



# City of Sunnyvale

## Notice and Agenda Housing and Human Services Commission

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Wednesday, December 12, 2018

7:00 PM

West Conference Room, City Hall, 456 W.  
Olive Ave., Sunnyvale, CA 94086

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### Special Meeting

#### **CALL TO ORDER**

#### **SALUTE TO THE FLAG**

#### **ROLL CALL**

#### **ORAL COMMUNICATIONS**

*This category provides an opportunity for members of the public to address the 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 commissioners to take action on an item not listed on the agenda. If you wish to address the commission, please complete a speaker card and give it to the Recording Secretary. Individuals are limited to one appearance during this section.*

#### **CONSENT CALENDAR**

- 1.A [18-1048](#) Approve the Housing and Human Services Commission Meeting Minutes of November 14, 2018

**Recommendation:** Approve the Housing and Human Services Commission Minutes of November 14, 2018 as submitted.

- 1.B [18-1051](#) Approve 2019 Draft Master Work Plan

**Recommendation:** Approve 2019 Draft Master Work Plan as submitted

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

- 2      [18-1049](#)      Review Draft Requests for Proposals for FY 2019/20 and FY 2020/21 CDBG Human Services Grants and FY 2019/20 CDBG/HOME Housing and Capital Projects Funding

**Recommendation:** Review draft RFPs and provide any comments/suggestions for any changes to the final RFPs.

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

- 3      [18-1116](#)      2019 Potential Budget and Study Issues

**NON-AGENDA ITEMS & COMMENTS**

-Commissioner Comments

-Staff Comments

**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 603 All America Way, Sunnyvale, CA. during normal business hours and at the meeting location on the evening of the board or commission meeting, pursuant to Government Code §54957.5.*

*Agenda information is available by contacting Edith Alanis at (408) 730-7254. Agendas and associated reports are also available on the City's website at [sunnyvale.ca.gov](http://sunnyvale.ca.gov) or at the Sunnyvale Public Library, 665 W. Olive Ave., Sunnyvale, 72 hours before the meeting.*

*Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact Edith Alanis at (408) 730-7254. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.160 (b) (1))*



# City of Sunnyvale

## Agenda Item

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**18-1048**

**Agenda Date:** 12/12/2018

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**SUBJECT**

Approve the Housing and Human Services Commission Meeting Minutes of November 14, 2018

**RECOMMENDATION**

Approve the Housing and Human Services Commission Minutes of November 14, 2018 as submitted.



# City of Sunnyvale

## Meeting Minutes - Draft

### Housing and Human Services Commission

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Wednesday, November 14, 2018

7:00 PM

West Conference Room, City Hall, 456 W.  
Olive Ave., Sunnyvale, CA 94086

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#### Special Meeting

#### **CALL TO ORDER**

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

#### **SALUTE TO THE FLAG**

Chair Gilbert led the salute to the flag.

#### **ROLL CALL**

**Present:** 5 - Chair Diana Gilbert  
Vice Chair Joshua Grossman  
Commissioner Patti Evans  
Commissioner Ken Hiremath  
Commissioner Minjung Kwok  
**Absent:** 1 - Commissioner Elinor Stetson

**Commissioner Patti Evans arrived at 7:05 p.m. (after the Consent  
Calendar vote was taken)**  
**Council Liaison Nancy Smith (absent)**

#### **ORAL COMMUNICATIONS**

None.

#### **CONSENT CALENDAR**

**1.A**     [18-0992](#)     Approve the Housing and Human Services Commission  
Meeting Minutes of October 24, 2018

Chair Gilbert asked for discussion, or a motion on the consent calendar item.

MOTION: Vice Chair Grossman moved, and Commissioner Kwok seconded the motion to Approve the Housing and Human Services Commission Minutes of October 24, 2018 as submitted.

The motion carried by the following vote:

**Yes:** 4 - Chair Gilbert  
Vice Chair Grossman  
Commissioner Hiremath  
Commissioner Kwok

**No:** 0

**Absent:** 2 - Commissioner Evans  
Commissioner Stetson

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

**2**      [18-1009](#)      Clarification of Recommendation of Supplemental Funding for Human Services

Joseph Shin, Housing Programs Analyst, provided the staff report.

After some clarification questions of staff, Chair Gilbert opened the public hearing at 7:13 p.m.

The following representatives spoke on behalf of their agencies and shared anecdotal data regarding the increased need for their services by the populations that they serve in the community.

- Marie Bernard, Sunnyvale Community Services Executive Director
- Teresa Johnson, Meals-on-Wheels Program Manager
- Maureen Damrel, Downtown Streets Team Director for Santa Clara County
- Jo Bailard, Abilities United Director of Corporate and Foundation Giving

Ms. Bernard provided ten-year comparison data from her agency showing the impact of the increased need for services in Sunnyvale.

Ms. Bailard, as a side note, wanted to acknowledge that at the November 13, 2018 Council meeting, City Council approved an affordable housing project that reserved 25 units for special needs individuals, which will benefit clients served by Abilities United.

Chair Gilbert closed the public hearing at 7:34 p.m.

After a short discussion and additional questions of staff, Chair Gilbert asked for a motion.

MOTION: Commissioner Hiremath moved, and Vice Chair Grossman seconded the motion to approve Alternative 1: Confirm the recommendation for supplemental General Fund support for Human Services grants to \$200,000 for FY 2019/20 based on all the factors presented as a basis for the recommendation for the increase.

FRIENDLY AMENDMENT: Commissioner Evans offered a friendly amendment to include the data provided by Sunnyvale Community Services to further support the requested increase.

Commissioner Hiremath accepted the friendly amendment.

The motion carried by the following vote:

**Yes:** 5 - Chair Gilbert  
Vice Chair Grossman  
Commissioner Evans  
Commissioner Hiremath  
Commissioner Kwok

**No:** 0

**Absent:** 1 - Commissioner Stetson

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

#### **3      [18-0995](#)      Propose New Study Issues and Budget Issues**

Trudi Ryan, Director of Community Development, gave a brief overview of the study/budget issues process changes and how these changes gave the commissioners an added opportunity to consider potential study issues for 2019.

Chair Gilbert asked if there were any suggestions from the commissioners. After some discussion, the commissioners asked staff to bring back to the next meeting language for two potential study issues and one budget issue as follows:

1. Study Issue - Measure the impact of closures, conversions, and rent increases in mobilehome parks on park residents and on homelessness in Sunnyvale.
2. Study lssue - Update or develop policies that more adequately evaluate the

change in human services needs in the community.

3. Budget Issue - Suggest that Council increase the supplemental funding from the General Fund for human services based on population growth and using the funding allocated for year 2019/20 as the base amount.

In addition, the Commissioners discussed options to convey to Council the Commission's recommendation to emphasize community members needs in the Council Policy Priority list.

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

#### **-Commissioner Comments**

Chair Gilbert shared that her niece who had moved to Paradise because she couldn't afford to live in Sunnyvale, or any metropolitan area, lost her home to the Paradise wildfire.

#### **-Staff Comments**

Director Ryan, reminded the Commissioners that the new Housing Officer would be starting next week.

She also noted that as it had been mentioned during the public hearing, the City Council had approved the Development and Disposition Agreement with Related California for the affordable housing project at Charles Street, and Mathilda and Iowa Avenues, also known as Block 15.

### **ADJOURNMENT**

Chair Gilbert adjourned the meeting at 8:14 p.m.



# City of Sunnyvale

## Agenda Item

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**18-1051**

**Agenda Date:** 12/12/2018

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Approve 2019 Draft Master Work Plan

**RECOMMENDATION**

Approve 2019 Draft Master Work Plan as submitted



# 2019 Draft Master Work Plan

## Housing and Human Services Commission Annual Calendar

MEETING DATE	AGENDA ITEM/ISSUE
January 23	<ul style="list-style-type: none"> <li>Rank Study Issues by January 31</li> </ul>
February 27	<ul style="list-style-type: none"> <li><b>Presentation:</b> Proposals for CDBG Human Services funding for FY 2019-20 and FY 2020-21 and CDBG/HOME Capital Project Loans for FY 2019-20</li> </ul>
March 27	<ul style="list-style-type: none"> <li><b>Public Hearing:</b> Recommended Funding of CDBG Human Services Grants and CDBG/HOME Capital Project Loans</li> </ul>
April 17*	<ul style="list-style-type: none"> <li><b>Public Hearing:</b> Draft FY 2019-2020 HUD Action Plan</li> </ul>
May 22	<ul style="list-style-type: none"> <li>Review Recommended Budget</li> </ul>
June 26	<ul style="list-style-type: none"> <li><b>Presentation:</b> Recognition of Service</li> </ul>
July 24	<ul style="list-style-type: none"> <li>Selection of Chair and Vice Chair for FY 2019-2020</li> </ul>
August 28	
September 25	<ul style="list-style-type: none"> <li>Public Hearing: Review of Consolidated Annual Performance Evaluation Report (CAPER) on CDBG and HOME grants for FY 2018-2019</li> </ul>
October 23	<ul style="list-style-type: none"> <li>Propose and/or review new Study Issues and Budget Issues</li> <li>Annual Review of Code of Ethics and Conduct for Elected and Appointed Officials</li> </ul>
November 20*	<ul style="list-style-type: none"> <li>Approve 2020 Master Work Plan</li> </ul>
December 18*	<ul style="list-style-type: none"> <li>Final month to Approve 2020 Master Work Plan</li> <li>Final month for Annual Review of Code of Ethics and Conduct for Elected and Appointed Officials</li> </ul>

**Additional items yet to be scheduled:**

- Study Issues may be proposed at any meeting throughout the year
- Study Issues presentation dates will be added following approval by Council
- If necessary, meetings may be held in August and/or December to accommodate items added to the Work Plan during the year.



