

440 E GRAND BLVD Request for Proposals

# **TEMPORARY EMERGENCY SHELTER ACQUISITION**

Release Date: July 29, 2022

Pre-Submission Conference: August 5, 2022

Proposal Submission Deadline: August 26, 2022

Shortlist Interviews: September 2, 2022

Final Selection/Recommendation: September 9, 2022





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#### I. INTRODUCTION

The City of Detroit's Housing and Revitalization Department ("HRD") is seeking proposals from qualified emergency shelter operators to acquire and operate the property located in the Islandview neighborhood at 440 E Grand Blvd as a temporary emergency shelter. ESG-CV funds to be provided to RFP awardee in order to acquire the building located at 440 East Grand Blvd.

The offered site includes the approximately 16,544 square foot building located at the northeast corner of E Grand Blvd and Kercheval Ave, where it is close to several recent housing developments as well as park and streetscape improvements. The location of the offered parcel is specifically defined as the following:

#### E. GRAND BLVD 1&2LINDEN LAWN L21 P21 PLATS, W C R 15/98 100X185

The intent of this Request for Proposals ("RFP") is to retain an experienced and qualified emergency shelter provider that can operate a temporary emergency shelter at this location for households experiencing homelessness and are COVID 19 positive. This provider will need to ensure all the required amenities are available to individuals while staying at this site. This RFP is only for acquisition of this building and does not include any service funding. Agencies can apply for services funding through the Housing and Revitalization Homelessness Solutions Division.

#### II. AREA OVERVIEW

The Islandview Greater Villages (IVGV) area is a remarkably rich collection of neighborhoods, corridors, open spaces, institutions, and commercial enterprises. Like many parts of the city, segments of the district are experiencing rapid growth and investment, while others are beginning a larger transformation from industrial activity to mixed-use development and recreation.

Moving forward on Mayor Duggan's commitment to neighborhoods, the City of Detroit's Planning and Development Department (P&DD) and Housing & Revitalization Department (HRD) in 2018 completed an 18-month long neighborhood framework initiative in Islandview, West Village, Indian Village, and East Village.

The IVGV neighborhood was the first of 10 areas of the city designated for investment by the Strategic Neighborhood Fund (SNF), a \$300M effort to leverage public and private funds to create inclusive neighborhoods throughout the city. This investment will supplement and build on the work the City is already pushing forward in its neighborhoods.

Since the completion of the planning study, the IVGV area has seen the implementation of several neighborhood investments, including the following:



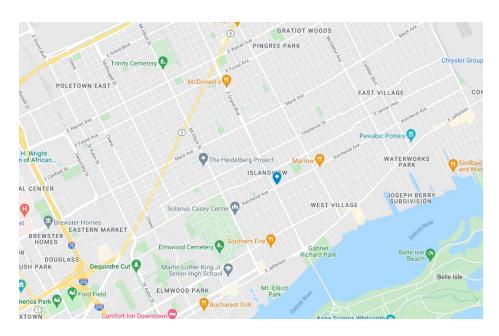
Butzel Playfield: Butzel Playfield has recently received \$1.5M in improvements that redesigned the park to become a hub and centerpiece and to create greater accessibility and connections through the neighborhood. Improvements included basketball courts, baseball/softball diamond, playground, picnic pavilions, sitting area, and paved walking track.

Streetscape Improvements: The City invested over \$10M in streetscape improvements including wider sidewalks, protected bike lanes, improved parking, and landscaping along Kercheval from Mt. Elliot to St. Jean. In addition, traffic calming and new pedestrian crossings have been installed around the perimeter of Butzel Playfield and on Van Dyke at Agnes and Lafayette.

Housing Rehabilitation: The City and the Detroit Land Bank Authority (DLBA), through the Rehabbed & Ready Program, are in the process of rehabilitating 16 single-family homes in the Islandview neighborhood. There is also a significant number of single-family and duplex rehabilitation projects being completed by private owners in the surrounding area.

