

## Capital Project Proposals

### **Proposal 1**

**Applicant:** Charities Housing Development Corporation  
**Project Location:** 267 W. California Street, Sunnyvale  
**Project Type:** Housing Rehabilitation (Rental Multi-family)  
**Funding Request:** \$201,000

Charities Housing requested \$201,000 in CDBG funds for rehabilitation of Stoney Pine Apartments. The proposed scope of work includes: replace or refinish cabinetry in all units, replace flooring in 10 units, install solar panels, and paint the exterior of the building. The project will help maintain and preserve affordable rental housing occupied by 23 very low-income households with at least one household member with severe development disabilities. A total of 34 occupants currently live at this property. Installation of the solar panels will create significant savings in electricity costs, which Charities proposes to deposit into a replacement reserve. The property's reserve is currently underfunded due to the extremely low rents paid by the project's HUD 811 funding source, which do not adequately cover future maintenance and repair costs or provide any surplus cash for reserve deposits.

**Recommended Award:      \$201,000 in RLF**

### **Proposal 2**

**Applicant:** Charities Housing  
**Project Location:** 1230 Klee Court and 1675 S. Wolfe Road, Sunnyvale  
**Project Type:** Housing Rehabilitation (Rental Group Homes)  
**Funding Request:** \$165,000

Charities Housing, is currently the property manager of these group homes, and has entered into an agreement to acquire them from the current property owner by late 2014. Both homes have outstanding City loans and affordability restrictions on title that require them to be used as affordable senior housing for long-term periods. The proposal includes a request for \$165,000 for the following scope of work: install new flooring and solar panels at both homes, paint the exterior and interior of both homes, remodel the kitchen at 1230 Klee Court to improve accessibility, install accessibility improvements in bathrooms, re-roof the Wolfe Road home, and install accessibility ramps and replace the fencing at both properties. Charities has committed \$71,000, or 30%, in matching funds. The senior group homes house nine extremely low-income seniors. The proposed renovation work will better meet the needs of the senior residents, allowing them to safely and comfortably remain in the homes as long as possible.

**Recommended Award:      \$165,000 in RLF**

This award would be conditioned on the applicant's acquiring fee title to both homes prior to execution of loan documents or beginning work on the project, in addition to all the standard conditions noted above.

**Proposal 3**

**Applicant:** Bill Wilson Center  
**Project Location:** 1284 and 1294 Jackson Street, Santa Clara; and  
 3551 Shafer Drive, Santa Clara  
**Project Type:** Housing Rehabilitation (3 Transitional Housing sites)  
**Funding Request:** \$114,000

The applicant, Bill Wilson Center (BWC), owns and operates a number of small group homes and Transitional Housing Program (THP) rental properties throughout the county, several of which are in Sunnyvale. BWC's proposal included a request for \$114,000 in City funding for three THP sites located in the city of Santa Clara. The three properties, including two group homes and one 5-unit apartment building, house a total of 13 formerly homeless youth/young adults. Two of the 13 current occupants originate from Sunnyvale households. One of the sites, 1284 Jackson Street, a 5-unit apartment building, is a "Maternity Group Home" which receives operating funds from the federal Health & Human Services Department, while 1294 Jackson St. provides housing for young women and their newborns. The Shafer home provides transitional housing to five homeless and at-risk youth with supportive housing and case management.

The total project cost for the proposed scope of work at all three sites is \$159,000. This includes \$129,000 in hard costs, plus \$30,000 in in-kind services. The scope of work for the hard costs includes: \$101,000 for rehabilitation work, including re-roofing, repair of water-damaged areas, and various other repairs and safety upgrades, plus solar panel installation at 1284 Jackson St; \$7,000 for minor repairs and safety upgrades at 1294 Jackson Street; and \$21,000 for refurbishing the kitchen and installation of a high-efficiency heating/ventilation (HVAC) system at the Shafer Drive home.

These sites serve formerly homeless youth by providing safe, supportive housing and case management with the overall goal of creating permanence and self-sufficiency in their lives. The applicant committed 28% in matching funds for all three sites, of which one-third was a cash match and two-thirds was in-kind services. Please see **Exhibit 1** for more detail. For the purpose of the project evaluations, staff considered both Jackson Street properties to be one project "site" and the Shafer Drive property to be the other site, as shown in **Exhibit 1**.

**Recommended Award: \$45,000 in RLF for the Jackson Street Homes**

This award would be conditioned on the applicant securing all additional funding to complete the scope of work at the Jackson Street homes, in addition to all the standard conditions noted above.

