

**CITY OF VALLEJO
PUBLIC NOTICE
REQUEST FOR PROPOSALS (RFPs)
FISCAL YEAR (FY) 2016-17**

The City of Vallejo receives federal Community Development Block Grant (CDBG) Program and federal HOME Investment Partnerships Program funds from the U. S. Department of Housing and Urban Development (HUD) on an annual basis. By or before May 15, 2016, the City intends to allocate a portion of its CDBG Program funds to non-profit organizations for the provision of housing and social (public) service programs to very low- and low-income residents of the community. The City also intends to allocate a portion of its HOME Program funds to non-profit organizations for the provision of affordable housing programs and services to its very low- and low-income residents. To this end, beginning in December, 2015, the City will hold public meetings, accept proposals, and determine the allocation of CDBG Program and HOME Program funds in FY 2016-17, (July 1, 2016 through June 30, 2017).

The Council of the City of Vallejo has established the top priority needs of the community in a five-year "Consolidated Plan". The current Plan includes the period beginning July 1, 2015, and ending June 30, 2020. This Plan is required by HUD as a condition of receiving certain federal housing and community development funds. The Consolidated Plan has established the following groups as the most in need of assistance, in this order of priority: (1) very low- and low-income renters; (2) homeless persons; (3) non-homeless persons with special needs; and (4) very low- and low-income first time homebuyers

At this time, the City invites non-profit organizations to submit proposals that address the highest priority needs in Vallejo as adopted in the Consolidated Plan, through the delivery of appropriate services and programs. From the submitted proposals, the City of Vallejo Housing and Redevelopment Commission and City staff will recommend, and the City Council will select, organizations to receive the City's CDBG Program and HOME Program funds, and provide programs and services with these funds. The Request for Proposals are available for review at the following locations:

- (1) Housing and Community Development Division, 200 Georgia Street, Vallejo
- (2) City's Web Page at: <http://www.ci.vallejo.ca.us/>, under: "Bids & Proposals".
(Internet access is available at John F. Kennedy Library, 505 Santa Clara Street, Vallejo)

Proposals submitted in response to this notice must be received **by not later than 4:00 p. m. (PST) on Thursday, January 7, 2016**. Pursuant to City Council direction, the City will not consider any proposal that is submitted after this deadline or that is substantially incomplete, with no exceptions.

The City will hold a **mandatory** Bidder's Conference for prospective CDBG Program and HOME Program RFP respondents, and other interested parties, on **Wednesday, December 16, 2015**, for the purpose of providing an overview of, and to respond to questions regarding, the RFPs, as well as other HUD and City program requirements. In order for the City to accept and consider submitted RFPs, RFP respondents **must** attend one of two sessions scheduled to be held on December 16th in the Council Chambers of City Hall, at 555 Santa Clara Street, Vallejo, from **10:00 a. m. to 12:00 p. m., (Session 1)**, or from **7:00 p. m. to 9:00 p. m., (Session 2)**. The presentations at Sessions 1 and 2 will be identical.

If there are any questions concerning this public notice, contact: Guy L. Ricca, Senior Community Development Analyst, 200 Georgia Street, Vallejo, California, 94590, (707) 648-4395, FAX: (707) 648-5249, Guy.Ricca@cityofvallejo.net.

The City of Vallejo provides its programs and services in a non-discriminatory manner, and is an Equal Opportunity Employer. The City of Vallejo also encourages minority and women-owned businesses to submit bids and proposals for CDBG Program and HOME Program contracts. For further information, contact the Housing and Community Development Division at (707) 648-4507. For further information on this public notice, the hearing-impaired may call the California Relay Service at 1-800-735-2922 without a TTY/TDD, or 1-800-735-2929 with a TTY/TDD.



Office of the City Manager • Housing and Community Development Division

**REQUEST FOR PROPOSALS (RFPs)
FROM QUALIFIED NON-PROFIT AGENCIES
TO PROVIDE SOCIAL (PUBLIC) SERVICES
IN THE CITY OF VALLEJO USING CDBG PROGRAM
FUNDS IN FY 2016-17**

RFP Issued	December 1, 2015
Responses Due	January 7, 2016, by 4:00 PM <u>Proposal Submittals To:</u> Housing and Community Development Division, City of Vallejo 200 Georgia Street Vallejo, CA 94590 <i>(See detailed instructions in RFP)</i>
Staff Review of Responses	Week of January 11, 2016
Possible Proposal Presentation Dates	Week of February 8, 2016



Housing and Community Development Division · 200 Georgia Street · Vallejo · CA · 94590 · 707.648.4507

The City of Vallejo is requesting submissions from qualified non-profit agencies to receive Fiscal Year (FY) 2016-17 federal Community Development Block Grant (CDBG) Program funds for the provision of social services to its very low- and low-income residents.

Five (5) copies of the submission must be submitted by no later than 4:00 p.m., **January 7, 2016**, to:

Housing and Community Development Division, City of Vallejo
200 Georgia Street
Vallejo, CA 94590

All responses must be submitted in sealed envelopes bearing on the outside the name of the agency submitting the proposal, the agency's address, and the words "Response to City of Vallejo Regarding Provision of Social Services". Responses received after such time and date will not be accepted. Facsimile and e-mail transmissions are specifically disallowed and will not constitute a valid submission. There will be no public opening of the responses.

Upon delivery, each response will be subject to all applicable open records laws, including but not limited to the California Public Records Act. Information deemed proprietary or otherwise privileged should be clearly marked as such. Regardless, the City of Vallejo makes no assertions that it can or will hold such information in confidence. Agencies submitting agree to hold the City of Vallejo harmless if such information is released, knowingly or not.

The City of Vallejo encourages the participation of small businesses and businesses owned by minorities and women. Nothing in this RFP constitutes an offer, or promise, or otherwise binds the City of Vallejo to take any action whatsoever in connection with its provision of any services. The City of Vallejo reserves all rights to consider any or all submissions, and to reject any or all responses in its absolute discretion.

Thank you for your interest.

Sincerely,

A handwritten signature in blue ink that reads "Guy L. Ricca".

GUY L. RICCA
Senior Community Development Analyst

**CITY OF VALLEJO
REQUEST FOR PROPOSALS
FOR SOCIAL (PUBLIC) SERVICES**

I. INTRODUCTION

General information

The City of Vallejo is requesting proposals from qualified non-profit organizations to receive CDBG Program funding to provide social services to its very low- and low-income residents.

To be considered, five (5) copies of a proposal must be received by the Housing and Community Development Division, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, on or before **4:00 p.m. on Thursday, January 7, 2016**, attention: Guy L. Ricca, Senior Community Development Analyst. The City of Vallejo reserves the right to reject any or all responses submitted.

During the evaluation process, the City of Vallejo reserves the right, where it may serve the City of Vallejo's best interest, to request additional information or clarifications from responders, or to allow corrections of errors or omissions. At the discretion of the City of Vallejo, organizations submitting responses may be requested to make oral presentations as part of the evaluation process.

The City of Vallejo also reserves the right to retain all responses submitted. Submission of a response is acceptance by the organization of the conditions contained in this request for proposals, unless clearly and specifically noted in the response submitted and confirmed in the Agreement between the City of Vallejo and the organizations selected. There is no expressed or implied obligation for the City of Vallejo to reimburse responding organizations for any expenses incurred in preparing submissions in response to this request.

The selection of agencies will be completed by **May 15, 2016**. Following the notification of the selected agencies, Agreements will be executed between both parties.

Description of the City of Vallejo

The City of Vallejo is located in southern Solano County. It has a population of 116,000. The City of Vallejo's fiscal year begins on July 1 and ends on June 30.

The City of Vallejo is a Charter City operating under the Council/Manager form of government. The City provides a full range of municipal services including general government, community development, police and fire protection, public works, and

housing. Its enterprise activities include water utility, marina, transportation, and golf course operations.

Background

The City of Vallejo receives an allocation of CDBG Program funds from the U. S. Department of Housing and Urban Development (HUD). In the current fiscal year, 2015-16, the City received \$946,808.00 in CDBG Program funds. The City estimates it will receive approximately the same amount in CDBG Program funds in FY 2016-17.

The City may allocate up to fifteen percent of the CDBG Program funds it receives to non-profit organizations for the provision of social services to its very low- and low-income residents. In FY 2015-16, the City allocated \$168,271.00 in CDBG Program funds to nine social service agencies.

The Housing and Redevelopment Commission (HRC) is an advisory body to the Vallejo City Council. Beginning in December 2015, the HRC will hold public meetings, accept proposals, and make recommendations to the City Council regarding the allocation of CDBG Program funds in the next fiscal year, 2016-17.

The City's five year "Consolidated Plan" identifies the highest priority community development and housing needs of very low- and low-income persons in Vallejo. This document includes the period beginning July 1, 2015, and ending June 30, 2020. The Plan is required by HUD as a condition of receiving certain federal community development and housing funds. (Very low-income is defined as households that are at 50 percent or below the area median income (AMI), or for a household of four persons, not more than \$37,250.00 annually. Low-income is defined as households that are at 51 to 80 percent of AMI, or for a household of four, not more than \$59,600.00 annually.)

