



City of Sunnyvale FY 2012-13 Action Plan



This Annual Action Plan is based on a template provided by HUD, and includes the SF 424 and Narrative Responses to Action Plan questions that CDBG and HOME grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. It is due on or before May 15 of each year. HUD does not accept plans between August 15 and November 15.

Narrative Responses

A. Executive Summary

91.220(b) ¹

Program Year 3 (FY 2012-13):

This Action Plan covers the fiscal year beginning July 1, 2012 and ending June 30, 2013, the third year of the City's 2010-2015 Consolidated Plan (ConPlan) period. The Action Plan describes the eligible activities that the City intends to undertake in FY 2012-13 to address the priority needs and implement the strategies identified in the Plan, using the City's Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) grants. The activities described in this plan are intended to primarily benefit the lower-income residents of Sunnyvale, affirmatively further fair housing choice, and meet priority needs.

Summary of 2012 CDBG Objectives and Outcomes

CDBG funds must be used to develop viable urban communities by providing decent housing and a suitable living environment, and expanding economic opportunities, principally for lower income persons (those earning at or below 80% of "area median income" which is determined annually by HUD).

- **Uncapped Income Limits**

The City has been notified by HUD that it is within one of ten metropolitan areas in the U.S. that have been identified for optional use of the "Uncapped" 2011 low income limits, due to the particularly high costs of housing in these areas. The City opts to use the uncapped limits, because these limits are more appropriate for Sunnyvale due to the high costs of local housing, and because the uncapped limits enable more eligible households to participate in the City's HUD-assisted housing and community assistance activities. Based on 2011 limits provided by HUD, the uncapped limits are 2.7% higher than the capped limits. The uncapped limits will apply to all of the City's HUD-funded programs which use the low (80%) income limits, such as: HOME rental housing projects, TBRA activities, and First-Time Home Buyer Program; and all CDBG activities. Please note that many of these programs provide deeper income targeting through the use of the very low income limits (50% of AMI) for some or all of the housing units or services provided. The City has not received notice of a similar option regarding other income limits, but in the event it does receive such notice, it opts to use the uncapped limit for any additional income levels to which it may apply, such as the very low or extremely low income limits.

¹ All statutory references are to Title 24 Code of Federal Regulations (CFR), Subtitle A, §91

CDBG funds may also be used to aid in the prevention or elimination of slums or blight, or in rare cases, to address major threats to the health and welfare of the community, such as a major natural disaster, if other funds are not available to the community. The City’s CDBG funds available in 2012-13 will be allocated to achieve the nationally reportable outcomes shown on Table I, below.

All of the activities listed on Table I will principally benefit lower-income persons, either through provision of limited clientele or presumed benefit activities (public services, economic development, and housing programs), or targeting assistance (i.e., Columbia Neighborhood Center Expansion) to lower-income neighborhoods identified using HUD methods to document “area benefit”.

Table I: Addressing National Objectives and Desired Outcomes in 2012

CDBG National Objective(s)	Activity (Eligibility Code*)	Funding Type	Proposed Funding	Desired Outcome(s)
Create Suitable Living Environment	Job Training & Placement Program for Homeless/Transitioning Adults (CBDO) (LC &PB)	CDBG	\$220,000	Accessibility
	Columbia Neighborhood Center Expansion (AB)	CDBG	\$266,968	Accessibility
	Public Services (LC & PB)	CDBG	\$217,436	Accessibility Affordability
Provide Decent Affordable Housing	First Time Home Buyer Program (LC)	HOME	\$100,000	Affordability
	Tenant Based Rental Assistance (LC)	HOME	\$200,000	Affordability
	Housing Improvement Program (LC)	CDBG	\$100,000	Accessibility Sustainability
	Rental Housing Rehabilitation (LC)	HOME	\$1,527,218	Affordability Sustainability
TOTAL			\$2,631,622	

Note: Total above does not include funds for program administration, which includes Fair Housing compliance.

*** Eligibility Codes:** Low Income Benefit: AB (Area Benefit); PB (Presumed Benefit) or LC (Limited Clientele).

The City has consistently used its federal resources to address the needs of its most vulnerable residents, including those who are chronically homeless, seniors, disabled people, and those in poverty and/or at risk of homelessness, by spending the maximum of 15% of its CDBG funds on human services for those in need. In FY2010-11, over 1,900 special needs and/or lower-income households were assisted by City-assisted human services programs. In addition, NOVA

awarded seed grants to six (6) micro-enterprises in FY 2010-11. By December 2011, a total of ten microenterprises had been assisted.

In summary, the City has a history of successful implementation of a variety of CDBG and HOME activities. In Fall 2012, the City will release a draft 2011-12 Consolidated Annual Performance Evaluation Report (CAPER) describing its accomplishments in Program Year 2011-12.

