

# CITY OF SUNNYVALE



## COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

### REQUEST FOR PROPOSALS FOR HUMAN SERVICES FUNDING

PROGRAM YEARS 2013-14 AND 2014-15

**Release Date:  
January 18, 2013**

**Proposals Due:  
February 14, 2013**

COMMUNITY DEVELOPMENT DEPARTMENT  
HOUSING DIVISION  
408-730-7250

[www.housing.insunnyvale.com](http://www.housing.insunnyvale.com)

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

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## **SUMMARY**

The City of Sunnyvale hereby issues this Request for Proposals (RFP) for Human Services (Public Services) Funding (grants) to be provided in fiscal years 2013-14 and 2014-15. Proposals are sought from qualified non-profit or public agencies seeking City funding for human services to meet the priority and/or unmet needs of Sunnyvale residents, particularly those of lower incomes or with special needs. In order to be eligible for consideration, proposers must explain how services proposed for City funding address one or more of these priority/unmet needs, as described in the City's 2010-2015 Consolidated Plan, relevant excerpts of which are provided in Exhibit D to this RFP. Proposals must also comply with the City of Sunnyvale's Human Services Policy 5.1.3, provided in Exhibit A.

The City awards grants for human services programs on a competitive basis every two years. Grantees awarded funding for FY 2013-14 will be eligible for (but not guaranteed) grants of approximately the same amount in FY 2014-15, if adequate funds are available to the City for the second year, as long as they have received a satisfactory rating from the City on their performance of the grant requirements, including submitting all required reports in a timely manner and meeting all performance objectives, during the first year of the cycle. No formal application is required for the second year as long as grantees are in compliance with the grant requirements, as verified by the City Housing Division. Second year funding amounts may be adjusted by the City due to changes in funding availability, on a pro-rata or any other basis determined by the City in its sole discretion, as finalized upon approval of the FY 2014 Action Plan and City Budget. No RFP will be issued in the second year, nor will any new funding proposals for human services be considered after the close of the application period under this RFP (February 14<sup>th</sup>, 2013).

## **Human Services**

Human services are those which address priority and/or unmet needs of the City's lower-income residents as identified in the City's Consolidated Plan or HUD Action Plans. To receive a grant, services must be more cost effectively operated by the proposer than by the City, or proposer is the most logical service provider for a particular type of service because of its unique role in the community. Funding may be provided for more than one year, but is not guaranteed. **Continued funding is contingent upon City budget limitations and proposer's previous program performance.** Proposer must demonstrate good faith efforts to secure matching funds for services from other sources.

## **Community Development Block Grant (CDBG)**

The federal Community Development Block Grant 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 lower income persons and neighborhoods. The City of Sunnyvale receives an annual entitlement grant of CDBG funds from the U.S. Department of Housing and Urban Development (HUD), as well as "program income" from loan repayments. Each year the City seeks to maximize the benefits of these funds by partnering with local organizations to provide eligible services. This RFP sets forth the types of services that are eligible for CDBG funding under this RFP.

## **Available Funds**

The City of Sunnyvale anticipates receiving a CDBG entitlement grant of approximately \$920,000 from the Department of Housing and Urban Development (HUD) for Program Year 2013, plus approximately \$100,000 in program income. Of the total CDBG funds available, no more than 15% can be used for public service programs according to federal law. Up to \$100,000 in City General funds may also be available, subject to City Council discretion. Proposers may request grants in amounts ranging from \$10,000 to a maximum of 25% of the total funds available (estimated at approximately \$63,000).

## **Application and Selection Process**

1. Attend Applicant Workshop
2. Submit Proposal (Application Form and Attachments) by RFP Deadline
3. Staff Screens Proposals for Eligibility
4. Applicant Presentations to Housing & Human Services Commission (HHSC)
5. Staff Evaluation of Eligible Proposals and Funding Recommendations to HHSC
6. HHSC Public Hearing and Funding Recommendations to Council
7. Grants Awarded by City Council (upon approval of the 2013 Action Plan and City Budget)

The following materials are included for your use and reference in completing the attached Application:

- Exhibit A – Human Services Policy
- Exhibit B – HUD Income Limits
- Exhibit C – Compliance with CDBG National Objectives
- Exhibit D – 2010-15 Consolidated Plan Goals and Objectives (“Strategic Plan”)
- Exhibit E – Application Timeline for the FY 2013-14 CDBG Funding Cycle
- Exhibit F – Organizational Requirements
- Exhibit G – Evaluation Process
- Exhibit H – Insurance Requirements

Release Date: January 18, 2013  
Proposals Due: February 14, 2013, 4:00 p.m.  
Community Development Department – Housing Division  
Contact: Katrina L. Ardina, Housing Programs Analyst (408) 730-7451  
456 West Olive Avenue, P.O. Box 3707, Sunnyvale, CA 94088-3707  
Or  
Edith Alanis, Housing Programs Technician (408) 730-7254  
Applications available online at: [www.housing.insunnyvale.gov](http://www.housing.insunnyvale.gov)

### **CONSOLIDATED PLAN 2010-2015**

The City of Sunnyvale’s Consolidated Plan, adopted in May 2010, is a 5-year plan that identifies housing and other community development needs, analyzes existing federal resources, and sets strategies and priorities for addressing the identified needs (Exhibit D). The City provides funding for services which address identified priority needs and principally benefit lower-income residents of Sunnyvale.

### **Funding Priorities**

The “Priority Needs” for the City of Sunnyvale’s Community Development Block Grant Program were determined through a series of public community meetings and were adopted in accordance with regulations established by HUD.

Five year objectives associated with human services are as follows:

1. Help people who are currently homeless or at imminent risk of homelessness to obtain housing, employment or other sources of income, and adequate support services/networks to achieve stability. Need addressed: According to the *2009 Santa Clara County Homeless Census*, 7,086 people were found to be homeless in the County on the night of the census.
2. Support provision of essential human services, particularly for special needs populations (seniors, disabled, homeless people, children, youth, victims of domestic violence, etc.). Need Addressed: Lower-income households and/or those with special needs often struggle to meet their basic needs for food, clothing, health, child care, and shelter, or more specialized services described in Chapter 4.
  - o Basic needs (such as food, shelter, transportation, health & mental health care, employment assistance/training, child care, etc.).
  - o After school or intervention programs to provide youth with positive alternatives to drugs, violence, and/or gangs (i.e., recreational, mentoring, educational, and career-building activities).
  - o Mental health, addiction and substance abuse counseling, particularly for youth and those exiting institutions.
  - o Other specialized supportive services, such as foreclosure assistance, legal assistance for seniors and others, and other specialized human services, such as those currently supported by the city, or those that may address a new or unmet priority need.