Two of the priority population groups in Vallejo that the current Consolidated Plan has established as in need of assistance are homeless persons, and persons who are not homeless but who have special needs. (A homeless person is defined as an individual who lacks a fixed, regular, and adequate nighttime residence; or an individual who has a primary nighttime residence that is a supervised, publicly or privately operated shelter designed to provide temporary living accommodations, an institution that provides a temporary residence for individuals intended to be institutionalized, or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. Persons with special needs are defined as disabled persons, severely mentally ill persons, persons with substance abuse addictions, and persons with HIV or AIDS. A disability is defined as a physical or mental impairment that substantially limits one or more of the major life activities of such an individual.) Four of the key findings in the current Consolidated Plan are: (1) based on a point-in-time count conducted by

HomeBase in January 2015 on behalf of Community Action Partnership (CAP) Solano, there were 402 homeless persons in Vallejo in any given month, nearly 90 percent of whom were unsheltered; (2) persons with substance abuse addictions have the highest incidence of unsheltered homelessness; (3) there is a need for supportive services for (i) homeless families with children, and individuals, who reside or may reside in transitional housing; (ii) homeless families with children who reside or may reside in permanent supportive housing; and (iii) persons in recovery from substance abuse addictions who reside or may reside in sober living residencies; and (4) special needs populations who reside or may reside in supportive housing need supportive services. [The needs cited in the Consolidated Plan were obtained from special tabulations of U. S. Census Bureau data provided by HUD, the City's Housing Element, and local sources.]

II. SCOPE OF SERVICES REQUESTED

At this time, the City asks qualified non-profit organizations to submit proposals to receive a portion of the City's FY 2016-17 CDBG Program funds that will address the needs of a high priority group(s) as referenced above. Pursuant to a motion adopted by the City Council on November 17, 2015, (attached as Exhibit 1), the HRC and staff will recommend, and the City Council will consider, allocating CDBG Program funds in FY 2016-17 to provide social services. Per City Council direction, the minimum funding allocation per social service program will be \$20,000.00; and there will be no maximum. **If a social service agency submits a proposal for less than \$20,000.00, it will not be accepted by the City.**

III. SCHEDULE

From the submitted proposal responses, staff will screen prospective proposals for completeness, proposals to be recommended for funding by the HRC and staff, and considered and selected by the City Council.

The schedule for the organization selection process will be as follows:

<i>Event</i>	<i>Date</i>
1. Release of RFP	December 1, 2015
2. Mandatory Bidder's Conference	December 16, 2015
3. Due date for receipt of proposals	By not later than 4:00 p. m. (PST) on Thursday, January 7, 2016
3. Staff review of proposal responses	Week of January 11, 2016

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|---|--------------------------|
| 4. Possible proposal presentation dates | Week of February 8, 2016 |
| 5. Selection of organization(s) by City Council | By May 15, 2016 |
| 6. Effective date of Agreement | July 1, 2016 |

IV. RESPONSE REQUIREMENTS

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that submissions include the following basic format. The agency is expected to provide services as outlined in this RFP and should prepare its response to address fully its ability to satisfy these components.

- 1. Agency Information; and Key Personnel and Their Resumes and Qualifications** – Provide: agency name and address; RFP contact person, telephone, FAX, and e-mail; an organizational chart; and the resumes of key personnel who will be associated with the proposed program or project, and a list of their qualifications.
- 2. Overview of Organization/Mission** – Provide a detailed description of the organization’s mission and history (including years in existence).
- 3. Services Proposed with Staffing Plan** – Provide a detailed description of the services proposed to be provided, and the clients proposed to be served. Indicate the income ranges of the persons to be assisted, and how information will be obtained on each client’s annual income and household size.

If applicable, provide a detailed description of the services provided, and the clients served, in the past year. Indicate the income ranges of the clients that were served, and how information was obtained on each client’s annual income and household size.

A non-profit organization receiving CDBG Program funds through this RFP must propose to address the **supportive services** needs of no less than one of the following population groups: (1) homeless single men in need of emergency shelter; (2) unsheltered homeless persons in need of appropriate supportive services; (3) homeless individuals in need of permanent shelter; (4) low-income families with children attending the Vallejo City Unified school district; (5) homeless families with children in need of permanent housing; (6) supportive housing for persons with HIV or AIDS; (7) supportive permanent housing for the severely mentally ill; (8) treatment and prevention programs for persons with

substance abuse addictions; (9) programs meeting the basic needs of older adults and the disabled; or (10) victims of domestic violence. [Note: CDBG Program social services funds may not be used to pay for the operating costs of housing developments.]

4. **List of Board of Directors and Their Expertise** - Provide a roster/list of the Board of Directors which identifies Board Officers, Directors' addresses and telephone numbers, and their expertise.
5. **Authorizing Governing Board Resolution, (Including Roll Call Vote)** – Provide a Resolution by entity Board authorizing signatory to do business for the entity, and to seek a commitment of City of Vallejo funds under this program.

Note: Organizations receiving CDBG Program funds in FY 2015-16 are not required to submit documentation responding to Items 6 through 11 below.

6. **Non-Profit Status/501 (c) 3 Designation Letter (from Internal Revenue Service)** – Provide documentation that agency is chartered as a 501 (c) 3 organization.
7. **Articles of Incorporation** – Attach a copy of organization's Articles of Incorporation.
8. **By-Laws** – Attach a copy of agency's By-Laws.
9. **Annual Audit or Financial Statement, and Organizational Budgets with All Sources, for the Last Three Years** – The organization must document that it is fiscally sound. Submit a copy of the Annual Audits or Financial Statements of the organization for the past three years, and organizations with all funding sources for the past three years.
10. **Written Fiscal Policies and Procedures** – Submit organization's written Fiscal Policies and Procedures.
11. **Written Personnel Policies and Procedures** – Submit organization's written Personnel Policies and Procedures.
12. **Organizational Viability** – Provide information and documentation to indicate that the organization will be active and financially viable in FY 2016-17. Provide a **summary** of the organization's current strategic or operations plan.
13. **Timeline/Project Schedule** – Provide a timeline for the specific action described in #3. The City of Vallejo will make funds available for the period beginning July

1, 2016, and ending June 30, 2017. According to HUD guidelines, the City must expend CDBG Program funds promptly. Therefore, the HRC and staff will recommend, and the City Council will consider, funding activities and services that will be delivered in a timely manner.

In addition, for FY 2016-17, the City requires that organizations allocated funding submit requested documentation (signed Agreement, scope of services, budget, and original insurance certificates and endorsements or binders), to the City **by June 30, 2016**, so that Agreements may be executed in a timely manner. **Failure to do so by June 30, 2016, will result in forfeiture by an organization of its FY 2016-17 funding allocation.**

14. Program and Overall Organizational Budgets – Provide the proposed program budget for FY 2016-17. Provide overall organizational budgets for FYs 2014/2015 and FY 2015/2016.

15. Collaboration – To ensure the best of the City's funds, provide documentation that the respondent's proposed services are collaborating or will collaborate, to the greatest extent possible, with organizations providing similar services and programs, in order to avoid any duplication of effort. Further, provide documentation that the respondent is using or will use a unique identifier system to track client services, also to eliminate or minimize duplication of services.

16. References – Please list the name, address, and telephone number of references from three recent similar projects for other public entities. Please provide a brief description of the work provided for each reference.

17. Insurance Coverages and Workers Compensation – Indicate current insurance coverages held by the agency. (See Exhibit 2, attached, for City's Insurance Requirements.)

V. SUBMISSION REQUIREMENTS (PHYSICAL DATA)

Submit **five** complete sets of the proposal to:

Guy L. Ricca, Senior Community Development Analyst
Housing and Community Development Division, City of Vallejo
200 Georgia Street
Vallejo, CA 94590
(707) 648-4395 Fax: (707) 648-5249
Guy.Ricca@cityofvallejo.net

All questions pertaining to this request shall also be directed to the staff person at the above-named address.

These copies must be received by not later than 4:00 p. m. (PST) on Thursday, January 7, 2016. Pursuant to City Council direction, the City will not accept or consider any proposals that are: (1) submitted after the deadline, or (2) are substantially incomplete, with no exceptions.

Information contained in proposals should be formatted consistent with this request and be thoroughly specific wherever possible. Greater priority will be given to specificity as well as information which is more recent.

Note: Staff will also hold a **mandatory** Bidder's Conference for prospective CDBG Program and HOME Program RFP respondents, on **Wednesday, December 16, 2015**, for the purpose of providing an overview of, and to respond to questions regarding, this RFP, as well as other HUD and City program requirements. In order for the City to accept and consider submitted RFPs, RFP respondents **must** attend one of two sessions scheduled to be held on December 16th in the Council Chambers of City Hall, at 555 Santa Clara Street, Vallejo, from **10:00 a. m. to 12:00 p. m., (Session 1)**, or from **7:00 p. m. to 9:00 p. m., (Session 2)**. The presentations at Sessions 1 and 2 will be identical.

VI. EVALUATION CRITERIA

Submissions will be evaluated based upon their response to provisions of this Request for Proposals.

Ease of administration for the City of Vallejo and the most efficient use of staff resources is of high importance.