Mixed-use Development: Invest Detroit and the Roxbury Group recently completed the construction of Parker Durand, a \$23.1M mixed-use infill development. The development includes 92 units of residential apartments and 6,000 sq ft of retail, at the Northeast corner of Kercheval and Van Dyke, bringing a high level of affordable housing including 50% of the rental units at 120% AMI or below, 30% at 80% AMI or below, and 20% at 50% AMI or below. The commercial space also helps bring much needed neighborhood retail back to the area by rebuilding the traditional main street.

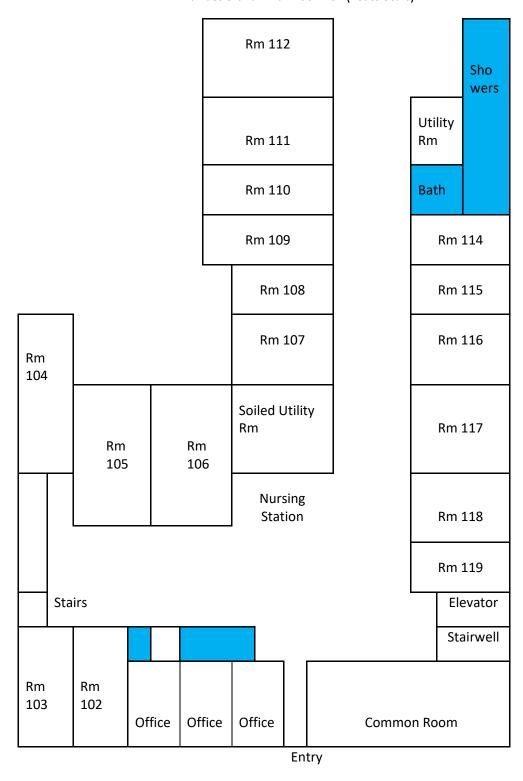
The City will also be releasing an RFQ to create new mixed-use housing on the vacant parking lots in front of Butzel Playfield (48 units and 5,000 sq ft of retail) and at the Northwest corner of Kercheval and Van Dyke in front of Marcus Garvey Academy (54 units and 10,000 sq ft of retail) within the next two years.





## III. BUILDING OVERVIEW

## 440 East Grand Blvd. Floor Plan (not to scale)





The property at 440 East Grand Blvd. has two stories and a basement, with each main story having a footprint of approximately 8,272 sf for a total building size of approximately 16,544 sf before basement. While the two main floors are materially similar, if not identical, the basement has a full commercial kitchen, office space, storage, and utilities. Original floor plans are unavailable, and all provided figures are estimates.

#### SUMMARY OF BUILDING FEATURES:

- 2 story brick with block construction
- Property is up to date with City of Detroit BSEED inspections
- Partial basement with utilities corridors
- Current configuration nursing home with multiple occupant capacity (2-4) per room
- Fire suppression system in place (Sprinkled)
- HVAC and other utilities appear to be code compliant and sized to support existing use
- Block interior walls and partitions
- Community room(s), kitchen, and office space on 1st floor
- Hard surface flooring, tile over concrete
- Flat roof, rubber/bitumen
- Recent replacement of troublesome underground drains (main) previous back up/slow drain reported as no longer occurring.
- Newer vinyl replacement windows throughout, look to be 10+ years old

The proposed adaptation of this building as an emergency shelter with non-congregate space will require modernization/up-grade to the HVAC and electrical systems. It will also require meeting the ESG Emergency Shelter Minimum Habitability Requirements and Lead-Based Paint Requirements (as stated in 24 CFR 576.403, and 24 CFR part 35), as well as any state or local codes, ordinances, etc.

#### IV. PROGRAM REQUIREMENTS AND GUIDING PRINCIPLES

#### PROGRAM REQUIREMENTS

The City requests a nonprofit entity to purchase this site and operate as a temporary emergency shelter for those experiencing homeless and who are COVID-19 positive. The purchasing non-profit does not need to directly operate the emergency shelter but must lease the site to a provider that has the ability and willingness to do so, until such time the City deems the program is no longer needed due to the decreased public health threat. At such a time, the owner must adhere to the federal requirements as outlined in the "Continued Use Requirements/Change of Use Requirements" section below.

