval as attachments along with the letters of commitment.

N/A - no site

### **SECTION 3: STATEMENT OF WORK/PROJECT SCOPE**

#### **Part 1 - Project Location and Service Area**

Provide the street address and assessor's parcel number(s) of the project location.

Attach a map of the project location and the project service area (for community facility proposals only), showing zip codes and census tracts in the Attachments section.

35 locations throughout the City of Sunnyvale. The service area will be confined to daycares located within the city's boundaries. Upwards' services are conducted remotely and are available to daycare providers and families 24 hours a day, 7 days a week. Each of the direct program participants operate their daycare from their home. Therefore, the services they provide will happen all throughout the city during their operating hours. The locations of the daycares are private residences and, therefore, treated as confidential information. If BOOST is selected to receive CDBG funds, the exact locations of each daycare provider who participates will be disclosed.

#### **Part 2 - Project Readiness**

##### **A. Work Plan / Project Readiness**

Explain your project's work plan, including the activities you will undertake to achieve the project's goal.

Include the following:

- Predevelopment milestones (design, permitting, securing matching funds)
- Client Recruitment/program marketing plan (for new/expanded facilities or housing)
- Project evaluation plan

For Limited Clientele Facilities, describe your procedures for recruitment, a marketing plan for clients and/or volunteers, and intake and eligibility screening forms.

Predevelopment Milestones

Curriculum Development: We will utilize a specialized business and technical training curriculum tailored specifically for childcare providers. This curriculum focuses on enhancing the skills and knowledge essential for running a successful childcare business.

Technology Integration: Updating software customizations to enable real-time impact tracking will be a critical milestone. This technology allows for efficient monitoring and management of the program's progress and impact on the community.

Client Recruitment/Program Marketing Plan

Leveraging Networks: We will utilize existing relationships within the childcare provider network for participant recruitment, ensuring we reach those most in need of our services.

Marketing Campaign: A comprehensive, multilingual digital and print marketing campaign will be executed. This campaign will feature custom audience targeting to ensure we effectively communicate our message to the diverse Sunnyvale community.

Community Engagement: Canvassing local community organizations will be vital in promoting the available assistance. This approach ensures grassroots-level engagement and awareness about the program.

Intake & Screening

Eligibility Assessment: Childcare providers interested in participating in the program will be required to document household size and income via eligibility forms. This step ensures we assist those who meet the defined criteria.

Verification Process: We will conduct a thorough verification process that includes checking active childcare licenses, conducting background checks, and collecting inspection reports. This ensures that all participating providers meet the necessary standards and regulations.

Evaluation Plan

Baseline Data Collection: Gathering baseline data on provider business operations, such as revenue, jobs, and capacity. This data will serve as a reference point for measuring progress.

Continuous Monitoring: Progress will be continuously compared to benchmarks through a centralized database, allowing for real-time tracking and adjustments as needed.

Feedback and Analysis: Post-program surveys will be administered, and insights will be combined with utilization analytics to gauge the return on investment (ROI). This feedback will be integral to understanding the program's effectiveness and areas for improvement.

Strategy Adjustments: Strategies will be adjusted in response to any shortfalls in equitable access or result targets. This ensures the program remains effective and relevant to the community's needs.

By implementing this comprehensive work plan, our project aims to significantly enhance the quality and availability of childcare services in Sunnyvale. Through a combination of skilled personnel, targeted outreach, rigorous evaluation, and continuous improvement, we are committed to making a positive impact on local childcare providers and, by extension, the families they serve.

B. Implementation Schedule

Milestone	Target Date
1. Contract Start Date	07/01/2024
2. Design and Permitting	
3. Initiation of Construction/Project	07/01/2024
4. Completion of Construction/Project	06/30/2024
5. 50% of Funds Expended and Drawn	12/01/2024
6. 100% of Funds Expended and Drawn	06/30/2025
7. Project Completion and Reporting	06/30/2025

C.. Performance Measurement System: Complete the following tables with information about the objectives and outcomes of your proposed project.

1. CDBG/HOME OBJECTIVE	2. CDBG/HOME OUTCOME
Creating Economic Opportunities	Sustainability

**D. Client Data:** Identify the number of households your project will serve, in the following categories:

Type of Household	Residing in Sunnyvale	Residing outside of Sunnyvale	Total
Low Income (50%-80% AMI)	5	0	5
Very Low Income (<50% AMI)	30	0	30
Disabled Persons		0	0
Female-Headed Households		0	0
Elderly		0	0
Youth		0	0
Homeless Persons		0	0
Other Special Needs		0	0

### Part 3 - Construction Project Description

**A.** Does your project involve:

Acquisition? No

New construction? No

Major rehabilitation?\* No

Minor rehabilitation? No

\**Major rehabilitation* is defined as rehabilitation work that costs more than 25 percent of the value of the building before rehabilitation. The value of the building means the monetary value assigned to a building by a recent appraisal and/or property tax assessment, or replacement cost.

**B.** Do you have site control, including any right-of-way, easements, or encroachment permits needed for the project? No

Explain *how* you intend to secure site control prior to the start of this project. Include the anticipated acquisition date(s). N/A

### C. Operating Funds:

For construction, expansion or acquisition of a community facility, will you have sufficient funds available for the operations of the facility? No

Provide a pro-forma with detailed information about operating funds available for the facility for at least 15 years and include as an attachment.

**D.** Will your project involve temporary (less than 1 year) or permanent (more than 1 year) relocation of tenants from your proposed project site (residential or commercial tenants)? No

If you answered yes to either type of relocation, please attach a URA-compliant relocation plan in attachments.

**E.** Provide the following property information:

- Property Description, including amenities and features
- Property Condition/Inspection Results
- Appraisal: Provide most recent appraised value.
- Unit Inspection Summary (for rehabilitation/expansion projects)
- List of Property Improvements

N/A

**F.** Attach the following items as attachments to this application

- Property Survey or Assessor's Parcel Map
- Proposed Site Plan and/or Architectural Elevations
- Infrastructure Plans, if needed
- Environmental Review (see form in Standard Forms)



## G. Community Involvement

For new construction or facility/housing expansion projects, include evidence of community support for the proposed project. Describe the measures your organization has taken to garner community support in the space below. Provide evidence of contact with local neighborhood association(s) or proof of public hearing. **Include letters of support as attachments to this application**

N/A

## **SECTION 4: PROJECT BUDGET AND FINANCIAL INFORMATION**

### **Part 1 - Budget Information**

Provide a narrative explaining the total project budget, including major budget line items in the order in which they are listed on the budget form. List the sources of funding.

#### Non-Personnel Costs:

Training Materials (\$19,142) - Development and delivery costs for business operation trainings.

Equipment (\$12,761) - Technology and other program supplies.

Marketing for Providers (\$15,393) - Flyers, ads, translations to promote the program and raise provider enrollment.

Marketing for Families (\$3,190) - Activities to make families aware of open slots at participating providers.

Cost of Payments (\$14,783) - Platform subscription and payment processing fees.

Technology Cost (\$1,995) - Software and data analytics tools.

Office Supplies (\$650) - Basic supplies like paper, pens and other operational incidentals.

The full \$280,000 budget for the 12-month BOOST Program is requested from CDBG funds. The allocation covers partial staffing, operational expenses, resources, and services for providers and families. Upwards' existing infrastructure provides supplementary program support.

The budget focuses on effectively empowering local childcare microenterprises to upgrade their operations sustainably using the knowledge imparted over the year. Our streamlined approach makes the spending reasonable for the scale of assistance and ensuing community-level impact.

#### Personnel Costs:

Salary (\$208,972) - Covers partial salaries for program staff overseeing operations, training, marketing, reporting and other key functions based on typical market rates.

Fringe (\$3,114) - Associated fringe benefit costs for the allocated staff supporting the program.

### **Part 2 - Financial Information**

**A.** Describe the organization's financial management practices, including:

- financial reporting,
- record keeping,
- accounting systems,
- payment procedures, and
- audit history, and
- compliance with OMB Circulars and GAAP

#### Financial Reporting and Record-keeping

Monthly Financial Statements: We prepare and review monthly financial statements that compare budgeted figures with actual expenditures. This practice allows for continuous monitoring and fiscal control.

Accounting Software: To maintain accuracy in financial reporting, we utilize advanced accounting software. This technology aids in ensuring data integrity and facilitates real-time financial analysis.

Record Retention: Our accounting records are meticulously maintained and retained for a minimum of seven years, adhering to best practices and regulatory requirements.

#### Accounting Systems and Payment Procedures

Enterprise Resource Planning (ERP) System: Our robust ERP system includes automated controls for Accounts Receivable (AR), Accounts Payable (AP), and financial reporting. This system streamlines financial processes and enhances data accuracy.



Expense Reimbursement and Invoice Policies: We have clearly documented policies for expense reimbursements and invoice payments, ensuring transparent and standardized procedures.

Compliant Payment Verification: Before executing any payments, we conduct thorough verification processes to ensure compliance and prevent errors or fraud.

Adherence to GAAP Standards: Our financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP), ensuring high standards of financial reporting.

CFR Grant Compliance: Dedicated staff members are tasked with ensuring compliance with the Code of Federal Regulations (CFR) for grant management, showcasing our commitment to adhering to federal regulations.

#### Overall Financial Stewardship

With over \$15 million in government contracts secured since 2021, our organization has consistently demonstrated responsible fiscal stewardship. We maintain strict controls aligned with federal regulations, providing stakeholders with confidence in our accountability. Our leadership team is actively involved in overseeing compliance across various funding sources to ensure that our financial practices not only meet but exceed industry standards, thereby maximizing our impact and trustworthiness.

Provide the most recent Board-approved financial audit as an **attachment** to this application.

## B. Budget for Fiscal Year 2023-24

Budget Line Item	Sunnyvale	Other Funds	Matching In-Kind Services or Materials	Program Total
Non-Personnel				
Project Management/Administration				\$0
Permits and Fees				\$0
Design (Architectural & Engineering)				\$0
Acquisition Costs (escrow fees, etc.)				\$0
Other Soft Costs (Monitoring, Surveying, etc.)				\$0
Rehabilitation/Construction Costs (labor, materials)				\$0
Contingency (Construction)				\$0
Environmental Compliance (CEQA/NEPA/Phase 1 etc)				\$0
Construction Management (outside firm)				\$0
Training Materials	\$19,142			\$19,142
Equipment	\$12,761			\$12,761
Marketing for Providers	\$15,393			\$15,393
Marketing for Providers	\$3,190			\$3,190
Cost of Payments	\$14,783			\$14,783
Technology Cost	\$1,995			\$1,995
Office Supplies - Program	\$650			\$650
Personnel - Salary and Fringe	\$212,086			\$212,086
<b>TOTAL</b>	<b>\$280,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$280,000</b>

## C. Other Funding Sources

Other Funding Sources	
Committed	Amount
Total Committed	\$0
Projected Funding Sources	
Individuals	
Corporate	
Foundations	
In-Kind Services/Materials/Labor	\$0

Total Projected	\$0
Total Other Funding + In-Kind (must match budget above)	\$0

## Attachments

Pro-forma	
Project Service Area Map	<a href="#">City of Sunnyvale Map.png</a>
Project-Specific Organizational Chart	<a href="#">City of Sunnyvale Map.png</a>
Resumes of Applicant's key personnel	
Signature Authorization	<a href="#">City of Sunnyvale - Signature Authorization.pdf</a>
Conflict of Interest Disclosure	<a href="#">City of Sunnyvale - Conflict of Interest.pdf</a>
Environments Review Form	
CHDO or CBDO Verification	
Bylaws	<a href="#">Upwards Good Standing Articles of Incorporation Bylaws 2.pdf</a>
Articles of Incorporation	<a href="#">Upwards Good Standing Articles of Incorporation Bylaws 2.pdf</a>
501(c) (3) documentation from IRS	<a href="#">Upwards IRS 501c3 Tax Exempt Letter 2 2.pdf</a>
Organizational Chart	<a href="#">Upwards BOOST Organization Chart 4.pdf</a> <a href="#">Upwards Org Chart 5.pdf</a>
Financial Audit	<a href="#">Upwards Independent Audit Explanation 9 1.pdf</a>
Letters of Commitment	
Board Resolution authorizing submittal of proposal	<a href="#">Upwards Certification of Authorized Signatory KatJessa 2.pdf</a>
Language Access Plan and (ADA) Accessibility Policy	<a href="#">Language Access Plan - General.docx.pdf</a>
Appraisal of Property	
Environmental Site Assessment	
Parcel Map	
Property Listing	
Relocation Plan (if project anticipates displacement)	
Letters of Community Support	
Architectural Drawings/Plans	
Other - <input type="text"/>	
Other - <input type="text"/>	

Program Manager Signature      [Kat Fuentes](#)  
Date Signed                      [01/18/2024](#)

**Capital and Affordable Housing Projects Funding Application**  
**City of Sunnyvale**  
**FY 2024/2025 and 2025/2026**  
**Community Development Block Grant (CDBG)**

**Applicant Information**

Legal Name of Organization:	Sunnyvale Community Services		
Mailing Address:	1160 Kern Avenue	City: Sunnyvale, CA	Zip: 94085-3907
Website:	<a href="https://svcommunityservices.org/">https://svcommunityservices.org/</a>		
Contact Person:	Catherine Farry	Title:	Chief Data & Research Officer
Contact Email:	<a href="mailto:cfarry@svcommunityservices.org">cfarry@svcommunityservices.org</a>	Telephone:	408-636-7059
Executive Director:	Marie Bernard	Email:	<a href="mailto:mbernard@svcommunityservices.org">mbernard@svcommunityservices.org</a>
Agency Type:	Non-Profit with 501(c)(3) Status Describe: 0		
SAM Number:	LV2JBL2FB2Z1		

**PROGRAM OVERVIEW**

Project Name:	WorkFirst Sunnyvale		
Project Address:	1160 Kern Ave	City: Sunnyvale	Zip: 94085-3907

**Select an Application:**  
**Capital and Affordable Housing Projects Funding**

**Loan Request**

Requested Amount	\$511,811
Other Funding Sources	\$423,081
Total Project Cost	\$934,892
Percentage of City of Sunnyvale funds toward Total Project Cost	55%

**Brief Project Description:**

Sunnyvale Community Services and Downtown Streets Team operate WorkFirst Sunnyvale, a workforce development program that provides homeless and/or extremely low-income individuals job readiness training, case management and transitional employment opportunities through Streets Team Enterprises (STE).

Objective 1: Employ 15 individuals for 90 days or longer through STE and partners.

Objective 2: Deliver Job Squad (Employment Readiness and Skills) classes to 60 individuals.

Objective 3: Operate a job preparation program for up to 60 people, providing ongoing street cleaning services across City of Sunnyvale.

Objective 4: Offer outreach and supportive services to 60 or more homeless and/or extremely low-income individuals.

Provide the following information for a **program contact person**, a **financial contact person**, the **person who wrote the application**, and an **authorized contact**. Include attachments of job descriptions and resumes for key staff.

	NAME	TITLE	PHONE	EMAIL
<b>Program Contact</b> Someone who works with the project on a daily basis, and can answer questions	David Hernandez	Chief Programs Officer	408-738-4321 X2016	<a href="mailto:dhernandez@svcommunityservices.org">dhernandez@svcommunityservices.org</a>
<b>Finance Contact</b>	Carmen Davis	Accounting Manager	408-738-4321 X2008	<a href="mailto:cdavis@svcommunityservices.org">cdavis@svcommunityservices.org</a>

<b>Application Contact</b> Person who wrote this application	Catherine Farry	Chief Data and Research Officer	408-636-7059	cfarry@svcommunityservices.org
<b>Authorized Contact</b> Person authorized to make commitments on behalf of the organization	Marie Bernard	Executive Director	408-738-0121	mbernard@svcommunityservices.org

## **SECTION 1: ORGANIZATIONAL CAPACITY AND EXPERIENCE**

### **A. Provide an organizational overview of your agency, including:**

- a description of the history and purpose of the organization
- years in operation
- years of direct experience with proposed project type
- staff experience with proposed project type
- federal grant management experience
- financial capacity
- CBDO qualifications, if applying for a CBDO activity (See CFR 570.204)

Provide a project-specific organizational chart as an attachment to all copies of the proposal in Tab D and one copy only of the organizational chart for the entire agency in the original application (Tab E).