The following criteria will be used to evaluate responses to this Request for Proposals, in order of importance:

1. Agency's overall experience with delivering social services and its performance record of programs provided on behalf of CDBG Program-eligible clients.
2. Quality of references and experience with public agency clients.
3. Strength and financial stability of the agency.

4. Expertise, technical qualifications, and quality of relationship management of the agency staff who will execute the Scope of Services outlined in the RFP.
5. Ability and commitment to meet the timelines identified in this RFP to execute the Agreement and to begin providing services promptly.

The City of Vallejo may reject any proposal in which the approach or qualifications are not deemed to be within an acceptable range. The City of Vallejo may seek clarifications from any or all agencies regarding their proposals, or may request that agencies provide modified proposals.

This RFP does not commit the City of Vallejo to allocating funding. Agencies shall bear all costs incurred in the preparation of the proposal and participating in the process. The City of Vallejo reserves the right to reject any and all proposals, to accept the proposals it considers most favorable to the City of Vallejo's interest in its sole discretion, and to waive minor irregularities. The City of Vallejo further reserves the right to seek new proposals when such procedure is considered by it to be in the best interest of the City of Vallejo.

Exhibits

Exhibit 1 – City Council Staff Report Dated November 17, 2015

Exhibit 2 – Insurance Requirements

community sentiment regarding a potential November 8, 2016 ballot measure reauthorizing Measure B and direct the City Manager to return to the City Council by March 2016 with polling results.



B. APPROVAL OF FISCAL YEAR 2016-2017 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

Recommendation: By motion, approve the Fiscal Year 2015-2016 CDBG Program and HOME Program funding application process as outlined in this report

Contact: Guy Ricca, Senior Community Development Analyst, (707) 648-4395

Assistant City Manager Whittom provided an overview of the staff report and outlined the proposed recommendation.

Speakers: None.

Staff responded to questions from Councilmembers. Councilmembers provided comment.

Action: Moved by Mayor Davis and carried unanimously to approve the Fiscal Year 2016-2017 CDBG Program and HOME Program funding application process as outlined in the staff report.

C. CONTINUATION OF A PUBLIC HEARING TO THE DECEMBER 8, 2015 MEETING AN ORDINANCE AMENDING CHAPTER 16.71 WATER EFFICIENT LANDSCAPE REGULATIONS OF THE VALLEJO MUNICIPAL CODE (ZONING ORDINANCE) TO INCORPORATE REVISIONS CONSISTENT WITH THE UPDATED STATE MODEL WATER EFFICIENT LANDSCAPE ORDINANCE

Recommendation: Continue the Public Hearing to December 8, 2015

Contact: Michelle Hightower, Senior Planner, (707) 648-4506

Mayor Davis opened the public hearing. There were no speakers.

Action: Continued the Public Hearing to December 8, 2015.

9. INFORMATION CALENDAR

A. FISCAL YEAR 2015-2016 GENERAL FUND FINANCIAL UPDATE

Recommendation: Receive the first quarter Fiscal Year 2015-2016 update from city staff on the status of City finances

Contact: Ron Millard, Finance Director, (707) 648-4592

Finance Director Millard provided background information and economic news, reviewed revenues, expenditures and the fiscal impact for the first quarter of FY 15/16, provided a ten year forecast, and outlined next steps.



DATE: November 17, 2015
TO: Mayor and Members of the City Council
FROM: Anne Putney, Housing and Community Development Manager
Guy Ricca, Senior Community Development Analyst

SUBJECT: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

RECOMMENDATION

By motion, approve the FY 2016-17 CDBG Program and HOME Program funding application process as outlined in this report .

REASONS FOR RECOMMENDATION

Since 1974, the City has received annual funding allocations of CDBG Program or HOME Program funds from the U.S. Department of Housing and Urban Development (HUD). These funds have helped the City to address its community development and affordable housing needs. The City Council typically approves a process for determining activities and projects every one or two years.

BACKGROUND AND DISCUSSION

This agenda item is the beginning of the process to determine the allocation of FY 2016-17 CDBG Program and HOME Program activities. At tonight's meeting staff proposes that the City adopt a funding application process and criteria.

CDBG Program funds may be used for such projects as affordable housing, housing and neighborhood preservation or revitalization, public improvements in Target Area neighborhoods, curb ramps, social services, and economic development. HOME Program funds may be used solely to support affordable housing. The Housing and Redevelopment Commission (HRC) consider this item on November 5, 2015, and recommended unanimously that the City Council approve staff's recommendations.

Availability of Funds

For FY 2015-16, the current fiscal year, the City allocated \$996,808 in new CDBG Program funds. Of this amount, \$50,000 is revenue (program income) that the City anticipates it will receive in FY 2015-16, primarily from principal and interest loan payments. The balance (\$946,808) is grant ("entitlement") funds the City received from HUD.

The City also received \$367,969 in new HOME Program funds from HUD in FY 2015-16, and estimated in May, 2015, that it would receive \$200,000 in program income, also from loan repayments, for a total of

Subject: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

\$567,969. Fifteen percent of the City's annual HOME Program grant received directly from HUD must be allocated to a qualified Community Housing Development Organization, ("CHDO"). Community Housing Development Corporation (CHDC), whom the City has partnered with for several years, is a qualified CHDO.

Staff estimates the City will receive approximately the same amount in CDBG Program funds in FY 2016-17 as in FY 2015-16. In addition, staff estimates the City will receive approximately the same amount of HOME Program funds in FY 2016-17 as the City received in FY 2015-16.

High Priority Needs

The Consolidated Plan is a five year planning document required by HUD, in order for the City to receive certain federal community development and housing funds. It documents, in detail, community development and housing needs in Vallejo. The Plan includes characteristics of the housing market and the existing housing stock; an assessment of affordable housing needs; and the resources available to address those needs. The City's current Consolidated Plan was approved by the City Council in May, 2015. The Plan includes the period beginning July 1, 2015, and ending June 30, 2020.

The Consolidated Plan has established the following groups as the most in need of assistance, in this order of priority: (1) very low- and low-income renters; (2) homeless persons; (3) non-homeless persons with special needs; and (4) very low- and low-income first time homebuyers.

Housing - The Consolidated Plan documents a need for the development of affordable rental and ownership housing; supportive housing for persons with special needs; first time homebuyer assistance; the acquisition, rehabilitation, and resale of foreclosed and short sale properties to stabilize neighborhoods; and services appropriate to address the needs of the unsheltered (chronically) homeless population in the community.

Staff recommends that the City request and consider proposals to use FY 2016-17 CDBG Program and HOME Program funds for the aforementioned affordable housing activities.

Public Improvements in "Neighborhood Preservation Areas" - The Consolidated Plan found that there is a need for (1) curb ramps throughout Vallejo; and (2) basic public and facility improvements in CDBG Program Target Area neighborhoods. For example, in many locations in Target Areas, curbs, gutters, and sidewalks are severely deteriorated or missing. A previous City Council also established the installation of curb ramps as a high priority until all needed ramps are installed.

Social Services - According to HUD guidelines, the City may allocate no more than fifteen percent of its CDBG Program funds each year to social service activities. In FY 2015-16, the City allocated \$168,271 to nine social service agencies.

Staff estimates that there will be approximately \$150,000 available to allocate to social service programs in FY 2016-17. Staff recommends that the minimum funding allocation to each social service agency be \$20,000; and that there be no maximum. Staff believes that with limited CDBG Program funding, it is not cost effective for the City, or the social service agencies, for the City Council to allocate less than \$20,000 per social service

Subject: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

program, and still meet the administrative requirements of the CDBG Program. If a \$20,000 minimum funding level is established, (no proposals are considered that request less than \$20,000) then no more than seven to eight social service activities would receive funding in FY 2016-17. In some cases, the HRC and City Council may wish to allocate more than \$20,000 to a program.

Program Administration - HUD regulations allow the City to allocate no more than twenty and ten percent of its CDBG Program and HOME Program funds, respectively, each year to program administration. These funds are used for general management, oversight, and coordination of the CDBG Program and HOME Program by staff; and for public information.

Staff anticipates the City will need to allocate the full amount allowed in this category in FY 2016-17 to administer these programs effectively, and ensure program requirements are met.

Proposed Process for Requesting CDBG Program and HOME Program Funds

Staff recommends that the City use a Request for Proposals ("RFP") process to receive requests for housing and social service projects and activities for a portion of its CDBG Program and HOME Program funding. This process has been effectively deployed in previous funding cycles. For FY 2016-17, the City would accept proposals from organizations that will address the top priority needs in the Consolidated Plan. The review process would not consider proposals that do not address the City's highest priorities and established criteria, as delineated below.

Evaluation of Proposals

Staff proposes the following criteria be used in screening and evaluating proposals:

The organization must propose to address the needs of a high priority group in the Consolidated Plan.

Social Service Agencies: A social service agency must propose to address the needs of one of the following populations: (1) homeless single men in need of emergency shelter, (2) unsheltered homeless persons in need of appropriate supportive services, (3) homeless individuals in need of permanent housing, (4) very low- or low-income families with children, (5) homeless families with children in need of permanent housing, (6) supportive services for persons with HIV/AIDS, (7) supportive permanent housing for the severely mentally ill, (8) treatment and prevention programs for persons with substance abuse addictions, (9) programs meeting the basic needs of the elderly and disabled, or (10) victims of domestic violence.