Table II: Summary of FY 2010-11 Community Development Accomplishments

Priority Need Category	CDBG	HOME	Units	
	Expended	Expended	Proposed	Accomplished
AFFORDABLE HOUSING				
Peacock Commons Rehabilitation	\$ 100,000		21	21
Aster Park Rehabilitation		\$1,170,000	95	95
Momentum-Duane Rehabilitation		\$ 112,358	1	1
First-Time Homebuyer Loans		\$ 131,995	4	3
Removal of Architectural Barriers & other Minor Rehab (Home Access, Paint Grants/Loans, and Emergency Loans) (Housing Units)	\$ 60,960		20	17
PUBLIC FACILITIES				
ADA Curb Retrofit Program (curb cuts)	\$ 421,157		80	137
Columbia Neighborhood Expansion (Multi-year project)	\$ 427,298		3,500 sq. ft. addition	Completion-2012
PUBLIC SERVICES				
Human Services Agencies (Households)	\$ 239,600		1,955	1,916
ALLEVIATION OF HOMELESSNESS				
Tenant Based Rental Assistance		\$ 43,750	10	7
ECONOMIC DEVELOPMENT				
Microenterprise Assistance (Businesses)	\$ 45,410		10	6*

*At the end of the calendar year, a total of 10 businesses were assisted

B. Citizen Participation

91.220(b)

Program Year 3 (2012-13)

As required by HUD, the City provides multiple opportunities for public review and comment on the Action Plan and on any substantial amendments to it. Citizens were engaged through public hearings held on February 22, 2012, March 28, 2012, and April 25, 2012. A notice of public

hearings, including a 30-day public comment and review period, was published in the Sunnyvale *Sun* newspaper on April 6, 2012. An initial draft of the Action Plan was released on April 6, 2012, and comments were accepted through May 8, 2012.

It is the policy of the City of Sunnyvale to encourage and engage residents to participate in planning, implementation, and evaluation of its housing and community development programs.

Description of the Citizen Participation process implemented for development of the FY2012-13 Action Plan and the 2010-2015 Consolidated Plan, as well as the full text of the City's "Citizen Participation Plan" are provided in the 2010-2015 Consolidated Plan.

Summary of Efforts Made to Broaden Public Participation

The City actively encourages low- and moderate-income residents, minorities, those with disabilities, and non-English-speaking residents to attend community meetings and/or provide written comments on its plans. The City provides a statement in the languages identified in its Language Access Plan on all public notices regarding HUD-funded activities, and sends public notices to organizations representing the groups listed above. In accordance with the Citizen Participation Plan, the City will provide translation services to any resident who requests the need for those services at such hearings and meetings. The City has translated all of its Housing Program brochures into Spanish, in accordance with the Language Access Plan.

Public Notice and Availability of the Action Plan

A summary of the Plan was published on April 6, 2012 in the *Sunnyvale Sun* for the 30-day review period. The public was able to submit comments on the Plan through May 8, 2012. The proposed Plan was available for review at the library, City Hall, and on the City's website.

C. Available Resources

91.220(c)(1 - 2)

The City pursues, and also encourages its partner agencies to pursue, all available public and private funding sources in order to achieve the goals of the Consolidated Plan. Most projects and activities secure funding from a variety of sources, including public and private sector donations, grants, loans, and in-kind materials and services.

Federal Resources

The federal funds expected to be available to the City in FY2012-13 are shown in **Table III**. The City has been allocated entitlement grants of \$996,570 in CDBG funds and \$320,568 in HOME funds for FY 2012-13. This equals a reduction of 11% and 52%, respectively, from the FY 2011 amounts. In FY 2011, the City received \$453,000 in CDBG program Income and over \$1.5 million in HOME program income. The City anticipates receiving approximately \$150,000 in CDBG program income during FY 2012, generated by payments on prior loans to homeowners for housing improvements, and approximately \$37,148 in disencumbered and/or reallocated prior year CDBG grants is estimated to be available for re-programming in FY 2012. This Action Plan proposes to fund a number of activities in 2012, utilizing all of the CDBG funds available this year, estimated at \$1,183,718 total.

Table III: Federal Resources and Proposed Activities in 2012

RESOURCES	CDBG	HOME
2012 Entitlement Grant	\$996,570	\$320,568
2011 Program Income Received*	\$453,000	\$1,500,000
2012 Anticipated Program Income	\$150,000	\$0
Disencumbered/ Reserve Fund Balance	\$37,148	\$88,065.00
TOTAL RESOURCES	\$1,636,718	\$1,908,633
Proposed Uses		
Housing Programs		
Housing Improvement (Accessibility, Paint, Emergency Repair, and Energy-Efficiency)	\$100,000	0
Transfer of Program Income to Revolving Loan Fund (RLF) for home improvement loans	\$150,000	
First Time Homebuyer Program (FTHB)		\$100,000
Tenant Based Rental Assistance (TBRA)		\$200,000
Garland Plaza Rental Rehabilitation Project		\$1,527,218
Economic/Community Development		
Work First Sunnyvale CBDO Activity	\$220,000	0
Final contribution to Columbia Neighborhood Center Expansion	\$266,968	
Public Services		
Human Services	\$217,436	0
Administration		
Administration, Planning, and Monitoring (CDBG includes Fair Housing activities)	\$229,314	\$81,415
TOTAL	\$1,183,718	\$1,908,633

*Of the total CDBG program income received in FY 2011, \$150,000 was committed to funding CDBG Activities in 2011. The balance of \$303,000 was deposited into the CDBG revolving loan fund. Total is shown here only for purposes of calculating the 2012 public services funding limit.