WorkFirst Sunnyvale (WFS) is a collaboration between Sunnyvale Community Services (SCS) and Downtown Streets Team (DST). SCS, founded in 1970, provides direct financial aid, food, case management and other emergency support to low-income families. Our mission is to prevent homelessness and hunger in our local community. As part of the Santa Clara County Emergency Assistance Network (EAN), SCS is the sole agency designated to provide emergency aid to low-income Sunnyvale residents. SCS' professional staff have extensive nonprofit experience working with low-income clients.

The mission of DST, which began in Palo Alto in 2005, is to end homelessness through the dignity of work. It employs a nationally recognized "work first" model in which men and women who are homeless or at risk of homelessness participate in a volunteer work experience program as they rebuild skills and receive support in obtaining employment.

DST's Employment Specialists have extensive experience in workforce development and apply a proven structure and model for helping homeless individuals transition back into the workforce. They do this by removing barriers and connecting individuals to services, including access to health insurance and obtaining identification cards.

Both agencies have years of experience in federal grant management, and sound financial reserves and funding sources for our programs and projects. This partnership leverages SCS' fiscal management capabilities and ties to the Sunnyvale business, civic, and faith-based organizations. SCS is fully qualified as a Community Based Development Organization (CBDO) in Sunnyvale.

### **B. Previous experience using federal funds:**

1. Does your organization have previous experience with capital projects involving federal funds? **Yes**

2. How many years of previous experience do you have with federally funded projects? **32**

Briefly describe your experience below:

SCS has managed federally funded CDBG projects for over 30 years and has received EFSP (FEMA) funding for over two decades. We also received a CDBG loan in 2003 through the City of Sunnyvale for our previous building (725 Kifer Rd.) and a forgivable CDBG loan in 2019 for our new building (1160 Kern Ave.). SCS provided Supportive Services for Veteran Families for four years. As a major partner in the county-wide Homelessness Prevention System (HPS), SCS has distributed several million dollars of federal Covid-19 relief funding (made available through the Emergency Rental Assistance Program [ERAP] and the American Rescue Plan [ARP]).

DST has federal grant management experience in multiple Bay Area counties.

3. If you have previous experience with federal projects, was your organization ever required to pay back funds, or found to have violated regulations, etc? **Yes**

Indicate the actions cited in the space provided below. **SCS did have to return a small amount of Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds in 2011, but we were allowed to use 100% of those returned funds for other eligible grant purposes on the same grant.**

DST has not had to return any funds from any federal projects.

### C. Previous Experience with City-funded projects

1. Do you have previous experience with City-funded projects? **Yes**

Describe:

SCS has received Housing and Human Services grants from the City of Sunnyvale for decades and has consistently been ranked high in competitive grant awards ratings.

2. Has your organization received HUD funds previously from the City of Sunnyvale? **Yes**

Describe:

SCS has received both CDBG and HPRP contracts from the City of Sunnyvale. SCS also received HUD funds from the City for Covid emergency assistance and is currently receiving funds for the Sunnyvale TBRA Program.

3. If you are a prior recipient of City of Sunnyvale HUD funds, what was the date of your last City of Sunnyvale monitoring visit? **08/30/2023**

4. Were there any findings and/or concerns identified during your last monitoring visit by the City? **No**

D. Complete the table below for each current member of the applicant's Board of Directors. If your organization does not have a board of directors (e.g., governmental entity), include this page and an explanation of why this form is not applicable (NOTE: Font, margins, or table may be modified to fit information on one page, as long as information below is included.) Identify board office held as applicable.

Board Member Name	Sunnyvale Resident	Employer (if any)	Office Held on Board	Term of Office (Beginning and Ending years)	Length of Service
Amal Allan	No	City National Bank		2022-25	2
Mary Bradley	Yes		Secretary	2020-2026	4
Rick Crowley	Yes		Treasurer	2021-2024	3
Travis Duncan	No	DECA Companies		2019-2025	5
Ava Fanucchi	Yes	Sunnyvale Department of Public Safety		2022-2025	2
Michael Gallagher	No	Sunnyvale School District		2019-2025	5
Clayton Grames	No	Intuitive Surgical		2022-2025	2
Jaqui Guzmán	Yes	City of Sunnyvale	Vice President	2020-2026	4
Debbie Klein	Yes			2022-2025	2
José León	Yes	New York Life		2022-2025	2
Margaret Mannion	No	NetApp, Inc.		2018-2024	6
Jeremy Nishihara	No	Sunnyvale School District	President	2018-2024	6
Christian Pellecchia	No	JE Dunn Construction		2019-2022, 2023-2026	4
Benjamin Picard	Yes			2022-2025	2
Elsbeth TeBrake	No			2022-2026	2
Barry Vickrey	Yes			2023-2026	1
Rachel Zlotziver	No	Fremont Union High School District		2022-2025	2

## SECTION 2: EVIDENCE OF NEED FOR PROJECT

*Complete this section accurately and completely.*

### Part 1 - Priority Activities

Program Priorities/Goals: Identify one or more Consolidated Plan goals the proposed project will address and explain how it will address these goals in Part 3 below.

For additional information, refer to the [Sunnyvale Consolidated Plan](#).

- ☐ Goal A: Affordable Housing
- ☒ Goal B: Alleviation of Homelessness
- ☐ Goal C: Other Community Development Efforts
- ☒ Goal D: Expanding Economic Opportunities

## Part 2 - National Objective and Beneficiaries

A. Identify the method of determining the eligibility of your project, and **provide an explanation in the box below**. See page 2 of this RFP for definitions of these methods. For all affordable housing projects, you must select "Limited Clientele".

1. Method of determining eligibility.

- ☐ Area Benefit
- ☒ Limited Clientele
- ☒ Activity Job Creation

[Eligibility for WorkFirst Sunnyvale is limited to adults who are homeless, transitioning out of homelessness, or at imminent risk of homelessness. Only those with extremely low to low incomes will be served.](#)

B. Number of unduplicated Sunnyvale households (or individuals) to be served by the proposed capital project:

Total number of unduplicated households served	Number of unduplicated lower-income households to be served	Percentage of lower-income households served
60	60	100%

## Part 3 - Demonstrated Need for Project

In the space below, provide a brief summary of **current** statistical data documenting the need for your proposed capital project. Include local Sunnyvale data as well as any relevant statistics collected by applicant. Provide sources for the information. Briefly explain the target population for the project, including demographics, and a typical client profile. Explain how your project's design will meet the needs you have described, and how it will achieve the Consolidated Plan goals you identified in Section 2, Part 1.

[PROJECT NEED: Both SCS and DST have deep and broad first-hand knowledge of the need for homeless supportive services in Sunnyvale. In FY2022-23, SCS served 770 homeless clients.](#)

[SCS and DST also partner with HomeFirst to service guests at the North County Shelter, supporting their transition to stable housing. DST Team Members may reside at the shelter and former DST Team Members work or volunteer there. DST also offers job readiness and self-sufficiency workshops at the shelter.](#)

[TARGET POPULATION: The target population for WorkFirst Sunnyvale \(WFS\) is unhoused adults who want to find work and obtain stable housing. Primarily, these individuals are graduates of the Sunnyvale Downtown Streets Team. Of the current 19 DST members in Sunnyvale, 7 are men and 12 are women. 17 individuals are aged 18 to 62, and 2 are 63 or older.](#)

[PROJECT DESIGN: SCS has partnered with DST since 2012 to operate the WFS program. Per the City's Consolidated Plan, WFS provides employment development, job search assistance, training, and supportive services to Sunnyvale homeless clients to help them obtain paid employment and permanent housing.](#)

[SCS acts as the fiscal agent for WFS and provides appropriate services to program members—from emergency financial aid and food to benefits enrollment and full case management. DST recruits Team Members and manages the WFS program. Team Members transition to become STE employees \(up to 20 hours a week\), working at the North County Shelter and other locations while receiving case management and employment services.](#)

[DST has a wide network of local employers willing to hire program participants, including:](#)

- [\\*Service By Medallion](#)
- [\\*Taqueria Lopez](#)
- [\\*See's Candies](#)
- [\\*La Plaza](#)
- [\\*Amazon](#)

- \*Savemart
- \*Brightview
- \*Department of Rehabilitation (DOR)
- \*Community Cycles
- \*Elite Hospitality Staffing
- \*Trade Orientation Program
- \*CONXION
- \*Center For Employment Opportunities
- \*San Jose Conservation Corps

One key partner is Our Daily Bread (ODB), a nonprofit that offers hot ready-to-eat meals at St. Thomas Episcopal Church. SCS and DST conduct regular outreach at ODB. DST now has a janitorial contract to clean at ODB, further deepening the cross-program connections in Sunnyvale. DST also partners closely with Helping Hands volunteers who do outreach at encampments throughout Sunnyvale.

Weekly office hours are also held at the Sunnyvale Library for anyone looking for assistance or referrals. SCS community engagement specialists attend weekly DST meetings to connect DST Team Members to community resources and SCS services.

WFS supports Consolidated Plan Goal B: Alleviation of Homelessness and Goal D: Expanding Economic Opportunities by providing homeless and at-risk adults with workforce development activities that enable them to obtain employment. Organization-wide, 1,526 DST Team Members have maintained their employment for 90 days or longer.

Agency wide DST has helped 1,601 homeless individuals secure permanent housing and has removed 24,088 housing barriers (including transportation, IDs, telecommunications, insurance, government benefits) since DST was established. Since launch in Sunnyvale, DST has assisted Sunnyvale Team Members in removing 1,213 barriers to self-sufficiency and assisted in 119 transformations. \$875,387 in employment taxable income for jobs gained through DST have been generated since FY 2017-18.

## Part 4 - Matching Funds

A. List the funding from other sources for this capital project in the following table. Add additional rows to the table if necessary.

Funding Source	Amount	Status as of Jan. 16, 2023*	Award Date
SCS: Cash for staffing, food and expenses	\$313,721	Pending ▼	07/01/2024
DST: Gift cards for participants attending meetings	\$60,000	Pending ▼	07/01/2024
DST Job Squad Skills workshops	\$8,500	Pending ▼	07/01/2024
DST: Volunteer services	\$8,360	Pending ▼	07/01/2024
SCS: Volunteer services	\$8,500	Pending ▼	07/01/2024
Second Harvest of Silicon Valley (donated food)	\$24,000	Pending ▼	07/01/2024
<b>Total</b>	<b>\$423,081</b>		

\*If you have not received an official, legally binding loan commitment or other award letter by the time you submit this application, do not enter "approved".

B. Identify commitments for ongoing operating funding *for this facility/site only* in the space provided below, and attach all **letters of commitment**.

- All letters must be on the organization's letterhead and must include date, amount of match/leverage, and an authorized signature.
- Letters must be dated within 30 days of the application submission date.
- Letters must demonstrate that the funding is applicable to the project proposed in this application.
- Do not include letters of support, only letters making a firm financial commitment to the project.
- If the project will require formal approval of senior lienholders on the subject property, provide their letters of approval as attachments along with the letters of commitment.

See attached letters of commitment from Downtown Streets Team and Second Harvest of Silicon Valley.

## SECTION 3: STATEMENT OF WORK/PROJECT SCOPE



## Part 1 - Project Location and Service Area

Provide the street address and assessor's parcel number(s) of the project location.

Attach a map of the project location and the project service area (for community facility proposals only), showing zip codes and census tracts in the Attachments section.

The main focus areas within Sunnyvale are downtown and Fair Oaks park. (See map in attachments.) WorkFirst Sunnyvale teams also respond to city requests for hot spots that expand outside the service area map and potentially offer additional services that might fall under the STE program. WorkFirst Sunnyvale teams also visit multiple encampments for recruitment of Team Members.

Our Daily Bread provides hot lunches to Team Members at St. Thomas Episcopal Church, as well as providing meals at the Tuesday team meetings.

SCS offers emergency assistance services and access to our daily Self-Select food pantry to DST Team Members at SCS' offices (1160 Kern Ave, Sunnyvale, 94085) and will continue to host DST workshops and events there.

SCS and DST perform weekly outreach activities in parks and encampments to offer our mutual resources and refer people to shelter and other programs. SCS hosted our first Unhoused Resource Fair on January 19, 2024, with over 20 partner agencies on site.

DST and SCS make referrals to the North County Shelter.

## Part 2 - Project Readiness

### A. Work Plan / Project Readiness

Explain your project's work plan, including the activities you will undertake to achieve the project's goal.

Include the following:

- Predevelopment milestones (design, permitting, securing matching funds)
- Client Recruitment/program marketing plan (for new/expanded facilities or housing)
- Project evaluation plan

For Limited Clientele Facilities, describe your procedures for recruitment, a marketing plan for clients and/or volunteers, and intake and eligibility screening forms.

Because WorkFirst Sunnyvale is an existing project that operates year-round, all partner agencies will be ready to continue without interruption when new funding takes effect on July 1, 2024.

Recruitment for WFS is done on several fronts. Both SCS and DST have close connections with Public Safety and other City departments, which frequently refer homeless people to SCS for assistance. SCS staff also look for potential DST clients during our outreach activities at the Sunnyvale Library, the North County Shelter, Our Daily Bread, and other community gathering places including Fair Oaks Park. Similarly, DST staff and peer outreach teams continuously perform outreach throughout Sunnyvale, and work with Public Safety, Home First, Helping Hands, and other agencies to respond to encampments or individuals who may benefit from our services. Downtown Streets Team has developed a positive reputation and rapport with Sunnyvale's homeless, and as a result, maintains a wait list of about four prospective Team Members in addition to the average of 16-20 active members serving each week.

WorkFirst Sunnyvale will continue to be evaluated on a quarterly basis, with reports submitted to the City. DST measures each individual's progress in job readiness, job training, and job placement, including specific milestones such as completion of our Job Squad course.

Eligibility criteria for the program will be one or more of the following: a record of homelessness or risk of homelessness, income level, and/or proof of residence (or homelessness) in Sunnyvale.

### B. Implementation Schedule

Milestone	Target Date
1. Contract Start Date	07/01/2024
2. Design and Permitting	
3. Initiation of Construction/Project	
4. Completion of Construction/Project	
5. 50% of Funds Expended and Drawn	12/31/2024
6. 100% of Funds Expended and Drawn	06/30/2025
7. Project Completion and Reporting	06/30/2025



C.. Performance Measurement System: Complete the following tables with information about the objectives and outcomes of your proposed project.

1. CDBG/HOME OBJECTIVE	2. CDBG/HOME OUTCOME
Creating Economic Opportunities	Availability/Accessibility

D. Client Data: Identify the number of households your project will serve, in the following categories:

Type of Household	Residing in Sunnyvale	Residing outside of Sunnyvale	Total
Low Income (50%-80% AMI)			0
Very Low Income (<50% AMI)	60	0	60
Disabled Persons	15		15
Female-Headed Households	12	1	13
Elderly	2		2
Youth			0
Homeless Persons	20		20
Other Special Needs			0

### Part 3 - Construction Project Description

A. Does your project involve:

Acquisition? No

New construction? No

Major rehabilitation?\* No

Minor rehabilitation? No

\*Major rehabilitation is defined as rehabilitation work that costs more than 25 percent of the value of the building before rehabilitation. The value of the building means the monetary value assigned to a building by a recent appraisal and/or property tax assessment, or replacement cost.

B. Do you have site control, including any right-of-way, easements, or encroachment permits needed for the project? No

Provide date site control acquired:

### C. Operating Funds:

For construction, expansion or acquisition of a community facility, will you have sufficient funds available for the operations of the facility? Yes

Provide a pro-forma with detailed information about operating funds available for the facility for at least 15 years and include as an attachment.

D. Will your project involve temporary (less than 1 year) or permanent (more than 1 year) relocation of tenants from your proposed project site (residential or commercial tenants)? No

If you answered yes to either type of relocation, please attach a URA-compliant relocation plan in attachments.

E. Provide the following property information:

- Property Description, including amenities and features
- Property Condition/Inspection Results
- Appraisal: Provide most recent appraised value.
- Unit Inspection Summary (for rehabilitation/expansion projects)
- List of Property Improvements

NA

F. Attach the following items as attachments to this application

- Property Survey or Assessor's Parcel Map

- Proposed Site Plan and/or Architectural Elevations
- Infrastructure Plans, if needed
- Environmental Review (see form in Standard Forms)

#### **G. Community Involvement**

For new construction or facility/housing expansion projects, include evidence of community support for the proposed project. Describe the measures your organization has taken to garner community support in the space below. Provide evidence of contact with local neighborhood association(s) or proof of public hearing. **Include letters of support as attachments to this application**

NA

## **SECTION 4: PROJECT BUDGET AND FINANCIAL INFORMATION**

### **Part 1 - Budget Information**

Provide a narrative explaining the total project budget, including major budget line items in the order in which they are listed on the budget form. List the sources of funding.