Housing Agencies: A housing organization must propose to address the housing needs of very low- or low-income renters, prospective homeowners, or existing homeowners; or to provide transitional or permanent housing with appropriate supportive services to the homeless (sheltered or unsheltered), or to a special needs population.

All organizations that submit proposals must document that they are chartered as a non-profit, 501(c)(3) organization; submit other eligibility documents; and provide evidence that they are fiscally sound. Proposers

Subject: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

must also submit written fiscal and personnel policies and procedures.

According to HUD guidelines, the City must expend CDBG Program funds, and commit HOME Program funds, promptly. Therefore, staff recommends that the City consider funding activities and services that have the best chance to be delivered in a timely manner.

Proposed Availability of Request for Proposals, Proposal Deadline, and Bidder's Conference

Staff proposes to prepare a Request for Proposals for housing and social service organizations to complete, and to make them available by or before **Wednesday, November 25, 2015**. Staff also proposes the deadline for organizations to return completed proposals be not later than **4:00 p. m. (PST) on Thursday, January 7, 2016**.

In fairness to those organizations that participate in the funding process from the beginning, and to ensure an orderly process, staff recommends that the HRC and City Council not consider any proposal that is submitted after the January 7, 2016, deadline, or that is substantially incomplete, with no exceptions.

Finally, staff proposes to hold a **mandatory Bidder's Conference**, consisting of two sessions, for prospective CDBG Program and HOME Program RFP respondents, and other interested parties, on **Wednesday, December 16, 2015**. The purpose of these sessions will be to provide an overview on and to respond to questions regarding the RFPs, as well as HUD and City program requirements.

FISCAL IMPACT

There is no impact to the General Fund by this action. If the recommendation is approved, the City Council's action will establish a funding application process for the allocation of CDBG Program and HOME Program funds to projects and activities in FY 2016-17. The HRC and staff will make recommendations to the City Council on the allocation of CDBG Program and HOME Program funds by or before May, 2016.

ENVIRONMENTAL REVIEW

There is no environmental review associated with this action. California Environmental Quality Act ("CEQA") and National Environmental Policy Act ("NEPA") environmental reviews for proposed projects will be completed. In the past, these types of projects have been determined to be categorically excluded pursuant to CEQA Guidelines section 15302, and categorically excluded from NEPA.

ATTACHMENTS

None

CONTACT

Guy Ricca, Senior Community Development Analyst, (707) 648-4395
guy.ricca@cityofvallejo.net

EVIDENCE OF INSURANCE

INSURANCE REQUIREMENTS:

AGENCY shall procure and maintain for the duration of AGREEMENT, including any extensions thereto, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by AGENCY, its agents, representatives, employees, or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance.
4. Professional Liability Insurance, when applicable, appropriate to AGENCY's profession (Errors and Omissions).

_____ (check if required)

_____ AGENCY Acknowledgement of Requirement (AGENCY initials)

5. "All risk" Property Insurance, when applicable, which shall include fire and extended coverage, sprinkler leakage, vandalism, and malicious mischief coverage for all buildings, equipment, fixtures, and materials used or stored for use by AGENCY. This insurance shall contain a loss payee provision providing that all proceeds allocated to the buildings, fixtures, and any other property that is not AGENCY's personal property shall be paid to CITY.

_____ (check if required)

_____ AGENCY Acknowledgement of Requirement (AGENCY initials)

B. Minimum Limits of Insurance

AGENCY shall maintain limits no less than:

1. General Liability: \$2,000,000.00 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, coverage shall be twice the per occurrence amount.
2. Automobile Liability: \$1,000,000.00 per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability: \$1,000,000.00 per accident for bodily injury or disease. If AGENCY is not subject to California Workers' Compensation requirements, AGENCY shall file a completed Certificate of Exemption Form which may be obtained from CITY prior to commencing any activity authorized hereunder.
4. Professional Liability (Errors and Omissions): \$1,000,000.00 combined single limit per claim, and annual aggregate.
5. "All risk" Property Insurance: One hundred percent of the then current replacement value of all buildings, equipment, fixtures, and materials used or stored for use by AGENCY.

C. Deductible and Self-insured Retention

Any deductibles or self-insured retention must be declared to and approved by CITY's City Attorney. If the deductibles or self-insured retention limit is unacceptable to CITY's City Attorney, at his or her option, the insurer shall either reduce or eliminate such deductibles or self-insured retention as respects CITY, its officers, officials, employees, and volunteers; or AGENCY shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

D. Other Insurance Provisions

The General Liability and Automobile Liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. CITY, its officers, officials, employees, agents, and volunteers are to be covered as additional insured as respects: liability, including defense costs, arising out of activities performed by or on behalf of AGENCY; products and completed operations of AGENCY; premises owned, occupied, or used by AGENCY; or automobiles owned, leased, hired, or borrowed by AGENCY. The coverage shall contain no special limitations on the scope of protection afforded

to CITY, its officers, officials, employees, agents, or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.

2. For any claims related to AGREEMENT, AGENCY's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by CITY, its officers, officials, employees, agents, or volunteers shall be excess of AGENCY's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, its officers, officials, employees, agents, or volunteers.

4. AGENCY's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty days' prior written notice by certified mail, return receipt requested, has been given to CITY.

The Workers' Compensation and Employer's Liability policy required hereunder shall be endorsed to state that the Worker's Compensation carrier waives its right of subrogation against CITY, its officers, officials, employees, agents, and volunteers, which might arise by reason of payment under such policy in connection with AGENCY's performance under AGREEMENT.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII.

F. Verification of Coverage

AGENCY shall furnish CITY with original certificates of insurance for all insurances required by AGREEMENT, and with endorsements effecting general and automobile liability insurance coverages required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY's City Attorney before work commences. CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsement affecting the coverage, by AGREEMENT at any time. All verification of coverage and other insurance documents shall be mailed to the following address or to any other subsequent address as may be directed in writing by CITY's City Attorney:

City of Vallejo
Attention: City Attorney
555 Santa Clara Street
Vallejo, CA 94590

G. Subcontractors

AGENCY shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

H. Payment Withhold

CITY will withhold payments to AGENCY if the certificates of insurance and endorsements required in Paragraph f, above, are canceled or if AGENCY otherwise ceases to be insured as required herein.



Office of the City Manager • Housing and Community Development Division

**REQUEST FOR PROPOSALS (RFPs)
FROM QUALIFIED NON-PROFIT AGENCIES
TO PROVIDE HOUSING REHABILITATION AND
HOMEOWNERSHIP ASSISTANCE IN THE CITY OF
VALLEJO USING CDBG PROGRAM AND HOME
PROGRAM FUNDS**

RFP Issued	December 1, 2015
Responses Due	January 7, 2016, by 4:00 PM <u>Proposal Submittals To:</u> Housing and Community Development Division, City of Vallejo 200 Georgia Street Vallejo, CA 94590 <i>(See detailed instructions in RFP)</i>
Staff Review of Responses	Week of January 11, 2016
Possible Proposal Presentation Dates	Week of February 8, 2016



Housing and Community Development Division · 200 Georgia Street · Vallejo · CA · 94590 · 707.648.4507

The City of Vallejo is requesting submissions from qualified non-profit agencies to receive Fiscal Year (FY) 2016-17 federal Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program funds for the provision of housing programs and services to its very low- and low-income residents.

Five (5) copies of the submission must be submitted by no later than 4:00 p.m., **January 7, 2016, to:**

Housing and Community Development Division, City of Vallejo
200 Georgia Street
Vallejo, CA 94590

All responses must be submitted in sealed envelopes bearing on the outside the name of the agency submitting the proposal, the agency's address, and the words "Response to City of Vallejo Regarding Provision of Housing Programs and Services". Responses received after such time and date will not be accepted. Facsimile and e-mail transmissions are specifically disallowed and will not constitute a valid submission. There will be no public opening of the responses.

Upon delivery, each response will be subject to all applicable open records laws, including but not limited to the California Public Records Act. Information deemed proprietary or otherwise privileged should be clearly marked as such. Regardless, the City of Vallejo makes no assertions that it can or will hold such information in confidence. Agencies submitting agree to hold the City of Vallejo harmless if such information is released, knowingly or not.

The City of Vallejo encourages the participation of small businesses and businesses owned by minorities and women. Nothing in this RFP constitutes an offer, or promise, or otherwise binds the City of Vallejo to take any action whatsoever in connection with its provision of any services. The City of Vallejo reserves all rights to consider any or all submissions, and to reject any or all responses in its absolute discretion.

Thank you for your interest.

Sincerely,

A handwritten signature in blue ink that reads "Guy L. Ricca".

GUY L. RICCA
Senior Community Development Analyst

**CITY OF VALLEJO
REQUEST FOR PROPOSALS
FOR HOUSING REHABILITATION AND HOMEOWNERSHIP ASSISTANCE**

I. INTRODUCTION

General information

The City of Vallejo is requesting proposals from qualified non-profit organizations to receive CDBG Program and HOME funding to provide affordable housing to its very low- and low-income residents.

To be considered, five (5) copies of a proposal must be received by the Housing and Community Development Division, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, on or before **4:00 p.m. on Thursday, January 7, 2016**, attention: Guy L. Ricca, Senior Community Development Analyst. The City of Vallejo reserves the right to reject any or all responses submitted.