**SUNNYVALE HUMAN SERVICES FUNDING CATEGORIES**

Programs for which funding is requested must qualify under the following criteria. Proposals that do not qualify will not be considered for funding.

Programs requesting funding must qualify under one of the categories below:

1. **Operational:** Funding of programs and services to address identified community needs or problems as specified in the City's General Plans or other policies through direct financial support and/or in-kind contributions.
  - Programs/services funded under this category must represent a service that can be more cost-effectively operated by the proposer than by the City, or must be such that the proposer, because of its role in the community, is the most logical service provider.
  - Funding may be provided on a multi-year basis but is not guaranteed. Continued funding is contingent upon City budget limitations and proposer's previous program performance.
  - Proposer must demonstrate good faith efforts to secure funding for programs/service from other sources.
  
2. **Emergency:** Funding of operational programs offered in the community that meets an existing need. Proposers and programs qualifying under this category must demonstrate:
  - Good performance of current programs.
  - Current financial difficulties will largely curtail the services currently provided to City residents.
  - Future funding to continue the program can be obtained from other sources with reasonable probability.
  - Funding for programs qualifying under this category shall be limited to one year.
  
3. **Seed Program:** Funding for start-up of new programs designed to meet a significant community need or problem.
  - Proposers must demonstrate a high probability that funding can be sustained beyond the commitment of City funds.
  - Initial funding for seed programs is limited to one year.
  - Second year funding may be possible if the program demonstrated good performance or special factors related to the continued need for funding can be demonstrated.
  - Prospect must demonstrate good faith efforts to secure funding for programs/services from other sources.

**FUNDING REQUESTS**

- Requested grant amount may not exceed the cost of services provided by the proposer to Sunnyvale residents, based on actual, documented costs of providing services on a per-client basis, as reflected in agency's fiscal audits, expense receipts, and other source documents. Services for non-Sunnyvale residents are not eligible for reimbursement with City grant funds. If service is new to Sunnyvale, proposer must use standardized costs per client, and must provide compelling evidence to support estimated number of Sunnyvale clients to be served during the first year.
- The "surplus" or "contingency fund" of the organization should be used to fund programs in lieu of City funds to the extent it exceeds reasonable limits based upon the activities of the organization and its program. Generally, the surplus should not exceed three months of operating budget.
- Non-expendable equipment purchases exceeding \$200 should be considered project costs and funded separately. Only extraordinary (from normal operations) one-time equipment purchases will be considered for funding under project funding for indirect City programs.
- Programs awarded CDBG funds must comply with all CDBG regulations, including income eligibility which requires that at least 51% of the agency's clients' household income is at or below the area low-income limits. ([Exhibit B](#))

**ELIGIBILITY**

Agencies applying for funding must meet all of the following eligibility criteria:

- Agency must be incorporated as a non-profit organization, or be chartered as a local unit and organization or incorporated; and must be tax exempt (non-profits under Section 501(c)(3) of the IRS Code and Section 23701(d) of the California Revenue and Taxation Code).
- Programs must provide services to City residents.
- Services must be provided between July 1, 2013 to June 30, 2014 (first year grant) and July 1, 2014 to June 30, 2015 (if second year grant provided) to be eligible for reimbursement with the grant funds.
- Programs must address one or more prioritized categories of community need ([Exhibit D](#)).
- Programs must meet a national objective and eligibility requirements ([Exhibit C](#)) or they will not be considered for funding.
- Agency must provide matching funds to cover most of the operating costs of the program to be funded (including any non-Sunnyvale clients).
- Organizational Requirements ([Exhibit F](#)).

**Eligible Activities:**

To CDBG funds for a public service, the service must be either a service not currently provided by the City itself, or a quantifiable increase in the level or capacity of an existing service.

- Legal assistance, especially for seniors.
- Affordable child care.
- Housing counseling.
- Domestic violence counseling, prevention services, and assistance for victims of violence.
- Social and recreational activities, especially for lower-income youth, as well as for seniors.
- Paratransit.
- Parenting support and/or family counseling.
- Financial literacy and homebuyer education classes.
- Substance abuse treatment
- Services for people facing or at imminent risk of homelessness.
- Positive alternatives for youth, including mentoring, gang prevention and intervention.
- Programs for released non-violent offenders.

**Ineligible Activities**

The following list includes the types of activities that may NOT be funded under the CDBG Program. The list is not all-inclusive.

- Buildings or portions thereof used predominantly for the conduct of general government.
- General government expenses.
- Political activities.
- The purchase of equipment, except equipment to be used in connection with eligible CDBG funded activities such as administration and public services and integral structural fixtures.
- Operating and maintenance expenses, except for program administration and eligible public services.
- New housing construction, except when carried out by certain eligible nonprofit organizations.
- Payments to individuals for their food clothing, rent, utilities, or other income payments.

### **Policy 5.1.3 Human Services**

#### **POLICY PURPOSE:**

The City of Sunnyvale recognizes that the supportive human services programs of the Federal, State and County governments do not fully meet the needs of all its population. The City, therefore, shall make its best efforts to provide supplemental human services, which include but are not limited to the emergency services, senior services, disabled services, family services and youth services.

The City establishes this Human Services Policy to insure that Human Services are identified and provided in the most efficient and effective manner.

This policy establishes guidelines for funding programs/services that may be provided on behalf of the City by outside groups. The intent of this policy is to:

- A. Establish a process through which outside groups can be funded to provide needed human services cost-effectively.
- B. Establish a methodology by which programs/services proposed by outside groups can be assessed.
- C. Establish an evaluation system that assures equity in the process of funding considerations by Council.
- D. Establish the type and amount of funding commitment that the City will provide.

This policy does not apply to those outside groups with whom the City contracts to provide City services other than human services. Human Services Agencies are defined as those which provide supportive services to a specific group of people, at least 51% of whom are lower income (80% or less than of area median income).