DST staff salaries and benefits for program delivery make up the largest portion of the budget. This request will cover partial salaries for direct service staff, including a Project Manager to manage the program and develop partnerships, an Employment Specialist to provide employment counseling, and one Case Manager for outreach and to help remove barriers to employment. The DST budget also includes supplies, marketing/PR, mileage, and cell phones/plans. The match and in-kind portion of the budget consists of basic needs vouchers, donated employment workshops (Job Squad), and in-kind volunteer time.

Most of the SCS budget is for direct case management and supportive services. Our Case Manager will work with homeless individuals and coordinate with DST staff to support the employment goals of WorkFirst Sunnyvale (WFS) Team Members. A portion of the case management program supervisor's salary is also funded to oversee SCS services provided to WFS members and help coordinate comprehensive safety-net services.

Both SCS and DST leverage matching donations for both staffing as well as supportive services for this program.

Both the SCS and DST budgets include a 10% de minimis overhead rate, which is allowed for all federal contracts.

### **Part 2 - Financial Information**

**A.** Describe the organization's financial management practices, including:

- financial reporting,
- record keeping,
- accounting systems,
- payment procedures, and
- audit history, and
- compliance with OMB Circulars and GAAP

Both SCS and DST are in compliance with OMB requirements and GAAP. We have an outstanding track record in fiscal management and record keeping. Our financial audits have been "clean" as far back as our records go. Our accounting process and systems are up to date.

DST also has an excellent financial record and sound financial and accounting practices. Since its founding in 2005, DST has garnered growing support from businesses and community supporters and has received "clean" financial audits with no findings.

SCS has sound financial reserves and funding sources for our programs and projects. We hold two months of operational cash reserves, in compliance with established Board of Directors reserve guidelines, to ensure our ability to financially sustain our operational and programmatic costs.

Both our agencies maintain confidential client records, request client "Release of Information" forms for confidential data and enter client notes and VI-SPDAT vulnerability assessment scores into the County's HMIS database (Clarity), as needed. SCS uses the industry-standard Nonprofit Success Pack from Salesforce.org for reporting and keeping confidential client notes.

Provide the most recent Board-approved financial audit as an **attachment** to this application.

## B. Budget for Fiscal Year 2023-24

Budget Line Item	Sunnyvale	Other Funds	Matching In-Kind Services or Materials	Program Total
Non-Personnel				
Project Management/Administration	\$511,811	\$373,721	\$49,360	\$934,892
Permits and Fees				\$0
Design (Architectural & Engineering)				\$0
Acquisition Costs (escrow fees, etc.)				\$0
Other Soft Costs (Monitoring, Surveying, etc.)				\$0
Rehabilitation/Construction Costs (labor, materials)				\$0
Contingency (Construction)				\$0
Environmental Compliance (CEQA/NEPA/Phase 1 etc)				\$0
Construction Management (outside firm)				\$0
<b>TOTAL</b>	<b>\$511,811</b>	<b>\$373,721</b>	<b>\$49,360</b>	<b>\$934,892</b>

## C. Other Funding Sources

Other Funding Sources	
Committed	Amount
Total Committed	\$0
Projected Funding Sources	
Individuals	\$186,861
Corporate	\$93,430
Foundations	\$93,430
DST: Job Squad Skills workshops	\$8,500
DST: Volunteer Services	\$8,360
SCS: Volunteer services	\$8,500
Second Harvest of Silicon Valley (donated food)	\$24,000
In-Kind Services/Materials/Labor	\$49,360
Total Projected	\$423,081
Total Other Funding + In-Kind (must match budget above)	\$423,081

## Attachments

Pro-forma	<a href="#">Proforma-SCS_Budget_FY23-24.pdf</a>
Project Service Area Map	<a href="#">SCS-DST-WFS_project_area_service_map.pdf</a>
Project-Specific Organizational Chart Resumes of Applicant's key personnel	<a href="#">SCS-DST-WFS-OrgCharts-FY24-25.pdf</a> <a href="#">SCS-DST-WFS_Key_Personnel_Resumes-Redacted.pdf</a>
Signature Authorization	<a href="#">SCS_Signature_Authorization-Workfirst.pdf</a>
Conflict of Interest Disclosure	<a href="#">SCS-Conflict_of_Interest-Workfirst.PDF</a>
Environments Review Form	<a href="#">SCS_Environmental_Review.pdf</a>
CHDO or CBDO Verification	<a href="#">SCS_2024_CBDO_Verification_Letter-DST.pdf</a>
Bylaws	<a href="#">SCS_By_Laws.pdf</a>
Articles of Incorporation	<a href="#">SCS_Articles_of_Incorporation.pdf</a>
501(c) (3) documentation from IRS	<a href="#">SCS_IRS_Letter.pdf</a>
Organizational Chart	<a href="#">SCS_Org_Chart_20240110.pdf</a>
Financial Audit	<a href="#">SCS-Audit-Report-2022-23.pdf</a>
Letters of Commitment	<a href="#">Letter_of_commitment_DST-SCS.pdf</a> <a href="#">SHSV-SCS-LOC_WorkFirst.pdf</a>

Board Resolution authorizing submittal of proposal	<a href="#">SCS-Board Resolution -DST.pdf</a>
Language Access Plan and (ADA) Accessibility Policy	<a href="#">SCS Language Access 2023.pdf</a> <a href="#">SCS Accessibility Plan 2023.pdf</a>
Appraisal of Property	
Environmental Site Assessment	
Parcel Map	
Property Listing	
Relocation Plan (if project anticipates displacement)	
Letters of Community Support	
Architectural Drawings/Plans	
Other - <input type="text" value="DST Overview and Survey Results"/>	<a href="#">DST and STE-OnePager.pdf</a> <a href="#">2023_TM_-DST-Survey-Final.pdf</a>
Other - <input type="text" value="Application Cover Letter"/>	<a href="#">CDBG_WFSvale_Cover_letter_2024.pdf</a>

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Program Manager Signature     [Catherine Farry](#)  
Date Signed                      [01/19/2024](#)

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City/City Accepted Signature     [Amanda Sztoltz](#)  
Date Signed                          [03/21/2024](#)

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Initially submitted: Jan 19 14:20:30, - 2024

	A	B	C	D	E	F	G	H	I	J	
1	City of Sunnyvale Housing Division										
2	APPENDIX B, BUDGET										
3	Document Date	2/27/2024									
4	Contract Term	Begin Date	End Date	Duration (Years)							
5		7/1/2024	6/30/2025	1							
6	Proposer Name	Sunnyvale Community Services									
7	Program	WorkFirst Sunnyvale									
8	Budget Names	WorkFirst Sunnyvale, Supportive Services - Capacity Building, Start Up - Supportive Services									
9	Maximum Funding:	\$ 511,811									
10											
11											
12											
13											
14											
15	EXPENDITURES										
16	Salaries & Benefits	\$	441,383	\$	-	\$	-	\$	-	\$	441,383
17	Operating Expenses	\$	23,900	\$	-	\$	-	\$	-	\$	23,900
18	Subtotal	\$	465,283	\$	-	\$	-	\$	-	\$	465,283
20	Indirect Cost	\$	46,528	\$	-	\$	-	\$	-	\$	46,528
21	Other Expenses (Not Eligible for indirect %)	\$	-	\$	-	\$	-	\$	-	\$	-
22	Capital Expenditure	\$	-	\$	-	\$	-	\$	-	\$	-
24	TOTAL EXPENDITURES	\$	511,811	\$	-	\$	-	\$	-	\$	511,811
25											
26	SUNNYVALE REVENUES:										
27	CDBG	\$	511,811	\$	-	\$	-	\$	-	\$	511,811
28		\$	-	\$	-	\$	-	\$	-	\$	-
29		\$	-	\$	-	\$	-	\$	-	\$	-
46	TOTAL SUNNYVALE REVENUES	\$	511,811	\$	-	\$	-	\$	-	\$	511,811
47											
48	OTHER REVENUES (NON-SUNNYVALE):										
49	Individuals	\$	186,861	\$	-	\$	-	\$	-	\$	186,861
50		\$	93,430	\$	-	\$	-	\$	-	\$	93,430
51	Foundations	\$	93,430	\$	-	\$	-	\$	-	\$	93,430
52		\$	-	\$	-	\$	-	\$	-	\$	-
53	TOTAL OTHER REVENUES	\$	373,721	\$	-	\$	-	\$	-	\$	373,721
54											
55	TOTAL SUNNYVALE + OTHER REVENUES	\$	885,532	\$	-	\$	-	\$	-	\$	885,532
56	Rev-Exp (Budget Match Check)	\$	373,721	\$	-	\$	-	\$	-	\$	373,721
57											
58	Total Adjusted Salary FTE (All Budgets)	6.51		0.00		0.00		0.00		0.00	
59											
60	Approved by:										
61	Title:										
62	Phone Number :										
63	Email:										

	A	B	C	D	E	F	J
1	City of Sunnyvale Housing Division						
2	APPENDIX B, BUDGET						
3	Document Date	2/27/2024					
4	Contract Term	Begin Date	End Date	Duration (Years)			
5		7/1/2024	6/30/2025	1			
6	Proposer Name	Sunnyvale Community Services					
7	Program	WorkFirst Sunnyvvale					
8	Budget Name	WorkFirst Sunnyvvale					
9	Maximum Funding:	\$ 511,811					
10					Year 1	Year 2	All Years
11					7/1/2024 - 6/30/2025	7/1/2025 - 6/30/2026	7/1/2024 - 6/30/2026
12					12 Months	12 Months	New
13					New	New	
14							
15	EXPENDITURES						
16	Salaries & Benefits				\$ 441,383	\$ -	\$ 441,383
17	Operating Expenses				\$ 23,900	\$ -	\$ 23,900
18	Subtotal				\$ 465,283	\$ -	\$ 465,283
19	Indirect Percentage				10.00%		
20	Indirect Cost (Line 18 X Line 19)				\$ 46,528	\$ -	\$ 46,528
21	Other Expenses (Not Eligible for indirect %)				\$ -	\$ -	\$ -
22	Direct Client Expenditures				\$ -	\$ -	\$ -
24	TOTAL EXPENDITURES				\$ 511,811.00	\$ -	\$ 511,811
25							
26	CITY OF SUNNYVALE REVENUES:						
27	CDBG				\$511,811		\$511,811
28							\$ -
29							\$ -
46	TOTAL SUNNYVALE REVENUES				\$ 511,811	\$ -	\$ 511,811
47							

	A	B	C	D	E	F	J
1	City of Sunnyvale Housing Division						
2	APPENDIX B, BUDGET						
3	Document Date	2/27/2024					
4	Contract Term	Begin Date	End Date	Duration (Years)			
5		7/1/2024	6/30/2025	1			
6	Proposer Name	Sunnyvale Community Services					
7	Program	WorkFirst Sunnyvvale					
48	OTHER REVENUES (NON-SUNNYVALE) (Enter)						
49	Individuals				\$ 186,861		\$ 186,861
50	Corporate				\$ 93,430		\$ 93,430
51	Foundations				\$ 93,430		\$ 93,430
52							\$ -
53	TOTAL OTHER REVENUES				\$ 373,721.00	\$ -	\$ 373,721.00
54							
55	TOTAL SUNNYVALE + OTHER REVENUES				\$ 885,532	\$ -	\$ 885,532
56	Rev-Exp (Budget Match Check)				\$ 373,721	\$ -	\$ 373,721
57							
58							
59							
60	Approved by:						
61	Title:						
62	Phone Number :						
63	Email:						

	A	B	C	D	H
1	City of Sunnyvale Housing Division				
2	OPERATING DETAIL				
3	Document Date	2/27/2024			
4	Proposer Name	Sunnyvale Community Services			
5	Program	WorkFirst Sunnyvale			
6	Budget Name	WorkFirst Sunnyvale			
7					
8			Year 1	Year 2	All Years
9			7/1/2024 - 6/30/2025	7/1/2025 - 6/30/2026	7/1/2024 - 6/30/2026
10			12 Months	12 Months	
11			Budgeted Expense	Budgeted Expense	Budgeted Expense
12	OPERATING EXPENSES				
13	Rental of Property		\$ 7,000		\$ 7,000
14	Utilities(Elec, Water, Gas, Phone, Scavenger)				\$ -
15	Office Supplies, Postage				\$ -
16	Building Maintenance Supplies and Repair				\$ -
17	Printing and Reproduction				\$ -
18	Insurance		\$ 1,400		\$ 1,400
19	Staff Training				\$ -
20	Staff Travel-(Local & Out of Town)				\$ -
21	Rental of Equipment				\$ -
22	Program Supplies		\$ 7,500		\$ 7,500
23	Marketing/PR/Supplies		\$ 2,000		\$ 2,000
24	Communications		\$ 3,000		\$ 3,000
25	Mileage		\$ 3,000		\$ 3,000
26					\$ -
27					\$ -
28					\$ -
55	Consultants:				
56					\$ -
57					\$ -
58					\$ -
59					\$ -
60					\$ -
61					\$ -
66					
67	TOTAL OPERATING EXPENSES		\$ 23,900	\$ -	\$ 23,900
68					
69	OTHER EXPENSES (Not Eligible for Indirect Cost %)				
70					\$ -
71					\$ -
72					\$ -
73					\$ -
74					\$ -
75					\$ -
80	Subcontractors:				
81					\$ -
82					\$ -
83					\$ -
90	Subcontractor indirect		\$ -	\$ -	\$ -
91					
92	TOTAL OTHER EXPENSES		\$ -	\$ -	\$ -
93					
94	DIRECT CLIENT EXPENSES				
95					
96					\$ -
97					\$ -
98					\$ -
102					
103	TOTAL DIRECT CLIENT EXPENSES		\$ -	\$ -	\$ -



	A	B	C	D	E	F	G	H	I	J	K	L	AB
1	City of Sunnyvale Housing Division												
2	SALARY & BENEFIT DETAIL												
3	Document Date	2/27/2024											
4	Proposer Name	Sunnyvale Community Services											
5	Program	WorkFirst Sunnyvale											
6	Budget Name	WorkFirst Sunnyvale											
7													
8													
9		Year 1					Year 2						
10		Agency Totals		For Sunnyvale Funded Program		7/1/2024 - 6/30/2025	Agency Totals		For Sunnyvale Funded Program		7/1/2025 - 6/30/2026	7/1/2024 - 6/30/2026	
11						12 Months					12 Months		
12						New					New	New	
13	POSITION TITLE	Annual Full Time Salary (for 1.00 FTE)	Position FTE	% FTE funded by this budget	Adjusted Budgeted FTE	Budgeted Salary	Annual Full Time Salary (for 1.00 FTE)	Position FTE	% FTE funded by this budget	Adjusted Budgeted FTE	Budgeted Salary	Budgeted Salary	
14	SCS Program Manager	\$ 68,000	1.00	75%	0.75	\$ 51,208					\$ -	\$ 51,208	
15	SCS Caseworker	\$ 56,000	1.00	100%	1.00	\$ 56,000					\$ -	\$ 56,000	
16	DST Dir. Of Program Operations	\$ 125,560	1.00	26%	0.26	\$ 32,646					\$ -	\$ 32,646	
17	DST Sunnyvale Program Manager	\$ 86,237	1.00	100%	1.00	\$ 86,237					\$ -	\$ 86,237	
18	DST Case Manager	\$ 58,425	1.00	100%	1.00	\$ 58,425					\$ -	\$ 58,425	
19	DST Employment Specialist	\$ 58,425	1.00	50%	0.50	\$ 29,213					\$ -	\$ 29,213	
20	STE Team Lead	\$ 26,330	1.00	100%	1.00	\$ 26,330					\$ -	\$ 26,330	
21	STE Team Lead	\$ 26,330	1.00	100%	1.00	\$ 26,330					\$ -	\$ 26,330	
22						\$ -					\$ -	\$ -	
23						\$ -					\$ -	\$ -	
24						\$ -					\$ -	\$ -	
25						\$ -					\$ -	\$ -	
26						\$ -					\$ -	\$ -	
27						\$ -					\$ -	\$ -	
28						\$ -					\$ -	\$ -	
29						\$ -					\$ -	\$ -	
30						\$ -					\$ -	\$ -	
31						\$ -					\$ -	\$ -	
32						\$ -					\$ -	\$ -	
33						\$ -					\$ -	\$ -	
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36						\$ -					\$ -	\$ -	
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41						\$ -					\$ -	\$ -	
42						\$ -					\$ -	\$ -	
43						\$ -					\$ -	\$ -	
44						\$ -					\$ -	\$ -	
45						\$ -					\$ -	\$ -	
46						\$ -					\$ -	\$ -	
47						\$ -					\$ -	\$ -	
48						\$ -					\$ -	\$ -	
49						\$ -					\$ -	\$ -	
50						\$ -					\$ -	\$ -	
51						\$ -					\$ -	\$ -	
52						\$ -					\$ -	\$ -	
53						\$ -					\$ -	\$ -	
54						\$ -					\$ -	\$ -	
55						\$ -					\$ -	\$ -	
56					TOTAL SALARIES	\$ 366,389			TOTAL SALARIES	\$ -	\$ 366,389		
57		TOTAL FTE :			6.51								
58		FRINGE BENEFIT RATE:				23.00%							
59		EMPLOYEE FRINGE BENEFITS:				\$ 74,994.00				\$ -	\$ 74,994		
60		TOTAL SALARIES & BENEFITS:				\$ 441,383				\$ -	\$ 441,383		
61													