During the evaluation process, the City of Vallejo reserves the right, where it may serve the City of Vallejo's best interest, to request additional information or clarifications from responders, or to allow corrections of errors or omissions. At the discretion of the City of Vallejo, organizations submitting responses may be requested to make oral presentations as part of the evaluation process.

The City of Vallejo also reserves the right to retain all responses submitted. Submission of a response is acceptance by the organization of the conditions contained in this request for proposals, unless clearly and specifically noted in the response submitted and confirmed in the Agreement between the City of Vallejo and the organizations selected. There is no expressed or implied obligation for the City of Vallejo to reimburse responding organizations for any expenses incurred in preparing submissions in response to this request.

It is anticipated the selection of agencies will be completed by **May 15, 2016**. Following the notification of the selected agencies, Agreements will be executed between both parties.

Description of the City of Vallejo

The City of Vallejo is located in southern Solano County. It has a population of 116,000. The City of Vallejo's Fiscal Year (FY) begins on July 1 and ends on June 30.

The City of Vallejo is a Charter City operating under the Council/Manager form of government. The City provides a full range of municipal services including general

government, community development, police and fire protection, public works, and housing. Its enterprise activities include water utility, marina, transportation, and golf course operations.

Background

The City of Vallejo receives an allocation of CDBG Program and HOME Program funds from the U. S. Department of Housing and Urban Development (HUD). In the current fiscal year, 2015-16, the City received \$946,808.00 in CDBG Program funds, and \$367,969.00 in HOME Program funds. The City estimates it will receive approximately the same amount in CDBG Program and HOME Program funds in FY 2016-17.

The Housing and Redevelopment Commission (HRC) is an advisory body to the Vallejo City Council. Beginning in December 2015, the HRC will hold public meetings, accept proposals, and make recommendations to the City Council regarding the allocation of CDBG Program and HOME Program funds in the next fiscal year, 2016-17.

The City's five year "Consolidated Plan" identifies the highest priority community development and housing needs of very low- and low-income persons in Vallejo. This document includes the period beginning July 1, 2015, and ending June 30, 2020. The Plan is required by HUD as a condition of receiving certain federal community development and housing funds. (Very low-income is defined as households that are at 50 percent or below the area median income (AMI), or for a household of four persons, not more than \$37,250.00 annually. Low-income is defined as households that are at 51 to 80 percent of AMI, or for a household of four, not more than \$59,600.00 annually.)

One of the priority population groups in Vallejo that the Consolidated Plan has established as in need of assistance are very low- and low-income first time homebuyers. The Consolidated Plan further documents a need for the development of affordable ownership housing, including: (1) the acquisition, rehabilitation, preservation, and re-sale of existing foreclosed or short sale housing units to stabilize neighborhoods; and (2) homeownership assistance, include first time homebuyer education and post-purchase counseling. Three key findings in the current Consolidated Plan are: (1) over 1,200 owner-occupied and vacant housing units are in need of substantial rehabilitation or exterior painting; (2) since 2008, the City has been severely impacted by the recent mortgage crisis; and; (3) there is a demand for homeownership assistance for very low- and low-income renter households. [The housing needs cited in the Consolidated Plan were obtained from special tabulations of U. S. Census Bureau data provided by HUD, the City's Housing Element, and local sources.]

II. SCOPE OF SERVICES REQUESTED

At this time, the City asks qualified non-profit organizations or limited partnerships whose managing general partner is a 501 (c) (3) non-profit corporation to submit proposals to receive a portion of the City's FY 2016-17 CDBG Program and HOME Program funds for the aforementioned affordable housing activities that in turn will address the highest priority housing needs of the residents of Vallejo, also referenced above. Pursuant to a motion adopted by the City Council on November 17, 2015, (attached as Exhibit 1), the HRC and staff will recommend, and the City Council will consider, allocating CDBG Program and HOME Program funds in FY 2016-17 to provide affordable housing.

III. SCHEDULE

From the submitted proposal responses, staff will screen prospective proposals for completeness, proposals to be recommended for funding by the HRC and staff, and considered and selected by the City Council.

The schedule for the organization selection process will be as follows:

<i>Event</i>	<i>Date</i>
1. Release of RFP	December 1, 2015
2. Mandatory Bidder's Conference	December 16, 2015
3. Due date for receipt of proposals	By not later than 4:00 p. m. (PST) on Thursday, January 7, 2016
3. Staff review of proposal responses	Week of January 11, 2016
4. Possible proposal presentation dates	Week of February 8, 2016
5. Selection of organization(s) by City Council	By May 15, 2016
6. Effective date of Agreement	July 1, 2016

IV. RESPONSE REQUIREMENTS

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that submissions include the following basic format. The agency is expected to provide services as outlined in this RFP and should prepare its response to address fully its ability to satisfy these components.

1. **Agency Information; and Key Personnel and Their Resumes and Qualifications** – Provide: agency name and address; RFP contact person, telephone, FAX, and e-mail; an organizational chart; and the resumes of key personnel who will be associated with the proposed program or project, and a list of their qualifications.
2. **Overview of Organization/Mission** – Provide a detailed description of the organization’s mission and history (including years in existence).
3. **Affordable Housing Proposed/Project Description** – Provide a detailed description of the proposed affordable housing programs to be provided, and targeted households. Indicate the income ranges of the persons to be assisted, and how information will be obtained on each household’s annual income and household size. Provide a detailed **marketing/outreach plan**, in writing, for all of its programs, (e. g., mortgage assistance, etc.).

An organization receiving CDBG Program and HOME Program funds through this RFP must propose to address the housing needs of very low- and low-income first time homebuyers, or very low- and low-income existing homeowners.

4. **List of Board of Directors and Their Expertise** - Provide a roster/list of the Board of Directors which identifies Board Officers, Directors’ addresses and telephone numbers, and their expertise.
5. **Authorizing Governing Board Resolution, (Including Roll Call Vote)** – Provide a Resolution by entity Board authorizing signatory to do business for the entity, and to seek a commitment of City of Vallejo funds under this program.
6. **Non-Profit Status/501 (c) 3 Designation Letter (from Internal Revenue Service)** – Provide documentation that agency is chartered as a 501 (c) 3 organization.
7. **Articles of Incorporation** – Attach a copy of organization’s Articles of Incorporation.
8. **By-Laws** – Attach a copy of agency’s By-Laws.
9. **HOME Program “CHDO” Status** – Indicate whether the agency is a qualified HOME Program Community Housing Development Organization, or “CHDO”, or can become qualified as a CHDO by July 1, 2016, as defined by HUD, through enclosing the following documents/materials:

- (i) Documentation of Qualifying Governing Board
- (ii) Board Meeting minutes, (January 1, 2015 through December 31, 2015)
- (iii) Organizational Brochure(s)
- (iv) Documentation of Affiliate Status (if applicable)
- (v) Documentation/Copies of 2015 Media Coverage (e. g., newspaper articles)

(See Exhibit 3, attached, for a CHDO definition.)

10. Annual Audit or Financial Statement, and Organizational Budgets with All Sources, for the Last Three Years – The organization must document that it is fiscally sound. Submit a copy of the Annual Audits or Financial Statements of the organization for the past three years, and organizations with all funding sources for the past three years.

11. Written Fiscal Policies and Procedures – Submit organization’s written Fiscal Policies and Procedures.

12. Written Personnel Policies and Procedures – Submit organization’s written Personnel Policies and Procedures.

13. Organizational Viability – Provide information and documentation to indicate that the organization will be active and financially viable in FY 2016-17. Provide a **summary** of the organization’s current strategic or operations plan.

14. Timeline/Project Schedule –Provide a timeline for the specific action described in #3. The City of Vallejo will make funds available for the period beginning July 1, 2016, and ending June 30, 2017. According to HUD guidelines, the City must expend CDBG Program funds, and commit HOME Program funds, promptly. Therefore, the HRC and staff will recommend, and the City Council will consider, funding activities and services that will be delivered in a timely manner.

In addition, for FY 2016-17, the City requires that organizations allocated funding submit requested documentation (signed Agreement, scope of services, budget, and original insurance certificates and endorsements or binders), to the City **by June 30, 2016**, so that Agreements may be executed in a timely manner. **Failure to do so by June 30, 2016, will result in forfeiture by an organization of its FY 2016-17 funding allocation(s).**

15. Proposed Financial Plan for Development, and Proof of Commitments of Secured Financing, (attach Development Budgets/Pro Formas), If Applicable – Provide the proposed CDBG Program and HOME Program

budget/financing plan for FY 2016-17 for the proposed project. Include documentation of financial commitments, if applicable.

16. Additional Documents – If applicable, provide additional documentation regarding the proposed project, i. e., copies of purchase contract, appraisal, etcetera.

17. References – Please list the name, address, and telephone number of references, or letters of reference, for the organization. References should include at least one financial institution.

18. Insurance Coverages and Workers Compensation – Indicate current insurance coverages held by the agency. (See Exhibit 2, attached, for City's Insurance Requirements.)

Other Issues to be Considered: Prior performance by the respondent will be taken into consideration during the proposal review, including timely completion of previous projects and activities supported by City funds within the agreed-upon schedules and budgets, and full compliance with the terms of previous financing agreements.

