



# **CITY OF SUNNYVALE**

## **FY 2013/2014 ACTION PLAN**

July 1, 2013 to June 30, 2014

PREPARED BY:

HOUSING DIVISION - CITY OF SUNNYVALE  
DEPARTMENT OF COMMUNITY DEVELOPMENT  
456 W. OLIVE AVE.  
SUNNYVALE, CA 94086  
(408) 730-7250



# City of Sunnyvale 2013 Action Plan

## TABLE OF CONTENTS

<b>A.</b>	<b>Executive Summary</b>	<b>1</b>
<b>B.</b>	<b>Citizen Participation</b>	<b>3</b>
<b>C.</b>	<b>Available Resources</b>	<b>4</b>
<b>D.</b>	<b>Annual Objectives</b>	<b>7</b>
<b>E.</b>	<b>Description of Activities</b>	<b>7</b>
	Affordable Housing and Homeless/Special Needs	7
	Community Development	10
	Environmental Sustainability	10
<b>F.</b>	<b>Other Required Topics</b>	<b>11</b>
<b>G.</b>	<b>Other Actions</b>	<b>12</b>
<b>H.</b>	<b>CDBG Funding Details</b>	<b>14</b>
<b>I.</b>	<b>HOME Details</b>	<b>15</b>
<b>J.</b>	<b>Housing Opportunities for People with AIDS/HIV (HOPWA)</b>	<b>16</b>
<b>K.</b>	<b>Additional Tables and Figures</b>	<b>16</b>

### Figures and Tables

#### Tables

Table I:	Addressing National Objectives and Outcomes in 2013	2
Table II:	Community Development Accomplishments in 2011-2012	3
Table III:	Federal Resources & Proposed Activities in 2013	5
Table IV:	Public Services Activities in 2013	17
Table V:	CDBG-Funded Human Services: Objectives & Outcomes	18
Table 3A:	Summary of Specific Annual Objectives	19

Figure A:	Map of Income-Eligible Block Groups	20
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APPENDIX		A-1
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Exhibit I:	SF 424 and Certifications	AI-1
Exhibit II:	Project Worksheets	AII-1
Exhibit III:	Notice of Public Review & Proof of Publication	AIII-1
Exhibit IV:	Public Comments Received	AIV-1



# City of Sunnyvale FY 2013-14 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) <sup>1</sup>

#### ***Program Year 4 (FY 2013-14):***

This Action Plan covers the fiscal year beginning July 1, 2013 and ending June 30, 2014, the fourth 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 2013-14 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 2013 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).

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 2013-14 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, curb cuts, and housing programs).

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

**Table I: Addressing National Objectives and Desired Outcomes in 2013**

<b>CDBG National Objective(s)</b>	<b>Activity</b> (Eligibility Code*)	<b>Funding Type</b>	<b>Proposed Funding</b>	<b>Desired Outcome(s)</b>
Create a Suitable Living Environment	Job Training & Placement Program for Homeless/Transitioning Adults (CBDO) (LC & PB)	CDBG	\$283,800	Accessibility
	ADA Retrofits to Sidewalks and Street(PB)	CDBG	\$470,462	Accessibility
	Public Services (LC & PB)	CDBG	\$204,500	Accessibility Affordability
Provide Decent Affordable Housing	Fair Housing Services (N/A)	CDBG Admin	\$19,300	Accessibility
	Tenant Based Rental Assistance (LC)	<b>HOME</b>	\$215,310	Affordability
	Housing Improvement Program (LC)	CDBG	\$80,000	Accessibility Sustainability
	Rental Housing Development (LC)	<b>HOME</b>	\$2,280,209	Affordability Sustainability
<b>TOTAL*</b>			<b>\$3,553,581</b>	

**Note:** Total above does not include funds for program administration.

\* **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 FY2011-12, over 2,500 special needs and/or lower-income households were assisted by City-assisted human services programs.

The City has a history of success with a variety of CDBG and HOME activities. In Fall 2013, the City will release a draft 2012-13 Consolidated Annual Performance Evaluation Report (CAPER) describing its accomplishments in Program Year 2012-13.