	A	B	C	D	E
2	<b>BUDGET NARRATIVE</b>				
3	<b>WorkFirst Sunnyvale</b>				
4	<b>Salaries &amp; Benefits</b>	<b><u>Adjusted Budgeted FTE</u></b>	<b><u>Budgeted Salary</u></b>	<b><u>Justification</u></b>	<b><u>Calculation</u></b>
5	SCS Program Manager		\$ -	<p>- A portion of the case management program supervisor's salary is funded to oversee SCS services provided to WFS members and help coordinate comprehensive safety-net services. NOTE: Fringe Benefit Rate for this position includes taxes only (no benefits).</p> <p>- Case Manager will work with homeless individuals and coordinate with DST staff to support the employment goals of WorkFirst Sunnyvale (WFS) Team Members and ensure they are connected to available services and resources.</p> <p>- The Director is responsible for the direct supervision of the Project Manager and other program staff. The Director represents DST to all existing and potential partners including; local government agencies, other social service providers, community-based groups, private businesses and other stakeholders. Regionally engage business community through Business Improvement District, Chamber of Commerce, and other organizations and events. Review annual budget with PM's and submit regional budget for approval. Review monthly financial statements with PM's to develop and maintain monthly fundraising plan trajectory. Work with finance to ensure invoicing is submitted approved by the funder and that all spending is within program budget.</p> <p>- The Project Manager is responsible for the overall management and operation of our Volunteer Program in Sunnyvale which encourages unhoused individuals to volunteer their time on street cleanup and beautification projects. The Project Manager promotes DST to the greater community by representing the Team to all existing and potential partners including local government agencies, other social service providers, community-based groups, private business, and other stakeholders. They are responsible for tracking and reporting project data to contractor, partners and DST management while focusing on contract compliance and goals.</p> <p>- The Case Manager will work directly with Team Members to navigate services and help them reduce the barriers to self-sufficiency. Case Managers will assist with housing resources and doing landlord outreach, and Research and utilize any available subsidies and affordable housing units to place Team Members into housing. They assist TM's with vital documents, connecting with health providers as well as mental health services. Support Team Members in court, at housing related appointments, and social service agencies.</p> <p>- The Employment Specialist will work directly with Team Members to navigate services and help them reduce the barriers to employment related self-sufficiency. Assisting in preparing TM's for employment by hosting workshops, working one on one with TM's, doing employment outreach and creating resumes, helping them apply for employment and continuing to support TM's after they are employed. Employment Specialist will also assist TM's with applying for SSI, SSDI and other financial benefits they qualify for.</p>	
	SCS Caseworker		\$		
6	DST Dir. Of Program Operations		\$		
7	DST Sunnyvale Program Manager		\$		
8	DST Case Manager		\$		
9	DST Employment Specialist		\$		
10	STE Team Lead		\$		
11					

	A	B	C	D	E
12	STE Team Lead		\$	- STE is the second tier on the ladder for Team Members to step up into employment utilizing the knowledge, skills and life experience to support projects in their local community. As they transition into employment, STE employees are provided case management and employment coaching from DST to support further advancement into future living-wage employment opportunities. Remove and collect project litter throughout project areas. Transport debris collection tools from launch site to project area. Manage Team Member volunteers on shift, adhering to all programmatic policies and procedures. Report volunteer hours and debris collected on shift. NOTE: Fringe Benefit Rate for this position is 19%.	
13			\$	- STE is the second tier on the ladder for Team Members to step up into employment utilizing the knowledge, skills and life experience to support projects in their local community. As they transition into employment, STE employees are provided case management and employment coaching from DST to support further advancement into future living-wage employment opportunities. Remove and collect project litter throughout project areas. Transport debris collection tools from launch site to project area. Manage Team Member volunteers on shift, adhering to all programmatic policies and procedures. Report volunteer hours and debris collected on shift. NOTE: Fringe Benefit Rate for this position is 19%.	
46			\$	-	
47	TOTAL		\$	-	
48	Employee Fringe Benefits		\$	- Includes FICA, SSUI, Workers Compensation and Medical calculated at XX% of total salaries.	
49	<b>TOTAL SALARIES &amp; BENEFITS</b>		\$	-	
50					
51	<b><u>Operating Expenses</u></b>		<b><u>Budgeted Expense</u></b>	<b><u>Justification</u></b>	<b><u>Calculation</u></b>
52	Rental of Property		\$	-	
53	Utilities(Elec, Water, Gas, Phone, Scavenger)		\$	-	
54	Office Supplies, Postage		\$	-	
55	Building Maintenance Supplies and Repair		\$	-	
56	Printing and Reproduction		\$	-	
57	Insurance		\$	-	
58	Staff Training		\$	-	
59	Staff Travel-(Local & Out of Town)		\$	-	
60	Rental of Equipment		\$	-	
61	Program Supplies		\$	-	
63	Communications		\$	-	
64	Mileage		\$	-	
93			\$	-	
94	<u>Consultants:</u>				
95			\$	-	
105			\$	-	
106					
107	<b>TOTAL OPERATING EXPENSES</b>		\$	-	

	A	B	C	D	E
108	Indirect Cost		\$ -		
109					
110					
	<b>Other Expenses (not subject to</b>				
111	<b>indirect cost %)</b>	<b>Amount</b>	<b>Justification</b>	<b>Calculation</b>	
112		\$ -			
121		\$ -			
122	Subcontractors:				
123		\$ -			
131		\$ -			
132	Subcontractor indirect	\$ -			
133					
134	TOTAL OTHER EXPENSES		\$ -		
135					
136					
137	<b>DIRECT CLIENT EXPENSES</b>	<b>Amount</b>	<b>Justification</b>	<b>Calculation</b>	
138		\$ -			
144		\$ -			
145					
146	TOTAL DIRECT CLIENT EXPENSES		\$ -		
147					

**Tenant Based Rental Assistance Administrator  
City of Sunnyvale  
FY 2024/2025 and 2025/2026  
Home Investment Partnerships Program (HOME)**

**Applicant Information**

Legal Name of Organization:	Sunnyvale Community Services		
Mailing Address:	1160 Kern Avenue	City: Sunnyvale, CA	Zip: 94085-3907
Website:	<a href="https://svcommunityservices.org/">https://svcommunityservices.org/</a>		
Contact Person:	Catherine Farry	Title:	Chief Data & Research Officer
Contact Email:	<a href="mailto:cfarry@svcommunityservices.org">cfarry@svcommunityservices.org</a>	Telephone:	408-636-7059
Executive Director:	Marie Bernard	Email:	<a href="mailto:mbernard@svcommunityservices.org">mbernard@svcommunityservices.org</a>
Agency Type:	Non-Profit with 501(c)(3) Status Describe: 0		
SAM Number:	LV2JBL2FB2Z1		

**PROGRAM OVERVIEW**

Project Name:	Sunnyvale Tenant-Based Rental Assistance (Sunnyvale TBRA)		
Project Address:	1160 Kern Ave	City: Sunnyvale	Zip: 94085

**Select an Application:**  
**Tenant Based Rental Assistance Administrator**

**Loan Request**

Requested Amount	\$2,700,000
Other Funding Sources	\$1,192,152
Total Project Cost	\$3,892,152
Percentage of City of Sunnyvale funds toward Total Project Cost	69%

**Brief Project Description:**

Sunnyvale Community Services (SCS) proposes to administer and provide a rental assistance program, including supportive services and intensive case management, for 40 Sunnyvale low-income households at any given time, as they work toward self-sufficiency. Total participation is projected at 50 unduplicated households (approximately 100 individuals) from July 2024 through June 2026. We expect most households to participate the full 24 months, with 10 households exiting yearly. The Sunnyvale TBRA program will serve unhoused persons and individuals/families at imminent risk of homelessness in Sunnyvale. SCS will offer all participants comprehensive safety-net services customized to meet their individual needs, promoting housing stability.

Provide the following information for a **program contact person**, a **financial contact person**, the **person who wrote the application**, and an **authorized contact**. Include attachments of job descriptions and resumes for key staff in accordance with the attached Staffing Plan/Model..

	NAME	TITLE	PHONE	EMAIL
<b>Program Contact</b> Someone who works with the project on a daily basis, and can answer questions	David Hernandez	Chief Programs Officer	408-738-4321 X2016	<a href="mailto:dhernandez@svcommunityservices.org">dhernandez@svcommunityservices.org</a>
<b>Finance Contact</b>	Carmen Davis	Accounting Manager	408-738-4321 X2008	<a href="mailto:cdavis@svcommunityservices.org">cdavis@svcommunityservices.org</a>
<b>Application Contact</b> Person who wrote this application	Catherine Farry	Chief Data and Research Officer	408-636-7059	<a href="mailto:Cfarry@svcommunityservices.org">Cfarry@svcommunityservices.org</a>

<b>Authorized Contact</b> Person authorized to make commitments on behalf of the organization	Marie Bernard	Executive Director	408-738-0121	mbernard@svcommunityservices.org
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## **SECTION 1: ORGANIZATIONAL CAPACITY AND EXPERIENCE**

### **A. Provide an organizational overview of your agency, including:**

- a description of the history and purpose of the organization
- years in operation
- years of direct experience with proposed project type
- staff experience with proposed project type
- federal grant management experience
- financial capacity
- CBDO qualifications, if applying for a CBDO activity (See CFR 570.204)

Provide a project-specific organizational chart as an attachment to all copies of the proposal in Tab D and one copy only of the organizational chart for the entire agency in the original application (Tab E).

Sunnyvale Community Services (SCS), founded in 1970, is a 501(c)(3) nonprofit organization serving residents of Sunnyvale, California with direct financial aid, food, and other emergency support services. We also assist unhoused individuals and families and serve as a safety-net hub for underserved residents in north Santa Clara County. Our mission is to prevent homelessness and hunger in our local community. Our vision is a community where everyone has a home with food on the table. As part of the Santa Clara County Emergency Assistance Network (EAN), we are the sole agency designated to provide emergency aid to low-income Sunnyvale residents.

SCS' professional staff of case workers and case managers has extensive experience providing a wide range of assistance to low-income households, including financial coaching, housing search assistance, landlord negotiations and referrals to other services. We have been providing case management services to Sunnyvale TBRA households for eight years. We have also administered rental assistance programs, including the City of Sunnyvale's Homeless Prevention and Rapid Rehousing (HPRR) program for over eight years, and the City of Sunnyvale's TBRA program since July of 2022.

SCS has decades of experience in federal grant management through various programs including Community Development Block Program (CDBG) projects and loans and Emergency Food and Shelter Program (EFSP) funding for emergency food, mortgage/rent payments, and motel stays for Sunnyvale residents in need of assistance.

We have sound financial reserves and funding sources for our programs and projects. We hold two months of operational cash reserves, in compliance with established Board of Directors reserve guidelines, to ensure our ability to financially sustain our operational and programmatic costs.

### **B. Previous experience using federal funds:**

1. Does your organization have experience with rental assistance/TBRA projects involving federal funds **Yes**

2. How many years of previous experience do you have with federally funded projects? **32**

Briefly describe your experience below:

SCS has managed federally funded CDBG projects for over 30 years and has received EFSP (FEMA) funding for over two decades. We also received a CDBG loan in 2003 through the City of Sunnyvale for our previous building (725 Kifer Rd.) and a forgivable CDBG loan in 2019 for our new building (1160 Kern Ave.). SCS provided Supportive Services for Veteran Families for four years. As a major partner in the county-wide Homelessness Prevention System (HPS), SCS has distributed several million dollars of federal Covid-19 relief funding (made available through the Emergency Rental Assistance Program [ERAP] and the American Rescue Plan [ARP]).

3. If you have previous experience with federal projects, was your organization ever required to pay back funds, or found to have violated regulations, etc? **Yes**

Indicate the actions cited in the space provided below. **SCS did have to return a small amount of Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds in 2011, but we were allowed to use 100% of those returned funds for other eligible grant purposes on the same grant.**

### **C. Previous Experience with City-funded projects**

1. Do you have previous experience with City-funded projects? **Yes**

Describe:

SCS has received Housing and Human Services grants from the City of Sunnyvale for decades and has consistently been ranked high in competitive grant awards ratings.

2. Has your organization received HUD funds previously from the City of Sunnyvale? **Yes**

Describe:

SCS has received both CDBG and HPRP contracts from the City of Sunnyvale. SCS also received HUD funds from the City for Covid emergency assistance and is currently receiving funds for the Sunnyvale TBRA Program.

3. If you are a prior recipient of City of Sunnyvale HUD funds, what was the date of your last City of Sunnyvale monitoring visit? **08/30/2023**

4. Were there any findings and/or concerns identified during your last monitoring visit by the City? **No**

D. Complete the table below for each current member of the applicant's Board of Directors. If your organization does not have a board of directors (e.g., governmental entity), include this page and an explanation of why this form is not applicable (NOTE: Font, margins, or table may be modified to fit information on one page, as long as information below is included.) Identify board office held as applicable.

Board Member Name	Sunnyvale Resident	Employer (if any)	Office Held on Board	Term of Office (Beginning and Ending years)	Length of Service
Amal Allan	No	City National Bank		2022-25	2
Mary Bradley	Yes		Secretary	2020-2026	4
Rick Crowley	Yes		Treasurer	2021-2024	3
Travis Duncan	No	DECA Companies		2019-2025	5
Ava Fanucchi	Yes	Sunnyvale Department of Public Safety		2022-2025	2
Michael Gallagher	No	Sunnyvale School District		2019-2025	5
Clayton Grames	No	Intuitive Surgical		2022-2025	2
Jaqui Guzmán	Yes	City of Sunnyvale	Vice President	2020-2026	4
Debbie Klein	Yes			2022-2025	2
José León	Yes	New York Life		2022-2025	2
Margaret Mannion	No	NetApp, Inc.		2018-2024	6
Jeremy Nishihara	No	Sunnyvale School District	President	2018-2024	6
Christian Pellecchia	No	JE Dunn Construction		2019-2022, 2023-2026	4
Benjamin Picard	Yes			2022-2025	2
Elsbeth TeBrake	No			2022-2026	2
Barry Vickrey	Yes			2023-2026	1
Rachel Zlotziver	No	Fremont Union High School District		2022-2025	2

## **SECTION 2: EVIDENCE OF NEED FOR PROJECT**

*Complete this section accurately and completely.*

### **Part 1 - Priority Activities**

Program Priorities/Goals: Identify one or more Consolidated Plan goals the proposed project will address and explain how it will address these goals in Part 3 below.

For additional information, refer to the [Sunnyvale Consolidated Plan](#).

☐ Goal A: Affordable Housing

☒ Goal B: Alleviation of Homelessness

- ☐ Goal C: Other Community Development Efforts
- ☐ Goal D: Expanding Economic Opportunities

## Part 2 - National Objective and Beneficiaries

**A.** Identify the method of determining the eligibility of your project, and **provide an explanation in the box below.** For TBRA, you must select "Limited Clientele Activity".

