

Sunnyvale Cares Nonprofit Grant Program Application

Application Deadline: June 30, 2020 by 5 p.m.

Thank you for your interest in the Sunnyvale Cares Nonprofit Grant Program. Please review the grant guidelines to determine if your organization qualifies for funding. Funding will be approved by the City Council in late July 2020. Applicants will be notified of award decisions in after City Council decision.

Complete applications may be submitted in the following ways:

- Mail or Drop Off in Person: Office of the City Manager (Front Desk) Attn: Economic Development 456 W. Olive Avenue, Sunnyvale, CA 94086
- Email: svcares@sunnyvale.ca.gov

For questions, email svcares@sunnyvale.ca.gov or call 408-730-7607.

Name of Nonprofit organization: First United Methodist Church of Sunnyvale ("FUMC")

Name of Individual Submitting Application: Leslie Cline [FUMC Finance Officer]

Individual's email: [REDACTED] Phone: [REDACTED]

Grant Amount Requesting from the City (Maximum grant amount is \$30,000): \$30,000

Organization Background

1. When was your organization formed?

The Methodist Episcopal Church of Sunnyvale (now known as the First United Methodist Church of Sunnyvale) was formed on February 28, 1903. It was the first Church to claim a plot of land in Sunnyvale, and per Manuel Vargas ("Mr. Sunnyvale"), the Church Sanctuary built in 1903 was the first Sunnyvale building with electricity and electric lights.

From a financial perspective, currently FUMC is comprised of three distinct pieces, two of which operate with independent budgets:

- 1) First and foremost, FUMC is a Local Church in the United Methodist denomination, with a highly-experienced and active Staff and Congregation (the "FUMC Congregation"). In this document, the FUMC Congregation's budget and finances are referred to as the "FUMC Budget" (the plan) and the "FUMC Finances" (what actually takes place while trying to follow the plan), both of which are managed by the Church's Finance Committee elected by the FUMC Congregation.
- 2) The FUMC Congregation and its FUMC Facility is Sponsor, Contractor, and Meal Site for a Santa Clara County Senior Nutrition Program Dining/Café Location (the "SNP Location"). This SNP Location has a "SNP Budget" that is jointly developed by

the SNP Site Manager and a Sponsorship Committee elected by the FUMC Congregation, and “SNP Finances” which are controlled by the SNP Site Manager. Aside from several clearly-identified transfer paths that facilitate the FUMC Congregation’s Sponsor and Contractor roles, the SNP Budget and SNP Finances are completely isolated from the FUMC Budget and FUMC Finances.

- 3) The FUMC Congregation owns and operates a multi-building “FUMC Facility” at 535 Old San Francisco Road. The FUMC Facility currently hosts a number of entities including two other churches. FUMC Finances receives all FUMC Facility rent payments. One of these entities, the Daybreak Program, very recently closed because their elder daycare business model is impossible in a COVID-19 environment, thereby unexpectedly removing their future rent payments to the FUMC Budget and prompting this grant request.

This grant request is solely for the FUMC Finances, which have been hugely impacted by COVID-19. No grant money will be transferred from FUMC Finances to SNP Finances.

2. What is your Mission?

As a Local Church in the United Methodist denomination, the Mission of the FUMC Congregation is to “Make Disciples of Jesus Christ for the Transformation of the World.” The FUMC Congregation pursues this Mission through personal Christian religious growth plus personal and group religious outreach to the local community and the planet. As part of this outreach, the FUMC Facility is made available to local groups and churches at rental rates far below local commercial rental rates or, when appropriate, at no cost.

The Mission of the County’s Senior Nutrition Program is “Creating Healthy Communities through Improving Food Access, Progressive Programming, and Addressing the Needs of Changing Demographics.” The program’s vision is one of empowered, well-nourished older adults that have access to services regardless of limitations. The SNP Location at the FUMC Facility pursues this Mission by providing weekday lunch meals tailored to the needs of older adults.