#### **POLICY STATEMENT:**

- I. The City will bi-annually, prior to adoption of the two-year Resource Allocation Plan, review prevailing conditions of human needs within the City and give appropriate attention to Human Services Policies in the City. The Housing and Human Services Commission, following one or more public hearings, will recommend to City Council priority human service needs for the next two years. Following a public hearing, City Council will adopt a two-year priority of human service needs.
- II. The City seeks to meet as many Human Service needs as possible using its limited available resources. The primary resource utilized for funding human services is the Federal Community Development Block Grant (CDBG) which permits up to 15% of the annual grant entitlement to be utilized for such purposes. The City Council may choose to supplement CDBG funding of human services through the annual Operating Budget process.
- III. The City assumes an advocacy role to manage the use of its resources to meet human service needs in Sunnyvale in the following ways:
  - o Encourages and advocates coordination and cooperation among organizations providing Human Services in Sunnyvale

- o Advocates, encourages and wherever possible, facilitates the co-location of human service providers
- o Actively pursues the cooperation of Federal, State, County and other agencies to enhance the quality and availability of human services to residents of Sunnyvale.

IV. The City *may directly provide* needed Human Services when:

- o Specifically targeted intergovernmental funds (such as CDBG) are available.
- o The City is the most cost-effective or logical provider of the service, AND
- o Provision of such services by the City is compatible with the City's General Plan, policies and/or action plans.

V. The City may *fund service providers* of needed human services when:

- o Specifically targeted intergovernmental funds (such as CDBG) are available,
- o Another agency is the most cost-effective or logical provider of the service, AND
- o Provision of such services by the City is compatible with the City's General Plan, policies and/or action plans.

VI. PROPOSAL FUNDING CATEGORIES:

Programs requesting funding must qualify under one of the categories below:

Operational: Funding of programs and services to address identified community needs or problems as specified in the City's General Plans or other policies through direct financial support and/or in-kind contributions.

- o Programs/services funded under this category must represent a service that can be more cost-effectively operated by the proposer than by the City, or
- o Must be such that the proposer because of its role in the community is the most logical service provider.
- o Funding may be provided on a multi-year basis but is not guaranteed. Continued funding is contingent upon City budget limitations and proposer's previous program performance.
- o Proposer must demonstrate good faith efforts to secure funding for programs/service from other sources.

Emergency: Funding of operational programs offered in the community that meet an existing need for which normal funding is no longer available.

Proposers and programs qualifying under this category must demonstrate:

- o Good performance of current programs;
- o Current financial difficulties will largely curtail the services currently provided to City residents;
- o Future funding to continue the program can be obtained from other sources with reasonable probability;
- o Funding for programs qualifying under this category shall be limited to one year.

Seed Program: Funding for start-up of new programs designed to meet a significant community need or problem.

- Proposers must demonstrate a high probability that funding can be sustained beyond the commitment of City funds;
- Initial funding for seed programs is limited to one year;
- Second year funding may be possible if the program demonstrated good performance or special factors related to the continued need for funding can be demonstrated;
- Prospect must demonstrate good faith efforts to secure funding for programs/services from other sources.

Project: Funding of capital or other one-time projects designed to address a significant community need or problem.

- Funding of such projects shall be limited to a specific time frame, usually not more than one year.

#### VII. APPLICATION POLICY STATEMENT:

The City wishes to consider funding of needed and appropriate services. In order to determine which agencies should be awarded funding, the Council has adopted a formalized human services funding application procedure. All groups desiring to act as service providers, and requesting City funds to do so, must submit a complete application by specific due dates. Public notice of the availability of requests for proposals and the specified dates will be provided in ample time for applications to be prepared.

All applicants desiring a grant from the City to provide human and social services will be required to comply with the application procedure and time schedule. All applications will have to meet the following three criteria:

1. Provide a service consistent with an existing recognized City priority need, policy, goal or objective;
2. Request funds for a program or project that qualifies under one of the four previously identified funding categories;
3. Have completed the application process and the application has been determined to be accurate and complete.

#### VIII. EVALUATION PROCESS:

To assure all applications for City funding of human services receive due consideration and to ensure Council is provided with the information it needs to make its funding decisions, the following evaluation process will be applied to requests received:

1. Applications not received by the due date will be rejected. Applicants submitting applications, which are materially incomplete, will have five working days from notification by staff to correct any deficiencies, or their applications will not receive further evaluation.
2. Staff will determine proposal eligibility based on guidelines provided in this policy. Proposals not qualifying will not be recommended to Council for funding and will not receive further evaluation.
3. Staff will prepare a technical evaluation of the applications and make recommendations to the Housing and Human Services Commission based upon the

priorities adopted by City Council and upon its evaluation of the applicant's ability to effectively deliver such services.

4. The Housing and Human Services Commission will conduct formal evaluations of the applications, including the opportunity for each group to present its program in public hearing for evaluation. The Commission will make recommendations to the City Manager and Council for allocation of available CDBG funds to outside groups to provide human services. The Commission may also notify the City Manager and City Council of applications where a significant need will remain unmet even if Council allocates CDBG funds as recommended. The City Manager may recommend, and the City Council may provide supplemental funding from the annual Operating Budget.
5. The City Manager will forward the Commission recommendation to Council with a staff recommendation thereon.

The Housing and Human Services Commission shall develop evaluation criteria, which criteria must be consistent with adopted Council policy. Staff and the Commission will apply these criteria uniformly to all applications reviewed. The following guidelines for general evaluation criteria include (but are not limited to):

Critical Evaluation Factors. Each of these factors must be met for the program to receive a recommendation for City funding.

- o The organization must meet minimum eligibility standards to receive funding.
- o The organization and its program must have demonstrated good performance and capability to effectively provide the program.
- o The organization and its program must deliver services in a cost-effective manner.
- o The organization must be an appropriate agency to deliver this program.
- o The program must not be a duplication of services provided in the same service area.
- o The organization and its programs must demonstrate strong financial management *and effective management controls*.
- o The proposed program must have a contingency plan for funding if City support is limited or eliminated in the future.

Favorable Evaluation Factors. The proposed program must address one or more of the following factors to receive a positive recommendation.

- o The proposed program addresses a priority adopted by the City Council and is related directly to a general plan policy.
- o The proposed program is a needed enhancement of any existing City program, and can be better performed by an outside group than by the City directly.
- o The program has a diverse funding base and is not heavily reliant upon City funds to support its operation.
- o The program has leveraged City funds with other funding sources to maximize service provision.