**1.** Method of determining eligibility.

- ☐ Area Benefit
- ☒ Limited Clientele
- ☐ Activity Job Creation

Per federal guidelines, eligibility for Sunnyvale TBRA will be limited to households earning 80% or less of the Area Median Income (AMI) as defined by the U.S. Department of Housing and Urban Development. At least 90% of TBRA clients will be those earning 60% or less of AMI.

For the Sunnyvale TBRA program, SCS will be prioritizing households that are either already homeless or at imminent risk of homelessness.

**B.** Number of unduplicated Sunnyvale households (or individuals) to be served by the proposed TBRA project:

Total number of unduplicated households served	Number of unduplicated lower-income households to be served	Percentage of lower-income households served
50	50	100%

## Part 3 - Demonstrated Need for Project

Provide a brief summary of **current** statistical data documenting the need for your proposed TBRA project. Include local Sunnyvale data as well as any relevant statistics collected by applicant. Provide sources for the information. Briefly summarize the mission and vision of your proposed TBRA program (more details requested later in the application), and how it will maximize the federal and local resources to serve the most households possible, while providing adequate supportive services to program participants. Describe how your project's design will meet the needs y

According to the U.S. Census Bureau's American Community Survey (2022 ACS 1-Year Estimates), approximately 6% of Sunnyvale residents live in poverty, including 1,250 children (under 18 years of age), 6,600 adults (aged 18-64) and 1,510 seniors (65+ years). These estimates, however, are based on the Federal Poverty Level (FPL) definition, which has a single value nationwide for a household size and doesn't consider variation in cost of living across states.

The actual number of people living in poverty in Sunnyvale is considerably higher. In Santa Clara County, even a household earning 200% of FPL (approximately \$120,000) struggles to make ends meet. Therefore, SCS uses the area median income (AMI) guidelines from the U.S. Department of Housing and Urban Development (HUD) as a more accurate gauge of economic instability. Santa Clara County registers the highest median income in the state (\$181,300 for a family of four).

The 2023 AMI HUD guidelines define 'Low Income' for a family of four in Santa Clara County as a household earning \$137,100 or less. The Insight Center's Family Needs Calculator estimates that \$138,742 per year is required to cover basic expenses for a family of four. To earn this base salary, two adults would have to work 73.6 hours/week each at the Sunnyvale minimum wage (\$18.55/hr in 2024). A single adult with two children would have to work 128 hours/week to make ends meet (base salary of \$120,775).

In Fiscal Year 2022-23, SCS assisted 10,614 unduplicated individuals, 98% of whom were in households with extremely low to low incomes based on HUD standards. Among those clients were 770 homeless individuals to whom SCS provided one or more services.

Per the Sunnyvale Consolidated Plan, SCS's Sunnyvale TBRA program will serve homeless clients and very low-income households at imminent risk of homelessness. Clients will receive case management to assist with finding housing, maintaining or obtaining employment and benefits, and addressing related needs.

SCS is uniquely suited for operating the TBRA program in Sunnyvale:

\*We are based in Sunnyvale and are the designated safety-net agency for the city and we are the current TBRA



administrator for Sunnyvale.

\*We have been providing TBRA referrals, case management, and additional financial assistance for eight years.

\*We have extensive experience with administering rental assistance programs, including the federally funded HPRR program.

\*We have established a large network of landlords and property managers in the Sunnyvale community who trust SCS, which increases housing options for TBRA clients.

\*We have highly skilled staff in place to provide a wide range of wrap-around services to supplement the activities funded under TBRA. Our Benefits Specialist can help TBRA participants enroll in CalFresh, Medi-Cal, and other benefits programs. We also help with application fees, utility deposits, medical bills, car repairs, move-in costs (including furniture and household supplies), relocation costs and case management after TBRA program exit, employment searches, and much more.

\*We have onsite food distributions as well as home delivery of groceries and prepared meals to frail elderly and disabled clients.

## Part 4 - Matching Funds

A. List the funding from other sources for this TBRA project in the following table. Please include other funding sources you are applying for (i.e., Housing Mitigation, PLHA, etc.) through this RFP.

Funding Source	Amount	Status as of Jan. 16, 2023*	Award Date
SCS: Staff salaries	\$597,152	Pending ▼	07/01/2024
SCS: Safety-Net expenses	\$75,000	Pending ▼	07/01/2024
SCS: Food, gift cards	\$30,000	Pending ▼	07/01/2024
SCS: Volunteer services	\$10,000	Pending ▼	07/01/2024
SCS: Admin/Fiscal Costs	\$460,000	Pending ▼	07/01/2024
Second Harvest of Silicon Valley: Food	\$20,000	Pending ▼	07/01/2024
<b>Total</b>	<b>\$1,192,152</b>		

\*If you have not received an official, legally binding loan commitment or other award letter by the time you submit this application, do not enter "approved".

B. Identify commitments for ongoing operating funding *for this facility/site only* in the space provided below, and attach all **letters of commitment**.

- All letters must be on the organization's letterhead and must include date, amount of match/leverage, and an authorized signature.
- Letters must be dated within 30 days of the application submission date.
- Letters must demonstrate that the funding is applicable to the project proposed in this application.
- Do not include letters of support, only letters making a firm financial commitment to the project.
- If the project will require formal approval of senior lienholders on the subject property, provide their letters of approval as attachments along with the letters of commitment.

See attached letter of commitment from Second Harvest of Silicon Valley in support of our Food and Nutrition Program. Of the total commitment, \$10,000 is allocated each year towards supporting TBRA clients.

## SECTION 3: STATEMENT OF WORK/PROJECT SCOPE

### Part 1 - Target Population and Referral Source

In more detail, describe the proposed target population, and how the proposed target population is a proper fit for a time-limited rental assistance program. Additionally, describe how program participants will be referred to the program - whether through a direct referral from your agency or a partner agency (i.e., North County Shelter) - or a system like the County's Coordinated Assessment. Describe how your proposed referral source is the most effective method to serve the proposed target population.

The target population for the Sunnyvale TBRA program is people at risk of homelessness or who are already homeless. This population is a good fit for a time-limited rental assistance program because they are typically working, but the income they are generating isn't sufficient to afford the high rents in the area or they don't have the savings required to cover the large move-in costs. Time-limited rental assistance is typically all the assistance that is needed to keep these individuals housed through their emergency and to give them the opportunity to recover their footing.

Referrals to the program will come through multiple partners that have been created through SCS's deep ties within the Sunnyvale community:

\* SCS itself, which annually provides safety-net services to more than 10,500 low-income Sunnyvale residents. On January 19, 2024, SCS hosted our first Unhoused Resource Fair with over 20 partner agencies on site.

\* HomeFirst, which operates the North County Shelter in Sunnyvale

\* Downtown Streets Team, which supports 50-70 unhoused people in Sunnyvale in obtaining work on an annual basis

\* Our Daily Bread, an independent non-profit Sunnyvale organization which provides services to local unhoused persons

\* St. Vincent de Paul, a faith-based organization which maintains an emergency hotline for individuals at risk of losing their housing and provides safety net services

\* Loaves and Fishes, which serves prepared meals to individuals in need of food assistance

\* Local public schools, who assist in identifying children eligible for services through the McKinney-Vento Homeless Assistance Act

\* Helping Hands Silicon Valley, which conducts homeless outreach across Sunnyvale and provides direct referrals to SCS.

These multiple referral sources are an effective method to serve the proposed target population because, together, they create a strong network working to assist people in need throughout Sunnyvale. Because the partners all provide a range of services, the referrals they provide to SCS combine to produce a broad pool of eligible households, ranging from unhoused persons to families and individuals looking for safety-net services to households referred by the schools their children attend.

## **Part 2 - Project Readiness**

### **A. Work Plan / Project Readiness**

Explain your project's work plan, including the activities you will undertake to achieve the project's goal.

Include details about the following (attach separate documents, if needed):

- Systems to comply with initial/ongoing TBRA eligibility requirements (include proposed payment standard)
- Systems to engage, communicate and partner with property owners/managers
- Describe client supportive services/case management plan (attach case management plan templates)

Describe your intake procedures and discuss initial and ongoing eligibility process that ensure compliance with HOME TBRA requirements. Please attach any existing documents/forms (i.e., rent calculation worksheet, HQS checklists, lease addendums, rent reasonableness process, etc.) to the application.

Because SCS is currently the administrator for the Sunnyvale TBRA program there will be no disruption to existing TBRA clients, or any ramp-up time required to maintain the program. The TBRA program is fully integrated into SCS' finance procedures and SCS' client intake procedures comply with TBRA requirements.

SCS will continue to implement a collaborative, client-driven case management, ensuring the delivery of quality supportive services through the effective and efficient use of resources. Case management supports the client's achievement of safe, realistic, and reasonable goals. Intensive case management services will focus on housing stability and placement, with an emphasis on the coordination, monitoring, and delivery of services related to housing needs and improving housing stability. Our case managers and case workers work with each client to address their specific situation and help identify their eligibility for additional resources (e.g., CalFresh, public assistance cash benefits, home energy/utility assistance programs, SSI, WIC, Covered California, other health and welfare benefits, etc.)

The SCS case team is trained to assess and triage clients to the appropriate community and countywide services. Our case managers utilize Santa Clara County's coordinated entry system tool, the VI-SPDAT (Vulnerability Index-Service Prioritization Decision Assessment Tool) to assist with assessing the household's situation and select housing intervention strategies designed to meet the household's needs.

SCS case management activities include these activities, as appropriate for each client:

\*Initial intake assessing the client's needs

\*Development of a case plan for each household, with specified goals

\*Frequent follow-on meetings (often weekly) and quarterly assessments

\*As needed, accompaniment to medical or legal appointments

\*Monthly monitoring checks (by telephone or in person)

- \*Assistance and advocacy with applications for access to health care, nutrition programs, affordable housing, education, job training, employment, childcare, financial education, budgeting, and resource referrals
- \*Care coordination
- \*Referrals to public benefits
- \*Access to other SCS safety-net services (food, financial aid, referrals)
- \*Access to financial management and health- and nutrition-related services sponsored and/or delivered by SCS, targeted to meet specific client needs, including nutrition evaluation and recommendations by SCS' Food and Nutrition Program team.
- \*Access to low-cost monthly bus passes and free Clipper cards

SCS has established effective processes to maximize engagement and communication with property owners and managers. Components of this system include:

- \*The TBRA Housing Specialist engages with landlords to ensure communication regarding operational changes such as staffing, points of contact, delays or interruptions affecting rental assistance or leasing payments to landlords, and redetermination of tenant rent for participants who have lost or had reduced income.
- \*Timely rent payments from SCS to landlords
- \*Risk mitigation funds as needed to address excessive property damage beyond security deposit coverage
- \*Assistance with minor repairs as necessary to address deficiencies in the unit that may prevent it from meeting habitability standards
- \*Landlord/tenant mediation to respond to concerns and resolve conflicts
- \*Landlord/tenant education for all parties, including case managers and other staff who interact with landlords and renting participants
- \*Community-sponsored campaigns and events designed to engage and recruit landlords

#### B. Implementation Schedule

Milestone	Target Date
1. Contract Start Date	07/01/2024
2. Design and Permitting	
3. Initiation of Construction/Project	
4. Completion of Construction/Project	07/01/2024
5. 50% of Funds Expended and Drawn	06/30/2026
6. 100% of Funds Expended and Drawn	06/30/2026
7. Project Completion and Reporting	06/30/2026

C.. Performance Measurement System: Complete the following tables with information about the objectives and outcomes of your proposed project.

1. HOME OBJECTIVE	2. HOME OUTCOME
Providing Decent Affordable Housing	Affordability

D. Client Data: Identify the number of households your project will serve, in the following categories:

Type of Household	Residing in Sunnyvale	Residing outside of Sunnyvale	Total
Low Income (50%-80% AMI)	22		22
Very Low Income (<50% AMI)	28		28
Disabled Persons			0
Female-Headed Households			0
Elderly			0
Youth			0
Homeless Persons			0
Other Special Needs			0

## SECTION 4: PROJECT BUDGET AND FINANCIAL INFORMATION

### Part 1 - Budget Information

Provide a narrative explaining the total project budget, including major budget line items in the order in which they are listed on the budget form. List the sources of funding.

The largest line-item in the Sunnyvale TBRA budget is monthly rental assistance which are the funds distributed directly through TBRA to subsidize client rent.

The next largest line items are for SCS staff directly involved in the implementation and management of the TBRA program:

- \* One TBRA Program Manager (1.0 FTE) will manage and supervise the Sunnyvale TBRA program.
- \* One TBRA Case Manager (1.0 FTE) will work with program participants to enroll them in the program and support their efforts toward self-sufficiency.
- \* One TBRA Housing Specialist (1.0 FTE) will work with landlords to ensure clear communication and to provide support for both clients and landlords.
- \* A Database Administrator (0.05 FTE) will provide the necessary data support services for the program.
- \* Additional Supporting services and administrative staff (intake coordinator, caseworkers, benefits specialist, food & nutrition team, finance & accounting, IT)

Besides HOME, LMH, and HMF funding, monies for the Sunnyvale TBRA program will come from matching general operating and program funds by SCS, and in-kind donations from SCS and Second Harvest of Silicon Valley.

## Part 2 - Financial Information

A. Describe the organization's financial management practices, including:

- financial reporting,
- record keeping,
- accounting systems,
- payment procedures, and
- audit history, and
- compliance with OMB Circulars and GAAP

SCS is in compliance with OMB requirements and GAAP. We have an outstanding track record in fiscal management and record keeping. Our financial audits have been "clean" as far back as our records go. Our accounting process and systems are up to date.

We have sound financial reserves and funding sources for our programs and projects. We hold two months of operational cash reserves, in compliance with established Board of Directors reserve guidelines, to ensure our ability to financially sustain our operational and programmatic costs.

SCS maintains confidential client records, requests client "Release of Information" forms for confidential data and enters client notes and VI-SPDAT vulnerability assessment scores into the County's HMIS database (Clarity), as needed. We use the industry-standard Nonprofit Success Pack from Salesforce.org for reporting and keeping confidential client notes.

Provide the most recent Board-approved financial audit as an **attachment** to this application.