Local (City) Resources

The City has a local Housing Mitigation Fund for the development, rehabilitation and/or acquisition of affordable housing. Most of the housing mitigation funds are currently obligated or reserved for future housing projects, including proposed affordable housing developments at the former Sunnyvale Armory.

Other Public Resources

The following is a list of potential financial resources that may be available to the City and/or housing providers in the area to address priority needs and specific objectives identified in the five-year plan. The amount and availability of funding from these funding programs varies.

Low-Income Housing Tax Credit Program (LIHTC)

The LIHTC program provides federal and state tax credits for developers and investors who agree to set aside all or a percentage of their rental units for low-income households for no less than 30 years. Tax credits may also be used on rehabilitation or preservation projects. Developers and investors apply for an allocation of federal and State tax credits from the California Tax Credit Allocation Committee (CTCAC). The award of tax credits in California is usually extremely competitive. To be successful, applicants often have to provide 100% affordable projects serving mostly extremely low- to very low-income households. MidPen Housing has submitted an application for tax credits to fund the rehabilitation of the apartments at 662 Garland Avenue.

Homeless Emergency and Rapid Transition to Housing (HEARTH) and Emergency Shelter Grants (ESG)

Santa Clara County serves as lead agency in the County's Continuum of Care (CoC), which receives Hearth Act, ESG, and similar federal grants to provide shelter, housing, and supportive services to homeless people residing anywhere in the County. The City has contributed some of its local funds to various county-wide projects that often receive CoC support as well, such as shelter facilities, transitional housing, and supportive services.

Private Resources

Most of the City's housing and human services programs leverage various sources of private financing. The City encourages the participation of local lenders in its housing and/or community development projects as needed. Tax credit projects such as the Garland Plaza project require thousands in private equity and financing for construction and related costs. Currently, it is more difficult to obtain private financing, grants, and charitable contributions due to the economic downturn. The City is a founding member of the Housing Trust of Santa Clara County, which raises voluntary contributions from the public and private sectors for affordable housing projects within the County. The City has contributed some of its local (non-federal) housing funds to the Trust, which then uses those seed funds to seek matching contributions from corporations and various other sources.

D. Annual Objectives

91.220(c)(3)

(See also HUD Table 3A)

Goals and objectives to be carried out during the action plan period are indicated as marked below:

Objective Categories:

<input checked="" type="checkbox"/> Decent Housing Which includes:	<input checked="" type="checkbox"/> Create a Suitable Living Environment Which includes:	<input checked="" type="checkbox"/> Expanded Economic Opportunities Which includes:
<input checked="" type="checkbox"/> Assisting homeless persons obtain affordable housing	<input checked="" type="checkbox"/> Improving the safety and livability of neighborhoods	<input checked="" type="checkbox"/> Job creation and retention
<input checked="" type="checkbox"/> Assisting persons at risk of becoming homeless	<input type="checkbox"/> Eliminating blighting influences and the deterioration of property and facilities	<input type="checkbox"/> Establishment, stabilization and expansion of small business (including micro-businesses)
<input checked="" type="checkbox"/> Retaining the affordable housing stock	<input checked="" type="checkbox"/> Increasing the access to quality public and private facilities	<input type="checkbox"/> The provision of public services concerned with employment
<input checked="" type="checkbox"/> Increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability	<input type="checkbox"/> Reducing the isolation of income groups within areas through spatial de-concentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods	<input type="checkbox"/> The provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan
<input type="checkbox"/> Increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence	<input type="checkbox"/> Restoring and preserving properties of special historic, architectural, or aesthetic value	<input checked="" type="checkbox"/> Availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
<input type="checkbox"/> Providing affordable housing that is accessible to job opportunities	<input checked="" type="checkbox"/> Conserving energy resources and use of renewable energy sources	<input type="checkbox"/> Access to capital and credit for development activities that promote the long-term economic social viability of the community

See Table I for a summary of specific objectives that will be addressed during the program year.

E. Description of Activities

91.220(d - e)

The following activities are planned for implementation during FY2012-13 to meet the objectives specified below:

AFFORDABLE HOUSING AND ALLEVIATION OF HOMELESSNESS

Housing programs are intended to prevent and/or end homelessness, improve the quality, affordability, and/or accessibility of housing, and preserve, maintain, and extend the useful life of existing affordable housing. In addition, objectives related to energy efficiency also improve the affordability by lowering utility costs, and extend the useful life of existing housing. Those housing activities listed below that aim to alleviate homelessness and/or prioritize homeless applicants are indicated below with an “H”.

Priority Housing Needs

Housing assistance is proposed to be prioritized for those who cannot currently afford market rate housing, as follows: 1) Rental assistance for lower (including very low and extremely low) income households, and 2) Homebuyer assistance for lower- and moderate-income households.

Highly detailed prioritization and income targeting is not proposed for most programs, as identifying a very narrow range of priority household types and/or income levels often makes it difficult to achieve program objectives and meet expenditure deadlines for HOME and CDBG within the planned time frames, and/or increases the risk of fair housing complaints by those not equally represented within narrowly defined priority groups.

