

CITY OF DETROIT
MICHAEL E. DUGGAN, MAYOR

2014-2015

COMMUNITY DEVELOPMENT BLOCK GRANT/NEIGHBORHOOD OPPORTUNITY FUND

**PUBLIC FACILITY
REHABILITATION/COMMERCIAL
FAÇADE REHABILITATION
REQUEST FOR PROPOSALS
INFORMATION PACKAGE**

I. ABBREVIATIONS

CDBG	-Community Development Block Grant
CPC	-City Planning Commission
CRC	-Citizen Review Committee
NOF	-Neighborhood Opportunity Fund
P&DD	-City of Detroit Planning & Development Department
PFR	-Public Facility Rehabilitation
RFP	-Request for Proposals

II. REQUEST FOR PROPOSALS

The Mayor of the City of Detroit invites community organizations to submit proposals for projects to be funded by the Community Development Block Grant/Neighborhood Opportunity Fund (CDBG/NOF) program.

All community organizations including neighborhood resident and business organizations, citizen district councils, block clubs, human service organizations, etc. that wish to participate in the development and implementation of CDBG/NOF projects as advisors and/or as operating agencies may submit proposals.

All proposals must be complete and received in the offices of the City of Detroit Planning and Development Department **on or before 5:00 PM Thursday, April 17, 2014.**

III. CDBG/NOF PROGRAM INFORMATION

The CDBG program is a Federal grant program administered by the U.S. Department of Housing and Urban Development. This program provides entitlement grants determined by formula to the City of Detroit.

The overall goal of Detroit's CDBG program is to develop a viable urban community by providing funding for decent housing, economic opportunities, needed services and a suitable living environment, primarily for persons of low and moderate income. The Mayor and City Council of the City of Detroit determine how these grant funds will be spent based on HUD regulations regarding the grant's national objective, activity eligibility, citizen participation, etc.

IV. COMMUNITY DEVELOPMENT CONSOLIDATED PLAN

In 2012, the City of Detroit submitted a new three-year Consolidated Plan. The plan follows regulations and guidelines from the U.S. Department of Housing and Urban Development (HUD). This plan was submitted to, and approved by HUD. The complete plan includes sections on community development needs, current conditions, strategies for meeting community development needs, and mechanisms for monitoring progress in meeting these needs. Each year the City submits an annual action plan that includes the applications to HUD for CDBG/NOF, HOME, Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) program funding.

CDBG/NOF projects which the City intends to fund will be included in the Action Plan. Prior to submission to HUD, a summary of the plan will be published and a public hearing on the plan will be held. Comments on the plan will be received at the public hearing and by appointment, telephone, and written communication to the Detroit Planning and Development Department. Comments will be considered and changes made in the plan if necessary or desirable.

The NOF program is part of Detroit's CDBG program. The overall NOF program goal is to fund neighborhood improvements and services as identified by neighborhood organizations. Funding is provided to projects limited in scope for completion in one year. Projects should be consistent with the HUD Consolidated Plan, Detroit Future City Strategic Framework and existing neighborhood plans and activities.

PUBLIC FACILITY REHABILITATION ACTIVITIES

CDBG regulations provide for many eligible activities including "Public Facility Rehabilitation (PFR) and improvement" activities¹. PFRs are

¹ PFR activities are an eligible activity category in the HUD regulations (24CFR 570.201(c).

broadly interpreted to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit, and operated so as to be open to the general public.

PFRs must also meet a HUD national objective of benefit to low/moderate income persons. In addition to meeting CDBG regulations, these activities must also be consistent with the City of Detroit's Consolidated Plan.

DEFINITIONS

Subrecipient a public or private nonprofit agency, authority, or organization, receiving CDBG funds from the recipient or another subrecipient to undertake activities, eligible for such assistance under 24 CFR 570.201 to 570.203.

Community-Based Development Organization (CBDO) a public or private nonprofit agency, authority or organization specifically authorized to provide "Neighborhood Revitalization and/or Development" assistance. For example, neighborhood revitalization activities (include construction; rehabilitation; and facility and other improvements), community economic development programs, or energy conservation projects.

Community-Based Development Organization (CBDO) designated as a Sub recipient a public or private nonprofit agency, authority, or organization, receiving CDBG funds from the City that 1) is specifically authorized to provide "Neighborhood Revitalization and/or Development" assistance and 2) carries out other eligible activities.

V. CHARACTERISTICS OF COMMUNITY ORGANIZATIONS

Community organizations making proposals for CDBG/NOF should have the following characteristics:

1. Distinct boundaries and /or service areas
2. Elected officers and board

3. Representation of people within their boundaries and/or service areas
4. Open meetings and membership
5. Public records

corporations, citizen district councils, block clubs, human service organizations, etc.

