



Sunnyvale

Community Development Block Grant (CDBG)

Request for Proposals for Capital and Affordable Housing Projects for Program Year 2026

Release Date:
January 7, 2026

Proposals Due on:
February 9, 2026 by
4:30 p.m.

Community Development Department, Housing Division
| Sunnyvale.ca.gov

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

The City of Sunnyvale (“City”) is requesting proposals from eligible applicants (see Section II) (“applicants” or “proposers”) that align with the City’s identified community development needs and priorities outlined in the five-year Consolidated Plan. These funds must primarily benefit low- and moderate-income (LMI) residents of Sunnyvale. Qualified respondents of this RFP will be considered for a CDBG funding award as a Subrecipient to the City.

At this time, the City is seeking to prioritize applications that support INFRASTRUCTURE, PUBLIC FACILITIES and ECONOMIC DEVELOPMENT activities. See Section II below for more details. All completed applications received **by February 9, 2026 at 4:30PM**, will be reviewed and considered for funding.

The City’s CDBG allocation from the U.S. Department of Housing and Urban Development (HUD) fluctuates according to federal budget availability and a formula established by HUD, which considers various factors. As a result, awards may vary depending on the final allocation of CDBG funds the City receives from HUD for FY27, which has not yet been released.

RFP information will be available on the City’s [website](#). Questions must be submitted by **January 12, 2026 at 5:00PM** and will be posted on this webpage along with responses by January 15, 2026.

I. Introduction and Community Background

The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The primary objective of the CDBG program is the development of viable urban communities through the provision of decent housing, a suitable living environment, and expanded economic opportunity, principally for lower income persons and neighborhoods.

Each CDBG project must demonstrate compliance with meeting the National Objective of benefitting LMI persons residing in Sunnyvale by doing one of the following:

- a. Creating or improving housing for LMI households;
- b. Creating or retaining jobs for LMI individuals;
- c. Providing a specific service to definite LMI individuals

Sunnyvale is an Entitlement Community, as defined by HUD, that receives an annual formula allocation of CDBG funds. The City directs these funds to housing, economic development, infrastructure improvements, public facilities, and public service projects designed to meet the needs of LMI persons. Current income limits for 2025 are in Exhibit A, and they are anticipated to be updated by HUD around May of 2026. Successful applicants will be required to document income verification of clients assisted by the CDBG funding award.

II. Eligibility and Funding

A. Budget and Funding

The City of Sunnyvale anticipates receiving a CDBG grant from HUD for Program Year 2026 and expects to award \$700,000 in funding for new Capital Projects & Economic Development through this RFP. Final funding awards will be based on the City's allocation from HUD and City Council approval in Spring 2026.

Proposals should include an itemized budget that reflects staffing, operations, and all other program expenses.

B. Eligible Applicants

For real property improvements, applicants must be non-profit organizations with current, IRS-recognized non-profit status, including public agencies, and must provide current documentation of such status in applications.

For Economic Development projects, for profit organizations may apply

C. Eligible Projects

The following types of CDBG eligible projects may be funded through this RFP. CDBG projects must also meet one of the National Objectives described above. Detailed federal regulations apply to each type of project or activity:

1. Acquisition of real property for an eligible community facility or affordable housing use;
2. Construction of public facilities and improvements (e.g., community centers, neighborhood centers, shelters, and the conversion of school buildings for eligible purposes);
3. Assistance to for-profit businesses to carry out economic development and job creation activities
4. Job training *and* placement by an eligible Community Based Development Organization (CBDO)

D. Ineligible Activities

The following activities may NOT be funded with CDBG or HOME funds. This list is not all-inclusive:

1. Political activities;
2. Religious activities;
3. Purchase of equipment, including furnishings, personal property, vehicles, and fire protection equipment.
4. Job training, unless part of a CDBG-eligible economic development activity that will create or retain permanent jobs. Such other training may be eligible under categories of Public Services.