Affordable Housing and Homeless/Special Needs Households Objectives:

As described in the ConPlan, the Housing First model, developed over in the past decade and now adopted by the County Continuum of Care, prioritizes moving chronically homeless people off the streets or out of shelters and into housing as soon as possible, in order to avoid much more costly public interventions, as explained in more detail in the ConPlan. Priority is also given to preventing families with children, unaccompanied youth, and other vulnerable people from becoming homeless in the first place, and getting them into housing as soon as possible if they do become homeless. The Tenant-Based Rental Assistance program and rental rehabilitation project (Objectives 1 and 2) are intended to alleviate homelessness and assist very low income or at-risk renters to maintain stable housing. In addition, Objective 6 below includes funding for a number of supportive services and shelter operations to address homeless needs. Objectives 1, 2, 4(a-c), and 6 address special needs objectives.

1. Tenant Based Rental Assistance (TBRA) and Security Deposit Program (H)

As set forth in the HOME Program guidelines, assist residents currently experiencing or at imminent risk of homelessness, and other very low income households, to obtain and maintain rental housing. Include security deposit assistance as needed to assist program participants or other at-risk or currently homeless people to move into permanent housing.

Goal: Assist at least 8 households for up to two years.

2. Garland Plaza Rental Housing Rehabilitation

Provide financial assistance for rehabilitation of Garland Plaza Apartments. This project was proposed in response to the City's FY2012-13 "Request for Proposals for CDBG and HOME Capital Project Funding".

The applicant requested a loan of \$1.5 million in HOME funds to assist the substantial rehabilitation of a 20-unit apartment complex that will preserve affordability for 20 years and improve the appearance, comfort, energy efficiency, and quality of the apartments at Garland Plaza. (20 units) **(H)**.

Goal: Assist with rehabilitation of 20 housing units.

3. First Time Home Buyer Assistance

Provide first-time homebuyer loans to help lower-income households buy their first homes. This program provides “silent second” down payment loans of up to \$50,000, for purchase of either below-market rate (BMR) or market-rate homes. For participants buying BMR homes, the “resale” method, as defined in the HOME regulations, will be used to meet HOME program requirements. For purchase of market-rate homes, the “recapture” option (shared equity) will be utilized to meet HOME program requirements. It is anticipated that most lower-income buyers (earning up to 80% of area median income) will purchase BMR homes, but a few may be able to purchase a market-rate home. HUD Field staff reviewed and approved the City’s resale and recapture program documents in 2011.

Goal: Assist at least two lower-income homebuyers during the Program Year.

4. Housing Improvement Program (HIP)

The Housing Improvement Program includes the following types of assistance:

- a) Home Access (ADA Retrofit) Grants
- b) Paint Grants/Loans & Emergency Repair Grants
- c) Energy Efficiency Retrofit Matching Grants

Many of the clients of the HIP program, and all of the Home Access clients, are lower-income disabled and/or elderly households. The Home Access program provides ADA retrofits often needed by disabled people and/or seniors, such as the installation and maintenance of wheelchair lifts and ramps, grab bars, and accessible plumbing and other fixtures. Paint grants and loans include funding and assistance for lead hazard assessment and reduction services, as well as for repainting homes.

Energy efficiency retrofits provide assistance to low-income homeowners in conjunction with the national effort to improve residential energy efficiency, in order to reduce greenhouse gas emissions, energy consumption, and utility costs. These matching grants help homeowners to complete Tier II and III energy-efficiency retrofits (and install renewable energy devices if desired). Tier III energy retrofits can reduce household energy use by up to 70%, compared to Tier II retrofits or standard rehabilitation work, which reduce energy use by an average of about 10%. Completing Tier III retrofits prior to installing renewable energy devices, such as solar panels or small wind turbines, can greatly reduce the size of renewable energy system needed. Staff has provided one energy-efficiency grant this year.

The retrofit matching grants are designed to motivate eligible homeowners to undertake Tier III energy retrofits and to serve as a model for their neighbors and the rest of the community, to encourage widespread participation in regional energy efficiency retrofit efforts. The City is participating in the Bay Area Retrofit regional programs, which will make incentives and technical assistance available to all property owners (of any income level) in the County, including rental and owner-occupied properties. Staff will leverage technical assistance through these regional programs as much as possible when implementing the energy retrofit projects.

Goal: Assist at least 20 households with housing improvement grants.

The City also provides loans for major rehabilitation of single family and/or manufactured/mobile homes, using funds from its CDBG Revolving Loan Fund (RLF), however these RLF-funded activities are not included in Action Plan tables, in accordance with HUD guidance. Last year, the City made nine mobile home and single family rehabilitation loans.

COMMUNITY DEVELOPMENT OBJECTIVES

5. Columbia Neighborhood Center Expansion Project

This project will enable the Center to provide more effective health services and expand social, educational, and recreational services to its clients. The final allocation of \$266,968 will provide the City's share of the estimated remaining costs of construction, retention, and project delivery incurred during the final phase of construction, plus a contingency. The project is scheduled for completion in May 2012.

Goal: Add 3,500 square feet of additional space to the Center, to provide access to health and human services for more low-income households in this neighborhood.

6. Priority Human Services (Seniors, Youth, Homeless & Other Special Needs)

Public services are a high priority for the City, and generally the amount of funding available is not adequate to assist all those in need of such services. The City has a well-established policy for providing supplemental funding to various agencies for human services that help vulnerable residents meet their basic daily needs. The funding allocations for FY2012-13 are shown in **Table IV** of this Action Plan under Public Services.