# City of Sunnyvale

## Agenda Item

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**18-1049**

**Agenda Date: 12/12/2018**

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### **SUBJECT**

Review Draft Requests for Proposals for FY 2019/20 and FY 2020/21 CDBG Human Services Grants and FY 2019/20 CDBG/HOME Housing and Capital Projects Funding

### **BACKGROUND**

The City of Sunnyvale receives annual entitlement grants of CDBG and HOME funds from the U.S. Department of Housing and Urban Development (HUD), as well as “program income” from loan repayments. Each year the City solicits proposals from local organizations to use a portion of these funds to provide eligible housing and community development services or projects to the Sunnyvale community. The Requests for Proposals (RFP) set forth the types of public services (human services) programs, capital and housing projects that are eligible for CDBG or HOME funding from the City, and explains the City’s process for evaluating and scoring proposals, determining award amounts, and approving of the awards.

The City anticipates receiving a CDBG grant of approximately \$1 million and a HOME grant of approximately \$300,000 from HUD, subject to federal appropriations, for Program Year 2019. The attached RFPs call for proposals to provide human services or develop capital projects using CDBG or HOME funds in FY 2019/20. The City estimates that approximately \$750,000 in CDBG funds and approximately \$300,000 in HOME funds may be available through these RFPs. Staff also anticipates that approximately \$135,000 of the City’s General Fund will be available for human services. The actual amount of funding available for FY 2019 may be significantly more or less than these estimates, depending on federal appropriations and the City’s receipt of program income during the remainder of the current year. Staff expects to have a more accurate estimate of available funding by the time final award amounts are proposed in March.

Attached for review are the following draft RFPs:

1. RFP for Human Services
2. RFP for CDBG/HOME Capital Projects

The City will release both RFPs on January 7, 2019, as shown on the timeline on the following page. The deadline to submit proposals and planned public hearing dates are also shown on the timeline. All dates are subject to change. For the latest timeline please contact Housing Programs Analyst Joseph Shin at 408-730-7451 or by email at [jshin@sunnyvale.ca.gov](mailto:jshin@sunnyvale.ca.gov).

### **Staff recommendation:**

Review draft RFPs and provide any comments/suggestions for any changes to the final RFPs. A formal vote on any suggested changes is not required, as these are administrative documents.

**APPLICATION TIMELINE\* FOR FISCAL YEAR 2019/20  
CDBG/HOME FUNDING CYCLE**

*\* Dates are subject to change. Please contact Housing staff to confirm dates.*

RFP Issuance	January 7, 2019
Deadline for submission of applications (4:30 p.m.)	February 11, 2019
Applicant presentations to Housing & Human Services Commission**	February 27, 2019
Housing & Human Services Commission Meeting: Public Hearing; Commission recommendations on human services and capital/housing projects funding	March 27, 2019
Housing & Human Services Commission Meeting: Public Hearing on FY 2019/20 Action Plan	April 17, 2019
City Council approval of Action Plan	May 7, 2019

*\*\* If a large number of applications are received, an additional meeting may be scheduled in early March to allow adequate time for all applicant presentations.*

Prepared by: Joseph Shin, Housing Programs Analyst

Reviewed by: Jenny Carloni, Housing Officer

Approved by: Trudi Ryan, Director, Community Development

**ATTACHMENTS**

1. Human Services RFP
2. CDBG/HOME Capital Projects RFP



**COMMUNITY DEVELOPMENT BLOCK GRANT  
(CDBG)**

**REQUEST FOR PROPOSALS  
FOR  
HUMAN SERVICES FUNDING**

**PROGRAM YEARS 2019-20 AND 2020-21**

**Release Date:  
January 7, 2019**

**Proposals Due:  
February 11, 2019**

COMMUNITY DEVELOPMENT DEPARTMENT  
HOUSING DIVISION  
408-730-7250

<https://sunnyvale.ca.gov/property/housing>  
56 West Olive Avenue, P.O. Box 3707, Sunnyvale, CA 94088-3707



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## **I. INTRODUCTION**

The City of Sunnyvale hereby requests proposals for Human Services (Public Services) activities to be funded in fiscal years 2019 and 2020.

This Request for Proposals (RFP) is open to agencies seeking funding for human services that will meet priority or unmet community needs in Sunnyvale. Proposals must address one or more of the goals, policies, and priorities of the City's HUD Consolidated Plan to be eligible for funding. Please refer to Attachment D and the funding priorities on the following page for a description of the types of services that are eligible. Applicants will be required to comply with the policies and procedures established by the City of Sunnyvale's Human Services Policy (Attachment A).

The City funds human services on a two-year funding cycle. Human services programs awarded funding for FY 2019 will be eligible for a grant of similar size in FY 2020, subject to satisfactory performance in the first grant year, and funding availability for the second year.

### **Human Services**

Human services are defined in Council Policy 5.1.3 (Attachment A). Proposals submitted in response to this RFP must demonstrate that the proposed service can be more cost-effectively operated by the proposer than by the City, or because of its unique role in the community, applicant is the most capable service provider. Proposer must demonstrate good faith efforts to secure matching funds for services from other sources.

### **Community Development Block Grant (CDBG)**

The Community Development Block Grant Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The primary objective of the CDBG program is the development of viable urban communities through the provision of decent housing, a suitable living environment, and expanded economic opportunity, principally for lower income persons and neighborhoods.

The City of Sunnyvale receives an annual entitlement grant of CDBG funds from the U.S. Department of Housing and Urban Development (HUD), as well as "program income" from loan repayments. Each year the City solicits proposals from eligible local organizations for programs to be funded with CDBG funds. This Request for Proposals (RFP) sets forth the types of Public Services Programs that are eligible for CDBG funding in the next two years.

### **Available Funds and Grant Limits**

The City of Sunnyvale anticipates receiving a CDBG allocation of approximately \$1.0 million from the Department of Housing and Urban Development (HUD) for Program Year 2019. Staff estimates that up to \$180,000 in CDBG funds and up to \$135,000 in City funds may be available for human services grants next year. The minimum grant request for applicants seeking General funds is \$10,000 and for CDBG applicants it is \$25,000. The maximum grant amount is the same for both funding sources: no more than 25% of the total Human Services funding available, or approximately \$78,000 based on the estimates above. The City will not award grants of less than the minimum amounts herein.

### **Application Process**

1. Attend Applicant Workshop
2. Complete and submit written application
3. Proposal eligibility determination, evaluation and scoring by Housing staff
4. Funding recommendations by Housing staff

5. HHSC review of proposals and funding recommendations
6. Final approval by City Council upon approval of the 2019 Action Plan

The following attachments are included for your use and reference in completing the attached application form:

- A. Human Services Policy
- B. HUD Income Limits
- C. Compliance with National Objectives
- D. Excerpts from 2015-20 Consolidated Plan
- E. Timeline for the FY 2019-20 Funding Cycle
- F. Organizational Requirements
- G. Insurance Requirements
- H. Funding Targets

Release Date: January 7, 2019

**Proposals due by: 4 p.m. on February 11, 2019**, at the  
Community Development Department, Housing Division, Attn: Joseph Shin  
456 W. Olive Avenue, Sunnyvale  
or by mail to:  
City of Sunnyvale Housing Division  
Attn: Joseph Shin, P.O. Box 3707, Sunnyvale, CA 94088-3707

Contact:

Joseph Shin, Housing Programs Analyst  
(408) 730-7451  
jshin@sunnyvale.ca.gov

or

Edith Alanis, Housing Programs Technician  
(408) 730-7254  
ealanis@sunnyvale.ca.gov

Applications available online at: <https://sunnyvale.ca.gov/property/housing/default.htm>



## **II. FUNDING OBJECTIVES**

The City of Sunnyvale's Consolidated Plan, adopted in May 2015, is a 5-year plan that identifies housing and other community development needs, analyzes federal resources, and provides strategies for addressing the identified needs (Attachment D). The City provides human services grants for services which address identified priority needs and principally benefit lower-income people in Sunnyvale.