**Table II: Summary of FY 2011-12 Community Development Accomplishments**

Priority Need Category	CDBG	HOME	Units	
	Expended	Expended	Proposed	Accomplished
<b>AFFORDABLE HOUSING</b>				
Homestead Park Rehabilitation	\$ 577,232		25	25
First-Time Homebuyer Loans		\$ 34,980	4	1
Removal of Architectural Barriers & other Minor Rehab (Home Access, Paint Grants/Loans, and Emergency Loans) (Housing Units)	\$ 52,530		20	15
<b>PUBLIC FACILITIES</b>				
Sidewalk, Curb & Gutter Improvements (sq ft./linear ft.)	\$ 558,750		28,000 sq. ft. 6,000 linear ft.	28,000 sq. ft. 6,000 linear ft.
Columbia Neighborhood Expansion (Multi-year project)	\$ 396,520		1 facility	1 facility
<b>PUBLIC SERVICES</b>				
Human Services Agencies (Households)	\$ 181,966		2,639	2,589
<b>ALLEVIATION OF HOMELESSNESS</b>				
Tenant Based Rental Assistance		\$ 43,750	15	11
<b>ECONOMIC DEVELOPMENT</b>				
Microenterprise Assistance (Businesses)	\$ 125,221		10	10

**B. Citizen Participation****91.220(b)****Program Year 4 (2013-14)**

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 March 27, 2013 and April 24, 2013. A notice of public hearings, including a 30-day public comment and review period, was published in the Sunnyvale *Sun* newspaper on April 12, 2013. An initial draft of the Action Plan was released on April 12, 2013, and comments were accepted through May 13, 2013.

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 FY2013-14

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 12, 2013 in the *Sunnyvale Sun* for the 30-day review period. The public was able to submit comments on the Plan through May 13, 2013. 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 available to the City in FY 2013-14 are shown in **Table III**. The City expects to receive entitlement grants of \$1,063,453 in CDBG funds and \$315,413 in HOME funds for FY 2013-14. This is approximately 6.7% more for CDBG and 1.6% less for HOME than the FY 2012 grant amounts. The City expects to receive approximately \$1.65 million in program income in both funds, consisting of an estimated \$250,000 in CDBG loan payments and a \$1.4 million payment on the City's 2011 HOME loan for the Aster Park project. Approximately \$188,000 in disencumbered and/or reallocated prior year CDBG grants and \$863,542 in HOME fund reserves are estimated to be available for re-programming in FY 2013. This Action Plan proposes to fund a number of activities in 2013, utilizing all of the CDBG and HOME funds available this year, estimated at \$4,080,408 total.

**Table III: Federal Resources and Proposed Activities in 2013**

<b>RESOURCES</b>	<b>CDBG</b>	<b>HOME</b>
2013 Entitlement Grant	\$1,063,453	\$315,413
2013 Anticipated Program Income	\$250,000	\$1,400,000
Disencumbered/ Reserve Fund Balance	\$188,000	\$863,542
<b>TOTAL RESOURCES</b>	<b>\$1,501,453</b>	<b>\$2,578,955</b>
<b>Proposed Uses</b>		
<b>Housing Programs</b>		
Housing Improvement (Accessibility, Paint, Emergency Repair, and Energy-Efficiency)	\$80,000	-
Transfer of Program Income to Revolving Loan Fund (RLF) for home improvement loans	\$200,000	-
Tenant Based Rental Assistance (TBRA)	-	\$215,310
Armory Studios-Charities Housing	-	\$880,209
Armory Apartments-MidPen Housing	-	\$1,400,000
<b>PUBLIC FACILITIES</b>		
ADA Retrofits to Sidewalks and Street	\$470,462	
<b>Economic/Community Development</b>		
Sunnyvale Workforce Development (CBDO) Activity	\$283,800	0
<b>Public Services</b>		
Human Services	\$204,500	0
<b>Administration</b>		
Administration, Planning, and Monitoring (CDBG includes Fair Housing activities)	\$243,391	\$83,436
Fair Housing Services Contract	\$19,300	
<b>TOTAL</b>	<b>\$1,501,453</b>	<b>\$2,578,955</b>

**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. Charities Housing will submit an application for tax credits to develop 59 studio apartments (*Armory Studios*) at 485 N. Wolfe Road, and MidPen Housing will apply for Tax credits to construct rental housing at E. Maude Avenue and N. Wolfe Road.