V. SUBMISSION REQUIREMENTS (PHYSICAL DATA)

Submit **five** complete sets of the proposal to:

Guy L. Ricca, Senior Community Development Analyst
Housing and Community Development Division, City of Vallejo
200 Georgia Street
Vallejo, CA 94590
707/648-4395 Fax: 707/648-5249
Guy.Ricca@cityofvallejo.net

All questions pertaining to this request shall also be directed to the staff person at the above-named address.

These copies must be received by not later than 4:00 p. m. (PST on Thursday, January 7, 2016. Pursuant to City Council direction, the City will not accept or consider any proposals that are: (1) submitted after the deadline, **or** (2) are substantially incomplete, with no exceptions.

Information contained in proposals should be formatted consistent with this request and be thoroughly specific wherever possible. Greater priority will be given to

specificity as well as information which is more recent.

Note: Staff will also hold a **mandatory** Bidder's Conference for prospective CDBG Program and HOME Program RFP respondents, on **Wednesday, December 16, 2015**, for the purpose of providing an overview of, and to respond to questions regarding, this RFP, as well as other HUD and City program requirements. In order for the City to accept and consider submitted RFPs, RFP respondents **must** attend one of two sessions scheduled to be held on December 16th in the Council Chambers of City Hall, 555 Santa Clara Street, Vallejo, from **10:00 a. m. to 12:00 p. m., (Session 1)**, or from **7:00 p. m. to 9:00 p. m., (Session 2)**. The presentations at Sessions 1 and 2 will be identical.

VI. EVALUATION CRITERIA

Submissions will be evaluated based upon their response to provisions of this Request for Proposals.

Ease of administration for the City of Vallejo and the most efficient use of staff resources is of high importance.

The following criteria will be used to evaluate responses to this Request for Proposals, in order of importance:

1. Agency's overall experience with delivering housing programs and services, and its performance record of programs provided on behalf of CDBG Program and HOME Program-eligible clients.
2. Quality of references and experience with public agency clients.
3. Strength and financial stability of the agency.
4. Expertise, technical qualifications, and quality of relationship management of the agency staff who will execute the Scope of Services outlined in the RFP.
5. Ability and commitment to meet the timelines identified in this RFP to execute the Agreement and to begin providing services promptly.

The City of Vallejo may reject any proposal in which the approach or qualifications are not deemed to be within an acceptable range. The City of Vallejo may seek clarifications from any or all agencies regarding their proposals, or may request that agencies provide modified proposals.

This RFP does not commit the City of Vallejo to allocating funding. Agencies shall bear all costs incurred in the preparation of the proposal and participating in the process. The City of Vallejo reserves the right to reject any and all proposals, to accept the proposals it considers most favorable to the City of Vallejo's interest in its sole discretion, and to waive minor irregularities. The City of Vallejo further reserves the right to seek new proposals when such procedure is considered by it to be in the best interest of the City of Vallejo.

Exhibits

Exhibit 1 – City Council Staff Report Dated November 17, 2015

Exhibit 2 – Insurance Requirements

Exhibit 3 – CHDO Definition

community sentiment regarding a potential November 8, 2016 ballot measure reauthorizing Measure B and direct the City Manager to return to the City Council by March 2016 with polling results.



B. APPROVAL OF FISCAL YEAR 2016-2017 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

Recommendation: By motion, approve the Fiscal Year 2015-2016 CDBG Program and HOME Program funding application process as outlined in this report

Contact: Guy Ricca, Senior Community Development Analyst, (707) 648-4395

Assistant City Manager Whittom provided an overview of the staff report and outlined the proposed recommendation.

Speakers: None.

Staff responded to questions from Councilmembers. Councilmembers provided comment.

Action: Moved by Mayor Davis and carried unanimously to approve the Fiscal Year 2016-2017 CDBG Program and HOME Program funding application process as outlined in the staff report.

C. CONTINUATION OF A PUBLIC HEARING TO THE DECEMBER 8, 2015 MEETING AN ORDINANCE AMENDING CHAPTER 16.71 WATER EFFICIENT LANDSCAPE REGULATIONS OF THE VALLEJO MUNICIPAL CODE (ZONING ORDINANCE) TO INCORPORATE REVISIONS CONSISTENT WITH THE UPDATED STATE MODEL WATER EFFICIENT LANDSCAPE ORDINANCE

Recommendation: Continue the Public Hearing to December 8, 2015

Contact: Michelle Hightower, Senior Planner, (707) 648-4506

Mayor Davis opened the public hearing. There were no speakers.

Action: Continued the Public Hearing to December 8, 2015.

9. INFORMATION CALENDAR

A. FISCAL YEAR 2015-2016 GENERAL FUND FINANCIAL UPDATE

Recommendation: Receive the first quarter Fiscal Year 2015-2016 update from city staff on the status of City finances

Contact: Ron Millard, Finance Director, (707) 648-4592

Finance Director Millard provided background information and economic news, reviewed revenues, expenditures and the fiscal impact for the first quarter of FY 15/16, provided a ten year forecast, and outlined next steps.



DATE: November 17, 2015
TO: Mayor and Members of the City Council
FROM: Anne Putney, Housing and Community Development Manager
Guy Ricca, Senior Community Development Analyst

SUBJECT: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

RECOMMENDATION

By motion, approve the FY 2016-17 CDBG Program and HOME Program funding application process as outlined in this report .

REASONS FOR RECOMMENDATION

Since 1974, the City has received annual funding allocations of CDBG Program or HOME Program funds from the U.S. Department of Housing and Urban Development (HUD). These funds have helped the City to address its community development and affordable housing needs. The City Council typically approves a process for determining activities and projects every one or two years.

BACKGROUND AND DISCUSSION

This agenda item is the beginning of the process to determine the allocation of FY 2016-17 CDBG Program and HOME Program activities. At tonight's meeting staff proposes that the City adopt a funding application process and criteria.

CDBG Program funds may be used for such projects as affordable housing, housing and neighborhood preservation or revitalization, public improvements in Target Area neighborhoods, curb ramps, social services, and economic development. HOME Program funds may be used solely to support affordable housing. The Housing and Redevelopment Commission (HRC) consider this item on November 5, 2015, and recommended unanimously that the City Council approve staff's recommendations.

Availability of Funds

For FY 2015-16, the current fiscal year, the City allocated \$996,808 in new CDBG Program funds. Of this amount, \$50,000 is revenue (program income) that the City anticipates it will receive in FY 2015-16, primarily from principal and interest loan payments. The balance (\$946,808) is grant ("entitlement") funds the City received from HUD.

The City also received \$367,969 in new HOME Program funds from HUD in FY 2015-16, and estimated in May, 2015, that it would receive \$200,000 in program income, also from loan repayments, for a total of

Subject: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

\$567,969. Fifteen percent of the City's annual HOME Program grant received directly from HUD must be allocated to a qualified Community Housing Development Organization, ("CHDO"). Community Housing Development Corporation (CHDC), whom the City has partnered with for several years, is a qualified CHDO.

Staff estimates the City will receive approximately the same amount in CDBG Program funds in FY 2016-17 as in FY 2015-16. In addition, staff estimates the City will receive approximately the same amount of HOME Program funds in FY 2016-17 as the City received in FY 2015-16.

High Priority Needs

The Consolidated Plan is a five year planning document required by HUD, in order for the City to receive certain federal community development and housing funds. It documents, in detail, community development and housing needs in Vallejo. The Plan includes characteristics of the housing market and the existing housing stock; an assessment of affordable housing needs; and the resources available to address those needs. The City's current Consolidated Plan was approved by the City Council in May, 2015. The Plan includes the period beginning July 1, 2015, and ending June 30, 2020.

The Consolidated Plan has established the following groups as the most in need of assistance, in this order of priority: (1) very low- and low-income renters; (2) homeless persons; (3) non-homeless persons with special needs; and (4) very low- and low-income first time homebuyers.

Housing - The Consolidated Plan documents a need for the development of affordable rental and ownership housing; supportive housing for persons with special needs; first time homebuyer assistance; the acquisition, rehabilitation, and resale of foreclosed and short sale properties to stabilize neighborhoods; and services appropriate to address the needs of the unsheltered (chronically) homeless population in the community.

Staff recommends that the City request and consider proposals to use FY 2016-17 CDBG Program and HOME Program funds for the aforementioned affordable housing activities.

Public Improvements in "Neighborhood Preservation Areas" - The Consolidated Plan found that there is a need for (1) curb ramps throughout Vallejo; and (2) basic public and facility improvements in CDBG Program Target Area neighborhoods. For example, in many locations in Target Areas, curbs, gutters, and sidewalks are severely deteriorated or missing. A previous City Council also established the installation of curb ramps as a high priority until all needed ramps are installed.

Social Services - According to HUD guidelines, the City may allocate no more than fifteen percent of its CDBG Program funds each year to social service activities. In FY 2015-16, the City allocated \$168,271 to nine social service agencies.