### **Funding Priorities**

The "Priority Needs" for the City of Sunnyvale's Community Development Block Grant Program were determined through a series of public community meetings and were adopted as part of the 2015 Consolidated Plan in accordance with regulations established by HUD, and additional public hearings held in October and November of 2018.

The following objectives in the Consolidated Plan are associated with human services:

1. Help people who are currently homeless or at imminent risk of homelessness to obtain housing, employment or other sources of income, and adequate support services/networks to achieve stability.
2. Support provision of essential human services, particularly for special needs populations (seniors, disabled, homeless people, children, youth, victims of domestic violence, etc.), including:
  - A. Basic needs (such as food, shelter, transportation, health & mental health care, employment assistance/training, child care, etc).
  - B. After school or intervention programs to provide youth with positive alternatives to drugs, violence, and/or gangs (i.e., recreational, mentoring, educational, and career-building activities).
  - C. Mental health, addiction and substance abuse counseling, particularly for youth and those exiting institutions.
  - D. Other specialized supportive services, such as foreclosure assistance, legal assistance for seniors and others, and other specialized human services, such as those currently supported by the city, or those that may address a new or unmet priority need.

## **III. ELIGIBILITY FOR HUMAN SERVICES FUNDING**

Programs for which funding is requested must meet all of the requirements of Council Policy 5.1.3 (Attachment A) and CDBG requirements in Attachment B. Proposals that do not meet these requirements will not be considered for funding.

Applicants are encouraged to attend the Applicant Workshop on January 25, 2019. Please contact Joseph Shin for meeting location and additional details.

Agencies applying for funding must meet all of the following eligibility criteria:

- Agency must be incorporated as a California non-profit organization, and must be tax-exempt (under Section 501(c)(3) of the IRS Code and Section 23701(d) of the California Revenue and Taxation Code).

- Applicants must be ready to implement programs by July 2019.
- Programs must serve Sunnyvale residents.
- Programs must address one or more priority or unmet needs listed in Section II above.
- Organization must meet all Organizational Requirements listed in Attachment F.
- If applicant received a human services grant award in the previous two-year cycle, applicant must be in good standing, as follows: successfully completed grant program objectives, submitted required reports and invoices on time each year, and complied with all administrative requirements in each program year, with no unresolved monitoring findings from the City or HUD regarding the City-funded program.

**CDBG-Eligible Activities:**

- To use CDBG funds for a public service, the service must be either a new service or a quantifiable increase in the level of an existing service.
- Programs must meet a national objective and eligibility requirements (Attachment C) or they will not be considered for funding.

**Ineligible Activities**

The following list includes the types of activities that may NOT be funded with CDBG funds. The list is not all-inclusive.

- Buildings or portions thereof used predominantly for the conduct of general government.
- General government expenses.
- Political activities.
- The purchase of equipment, except equipment to be used in connection with eligible CDBG funded activities such as administration and public services and integral structural fixtures.
- Operating and maintenance expenses, except for program administration and eligible public services.
- New housing construction, except when carried out by certain eligible nonprofit organizations.
- Payments to individuals for their food, clothing, rent, utilities, or other ongoing income payments.

**IV. AMOUNT OF FUNDING AVAILABLE**

- The amount of City funds requested shall not exceed the proposer's cost to serve Sunnyvale residents, based on the pro-rata share of Sunnyvale residents relative to the overall program cost.
- The amount requested shall be based on the proposer's actual costs, based on expenditure documentation, agency budgets and financial audits, to serve the number of clients proposed to be served with the type of service proposed.
- Agencies may not request additional City funds, after the grant awards have been made, for the same two-year period.
- Non-expendable equipment purchases are not eligible.
- Grantees must comply with all CDBG regulations applicable to public service activities, including low income benefit, which requires that at least 51% of the program's clients are low-income (Attachment B).

## V. APPLICATION SCORING

Applications deemed eligible by staff will be scored using the following point system. Staff scores are advisory to the Commission and Council, which may adjust, modify, or disregard scores if desired.

Scoring Category	Maximum Points
<b>1. Organizational Capacity and Relevant Experience</b> Organization's staff, board and volunteers, if any, are well qualified to complete and operate project, considering years of experience completing similar projects, number of similar projects completed, and performance under prior CDBG or human services grants, particularly those provided by the City, if any. Agency's language capabilities and cultural competency appropriate to the target clientele and entire Sunnyvale community will also be evaluated in this category. Agency has a stable staff, board, and financial position, and a track record of consistent performance in program delivery and compliance.	20
<b>2. Need for Program</b> Program clearly addresses one or more priority or unmet needs identified in Consolidated Plan and RFP. Stated need and proposed program are supported by letters from Sunnyvale community members or organizations other than applicant. Proposed program would address one or more of the four need categories identified in the Consolidated Plan: basic needs, counseling/substance abuse programs, youth intervention, or other supportive services.	20
<b>3. Program Design and Readiness</b> Program design (operational and financial) is cost-effective, feasible, generates cost savings for the City, and effective in meeting the stated needs and objectives of the program. Applicant is ready and able to begin providing service no later than July 1, 2019.	20
<b>4. Budget and Financial Management</b> Budget scores based on realistic cost estimates and budget for various project cost items. Financial management points based on clean financial audits for prior years, a strong record of financial compliance with current or prior HUD/City projects, and strong and stable financial position of the agency in general.	20

Scoring Category	Maximum Points
<b>5. Percentage of Matching Funds for Sunnyvale Program</b> Points awarded based on a sliding scale beginning with 1 point for a 5% match, and 20 points for 100% match, i.e., each increase of 5% in matching funds equates to one additional point, up to 20 points. Matches of more than 100% will not receive additional points. Only those funds proposed to be used to serve Sunnyvale clients will be counted as match.	20
<b>Total Points Available</b>	<b>100</b>

**Note:** There is no direct correlation between a proposal's score and the amount of funding recommended for that proposal. Scores are calculated simply for the purpose of evaluating a project's merit for any City funding, and comparing the strengths and weaknesses of various proposals received. Projects with equal scores may be awarded different funding amounts, or a project with a lower score may receive a larger award than a project with a higher score. Funding recommendations and/or awards are based on a) amount requested by applicant; b) the City's determination of the project's need and/or eligibility for City funds; c) the minimum amount necessary to make the project feasible; and d) the amount of City funds available.

## **ATTACHMENT A**

### **Council Policy 5.1.3: Human Services**

#### **POLICY PURPOSE:**

The City of Sunnyvale recognizes that the supportive human services programs of the Federal, State and County governments do not fully meet the needs of all its population. The City, therefore, shall make its best efforts to provide supplemental human services, which include but are not limited to the emergency services, senior services, disabled services, family services and youth services.

The City establishes this Human Services Policy to insure that Human Services are identified and provided in the most efficient and effective manner.

This policy establishes guidelines for funding programs/services that may be provided on behalf of the City by outside groups. The intent of this policy is to:

- A. Establish a process through which outside groups can be funded to provide needed human services cost-effectively.
- B. Establish a methodology by which programs/services proposed by outside groups can be assessed.
- C. Establish an evaluation system that assures equity in the process of funding considerations by Council.
- D. Establish the type and amount of funding commitment that the City will provide.

This policy does not apply to those outside groups with whom the City contracts to provide City services other than human services. Human Services Agencies are defined as those which provide supportive services to a specific group of people, at least 51% of whom are lower income (80% or less than of area median income).

#### **POLICY STATEMENT:**

- I. The City will bi-annually, prior to adoption of the two-year Resource Allocation Plan, review prevailing conditions of human needs within the City and give appropriate attention to Human Services Policies in the City. The Housing and Human Services Commission, following one or more public hearings, will recommend to City Council priority human service needs for the next two years. Following a public hearing, City Council will adopt a two-year priority of human service needs.
- II. The City seeks to meet as many Human Service needs as possible using its limited available resources. The primary resource utilized for funding human services is the Federal Community Development Block Grant (CDBG) which permits up to 15% of the annual grant entitlement to be utilized for such purposes. The City Council may choose to supplement CDBG funding of human services through the annual Operating Budget process.