Organizations should consider the following when defining their activities and project areas:

1. Too Large Area. The impact of activities may be dissipated in an area that is too large. If the boundaries of the neighborhood organization are very large, consider targeting the proposed activity for greater impact.
2. Too Small Area. The impact of activities may not benefit a sufficient number of people or area if the area is too small. If the boundaries of the area are too small, consider collaborating with adjacent organizations for a joint proposal, or expanding boundaries.
3. Overlapping Boundaries. Organizations which share overlapping boundaries and submit proposals should resolve the boundary issue prior to proposal submission.
4. Umbrella Organization – (Coalition of Several Groups). A small group within the boundaries of an umbrella organization should consider the benefits to a greater number of people. If a smaller group is within the boundaries of an umbrella group, consider coordinating the submission of a proposal.

VI. ROLES OF PARTICIPANTS IN CDBG/NOF PROCESS

Participants in the CDBG/NOF process include community organizations and City agencies of the executive and legislative branches of government. Each of the roles is described below:

A. COMMUNITY ORGANIZATIONS

Community organizations include neighborhood resident organizations, neighborhood business organizations, local community development

EXECUTIVE BRANCH OF GOVERNMENT:

B. MAYOR

The Mayor submits a proposed annual budget to the City Council (including the CDBG/NOF funding categories) for their consideration. The Mayor has assigned CDBG/NOF duties, described below, to the Planning and Development Department.

C. PLANNING AND DEVELOPMENT DEPARTMENT (P&DD)

As coordinator for the CDBG/NOF program, the Planning and Development Department advises the Mayor on the CDBG categories. The P&DD also distributes, receives and evaluates CDBG proposals.

PDD also carries out approved endeavors at the direction of the Mayor.

D. EMERGENCY MANAGER

On March 14, 2013, in accordance with Michigan’s “Public Act 436 of 2012” the City of Detroit was appointed an Emergency Manager. “PA 436 grants the EM broad powers in receivership to affect fiscal accountability and provisions of necessary governmental services essential to the public health, safety, and welfare.”

LEGISLATIVE BRANCH OF GOVERNMENT

E. CITY COUNCIL

City Council will deliberate on funding recommendations in the consideration in the Mayor’s proposed annual budget (including

CDBG categories) and City Planning Commission CDBG recommendations.

F. CITY PLANNING COMMISSION (CPC)

The City Planning Commission is a nine (9) member body that advises City Council on, among other things, CDBG/NOF funding recommendations.

VII. CITY OF DETROIT PRIORITIES

Within the Public Facilities Rehabilitation priority, particular emphasis is placed on the following activities in facilities that are open to the public and house a public activity:

- Local code/ADA Compliance
- Hazardous building conditions
- Energy efficiency upgrades (whenever possible)

Geographic Priorities – Priority will also be given to Public Facilities Rehabilitation or Commercial Façade Rehabilitation funding request that are located in one of the City’s six Hardest Hit Fund Areas. Those areas are shown in the green on the Detroit Land Bank Authority map at the end of this Information Package.

VIII. PROPOSAL EVALUATION CRITERIA:

Threshold criteria are general requirements that every organization’s proposal must meet in order to qualify for CDBG/NOF funding. Proposals that do not meet the threshold criteria will not be evaluated and ranked for selection with other qualifying proposals.

Threshold Criteria:

NOTE: PROPOSALS MUST MEET ALL THE FOLLOWING THRESHOLD CRITERIA OR THEY WILL BE REJECTED.

1. Must meet a HUD National Objective;
2. Group must attend 2014-15 CDBG/NOF Proposal Workshop;
3. Proposal must be complete, typed, and submitted by the deadline, and submitted on the correct form;
4. Must have at least five (5) member board, which meets at least quarterly;
5. Must have current 501(c) 3 status prior to applying for proposal;
6. Must have at least one year of operation and proof of operations;
7. Must not have unresolved government audit and monitoring problems (i.e. tax, legal, etc.);
8. Must submit most recent fiscal year cash flow statement, financial statement and if available, recent audit;
9. Within the last 12 months, must have three (3) support letters;
10. Must read and sign Certification form;
11. Must submit current Non-Profit Corporation Information Update (Michigan Annual Non-Profit Report);
12. Must submit Certificate or Articles of Incorporation;
13. All requests must be a minimum of \$100,000.00
14. (For PFR ONLY) Must match funds equaling at least 35 percent of requested amount;
15. (For PER ONLY) Must show proof of building ownership or long-term lease
16. (FOR CFR ONLY) Business owners must match at least 50 percent of requested amount;
17. (For CFR ONLY) Businesses must be willing to commit to program;

THRESHOLD CRITERIA DETAIL

1. **Must meet HUD National Objective.**

Activities proposed must meet a HUD national objective requirement of benefiting persons with low/moderate income or eliminating slums and/or blight.