### **GUIDING DEVELOPMENT PRINCIPLES**

Any temporary shelter that operates in the city needs to provide a safe, accessible place to stay for those experiencing homelessness and to move them towards and into appropriate and stable permanent housing. Emergency shelters achieve this goal by connecting homeless households with appropriate permanent housing resources, as well as community resources that will help them obtain or maintain housing. Emergency Shelters must be low-barrier and accept referrals without any screening criteria. This



means that households cannot be screened out of shelter for substance use, mental health, disability, family composition, or gender identity. Additionally, all overnight facilities must take walk-ins after CAM operating hours and coordinate with CAM for additional emergency shelter after the household is no longer contagious.

### V. REGULATORY REQUIREMENTS

The City of Detroit is seeking proposals from organizations that have skills and expertise in providing temporary emergency shelter services for individuals and families experiencing homelessness in order to prevent, prepare for, and respond to coronavirus, within the City of Detroit. Alternatively, if an applicant has the required experience to operate an emergency shelter but does not wish to run a COVID-19 temporary shelter, they may purchase the building and lease it to a vender that is willing and able. However, once the need for a temporary shelter is no longer required, the purchaser would be required to operate the emergency shelter directly.

A successful proposal will consider the following expectations and guidelines

#### **EXPECTATIONS**

- Any temporary shelter that operates in the city needs to provide a safe, accessible place to stay for those experiencing homelessness and to move them towards and into appropriate and stable permanent housing. Shelters achieve this goal by connecting homeless households with appropriate permanent housing resources, as well as community resources that will help them obtain or maintain housing. Emergency Shelters must be low-barrier and accept referrals without any screening criteria. This means that households cannot be screened out of shelter for substance use, mental health, disability, family composition, or gender identity.
- As permitted by the CARES Act, the use of funds for this shelter will not be subject to the habitability standards under section 417(c) of the McKinney-Vento Act, shelter standards at 24 CFR 576.403(b), or the environmental review requirements that otherwise apply to the use of ESG funds if the shelters have been determined by state or local health officials to be necessary to prevent, prepare for, and respond to coronavirus. The CARES Act exemption of ESG habitability standards and environmental review requirements do not exempt subrecipients from complying with state and local laws (such as safety or sanitation codes) that apply on their own terms to the subrecipient's activities and do not conflict with Federal law.
- Please note that funding <u>will not</u> include cost for essential services such as case management, childcare, education services, employment assistance or job training, outpatient health services, and legal services.



### CONTINUED USE REQUIREMENT/CHANGE OF USE REQUIREMENTS

- Requirements for property acquired with ESG-CV funds: When the property is determined no longer necessary or appropriate for use as a temporary emergency shelter, as defined in <u>Notice CPD-21-08</u>, the property may be converted for use as an emergency shelter without triggering the disposition requirements in 2 CFR 200.311.
- When it becomes unnecessary or impracticable to use the property either as temporary emergency shelter or emergency shelter, as described in *Notice CPD-21-08*, the owner of the property must obtain disposition instructions from HUD as provided by 2 CFR 200.311(c).
- Before conversion to use as a normal emergency shelter under 24 CFR part 576, the property must undergo a satisfactory environmental review pursuant to 24 CFR part 58 and must be inspected and determined to meet the minimum shelter standards in 24 CFR 576.403.
- The recipient must notify HUD when it begins using the property as an emergency shelter as defined in 24 CFR 576.2 and must report the status of the property to HUD either on an annual basis or at a lesser frequency that HUD may specify as provided by 2 CFR 200.330.
- The recipient must maintain up-to-date documentation showing the property is being used as an emergency shelter as defined in 24 CFR 576.2 and operated in accordance with all requirements that apply to emergency shelters under 24 CFR part 576, subpart E.

#### **OPERATING REQUIREMENTS**

If awarded, the recipient will be responsible for managing building operations and costs, including, but not limited to janitorial services to maintain the cleanliness of shared space, maintenance to ensure the safety and functioning of the building and its systems, unit turnover, utilities (water, gas, electric, internet, phone), and waste management. The City is <u>not</u> responsible for costs associated with the items listed above. If the subrecipient is unable/unwilling to operate the COVID-19 temporary shelter site, they must demonstrate a partnership with a provider that has the ability and willingness to do so through a Memorandum of Understanding or other appropriate contractual arrangement.