- III. The City assumes an advocacy role to manage the use of its resources to meet human service needs in Sunnyvale in the following ways:
- Encourages and advocates coordination and cooperation among organizations providing Human Services in Sunnyvale
  - Advocates, encourages and wherever possible, facilitates the co-location of human service providers.
  - Actively pursues the cooperation of Federal, State, County and other agencies to enhance the quality and availability of human services to residents of Sunnyvale.
- IV. The City *may directly provide* needed Human Services when:
- Specifically targeted intergovernmental funds (such as CDBG) are available. The City is the most cost-effective or logical provider of the service, AND
  - Provision of such services by the City is compatible with the City's General Plan, policies and/or action plans.
- V. The City may *fund service providers* of needed human services when:
- Specifically targeted intergovernmental funds (such as CDBG) are available,
  - Another agency is the most cost-effective or logical provider of the service, AND
  - Provision of such services by the City is compatible with the City's General Plan, policies and/or action plans.
- VI. PROPOSAL FUNDING CATEGORIES:

Programs requesting funding must qualify under one of the categories below:

Operational: Funding of programs and services to address identified community needs or problems as specified in the City's General Plans or other policies through direct financial support and/or in-kind contributions.

- Programs/services funded under this category must represent a service that can be more cost-effectively operated by the proposer than by the City, or
- Must be such that the proposer because of its role in the community is the most logical service provider.
- Funding may be provided on a multi-year basis but is not guaranteed. Continued funding is contingent upon City budget limitations and proposer's previous program performance.
- Proposer must demonstrate good faith efforts to secure funding for programs/service from other sources.

Emergency: Funding of operational programs offered in the community that meet an existing need for which normal funding is no longer available.

Proposers and programs qualifying under this category must demonstrate:

- Good performance of current programs;
- Current financial difficulties will largely curtail the services currently provided to City residents;

- Future funding to continue the program can be obtained from other sources with reasonable probability;
- Funding for programs qualifying under this category shall be limited to one year.

Seed Program: Funding for start-up of new programs designed to meet a significant community need or problem.

- Proposers must demonstrate a high probability that funding can be sustained beyond the commitment of City funds;
- Initial funding for seed programs is limited to one year;
- Second year funding may be possible if the program demonstrated good performance or special factors related to the continued need for funding can be demonstrated;
- Prospect must demonstrate good faith efforts to secure funding for programs/services from other sources.

Project: Funding of capital or other one-time projects designed to address a significant community need or problem.

- Funding of such projects shall be limited to a specific time frame, usually not more than one year.

#### VII. APPLICATION POLICY STATEMENT:

The City wishes to consider funding of needed and appropriate services. In order to determine which agencies should be awarded funding, the Council has adopted a formalized human services funding application procedure. All groups desiring to act as service providers, and requesting City funds to do so, must submit a complete application by specific due dates. Public notice of the availability of requests for proposals and the specified dates will be provided in ample time for applications to be prepared.

All applicants desiring a grant from the City to provide human and social services will be required to comply with the application procedure and time schedule. All applications will have to meet the following three criteria:

1. Provide a service consistent with an existing recognized City priority need, policy, goal or objective;
2. Request funds for a program or project that qualifies under one of the four previously identified funding categories;
3. Have completed the application process and the application has been determined to be accurate and complete.

#### VIII. EVALUATION PROCESS:

To assure all applications for City funding of human services receive due consideration and to ensure Council is provided with the information it needs to make its funding decisions, the following evaluation process will be applied to requests received:

1. Applications not received by the due date will be rejected. Applicants submitting applications, which are materially incomplete, will have five working days from notification by staff to correct any deficiencies, or their applications will not receive further evaluation.
2. Staff will determine proposal eligibility based on guidelines provided in this policy. Proposals not qualifying will not be recommended to Council for funding and will not receive further evaluation.
3. Staff will prepare a technical evaluation of the applications and make recommendations to the Housing and Human Services Commission based upon the priorities adopted by City Council and upon its evaluation of the applicant's ability to effectively deliver such services.
4. The Housing and Human Services Commission will conduct formal evaluations of the applications, including the opportunity for each group to present its program in public hearing for evaluation. The Commission will make recommendations to the City Manager and Council for allocation of available CDBG funds to outside groups to provide human services. The Commission may also notify the City Manager and City Council of applications where a significant need will remain unmet even if Council allocates CDBG funds as recommended. The City Manager may recommend, and the City Council may provide supplemental funding from the annual Operating Budget.
5. The City Manager will forward the Commission recommendation to Council with a staff recommendation thereon.

The Housing and Human Services Commission shall develop evaluation criteria, which criteria must be consistent with adopted Council policy. Staff and the Commission will apply these criteria uniformly to all applications reviewed. The following guidelines for general evaluation criteria include (but are not limited to):

Critical Evaluation Factors. Each of these factors must be met for the program to receive a recommendation for City funding.

- The organization must meet minimum eligibility standards to receive funding.
- The organization and its program must have demonstrated good performance and capability to effectively provide the program.
- The organization and its program must deliver services in a cost-effective manner.
- The organization must be an appropriate agency to deliver this program.
- The program must not be a duplication of services provided in the same service area.
- The organization and its programs must demonstrate strong financial management *and effective management controls*.
- The proposed program must have a contingency plan for funding if City support is limited or eliminated in the future.

Favorable Evaluation Factors. The proposed program must address one or more of the following factors to receive a positive recommendation.

- The proposed program addresses a priority adopted by the City Council and is related directly to a general plan policy.



- The proposed program is a needed enhancement of any existing City program, and can be better performed by an outside group than by the City directly.
- The program has a diverse funding base and is not heavily reliant upon City funds to support its operation.
- The program has leveraged City funds with other funding sources to maximize service provision.

(Adopted: RTC 81-617 (10/13/1981); Amended: RTC 99-430 (10/19/1999); Amended: RTC 06-112 (4/11/2006))

Lead Department: Community Development Department

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## ATTACHMENT B

### 2018 HUD INCOME LIMITS



#### City of Sunnyvale

#### 2018 INCOME LIMITS for CDBG and HOME FUNDED PROGRAMS

AREA MEDIAN INCOME AS DETERMINED BY HUD: \$125,200

To qualify for one of the Housing Division's CDBG or HOME funded programs, your household's combined gross annual income cannot exceed the maximum low-income limit (80%) for your household size established by HUD.

Maximum Income by Household Size:

Income Category	Number of Persons in Household							
	1	2	3	4	5	6	7	8
Extremely Low (30%)	\$ 27,950	\$ 31,950	\$ 35,950	\$ 39,900	\$ 43,100	\$ 46,300	\$ 49,500	\$ 52,700
Very Low (50%)	\$ 46,550	\$ 53,200	\$ 59,850	\$ 66,500	\$ 71,850	\$ 77,150	\$ 82,500	\$ 87,800
Low (80%)	\$ 66,150	\$ 75,600	\$ 85,050	\$ 94,450	\$ 102,050	\$ 109,600	\$ 117,150	\$ 124,700

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## ATTACHMENT C

### CDBG NATIONAL OBJECTIVES

The primary objective of the CDBG program is *“the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for lower-income persons.”* All projects or programs funded with CDBG funds must meet the following national program objective:

1. Principally benefit lower income persons: At least 51 percent of the program’s beneficiaries must be of lower income as defined by HUD, or the activity must serve a geographic area where at least 51 percent of the residents are lower income, or the activity must serve a “limited clientele group” as defined by HUD.

HUD defines low and lower income persons as those whose total household incomes do not exceed the HUD Section 8 Rental Income Limits based on roughly 80% of Area Median Income (AMI). Please refer to Attachment B for the current HUD Income Limits.

**National Objective Sub-categories:**

Your agency must select one of the two methods for compliance with the national objective of principally benefiting lower-income persons.

**Area Benefit Activity:** If activities addressing the needs of residents of a specific geographic area within the City where at least 51% of the residents are lower-income.

**Limited Clientele Activity:** If your activity benefits a specific group of people, who are presumed to be lower-income (see below for a listing of groups presumed to be lower income); or if you will be verifying client income to demonstrate that at least 51% of your clients are lower-income persons, or if your program only serves lower-income persons.

You must be able to document that 51% of your program’s clients are lower-income, consistent with applicable HUD requirements.

Specific groups **presumed** by HUD to be lower-income are:

- Abused Children
- Homeless persons
- Battered persons
- Elderly persons
- Adults meeting the Bureau of Census’ Current Population Reports definition of “Severely Disabled”
- Illiterate adults
- Persons living with HIV/AIDS, and
- Migrant farmworkers

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## ATTACHMENT D

### Selected Excerpts from 2015-20 consolidated Plan (Pages 108 thru 110)

#### Goal B: Alleviation of Homelessness

**Strategy:** Under the Housing First model promulgated by local, state, and national policy analysts, it is much more cost-effective for the public and private sectors to move chronically homeless people into stable housing as soon as possible, in order to minimize costly and often repetitive utilization of emergency medical care, public safety services, courts, incarceration, hospitalization, and other costly interventions. It is also much more cost-effective to prevent people from becoming homeless in the first place, and getting them into housing as soon as possible if they do become homeless, through prevention and rapid re-housing programs.