(Adopted: RTC 81-617 (10/13/1981); Amended: RTC 99-430 (10/19/1999); Amended: RTC 06-112 (4/11/2006))

Lead Department: Community Development Department

**2012 HUD Income Limits \***

<b>Number of Persons In Household</b>	<b>Low Income 80% of Median</b>	<b>Very Low Income 50% of Median</b>	<b>Extremely Low Income 30% of Median</b>
1	\$53,000	\$36,750	\$22,050
2	\$60,600	\$42,000	\$25,200
3	\$68,150	\$47,250	\$28,350
4	\$75,700	\$52,500	\$31,500
5	\$81,800	\$56,700	\$34,050
6	\$87,850	\$60,900	\$36,550
7	\$93,900	\$65,100	\$39,100
8	\$99,950	\$69,300	\$41,600

*\* Income limits shown are maximum limits for each income level. For example, Very Low Income households must have a gross (pre-tax) combined household income that is at or below the dollar amounts shown for their actual household size (number of persons living in household). For assistance in determining household income or other client eligibility criteria, please contact the Housing Division.*

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## NATIONAL OBJECTIVE

The primary objective of the CDBG program is *“the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for lower-income persons.”* All human services to be funded with CDBG funds must meet the following national program objective:

1. Principally benefit lower income persons: At least 51 percent of the program’s beneficiaries must be of lower income as defined by HUD, or the activity must serve a geographic area where at least 51 percent of the residents are lower income, or the activity must serve a “limited clientele group” as defined by HUD; or

HUD defines low and lower income persons as those whose total household incomes do not exceed the HUD Section 8 Rental Income Limits (at or below 80% of area median income). Please refer to Exhibit B for the current HUD Income Limits.

### **National Objective Sub-categories:**

Your agency must select one of the two sub-categories under the national objectives of principally benefiting lower-income persons.

**Area Benefit:** Programs serving a specific geographic area of the City where at least 51% of the residents are lower-income, as determined by HUD (map available from the Housing Division upon request).

**Limited Clientele Activity:** Services provided only to lower-income clients, rather than all residents of a particular area. Certain types of special needs clients are presumed by HUD to be lower-income (see below for list) so income verification is not required. Agencies may provide evidence that clients are either in one of the special needs categories listed below, or screen clients to verify that at least 51% of the clients served are lower-income persons. Programs screening clients for income eligibility must obtain written verification of clients’ lower-income status, which may include self-certification. Contact the Housing Division for further details.

Specific groups **presumed** by HUD to be lower-income are:

- Abused children
- Homeless persons
- Battered persons
- Elderly persons
- Adults meeting the Bureau of Census’ Current Population Reports definition of “Severely Disabled”
- Illiterate adults
- Persons living with HIV/AIDS, and
- Migrant farmworkers

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## 5 Five-Year Strategic Plan

The Strategic Plan explains how the City will use its HUD grants and other available funds to address the needs identified in Chapter 4. It serves as a five-year work plan, with goals and objectives (or strategies) designed to direct expenditures of entitlement grant funds toward meeting the identified priority needs. It will provide general guidance for funding decisions, such as preparation of the annual Action Plan, which serves as a budget for the HUD grants, and for development and implementation of HUD-funded activities during the next five years.

The goals and strategies reflect input from community residents, stakeholders, policymakers, service providers, current City policy, and federal laws and regulations related to the HUD grants. Section 3 above described the Citizen Participation process used to solicit public input on the Strategic Plan.

The goals and objectives within the Strategic Plan are organized into five categories:

- A. Affordable Housing (including housing for special needs households)
- B. Alleviation of Homelessness
- C. Other Community Development Efforts
- D. Expanding Economic Opportunities
- E. Sustainability

In addition, per HUD requirements, the Strategic Plan describes how the City will work with the Housing Authority, mitigate barriers to affordable housing, work toward reducing poverty, and coordinate with public and private sectors on the housing community development goals described in this plan.

### 5.1 Identifying Priority Needs

The City identified priority needs using the methods described in Chapter 4, including:

- Input from residents and other participants at the Consolidated Plan workshops and through the Consolidated Plan survey.
- The priorities identified in the City’s recently adopted Housing Element;
- Current housing market conditions as described in the Housing Market Analysis (see Section 4);
- Characteristics of the City’s current housing stock, employment rate, and other neighborhood conditions.
- Input received at City public hearings (See Chapter 3 and Appendix A)

### 5.2 Goals, Strategies, and Actions

#### ***Goal A: Affordable Housing***

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*Assist in the creation, improvement, and preservation of affordable housing for lower income and special needs households*

**Geographic distribution:** 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 housing, rehabilitation assistance, and homeownership opportunities in all neighborhoods.

**Prioritization:** Housing assistance is proposed to be prioritized for those who cannot currently afford market rate housing: rental programs for very low and extremely low-income households; and homebuyer assistance for lower and moderate-income households. Some programs, such as the Home Improvement Program, may serve a combination of these groups. Income-eligible households not specifically prioritized will also be eligible for many programs, however the amount of subsidy may vary according to need. Highly detailed prioritization/targeting is not proposed for most programs, as identifying a very narrow range of priority household types 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 in the narrowly defined priority groups.

**Obstacles to meeting underserved needs:** As explained in the needs assessment, 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.

**Objectives:**

1. Support affordable rental housing for lower-income households, with priority to very low, extremely low, and special needs groups (i.e., elderly, disabled, large families, homeless/at-risk households).

**Need addressed:** Shortage of rental units affordable to these groups.

- a) Provide financial and/or technical assistance for rehabilitation, construction and/or preservation of affordable rental housing and/or site acquisition.

2. Assist lower and moderate-income, first time home buyers.

**Need addressed:** Shortage of homes for sale affordable to these groups. Although the sales prices have decreased somewhat, Sunnyvale’s housing prices remain unaffordable to most lower income and some moderate-income households. Financing is also more difficult for many buyers to secure, with higher down payments or credit scores required. For these reasons, assistance for first-time buyers remains an important goal.

- a) Provide first-time home buyer loans and home buyer education programs.
- b) Continue to provide an inclusionary (below market-rate) housing program.

3. Provide Housing Improvement Program

**Need addressed:** Improve housing accessibility, housing conditions (health and safety), lead-based paint hazard reduction, energy efficiency, and affordability for lower-income households.

- a) Provide accessibility improvement grants for disabled and/or elderly households.
- b) Provide paint grants/loans to enable homeowners to paint their homes and test for lead-based paint if the home was built before 1979, and remediate if needed.
- c) Provide rehabilitation and energy efficiency loans to enable homeowners to repair/replace aging building components, improve energy efficiency, and extend the useful life of their homes.
- d) Provide energy efficiency matching grants or soft loans to encourage homeowners to participate in residential energy retrofit programs, by undertaking Tier III retrofits and, as an additional option, installing small-scale renewable energy devices. This assistance can be provided in combination with a rehabilitation loan, or as an independent activity.