#### RECORD-KEEPING AND REPORTING REQUIREMENTS

Subrecipients will be required to maintain accurate records documenting that the targeted populations and/or areas are being served by the project, and to provide quarterly reports to the City demonstrating that this requirement is being satisfied. All projects funded with City of Detroit ESG-CV must participate in the Homeless Management Information System (HMIS). An HMIS is a locally managed database covering all HUD-funded homeless serving programs within the ESG/Continuum of Care geography. Often other programs use HMIS as well. In Detroit, HMIS is administered by the Homeless Action Network of Detroit (HAND). Data from the HMIS is necessary to meet several federal reporting requirements, including the production of the Consolidated Annual Performance and Evaluation Reports (CAPER) and Annual Performance Report (APR) for each program as well as system-wide reporting such as the Housing Inventory Count (HIC), Longitudinal Systems Analysis (LSA), the Point-in-Time (PIT) count, System Performance Measures (SPMs) and other reports. All programs are expected to abide by the Detroit CoC HMIS Policies and Procedures which are published on HAND'S website. For additional guidance on HMIS see the HUD exchange resource page.



#### ADDITIONAL FEDERAL REQUIREMENTS

ESG-CV-funded activities are also subject to other federal requirements. Below is a summary of additional federal requirements that may also apply to this proposed project. Subrecipients shall be solely responsible for complying with these and any other applicable federal requirements and shall be responsible for obtaining all the information necessary to satisfy these requirements

Subrecipients comply with nondiscrimination and applicable accessibility requirements, including requirements under Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, the Fair Housing Act, and their implementing regulations. See also 24 CFR 576.407(a), the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity regulations, and the Americans with Disabilities Act regulations and must be reflected in their agency policies and procedures. Refer to the City of Detroit Homeless Policies and Procedures Manual for Community Development Block Grant (CDBG) and Emergency Solutions Grants (ESG) Homeless Programs.

#### FAIR HOUSING AND EQUAL OPPORTUNITY

Discrimination on the basis of race, color, national origin, religion, disability, sex, familial status, source of income, age, sexual orientation, and gender identity is prohibited.

#### SECTION 504 REGULATIONS AND HANDICAPPED ACCESSIBILITY

A recipient is obligated to operate each non-housing program or activity so that, when viewed in its entirety, the program or activity is readily accessible to and usable by persons with disabilities.

#### **ZONING**

440 E Grand Blvd is currently zoned R5—Medium Density Residential District. As stated in the City of Detroit Zoning Code (Sec. 50-8-140), the R5 District allows Emergency Shelters as a Conditional Use. The selected operator must receive site plan approval through the City's Building, Safety Engineering & Environmental Department (BSEED), and any other approvals deemed necessary. Respondents will be responsible for conducting their own due diligence on what additional zoning and permitting approvals, if any, may be required.

#### VI. APPLICATION REQUIREMENTS

Applicants acknowledge that a successful proposal will consider the following expectations and guidelines related to requesting funding for temporary emergency shelter acquisition

- Agency Overview and summary of experience as a provider of emergency shelter
- Current Organizational Chart
- Operate the facility as a temporary shelter
- Secure Operational Dollars
- Homeless Management Information System (HMIS) Certification or Onboarding Plan



- System for AWARD Management (SAM) active registration
- IRS letter verifying current tax-exempt 501 (c)(3) status
- Proof of 2 years of experience operating a shelter
- CPA prepared Financial Statements
- Most recent annual report
- Acquisition timeline
- Plan to obtain Emergency Shelter license and Certificate of Occupancy
- Policies and Procedures for Emergency Shelter
- Resolution of Findings
- Certifications and Assurances

### CHECKLIST OF FORMS AND ATTACHMENTS

Attachment or Form #	Document Description			
Attachment 1	Agency Overview & Summary of Experience as a Provider of Emergency Shelter     Responses should demonstrate the organization's history, experience, and ability to provide emergency shelter services.     Current Organizational Chart that Includes detailed positions and key roles.     Limit narrative response to one page or less. Organizational chart does not count towards the narrative limit.			
Attachment 2	Operate the facility as a temporary shelter     Demonstrate a willingness to maintain and operate the facility as a temporary shelter for households experiencing homelessness who are also COVID-19 positive for as long as necessary as determined by the City of Detroit.     How the agency will adhere to the requirements in Section V- Regulatory Requirements section of this RFP     Limit responses to two pages or less.			
Attachment 3	Provide a viable plan to seek out and secure operational dollars.     Previous experience with managing federal funding for emergency shelters     Limit responses to one page or less.			
Form 1A	Homeless Management Information System (HMIS) Certification			