*Geographic Targeting:* City-wide or outside of the City, as long as Sunnyvale clients can be served. Many facilities and housing projects that serve homeless people are funded jointly by multiple agencies and jurisdictions and serve a county-wide clientele. Sunnyvale has traditionally participated in these regional efforts, as homeless people often move frequently between jurisdictions. Sunnyvale has funded a number of these projects with either operational (services) funding or capital funding, such as: the two new permanent supportive housing developments in Sunnyvale (Parkside Studios and Onizuka Commons), which will provide 47 units for homeless clients; three group homes in Sunnyvale (two for tenants with mental disabilities and one for youth aging out of foster care); Peacock Commons and the Jackson Street maternity group homes in Santa Clara; Maitri House in Cupertino for domestic violence victims and their children, and several other facilities elsewhere in the county.

*Priorities:* Homeless families with children, elderly individuals, single women, domestic violence victims, unaccompanied youth, chronically homeless individuals, those with disabilities, and other vulnerable or at-risk clients.

#### Actions:

1. Help people who are currently homeless or at imminent risk of homelessness to obtain housing, employment or other sources of income, and adequate support services/networks to achieve stability.

a) Continue to implement the WorkFirst Sunnyvale Program, which provides employment development, job search assistance, training and supportive services to Sunnyvale homeless clients, to help them obtain paid employment and permanent housing.

b) Continue to implement the TBRA program for homeless and at-risk clients, many of whom have obtained employment through the WorkFirst Sunnyvale Program. The TBRA program provides transitional rental assistance for a term of up to two years, which may include security deposit and/or monthly rental assistance.

c) Continue to assist regional homeless service providers to provide interim shelter, supportive services, outreach, case management, credit counseling, and/or housing search assistance (through Goal C, Action 1, below).

d) Continue to participate in county-wide policy, planning and coordination efforts such as the Continuum of Care and Destination:Home's Community Plan to End Homelessness.

- e) Provide financing and/or technical assistance to developers of emergency shelter, transitional and/or permanent supportive housing projects.
- f) To the extent that local (non-HUD) funding is available for this purpose, provide funding for a Sunnyvale homelessness prevention and rapid re-housing program.

### **Goal C: Other Community Development Efforts**

**Strategy:** Use CDBG funding, as needed and as available, for other eligible activities, which may include public services, public facilities and/or improvements, and accessibility improvements.

*Geographic Targeting:* City-wide if possible, or elsewhere in the County or within reasonable proximity, as long as it can be demonstrated that Sunnyvale clients can be served effectively and as conveniently as possible.

*Priorities:* Services or facilities that primarily serve lower-income and/or special needs clientele (very low income, extremely low income, and/or special needs households (seniors, disabled, homeless people, children, youth, victims of domestic violence, etc.).

### **Actions**

#### **1. Support provision of essential human services, particularly for special needs populations:**

- a) Basic needs (such as food, shelter, transportation, health & mental health care, employment assistance/training, child care, etc.).
- b) After school or intervention programs to provide youth with positive alternatives to drugs, violence, and/or gangs (i.e., recreational, mentoring, educational, and career-building activities).
- c) Mental health, addiction and substance abuse counseling, particularly for youth and those exiting institutions.
- d) Other specialized supportive services as may be requested by the community, such as foreclosure assistance, legal assistance for seniors and others, and other specialized human services, such as those currently supported by the city, or those that may address a new or unmet priority need.

#### **2. Maintain/Expand Community Facilities and Infrastructure in neighborhoods that meet the “area benefit”, “limited clientele,” or “presumed benefit” criteria to qualify for CDBG assistance.**

- a) Support expansion, accessibility retrofits and/or rehabilitation of community facilities (parks, senior/community centers, child care centers, health clinics, etc.).
- b) Continue the curb retrofit program to improve accessibility of city sidewalks and crosswalks.
- c) Support other public infrastructure projects (streetscape projects, sidewalk/utility improvements, traffic calming, removal of architectural barriers etc.) in locations identified by community members, stakeholders, or City staff as being in need of improvement.

### **Goal D: Expanding Economic Opportunities for Lower-Income People**



1. Support economic development activities that promote employment growth and help lower-income people secure and maintain jobs

- a) Continue to serve as the administrative agent and physical host for NOVA, the North Valley Employment Development Agency and Jobs Center, which is funded by the Workforce Investment Act and other grants. Collaborate with NOVA on community development efforts that serve eligible clientele when possible.
- b) Continue to implement the WorkFirst Sunnyvale Program (see Goal B above).
- c) Support employment development, training and vocational programs for Sunnyvale youth, homeless and at-risk clients, and/or other eligible clients seeking employment or retraining (such as disabled or re-entry workers) to the extent funding may be available.

Complete text of the Consolidated Plan is available online at:  
<https://sunnyvale.ca.gov/civicax/filebank/blobdload.aspx?BlobID=23237>

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## ATTACHMENT E

### TIMELINE FOR FY 2016-17 FUNDING CYCLE

(Subject to Change: Please check the Housing Division website frequently for updates)

RFP Issuance	January 7, 2019
Applicant Workshop	January 25, 2019 Time TBD
<b>Deadline for submission of applications (4:00 p.m.)</b>	<b>February 11, 2019</b>
Presentations to Housing & Human Services Commission	February 27, 2019
Draft 2019-20 Action Plan available. 30-Day Public Comment Period Opens.	March 22, 2019
Housing & Human Services Commission Meeting: Public Hearing; Commission recommendations on public services and capital project funding	March 27, 2019
Housing & Human Services Commission Meeting: Public Hearing on FY 2019-20 Action Plan 30-day citizen comment period	April 17, 2019
City Council approval of Action Plan	May 7, 2019
Applicants notified of awards	June 2019
HUD approval	July 1, 2019
Contract Term begins	July 1, 2019

All meetings will be held at Sunnyvale City Hall, 456 West Olive Avenue, Sunnyvale. For meeting room locations, times, or to receive email updates, please RSVP to [Housing@Sunnyvale.ca.gov](mailto:Housing@Sunnyvale.ca.gov) with subject: Human Services Funding, or call (408) 730-7250.

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## ATTACHMENT F

### ORGANIZATIONAL REQUIREMENTS

All agencies applying for funding must have all of the following:

- A. Bylaws - The group must have Bylaws which clearly define the organization's purposes and functions, its organization and the duties, authority and responsibilities of its governing body and officers.
- B. Governing Body - Governance of the organization should be vested in a responsible and active board which meets at least quarterly and establishes and enforces policies. The board should be large enough and so structured to be representative of the community it serves. It should have a specific written plan for rotation or other arrangements to provide for new members.
- C. Personnel - The organization must provide for adequate administration of the program to insure delivery of the services. The organization must provide that it has a written job description for each staff position and an organizational chart approved by the board. Normally one individual should be designated as the full time director of the organization. Organizations must have a written Affirmative Action Plan. This plan would cover employment of staff members, volunteers and board members and delivery of service to clients.
- D. Non-Discrimination - Every organization receiving funds from the City is required to assure that it will not discriminate in employment, exclude any person from participating or subject any person to discrimination under any part of the program on the basis of race, color, religious creed, national origin, ancestry, disability, medical conditions, marital status, sex, age of a person forty (40) years of age or older, or any other basis as to which discrimination is prohibited by state or federal law. Programs designed to meet specific needs may be targeted to specific groups (e.g., seniors, handicapped, youth).
5. Service Designed for Those With Disabilities - Every organization receiving funds from the City must comply with the Americans with Disabilities Act which requires that no otherwise qualified individual shall solely, by reason of his/her disability, be subjected to discrimination or be excluded from participation in or be denied the benefits of the organization. All organizations are required to make reasonable accommodation to ensure that individuals with disabilities are able to participate. This includes a barrier-free environment and, where reasonable, may even include the provision of assistive devices and/or staff accommodations.
6. Accounting - Each organization shall maintain accounting records which are in accordance with generally accepted accounting practices, such as that described in OMB Circular A-122, "Cost Principles for Non-profit Organizations," or A-21, "Cost Principles for Educational Institutions", as applicable, or in the American Institute of Certified Public Accountants (AICPA) "Accounting and Financial Reporting for Voluntary Health and Welfare Organizations". If they receive sufficient federal funds (currently \$300,000) some organizations must also comply with the administrative requirements of OMB Circular A-133, "Audits of Institutions of Higher Education and Other Non-Profit Organizations." OMB CIRCULARS A-133 AND A-122 ARE AVAILABLE FOR REVIEW IN THE COMMUNITY

DEVELOPMENT DEPARTMENT HOUSING DIVISION, 456 West Olive Avenue, Sunnyvale, CA 94088.

