



2010 REQUEST FOR PROPOSALS FOR NONPROFIT CAPITAL FACILITIES

SUMMARY

The City of Eugene invites proposals from nonprofit agencies for use of federal Community Development Block Grant (CDBG) funds for capital improvements to facilities that house services for low- and moderate-income households. Funds may be used for acquisition, rehabilitation, new construction, or accessibility improvements. The City of Eugene is seeking applications for projects that can be completed by June 2011. Up to a total of \$200,000 may be awarded through the Nonprofit Capital Facilities RFP.

Proposals must include information regarding the agency, the need for the project and its impact, the project concept and scope, accurate cost estimates, and other issues outlined in the RFP. Acceptable proposals are those that are received in a timely manner and contain all required components. Acceptable proposals will be reviewed by City of Eugene staff and the Nonprofit Capital Review Team. Final funding decisions are made by Eugene City Council as a part of the 2010 - 2011 CDBG Allocation process. The selection process is expected to be completed by April 2010 and funds would be available after July 1, 2010.

Proposals must be consistent with the HUD Consolidated Plan, CDBG requirements, City Code, and other City policies. This RFP is an open, competitive process to award available resources based upon satisfaction of the described criteria. Submission of a proposal does not guarantee funding. The City may choose not to allocate all available resources.

All potential applicants are encouraged to review the entire RFP, attend the January 7th meeting, and contact staff to discuss their project and potential uses of available resources. Contact Stephanie Jennings at 541.682.5529 or stephanie.a.jennings@ci.eugene.or.us for details.

TIMELINE FOR SELECTION PROCESS

December 21, 2009	Request for Proposals Issued
January 7, 2010 – 3:00	Informational Meeting for Applicants (Sloat Room at 99 West 10 th Ave)
February 2, 2010	Proposals Due
February 11, 2010	Agency Presentations to Review Committee
February 23, 2010	CDBG Advisory Committee Meeting
March 16, 2010	CDBG Advisory Committee develops Draft Recommendation
April 15, 2010	CDBG Advisory Committee holds Public Hearing and develops Final Recommendation
April 26, 2010	City Council Action

Proposals (6 copies per proposal, three-hole punched) are due to the City of Eugene on **February 2, 2010 no later than 5:00 pm.** Send your proposal to:

City of Eugene Planning and Development Department
Attention: Stephanie Jennings, Community Development Division
99 West 10th Avenue
Eugene, OR 97401

DESCRIPTION OF NONPROFIT CAPITAL FACILITIES PROGRAM

Funding capital improvements for local non-profit agencies is one of primary uses of CDBG funds by the City of Eugene. Funds can be used for acquisition, new construction, rehabilitation, accessibility improvements, and weatherization efforts. The facility must be located within the Eugene city limits and serve Eugene residents. Fifty-one percent (51%) or more of the clients served at the facility must have incomes below 80 percent of Area Median Income (see Exhibit A for specific income levels). Agency must maintain written documentation on unduplicated Eugene low-income clients (including income, race and ethnic data, disability status, and head of household status) and have ability to track information during period of benefit for the project. The agency must own the property or intend to acquire the property through fee simple title (long-term leases may be considered in some circumstances).

Projects are selected based on agency capacity and experience, need and importance of services provided, project feasibility, and financial feasibility. There are a number of requirements triggered by the use of CDBG funds. The City has structured the application and implementation process to address these requirements.

This process is a partnership between the City and the Agency. The City will make every possible effort to provide the agency guidance and support during this process. As with all contracts, "time is of the essence". The agency must be willing to meet the requirements in a timely manner. The process and requirements differ depending upon whether a proposed project involves acquisition or rehabilitation/new construction. Please read the applicable section carefully as each contains specific guidance regarding issues to be addressed in your proposal. Agencies should clearly define and be as specific as possible when describing the proposed project.

Acquisition Projects

If you are considering an acquisition, contact staff immediately to discuss CDBG requirements related to purchase and relocation. Timeframes for acquisitions must allow adequate time for completion of all requirements. Be sure that your option to purchase, or earnest money agreement, allows for this timeframe.

The agency may hold a purchase option or have an earnest money agreement on the property as long as it contains the required clauses. Please obtain a sample format containing the required language from staff. A copy of the option or earnest money agreement should be submitted as part of your application. All acquisition proposals must include an appraisal to establish fair market value.

If selected, staff will work with the agency contact to meet the federal requirements to purchase real property. The requirements include obtaining a Level I environmental assessment; providing notification of acquisition requirements to the seller; completing an environmental review and obtaining release of funds by HUD; notifying the seller of the appraised value and making the final offer; closing on the property; and recording the trust deed as a lien on the property. If there are residential or commercial tenants, displacement and relocation procedures must be followed. Once HUD releases funds, the City and the agency will enter into a contract. CDBG funds will be provided directly to the escrow company at closing.