3. Approximately how many Sunnyvale customers are served annually?

The FUMC Congregation includes about 80 Sunnyvale residents. Two other churches are based at the FUMC Facility; Trinity United Methodist Church’s congregation includes about 80 Sunnyvale residents, and Good Samaritan Korean Methodist Church’s congregation includes about 40 Sunnyvale residents. All three Churches also attract significant participation from the surrounding area. In addition, Trinity UMC sponsors a number of service groups, social groups, and activities that in total attract more than 100 Sunnyvale residents plus participants from the surrounding area.

During 2020, the SNP Location plans to serve about 14,000 meals to some 350 Sunnyvale residents, plus an additional 17,000 meals to participants from the surrounding area.

Overall, organizations using the FUMC Facility directly impact the daily lives of more than 500 Sunnyvale residents, and indirectly impact the lives of thousands of people in and around Sunnyvale.

Effective March 15, all three Churches were deemed “non-essential,” which forced them to stop using the FUMC Facility and switch from in-person Worship and other activities to on-line Worship and activities. The SNP Location was deemed “essential,” and changed from dine-in to take-out meal service. After COVID-19 shelter-in-place orders were issued, the SNP Location began to attract a number of nearby Sunnyvale residents who had not previously participated in its weekday lunch program.

4. Describe your group’s activities and the resources that support those activities.

The FUMC Church Staff and FUMC Congregation provide Worship Experiences, Fellowship, Christian Education, and Mission Outreach, as well as expertise and volunteer labor for a wide variety of tasks in the Church and the community. In recent years, donations from the FUMC Congregation have funded about 65% of the FUMC Budget.

The SNP Location at the FUMC Facility provides an inexpensive, wholesome, and tasty weekday lunch targeted to adults age 60 and older who are in greatest social and economic need. For this SNP Location, the FUMC Congregation is Sponsor (responsible for funding 10% of the SNP Budget) and Contractor (responsible for meal preparation and serving), and the Meal Site is at the FUMC Facility. Santa Clara County funds 90% of the SNP Budget, and any money collected by the SNP Location must be forwarded to Santa Clara County.

In its role of FUMC Facility owner/operator, the FUMC Congregation is host to Trinity UMC (formerly located at Fremont & Manet in Sunnyvale) and Good Samaritan KMC. The FUMC Facility also hosts the Valley Chorale singing group and an assortment of service and social organizations sponsored by Trinity UMC. Prior to the COVID-19 pandemic, the FUMC Facility hosted a daytime eldercare “Daybreak Program” operated by Catholic Charities. (See #9 and #11 for details on this program’s unexpected closure and its impact on FUMC Finances.) In recent years, FUMC Facility rental income has funded about 35% of the FUMC Budget.

5. What is your annual budget?

The FUMC Budget for 2020 January thru December is \$309,991.

The SNP Budget for July 2019 thru June 2020 is \$349,457, and its July 2020 thru June 2021 budget is \$404,941. In its role of SNP Sponsor, the FUMC Congregation is responsible for funding 10% of each SNP Budget.

6. How do you raise funds?

FUMC Finances receives ongoing contributions from the FUMC Congregation, plus occasional larger one-time donations for special projects including major FUMC Facility repairs and updates. FUMC Finances also receives monthly rent from the hosted Churches and some of the hosted organizations.

Santa Clara County funds 90% of the SNP Budget. In its role of SNP Sponsor, the FUMC Congregation is responsible for providing the remaining 10%. Unfortunately, aside from City of Sunnyvale CDBG grants that have been essential in helping to fund the FUMC Congregation's SNP Location Sponsorship during the past many years, the FUMC Congregation has consistently been unsuccessful in many attempts to obtain external SNP Sponsorship funding from the local community, the United Methodist denomination, or other sources. Consequently, the FUMC Budget spends money every year to fund the SNP Budget. Also, to keep the SNP Location solvent across SNP Budget fiscal-year transitions, the FUMC Budget loans money to the SNP Budget every June.

7. How many employees does your organization have?

The FUMC Congregation employs 11 people. The Church Staff consists of one full-time Employee (the Pastor) plus four part-time Employees that occupy Church-specific jobs and are paid from the FUMC Budget. In the FUMC Congregation's role of SNP Contractor, six part-time FUMC Employees (including the SNP Site Manager) hold SNP-specific jobs and are paid from the SNP Budget.