7. Auditing - Applicants must submit their latest Independent Audit and Management letter. An organization must have a bi-annual audit conducted and the auditor's report and financial statements prepared in accordance with generally accepted auditing standards as set forth in Standards for Audit of Governmental Organizations, Programs, Activities and Functions. In no event will an audit for a period ending prior to December 31, 2015 be deemed acceptable.

Funded programs will be required to have an independent audit performed. The audit will need to be submitted to the City within 150 days of the end of the organization's fiscal year. For CDBG, audit fees may not be charged to the CDBG grant unless a project is required to conform to OMB Circular A-133. If an agency prefers to have another agency act as the fiscal agent for the project, it may do so if the fiscal agent meets the entry criteria for the program(s), and a signed Statement of Fiscal Agent Responsibilities Form and an Independent Audit and Management Letter of the designated agency is also provided along with the application by the submittal deadline.

The City will require at least a bi-annual audit conducted and the auditor's report and financial statements prepared in accordance with generally accepted auditing standards as set forth in Standards for Audit of Governmental Organizations, Programs, Activities and Functions.

Organizations applying for funding will be required to submit documentation of the above, where applicable.

## ATTACHMENT G

### INSURANCE REQUIREMENTS

Agency shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the work hereunder by the Agency, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the Contractor's bid.

#### A. **Minimum Limits of Insurance**

Agency shall maintain limits no less than:

1. **Commercial General Liability**: \$1,000,000 combined single limit per occurrence and \$2,000,000 annual aggregate for bodily injury, personal injury and property damage.
2. **Automobile Liability**: \$1,000,000 combined single limit per accident for bodily injury and property damage.
3. **Workers' Compensation**: Statutory Limits and **Employers Liability**: \$1,000,000 per accident for bodily injury or disease.
4. **Property or Course of Construction Insurance**: Full replacement cost with no co-insurance penalty provision.

#### B. **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to, and approved by, the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention's as respects the City, its officials, employees, agents and contractors; or the Agency shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the City.

#### C. **Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages
  - a) The City, its officials, employees, agents and contractors are to be covered as an additional insured as respects: liability arising out of activities performed by, or on behalf of, the Agency products and completed operation of the Agency; premises owned, leased or used by the Agency; or automobiles owned, leased, hired or borrowed by the Agency. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, agents and contractors.
  - b) The agency's insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and contractors. Any insurance or self-insurance maintained by the City, its officials, employees, agents or contractors shall be excess of the Agency's insurance and shall not contribute with it.
  - c) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees, agents or contractors.
  - d) Coverage shall state that the Agency's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Property or Course of Construction Insurance:  
The City of Sunnyvale shall be named as a mortgagee and provided a 438 BFU Lender's Loss Payable endorsement for duration of this grant.
3. All Coverages:  
Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in limits except after thirty (30) days' prior written notice has been given to the City.

**D. Acceptability of Insurers**

Insurance is to be placed with insurers acceptable to the City's Risk Manager.

**E. Verification of Coverage**

Agency shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsement for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in writing by the Risk Manager:

**City of Sunnyvale - Housing Division  
456 W. Olive Avenue  
Sunnyvale, CA 94086**





Sunnyvale

**COMMUNITY DEVELOPMENT BLOCK GRANT  
(CDBG) and HOME INVESTMENT PARTNERSHIPS  
(HOME)**

**REQUEST FOR PROPOSALS  
FOR  
CAPITAL AND AFFORDABLE HOUSING  
PROJECTS**

**PROGRAM YEARS 2019-2020**

**Release Date:  
January 7, 2019**

**Proposals Due:  
February 11, 2019**

COMMUNITY DEVELOPMENT DEPARTMENT  
HOUSING DIVISION  
408-730-7250

<https://sunnyvale.ca.gov/property/housing>  
56 West Olive Avenue, P.O. Box 3707, Sunnyvale, CA 94088-3707



## I. Background

### What is CDBG?

The Community Development Block Grant Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The primary objective of the CDBG program is the development of viable urban communities through the provision of decent housing, a suitable living environment, and expanded economic opportunity, principally for lower<sup>1</sup> income persons and neighborhoods.

### What is HOME?

The HOME Investments Partnership Program was established by Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended. The HOME program provides funding for construction, rehabilitation, and/or acquisition of housing affordable to lower income persons, as well as certain other activities in support of affordable housing (not related to capital projects).

The City of Sunnyvale receives annual entitlement grants of CDBG and HOME funds from the U.S. Department of Housing and Urban Development (HUD), as well as occasional “program income” from funds recycled from previous projects. Each year the City seeks to maximize the benefits of these funds by partnering with local organizations to conduct eligible activities. This Request for Proposals (RFP) sets forth the types of capital and housing projects that are eligible for CDBG or HOME funding under this RFP.

### CDBG National Objectives

CDBG activities must qualify under a HUD **national objective** in order to be eligible to receive funding. The City of Sunnyvale is responsible for assuring that projects assisted with its CDBG funds through this RFP meet one of the following national objectives:

1. **Benefit lower-income persons:** A project may be shown to benefit lower-income persons through one of the following methods:
  - **Area Benefit:** Projects that meet the identified needs of lower-income persons residing in an identified residential service area where at least 51% of the residents are lower income.<sup>2</sup>
  - **Limited Clientele:** Projects that benefit a specific group of people, at least 51% of whom are verified as lower-income clients;
  - **Jobs:** Employment-generating activities that are located in a predominantly lower-income neighborhood and serve lower-income residents, or involve facilities designed for use predominantly by lower-income persons, or involve the employment of persons, the majority of whom are lower-income.

<sup>1</sup> Terminology used to refer to income levels is not consistent between the federal CDBG and HOME programs nor between state and local housing programs. For consistency, this RFP will use the umbrella term “lower-income” to refer to the entire range of income levels eligible for assistance with CDBG and HOME program funds (i.e., those earning at or below 80% of area median income, as determined annually by HUD).

<sup>2</sup> In Sunnyvale there are very few neighborhoods that qualify for CDBG funding under the “Area Benefit” method, therefore most local CDBG activities must use the “Limited Clientele” method, which requires the applicant agency to screen project clients for lower-income eligibility. **Applicants must consult with the Housing Division before proposing a project that needs to qualify for CDBG through the Area Benefit method.**

## **II. RFP Objectives**

### **A. Available Funds**

The City of Sunnyvale anticipates receiving a CDBG grant from HUD for Program Year 2019. The amount of that grant is currently unknown. Some of the grant is typically allocated to public services and other activities funded outside of this RFP. This RFP seeks to award available CDBG and HOME funds, including program income, to eligible projects, as described below, for completion in FY 2019/20. The amount of funding available is not known at this time, however the City estimates approximately \$500,000 in CDBG and possibly \$250,000 in HOME funds. Proposals may request awards of higher amounts to be funded on a contingency basis if funds become available before the final awards are made. Capital project proposals must be at least \$100,000, with applicants providing additional funds to the project from other sources (match). The award amounts are based on the project's identified funding gap, availability of the requested funding type, project merits, and the number of eligible proposals received. Funds for CDBG and HOME capital projects are provided in the form of a loan secured by the real property to be improved. A very limited number of CDBG projects not involving improvements to real property may be funded in the form of a grant, such as activities by community-based development organizations (CBDOs) located in Sunnyvale. Local Community Housing Development Organizations (CHDOs) are encouraged to apply for HOME CHDO funds.

### **B. Eligible Applicants**

Applicants must be non-profit organizations with current, IRS-recognized non-profit status, including public agencies, and must provide current documentation of such status in applications.

### **C. Eligible Projects**

The following types of CDBG- or HOME-eligible projects may be funded through this RFP. CDBG projects must also meet one of the National Objectives described above. HOME projects must meet HOME funding eligibility requirements. Detailed federal regulations apply to each type of project or activity:

1. Acquisition of real property for an eligible community facility or affordable housing use;
2. Public facilities and improvements (e.g., community centers, neighborhood improvements, shelters);
3. Property clearance/demolition;
4. Housing rehabilitation;
5. Construction of new affordable housing (HOME funds only);
6. Removal of architectural barriers;
7. Community-Based Development Organization (CBDO) activities (job training, placement, employment support) described in CFR §570.204(a)(2).

**Note:** CDBG program income funds may only be used for housing rehabilitation projects.

### **D. Ineligible Activities**

The following activities may NOT be funded with CDBG or HOME funds. This list is not all-inclusive:

1. Political activities;

2. Religious activities;
3. Purchase of equipment, including furnishings, personal property, vehicles, and fire protection equipment.