## B. Budget for Fiscal Year 2023-24

Budget Line Item	Sunnyvale	Other Funding	Program Total
Direct Supporting Services for program delivery: Housing Case Manager, Program Manager (78%)	\$244,075		\$244,075
Administrative Staff (Program Manager (22%), Housing Specialist, Data Analyst)	\$164,059		\$164,059
Additional Supporting services staff (intake coordinator, caseworkers, benefits specialist, food &		\$487,360	\$487,360

nutrition team, housing team)			
Benefits	\$56,048	\$66,830	\$122,878
Taxes	\$36,031	\$42,962	\$78,993
<b>Subtotal Personnel</b>	<b>\$500,213</b>	<b>\$597,152</b>	<b>\$1,097,365</b>
Non-Personnel			
Move-In Assistance	\$2,000,000		\$2,000,000
Supplies & Materials			\$0
Equipment	\$14,787	5,000	\$19,787
Communications			\$0
Meetings & Convenings			\$0
Travel & Transportation		10,000	\$10,000
Training	\$5,000	\$5,000	\$10,000
Consulting			\$0
Evaluation			\$0
Motel assistance	30,000	20,000	\$50,000
Utilities, moving costs, medical bills, storage, car repairs, other critical needs	130,000	20,000	\$150,000
Workplace for Partner agencies and County Social Services		10,000	\$10,000
Transit passes, gift cards, misc. safety-net services		5,000	\$5,000
Food and Food gift cards		50,000	\$50,000
SCS Volunteer Services		10,000	\$10,000
<b>Subtotal Non-Personnel</b>	<b>\$2,179,787</b>	<b>\$135,000</b>	<b>\$2,314,787</b>
<b>Total Personnel &amp; Non-Personnel</b>	<b>\$2,680,000</b>	<b>\$732,152</b>	<b>\$3,412,152</b>
Indirect Costs	20,000	\$460,000	\$480,000
<b>TOTAL</b>	<b>\$2,700,000</b>	<b>\$1,192,152</b>	<b>\$3,892,152</b>
Proposed # of Persons Served:			
Cost per Individual			

## C. Other Funding Sources

Other Funding Sources	
Committed	Amount
Total Committed	\$0
Projected Funding Sources	
Individuals	\$581,076
Corporate	\$290,538
Foundations	\$290,538
Second Harvest of Silicon Valley: Food	\$20,000
SCS: Volunteer Services	\$10,000
In-Kind Services/Materials/Labor	\$30,000
Total Projected	\$1,192,152
Total Other Funding + In-Kind (must match budget above)	\$1,192,152

## Attachments

Pro-forma	<a href="#">Proforma-SCS Budget FY23-24.pdf</a>
Project Service Area Map	<a href="#">SCS TBRA Service Area Map.pdf</a>

Project-Specific Organizational Chart	<a href="#">SCS-TBRA-Key_Personnel_Resumes.pdf</a>
Resumes of Applicant's key personnel	<a href="#">SCS_TBRA_Org_Chart-202401015.pdf</a>
Signature Authorization	<a href="#">SCS_Signature_Authorization-TBRA.pdf</a>
Conflict of Interest Disclosure	<a href="#">SCS-Conflict_of_Interest-TBRA.PDF</a>
Environments Review Form	<a href="#">SCS_Environmental_Review_copy.pdf</a>
CHDO or CBDO Verification	<a href="#">SCS_2024_CBDO_Verification_Letter-TBRA.pdf</a>
Bylaws	<a href="#">SCS_By_Laws.pdf</a>
Articles of Incorporation	<a href="#">SCS_Articles_of_Incorporation.pdf</a>
501(c) (3) documentation from IRS	<a href="#">SCS_IRS_Letter.pdf</a>
Organizational Chart	<a href="#">20240110_SCS_Org_Chart.pdf</a>
Financial Audit	<a href="#">SCS-Audit-Report-2022-23.pdf</a>
Letters of Commitment	<a href="#">SHSV- SCS_2024 - Food_Nutrition.pdf</a>
Board Resolution authorizing submittal of proposal	<a href="#">SCS-Board_Resolution_-TBRA.pdf</a>
Language Access Plan and (ADA) Accessibility Policy	<a href="#">SCS_Accessiblity_Plan_2023.pdf</a> <a href="#">SCS_Language_Access_2023.pdf</a>
Appraisal of Property	
Environmental Site Assessment	
Parcel Map	
Property Listing	
Relocation Plan (if project anticipates displacement)	
Letters of Community Support	
Architectural Drawings/Plans	
Other - <input type="text" value="Workplan Support Documents"/>	<a href="#">SCS-TBRA_Workplan_Support_Documents.pdf</a>
Other - <input type="text" value="TBRA Application Cover Letter"/>	<a href="#">TBRA_Cover_letter_2024.pdf</a>

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Program Manager Signature [Catherine Farry](#)  
 Date Signed [01/19/2024](#)

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	A	B	C	D	E	F	G	H	I	J
1	City of Sunnyvale Housing Division									
2	APPENDIX B, BUDGET									
3	Document Date	2/27/2024								
4	Contract Term	Begin Date	End Date	Duration (Years)						
5		7/1/2024	6/30/2026	2						
6	Proposer Name	Sunnyvale Community Services								
7	Program	Sunnyvale TBRA								
	Budget Names	TBRA Program, Supportive Services - Capacity Building, Start Up - Supportive Services								
8										
9	Maximum Funding:	\$ 2,700,000								
10										
11					Year 1	Year 2	Year 3	Year 4	Year 5	All Years
12					7/1/2024 - 6/30/2025	7/1/2025 - 6/30/2026	1/0/1900 - 1/0/1900	1/0/1900 - 1/0/1900	1/0/1900 - 1/0/1900	7/1/2024 - 6/30/2026
13					12 Months	12 Months	0 Months	0 Months	0 Months	
15	EXPENDITURES									
16	Salaries & Benefits					\$ 247,888	\$ 252,325	\$ -	\$ -	\$ 500,213
17	Operating Expenses					\$ 92,112	\$ 87,675	\$ -	\$ -	\$ 179,787
18	Subtotal					\$ 340,000	\$ 340,000	\$ -	\$ -	\$ 680,000
20	Indirect Cost					\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 20,000
21	Other Expenses (Not Eligible for indirect %)					\$ -	\$ -	\$ -	\$ -	\$ -
22	Capital Expenditure					\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ 2,000,000
24	TOTAL EXPENDITURES					\$ 1,350,000	\$ 1,350,000	\$ -	\$ -	\$ 2,700,000
25										
26	SUNNYVALE REVENUES:									
27	HOME					\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ 2,000,000
28	HMF					\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 200,000
29	Low-Mod Housing Fund					\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 500,000
46	TOTAL SUNNYVALE REVENUES					\$ 1,350,000	\$ 1,350,000	\$ -	\$ -	\$ 2,700,000
47										
48	OTHER REVENUES (NON-SUNNYVALE):									
49	Individual donors, Season of Sharing, County of Santa Clara, City of Sunnyvale, Corporate and Non-Profit funders					\$ 445,790	\$ 460,670	\$ -	\$ -	\$ 906,460
50						\$ -	\$ -	\$ -	\$ -	\$ -
51						\$ -	\$ -	\$ -	\$ -	\$ -
52						\$ -	\$ -	\$ -	\$ -	\$ -
53	TOTAL OTHER REVENUES					\$ 445,790	\$ 460,670	\$ -	\$ -	\$ 906,460
54										
55	TOTAL SUNNYVALE + OTHER REVENUES					\$ 1,795,790	\$ 1,810,670	\$ -	\$ -	\$ 3,606,460
56	Rev-Exp (Budget Match Check)					\$ 445,790	\$ 460,670	\$ -	\$ -	\$ 906,460
57										
58	Total Adjusted Salary FTE (All Budgets)					3.05	3.02	0.00	0.00	0.00
59										
60	Approved by:	Marie Bernard								
61	Title:	Executive Director								
62	Phone Number :	(408) 738-0121								
63	Email:	mbernard@svcommunityservices.org								

	A	B	C	D	E	F	J
1	City of Sunnyvale Housing Division						
2	APPENDIX B, BUDGET						
3	Document Date	2/27/2024					
4	Contract Term	Begin Date	End Date	Duration (Years)			
5		7/1/2024	6/30/2026	2			
6	Proposer Name	Sunnyvale Community Services					
7	Program	Sunnyvale TBRA					
8	Budget Name	TBRA Program					
9	Maximum Funding:	\$ 2,700,000					
10							
11							
12							
13							
14					Year 1	Year 2	All Years
					7/1/2024 - 6/30/2025	7/1/2025 - 6/30/2026	7/1/2024 - 6/30/2026
12					12 Months	12 Months	
13					New	New	
14							
15	EXPENDITURES						
16	Salaries & Benefits				\$ 247,888	\$ 252,325	\$ 500,213
17	Operating Expenses				\$ 92,112	\$ 87,675	\$ 179,787
18	Subtotal				\$ 340,000	\$ 340,000	\$ 680,000
19	Indirect Percentage						
20	Indirect Cost (Line 18 X Line 19)				\$ 10,000	\$ 10,000	\$ 20,000
21	Other Expenses (Not Eligible for indirect %)				\$ -	\$ -	\$ -
22	Direct Client Expenditures				\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
24	TOTAL EXPENDITURES				\$ 1,350,000.00	\$ 1,350,000.00	\$ 2,700,000
25							
26	CITY OF SUNNYVALE REVENUES:						
27	HOME				\$1,000,000	\$ 1,000,000	\$2,000,000
28	HMF				\$ 100,000	\$ 100,000	\$ 200,000
29	Low-Mod Housing Fund				\$ 250,000	\$ 250,000	\$ 500,000
46	TOTAL SUNNYVALE REVENUES				\$ 1,350,000	\$ 1,350,000	\$ 2,700,000
47							



	A	B	C	D	E	F	J
1	City of Sunnyvale Housing Division						
2	APPENDIX B, BUDGET						
3	Document Date	2/27/2024					
4	Contract Term	Begin Date	End Date	Duration (Years)			
5		7/1/2024	6/30/2026	2			
6	Proposer Name	Sunnyvale Community Services					
7	Program	Sunnyvale TBRA					
48	OTHER REVENUES (NON-SUNNYVALE) (Enter)						
49	Individual donors, Season of Sharing, County of Santa Clara, City of Sunnyvale, Corporate and Non-Profit funders				\$ 445,790	\$ 460,670	\$ 906,460
50							\$ -
51							\$ -
52							\$ -
53	TOTAL OTHER REVENUES				\$ 445,790.00	\$ 460,670.00	\$ 906,460.00
54							
55	TOTAL SUNNYVALE + OTHER REVENUES				\$ 1,795,790	\$ 1,810,670	\$ 3,606,460
56	Rev-Exp (Budget Match Check)				\$ 445,790	\$ 460,670	\$ 906,460
57							
58							
59							
60	Approved by:	Marie Bernard					
61	Title:	Executive Director					
62	Phone Number :	(408) 738-0121					
63	Email:	mbernard@svcommunityservices.org					

	A	B	C	D	H
1	City of Sunnyvale Housing Division				
2	OPERATING DETAIL				
3	Document Date	2/27/2024			
4	Proposer Name	Sunnyvale Community Services			
5	Program	Sunnyvale TBRA			
6	Budget Name	TBRA Program			
7					
8			Year 1	Year 2	All Years
9			7/1/2024 - 6/30/2025	7/1/2025 - 6/30/2026	7/1/2024 - 6/30/2026
10			12 Months	12 Months	
12	OPERATING EXPENSES		Budgeted Expense	Budgeted Expense	Budgeted Expense
13	Rental of Property				\$ -
14	Utilities(Elec, Water, Gas, Phone, Scavenger)				\$ -
15	Office Supplies, Postage				\$ -
16	Building Maintenance Supplies and Repair				\$ -
17	Printing and Reproduction				\$ -
18	Insurance				\$ -
19	Staff Training	\$ 5,000			\$ 5,000
20	Staff Travel-(Local & Out of Town)				\$ -
21	Rental of Equipment				\$ -
22	Motel Assistance	\$ 15,000	\$ 15,000		\$ 30,000
23	Critical Needs Assistance (e.g., utilities, moving costs, medical bills, storage)	\$ 65,000	\$ 65,000		\$ 130,000
24	Software Licenses	\$ 5,112	\$ 5,675		\$ 10,787
25	Computers/equipment/phone	\$ 2,000	\$ 2,000		\$ 4,000
26					\$ -
27					\$ -
28					\$ -
55	Consultants:				
56					
57					
58					
59					
60					
61					
62					
63					
67	TOTAL OPERATING EXPENSES	\$ 92,112	\$ 87,675		\$ 179,787
68					
69	OTHER EXPENSES (Not Eligible for Indirect Cost %)				
70					
71					
72					
75					\$ -
80	Subcontractors:				
81					
82					
90	Subcontractor indirect	\$ -	\$ -		\$ -
91					
92	TOTAL OTHER EXPENSES	\$ -	\$ -		\$ -
93					
94	DIRECT CLIENT EXPENSES				
95	Tenant Subsidies & Security Deposit Assistance	\$ 1,000,000	\$ 1,000,000		\$ 2,000,000
96					\$ -
97					\$ -
98					\$ -
102					
103	TOTAL DIRECT CLIENT EXPENSES	\$ 1,000,000	\$ 1,000,000		\$ 2,000,000

	A	B	C	D	E	F	G	H	I	J	K	L	AB
1	City of Sunnyvale Housing Division												
2	SALARY & BENEFIT DETAIL												
3	Document Date	2/27/2024											
4	Proposer Name	Sunnyvale Community Services											
5	Program	Sunnyvale TBRA											
6	Budget Name	TBRA Program											
7													
8													
9		Year 1					Year 2						
10		Agency Totals		For Sunnyvale Funded Program		7/1/2024 - 6/30/2025	Agency Totals		For Sunnyvale Funded Program		7/1/2025 - 6/30/2026	7/1/2024 - 6/30/2026	
11	12 Months					12 Months							
12	New					New					New		
		Annual Full Time Salary (for 1.00 FTE)	Position FTE	% FTE funded by this budget	Adjusted Budgeted FTE	Budgeted Salary	Annual Full Time Salary (for 1.00 FTE)	Position FTE	% FTE funded by this budget	Adjusted Budgeted FTE	Budgeted Salary	Budgeted Salary	
13	POSITION TITLE												
14	TBRA Program Manager	\$ 77,240	1.00	100%	1.00	\$ 77,240	\$ 79,557	1.00	100%	1.00	\$ 79,557	\$ 156,797	
15	TBRA Housing Specialist	\$ 59,987	1.00	100%	1.00	\$ 59,987	\$ 61,787	1.00	100%	1.00	\$ 61,787	\$ 121,774	
16	TBRA Case Manager	\$ 59,987	1.00	100%	1.00	\$ 59,987	\$ 61,787	1.00	100%	1.00	\$ 61,787	\$ 121,774	
17	Data Analyst	\$ 81,327	1.00	5%	0.05	\$ 4,321	\$ 83,767	1.00	2%	0.02	\$ 2,011	\$ 6,332	
18						\$ -					\$ -	\$ -	
19						\$ -					\$ -	\$ -	
20						\$ -					\$ -	\$ -	
21						\$ -					\$ -	\$ -	
22						\$ -					\$ -	\$ -	
23						\$ -					\$ -	\$ -	
24						\$ -					\$ -	\$ -	
25						\$ -					\$ -	\$ -	
26						\$ -					\$ -	\$ -	
27						\$ -					\$ -	\$ -	
28						\$ -					\$ -	\$ -	
29						\$ -					\$ -	\$ -	
30						\$ -					\$ -	\$ -	
31						\$ -					\$ -	\$ -	
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44						\$ -					\$ -	\$ -	
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46						\$ -					\$ -	\$ -	
47						\$ -					\$ -	\$ -	
48						\$ -					\$ -	\$ -	
49						\$ -					\$ -	\$ -	
50						\$ -					\$ -	\$ -	
51						\$ -					\$ -	\$ -	
52						\$ -					\$ -	\$ -	
53						\$ -					\$ -	\$ -	
54						\$ -					\$ -	\$ -	
55						\$ -					\$ -	\$ -	
56		TOTAL SALARIES				\$ 201,535	TOTAL SALARIES				\$ 205,142	\$ 406,677	
57	TOTAL FTE :				3.05					3.02			
58	FRINGE BENEFIT RATE:				23.00%					23.00%			
59	EMPLOYEE FRINGE BENEFITS:				\$ 46,353.00					\$ 47,183.00	\$ 93,536		
60	TOTAL SALARIES & BENEFITS:				\$ 247,888					\$ 252,325	\$ 500,213		
61													