These programs assist special needs populations such as: seniors, disabled people, homeless people, children, youth, victims of domestic violence, and other mostly very low-income clients with basic needs (such as food, shelter, transportation, health & mental health care, employment assistance/training, etc). The objectives and outcomes of these services are described in Table V. The accomplishments reported to HUD in the CAPER include only those programs funded with CDBG, pursuant to HUD direction.

Goal: Assist at least 887 individuals and/or households with human services.

ENVIRONMENTAL SUSTAINABILITY OBJECTIVES

The City, like many Bay Area jurisdictions, has been implementing and developing policies and initiatives to protect the environment and improve sustainability since the early 1970's. In January 2010, the City adopted a Green Building ordinance, using the "GreenPoint" rating system developed by "Build It Green" for residential construction, and has developed green building requirements and incentives for new residential, office, retail and industrial projects developed within the City. Housing Objective 4, above, includes energy efficiency retrofit grants, a new program intended to address sustainability objectives. The rental rehabilitation project listed in Objective 2 will also greatly improve energy efficiency in the rehabilitated units.

ECONOMIC DEVELOPMENT OBJECTIVES

Priority Needs

A need identified in the Consolidated Plan is to help people who are currently homeless or at imminent risk of homelessness to obtain employment or other sources of income and adequate support services/networks to obtain housing and achieve stability.

7. “Work First Sunnyvale” Workforce Development Program (CBDO Activity)

Community-Based Development Organizations (CBDO) are generally nonprofit organizations based in the CDBG grantee jurisdiction (the City) that undertake specific kinds of CDBG-funded activities. CBDOs can be for-profit or nonprofit organizations, but cannot be governmental entities.

Sunnyvale Community Services (SCS) has been certified as a Community-Based Development Organization (CBDO) which allows it to apply for CDBG funds for certain types of programs that are not subject to the CDBG 15% public services cap. These activities include programs that are designed to increase economic opportunities through job training and placement and other employment support services, including, but not limited to, temporary housing assistance, child care, transportation, and supportive services. The proposed Workforce Development Program qualifies for CDBG funding under the CBDO category of activities.

This program would address the Consolidated Plan objective to help people in Sunnyvale who are currently homeless or at imminent risk of homelessness to obtain employment or other sources of income and adequate support services/networks to obtain housing and achieve stability. Activities include job readiness training, job skills training, and job placement. SCS intends to collaborate with NOVA and the Downtown Streets Team to implement this activity.

Goal: Assist 50 homeless people with job training and job placement services to enable them to obtain employment.

F. Other Required Topics

91.220 (d-j)

Geographic Distribution/Allocation Priorities 91.220(d) and (f)

This topic is discussed in more detail in the Consolidated Plan. Most of the CDBG and/or HOME-funded programs and services are provided on a city-wide basis to income-eligible and/or special needs households.

Human services are supported in a number of facilities and locations throughout the City, and in some cases just outside the City, in proportion to the number of Sunnyvale residents documented as being served by the program. Public facilities, infrastructure, and non-housing activities are supported only within the City limits. Affordable housing assistance is generally provided anywhere in the City, as opportunities arise, in order to avoid concentration of poverty, and to ensure fair access to affordable rental housing, rehabilitation assistance, and homeownership opportunities in all neighborhoods.

Obstacles to Meeting Underserved Needs

As explained in the needs assessment of the ConPlan, the number of households in need, particularly of very low-income households struggling to afford decent housing in the region as a whole, including Sunnyvale, is far greater than the number of households than can be assisted with the resources currently available to any single local jurisdiction. The high costs of land, materials, and labor, and/or the deep subsidies required to assist the lowest income groups, create obstacles to meeting all of the underserved need. The City aims to use its available resources to meet as many needs as it can by striving for cost-effective methods of providing assistance.

Annual Affordable Housing Goals

See Housing Objectives listed in Section E, above and also HUD Table 3A, Annual Housing Completion Objectives.

Needs of Public Housing

This section is not applicable as there is currently no official public housing in Sunnyvale. The City collaborates with the Housing Authority of the County of Santa Clara (HACSC) on efforts to provide vouchers, mortgage credit certificates, supportive services and other assistance to Sunnyvale residents. The City also supports the HACSC in its applications for funding to increase Section 8 vouchers and provide additional funding for affordable housing or services in the County. The City will also continue to collaborate with the HACSC to administer its TBRA program.

Needs of Homeless People and/or those with Special Housing Needs

Please see also discussion in Section E, above.

Staff continues to participate in the county-wide efforts, such as the CoC and Destination Home, to end homelessness throughout the County, including continuing to provide operating assistance for homeless services and emergency rental assistance through the City's human services grants program and/or other mechanisms. The TBRA and Work First Sunnyvale Programs are being funded in 2012 to address these priority needs.

Barriers to Affordable Housing

This topic is addressed more in detail within the Consolidated Plan. As noted in Chapter 4 of the ConPlan, in 2008-09, the City completed a detailed "Constraints Analysis" pursuant to California Housing Element law (Government Code 65580), and the State determined, with its compliance certification of the City's housing element, that the City does not currently implement policies that create barriers to affordable housing, and the City is currently implementing several minor code amendments to maintain this State certification. Additional detail is available in the City's Housing Sub-Element, which is provided in its entirety on the City's website and in the Library. Non-governmental barriers (market factors), such as high land costs, construction costs, home prices, rents and financing difficulties, are addressed, within the City's limited ability to address them, through the housing activities listed above.