2. **Group must attend the 2014-15 CDBG/NOF workshop.** A Representative from the organization **MUST annually attend a CDBG/NOF proposal writing workshop.**

3. **Proposal must be complete, typed, submitted by the deadline and be submitted the on correct form.** Proposal must be received by the date and time required. Proposal must be complete when submitted. No additional materials or signatures will be accepted after the deadline

Proposals must:

- Include all requested budgets and financial reports, support letters, signatures, certifications, no missing or blank sections, signatures, attachments or exhibits, etc.
- Be legible, TYPED, and all components must be in order prescribed in proposal application package.
- In the original and all copies must be signed by an authorized representative of sponsoring organization. An authorized signer is an officer of the Board, Executive Director, or other person designated by the Board of Directors to submit the proposal on its behalf.

4. **Must have at least five (5) member board, which meets at least quarterly.** Sponsors must have a functioning multi-member board of at least five members which meets at least quarterly and is representative of the community or neighborhood involved. Names and addresses

of board members who are residents and who represent other organizations must be listed in the application. Certification must be signed stating that the majority of the Board of Directors is not family-controlled or related by blood or marriage.

5. **Must have 501(c)(3) status prior to applying for proposal.** The sponsoring organization must provide proof it is a tax-exempt non-profit organization, i.e. IRS 501(c)(3) or equivalent tax exempt status, authorized to do business in the State of Michigan. Acceptable proof is both of the following:

- IRS Determination Letter
- Nonprofit incorporation papers

6. **Must have at least one year of operation and proof of operations.** Sponsors must have been an existing organization for at least one year prior to submission of this CDBG/NOF application. Program outputs and date of incorporation MUST be provided to document program existence. Proof dated after January 1, 2013 showing that the sponsor has operated a program or project must be provided. See proposal attachments for program operation proof.

7. **Must not have unresolved government audit and monitoring problems (i.e. tax, legal, etc.).** Sponsor cannot have unresolved government audit or monitoring problems such as City of Detroit or HUD monitoring findings or A-133 audit findings. In addition, the sponsor cannot have unresolved federal, state, or City of Detroit tax issues.

8. **Must submit most recent fiscal year cash flow statement, financial statement, and if available recent audit.** Include all applicable statements, financial reports and financial audit.

9. **Within the last 12 months must have three (3) support letters.** Within the last 12 months, must have three support letters. (Issues regarding dates and signatures will be an issue for ranking evaluation, but an undated or

unsigned support letter will not automatically eliminate an organization's proposal.

10. **Must read and sign Certification form.** The original and all copies must be signed by an authorized representative of the sponsoring organization. An authorized signer is an officer of the Board, Executive Director or other person designated by the Board of Directors to submit the proposal on its behalf.
11. **Must submit current Non-Profit Corporation Information Update (Michigan Annual Non-Profit Report).** Provide report as attachment.
12. **Must submit Certificate or Articles of Incorporation.** Provide certificate as an attachment.
13. **Sponsors must request a minimum of \$100,000.00 for project.**
14. **(FOR PFR ONLY) Must match funds equaling at least 35 percent of requested amount.** To demonstrate cash on hand participant must show the most recent cash flow statement bank statement. Make sure it shows at least 35 percent cash on hand.
15. **(FOR PFR ONLY) Must show proof of building ownership or long-term lease.** Provide copy of deed or long-term lease as an attachment
16. **(FOR CFR ONLY) Business owners must match at least 50 percent of requested amount.** Provide letter of financial commitment as an attachment.
17. **(FOR CFR ONLY) Business owners must be willing to commit to program.** Provide commitment letters as an attachment.

Proposals received from community groups will be evaluated based on the following criteria.

The Selection Criteria for 2014-2015 Public Facility Rehab

Proposals passing threshold criteria review will be ranked and scored on a 100 point scale, with 0 being the lowest and 100 the highest score. Proposals must score at least 70 points to be recommended for funding. Proposals will be ranked according to score and recommended for funding in rank order.

Strength of other funding sources Bud-9	5
Demonstrated acceptable financial management system Bud-12	5
Master Rehab Plan	
Successfully identified and described the building environment and hazardous conditions	10
Master Rehabilitation Plan Present	25
Completeness and quality of MRP	10

PFR CRITERIA	total points
Organizational Information	
Unique experiences and qualifications Org-1	5
Strength of board, including community representation, and number bonded Org-2 through Org-7.	5
Qualified management and staff to administer successful program Org-8.	5
Project Description	
Project meets City priority PFR-4	5
Project Description clearly stated PFR-4	5
Project is located in at least one of the areas shown in green on Detroit Land Bank Authority map at the end of this Information Package. PFR-9	10
Budget	
Strength of finances, including adequate cash on hand, minimal amount of unspent CDBG funds, etc. Bud-1 through Bud-8	10

Master Rehabilitation Plan Information

As part of the review process, a building assessment completed by a registered (in the state of Michigan) architect/ engineering consultant indicating building code and ADA compliances MUST be submitted with a request for Public Facility Rehab (PFR) funds. HUD has determined that the City cannot use CDBG funds to underwrite the costs of these expenses.