	A	B	C	D	E
2	<b>BUDGET NARRATIVE</b>				
3	<b>TBRA Program</b>				
4	<b>Salaries &amp; Benefits</b>	<u>Adjusted Budgeted FTE</u>	<u>Budgeted Salary</u>	<u>Justification</u>	<u>Calculation</u>
	TBRA Program Manager	1.00	\$ 79,557	Responsible for providing technical assistance regarding planning, directing, coordinating, supervising and monitoring the administration and day-to-day activities of the HOME Tenant Based Rental Assistance (TBRA) Program including: managing funding and reporting requirements. Establishes systems and procedures designed to assure the achievement of program performance standards and schedules.	
5	TBRA Housing Specialist	1.00	\$ 61,787	Housing search. Inspects housing units to ensure compliance with established housing quality standards. Advises tenants and property owners concerning their rights and responsibilities. Mediates and negotiates tenant/property owner rental and lease contracts. Manage annual subsidy recertifications program exits.	
6	TBRA Case Manager	1.00	\$ 61,787	Provide support to the individual, family, and coordinate a variety of service activities while assisting individuals to develop self-identified goals. Develop Individual Service Plans for individuals receiving program services and monitor the plan. Create alternative housing plans for households ready to exit program.	
7					
8	Data Analyst	0.02	\$ 2,011	HMS and Salesforce Client Database administration.	
9			\$ -		
10			\$ -		
11	TOTAL	3.02	\$ 205,142		
12	Employee Fringe Benefits	23%	\$ 47,183	Includes FICA, SSUI, Workers Compensation and Medical calculated at 23% of total salaries.	
13	<b>TOTAL SALARIES &amp; BENEFITS</b>		<b>\$ 252,325</b>		
14					
15	<b>Operating Expenses</b>	<u>Budgeted Expense</u>	<u>Justification</u>	<u>Calculation</u>	
16	Rental of Property	\$ -			
17	Utilities(Elec, Water, Gas, Phone, Scavenger)	\$ -			
18	Office Supplies, Postage	\$ -			
19	Building Maintenance Supplies and Repair	\$ -			
20	Printing and Reproduction	\$ -			
21	Insurance	\$ -			
22	Staff Training	\$ 5,000	Housing Quality Inspection Certification.		
23	Staff Travel-(Local & Out of Town)	\$ -			
24	Rental of Equipment	\$ -			
	Motel Assistance	\$ 15,000	Responsible for providing technical assistance regarding planning, directing, coordinating, supervising and monitoring the administration and day-to-day activities of the HOME Tenant Based Rental Assistance (TBRA) Program including: managing funding and reporting requirements. Establishes systems and procedures designed to assure the achievement of program performance standards and schedules.		
25					
	Critical Needs Assistance (e.g., utilities, moving costs, medical bills, storage, car repairs)	\$ 65,000	Housing search. Inspects housing units to ensure compliance with established housing quality standards. Advises tenants and property owners concerning their rights and responsibilities. Mediates and negotiates tenant/property owner rental and lease contracts. Manage annual subsidy recertifications program exits.		
26	Software Licenses	\$ 5,675	Provide support to the individual, family, and coordinate a variety of service activities while assisting individuals to develop self-identified goals. Develop Individual Service Plans for individuals receiving program services and monitor the plan. Create alternative housing plans for households ready to exit program.		
27					
28	Computers/equipment/phone	\$ 2,000	HMS and Salesforce Client Database administration.		
29		\$ -			
30		\$ -			
31	Consultants:	\$ -			
32		\$ -			
33		\$ -			
34					
35	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 92,675</b>			
36	<b>Indirect Cost</b>	<b>\$ -</b>			
37					
38					
39	<b>Other Expenses (not subject to indirect cost %)</b>	<u>Amount</u>	<u>Justification</u>	<u>Calculation</u>	
40		\$ -			
41		\$ -			
42	Subcontractors:				
43		\$ -			
44		\$ -			
45	Subcontractor indirect	\$ -			
46					
47	<b>TOTAL OTHER EXPENSES</b>	<b>\$ -</b>			
48					
49					
50	<b>DIRECT CLIENT EXPENSES</b>	<u>Amount</u>	<u>Justification</u>	<u>Calculation</u>	
51	Tenant Subsidies & Security Deposit Assistance	\$ 1,000,000			
52		\$ -			
53		\$ -			
54					
55	<b>TOTAL DIRECT CLIENT EXPENSES</b>	<b>\$ 1,000,000</b>			
56					



# City of Sunnyvale

## Agenda Item

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24-0269

Agenda Date: 3/27/2024

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### REPORT TO HOUSING AND HUMAN SERVICES COMMISSION

#### **SUBJECT**

Consider Request from MidPen Housing for Extension of \$964,750 HOME Loan for Carroll Inn

#### **BACKGROUND**

In October 1991, the City selected MidPen Housing Corporation (MidPen) to develop a single room occupancy (SRO) affordable housing development. The City entered into a purchase agreement (of then City-owned property) with MidPen for \$964,750 and issued a loan in March 1994 in the same amount for development of Carroll Inn, a 122-unit single room occupancy (SRO) affordable housing development. The 30-year loan was funded with federal HOME funds and the property is deed restricted for thirty years to provide affordable housing. Carroll Inn serves special needs households with incomes at or below 40% of the Area Median Income.

The loan is currently split into two repayment directives:

- A principal loan amount of \$750,000 with accrued interest being deferred for the loan term of thirty (30) years and due in full in March 2024.
- Remaining principal amount of \$214,750 and accrued interest repaid in annual residual receipt payments (defined in the Second Amended Agreement regarding the SRO project at 174 Carroll Street, Attachment 2) with any unpaid principal and interest being due and payable in June 2024.

As of December 31, 2023, the loans with the City of Sunnyvale combined have a principal and interest balance of \$1,433,526.

The development of the Carroll Inn received other loans for the construction of the project totaling approximately \$15 million. Subsequent to the initial construction, other loans have been awarded for maintenance and upgrades to the development (or will be awarded in the coming months). Other funding for the initial development came from the State and County.

On January 18, 2024, MidPen formally requested a fifty-five (55) year extension of the City's HOME loan. Staff has currently allowed a pause on repayment until the Council considers this item. The City Council will consider this item on April 23, 2024.

#### **EXISTING POLICY**

##### **Housing Element of the General Plan**

**GOAL H-2 Affordable Housing and Home Buyer Assistance** - Assist in the provision of affordable housing to meet the diverse needs of Sunnyvale's lower- and moderate-income households.

**Policy H-2.1 Maximize Affordable Housing.** Leverage local financial assistance with other sources of funding and identify new funding sources for affordable housing to maximize the number of affordable units and to reach the deepest level of affordability.

**Policy H-3.4 Preservation of Affordable Rental Housing.** Work with property owners, tenants, and non-profit purchasers to facilitate the preservation of publicly-assisted rental housing and at-risk below-market rate units to maintain affordability to lower-income households.

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

### **DISCUSSION**

On January 18, 2024, MidPen sent a letter to the City requesting that the City Council consider extending the loan repayment date for fifty-five (55) years, or from June 2024 to June 2079 (Attachment 1).

As is common with aging affordable housing developments, MidPen is actively working on substantial maintenance and renovation of the development to ensure the property is suitable to provide high quality affordable housing in perpetuity. Work is being done on electrification, energy efficiency, elevator repairs, roofing, standard interior upgrades, and more. Carroll Inn is currently 30 years old and MidPen has recently focused on prioritizing funds for improving the condition of the property rather than putting funding aside in reserves for loan repayments, making repayment of loans very challenging at this time. There is currently very little debt on the property; the main debt is a loan from the California Department of Housing and Community Development, Rental Housing Construction Program (HCD-RHCP) in a senior position that restricts rent increases (and requires the greatest annual payments), limiting MidPen's ability to pay down junior loans (such as the one from the City), and a HOME loan from the County. MidPen also requested a 55-year extension for the loan from the County that was approved by the Board of Supervisors in February 2024.

As of the date of this report, MidPen has paid down the \$214,750 portion of the loan which has residual receipt payment requirements. Payments received have totaled \$371,154 (applied toward principal and interest) with a remaining principal loan balance of \$12,516. While residual receipt payments can vary annually, the average loan payment made over the past ten (10) years is \$42,000 per year. The remaining \$750,000 principal portion of the loan (due in March 2024) was fully deferred for thirty (30) years.

If the loan extension request is approved, the loan and affordability period would extend for fifty-five (55) additional years. As the current loan agreement provides that \$750,000 of the total loan shall be deferred for thirty (33) years, the new extended Loan Agreement can be amended at the discretion of Council.

Staff recommends approval of the loan extension and requirement of residual receipt payments annually for the entire remaining loan principal balance, which will supplement available HOME funds. Residual receipt payments vary widely based on annual cash flow and other Senior debt

payments in higher priority than the City's loan. As MidPen uses other loan sources to fund rehabilitation of Carroll Inn, that may limit payments to the City's HOME loan as well since each loan would receive a fair share of residual receipts.

If the loan extension request is not approved, approximately \$13,000 would be due on June 1, 2024, and \$1.45 million would be due and payable immediately; while the City's affordability restrictions would expire as well, there are other deed restrictions on the property from the State and County that would continue to mandate affordability of the units.

### **City Use of HOME Loan Repayments**

As an Entitlement City, Sunnyvale is allocated non-competitive federal HOME funds annually from the Federal Department of Housing and Urban Development (HUD); recent annual allocations average \$400,000. Each fall, Sunnyvale staff release a request for proposals to award HOME funds to local nonprofits who support lower income households. Historically, during times when the City received greater HOME allocations, HOME funds were commonly used for affordable housing land acquisition, construction, and rehabilitation. However, in recent years as funding remains flat or even slightly decreases, the City has been setting aside all HOME funds for Tenant Based Rental Assistance, a rental subsidy program serving about 40 households, currently administered by Sunnyvale Community Services.

Payments received on HOME loans are deposited back into the City's HOME fund as "Program Income" (PI). This revenue is then reallocated for future grants and loans and can help supplement the City's limited HOME annual allocation. Historical PI revenue often greatly exceeds the annual allocation, so much so that the City has recently been able to release upwards of \$1 million annually towards the Tenant Based Rental Assistance (TBRA) program. The City has received \$2.7 million in HOME PI over the last five years and anticipates receiving approximately \$1 million over the next ten (10) years between residual receipt loan payments and loan maturity payment (not accounting for loan repayment of this loan for Carroll Inn).

### **FISCAL IMPACT**

If the request to extend this loan for an additional 55 years is approved, the HOME fund would not receive full loan repayment until 2079; however, annual residual receipt payments would still be deposited into the HOME fund as Carroll Inn cash flow allows. Approving the extension of this loan and lack of full repayment in 2024 would lead to less available funding in future cycles of HOME funding availability for TBRA. There is no impact to the General Fund.

### **PUBLIC CONTACT**

Public contact was made through posting of the Housing and Human Services Commission agenda on the City's official-notice bulletin board, on the City's website, and the availability of the agenda and report in the Office of the City Clerk.

### **ALTERNATIVES**

Recommend the City Council:

1. Approve the HOME loan Extension Request from MidPen for Carroll Inn for an additional 55 years, and Authorize the City Manager to enter into an Amended Loan Agreement for the remaining loan balance requiring annual residual receipt payments.
2. Approve the HOME loan Extension Request from MidPen for Carroll Inn for an additional 55 years with no loan modifications, allowing the \$750,000 principal to continue to be deferred for

- the new term of the loan.
3. Do not approve the HOME loan Extension Request from MidPen for Carroll Inn for an additional 55 years, and require the existing loan be due and payable upon maturity.
  4. Do not approve the HOME loan Extension Request from MidPen for Carroll Inn for an additional 55 years, but modify the amount due and payable and/or the loan terms (e.g., interest, loan repayment date, etc.).

### **RECOMMENDATION**

Alternative 1: Recommend the City Council approve the HOME loan Extension Request from MidPen for Carroll Inn for an additional 55 years, and Authorize the City Manager to enter into an Amended Loan Agreement for the remaining loan balance requiring annual residual receipt payments.

While the repayment of this HOME loan would allow the City to award greater funds to the Tenant Based Rental Assistance program over future years, preservation of Carroll Inn is a priority to ensure these very low income SRO units remain available and habitable in downtown Sunnyvale. No specific programs would be impacted by extending the loan as there is no plan for use of the repaid funds.

Prepared by: Jenny Carloni, Housing Officer

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Connie Verceles, Deputy City Manager

Approved by: Kent Steffens, City Manager

### **ATTACHMENTS**

1. Reserved for Report to Council
2. Existing Loan Agreement for Carroll Inn
3. Loan Extension Request from MidPen



This page intentionally left blank. Reserved for Report to Council.

**SECOND AMENDED AGREEMENT BETWEEN THE CITY OF SUNNYVALE  
AND THE MID-PENINSULA HOUSING COALITION REGARDING THE  
ACQUISITION AND DEVELOPMENT OF A SINGLE ROOM OCCUPANCY  
PROJECT AT 174 CARROLL STREET IN THE CITY OF SUNNYVALE**

Whereas, this document supersedes and replaces the Agreement between the City of Sunnyvale and the Mid-Peninsula Housing Coalition Regarding the Acquisition of public property and development of a single room occupancy project at 174 Carroll Street and First Amended Agreement between the Mid-Peninsula Housing Coalition (MPHC) (hereinafter "Developer"), and the City of Sunnyvale ("City"), dated December 8, 1992; and

Whereas, by motion dated October 29, 1991, the Sunnyvale City Council selected Mid-Peninsula Housing Coalition, a nonprofit corporation, to develop a Single Room Occupancy (SRO) housing project, subject to certain conditions; and

Whereas, pursuant to the aforementioned selection, Developer entered into a purchase agreement to purchase .815 acres of undeveloped property from City, commonly referred to as 174 Carroll Street, Sunnyvale, California for \$925,000; and

Whereas, upon close of escrow, Developer purchased the Property for \$925,000, issuing a Letter of Credit for \$92,500 and a Promissory Note in the amount of \$832,500; and

Whereas, upon close of escrow, the City will cash the Letter of Credit in the amount of \$92,500; and

Whereas, the City Council of Sunnyvale, on May 15, 1993 approved a request by Developer to reduce the purchase price by \$45,550 to \$879,450, to offset unexpected offsite storm drain costs, and approved a request for an additional \$327,250 in loan funds from the City's 1993 HOME fund allocation, making a total of \$964,750 in loan funds available for the SRO project; and

Whereas, pursuant to the original purchase agreement, the City was obligated to pay the costs for environmental assessment and remediation, which costs to be used to offset the purchase price, and these costs came to a total of \$13,966, the purchase price was revised by the amount of storm drain improvements and environmental assessment and remediation costs to a new purchase price of \$865,484; and

Whereas, the Property is located within an area designated under the City's general plan for high density residential use, and the City desires to increase the number of affordable housing units located within the City of Sunnyvale for low and very low income residents; and

Whereas, the City Council of the City of Sunnyvale approved Developer's application for a Special Development Permit (SDP Number 7530) for construction of a 121 unit SRO building on the Property; and

Whereas, Developer has agreed that no less than 40 percent of the SRO units will be provided at affordable rental rates to very low income persons for the life of the project, as determined in accordance with established guidelines; and

Whereas, the City and Developer recognize that the feasibility and affordability of such a project are dependent on the type and amount of financing available and the competition for the limited number and amount of available funding sources; and

Whereas, Developer has received a State Rental Housing Construction Program (RHCP) loan, a SAMCO loan, a Santa Clara County HOME loan, a County HOME loan, a Red Cross predevelopment loan, a Union Bank construction loan and a low income housing tax credit allocation to finance the project;

NOW THEREFORE IT IS AGREED AS FOLLOWS:

**1. Developer Commitment**

Developer shall develop a SRO housing project on the Property, based upon its development proposal dated July 15, 1991, on file with the City, and in accordance with the terms and conditions of SDP 7530.

**2. Loan Amount.**

The City agrees to loan Developer the amount of Nine Hundred Sixty Four Thousand Seven Hundred Fifty Dollars and Zero Cents (\$964,750.00) structured as follows: Upon the closing of the Union Bank/ RHCP construction loan, City shall deposit \$572,976 into the construction loan escrow established by Developer for this purpose. City agrees to release the balance of the available loan funds, up to a total of \$391,774, as reimbursement for hard and soft development costs, upon presentation of periodic construction cost draw requests..

**3. Payment.**

The loan shall be paid as follows:

(a) \$750,000 of the loan amount shall be a non-recourse, non-amortizing loan, with principal and accrued simple interest deferred for thirty (30) years from the date of the Promissory Note, with no prepayment penalty. Interest shall accrue at the rate of three percent (3.0%) per annum, but shall not be compounded.

(b) The balance of loan amount, up to a total of \$214,750 shall be repaid in annual installments on May 15 of each year, to the extent of Cash Flow for the previous calendar year as defined below. Any outstanding funds shall accrue interest at the rate of three percent (3.0%) simple interest per annum, commencing on June 1, 1994. Any payments made shall be applied first towards accrued interest then towards the outstanding balance. Audited financial statements prepared by an independent auditor for tax credit accounting shall be provided to City on or before May 15 of each year. Any unpaid principal and interest shall be due and payable thirty (30) years from the date of this Note.

(c) For the purposes of this agreement, Cash Flow is determined for each calendar year and is defined as the sum of all cash receipts from the operations of the project including only the following: rents collected, laundry income, late charges, rent subsidy payments and interest earned, less the following items:

- 1.) All operating expenses of the project, including but not limited to advertising, utilities, trash removal, maintenance, repairs, janitorial, insurance/assessments, taxes, salaries, property management fees, accounting, legal fees and expenses associated with providing social services to project tenants.
- 2.) All accounting and legal fees, and partnership management fees of the owner. However the partnership management fee shall not exceed \$25,000 per annum.
- 3.) Payment of any interest and/ or principal loan fees, points or other charges required to be paid on any loan taken out by the owner for use in the development and/ or operations of the project.
- 4.) Any amount set aside by owner for replacement reserves or operating reserves as required by various lenders.

**4. Subordination of Note.**

City hereby agrees that the Note and Deed of Trust shall be subordinated to the Developer's construction and permanent loans, including RHCP and SAMCO financing, however, the Note may not be subordinated to a position below fourth (fifth or greater), without prior written approval by the City Manager, not to be unreasonably withheld or delayed. Within no more than two (2) weeks following written request, the City agrees to execute whatever documentation the lender requires to evidence this subordination and the City agrees that it will not unreasonably withhold or delay approval of any documents or agreements, the review of which is necessary to effect subordination of the Note and Trust Deed. The City acknowledges that Developer contemplates obtaining financing from one or more of the following: Rental Housing Construction Program, Union Bank, SAMCO, HOME financing from the City and County, the Red Cross and others.