In addition, projects that would permanently displace (as defined by the Uniform Relocation Act) residents or businesses from their existing housing or place of business **are not eligible for funding through this RFP.**

E. Description of Sunnyvale Priority Need(s) Addressed by Project

Applicants must clearly describe the following in their applications: why the proposed project is needed in Sunnyvale at this time; how it would benefit the Sunnyvale clients/residents it proposes to serve; which priority need(s) and objectives from the City's Consolidated Plan it is designed to meet; and quantify these benefits in terms of standard units (i.e., housing units improved, eligible Sunnyvale clients served by project/facility, etc.) for HUD reporting purposes.

Applications should also clearly explain why their proposal should be funded before others received in response to this RFP, assuming that available CDBG funding is not adequate to fund all proposals received.

F. Compliance with Federal, State, and City Requirements

Applicants must review all federal regulations applicable to CDBG funded projects of the type for which the funding is requested (i.e., housing rehabilitation, construction, etc.). **Submittal of an application in response to this RFP shall be construed as applicant's thorough understanding of, and commitment to comply with: all applicable CDBG requirements, relevant state or federal laws (such as fair housing, prevailing wage, and relocation laws), City funding policies and municipal codes and federal audit requirements,** may result in various enforcement actions by City and/or HUD staff, including possible requirements for the applicant to repay the CDBG funds to the federal Treasury.

III. Application Submittal and Review Process

Please follow the instructions carefully; **incomplete applications will be rejected**. All proposals will become part of City of Sunnyvale's official public records and will be available for public review.

A. Application Submittal

1. Applications will be submitted online through City Data Services at: www.citydataservices.net
2. Each new applicant will be issued a username and password to complete the application
 - a. If you are already a City of Sunnyvale grantee, you can use your existing login information to apply to this RFP
 - b. Email support@citydataservices.com for technical assistance with the database including login assistance
3. Late applications will not be accepted.

Application Deadline: 4:30 PM (PST) on February 9, 2026

Contact Matt Hazel, Housing Programs Analyst, for questions mhazel@sunnyvale.ca.gov

A. Application Review and Selection Process

All proposals submitted by the deadline and meeting the threshold requirements will first undergo a technical review by City staff to confirm completion and compliance with the submission instructions outlined in this RFP. Applications that do not meet the basic content requirements may be deemed non-responsive and disqualified from further review

Proposals that pass the technical review will be evaluated and scored by a proposal evaluation committee comprised of City staff. The purpose of the evaluation is to determine which applicants demonstrate the strongest alignment with the goals and scope of this RFP. Each applicant will be scored using a standardized scoring tool that reflects the priorities and requirements of this RFP.

Each evaluation category includes specific scoring criteria. Applicants are encouraged to ensure that their written responses, attachments, and budgets are fully aligned with the priority needs, limited funding, and implementation expectations described in this RFP.

- The review panel may request additional information from applicants, such as interviews or clarifications, to inform scoring or resolve outstanding questions. Final award recommendations will be submitted to the Housing and Human Services Commission (HHSC) for consideration; the Commission will hold a public hearing on the proposed projects, and will evaluate both the merits of the proposals staff recommend and agency presentations during the March 25, 2026 Commission meeting.
- All applicants are expected to attend this meeting to present their proposal to the Commission, either virtually or in person.
- The HHSC will finalize their recommendations for City Council approval at the May 5, 2026 Council meeting.
- All applicants will be notified via email of the City's Notice of Intent to Award once final decisions have been made.

Project Scoring: Proposals will be evaluated by staff using the following criteria, with points awarded up to the following maximum points per criteria (on the following page):

| Scoring Category | Maximum Points |
|--|----------------|
| <p>1. Organizational Capacity and Collaboration</p> <ul style="list-style-type: none"> • Strong track record with similar programs; proven grant management capacity • Demonstrates fiscal oversight, subcontract management, and timely fund distribution • Has systems in place for documentation, reporting, and contract compliance • Clearly defines any partner roles, communication structures, and coordination plans | 15 |
| <p>2. Project Need, Program Experience, and Delivery Approach</p> <ul style="list-style-type: none"> • Project clearly meets one or more priority needs identified in the Consolidated Plan. • The need for the project in Sunnyvale is clearly outlined in the project proposal through recent and relevant statistical data. • Demonstrated experience and proven delivery of the services described | 25 |