G. Other Actions**91.220(k)****Institutional Structure**

The Institutional structure for carrying out the City's housing and community development activities consists of the City's cooperative relationships within its departments and other

government agencies, non-profit organizations, and other institutions involved in the activities described herein. For additional detail, please refer to section 5.6 of the Consolidated Plan.

Lead-based Paint Hazard Reduction

The City provides financial assistance to income-eligible homeowners to abate lead-based paint hazards through its Home Improvement Program. Paint grants and loans, as well as rehabilitation loans, are provided, as well as free lead-based paint testing and education services.

Anti-poverty Strategy

The City partners with the North Valley Workforce and Investment Board (“NOVA”) to assist lower-income and many unemployed residents to obtain living wage employment. NOVA provides employment and training services to low-income and dislocated professionals within Sunnyvale and the surrounding region under the federal Workforce Investment Act (WIA) with a goal of placing these individuals in jobs with employers. In addition, many of the human services supported by the City help impoverished families meet their basic needs in the short term, or help them achieve living-wage employment. The current economic downturn has increased the level of need and demand for assistance with employment services as well as basic needs. The City will continue its ongoing efforts to strengthen the local economy, and increase economic opportunities for all of its residents. The Work First Sunnyvale Program is also a major new anti-poverty program that will be implemented in close collaboration with NOVA.

Coordination

The City and other community development organizations in the County coordinate frequently on a variety of initiatives. The City Housing Division staff participates in a collaborative of HUD entitlement grantees within the County. Quarterly meetings are held to discuss activities, technical assistance issues, and identify future opportunities for coordination and cooperation.

As mentioned above, the City also participates in the CoC, also known as the “Santa Clara County Collaborative on Housing and Homelessness,” comprised of governmental agencies, homeless service and shelter providers, homeless persons, housing advocates, and affordable housing developers. The Collaborative prepares the Countywide Homelessness Continuum of Care Plan, which seeks to create a comprehensive and coordinated system of affordable housing and supportive services for the prevention, reduction, and eventual end of homelessness. The Plan provides a common guide for the County, Cities, service providers, the faith community, the business sector, philanthropy, and the broader community to follow in addressing local housing and the goals and services needs for homeless people.

The City coordinates with other regional agencies, such as the Housing Trust of Santa Clara County, Joint Venture Silicon Valley, NOVA, the County-wide Fair Housing Task Force, and the Valley Transportation Authority, among others, to achieve the goals described within this Action Plan.

Transportation

The City encourages development of housing near public transit, especially for those dependent on transit. The City also encourages the Valley Transportation Agency (VTA) and Caltrain to maintain safe and efficient transit service between affordable housing and employment centers. The Senior Transportation Program, a paratransit-type service provided by Outreach, has been funded for a number of years with the City’s CDBG public services funds to ensure that frail seniors can access health care, food, and social services.

Section 3 and Woman/Minority-Owned Business Outreach

It is the policy of the City of Sunnyvale that small, minority and woman owned businesses shall have the maximum opportunity to participate in the performance of Community Development Block Grant and HOME Investment Partnership assisted contracts. The City will continue to encourage participation from Woman-owned, Minority-Owned, and potential Section 3 business interests in responding to bid notices for City-sponsored capital projects involving use of CDBG and HOME funds. The City will also continue to encourage affordable housing developers to seek and contract with Section 3 businesses in carrying out new construction and rehabilitation projects where CDBG and/or HOME funds are used.

The City advertises in the Sunnyvale Sun, Bay Area Builder's Exchanges, Onvia DemandStar public procurement network, and the City's website.

The City includes equal opportunity provisions in its Invitation for Bids: Affirmative steps must be taken by contractor and all subcontractors to assure that small, minority and women-owned businesses and firms located in labor surplus areas are used when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

- Include any such qualified firms on solicitation lists.
- Assure that such firms are solicited whenever they are potential sources.
- When economically feasible, divide total requirements into small tasks or quantities so as to permit such firms maximum opportunities for participation through Subcontracting.
- Where possible, establish delivery schedules which will encourage such participation.
- Keep records of efforts and results.

Monitoring Plan

The City has established a monitoring process that includes annual on-site monitoring and review of its subrecipients' administration, fiscal management, and program management for those receiving federal funds through the City. The city audits each agency annually and requires submittal of quarterly performance reports and reimbursement requests prior to disbursing any grant funds committed to the subrecipients. Further detail regarding the monitoring procedures and policies implemented by the City is available in the Consolidated Plan.

H. CDBG Funding Details**91.220(I)(1)****Program Income**

The City anticipates receiving \$150,000 in program income from housing loan repayments in FY2012-13 and will deposit these funds into the City's established Housing Rehabilitation RLF. The City received \$453,000 in CDBG program income in 2011.

Miscellaneous

The City has no proceeds from Section 108 loan guarantees, urban renewal surplus funds, float-funded income or other types of CDBG income that will be used during the year to address the priority needs and specific objectives identified in its strategic plan.

The City anticipates that 100% of the CDBG funds allocated by this Action Plan to activities will benefit lower-income persons.