*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 Armory Studios 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"/> <b>Decent Housing</b> Which includes:	<input checked="" type="checkbox"/> <b>Create a Suitable Living Environment</b> Which includes:	<input checked="" type="checkbox"/> <b>Expanded Economic Opportunities</b> Which includes:
<input checked="" type="checkbox"/> Assisting homeless persons obtain affordable housing	<input checked="" type="checkbox"/> Improving the safety and livability of neighborhoods	<input 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 checked="" 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 checked="" 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 checked="" 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, by providing: 1) Rental assistance for lower (including very low and extremely low) income households; and 2) Development of new affordable rental housing.

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 development projects (Objectives 1, 2, and 3) are intended to alleviate homelessness and assist very low income or at-risk renters to obtain and maintain stable housing. In addition, Objective 7 below includes funding for a number of supportive services and shelter operations to address homeless needs. Objectives 1, 2, 4(a-c), and 7 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 15 households for up to two years.**

#### **2. Armory Studios**

Provide financial assistance conditioned on completion of federal environmental review (NEPA) for development of 58 studio apartments and a manager's unit at the former Armory site. This project was proposed in response to the City's FY 2013-14 "Request for Proposals for CDBG and HOME Capital Project Funding".

The applicant requested a loan of \$850,000 in HOME CHDO funds. The project will provide 40 units of workforce housing, 11 special needs units for clients of the County Mental Health Services transitioning out of homelessness and 7 units for homeless applicants ("Mckinney-Vento" units). (59 units) (H).

**Goal: Assist with development of 59 housing units.**

#### **3. Armory Apartments**

Provide financial assistance conditioned on completion of federal environmental review (NEPA) for development of 58 affordable rental units for low-income families at the former Armory site.

**Goal: Assist with development of 58 housing units.**

#### 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.

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 participates in the Bay Area Energy Upgrade programs, which makes 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.

#### 5. Fair Housing Services

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, and through City agreements with fair housing and/or legal services providers who provide legal assistance to residents with fair housing complaints.

**Goal: Provide fair housing assistance to up to 17 households (as needed).**

## COMMUNITY DEVELOPMENT OBJECTIVES

### 6. Removal of Architectural Barriers (ADA Curb Retrofits to Sidewalks and Street)

Some areas of the city have sidewalks, which were built prior to enactment of the federal Americans with Disabilities Act (ADA) in 1990. Therefore, many city sidewalks are not yet ADA-compliant. This is a priority non-housing community development need in the City.

**Goal: Improve accessibility of city sidewalks and streets (145 curb cuts)**

### 7. 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 FY2013-14 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 440 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 program intended to address sustainability objectives. The rental development projects listed in Objectives 2 and 3 will follow local green building requirements.

## 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.

### 8. "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) is 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, as well as supportive services, including case management related to the client's application for the TBRA program. SCS intends to continue its partnership with the Downtown Streets Team and collaborate with NOVA to implement this activity.

**Goal: Assist 60 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 that 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.

**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 2013 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 \$250,000 in program income from housing loan repayments in FY2013-14 and will deposit \$200,000 of these funds into the City's established Housing Rehabilitation RLF. The City received \$300,000 in CDBG program income in 2012.

### **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)**

### 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 2013 TBRA program funding will be targeted 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 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. Last year, staff collaborated with the County and identified a new qualified TBRA administrator, Abode Services, to administer its TBRA program. Several other local organizations, including Sunnyvale Community Services, Downtown Streets Team, the County of Santa Clara, and West Valley Community Services, are also collaborating with the City and Abode in designing and implementing this program, which may serve as a model for an eventual county-wide program.

### 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 much more than 25% match. Matching funds may include other available financing sources, such as tax credits, other public sector loans or grants, private capital or donations, rent proceeds, and/or the value of third-party in-kind services (i.e., volunteer and staff services or pro-bono professional services used to implement the capital project). At least half of the matching funds provided shall be in real dollars (i.e., not in-kind services) which are either currently available to the applicant for project use, and/or evidenced by an irrevocable, written commitment of funds to the project signed by the funding agency or donor.

### Monitoring Plan

The City monitors all HOME-assisted rental projects (of any size) annually for compliance with property standards and housing codes, as well as HOME rental project management and

leasing requirements. This annual monitoring is more frequent than required by standard HUD HOME monitoring procedures. Further detail regarding the monitoring procedures and policies implemented by the City is available in the Consolidated Plan.