| | |
|--|------------|
| <p>3. Project Design and Implementation</p> <ul style="list-style-type: none"> • Logical, feasible and clear program design and implementation • Realistic timeline with clear deliverables and implementation phases • Identifies risks and outlines realistic mitigation strategies • Qualified staffing team with clear roles aligned to program needs • Strong, relevant partnerships that enhance program impact and sustainability | 25 |
| <p>4. Budget and Financial Management</p> <ul style="list-style-type: none"> • Budget is detailed, appropriate, and fiscally responsible • Budget is itemized, aligned with funding guidelines, covers staff, administration, and related costs • Budget form and narrative align; expenses are justified and tied to program • Costs are proportional to services proposed and number of clients served | 20 |
| <p>5. Data, Evaluation, and Learning</p> <ul style="list-style-type: none"> • Data collection is described and plan includes HMIS, CDS, and disaggregated data entry • Project describes how outcomes will be tracked and monitored • Project indicates how program evaluation and continuous improvements will occur | 15 |
| Total Points Available | 100 |

Note: There is no direct correlation between a proposal's score and the amount of funding recommended for that proposal. Scores are calculated simply for the purpose of evaluating a project's merit for any City funding, and comparing the strengths and weaknesses of various proposals received. Projects with equal scores may be awarded different funding amounts, or a project with a lower score may receive a larger award than a project with a higher score. Funding recommendations and/or awards are based on a) amount requested by applicant; b) the City's determination of the project's need and/or eligibility for City funds; c) the minimum amount necessary to make the project feasible; and d) the amount of City HUD entitlement funds available.

The City Council will make the final local decision regarding use of its available CDBG and HOME funds in May 2026. Approved 2026 project funding awards will be included in the City's Action Plan to be submitted to HUD for final approval. Once HUD approval is received, staff will prepare project loan or grant agreements for review and execution by the applicant agency. If the approved funding level is different than the amount requested in the original application, a revised project budget must be submitted before agreements can be prepared. If for any reason a project applicant is unable to execute project agreements by Dec. 30, 2026, and begin to expend project funds shortly thereafter, the project award will be cancelled and those funds will be reallocated by the City, in order to maintain compliance with CDBG and HOME expenditure deadlines. Applicants with disencumbered projects may apply through a subsequent RFP but are not guaranteed another funding award, and "organizational capacity" points may be deducted for not meeting deadlines under a prior award.

NOTICE and DISCLAIMER:

- **Issuance of this RFP does not commit the City to award funds to any applicant for any project or activity.**
- **The City will not reimburse applicants for any costs incurred in the preparation of applications or other responses to this RFP.**
- **The City reserves the right to accept or reject any or all applications received in response to this RFP and to amend, modify, or cancel this RFP in part or in its entirety at any time and in its sole discretion.**

SCHEDULE FOR FY 2026/27 CDBG FUNDING PROCESS

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| RFP Issuance | January 7, 2026 |
| Deadline to Submit Questions | January 12, 2026 |
| Deadline to Submit Applications (4:30 p.m.) | February 9, 2026 |
| Presentations to Housing & Human Services Commission [Applicant participation mandatory] | March 25, 2026 |
| Housing & Human Services Commission Meeting: Public Hearing; Commission recommendations on projects funding. | March 25, 2026 |
| Draft 2026-27 Action Plan Ready. 30-Day Public Comment Period Opens. | March 31, 2026 |
| Housing & Human Services Commission Meeting: Public Hearing on FY 2026-27 Action Plan | April 14, 2026 |
| City Council Approval of Action Plan | May 5, 2026 (tentative) |
| Applicants Notified Regarding Awards | May 2026 |
| HUD Review and Approval (estimated date) | June 2026 |
| Contract Term begins | July 1, 2026 |

NOTE: This schedule is subject to change.