**5. Reduction in Purchase Price of Land.**

The original purchase price of \$925,000 is hereby reduced by the amount of \$45,550.00 for storm drain costs incurred by the developer, and further reduced by the amount of \$13,966.00 incurred by the developer for environmental testing costs, for a revised purchase price of Eight Hundred Sixty Five Thousand Four Hundred Eighty Four Dollars (\$865,484.00).

**6. Repayment of Land Loan--Promissory Note dated December 8, 1992.**

Upon closing of the Union Bank/ RHCP construction loans, the promissory note dated December 8, 1992, in the amount of \$832,500 shall be repaid as follows: \$572,976 deposited into escrow from City of Sunnyvale HOME funds shall be paid to the City of Sunnyvale Parking District. \$200,008 from the Santa Clara County HOME funds shall be

paid to the City of Sunnyvale Parking District. The balance, \$59,516, shall be deemed as waived as a result of the reduction of the purchase price by the \$45,550 for storm drain improvements and \$13,966 for environmental assessment and remediation costs. upon completion of the foregoing transactions, the Promissory Note dated December 8, 1992 and the Deed of Trust of even date therewith shall be declared paid in full and canceled.

**7. Escrow and Closing Costs**

Escrow and closing costs, including the costs of premiums for owner's title insurance policy, shall be paid entirely by Developer, unless otherwise agreed to and documented in writing, signed by the authorized representative of the respective parties, and incorporated in the escrow instructions.

**8. Close of Escrow and Extensions**

In event that escrow does not close before this date, Developer reserves the right to an automatic 60 day extension.

**9. Compliance with Conditions.**

Unless expressly set forth to the contrary in this Agreement, or addenda thereto, Developer shall comply with and satisfy all conditions of approval, if any, which are imposed by the City in conjunction with Special Development Permit No. 7530, and shall comply with all applicable provisions of the Sunnyvale Municipal Code and relevant ordinances and regulations. Nothing in this Agreement may be construed to serve as a waiver by the City of its authority to enforce the conditions, ordinances, and regulations.

**10. Construction of Improvements.**

Developer hereby agrees to commence construction within ninety (90) days from the effective date of this Second Amended Agreement, unless such time has been extended by mutual, written agreement of the parties, subject to delay as a result of strikes, labor disturbance, or the act of any third party or casualty beyond the reasonable control of Developer. All plans and specifications for the project, and all work related to the construction of improvements, shall be in conformance with the terms and conditions of the Special Development Permit. Failure of the Developer or its assigns or successors to commence and diligently prosecute completion of the construction of improvements shall be deemed a material breach of this Agreement for purposes of Section 15 herein..

**11. Certificate of Occupancy**

The issuance, by the City, of a Certificate of Occupancy to Developer, shall constitute conclusive proof, upon which third parties may rely, that the construction of improvements conforms to the terms and conditions of the Special Development Permit.

**12. Environmental Matters Agreement**

Phase I, Phase II Environmental Assessments and subsequent testing results were completed for the subject property and distributed to each party. While each party has reviewed and accepted the conclusions of these studies, the Environmental Matters Agreement dated December 8, 1992 and executed between Mid-Peninsula Housing

Coalition and the City of Sunnyvale, whereby the City indemnified Developer and/ or prospective lenders from any liability arising from the presence of hazardous or toxic materials on the Property as of the date of transfer of title from City to Mid-Peninsula Housing Coalition remains in full force and effect.

**13. Assignment.**

Developer acknowledges that its right to acquire and develop the property, subject to the terms and provisions of this Agreement, was specifically approved by the Sunnyvale City Council on the basis of the fact that Developer is a non-profit, public benefit corporation with the experience in the development and management of affordable housing projects. Therefore, except as provided in this Agreement, Developer may not assign its rights or obligations pursuant to this Agreement or the Special Development Permit without prior, express, written authorization by the City not to be unreasonably withheld or delayed. Notwithstanding the foregoing, Developer may assign or otherwise transfer or convey, in whole or in part, its interest in the Property and the project contemplated by this Agreement, together with the rights and obligations of Developer under this Agreement, the Special Development Permit and the Note and Trust Deed to a non-profit affiliate or a partnership of which the Developer or a non-profit affiliate is a General Partner. Such assignment, transfer or conveyance may be made without the further approval of City, and upon the effective date of such assignment, transfer or conveyance Developer shall be released of any further obligations under this Agreement, the Special Development Permit and the Note and Trust Deed. Any assignee or successor in interest shall be subject to all of the terms, conditions, covenants and restrictions of this Agreement.

**14. Affordability Requirements.**

Developer agrees that sixty two (62) units will be designated as HOME units and meet HOME very low income affordability limits for the term of the loan. Developer agrees that not less than forty percent (40%) of the units constructed on the Property as contemplated by this Agreement shall be maintained and offered as affordable units for very low income residents. As used herein, units for very low income residents are those for which the average rent does not exceed 30% of 50% of area median gross income, as currently defined in Section 42 of the Internal Revenue Code of 1986, as amended.

**15. Default.**

In the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto or any successor to such party, such party or successor shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach within thirty (30) days after receipt of such notice. If such corrective action is not taken or diligently pursued, or the default or breach is not cured or remedied within the time specified herein or as extended by written authorization, the aggrieved party may initiate such proceedings as may be necessary to cure or remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the party in default of its obligations. Alternatively, the parties agree that in the event of default or breach, including, but not limited to failure to secure financing and satisfy the

Note as specified in Section 3 herein, Developer agrees to reconvey full and marketable title to the subject property to City. Any title or escrow costs incurred as a consequence of such reconveyance shall be paid by Developer.

**16. Default of Violation of Affordability Requirements.**

In the event that the Developer or its successors in interest shall default in or violate its obligations with respect to Section 14 hereof, then subject to the notice and cure period set forth in Section 15, the City shall have the right, as set forth in the Trust Deed, to re-enter and take possession of the Property and to terminate and revest in the City the Property conveyed by the City to the Developer. It is the intent of this provision, together with other provisions of this Agreement, that in the event of any default, failure, violation, or other action or inaction by the Developer with respect to the requirements specified in Section 14 of this Agreement, and the failure on the part of the Developer to remedy, cease or abrogate such default, failure, violation, or the action or inaction within the time specified in Section 15 above, the City at its option may declare a termination, as set forth in the Trust Deed, in favor of the City, of the title and all the rights and interest in the Property conveyed by the City to the Developer, and that such title and all right and interest of the Developer and any assignees or successors in the site shall revert to the City; provided that the exercise of the preceding remedy by the City shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way:

- (a) the lien of any deed of trust now or hereafter executed upon the Property; or
- (b) any leasehold interest entered into for adequate consideration for the entire Property or any specific unit thereof; or
- (c) any rights or interest of the holders of such deeds of trust or leaseholds.

**17. City's Rights Not Barred by Waiver, Estoppel, or Laches.**

City shall have the right, at any time, to initiate such actions or proceedings to effect the purposes of this Agreement, including, but not limited to Sections 14, 15, and 16 above, as against Developer or its assigns or successors in interest. Any delay by the City in initiating such actions or proceedings shall not operate as a waiver, by the City, of such rights, or deprive, limit or restrict the City in any way. It is the intent of this provision that the City shall not be constrained by the doctrines of waiver, estoppel or laches, to exercise such remedy or remedies at a time when feasible to resolve the problems created by any particular default by the Developer or its assigns or successors in interest. No waiver in fact made by the City as to any particular default shall be considered or construed as a waiver of the rights of the City with respect to that default, except to the extent expressly and specifically waived, and shall not operate as a waiver or restriction as to any of the rights of the City to seek any remedies available to it under the law.

**18. Rights and Remedies are Cumulative**

The rights and remedies of the parties to this Agreement, whether provided by law or by the Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedy shall not preclude the exercise by it or of any other such remedies for

the same default or breach or of any of its remedies for any other default or breach by the other party.

## 19. Waiver of Defenses as Surety

The Developer, for itself, its successors and assignees, and all other persons who are or may become liable upon or subject to any obligation imposed by this Agreement hereby waives any and all claims or defenses otherwise available on the basis of its being or having become a person in the position of a surety, whereto by agreement or operation of law, including without limitation any and all claims and defenses based upon extension of time, indulgence, or modification of terms of contract.

## 20. City Officials and Employees Not Personally Liable

No member, official, or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City of or for any amount which may become due to the Developer under the terms of this Agreement.

## 21. Covenant Running with the Land

It is intended and agreed, that the agreements and covenants made by the Developer in this Second Amended Agreement shall be incorporated into the Deed of Trust and shall be covenants running with the land, and that they shall be binding upon Developer and their assigns and successors in interest for the benefit and in favor of, and enforceable by, the City and its successors and assigns.

## 22. Entirety of the Agreement; Modifications Thereof

Except as set forth in the Special Development Permit and the conditions of approval thereof, this Agreement constitutes the entire agreement between the parties with respect to the purchase and development of the Property, and supersedes all other agreements, letters, memoranda of understandings respecting the same, whether written or oral, including the existing purchase agreement which has been executed by the parties. All modifications, amendments or additions to this Agreement shall be in writing and signed by the authorized representative of each of the parties of this Agreement. Any written modification, amendment or addition shall contain language which specifically and expressly references this Agreement and states that it is intended to serve as a modification, amendment or addition to this Agreement.

## 23. Notices

A written notice or communication pursuant to this Agreement of either party to the other shall be sufficiently given or delivered if it is personally delivered, registered mail, postage prepaid, addressed as follows:

TO CITY: City Manager  
City of Sunnyvale  
P.O. Box 3707  
Sunnyvale, CA 94088-3707



TO DEVELOPER: Mid-Peninsula Housing Coalition  
658 Bair Island Road, Suite 300  
Redwood City, CA 94063

or addressed in such other way in respect to either party as that party may, from time to time, designate in writing dispatched as provided in this section.

**24. Transfer of Deed Shall Not Affect Agreement**

None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring title to the property from the City to the Developer or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

**25. Titles for Reference Only**

Any titles of the several parts and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

**26. Attorney's Fees and Costs**

In the event that either party to this Agreement initiates legal action to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover from the non prevailing party all reasonable attorney's fees, expenses and costs incurred, whether said matter is resolved by settlement, arbitration or judicial action. Any legal action arising from this Agreement shall be governed by the laws of the State of California.

**27. Severability**

Should any provision or portion of this Agreement be declared invalid or in conflict with any law of the State of California, the validity of all the remaining provisions and portions thereof shall remain unaffected and in full force and effect.

**28. Representation of Authority to Execute**

Each person executing this Agreement on behalf of a party represents and warrants that such person is duly and validly authorized to do so on behalf of the entity it purports to so bind, and if such party is a partnership, corporation or trustee, that it has full right and authority to enter into this Agreement and perform all of its obligations as set forth herein.

**29. Excess Cash on Dissolution**

In addition, developer agrees that upon dissolution of the partnership that owns and is developing is property, and repayment of all obligations including repayment of MPHC capital contributions, any net proceeds available to Mid-Peninsula Housing Coalition through refinancing and not required by the project, and/ or any cash reserves that are released to Mid-Peninsula Housing Coalition and not restricted by other financing

sources shall be made available for further affordable housing investment and development in the City of Sunnyvale.

This Second Amended Agreement shall become effective when executed by the parties below.

DATED: March 17/94

CITY OF SUNNYVALE  
A Municipal Corporation

By: Thomas F. Lewcock  
Thomas F. Lewcock  
City Manager

MID-PENINSULA HOUSING COALITION  
A California Non-Profit Public  
Benefit Corporation

By: Fran Wagstaff  
Fran Wagstaff  
Executive Director

Approved as to form:

Jeffrey S. Kane  
City Attorney

sro1\lamagr

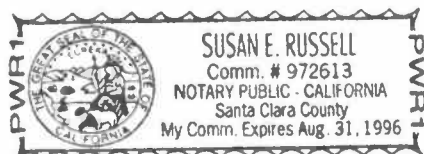
State of California  
County of San Mateo }

On March 8, 1994 before me, Susan E. Russell, Notary Public  
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Fran Wagstaff  
NAME(S) OF SIGNER(S)

☒ personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.



Susan E. Russell  
SIGNATURE OF NOTARY

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL(S)  
☐ CORPORATE \_\_\_\_\_  
OFFICER(S) \_\_\_\_\_ TITLE(S) \_\_\_\_\_  
☐ PARTNER(S)  
☐ ATTORNEY-IN-FACT  
☐ TRUSTEE(S)  
☐ SUBSCRIBING WITNESS  
☐ GUARDIAN/CONSERVATOR  
☒ OTHER: Executive

Director of Mid-  
Peninsula Housing Culture

SIGNER IS REPRESENTING:  
NAME OF PERSON(S) OR ENTITY(IES)

Mid-Peninsula  
Housing  
Coalition

ATTENTION NOTARY: Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to unauthorized document.

THIS CERTIFICATE  
MUST BE ATTACHED  
TO THE DOCUMENT  
DESCRIBED AT RIGHT:

Title or Type of Document Second Amended Agreement...  
Number of Pages 9 Date of Document \_\_\_\_\_  
Signer(s) Other Than Named Above \_\_\_\_\_



January 18, 2024

Jenny Carloni  
Housing Officer, Housing Division  
City of Sunnyvale  
456 W. Olive Avenue, P.O. Box 3707  
Sunnyvale, CA 94088-3707

**Re: Carroll Inn- City of Sunnyvale Loan Extension Request (June 2024 to June 2079)**

Dear Jenny,

Carroll Street Associates, A California limited partnership is the (“Owner”) of Carroll Inn (“Property”). The Property consists of 122 units of affordable homes in the City of Sunnyvale. In March of 1994, the Owner was issued a residual receipt loan from the City in the original amount of \$964,750 with 3% simple interest. The principal loan amount of \$750,000 and accrued interest shall be due in full in March 2024. The remaining principal amount of \$214,750 and accrued interest shall be paid from excess/distributable cash. The entire unpaid principal and accrued interest are due in full by June 2024. As of December 31, 2023, the loan has a principal balance of \$750,000 with accrued interest of \$669,519.

Carroll Inn is a single-room occupancy (SRO) development that was built in 1994 to service individuals living on fixed incomes and those with special needs. All the units are restricted to very low-income individuals with an income of 40% AMI. The property has insufficient funds to repay the loan mentioned above. Below are the reasons why it would be a hardship to make full repayment of the loan.

1. The property is 30 years old and has to go through many rounds of maintenance in the next few years. MidPen’s goal is to preserve this great stock of affordable housing for special needs populations, ensure long-term affordability and stability, and keep the residents safe. As the property has a backlog of capital needs that must be addressed to ensure good physical condition, staff has to prioritize funding replacement reserve for a habitable living environment.
2. Carroll Inn has a soft debt from HCD-RHCP program in a senior position that restricts rent increases. In addition, a big portion of the excess cash each year is allocated towards the repayment of the HCD-RHCP loan. Due to this reason, it has been difficult to pay off the soft debt to the City.

We are requesting the City to extend the maturity of the loan from June 2024 to June 2079 (standard 55-year term). As we have a mutual interest in keeping the property affordable for as long as possible, we are proposing an extension of affordability restrictions until the new proposed loan maturity date of June 2079.

If you have any questions about the above-mentioned proposal, please feel free to contact me at amahmud@midpen-housing.org or via phone at 650-393-9768.

Sincerely,

Aditi Mahmud Mahmud  
Associate Director of Asset Management, Real Estate Transactions



# City of Sunnyvale

## Agenda Item

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**24-0523**

**Agenda Date:** 3/27/2024

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Housing and Human Services Commission Proposed Study Issues, Calendar Year: 2025

Proposed Study Issues\*

Date	Working Title	Summary of Scope	Staff Comments

\*The study issues have been proposed for future sponsorship

Toward the end of the calendar year, no later than October, boards and commissions will review the list of proposed study issues and officially vote on sponsorship for each individually listed study issue. Official sponsorship means that the study issue is approved for ranking with a majority vote of the board or commission. Staff will then prepare the sponsored study issue papers, including fiscal impact **but not** the staff recommendation.