#### First Time Homebuyer Program

The City's First Time Homebuyer (FTHB) Program has guidelines for both resale and recapture, specific to HOME funds. 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, limited to the HOME direct subsidy (shared equity) will be utilized to meet HOME program requirements. The FTHB program is not currently being funded with HOME funds due to current market conditions, and we do not anticipate making any FTHB HOME loans in FY 2013.

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

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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:** FY2013-14 Public Services Funding  
**Table V:** FY2013-14 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 2013-14 Human Services Grants**

Agency Name and Program	Grant Award
<b>Sunnyvale Community Services:</b> Year-Round Food Assistance for Families and Seniors	\$ 76,000
<b>Outreach &amp; Escort:</b> Senior Transportation and Resources	\$ 26,500
<b>Bill Wilson Center:</b> Family & Individual Counseling	\$ 17,500
<b>EHC LifeBuilders:</b> Winter Shelter at Sunnyvale Armory	\$ 15,500
<b>MayView Community Health Center:</b> Primary Health Care & Disease Prevention	\$ 15,500
<b>Family &amp; Children Services:</b> School-Based Services	\$ 18,000
<b>First United Methodist Church:</b> Sunnyvale Senior Nutrition Program	\$ 14,000
<b>YWCA Silicon Valley:</b> Domestic Violence Support Network	\$ 15,500
<b>The Health Trust:</b> Meals on Wheels*	\$ 6,000
<b>CDBG TOTAL</b>	\$ 204,500

*\*This activity receives additional grant funds from the General Fund.*

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**Table V: CDBG-Funded Human Services: FY 2013-14 Objectives and Outcomes**

<b>Program Name: Agency Name</b>	<b>Sunnyvale Residents Served*</b>	<b>Objective Category**</b>	<b>Outcome Category</b>
<b>Year-Round Food Assistance for Families and Seniors:</b> Sunnyvale Community Services	140	SLE	Availability/Accessibility
<b>Senior Transportation Services:</b> Outreach & Escort	43	SLE	Availability/Accessibility
<b>Family &amp; Individual Counseling:</b> Bill Wilson Center	32	SLE	Availability/Accessibility
<b>Homeless Shelter Services:</b> EHC LifeBuilders	55	SLE	Availability/Accessibility
<b>Primary Health Care &amp; Disease Prevention:</b> Mayview Community Health Center	32	SLE	Availability/Accessibility
<b>School Based Services:</b> Family & Children Services	19	SLE	Availability/Accessibility
<b>Sunnyvale Senior Nutrition Program:</b> First United Methodist Church	27	SLE	Affordability
<b>YWCA Silicon Valley:</b> Domestic Violence Support Network*	88	SLE	Availability/Accessibility
<b>The Health Trust:</b> Meals on Wheels	4	SLE	Availability/Accessibility
<b>Total</b>	<b>440</b>		

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

\*\**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**
<b>Rental Housing Objectives</b>					
1. Tenant-Based Rental Assistance & Security Deposit Program	HOME	Households	15	TBD	DH-2
2. Rental Housing Activities	HOME	Housing Units	117	TBD	DH-3
<b>Owner-Occupied Housing Objectives</b>					
3. 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
<b>Homeless Objectives:</b> Objectives # 1, 2, and 5 address homeless objectives.					
<b>Special Needs Objectives:</b> Objectives 1, 2, 3, and 6 address special needs objectives.					
<b>Community Development Objectives</b>					
<i>Infrastructure/Public Facilities/Other Community Development</i>					
4. Work First Sunnyvale (CBDO Activity)	CDBG	Individuals	60	TBD	SL-1
5. ADA Retrofits to Sidewalks and Street	CDBG	Curb Cuts	145	TBD	SL-1
<i>Public Services Objectives</i>					
6. Priority Human Services (Seniors, Youth, Homeless & Other Special Needs)	CDBG	Households	440	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
<b>Decent Housing</b>	DH-1	DH-2	DH-3
<b>Suitable Living Environment</b>	SL-1	SL-2	SL-3
<b>Economic Opportunity</b>	EO-1	EO-2	EO-3

**Figure A: Map of Income-Eligible Block Groups**