4. Conduct outreach to the community regarding fair housing, and address any identified local barriers to fair housing choice

**Need addressed:** Disability and familial status (presence of children) are the most common source of fair housing complaints in the County, according to local fair housing advocates. The next most common types of complaints they see are related to national origin and race/ethnicity.

- a) Provide public outreach and education about fair housing laws and complaint procedures to local residents, landlords, and other housing industry professionals through local community outreach efforts, City agreements with housing providers and/or in other appropriate ways, such as support of pro bono legal services or related programs.
- b) Implement the City’s Housing Element adopted work plan regarding reasonable accommodations and any other identified actions to address barriers to fair housing choice.

## **Goal B: Alleviation of Homelessness**

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**Geographic distribution:** Many facilities that serve homeless people are funded jointly by multiple agencies and jurisdictions, and serve a county-wide clientele. Sunnyvale has traditionally participated in these regional efforts, as homeless people often move frequently between jurisdictions. Sunnyvale currently supports several facilities with either operational (services) funding or deferred capital funding, such as the Sunnyvale Armory, Bill Wilson Center, Maitri House, rotating shelter programs, and other shelter, transitional, and/or special needs residential facilities throughout the county.

**Prioritization:** Under the Housing First model promulgated by national policy analysts, it is much more cost-effective for the public and private sectors to move chronically homeless people into stable housing as soon as possible, in order to minimize costly and often repetitive utilization of emergency medical care, public safety services, courts, incarceration, hospitalization, and other costly interventions. Research has documented cases of single individuals incurring up to a million dollars' worth of such expenses in several years, while providing that same person with housing and supporting services for that same time period would have cost a fraction of that amount.<sup>46</sup> In addition, priority is 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. This is the concept of the new Homeless Prevention and Rapid Re-housing Program authorized under the 2009 ARRA legislation.

**Obstacles to meeting underserved needs:** Demand outweighs the resources available; misconceptions and/or misunderstanding of the causes of homelessness and the effective ways to address it have been obstacles nationally for the past thirty years.

### **Objectives:**

1. Help people who are currently homeless or at imminent risk of homelessness to obtain housing, employment or other sources of income, and adequate support services/networks to achieve stability.

**Need addressed:** According to the 2009 Santa Clara County Homeless Census, 7,086 people were found to be homeless in the County on the night of the census. Service providers reported an increase in clients seeking assistance as a result of the recession and unemployment. 349 Sunnyvale residents were homeless that night, according to the census.

- a) Continue to participate in the county-wide efforts, such as the 10-Year Plan 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, and continuing to defer outstanding capital debts for transitional housing and shelters previously assisted through the approved term of assistance, and/or provide new capital funding for transitional or permanent supportive housing.
- b) Work with the Housing Authority or other appropriate agency with the ability to administer a HOME-funded Tenant Based Rental Assistance Program for the City, and/or other efforts to increase the number of Section 8 or similar vouchers available to Sunnyvale residents experiencing or at risk of homelessness.
- c) Provide a Security Deposit Program to assist voucher holders or other at-risk/homeless people to move into permanent housing.
- d) Continue to provide HPRP assistance to Sunnyvale households at imminent risk of homelessness, or already homeless, for as long as HPRP funds are available to the City (current HPRP funding is estimated to last through June 2010).
- e) (CONTINGENCY ACTION) If the Onizuka A.F.S. is conveyed to the City and the homeless submissions are approved: implement the City's Legally Binding Agreement with homeless housing providers for the creation of permanent affordable rental housing for formerly homeless people.

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<sup>46</sup> Dennis P. Culhane. "The Cost of Homelessness: A Perspective from the United States" European Journal of Homelessness 2.1 (2008): 97-114; and Malcolm Gladwell, Dept. of Social Services, "Million-Dollar Murray," The New Yorker, February 13, 2006, p. 96

## **Goal C: Other Community Development Efforts**

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**Geographic Distribution:** 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 other neighborhood improvement projects are supported only within the City limits. Neighborhoods which meet the CDBG “area benefit” criteria are eligible for CDBG-assisted general public improvements such as sidewalk replacement, streetscape improvements, parks, community facility improvements, and/or other projects in the public right of way. The City has one area identified in City documents as blighted: the redevelopment project area (downtown), which also qualifies for some types of CDBG assistance. The City’s Neighborhood Enhancement Action Team annually identifies neighborhoods in which to provide intensive community engagement, public safety, and neighborhood preservation/improvement efforts, such as neighborhood-serving façade improvements. Many of these neighborhoods may qualify for CDBG assistance in one manner or another.

### **Objectives**

1. Support provision of essential human services, particularly for special needs populations

**Need addressed:** Lower-income households and/or those with special needs often struggle to meet their basic needs for food, clothing, health, child care, and shelter, or more specialized services described in Chapter 4. As the recession and unemployment have exacerbated demand for all types of services, reduced funding from the State and private sources has in many cases reduced the amount of assistance available. Therefore, continued support from local jurisdictions and other sources has become more vital.

**Prioritization:** Very low, extremely low, and/or special needs households (seniors, disabled, homeless people, children, youth, victims of domestic violence, etc.):

- a) Basic needs (such as food, shelter, transportation, health & mental health care, employment assistance/training, child care, etc.).
- b) After school or intervention programs to provide youth with positive alternatives to drugs, violence, and/or gangs (i.e., recreational, mentoring, educational, and career-building activities).
- c) Mental health, addiction and substance abuse counseling, particularly for youth and those exiting institutions.
- d) Other specialized supportive services as may be requested by the community, such as foreclosure assistance, legal assistance for seniors and others, and other specialized human services, such as those currently supported by the city, or those that may address a new or unmet priority need.

2. Maintain/Expand Community Facilities and Infrastructure

**Need addressed:** Many areas of the city have outdated infrastructure, much of which was built in the 1950’s or earlier, when standards for public infrastructure, such as streets, roads, and pedestrian/bicycle access, were much different than they are today, and traffic patterns were much lighter. The City does not have adequate local (i.e., non-HUD) resources to replace or upgrade all of this infrastructure within the Consolidated Plan period, therefore CDBG funds may be used to complete priority projects, as identified by residents or others, many years earlier than they would otherwise be completed.

**Prioritization:** Facilities and infrastructure in neighborhoods that meet the “area benefit” or “limited clientele” criteria for CDBG assistance.