Attachment 4	System for Award Management (SAM) Active Registration  • Attached verification of an active SAM account; Refer to SAM.gov.	
Attachment 5	IRS Letter Verifying Current Tax-Exempt 501(c)(3) status     Attach IRS letter verifying current tax-exempt 501 (c)(3) status.	
Attachment 6	Proof of 2 years of experience operating a shelter  Programs with public or private funding are able to demonstrate with funding letter(s).	
Attachment 7	CPA Prepared Financial Statements	
Attachment 8	Most Recent Annual Report     Provide current agency annual report.	
Attachment 9	Submit an acquisition timeline to operate, or to lease the building to the current services provider, until there is no longer a need for temporary emergency shelter.      Please Note: Preference will be given to applicant(s) that best demonstrate no breaks in services.	
Attachment 10	Plan to Obtain Emergency Shelter License and Certification of Occupancy  Copy of 1st page of Emergency Shelter License stamped by consumer affairs department or submit a plan to obtain one. Also, provide a copy of the Certificate of Occupancy OR a plan to obtain one within 90 days of funding.	
Attachment 11	Policies and Procedures for Emergency Shelter  • Emergency Shelter Policies and Procedures (if currently operating an Emergency Shelter). If not currently operating an emergency shelter, submit a plan to put Policies and Procedures in place within 90 days.  • Policies must align with the City of Detroit ESG/CDBG Manual.  • Limit responses to one page or less.	
Attachment 12	Resolution of Findings	
Form 3	Certifications and Assurances     Completion of Form 3, Certification and Assurances, attesting to comply with said terms and conditions.	



### VII. EVALUATION AND SELECTION PROCESS

#### **EVALUATION PROCESS**

A Selection Committee (the "Committee") will be established to review submissions. The Committee will consist of representatives from HRD. Additionally, the Committee may seek assistance from selected consultants. The Committee reserves the right to contact references and verify material submitted in any proposal.

The submission of a proposal with all the requested information does not guarantee the Respondent will be a candidate for an interview.

The Committee may elect to schedule interviews with a short list of submitters. The Respondent(s) interviewed will be given the opportunity to discuss in more detail their qualifications, past experience, and proposal during the interview process. Following the interview phase, and assuming the Committee elects to pursue a specific proposal, a Respondent may be selected.

The City intends to negotiate the terms and conditions of the sale and development through a Development Agreement, a sample of which is provided in Attachment B.

The major criteria for selecting a provider will be the submission of qualifications that meet with criteria stated in Section VI of this RFP, titled <u>Submission Requirements</u>. A qualified provider is an individual or team that, in the opinion of the Committee, possesses the experience and financial resources necessary to undertake and successfully complete the development of 440 E Grand Blvd within the requirements of federal and local laws and regulations in a timely fashion.



#### APPLICATION SELECTION AND SCORING CRITERIA

Responses to this RFP will be evaluated using the following criteria and point allocation:

	Application Section	Total Points Possible
1.	Agency Overview and Summary of Experience	
	Organization experience in providing emergency shelter	
	Current Organizational Chart	20
	Policies and Procedures for Emergency Shelter	30
2.	Financial Capacity	
	<ul> <li>Demonstrates the ability to secure operational funds</li> </ul>	30
	<ul> <li>Organization is in good standing with HUD, IRS, and the City of Detroit</li> </ul>	
	<ul> <li>Tax and audit history; most recent year-end &amp; single audit report</li> </ul>	
3.	Implementation Plan	
	<ul> <li>Clearly outlines plan to operate the facility as a temporary shelter</li> </ul>	
	HMIS Certification or Onboarding Plan	40
	<ul> <li>Proof of 2 years of experience operating a shelter (submit most recent annual report)</li> </ul>	40
	<ul> <li>Most recent awards</li> </ul>	
	<ul> <li>Clearly defined and detained acquisition timeline</li> </ul>	
	<ul> <li>Plan to obtain Emergency Shelter license and Certificate of Occupancy (if applicable)</li> </ul>	
	Total Points Possible	100