In addition, projects that would permanently displace (as defined by the Uniform Relocation Act) residents or businesses from their existing housing or place of business **are not eligible for funding through this RFP.**

#### **E. Matching Funds (Leverage)**

The City has limited CDBG/HOME funds. **Proposals submitted under this RFP shall include matching funds equal to at least 25% of the total project cost.** Projects providing more than 25% of the project cost as matching funds will receive more points in this scoring category than those that provide only the minimum required matching funds. Matching fund sources may include contributions derived from other available funding sources, program fees, and/or the value of in-kind services (i.e., volunteer and staff services or pro-bono professional services used to implement the capital project).

At least half of the matching funds counted toward a proposal shall consist of enforceable commitments of real dollars (i.e., not in-kind services) which are either currently available to the applicant for project use, and/or evidenced by an irrevocable, written commitment of funds to the project (may be conditioned upon applicant's award of City 2019 CDBG/HOME funds) signed by the funding agency or donor. Signed commitments for all matching funds must be provided in application in order to be counted as match for scoring and evaluation purposes.

Matching funds must be permanently contributed to the project, and are subject to CDBG and HOME program income, reversion of assets, and/or reuse requirements. If a project is awarded City funds, all matching funds will be considered part of the CDBG or HOME project budget, and will become equally subject to all federal requirements applicable to the project, such as Davis-Bacon prevailing wages, federal environmental review, and equal opportunity requirements.

#### **F. Description of Sunnyvale Priority Need(s) Addressed by Project**

Applicants must clearly describe the following in their applications: why the proposed project is needed in Sunnyvale at this time; how it would benefit the Sunnyvale clients/residents it proposes to serve; which priority need(s) and objectives from the City's Consolidated Plan it is designed to meet; and quantify these benefits in terms of standard units (i.e., housing units improved, eligible Sunnyvale clients served by project/facility, etc.) for HUD reporting purposes. Applications should also clearly explain why their proposal should be funded before others received in response to this RFP, assuming that available CDBG/HOME funding is not adequate to fund all proposals received. For housing projects funded through this RFP, the dwelling units will be restricted to households with the income levels the proposal "proposes to serve" as stated above. **The income level "served", for scoring purposes, shall be equal to the income restrictions applicable to the unit upon project completion, not simply the income levels of the current occupants of the unit, if any, which may be lower than the restricted affordability levels.**

#### **G. Compliance with Federal, State, and City Requirements**

Applicants must review all federal regulations applicable to CDBG- or HOME-funded projects of the type for which the funding is requested (i.e., housing rehabilitation, construction, etc.). **Submittal of an application in response to this RFP shall be construed as applicant's thorough understanding of, and commitment to comply with: all applicable CDBG or HOME requirements, relevant state or federal laws (such as fair housing, prevailing wage, and relocation laws), City funding policies and municipal codes and federal audit requirements.** Compliance also includes submittal of quarterly progress reports, final project reports, timely and accurate expenditure invoices, and timely completion of the project, including occupancy reporting. These requirements are not negotiable. Failure to comply with these requirements, which are described more particularly in project funding agreements, may result in various enforcement actions by City and/or HUD staff, including possible requirements for the applicant to repay the CDBG or HOME funds to the federal Treasury.

**More information on the City of Sunnyvale CDBG and HOME programs, as well as application forms, the City's Action Plans and 2015-20 Consolidated Plan are available online at:** <https://sunnyvale.ca.gov/property/housing/default.htm>

**If you have any trouble locating the documents you need, please call (408) 730-7250 for assistance.**

### **III. Application Submittal and Review Process**

The City of Sunnyvale invites qualified non-profit organizations to submit applications for CDBG or HOME-eligible projects in response to this RFP. Applicants must demonstrate that their proposed projects, if funded, would:

- be completed within approximately one year of funding award date,
- comply with all City, CDBG and/or HOME contracting requirements, and
- meet one or more of the priority needs and objectives listed in the City of Sunnyvale 2015-2020 HUD Consolidated Plan.

The Consolidated Plan and the Application form are available online at:

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

Please read the application instructions carefully, check all calculations and data, and ensure that items on the application checklist are attached to the application in the order listed and labeled correctly. **Incomplete applications and/or application forms from previous years will be rejected.** All proposals will become part of City of Sunnyvale's official public records and will be available for public review.

#### **A. Application Submittal**

1. City staff will provide written answers to written questions that are submitted by February 4th, 2019. Answers will be posted on the City website by February 7<sup>th</sup>, 2019. **Submit questions to Edith Alanis at: [eealanis@sunnyvale.ca.gov](mailto:eealanis@sunnyvale.ca.gov)**
2. Proposals must be submitted on 8½" by 11" paper, with all pages numbered consecutively and three-hole punched. Do not use folders or notebooks. Bind only with binder clips. Do **not** staple the proposal. Include a completed single-sided application form. Insert labeled divider tabs for the sections as outlined in the

Application Checklist. Do not use sticky notes or flags as a substitute for tabbed dividers. Do not include these instruction sheets in your application.

3. **Submit one (1) original and two (2) copies of the proposal.** Indicate whether the document is an original or copy on the Program Cover Sheet. The applicant agency must attach their most recent financial audit prepared by a certified public accountant to the original application only. All proposals must:
  - Include information and attachments as outlined on the Application Checklist.
  - Adhere to text/page limits within available response boxes for Tabs A and B.
  - Narrative should be formatted in 11 or 12 point font with 1 inch margins.
4. Original **must** be signed in **blue** ink.
5. Proposals must be received by the Housing Division by **4:00 p.m** on **February 11th, 2019**. Items postmarked but not received by this date will not be accepted. Deliver proposals by mail, delivery service, or hand delivery to:

**City of Sunnyvale Housing Division**  
Attn: Joseph Shin, Housing Programs Analyst

*Hand Delivery:* 456 W. Olive Ave, Sunnyvale, CA 94086

*U.S.P.S. Mail:* P.O. Box 3707, Sunnyvale, CA 94088-3707

**Applications sent by fax or email will NOT be accepted. Late or incomplete proposals will NOT be accepted.**

**Application Deadline: 4:00 PM (PST) on February 11, 2019**

**For more information please contact:**

**Joseph Shin, Housing Programs Analyst**  
City of Sunnyvale  
Housing Division  
jshin@sunnyvale.ca.gov  
Tel: (408) 730-7250

## **B. Application Review Process**

Applications received in response to this RFP will be reviewed by: City staff; the Sunnyvale Housing & Human Services Commission; Sunnyvale residents/stakeholders, during a 30-day public comment period; the Sunnyvale City Council; and HUD. The City Council will make the final local decision regarding project funding awards, subject to review and approval by HUD.

1. Staff will review all applications received to verify that:
  - a) The applicant is eligible to submit a proposal through this RFP;
  - b) The application is complete;
  - c) The project is eligible for the requested type of funds (CDBG or HOME), as determined by HUD guidelines and regulations; and

- d) The proposed project meets the City requirements, project types, and objectives set forth in this RFP.

Staff will notify applicants if their application has been determined ineligible or incomplete, and the proposal will be withdrawn from consideration. If it is unclear whether a proposed project and/or applicant is eligible for CDBG or HOME funds, staff will seek a determination from the City's HUD representative, which shall be final. Those applications deemed complete and eligible will be reviewed and scored by staff based on information provided in the application. Staff scores are based on the proposal's technical and programmatic merits, and are advisory to the Commission and City Council, which may score or rank projects independently. Applicants are strongly encouraged to consult with staff prior to submitting applications to ensure that their applications will be determined complete and eligible. If staff identifies minor clerical errors/omissions in applications, applicants will be provided an opportunity to correct such errors within 3 business days from the date staff informs applicant of the error. Applicants retain full responsibility for any errors/omissions not identified through staff review which may later impact application scoring and funding recommendations.