- a) Support expansion, accessibility retrofits and/or rehabilitation of community facilities (parks, senior/community centers, child care centers, health clinics, etc.).
- b) Continue curb retrofit program to improve accessibility of city sidewalks and crosswalks.
- c) Support other public infrastructure projects (streetscape projects, sidewalk/utility improvements, traffic calming, removal of architectural barriers etc.) identified by the neighborhood residents, NEAT, relevant commissions or facilities personnel.

3. Activities to Eliminate Blight

**Need:** High vacancy rates and struggling small businesses, particularly in the historic area of downtown, including Murphy Street and adjacent streets, due to the recession, reduced consumer spending, and a number of other hardships facing the downtown.

**Priority:** Applicants who are interested in the program, capable of completing project within time frames, willing to comply with funding requirements, and located within the target areas.

- a) Facade Improvement Program for businesses in redevelopment area: Improve and maintain building facades as a means to facilitate economic activity and promote a positive image of downtown Sunnyvale.
- b) Other streetscape improvements or commercial rehabilitation in any current or future documented areas of blight (high crime rates, vacant/abandoned properties, hazardous conditions) and/or neighborhoods meeting the area benefit criteria (Figure A in Action Plan).

**Goal D: Expanding Economic Opportunities for Lower-Income People**

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1. Support economic development activities that promote employment growth and help lower-income people secure and maintain jobs

**Need addressed.** The California Employment Development Department (EDD) reported a 12% unemployment rate for Santa Clara County in August 2009, the highest among the nine-county San Francisco Bay Area. Workshop participants expressed a need for small business development, mentoring, and loan programs to help new entrepreneurs establish and grow their businesses, and hire and retain workers. Participants also expressed the need for vocational programs that build basic job skills and train workers, especially youth, to enter the workforce, and expand the availability of child care to allow parents to work.

- a) Continue to serve as the administrative agent and physical host for NOVA, the North Valley employment development and workforce training agency, which is funded by the Workforce Investment Act and a number of other state and federal grants.
- b) Support job training and vocational programs for Sunnyvale youth and others seeking employment or retraining (such as disabled or re-entry workers). Programs may focus on training for jobs in community services, neighborhood improvement, and public safety.
- c) Provide micro-enterprise or small business assistance to increase or support the number of child care providers in areas experiencing a shortage of child care availability or affordability, or to assist workers who face impediments to securing a new job, due to industry shifts, age, or other factors, but have marketable skills that can lead to success through self-employment.

**Goal E: Sustainability**

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The City, like many Bay Area jurisdictions, has been implementing and developing policies and initiatives to improve sustainability locally and in coordination with various regional agencies since the early 1970's. It continues to place great emphasis on sustainability, having recently hired a full-time sustainability coordinator. 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 throughout the City.

The City's commitment to sustainability was recognized by Popular Science magazine in 2008, when it named Sunnyvale the 13th greenest city in America, based on the National Geographic Society's "Green Guide", which considers renewable energy, transportation and trip reduction, reduction of CO2 emissions, recycling, and green living in cities with at least 100,000 residents. The City is currently working on a Climate Action Plan, Land Use and Transportation Element update to the City's General Plan, and has a number of specific plans and other land use mechanisms in place or in development designed to improve sustainability in the City. NOTE: The objectives listed below will be implemented as part of the activities listed in Goals A-D above, unless additional funding specifically for sustainability efforts becomes available.

## **Objectives**

1. Support Energy Efficiency/Renewable Energy Programs
  - a) Coordinate with regional programs related to residential energy retrofits/renewable energy (CaliforniaFirst, Retrofit Bay Area) with Housing Improvement Program and rental rehabilitation projects, to the extent possible.
  - b) Incorporate green building and renewable energy technologies in new city-assisted affordable housing and/or public facilities, as feasible.
  - c) Locate assisted housing and facilities near jobs, transit, goods and services to reduce vehicle trips and transportation costs for lower-income households (and others), such as:
    1. Mixed-use development options; and
    2. Transit-oriented development options.
  - d) Incorporate sustainability features into housing and neighborhood improvement projects, as appropriate, such as: water conservation, energy efficient components, small-scale renewable energy systems, use of recycled materials, improved pedestrian/cycle access, etc.
  - e) Collaborate with local firms developing green technologies and materials, and support efforts to create or retain “green economy” jobs as part of the activities listed under Goals A, C and D.

## **5.3 Public Housing**

There is currently no traditional 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.

## **5.4 Barriers to Affordable Housing**

As noted in Chapter 4, the City recently undertook a detailed “Constraints Analysis” pursuant to California housing element law,<sup>47</sup> and the State determined, with its compliance certification of the City’s housing element, that the City does not currently implement policies that are barriers to affordable housing, and that the City’s housing element implementation plan adequately addressed any identified concerns. The City is currently implementing the Housing Element work plan to maintain this State certification. Additional detail is available in the Housing 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 activities listed under Goals A and B above.

## **5.5 Anti-Poverty Strategy**

Chapter 4 describes current poverty levels within the City and the region. The City, with the other Entitlement Jurisdictions, employs a multi-tiered anti-poverty strategy at a local and county level. First, each of the goals and programs above helps address poverty directly or indirectly. To augment these efforts, and the City also provides economic development programs to support local economic development and job retention and/or growth.

The North Valley Job Training Consortium (NOVA) is a nonprofit, federally funded employment and training agency that provides workforce development services. NOVA collaborates with local businesses, educators, and job seekers to build the knowledge and skills needed 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 the cities of Cupertino, Los Altos, Milpitas, Mountain View, Palo Alto, Santa Clara, and Sunnyvale. Though the majority of job seekers served through NOVA are laid off workers, affected by

the downsizing or closure of their companies, NOVA also helps job seekers with special needs, such as homeless veterans, disabled workers, welfare recipients, teen parents, and older workers.

Employment assistance is also provided to lower-income households through the Family Self-Sufficiency Program, operated by the HACSC. The Program provides coordination and access to job training and other services for participants of the Housing Choice Voucher Program who are trying to become self-sufficient. Participants are required to seek and maintain employment or attend school or job training. As participants increase earned income, and as a result, pay more for their portion of the rent, HUD matches the rent increase with money in an escrow account, which is then awarded to participants who successfully complete the program. Escrow monies are often used as a down payment on a home.<sup>47</sup>

Most of the human services supported by the City with CDBG funds help those in or near the poverty line, and seek to help them to move out of poverty to the extent possible. Another countywide anti-poverty initiative, Step Up Silicon Valley, part of the national Campaign to Reduce Poverty in America, includes community organizations, the public sector, religious and charitable organizations, and businesses.