**The Selection Criteria for 2014-2015
Commercial Façade Rehab Service Activities**

Proposals passing threshold criteria review will be ranked and scored on a 100 point scale, with 0 being the lowest and 100 the highest score. Proposals must score at least 70 points to be recommended for funding. Proposals will be ranked according to score and recommended for funding in rank order.

COMMERCIAL FAÇADE CRITERIA	total points
<i>Organizational Information</i>	
Unique experiences and qualifications Org-1	5
Strength of board, including community representation, and number bonded Org-2 through Org-7.	5
Qualified management and staff to administer successful program Org-8.	5

<i>Project Description</i>	
Project Description clearly stated CFR-2	10
Area appropriate to carry out proposed CFR activity. Preference will be given to the Hardest Hit Fund areas shown in green on the Detroit Land Bank Authority map at the end of this Information Package CFR-3	10
Cost Breakdown clearly stated CFR-5	15
Other Funding Sources in Place CFR-6	20
Estimated Start and Completion CFR-6	10
<i>Budget</i>	
Strength of finances, including adequate cash on hand, minimal amount of unspent CDBG funds, etc. Bud-1 through Bud-11	15
Demonstrated acceptable financial management system Bud-12	5

ALL COMMUNITY GROUP PROPOSALS FOR THE 2014-2015 CDBG/NOF PROGRAM YEAR MUST BE DELIVERED AS FOLLOWS: 04/2/14 to 04/16/14 Deliver proposals to the 23rd Floor. On Thursday 04/17/14, deliver proposals to the 12th Floor.) Cadillac Tower, 65 Cadillac Square, Detroit, MI 48226 No Later Than 5:00 P.M.

WARNING: COMMUNITY GROUP PROPOSALS RECEIVED AFTER THIS TIME AND DATE WILL NOT BE ACCEPTED FOR FUNDING FROM THE 2014-2015 CDBG/NOF PROGRAM EVEN IF POSTMARKED BY THE DEADLINE DATE. FAXED COPIES OR COMPUTER E-MAIL OF PROPOSALS WILL NOT BE ACCEPTED.

NOTE: ALL PROPOSALS MUST BE SUBMITTED ONLY ON A 2014-2015 CDBG/NOF PROPOSAL FORM (ATTACHED).

WARNINGS

NOTE: Before CDBG/NOF project implementation can begin, an environmental review must be completed, HUD release of funds must be obtained, and appropriate contracts must be approved.

WARNING: No CDBG/NOF funds may be expended or committed prior to the required contractual agreements, which must be approved, by the Detroit Planning and Development Department, acting for the Mayor and the Detroit City Council.

WARNING: Approval of a PROPOSAL by City Council does not constitute approval of the required CONTRACT! Decisions on all proposals and contracts shall not be final until approved by the Emergency Manager's Office.

Approval of the required contract does not occur until the community group sponsor of the CDBG/NOF grant has submitted various documents to the Planning and Development Department. Sponsors must not make commitments for the provision of services of any kind prior to approval of the required contract. This includes commitments for bookkeeping, architecture, planning, construction, rehabilitation or professional services of any kind.

The Planning and Development Department will convene a series of informational workshops to which all sponsors of approved grants will be invited. Staff will explain the CDBG/NOF process and answer questions. Grant sponsors are advised to carefully read the invitation to the workshop and carefully follow the instructions found in the invitation.

Completion of a CDBG/NOF contract is tied directly to participation in these workshops.

NOTICE OF NONDISCRIMINATION: THE CITY OF DETROIT DOES NOT DISCRIMINATE ON THE BASIS OF RACE, COLOR, CREED, NATIONAL ORIGIN, AGE, HANDICAP, SEX OR SEXUAL ORIENTATION. COMPLAINTS MAY BE FILED WITH THE DETROIT HUMAN RIGHTS DEPARTMENT, COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MI 48226

Proposals are due before 5:00 pm on Thursday, April 17, 2014

**Detroit Planning & Development Department
04/2/14 to 04/16/14 deliver proposals to the 23rd Floor,
On Thursday 04/17/14 deliver proposals to the
12th Floor,) Cadillac Tower,
65 Cadillac Square, Detroit, MI 48226
NO LATER THAN 5:00 P.M. ON
Thursday, April 17, 2014**

MAPS

