



Sunnyvale

HOME Investment Partnerships (HOME)

Request for Proposals for A Tenant Based Rental Assistance Program Administrator for Program Years 2022 and 2023

Release Date:
Dec. 15, 2021

Proposals Due on:
Feb.11, 2022, by 4:30 p.m.

Community Development Department, Housing Division
408-730-7250 | Sunnyvale.ca.gov

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

I. Background

What is HOME?

The HOME Investments Partnership Program (“HOME”) 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 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 HOME funding under this RFP.

What is Tenant Based Rental Assistance?

HOME permits Participating Jurisdictions (i.e. City of Sunnyvale) to create flexible programs that provide assistance to individual households to help them afford the housing costs of market-rate units. These programs are known as Tenant Based Rental Assistance, or “TBRA”. HOME TBRA programs differ from other types of HOME rental housing activities in three key-ways:

1. TBRA programs help individual households, rather than subsidizing particular rental projects.
2. TBRA assistance moves with the tenant – if the household no longer wishes to rent a particular unit – the household may take its TBRA and move to another property.
3. The level of TBRA subsidy varies – the level of subsidy is based upon the income of the household, the particular rental unit the household selects, and the Participating Jurisdictions rent standard.

There are many different types of TBRA programs, but the most common type provides payments that make up the difference between the amount a household can afford to pay, and the local rent standards. Other TBRA programs help tenants pay for costs associated with their housing, such as security and utility deposits.

TBRA Program Requirements?

TBRA Administrators must develop, maintain and implement policies that reflect and document the following (including but not limited to): 1) tenant selection policies/procedures 2) initial/ongoing eligibility processes (i.e., income eligibility, rent calculation, rent comparable process, Housing Quality Standards, etc.) AND 3) ongoing commitment to individual participant record keeping and file maintenance that ensures compliance with all HOME rules and regulations.

II. RFP Objectives

A. Available Funds

This RFP seeks to award available Housing Mitigation (HMF), Low-Moderate Housing (LMIHF) and HOME funds to one eligible proposal/applicant, as described below. The amount of funding available for the two-year period is approximately \$250,000 in local funds and up to \$2 million in HOME funds as the result of an increase in funding through the 2021 American Rescue Plan. The Housing Mitigation (HMF) and Low-Moderate Housing funds are intended to be set-aside to cover the cost of supportive services and program administration activities – while HOME funds will be set-aside to pay for rental assistance and security deposits for program participants.

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. Additionally, the City is searching for a TBRA Administrator that can make a two-year commitment to administering the program.

C. Eligible Activities

The City is seeking one Administrator for its TBRA program – and seeking innovative proposals for a time-limited (up to two years) rental assistance program, including supportive services, to support low-income households as they work toward self-sufficiency. HOME rules are flexible regarding the types of TBRA programs that may be developed – from a program that serves the entire community to reduce household rent burdens to a program designed to serve a targeted population, such as the unhoused or persons with disabilities. The City is open to new and innovative approaches, as long as they are in compliance with HOME rules and regulations, and meet the objectives of the TBRA program:

HOME Specific Eligible Activities:

- Rental Assistance (HOME)
- Security Deposit Assistance (HOME)

HMF Specific Eligible Activities:

- Program Administration Costs

Low-Moderate Housing Fund Specific Eligible Activities:

- Supportive Services and Case Management

D. Ineligible Activities

The following activities may NOT be funded with 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. TBRA Program Objective

The City of Sunnyvale's TBRA program is intended to assist low-income households (families and/or individuals) experiencing or at-risk of homelessness, in obtaining safe, sanitary, habitable and affordable housing by providing rental and security deposit assistance, coupled with case-management/employment services, for the duration of the program (up to two-years). The program is intended to serve households with minimal to moderate barriers to housing and employment (i.e., Rapid Rehousing Model) – and is not intended for participants requiring Permanent Supportive Housing services who have major barriers to housing and employment. Since TBRA is a time-limited subsidy program – the main objective is to enroll households and provide adequate case management support to assist the household in becoming self-sufficient during their term in the program.

To help Sunnyvale meet this objective, the City is seeking proposals from experienced agencies/subsidy administrators that 1) identify a target population 2) have a detailed initial and ongoing eligibility system 3) include a detailed Case Management/Self Sufficiency Plan AND 4) demonstrate a full understanding of the HOME federal guidelines and regulations.

F. Matching Funds (Leverage)

The City has limited 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 2022 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 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 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.

G. 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

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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 HOME funding is not adequate to fund more than one proposal. **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.**

H. Compliance with Federal, State, and City Requirements

Applicants must review all federal regulations applicable to HOME-funded projects of the type for which the funding is requested (i.e., TBRA – 24 CFR 92.209). **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 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, annual City audits/monitoring’s 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 HOME funds to the federal Treasury.