## 5.6 Institutional Structure

The City works with all potential partners to address the goals listed above, including:

- Private sector entities: foundations, businesses, health care providers, charities, non-profit agencies, developers and other service providers
- Public sector entities: other local governments, regional and state agencies, and school districts
- Real estate industry partners, including lenders and developers
- Local residents and employers
- Others as needed

The City of Sunnyvale has a number of divisions which implement the programs noted above:

- The Community Development Department (CDD), in which the Housing Division is the administrative body responsible for planning, administrative, and compliance monitoring activities related to the HUD grants.
- The Public Works Department implements infrastructure projects, such as curb cuts and sidewalk improvements
- The NEAT team, led by the Neighborhood Preservation Division in Public Safety, with representatives from virtually all City departments including Parks, CDD, and Public Works, works with residents to identify services and improvements needed in target neighborhoods.
- The Housing and Human Services Commission serves as a public hearing body and advises the City Council on policies and programs relating to housing and human services, including HUD funded programs.
- The City Council is the local government and policy-making, fiscal and legislative body with final authority regarding the use of the City's HUD funds.

The Housing Authority of the County of Santa Clara also contributes to the local community development institutional structure, as noted above in the public housing section. HACSC provides public housing and rental assistance for low-income families, seniors, and persons with disabilities in the County.

Historically, the State of California has also played a major role in generating affordable housing funding and implementing policy and legislation related to housing and community development. However the State's current weak fiscal condition has led to uncertainty of future bond financing, a major strategy for raising affordable housing funds. In the face of California's budget concerns, this constraint will likely remain in effect during some or all of the 2010-2015 Consolidated Plan cycle. On the private sector side, market rate developers will be the primary source of new housing in the City. The City provides development services

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<sup>47</sup> California Government Code §65580 et seq.

that have been nationally and internationally recognized since the 1980's has been highly efficient and customer-friendly, including the nation's first "One-Stop Permit Center", to enable orderly and timely development and planning services, and provide public noticing and mediation to inform residents and address any community concerns about projects. Private development activity has slowed considerably in the current recession but signs of recovery are beginning to appear.

Affordable housing developers and service providers also serve a vital role in addressing community development need. The City continues to support these groups to the extent possible and as long as funding is available, and often endorses their funding applications to the State and federal government, as well as private foundations and donors.

Within this community development institutional structure, private and public-sector lenders provide financing for both market rate and affordable housing development, as well as home purchases. However, the current financing environment has made it more difficult for developers and potential home buyers to obtain loans.

## **5.7 Coordination**

In addition to the collaborative efforts described in the two sections above, the City and other community development organizations in the County coordinate on other initiatives. The City Housing Division staff participates in a countywide collaborative of CDBG-funded jurisdictions. Quarterly meetings are held to discuss joint projects and to identify future opportunities for coordination and cooperation. The also City supports 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 in addressing local housing and services needs for the homeless.

The City also participates and supports other regional efforts to implement the Goals above, such as the Housing Trust of Santa Clara County, Joint Venture Silicon Valley, NOVA, and the Valley Transportation Authority, among others.

In addition, the Countywide Fair Housing Task Force includes representatives from the City and other Entitlement Jurisdictions, fair housing and legal service providers, and other community agencies. Since its inception, the Task Force has implemented a calendar of countywide fair housing events and sponsors public information meetings, including Accessibility Training, First-Time Homebuyer training, and Predatory Lending training.

Lastly, as described previously, the City collaborated with the Entitlement Jurisdictions to prepare their Consolidated Plans and Analyses of Impediments to Fair Housing Choice. This coordinated effort allows the jurisdictions to evaluate and plan for community development needs on a more regional basis and realize significant administrative cost savings. It recognizes that while different parts of the County have unique concerns, many of these issues span jurisdictional borders and should be addressed regionally.

## **5.8 Resources for Housing and Community Development Activities**

Please refer to Section 2.3 for federal, state, and local resources for housing and community development activities.

**APPLICATION PROCESS TIMELINE FOR THE FISCAL YEAR 2013-14  
 HUMAN SERVICES FUNDING CYCLE**

**NOTE: Dates Subject to Change**

Please contact the Housing Division to confirm latest schedule:

Online: [Housing.InSunnyvale.com](http://Housing.InSunnyvale.com)  
 Phone: (408) 730-7250

Major Milestones	Target Date
RFP Issued	January 18, 2013
Applicant Workshop (Time and Place TBD)	January 31, 2013
<b>Deadline for submission of applications (4:00 p.m.)</b>	<b>February 14, 2013</b>
Presentations to Housing & Human Services (HHS) Commission	February 27, 2013
HHS Commission: Public Hearing and funding recommendations	March 27, 2013
HHS Commission: Public Hearing on FY 2013-14 Action Plan	April 24, 2013
City Council: Public Hearing and Approval of Action Plan	May 7, 2013
Grantees Notified of Grant Awards	June 2013 <i>(after approval of City Budget)</i>
HUD Review and Approval of Action Plan	July 1, 2013
Grant Agreements Issued	July 1, 2013

- Commission and Council meetings begin at 7:00 pm unless otherwise noticed.

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## **ORGANIZATIONAL REQUIREMENTS**

All agencies applying for funding must satisfy the following requirements:

1. Bylaws - The group must have Bylaws which clearly define the organization's purposes and functions, its organization and the duties, authority and responsibilities of its governing body and officers.
2. Governing Body - Governance of the organization should be vested in a responsible and active board which meets at least quarterly and establishes and enforces policies. The board should be large enough and so structured to be representative of the community it serves. It should have a specific written plan for rotation or other arrangements to provide for new members.
3. Personnel - The organization must provide for adequate administration of the program to insure delivery of the services. The organization must provide that it has a written job description for each staff position and an organizational chart approved by the board. Normally one individual should be designated as the full time director of the organization. Organizations must have a written Affirmative Action Plan. This plan would cover employment of staff members, volunteers and board members and delivery of service to clients.
4. Non-Discrimination - Every organization receiving funds from the City is required to assure that it will not discriminate in employment, exclude any person from participating or subject any person to discrimination under any part of the program on the basis of race, color, religious creed, national origin, ancestry, disability, medical conditions, marital status, sex, age of a person forty (40) years of age or older, or any other basis as to which discrimination is prohibited by state or federal law. Programs designed to meet specific needs may target its services to specific groups (e.g., seniors, handicapped, youth).
5. Service Designed for Those With Disabilities - Every organization receiving funds from the City must comply with the Americans with Disabilities Act which requires that no otherwise qualified individual shall solely, by reason of his/her disability, be subjected to discrimination or be excluded from participation in or be denied the benefits of the organization. All organizations are required to make reasonable accommodation to ensure that individuals with disabilities are able to participate. This includes a barrier-free environment and, where reasonable, may even include the provision of assistive devices and/or staff accommodations.
6. Accounting - Each organization shall maintain accounting records which are in accordance with generally accepted accounting practices, such as that described in OMB Circular A-122, "Cost Principles for Non-profit Organizations," or A-21, "Cost Principles for Educational Institutions", as applicable, or in the American Institute of Certified Public Accountants (AICPA) "Accounting and Financial Reporting for Voluntary Health and Welfare Organizations". If they receive sufficient federal funds (currently \$300,000) some organizations must also comply with the administrative requirements of OMB Circular A-133, "Audits of Institutions of Higher Education and Other Non-Profit Organizations." OMB CIRCULARS A-133 AND A-122 ARE AVAILABLE FOR REVIEW IN THE COMMUNITY DEVELOPMENT DEPARTMENT HOUSING DIVISION, 456 West Olive Avenue, Sunnyvale, CA 94088.
7. Auditing - Applicants must submit their latest Independent Audit and Management letter. An organization must have a bi-annual audit conducted and the auditor's report and financial statements prepared in accordance with generally accepted auditing standards as

set forth in Standards for Audit of Governmental Organizations, Programs, Activities and Functions. In no event will an audit for a period ending prior to December 31, 2007 be deemed acceptable.

Funded projects will be required to have an independent audit performed. The audit will need to be submitted within 150 days of the end of the organization's fiscal year. For CDBG, audit fees may not be charged to the CDBG grant unless a project is required to conform to OMB Circular A-133. If an agency prefers to have another agency act as the Fiscal Agent for the project, it may do so if the fiscal agent meets the entry criteria for the program(s), and a signed Statement of Fiscal Agent Responsibilities Form and an Independent Audit and Management Letter of the designated agency is also provided along with the application by the submittal deadline.

The City will require an audit. An organization must have a bi-annual audit conducted and the auditor's report and financial statements prepared in accordance with generally accepted auditing standards as set forth in Standards for Audit of Governmental Organizations, Programs, Activities and Functions.

Organizations applying for funding will be required to submit documentation of the above, where applicable.

## EVALUATION PROCESS:

To assure all applications for City funding receive due consideration and to ensure Council is provided with the information it needs to make its funding decisions, the following evaluation process will be applied to requests received:

- I. Applications not received by the due date will be rejected. Applicants submitting applications, which are materially incomplete, will have five (5) working days from notification by staff to correct any deficiencies, or their applications will not receive further evaluation.
- II. Staff will determine proposal eligibility based on guidelines provided in this policy. Ineligible proposals will not be recommended to the Commission or Council for funding and will not receive further evaluation.
- III. Staff will prepare a technical evaluation of the applications before submitting to the advisory committees/commissions.
- IV. The advisory committees/commissions will conduct formal evaluations of the applications, including the opportunity for each group to present its program to the advisory committee for evaluation. Staff and advisory committee will make recommendations to the City Manager and Council.
- V. The City Manager will review the proposals and recommend to Council which programs should be funded, taking into consideration other budget priorities.

## EVALUATION CRITERIA

Required – Each of the following factors must be met for the program to receive a recommendation for City funding.

- Proposed service is consistent with an existing recognized City need, policy, and goal or objective.
- Program qualifies under one of the three Proposal Funding Categories.
- Organization completed the application process in a timely manner and the application has been determined to be accurate and complete.

**Critical Evaluation Factors:** Each of these factors must be met for the program to receive a recommendation for City funding.

- The organization must meet minimum eligibility standards to receive funding.
- The organization and its program must have demonstrated good performance and capability to effectively provide the program.
- The organization and its program must deliver services in a cost-effective manner.
- The organization must be an appropriate agency to deliver this program.
- The program is not a duplication of services provided in the same service area.
- The organization and its programs must demonstrate strong financial management and effective management controls.
- The proposed program has a contingency plan for funding if City support is limited or eliminated in the future to receive a positive recommendation.

**Favorable Evaluation Factors:** The proposed program must address one or more of the following factors to receive a positive recommendation.

- The proposed program addresses or is related directly to a general plan policy or action statement.
- The proposed program is a needed enhancement of an existing City program or program direction and can be better performed by an outside group rather than by the City directly.
- The program has a diverse funding base and is not heavily reliant upon City funds to support its operation.
- The program has leveraged City funds with other funding sources to maximize service provision.

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## INSURANCE REQUIREMENTS

Agency shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the work hereunder by the Agency, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the Contractor's bid.

### A. Minimum Limits of Insurance

Agency shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
3. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of \$100,000 per accident.
4. Property or Course of Construction Insurance: Full replacement cost with no co-insurance penalty provision.

### B. Deductibles and Self-Insured Retention's

Any deductibles or self-insured retention's must be declared to, and approved by, the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention's as respects the City, its officials, employees, agents and contractors; or the Agency shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the City.

### C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverage's
  - a) The City, its officials, employees, agents and contractors are to be covered as an additional insured as respects: liability arising out of activities performed by, or on behalf of, the Agency products and completed operation of the Agency; premises owned, leased or used by the Agency; or automobiles owned, leased, hired or borrowed by the Agency. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, agents and contractors.
  - b) The agency's insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and contractors. Any insurance or self-insurance maintained by the City, its officials, employees, agents or contractors shall be excess of the Agency's insurance and shall not contribute with it.
  - c) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees, agents or contractors.
  - d) Coverage shall state that the Agency's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
2. Property or Course of Construction Insurance:  
The City of Sunnyvale shall be named as a mortgagee and provided a 438BFU for the duration of this grant.
3. All Coverage's:  
Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in limits except after thirty (30) days' prior written notice has been given to the City.

### D. Acceptability of Insurers

Insurance is to be placed with insurers acceptable to the City's Risk Manager.

### E. Verification of Coverage

Agency shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsement for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in writing by the Risk Manager:

**City of Sunnyvale - Housing Division  
456 W. Olive Avenue  
Sunnyvale, CA 94086**