Although the Bill Wilson Center provides very effective programs and is a highly respected agency in the community, staff recommended only partial funding for this particular proposal for several reasons: a) the properties are not located in Sunnyvale and the project would only benefit 2 Sunnyvale clients; b) several other sources of matching funds are available for this project, based on staff's research, including funds from the Housing Trust, the City of Santa Clara CDBG, the properties' reserve funds, and "MASH credits" for solar panel installation; and c) the Shafer Drive property does not appear to qualify for CDBG housing rehabilitation funds at this time, because the proposed scope of work did not include correction of any health and safety code deficiencies.

#### **Proposal 4**

**Applicant:** Sunnyvale Community Services

**Project Site:** 725 Kifer Road, Sunnyvale

**Project Type:** Job Training & Placement Program

**Funding Request:** \$321,727

Only one proposal was received under this category, from Sunnyvale Community Services (SCS). SCS qualifies as Sunnyvale Community-Based Development Organization (CBDO) according to the CDBG regulations, because its service area and board membership are primarily Sunnyvale-based. CBDO activities are considered economic development activities, and include job training, job search assistance, and similar employment-supportive services, such as: child care, transportation, and provision of supplies and/or licenses needed for particular jobs. CBDO activities are eligible for capital project funding from the CDBG entitlement grant, but are not eligible for RLF funds. The proposed Work First Sunnyvale Program qualifies for CDBG funding under the CBDO category.

Sunnyvale Community Services requested a grant of \$321,727 in CDBG funds for its Work First Sunnyvale (WFS) Program in partnership with Downtown Streets Team, a non-profit agency that provides work-readiness training and services for homeless people. If this proposal is funded, next fiscal year will be the third year that the WFS program will provide job readiness training, job skills training, and job placement for at least fifty low-income individuals who are homeless, recently homeless, or at risk of homelessness in Sunnyvale. The program has successfully provided job training and placement assistance to over 92 low-income individuals during the first two years of its operations. During that time, 18 of the program's clients have moved into permanent housing and 23 have obtained paid employment. This program addresses the Consolidated Plan goals of alleviating homelessness and expanding economic opportunities. Both partner agencies have the organizational capacity, skills and experience to continue successfully implementing this program, which addresses one of the City's most critical community needs. The funding requested would allow the program to serve at least 50 individuals next year with job training programs, increase the number of participants in the work readiness program by 50% to 16 team members, and provide additional hours of case management services for up to 12 individuals. These case management services complement the city's Tenant-Based Rental

Assistance (TBRA) program by helping clients find, apply for, and maintain rental housing, with rent payment assistance from the TBRA program.

**Recommended Award: \$322,000 in FY 2014 CDBG grant funds**

## Capital Project Comparison Table

Applicant/Project Name	Amount Requested	Total Project Cost	Match \$	Match %	Cash Match only \$	Cash Match %	Average Staff Score	Sunnyvale Clients Served	Funding Recommended	RLF	FY 14 Grant
Charities: Stoney Pine Apts, Sunnyvale	\$ 201,000	\$ 286,000	\$ 85,000	30%	\$ 55,000	19%	74	23	\$ 201,000	\$ 201,000	\$ -
Group Homes, Sunnyvale	\$ 165,000	\$ 236,000	\$ 71,000	30%	\$ 45,000	19%	70	9	\$ 165,000	\$ 165,000	\$ -
BWC Jackson St. Homes	\$ 93,000	\$ 132,750	\$ 39,750	30%	\$ 15,000	11%	n/a	2	\$ 45,000	\$ -	\$ -
BWC Shafer Dr. Home	\$ 21,000	\$ 26,250	\$ 5,250	20%	\$ -	0%		0	\$ -	\$ -	\$ -
BWC Full Proposal (Jackson + Shafer)	\$ 114,000	\$ 159,000	\$ 45,000	28%	\$ 15,000	9%	63	2	\$ 45,000	\$ 45,000	\$ -
SCS: WorkFirst Sunnyvale	\$ 321,727	\$ 581,254	\$ 259,527	45%	\$ 100,833	17%	81	50	\$ 322,000	\$ -	\$ 322,000
<b>TOTAL</b>										<b>\$ 411,000</b>	<b>\$ 322,000</b>

Staff Recommendation:

**Provide the following conditional funding awards:**

1. Charities Housing, Stoney Pine Apartments: \$201,000 in RLF
2. Charities Housing, Senior Group Homes: \$165,000 in RLF
3. Bill Wilson Center, Jackson St. Properties: \$45,000 in RLF, conditioned on securing additional matching funds to complete the scope of work.
4. SCS, WorkFirst Sunnyvale: \$322,000 in FY 14 CDBG Grant Funds

**Total Commitments: \$411,000 in RLF; \$322,000 in CDBG Grant Funds**