Staff estimates that there will be approximately \$150,000 available to allocate to social service programs in FY 2016-17. Staff recommends that the minimum funding allocation to each social service agency be \$20,000; and that there be no maximum. Staff believes that with limited CDBG Program funding, it is not cost effective for the City, or the social service agencies, for the City Council to allocate less than \$20,000 per social service

Subject: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

program, and still meet the administrative requirements of the CDBG Program. If a \$20,000 minimum funding level is established, (no proposals are considered that request less than \$20,000) then no more than seven to eight social service activities would receive funding in FY 2016-17. In some cases, the HRC and City Council may wish to allocate more than \$20,000 to a program.

Program Administration - HUD regulations allow the City to allocate no more than twenty and ten percent of its CDBG Program and HOME Program funds, respectively, each year to program administration. These funds are used for general management, oversight, and coordination of the CDBG Program and HOME Program by staff; and for public information.

Staff anticipates the City will need to allocate the full amount allowed in this category in FY 2016-17 to administer these programs effectively, and ensure program requirements are met.

Proposed Process for Requesting CDBG Program and HOME Program Funds

Staff recommends that the City use a Request for Proposals ("RFP") process to receive requests for housing and social service projects and activities for a portion of its CDBG Program and HOME Program funding. This process has been effectively deployed in previous funding cycles. For FY 2016-17, the City would accept proposals from organizations that will address the top priority needs in the Consolidated Plan. The review process would not consider proposals that do not address the City's highest priorities and established criteria, as delineated below.

Evaluation of Proposals

Staff proposes the following criteria be used in screening and evaluating proposals:

The organization must propose to address the needs of a high priority group in the Consolidated Plan.

Social Service Agencies: A social service agency must propose to address the needs of one of the following populations: (1) homeless single men in need of emergency shelter, (2) unsheltered homeless persons in need of appropriate supportive services, (3) homeless individuals in need of permanent housing, (4) very low- or low-income families with children, (5) homeless families with children in need of permanent housing, (6) supportive services for persons with HIV/AIDS, (7) supportive permanent housing for the severely mentally ill, (8) treatment and prevention programs for persons with substance abuse addictions, (9) programs meeting the basic needs of the elderly and disabled, or (10) victims of domestic violence.

Housing Agencies: A housing organization must propose to address the housing needs of very low- or low-income renters, prospective homeowners, or existing homeowners; or to provide transitional or permanent housing with appropriate supportive services to the homeless (sheltered or unsheltered), or to a special needs population.

All organizations that submit proposals must document that they are chartered as a non-profit, 501(c)(3) organization; submit other eligibility documents; and provide evidence that they are fiscally sound. Proposers

Subject: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

must also submit written fiscal and personnel policies and procedures.

According to HUD guidelines, the City must expend CDBG Program funds, and commit HOME Program funds, promptly. Therefore, staff recommends that the City consider funding activities and services that have the best chance to be delivered in a timely manner.

Proposed Availability of Request for Proposals, Proposal Deadline, and Bidder's Conference

Staff proposes to prepare a Request for Proposals for housing and social service organizations to complete, and to make them available by or before **Wednesday, November 25, 2015**. Staff also proposes the deadline for organizations to return completed proposals be not later than **4:00 p. m. (PST) on Thursday, January 7, 2016**.

In fairness to those organizations that participate in the funding process from the beginning, and to ensure an orderly process, staff recommends that the HRC and City Council not consider any proposal that is submitted after the January 7, 2016, deadline, or that is substantially incomplete, with no exceptions.

Finally, staff proposes to hold a **mandatory Bidder's Conference**, consisting of two sessions, for prospective CDBG Program and HOME Program RFP respondents, and other interested parties, on **Wednesday, December 16, 2015**. The purpose of these sessions will be to provide an overview on and to respond to questions regarding the RFPs, as well as HUD and City program requirements.

FISCAL IMPACT

There is no impact to the General Fund by this action. If the recommendation is approved, the City Council's action will establish a funding application process for the allocation of CDBG Program and HOME Program funds to projects and activities in FY 2016-17. The HRC and staff will make recommendations to the City Council on the allocation of CDBG Program and HOME Program funds by or before May, 2016.

ENVIRONMENTAL REVIEW

There is no environmental review associated with this action. California Environmental Quality Act ("CEQA") and National Environmental Policy Act ("NEPA") environmental reviews for proposed projects will be completed. In the past, these types of projects have been determined to be categorically excluded pursuant to CEQA Guidelines section 15302, and categorically excluded from NEPA.

ATTACHMENTS

None

CONTACT

Guy Ricca, Senior Community Development Analyst, (707) 648-4395
guy.ricca@cityofvallejo.net

EVIDENCE OF INSURANCE

INSURANCE REQUIREMENTS:

AGENCY shall procure and maintain for the duration of AGREEMENT, including any extensions thereto, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by AGENCY, its agents, representatives, employees, or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance.
4. Professional Liability Insurance, when applicable, appropriate to AGENCY's profession (Errors and Omissions).

_____ (check if required)

_____ AGENCY Acknowledgement of Requirement (AGENCY initials)

5. "All risk" Property Insurance, when applicable, which shall include fire and extended coverage, sprinkler leakage, vandalism, and malicious mischief coverage for all buildings, equipment, fixtures, and materials used or stored for use by AGENCY. This insurance shall contain a loss payee provision providing that all proceeds allocated to the buildings, fixtures, and any other property that is not AGENCY's personal property shall be paid to CITY.

_____ (check if required)

_____ AGENCY Acknowledgement of Requirement (AGENCY initials)

B. Minimum Limits of Insurance

AGENCY shall maintain limits no less than:

1. General Liability: \$2,000,000.00 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, coverage shall be twice the per occurrence amount.
2. Automobile Liability: \$1,000,000.00 per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability: \$1,000,000.00 per accident for bodily injury or disease. If AGENCY is not subject to California Workers' Compensation requirements, AGENCY shall file a completed Certificate of Exemption Form which may be obtained from CITY prior to commencing any activity authorized hereunder.
4. Professional Liability (Errors and Omissions): \$1,000,000.00 combined single limit per claim, and annual aggregate.
5. "All risk" Property Insurance: One hundred percent of the then current replacement value of all buildings, equipment, fixtures, and materials used or stored for use by AGENCY.

C. Deductible and Self-insured Retention

Any deductibles or self-insured retention must be declared to and approved by CITY's City Attorney. If the deductibles or self-insured retention limit is unacceptable to CITY's City Attorney, at his or her option, the insurer shall either reduce or eliminate such deductibles or self-insured retention as respects CITY, its officers, officials, employees, and volunteers; or AGENCY shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

D. Other Insurance Provisions

The General Liability and Automobile Liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. CITY, its officers, officials, employees, agents, and volunteers are to be covered as additional insured as respects: liability, including defense costs, arising out of activities performed by or on behalf of AGENCY; products and completed operations of AGENCY; premises owned, occupied, or used by AGENCY; or automobiles owned, leased, hired, or borrowed by AGENCY. The coverage shall contain no special limitations on the scope of protection afforded

to CITY, its officers, officials, employees, agents, or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.

2. For any claims related to AGREEMENT, AGENCY's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by CITY, its officers, officials, employees, agents, or volunteers shall be excess of AGENCY's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, its officers, officials, employees, agents, or volunteers.

4. AGENCY's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty days' prior written notice by certified mail, return receipt requested, has been given to CITY.

The Workers' Compensation and Employer's Liability policy required hereunder shall be endorsed to state that the Worker's Compensation carrier waives its right of subrogation against CITY, its officers, officials, employees, agents, and volunteers, which might arise by reason of payment under such policy in connection with AGENCY's performance under AGREEMENT.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII.

F. Verification of Coverage

AGENCY shall furnish CITY with original certificates of insurance for all insurances required by AGREEMENT, and with endorsements effecting general and automobile liability insurance coverages required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY's City Attorney before work commences. CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsement affecting the coverage, by AGREEMENT at any time. All verification of coverage and other insurance documents shall be mailed to the following address or to any other subsequent address as may be directed in writing by CITY's City Attorney:

City of Vallejo
Attention: City Attorney
555 Santa Clara Street
Vallejo, CA 94590

G. Subcontractors

AGENCY shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

H. Payment Withhold

CITY will withhold payments to AGENCY if the certificates of insurance and endorsements required in Paragraph f, above, are canceled or if AGENCY otherwise ceases to be insured as required herein.