8. What steps has your organization taken to address budget impacts due to COVID-19?

The FUMC Congregation stopped its Sunday Morning Babysitting Service on March 16, and its Janitorial Service on March 31. (The latter was possible because the SNP Budget funds a Janitor who cares for the kitchen and one other room at the FUMC Facility that the SNP Location uses every weekday.) The FUMC Congregation stopped all discretionary spending on April 8. On May 6, FUMC Finances received a \$30,802 Paycheck Protection Program (PPP) Loan from the federal government, which will greatly help with the FUMC Congregation's Church Staff salaries. Some of the FUMC Facility expenses paid by the FUMC Budget have decreased due to the partial FUMC Facility closure (the SNP Location is still working, but all three Churches remain closed), but these savings have not been large. To date, the FUMC Congregation has made no staffing changes. The people in the FUMC Congregation have not been explicitly asked to increase their contributions, but many major donors have taken it upon themselves to do so. Unfortunately, as described in #9, these actions won't be enough to keep FUMC Finances in an acceptable state.

On May 6, the SNP Location received a \$34,962 PPP Loan to support the six FUMC Employees paid from the SNP Budget. The SNP Location's meal count increased after converting from dine-in to take-out, which resulted in additional income from the County. Consequently, the SNP Finances are healthy. The SNP Location's contract with the County prohibits the SNP Location from lending or gifting money to FUMC Finances.

9. Describe the impacts of the COVID 19 pandemic on your organization, specifically, what are the financial impacts?

As of June 22, the FUMC Finances have an \$18,577 Year-to-Date P&L Deficit plus an unpaid \$9,000 (and growing monthly) financial obligation to the United Methodist denomination. Currently, the sum of the projected and already-experienced FUMC Budget income losses due to COVID-19 is \$37,517; this amount will unavoidably increase until the FUMC Facility becomes available to the three Churches, and is likely to continue increasing for some time after the FUMC Facility fully reopens.

- As of June 22, during the 15 weeks since the March 15 partial FUMC Facility closure, the FUMC Budget has suffered a \$15,197 Year-to-Date FUMC Congregation contributions shortfall. Projecting from this history, the FUMC Budget is extremely likely to suffer an ongoing weekly \$1,000 donations shortfall until the entire FUMC Congregation voluntarily returns to in-person Sunday Worship and other activities.
- As of June 22, the FUMC Budget has suffered a \$4,500 Year-to-Date rental income shortfall due to COVID-19-triggered rent relief requested by Good Samaritan KMC. Moving forward, an ongoing monthly \$1,500 rental income shortfall will continue until the FUMC Facility fully reopens.
- In July thru December, due to the closure of the elder daycare Daybreak Program, the FUMC Budget will not receive its expected \$17,820 rental income from the Daybreak Program.

10. For what purposes would this grant be used and how would it would benefit your organization and customers?

The FUMC Finances will use this grant to partially replace expected income that, due to COVID-19, has not and will not arrive; see #9 for details. Grant money will pay essential ongoing FUMC Facility operating expenses including those incurred while the SNP Location is the only functioning entity at the FUMC Facility, and hopefully will also help with a few other FUMC Budget expenses. In the best case, this will permit the FUMC Finances in 2020 to end the year with a significant but tolerable loss, and move into 2021 with at least a small measure of confidence.

11. Any other information you would like the Council Committee to consider?

Prior to receiving a June 22 notification that the Daybreak Program was immediately closing, FUMC Finances had been gradually slipping since March 15 due to reduced congregational contributions and rent relief granted to Good Samaritan KMC. At that time, it appeared that the PPP Loan would be sufficient to limit this year's FUMC Finances deficit to an undesirable but tolerable number.

However, the sudden \$17,820 income loss due to the Daybreak Program closure, plus ongoing income slippage that will persist so long as the FUMC Facility remains unavailable to the three Churches, has put severe pressure on the FUMC Finances, including the potential to wipe out all reserve funds. Obviously, this would leave the FUMC Budget in an

extremely unstable position for 2021 and beyond, which could compromise all ongoing operations including the Senior Nutrition Program Location. Receipt of a full Sunnyvale Cares grant will greatly help the FUMC Finances in 2020 and the FUMC Budgets moving forward, and permit the many entities that operate from the FUMC Facility to continue to pursue their Missions.