I. HOME Details

91.220(I)(1)

First Time Homebuyer Program

The City's First Time Homebuyer Program has guidelines for both resale and recapture. The provisions of the City's Promissory Note and Loan Agreement comply with the resale provisions and recapture requirements set forth in 24 CFR 92.254(a)(4)(5) and were approved by HUD in 2011. For participants buying BMR homes, the resale (to another lower income buyer) option will be used to meet HOME program requirements and for the purchase of market-rate homes, the recapture option (shared equity) will be utilized to meet HOME program requirements. Current market conditions and past program activity indicate a very low likelihood that the HOME funds will be used to assist with purchase of a market-rate home.

Tenant Based Rental Assistance (TBRA)

Current market conditions that led to the initial use of HOME funds for Tenant Based Rental Assistance (TBRA) included in FY 2010 increasing rental vacancy rates, decreasing rents, and a high number of unemployed residents at risk of losing their housing due to temporarily decreased incomes. The local rental market conditions are also discussed in pp. 58-60 of the Consolidated Plan (including Table 4.32) and Sunnyvale-specific rental conditions are provided in more detail in Appendix F.1 of the Con Plan. The specific population targeted in 2010 and 2011 by the TBRA pilot program consisted primarily of the unemployed, those in training or educational programs which would lead to self-sufficiency in two years or less, such as CalWorks participants, homeless families, non-retired Sunnyvale residents on the Section 8 waiting list, and/or others facing imminent homelessness due to the recession or a health crisis, but who can be reasonably expected to earn sufficient incomes to pay rent within two years.

Next year staff proposes to target the 2012 TBRA program funding to individuals or families experiencing episodic homelessness, or who are at imminent risk of homelessness, and who are currently unemployed or under-employed, but can be reasonably expected to regain economic self-sufficiency within the two-year period of TBRA assistance. This program shift is in response to a perceived increase in episodic homelessness following the recession, as well as the planned closure of the County Winter Shelter facilities at the Sunnyvale Armory in 2014 or later. Staff will identify a qualified service provider to administer the revised TBRA program, in close collaboration with the Work First Sunnyvale Program, the County, and the City of Santa Clara.

Affirmative Marketing

The City monitors all HOME-assisted projects for compliance with its affirmative marketing requirements for assisted units in housing projects with 5 or more units. In addition, the City will continue to require as a condition of providing assistance, compliance with its *Affirmative Marketing Policies and Procedures for Affordable Housing*, which describes outreach and marketing efforts to reach a variety of applicants. The City also requires housing providers to market units to households with limited English proficiency, to reach "linguistically isolated" households with appropriate language access tools.

HOME Matching Requirements

The City requires all applicants for HOME funds to provide a match of at least 25%. Most of the City's HOME projects have provided more than 25% match.

CHDO Reserved Funds

Since 1992, the City expended \$2,528,458 on CHDO projects. As a result, the City has exceeded the 15% CHDO set-aside requirement and is currently at 20.2%. The balance of excess CHDO funds is \$328,627. For FY 2012-13, staff will request that HUD reduce the City's CHDO subfund in IDIS from \$328,627 to zero for Program Years 2009-2011 in order to make these excess CHDO funds available in IDIS for other HOME activities.

J. Housing Opportunities for People with AIDS/HIV (HOPWA)

The City of San Jose administers the HOPWA funds on behalf of the entire County, including Sunnyvale. San Jose works directly with the Health Trust and other relevant agencies to identify effective service strategies and determine appropriate ways to meet the housing and support service needs of people living with HIV/AIDS.

K. Additional Tables and Figures

- Table IV:** FY2012-13 Public Services Funding
- Table V:** FY2012-13 Human Services Objectives and Outcomes
- HUD Table 3A:** Summary of Specific Annual Objectives
- Figure A:** Map of Income-Eligible Block Groups

Table IV: CDBG FY 2012-13 Human Services Grants

Agency Name and Program	Grant Award
Sunnyvale Community Services: Emergency Food/Financial Assistance	\$ 75,000
Outreach & Escort: Senior Transportation and Resources	\$ 31,196
Bill Wilson Center: Family & Individual Counseling	\$ 23,174
EHC LifeBuilders: Winter Shelter at Sunnyvale Armory	\$ 22,283
YWCA Silicon Valley: Domestic Violence Support Network	\$ 18,718
MayView Community Health Center	\$ 17,826
Family & Children Services: Youth Counseling for At-Risk Youth	\$ 21,391
First United Methodist Church: Sunnyvale Senior Nutrition Program	\$ 7,848
CDBG TOTAL	\$ 217,436

Table V: CDBG-Funded Human Services: FY 2012-13 Objectives and Outcomes

Program Name: Agency Name	Grant Amount	Sunnyvale Residents Served*	Objective Category**	Outcome Category
Emergency Assistance Sunnyvale Community Services	\$75,000	328	SLE	Availability/Accessibility
Senior Transportation Services: Outreach & Escort	\$31,196	109	SLE	Availability/Accessibility
Family & Individual Counseling: Bill Wilson Center	\$23,174	46	SLE	Availability/Accessibility
Homeless Shelter Services: EHC LifeBuilders	\$22,283	111	SLE	Availability/Accessibility
Domestic Violence Support Network: YWCA Silicon Valley	\$18,718	106	SLE	Availability/Accessibility
Primary Health Care & Disease Prevention: Mayview Community Health Center	\$17,826	51	SLE	Availability/Accessibility
Youth Counseling Services: Family & Children Services	\$21,391	30	SLE	Availability/Accessibility
Sunnyvale Senior Nutrition Program: First United Methodist Church*** (CDBG Portion only)	\$7,848	106	SLE	Affordability
Total	\$217,436	887		

* Unduplicated number of Sunnyvale residents proposed to be served by proposed grant amount.