Rehabilitation or New Construction Projects

Agencies seeking funds for new construction or rehabilitation must submit well-developed scope of work, specifications, and construction cost estimates at the time of application. Proposals with complete plans, specifications (supported by detailed construction cost estimates that correlate to the proposed scope of work) will be prioritized over projects that are still in the conceptual stage. If additional design specifications are needed, the City may require the agency to hire a consultant as a condition of the grant. If the project can be

constructed in distinct phases, include a description of the phases and costs in the proposal and rank them in order of importance to your agency. Due to funding constraints, only partial funding may be recommended.

Projects involving rehabilitation or new construction typically require Davis-Bacon wages for the entire project, not just the portion paid with CDBG funds. When requesting construction cost estimates from contractors, ensure that the contractor is aware that this is a Federal Davis-Bacon (“prevailing wage”) bid estimate. Due to the length of time between the application submission and the bid award, potential increases in labor and materials costs should be factored into estimates. Projects greater than \$2,000 require that Federal Davis-Bacon wages be paid. If the project is residential in nature, Federal Davis-Bacon wages only apply when there are more than seven units in the project. With few exceptions volunteer labor is not allowed. Please check with staff regarding the specifics of your project.

Once the project specifications and cost estimates have been prepared, the agency and the City will review the proposed work and determine if the scope of work can be accomplished within the dollar amount of the grant award. If not, the scope of work must be reduced or the agency must provide additional funding. The City will determine the contribution required of the agency by calculating the total project budget, adding a 10% contingency and subtracting the amount of the proposed CDBG and other grants. The total project budget will include all construction costs, testing, design and project management fees, permit fees, and system development charges. Heating, ventilating, and air conditioning (HVAC) systems may require that professionals prepare the specifications and oversee the installation. If an agency contribution is necessary to complete the project the agency will be required to place funds in a special controlled account acceptable to the City.

The City of Eugene typically manages the construction process on behalf of the agency. As part of implementing the rehabilitation project, your agency will be required to sign a grant agreement and a Deed of Trust. The agreement will describe the roles and responsibilities of the agency and the City. Your agency representative will coordinate with City staff to implement your project. The agency representative and designer/architect are very important to the process and a significant time commitment is required. The City expects that if plans and specifications are not completed by the beginning of fiscal year (July 1) of which the project is funded, that they will be complete within a 90 day period.

The City will obtain bids and then enter into a construction contract with the Contractor and Agency. Bids previously obtained by the agency for the application cannot be used. The City must obtain bids directly through a public competitive bidding process. However, previous bidders are welcome to bid again.

All permitted work will require inspection by the appropriate City inspector or other agency as may apply. Obtaining required permits and inspections is the responsibility of the general contractor. Your contractor will be required to comply with all air quality, environmental, safe work practice, and lead based paint requirements. Projects involving building built before 1978 should be tested for lead based paint. Asbestos testing may also be required.

The City will disburse funds directly to the contractor based on a progress inspection. Your agency will not receive any federal dollars directly. The City will make progress payments for completed work only. The City cannot pay for stored materials or tools. Prior to disbursement, the City and agency must accept the work. A change order approved by all parties to the construction contract will be prepared for any change to the specifications which increases or decreases the project cost. The agency will be responsible for costs that exceed the grant amount. If at any point during the project the City determines that the remaining funds will not be sufficient to complete the work yet to be done, the City and the agency will decide which work will be omitted or the amount of additional funds must be provided by the agency. Upon project completion, the agency will sign a Certification of

Completion. The project costs will be reconciled, and the agency will be billed for the amount due, in excess of the grant amount, less the balance of any contingency funds remaining; due and payable within 30 days of invoice.

Environmental Review

The City must complete an environmental review (ER) for all selected projects. Factors considered include age of buildings, location in 100 year flood plain, proximity to explosive hazards, noise, and other hazards or impacts. The time required for the ER process depends on the proposed use of funds. Projects involving new construction, acquisition or a change in use generally require more time to complete. The City cannot enter into a grant agreement or release any funds to a project prior to completion of the ER process. In addition, the agency cannot begin work with other sources of funds prior to completion of the ER process.

Uniform Relocation Act and Section 104(d)

Projects involving acquisition and rehabilitation must comply with the Uniform Relocation Act requirements. Acquisition of structures occupied by commercial or residential tenants may require relocation assistance. Agencies must start tracking occupancy at the time an option is executed and have records showing occupancy for the prior three months. Agencies are required to submit monthly reports of tenant occupancy as well as documenting the tenants' intent to occupy or vacate until project closeout. A project involving relocation may require substantial additional costs, which must be estimated and included in the project budget. Possible costs may include moving expenses or housing assistance payments for up to 60 months. If your agency is considering acquiring an occupied building or improved property, contact City staff immediately.

