



Community Development Block Grant (CDBG)

Request for Proposal for a 2020 Coronavirus (COVID-19) Direct Relief and Support Program

CARES Act (CDBG-CV) - Program Year 2021/22 Funding

Release Date:
Dec. 14, 2020

Proposal Due On:
Jan. 8, 2021 (4:30 p.m.)

Community Development Department, Housing Division
408-730-7451 | Sunnyvale.ca.gov

456 West Olive Avenue, P.O. Box 3707, Sunnyvale, CA 94088-370

DRAFT

I. Background

What is CDBG?

The Community Development Block Grant (CDBG) 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 lower¹ income persons and neighborhoods.

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.²
 - **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.

¹ Terminology used to refer to income levels is not consistent between the federal CDBG program 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 program funds (i.e., those earning at or below 80% of area median income, as determined annually by HUD).

² 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

On March 27, 2020 the Federal Government signed the Coronavirus Aid, Relief and Economic Security Act (CARES Act) due to the COVID-19 pandemic. The CARES Act provides up to \$5 billion in CDBG supplemental funding. Of that amount, \$2 billion are being distributed to states and entitlement jurisdictions using the same statutory formula used to distribute the annual CDBG allocations.

The City has a balance of about \$1.3 million in CDBG CARES (“CDBG-CV”) funds. The CARES Act funds are designed to provide emergency assistance and healthcare response for individuals, families and businesses affected by the 2020 Coronavirus pandemic.

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-CV-eligible projects may be funded through this RFP (a more extensive list of eligible activities has been attached with the RFP). CDBG projects must also meet one of the National Objectives described above. Detailed federal regulations apply to each type of project or activity:

1. Rent relief support
2. Emergency financial assistance
3. Food distribution and meal delivery
4. Outreach activities to vulnerable populations
5. Other activities that will reduce the adverse impacts on the community from the COVID-19 pandemic (refer to attachment)

D. Ineligible Activities

The following activities may NOT be funded with CDBG-CV 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 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 CDBG-CV (2020) funds signed by the funding agency or donor.

Matching funds must be permanently contributed to the project, and are subject to CDBG 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 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 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-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 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 funds to the federal Treasury.

III. Application Submittal and Review Process

The City of Sunnyvale is inviting a qualified non-profit organization (Sunnyvale Community Services) to submit applications for CDBG-CV - eligible projects in response to this RFP.

A. Application Submittal

1. City staff will provide written answers to written questions on an ongoing basis. Answers will be directly answered within 24-hours. **Submit questions to Leif Christiansen at: lchristiansen@sunnyvale.ca.gov**
2. Original **must** be signed in **blue** ink. The regular submittal process has been modified to comply with local Shelter in Place guidelines.
 - a) First, submit the full application, including all required signatures, via email, to Leif Christiansen at **lchristiansen@sunnyvale.ca.gov**
 - b) Then mail one hard-copy original, including wet signatures, to:

City of Sunnyvale Housing Division
Attn: Leif Christiansen, Housing Programs Analyst
P.O. Box 3707
Sunnyvale, CA 94088

3. **Both emailed and mailed proposals must be received by the Housing Division by 4:30 p.m. on January 8, 2021. Postmarks not accepted.**

Late or incomplete proposals will NOT be accepted.

Walk-in applications will NOT be accepted.

Deadline: 4:30 PM (PST) on Jan. 8, 2020

For more information please contact Leif Christiansen, Housing Programs Analyst at lchristiansen@sunnyvale.ca.gov

B. Application Review Process

Applications received in response to this RFP will be reviewed, and if eligible/complete – City staff will recommend funding through a modified, and streamlined process, given the severity of the COVID-19 impacts on the local community. The City Council will make the final local decision regarding project funding awards, subject to review and approval by HUD.

1. Staff will review the application 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), 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 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. 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.

3. 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
1. Organizational Capacity and Relevant Experience 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
2. Need for Program Program clearly provides relief, support and resources to households/businesses impacted by COVID-19. Stated need and proposed program are supported by letters from Sunnyvale community members or organizations other than applicant.	25
3. Program Design and Readiness 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 May 1, 2021.	25
4. Budget and Financial Management 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.	15
5. Percentage of Matching Funds for Sunnyvale Program Points awarded based on a sliding scale beginning with 1 point for a 5% match, and 15 points for 100% match, i.e., each increase of 5% in matching funds equates to one additional point, up to 15 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.	15
Total Points Available	100

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.

The City Council will make the final local decision regarding use of its available CDBG-CV funds. Approved 2021 project funding awards will be included in the City's Amended Action Plan to be submitted to HUD for final approval. Once HUD approval is received (April 2021), 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.

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 CDBG-CV FUNDING PROCESS

RFP Issuance	December 14, 2020
Deadline to Submit Questions	Ongoing
Deadline to Submit Applications	Jan. 8, 2021 (4:30p.m.)
Housing and Human Services Commission Meeting: Public Hearing; Commission Recommendations on CDBG-CV Funding [Attendance is Mandatory for your Application to be considered]	January 27, 2021
Action Plan Amendment Ready. <i>5-Day Public Comment Begins</i>	February 19, 2021
Housing and Human Services Commission Meeting: Public Hearing; Commission Recommendation on 2019 Action Plan Amendment	February 24, 2021
City Council Approval of Action Plan Amendment	March 9, 2021
Applicants Notified Regarding Awards	Late March, 2021
HUD Review and Approval (estimated date)	April 2021
Funding Spent and Project Complete	December 1, 2021

NOTE: This schedule is subject to change. Email Ichristiansen@sunnyvale.ca.gov for updates.