III. Application Submittal and Review Process

The City of Sunnyvale invites qualified non-profit organizations to submit applications for a proposed TBRA program in response to this RFP. Applicants must demonstrate that their proposed projects, if funded, shall:

- be completed within approximately two-years of funding award date,
- comply with all City and HOME contracting requirements, and
- meet one or more of the priority needs and objectives listed in the [City of Sunnyvale 2020-2025 HUD Consolidated Plan](#)

Please follow the [Application Form](#) 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

Note: The regular submittal process has been modified due to the ongoing COVID-19 pandemic.

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.
3. First, submit the full application, including all required signatures, via email, to lchristiansen@sunnyvale.ca.gov
4. Mail the hard-copy original application, including wet signatures, to the address below.

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5. All proposals (email and hard copy) must be received by the Housing Division no later than 4:30 p.m. on February 11, 2022. Postmarks not accepted.

City of Sunnyvale Housing Division
Attn: Leif Christiansen, Housing Programs Analyst
456 West Olive Avenue, Sunnyvale, CA 94088-3707

**Application Deadline: 4:30 PM (PST) on
February 11, 2022**

Contact Leif Christiansen for questions (408-730-7451)

A. Application Review Process

Applications received in response to this RFP will be reviewed by City staff, the Sunnyvale Housing & Human Services Commission, will be made available to all 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 no later than July 2022.

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 (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.
 - e) The project has the ability to be completed with all funds spent by April 1, 2024.

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 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.

The Housing and Human Services Commission (HHSC) will review the eligible applications

received, as well as staff scores and recommended funding amounts. The Commission will hold public hearings on the proposed projects, and will evaluate the merits of the proposals and community need for each proposed TBRA project, considering the priority needs identified in the Consolidated Plan, public comments received, staff recommendations, and related information. The City expects that each applicant will attend the HHSC meeting to present on their proposal and be available for questions and comments. 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 2022-23 Action Plan. City Council will then hold a public hearing on the Action Plan, including proposed project awards, before adopting the Action Plan in May 2022. Project funding awards will also be included in the City's 2022 Projects Budget, to be adopted in June. Please refer to the approximate program schedule on page 9.

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. Final approval of the Action Plan is made by HUD, usually in July.
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 (on the following page):

Scoring Category	Maximum Points
<p>1. Organizational Capacity and Relevant Experience Organization’s staff, board and/or volunteers are well qualified to complete and operate a rental assistance program, considering years of experience, appropriate skill sets, professional certifications, and number of similar projects completed. Any prior federal program experience (<i>HOME/CDBG: TBRA, Capital Projects, Human Services</i>) in the City have been successfully completed, with funds drawn and no outstanding compliance findings.</p>	20
<p>2. Project Need 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 support the community by providing an innovative program proposal that would recruit, refer, retain, and support households through a time-limited rental assistance program. The need, including potential populations served, is clearly described in the proposal.</p>	25
<p>3. Project Design and Readiness Project design (physical and operational) is cost-effective, feasible, and effective in meeting the stated needs and objectives. Applicant currently has or proposed, including but not limited to 1) proper staffing levels for the program design 2) existing rental subsidy systems in place to disburse landlord payments 3) commitment to staff training and support systems 4) participant/client referral source 5) program attributes that support participant self-sufficiency through ongoing case management AND; 6) experience with the basic components of rental subsidy programs (i.e. initial/ongoing eligibility, Housing Quality Standards, rent reasonableness, rent calculations, etc.). Applicant is ready and able to begin project no later than July 1, 2022.</p>	25
<p>4. Budget and Financial Management 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.</p>	15
<p>5. Percentage of Matching Funds Points awarded based on a sliding scale, beginning with 1 point for a 25% match, and 15 points for 100% match, i.e., each increase of 3.75% (above 25%) equates to one additional point, up to 15 points. Matches of more than 100% will not receive additional points.</p>	15
Total Points Available	100

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 HOME funds in May 2022. Approved 2022 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 Dec. 30, 2022, 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 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 2022/23 HOME TBRA FUNDING PROCESS

RFP Issuance	Dec. 15, 2021
Deadline to Submit Questions	Jan. 28, 2022
Deadline to Submit Applications (4:30 p.m.)	Feb. 11, 2022
Draft 2022-23 Action Plan Ready. 30-Day Public Comment Period Opens.	March 18, 2022
Housing & Human Services Commission Meeting: Public Hearing; Commission recommendations on projects funding. <i>*Attendance Mandatory. Applicants must give three minute presentation on proposal.</i>	March 23, 2022
Housing & Human Services Commission Meeting: Public Hearing on FY 2022-23 Action Plan	April 27, 2022
City Council Approval of Action Plan	May 3, 2022 (tentative)
Applicants Notified Regarding Awards	June 2022
HUD Review and Approval (estimated date)	July 2022
Award Notification Sent to Successful Applicants	July 2022

NOTE: This schedule is subject to change. Call 408-730-7451 for updates.