Section 104(d) requires relocation assistance for tenants occupying housing units that will be demolished or converted to other uses as a result of your project. In addition, the agency must provide replacement housing within three (3) years. The City will assist in meeting this requirement, though the ultimate responsibility rests with the agency. HUD and the public must be informed of the replacement unit, the timeline for replacement, and the source of funding for provision of the unit.

Accessibility Requirements

All projects must comply with Section 504, the Uniform Federal Accessibility Standards, Fair Housing Amendments, the Americans with Disabilities Act, and state and local codes for accessibility. City staff will work with agency representatives to address applicable requirements.

Agency Reporting

Fifty-one percent (51%) or more of the clients served at the proposed location must have incomes below 80 percent of Area Median Income (see attachment for specific income levels). The agency must maintain written documentation on unduplicated Eugene low-income clients (including income, race & ethnicity data, disability status, and head of household status). This data shall be submitted by the agency at the time of project completion for the previous 12 month period, and annually thereafter for the specified Period of Benefit.

REQUIRED PROPOSAL COMPONENTS

Acceptable proposals must address all of the components described below.

Brief summary on applicant letterhead with project concept and target population, total project cost, amount of CDBG funds requested, property address, proposed ownership entity, phone number, and email address of agency representative. The letter must be signed by the agency director and certify that the proposal and budget included in the application are correct.

Agency Information and Population Served

- Description of agency including mission, primary activities, and history
- Description of the population served and all activities conducted in facility to be improved
- Completed Client Statistic Form for most recent fiscal year (Exhibit A)
- Description of the need for these services and impact
- Describe sources of funds for services provided in the facility
- Most recent audited financial statement and organizational budget
- Copy of 501(c)3 certificate

Proposed Project

- Description of proposed use of CDBG funds and how use will maintain or expand the agency's ability to provide services
- Description of facility including location, size, tax lot number, zoning, and current use
- Description of property improvements including floor area of building, uses and year built and number of housing units, sizes, and bedrooms. If property is used for a residential purpose, a description of the population and any specific licensing required for use
- Description of any historic buildings on site or adjacent to site
- Indicate the degree of site control and describe any financial or legal commitments to the project, and the amount and source of committed funds
- Tenant relocation strategy, if applicable, including relocation cost estimate and existing tenant survey (see Exhibits C and D)
- Photos of facility

Required Components for Acquisition Projects

- Description of timeline for acquisition
- Verification of whether proposed use is currently permitted or requires special land use approvals
- Copy of option or earnest money agreement
- Copy of appraisal

Required Components for Rehabilitation Projects

- Schedule with estimated dates of financing commitments, plans and permits
- Identification of any zone changes or special land use approvals required for the project
- Lead-based paint assessment (applicable to rehab projects involving buildings constructed before 1978)

Financial Feasibility

- Complete sources and uses budget using attached template (Exhibit B)
- Provide detailed information about other funding sources including any restrictions, time limitations, the status of approval, and copies of letters of commitment

CRITERIA FOR PROPOSAL EVALUATION

All proposals will be reviewed by staff and evaluated by the Nonprofit Capital Improvements Review Committee. Proposals will be evaluated in three categories described below. Following evaluation and scoring, review committee members will vote to select the proposals recommended for funding to the CDBG Advisory Committee.

- **Exceptional**
The proposal significantly exceeds the standards set forth in the criteria and shows some significant innovation or benefit.
 - **Acceptable**
The proposal meets the standards set forth in the criteria.
 - **Needs Improvement**
The proposal does not meet the standards set forth in the criteria, and could or could not be modified to meet the standards.
1. Organizational Experience and Performance
Acceptable proposals must demonstrate that the agency has experience in serving the targeted population and demonstrate that their organization is financially viable for the applicable period of benefit. Exceptional proposals will come from agencies with an outstanding track record in the provision of services to the targeted population.
 2. Need and Importance
Who will be served by the project and why is it needed? How will the project impact persons with low- and moderate-incomes and what critical ongoing needs will be addressed through the project? How does the proposed project maintain or expand services to low- and moderate-income persons? Do the benefits of this project justify the requested resources? Acceptable proposals must meet a critical need of low- and moderate-income persons. Exceptional proposals must demonstrate that the proposed project will fill a critical need for a population that is uniquely needy and/or has been significantly underserved.
 3. Project Feasibility
Acceptable proposals must demonstrate that the designated project site is suitable for the services provided for the targeted population and can be completed in a timely manner. The applicant must have site control or an option to purchase at the time of application. Acceptable sites are free of adverse environmental conditions. If a site has such an environmental condition, it must be possible to mitigate the condition through reasonable measures. Acceptable sites must be appropriately zoned. Exceptional proposals must demonstrate that the designated site is extremely well-suited for the service provided, and/or offers a unique opportunity.
 4. Financial Feasibility
Acceptable proposals must provide a sources and uses budget. Acceptable proposals must demonstrate that other resources necessary for the project are committed at the time of application or shortly thereafter. Exceptional proposals will demonstrate a significant leveraging of resources at the time of application.