### VIII. SUBMISSION PROCESS AND TIMELINE

### **DIRECTIONS FOR SUBMISSIONS**

To be considered, all RFPs must be received by <u>5:00pm EST on August 26, 2022</u>. The responsibility of submitting the RFP rests entirely with the Respondent to the RFP.

Submissions may be made electronically in an 8.5x11 PDF format via email to RFPSubmissions@detroitmi.gov.

Once received by HRD, submissions will not be returned. Formal communication, such as requests for clarification and/or information concerning this solicitation shall be submitted by email to RFPSubmissions@detroitmi.gov. Responses will be provided to all inquiries and answers to frequently asked questions will be available. Responses to questions will be e-mailed to all Respondents on a weekly basis. No information concerning this solicitation or request for clarification will be provided in response to telephone calls.



All expenses involved in the preparation and submission of the RFP to the City of Detroit or any work performed in connection therewith shall be assumed by the Respondents. No payment will be made by the City of Detroit for any responses received, nor for any other effort required of or made by the developer prior to the commencement of work.

All information in a Respondent's proposal is subject to disclosure under the provisions of Public Act No. 442 of 1976, as amended (known as the Freedom of Information Act).

#### PRE-SUBMISSION CONFERENCE & TIMELINE

On August 5, 2022, HRD will conduct an optional Pre-Submission Conference at 1:00 PM. The meeting will be virtual through a Microsoft Teams meeting with the following logon information:

# Microsoft Teams meeting

Join on your computer or mobile app

Click here to join the meeting Meeting ID: 236 143 268 061

Passcode: 3icfDe

Download Teams | Join on the web

Or call in (audio only)

+1 469-998-6602,,594497193# United States, Dallas

Phone Conference ID: 594 497 193# Find a local number | Reset PIN

<u>ACTIVITIES</u> <u>DATE</u>

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For any questions regarding the submission of qualification statements, please contact RFPSubmissions@detroitmi.gov. Applicants that wish to walk through the building can request to do so by contacting RFPSubmissions@detroitmi.gov for an appointment. Please note that the site is currently in use.



### IX. RESERVATION OF RIGHTS

The City of Detroit reserves the right to reject any and all proposals and to select the proposal it deems is in the best interests of the City.

The City of Detroit reserves and may exercise the right to request one or more of the applicants to provide additional material, clarification, confirmation, or modification of any information in the submission, and can supplement, amend, substitute, cancel, or otherwise modify this Request for Proposal at any time prior to the selection of one or more applicants.

If the process outlined in Section VI does not result in the execution of a definitive selection, the City of Detroit, at its sole option, may choose to initiate negotiations with any other qualified developer, reopen the entire RFP process, or pursue any other avenues for the sale of the property deemed appropriate by the City of Detroit.

## Please Note: All Property will be sold "AS IS"

Respondents are hereby notified that the City has not comprehensively investigated the environmental condition of 440 E Grand Blvd. The Housing and Revitalization Department has determined that the acquisition of this property using ESG-CV funds is a categorically exempt activity, so a full NEPA Environmental Review is not required at this time. A full NEPA Environmental Review will be required before any construction is done on the building, and the full scope of needed actions to meet Environmental Review Requirements under NEPA are outlined in the NEPA Compliance Commitment Memo that is included as Attachment C. Various Federal, State, or other City agencies may have information regarding the environmental condition of the site. Each Respondent is encouraged to conduct its own due diligence regarding the environmental condition of 440 E Grand Blvd. The City of Detroit makes absolutely no warranty or representation regarding the environmental condition of any of the 440 E Grand Blvd Development Site offered within this RFP.

#### X. LIST OF RFP ATTACHMENTS

- A. IVGV Planning Study for neighborhood context
- B. Standard City of Detroit Development Agreement
- C. NEPA Compliance Commitment Memo