2. The Housing and Human Services Commission will review the eligible applications received, as well as staff scores and recommended funding amounts. The Commission will hold a public hearing on the proposed projects, and will evaluate the merits of the proposals and community need for each project, considering the priority needs identified in the Consolidated Plan, public comments received, staff recommendations, and related information. The Commission will make a funding recommendation on each proposal. The Commission's recommended funding awards will be presented to the City Council for final approval as part of the draft 2019-20 Action Plan. City Council will hold a public hearing on the Action Plan, including proposed project awards, before adopting the Action Plan in May 2019. Project funding awards will also be included in the City's 2019 Projects Budget, to be adopted in June.
3. Public input on the Action Plan is obtained through the public hearing process and acceptance of written comments during the comment period. Notices are published in accordance with the City's Citizen Participation Plan. The City Council approves the Annual Action Plan by resolution following the citizen comment period. Each applicant will be notified in writing regarding their funding application. Final approval of the Action Plan is made by HUD, usually in July.
4. Project Scoring: Proposals will be evaluated by staff using the following criteria, with points awarded up to the following maximum points per criteria:



Scoring Category	Maximum Points
<b>1. Organizational Capacity and Relevant Experience</b> Organization's staff, board and/or volunteers are well qualified to complete and operate project, considering years of experience, appropriate skill sets, professional certifications, and number of similar projects completed. Any prior CDBG/HOME capital projects in the City have been successfully completed, with funds drawn and no outstanding compliance findings.	15
<b>2. Project Need</b> Project clearly meets one or more priority needs identified in Consolidated Plan. Stated need and proposed project are supported by letters from community members or organizations other than applicant. Proposed project would provide significant public benefits, such as increased housing affordability or accessibility, improved living environment, or increased employment opportunities, compared to existing conditions.	25
<b>3. Project Design and Readiness</b> Project design (physical and operational) is cost-effective, feasible, and effective in meeting the stated needs and objectives. Applicant is ready and able to begin project no later than December 30, 2019. All lienholders/partners/regulatory/funding agencies with a security interest in the project site or other control over the project have reviewed and approved this proposal, and are willing to provide any required written approvals within 90 days of funding award.	25
<b>4. Budget and Financial Management</b> Financial management points based on clean financial audits and a strong record of financial compliance with current or prior HUD/City projects. Budget scores based on realistic cost estimates and adequate budget for various project cost items.	15
<b>5. Percentage of Matching Funds</b> Points awarded based on a sliding scale, beginning with 1 point for a 25% match, and 20 points for 100% match, i.e., each increase of 3.75% (above 25%) equates to one additional point, up to 20 points. Matches of more than 100% will not receive additional points.	20
<b>Total Points Available</b>	<b>100</b>

The Commission may elect to score projects independently of staff and then make funding decisions, or simply make funding recommendations with consideration of staff scores, without issuing independent scores to the projects. All scores and recommendations will be forwarded to City Council for their consideration and final approval.

**Note:** There is no direct correlation between a proposal's score and the amount of funding recommended for that proposal. Scores are calculated simply for the purpose of evaluating a project's merit for any City funding, and comparing the strengths and weaknesses of various

proposals received. Projects with equal scores may be awarded different funding amounts, or a project with a lower score may receive a larger award than a project with a higher score. Funding recommendations and/or awards are based on a) amount requested by applicant; b) the City's determination of the project's need and/or eligibility for City funds; c) the minimum amount necessary to make the project feasible; and d) the amount of City funds available.

The City Council will make the final local decision regarding use of its available CDBG and HOME funds. Approved 2019 project funding awards will be included in the City's Action Plan to be submitted to HUD for final approval. Once HUD approval is received (generally in July), staff will prepare project loan or grant agreements for review and execution by the applicant agency. If the approved funding level is different than the amount requested in the original application, a revised project budget must be submitted before agreements can be prepared. If for any reason a project applicant is unable to execute project agreements by December 30<sup>th</sup>, 2019 and begin to expend project funds shortly thereafter, the project award will be cancelled and those funds will be reallocated by the City, in order to maintain compliance with CDBG and HOME expenditure deadlines. Applicants with disencumbered projects may apply through a subsequent RFP but are not guaranteed another funding award, and "organizational capacity" points may be deducted for not meeting deadlines under a prior award.

**NOTICE and DISCLAIMER:**

- **Issuance of this RFP does not commit the City to award funds to any applicant for any project or activity.**
- **The City will not reimburse applicants for any costs incurred in the preparation of applications or other responses to this RFP.**
- **The City reserves the right to accept or reject any or all applications received in response to this RFP and to amend, modify, or cancel this RFP in part or in its entirety at any time and in its sole discretion.**

### SCHEDULE FOR FY 2019-20 CDBG/HOME FUNDING PROCESS

**NOTE: THIS SCHEDULE IS SUBJECT TO CHANGE.**  
**Please check the Housing Division website frequently for updates:**  
**Sunnyvale.ca.gov**

RFP Issuance	January 7, 2019
Deadline to Submit Questions	January 25, 2019
Questions and Answers posted on City website	February 1, 2019
<b>Deadline to Submit Applications (4:30 p.m.)</b>	<b>February 11, 2019</b>
Presentations to Housing & Human Services Commission	February 27, 2019
Draft 2019-20 Action Plan Ready. 30 Day Public Comment Period Opens.	March 22, 2019
Housing & Human Services Commission Meeting: Public Hearing; Commission recommendations on capital/housing projects funding	March 27, 2019
Housing & Human Services Commission Meeting: Public Hearing on FY 2019-20 Action Plan 30-day Citizen Comment Period	April 17, 2019
City Council Approval of Action Plan	May 7, 2019
Applicants Notified Regarding Awards	Late June 2019
HUD Review and Approval (estimated date)	July 2019
Award Letters Sent to Successful Applicants	July 2019



# City of Sunnyvale

## Agenda Item

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**18-1116**

**Agenda Date:** 12/12/2018

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2019 Potential Budget and Study Issues

## **Housing and Human Services Commission 2019 – Potential Budget and Study Issues**

### **I. Potential Budget Issue Title: Long Term Funding for Human Services General Fund Grants (Budget Issue)**

#### **1. What are the key elements of the issue? What precipitated it?**

HHSC has requested increases to General Fund supplement funding for Human Services Grants in the past. The HHSC indicates that while the demand for services continues to increase, the City's funding allocation for this program has remained essentially flat since 2008. The HHSC and non-profits advocate for increases of funding from the general fund to support this program.

This budget issue would use the annual Sunnyvale population growth as a basis to increase general funds allocated for human services grants. For reference, population growth over the past 10 years is shown below:

<b>Year</b>	<b>Pop</b>	<b>% Change</b>
<b>2018</b>	TBD	TBD
<b>2017</b>	153,656	0.59%
<b>2016</b>	152,762	0.66%
<b>2015</b>	151,760	1.18%
<b>2014</b>	149,984	1.64%
<b>2013</b>	147,559	0.93%
<b>2012</b>	146,199	2.74%
<b>2011</b>	142,299	1.25%
<b>2010</b>	140,549	4.91%
<b>2009</b>	133,967	0.10%
<b>2008</b>	133,827	0.00%

#### **2. Staff comment.**

Creating a mechanism to annually allocate the funds could be beneficial for long term financial planning. The timing of grant funding allocation planning typically occurs before the citywide budget planning begins, often putting Council members in a difficult spot in terms of anticipating budget needs at the time of the Human Services priority and funding meeting.

II. **Potential Study Issue Title: Review impacts of Mobile Home Park closures, conversions and rent increases; understand their relation to increases in homeless populations. (Study Issue)**

**1. What are the key elements of the issue? What precipitated it?**

Prepare a study issue which would examine the impacts related to closures, conversions, and rent increases of mobile home parks in Sunnyvale. The study would also focus on understanding these items and any correlation to an increase in homelessness within the community.

**2. Would this be a multiple year project? No**

**3. Staff comment.**

The 2017 Housing Strategy includes a number of work items related to mobile home parks. The study's scope includes an analysis, legal framework, and best practices of the mobile home park space rent stabilization programs, conversion policies, and potential acquisition strategies. The consultants will hold various community outreach events and workshops directly with mobile home park residents to gather this data and it is likely several of these proposed topics will be discussed throughout this study. With staff turnover and competing projects, the completion of the housing strategy is expected by FY 2019-2020. There is one remaining mobile home park that is *not* zoned MHP (Aloha Mobile Village, a 39-unit mobile home, RV and "stick-built" park). As to the relationship of changes to mobile home parks and increases in homeless population, it is unlikely that this level of information is available.

III. **Potential Study Issue Title: Update and develop City policies that address the change in human service needs for Sunnyvale residents. (Study Issue)**

**1. What are the key elements of the issue? What precipitated it?**

The HHSC notes that with there are increased needs for current housing and human services and that city policies should be updated. The HHSC noted emphasis should be placed on the lower income residents of Sunnyvale who are most in need of human service programs.

**2. Would this be a multiple year project? 2019-2020 for Con Plan (see below)**

**3. Staff comment.**

City Council Policy 5.1.3 (found in the Council Policy Manual) focuses on Human Services. The policy was established to ensure that human services are identified and provided in the most efficient and effective manner. Since health and human service needs are most commonly provided by the County, the City tends to have less specific policies towards human services than it has towards other items more commonly in the City purview (e.g. infrastructure, land use and transportation).

An updated Consolidated Plan (ConPlan) for federal CDBG and HOME funding needs to be completed by July 1, 2020. A key component of the ConPlan is to identify priority human services needs and prepare policies and strategies around those priority needs. Work will commence in 2019 and is included in the Draft HHSC workplan for 2020.