EXHIBITS

- A. Client statistics
- B. Sources and Uses Budget
- C. Relocation Strategy Guidance (if applicable)
- D. Existing Tenant Survey (if applicable)

**Exhibit A
Client Statistics**

Agency and Project:	
Project Address:	
Total ALL Clients Served	
Total <i>Eugene Low-Mod* Clients</i> served (*Refer to chart below for low-mod income guidelines)	

Please complete all of the following sections for <i>Eugene clients only</i>:		
# of Female Head of household clients		
# of clients with Disabilities		
Race Statistics:	Ethnicity	# of clients
White/Caucasian	Non Hispanic	
	Hispanic	
Black/African American	Non Hispanic	
	Hispanic	
Asian	Non Hispanic	
	Hispanic	
American Indian/Alaskan Native	Non Hispanic	
	Hispanic	
Native Hawaiian/Other Pacific Islander	Non Hispanic	
	Hispanic	
American Indian/Alaska Native & White	Non Hispanic	
	Hispanic	
Asian & White	Non Hispanic	
	Hispanic	
Black/African American & White	Non Hispanic	
	Hispanic	
American Indian/Alaska Native & Black	Non Hispanic	
	Hispanic	
Other Multi-Racial	Non Hispanic	
	Hispanic	
Eugene clients TOTAL:		
Income Statistics:	# of Eugene clients	
Extremely Low-Income		
Very Low-Income		
Low-Income		
Eugene clients TOTAL:		

*Low-Mod Income for 2009			
Household Size	Extremely Low-Income 30% of Median	Very Low-Income 50% of Median	Low-Income 80% of Median
1	\$12,000	\$20,000	\$32,050
2	\$13,700	\$22,900	\$36,600
3	\$15,450	\$25,750	\$41,200
4	\$17,150	\$28,600	\$45,750
5	\$18,500	\$30,900	\$49,400
6	\$19,900	\$33,200	\$53,050
7	\$21,250	\$35,450	\$56,750
8	\$22,650	\$37,750	\$60,400

**Exhibit B
Sources and Uses Budget**

Funding Sources	Committed (yes or no)	Amount
CDBG		\$
Other		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
	Total	\$

Funding Uses	Amount
Acquisition Costs	\$
Construction or Rehabilitation Costs	\$
City and EWEB System Development Charges	\$
Permit fees	\$
Testing for lead-based paint, asbestos, and/or dry-rot	\$
Architectural and Design Services	\$
Other consultants	\$
	Subtotal
Contingency (10% of total costs)	
	Total

The total for Funding Sources must equal the total for Funding Uses.

EXHIBIT B
Relocation Strategy Guidance

Development projects involving existing residential or commercial spaces require compliance with the Federal Uniform Relocation Act. Applicants are strongly encouraged to contact City staff prior to application submission to discuss tenant tracking requirements and possible impacts on the proposed project. Permanent displacement is discouraged. If the project involves existing residential or commercial space, indicate the following:

- How existing residential or commercial spaces will be impacted by the proposed development
- Whether or not overcrowding exists in any of the units
- Whether or not displacement will be a permanent move or a temporary move during construction or rehab
- The process for relocating residents
- The availability of comparable replacement units
- What resources will be used for relocation costs and by what means will relocation costs be rendered
- How the project could be phased to avoid moving tenants
- How the needs of existing tenants with disabilities requiring specialized housing will be addressed
- How the completed units will be affordable to tenants
- Whether or not notices have been sent to existing tenants; if so, attach copies

EXHIBIT C
Existing Tenant Survey

Owner's Name _____ Property Name _____ Property Address _____

Management Company Name _____ Address _____

Contact Name and Phone Number _____ Number of Units _____

UNITS		PERSONS	HOUSEHOLD INFORMATION						RENTS		
Unit #	Bedrooms	# Adults – ages # Children – ages	Name	Ethnic Race	Sex	Date First Occupied	Section 8	Annual Income	30% of Income	Existing Rent	Proposed Rent
		A									
		C									
		A									
		C									
		A									
		C									
		A									
		C									
		A									
		C									
		A									
		C									
		A									
		C									
		C									
		C									

*Excluding tenant-paid utilities