** **DH** = Decent Housing, **SLE** = Suitable Living Environment

HUD Table 3A: Summary of Specific Annual Objectives

Specific Objectives	Funding Source	Performance Measure (Type of Units)	Goal	Achieved*	Outcome/ Objective**
Rental Housing Objectives					
1. Tenant-Based Rental Assistance & Security Deposit Program	HOME	Households	8	TBD	DH-2
2. Rental Housing Activities	HOME	Housing Units	20	TBD	DH-3
Owner-Occupied Housing Objectives					
3. First Time Home Buyer Assistance	HOME	Households	2	TBD	DH-2
4. Housing Improvement Program <i>Includes the following:</i> a) Home Access Grants b) Paint & Emergency Repairs c) Energy Efficiency Retrofits	CDBG	Housing Units	20	TBD	DH DH-1 DH-3 DH-2, 3
Homeless Objectives: Objectives # 1, 2, and 5 address homeless objectives.					
Special Needs Objectives: Objectives 1, 2, 4, and 7 address special needs objectives.					
Community Development Objectives					
<i>Infrastructure/Public Facilities/Other Community Development</i>					
5. Work First Sunnyvale (CBDO Activity)	CDBG	Individuals	50	TBD	SL-1
6. Columbia Neighborhood Center Expansion	CDBG	Community Facility expansion	3,500 sq. ft. addition	TBD	SL-1
<i>Public Services Objectives</i>					
7. Priority Human Services (Seniors, Youth, Homeless & Other Special Needs)	CDBG	Households	887	TBD	DH-2, SL-1, 2

* TBD: To be determined at end of Program Year.

** HUD's National Outcome/Objective Codes

	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

Public Comments Received



North Valley: Cupertino Los Altos Milpitas Mountain View Palo Alto Santa Clara Sunnyvale

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- Applied Materials
- Building & Construction Trades Council
- Building Skills Partnership
- Cenetri Group
- Center for Continuing Study of the CA Economy
- Cisco Systems
- Communications Workers of America
- County of Santa Clara
- Dept. of Rehabilitation
- Dr. Frank Benest Consulting
- Employment Development Dept.
- Foothill-De Anza Community College District
- Housing Authority of the County of Santa Clara
- IDEO
- Intuit
- Kaiser Permanente
- Lockheed Martin Space Systems Company
- Manpower
- McAfee, Inc.
- MM Hamilton Financial Group
- Mountain View-Los Altos UHSD Adult School
- NASA Ames Research Center
- National Council on Aging
- NSIT Technologies
- Parkinson's Institute and Clinical Center
- Pipe Trades Training Center
- Proofpoint Systems, Inc.
- Sacred Heart Community Service
- Santa Clara Chamber of Commerce
- Silicon Valley Leadership Group
- Symantec
- Wells Fargo

Dear Sir or Madam:

I am writing to you on behalf of NOVA to express our excitement about the prospect of Downtown Streets Team starting a team in Sunnyvale.

NOVA is a nonprofit, federally-funded employment and training agency that provides customer-focused workforce development services. We work closely with local businesses, educators, and job seekers to ensure that our programs provide opportunities that build the knowledge, skills and attitudes necessary to address the workforce needs of Silicon Valley. NOVA is directed by the NOVA Workforce Board, which works on behalf of a seven-city consortium composed of Cupertino, Los Altos, Milpitas, Mountain View, Palo Alto, Santa Clara, and Sunnyvale.

Recently, NOVA has partnered with Downtown Streets Team to assist numerous homeless and low-income individuals with their job searches. Historically, Downtown Streets Team has had unique success with motivating these job seekers through a work experience program that helps people rebuild self-esteem, confidence, and dignity. On our end, we can harness this motivation and offer employment services such as one-on-one career advising, resume critique, access to job postings, computer classes, interest assessments, employer events, services for veterans, services for individual with disabilities, and access to computers, copiers, and fax machines.

Utilizing both of our services, job seekers have had a great deal of success with moving back into permanent employment. If there were a Sunnyvale Downtown Streets Team, I am confident even more unemployed people in our community could be transitioned back into the workforce.

Thank you for your consideration, and I look forward to the further collaboration this expansion could create!

Sincerely,

A handwritten signature in black ink that reads "Cindy Stahl". The signature is fluid and cursive, with the first name "Cindy" being larger and more prominent than the last name "Stahl".

Cindy Stahl
Manager of Job Seeker Services
NOVA

Van Dang,
Co-Chairperson

Steve Van Dorn,
Co-Chairperson

Dennis Cima,
Vice Chairperson

Poncho Guevara,
Vice Chairperson

Mary Schuppert,
Past Chairperson

Kris Stadelman,
Director