Exhibit 3

Community housing development organization means a private nonprofit organization that:

1. Is organized under State or local laws;
2. Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
3. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:
 - i. The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.
 - ii. The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members; and
 - iii. The community housing development organization must be free to contract for goods and services from vendors of its own choosing;
4. Has a tax exemption ruling from the Internal Revenue Service under section 501© (3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501© (3)-1);
5. Does not include a public body (including the participating jurisdiction). An organization that is State or locally chartered may qualify as a community housing development organization; however, the State or local government may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of the participating jurisdiction or State recipient. Board members appointed by the State or local government may not appoint the remaining two-thirds of the board members;
6. Has standards of financial accountability that conform to 24 CFR 84.21, "Standards for Financial Management Systems;"
7. Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;
8. Maintains accountability to low-income community residents by:

- i. **Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, city, county, or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and**
 - ii. **Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;**
9. **Has a demonstrated capacity for carrying out activities assisted with HOME funds. An organization may satisfy this requirement by hiring experienced key staff members who have successfully completed similar projects, or a consultant with the same type of experience and a plan to train appropriate key staff members of the organization; and**
10. **Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating its parent organization has at least a year of serving the community.**



Office of the City Manager • Housing and Community Development Division

**REQUEST FOR PROPOSALS
FROM QUALIFIED DEVELOPERS
TO PROVIDE AFFORDABLE RENTAL HOUSING IN THE
CITY OF VALLEJO**

RFP Issued	December 1, 2015
Responses Due	January 7, 2016, by 4:00 PM <u>Proposal Submittals To:</u> Housing and Community Development Division, City of Vallejo 200 Georgia Street Vallejo, CA 94590 <i>(See detailed instructions in RFP)</i>
Staff Review of Responses	Week of January 11, 2016
Possible Proposal Presentation Dates	Week of February 8, 2016



Housing and Community Development Division · 200 Georgia Street · Vallejo · CA · 94590 · 707.648.4507

The City of Vallejo is requesting submissions from qualified developers to receive Fiscal Year (FY) 2016-17 federal Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program funds to provide affordable rental housing to its very low- and low-income residents.

Five (5) copies of the submission must be submitted by no later than 4:00 p.m., **January 7, 2016, to:**

Housing and Community Development Division, City of Vallejo
200 Georgia Street
Vallejo, CA 94590

All responses must be submitted in sealed envelopes bearing on the outside the name of the agency submitting the proposal, the agency's address, and the words "Response to City of Vallejo Regarding Provision of Rental Housing". Responses received after such time and date will not be accepted. Facsimile and e-mail transmissions are specifically disallowed and will not constitute a valid submission. There will be no public opening of the responses.

Upon delivery, each response will be subject to all applicable open records laws, including but not limited to the California Public Records Act. Information deemed proprietary or otherwise privileged should be clearly marked as such. Regardless, the City of Vallejo makes no assertions that it can or will hold such information in confidence. Agencies submitting agree to hold the City of Vallejo harmless if such information is released, knowingly or not.

The City of Vallejo encourages the participation of small businesses and businesses owned by minorities and women. Nothing in this RFP constitutes an offer, or promise, or otherwise binds the City of Vallejo to take any action whatsoever in connection with its provision of any services. The City of Vallejo reserves all rights to consider any or all submissions, and to reject any or all responses in its absolute discretion.

Thank you for your interest.

Sincerely,

A handwritten signature in blue ink that reads "Guy L. Ricca".

GUY L. RICCA
Senior Community Development Analyst

**CITY OF VALLEJO
REQUEST FOR PROPOSALS
FOR AFFORDABLE RENTAL HOUSING**

I. INTRODUCTION

General information

The City of Vallejo is requesting proposals from qualified developers to receive federal CDBG Program and HOME Program funding to provide affordable rental housing to its very low- and low-income residents.

To be considered, five (5) copies of a proposal must be received by the Housing and Community Development Division, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, on or before **4:00 p.m. on Thursday, January 7, 2016**, attention: Guy L. Ricca, Senior Community Development Analyst. The City of Vallejo reserves the right to reject any or all responses submitted.

During the evaluation process, the City of Vallejo reserves the right, where it may serve the City of Vallejo's best interest, to request additional information or clarifications from responders, or to allow corrections of errors or omissions. At the discretion of the City of Vallejo, organizations submitting responses may be requested to make oral presentations as part of the evaluation process.

The City of Vallejo also reserves the right to retain all responses submitted. Submission of a response is acceptance by the organization of the conditions contained in this request for proposals, unless clearly and specifically noted in the response submitted and confirmed in the Agreement between the City of Vallejo and the organizations selected. There is no expressed or implied obligation for the City of Vallejo to reimburse responding organizations for any expenses incurred in preparing submissions in response to this request.

It is anticipated the selection of agencies will be completed by **May 15, 2016**. Following the notification of the selected agencies, Agreements will be executed between both parties.

Description of the City of Vallejo

The City of Vallejo is located in southern Solano County. It has a population of 116,000. The City of Vallejo's Fiscal Year (FY) begins on July 1 and ends on June 30.

The City of Vallejo is a Charter City operating under the Council/Manager form of government. The City provides a full range of municipal services including general

government, community development, police and fire protection, public works, and housing. Its enterprise activities include water utility, marina, transportation, and golf course operations.

Background

The City of Vallejo receives an allocation of CDBG Program and HOME Program funds from the U. S. Department of Housing and Urban Development (HUD). In the current fiscal year, 2015-16, the City received \$946,808.00 in CDBG Program funds, and \$367,969.00 in HOME Program funds. The City estimates it will receive approximately the same amount in CDBG Program and HOME Program funds in FY 2016-17.

The Housing and Redevelopment Commission (HRC) is an advisory body to the Vallejo City Council. Beginning in December 2015, the HRC will hold public meetings, accept proposals, and make recommendations to the City Council regarding the allocation of CDBG Program and HOME Program funds in the next fiscal year, 2016-17.

The City's five year "Consolidated Plan" identifies the highest priority community development and housing needs of very low- and low-income persons in Vallejo. This document includes the period beginning July 1, 2015, and ending June 30, 2020. The Plan is required by HUD as a condition of receiving certain federal community development and housing funds. (Very low-income is defined as households that are at 50 percent or below the area median income (AMI), or for a household of four persons, not more than \$37,250.00 annually. Low-income is defined as households that are at 51 to 80 percent of AMI, or for a household of four, not more than \$59,600.00 annually.)

Two of the priority population groups in Vallejo that the current Consolidated Plan has established as in need of assistance are very low- and low-income renters, and non-homeless persons with special needs. (Persons with special needs are defined as disabled persons, severely mentally ill persons, persons with substance abuse addictions, and persons with HIV or AIDS. A disability is defined as a physical or mental impairment that substantially limits one or more of the major life activities of such an individual.) The Consolidated Plan further documents a need for the development of affordable rental housing, including: (1) the acquisition, rehabilitation, and preservation of existing multifamily housing; (2) rental housing, which may include transitional or permanent housing for previously homeless persons; and (3) supportive housing with supportive services for persons with special needs. (A homeless person is defined as an individual who lacks a fixed, regular, and adequate nighttime residence; or an individual who has a primary nighttime residence that is a supervised, publicly or privately operated shelter designed to provide temporary living accommodations, an institution that provides a temporary residence for individuals intended to be institutionalized, or a public or private place not designed for, or ordinarily used as, a

regular sleeping accommodation for human beings.) Some of the key findings in the Consolidated Plan are: (1) nearly 60 percent of very low-income renter households in Vallejo (6,120 households) are experiencing some housing problem, i. e., having a housing cost burden greater than 40 percent of their income; living in overcrowded housing, defined as 1.01 or more persons per room; or living in a housing unit without complete kitchen or plumbing facilities; (2) as of March 2015, there were over 20,000 families on the Vallejo Housing Authority waiting list; (3) there is a need for additional affordable rental housing for older adults; (4) there is a need for additional transitional housing with supportive services for homeless families with children, and for individuals; permanent supportive housing for homeless families with children; and sober living residencies for persons in recovery from substance abuse; and (5) the special needs populations who are in need of supportive housing with supportive services are: persons with HIV or AIDS, severe mental illness, or substance abuse addictions. [The housing needs cited in the Consolidated Plan were obtained from special tabulations of U. S. Census Bureau data provided by HUD, the City's Housing Element, and local sources.]

II. SCOPE OF SERVICES REQUESTED

At this time, the City asks qualified non-profit organizations or limited partnerships whose managing general partner is a 501 (c) (3) non-profit corporation to submit proposals to receive a portion of the City's FY 2016-17 CDBG Program funds and HOME Program funds for the aforementioned affordable housing activities that in turn will address the highest priority housing needs of the residents of Vallejo, also referenced above. Pursuant to a motion adopted by the City Council on November 17, 2015, (attached as Exhibit 1), the HRC and staff will recommend, and the City Council will consider, allocating CDBG Program and HOME Program funds in FY 2016-17 to provide affordable housing.

III. SCHEDULE

From the submitted proposal responses, staff will screen prospective proposals for completeness, proposals to be recommended for funding by the HRC and staff, and considered and selected by the City Council.

The schedule for the organization selection process will be as follows:

<i>Event</i>	<i>Date</i>
1. Release of RFP	December 1, 2015
2. Mandatory Bidder's Conference	December 16, 2015

3. Due date for receipt of proposals	By not later than 4:00 p. m. (PST) on Thursday, January 7, 2016
3. Staff review of proposal responses	Week of January 11, 2016
4. Possible proposal presentation dates	Week of February 8, 2016
5. Selection of organization(s) by City Council	By May 15, 2016
6. Effective date of Agreement	July 1, 2016

IV. RESPONSE REQUIREMENTS

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that submissions include the following basic format. The agency is expected to provide services as outlined in this RFP and should prepare its response to address fully its ability to satisfy these components.

- 1. Agency Information; and Key Personnel and Their Resumes and Qualifications** – Provide: agency name and address; RFP contact person, telephone, FAX, and e-mail; an organizational chart; and the resumes of key personnel who will be associated with the proposed program or project, and a list of their qualifications.
- 2. Overview of Organization/Mission** – Provide a detailed description of the organization’s mission and history (including years in existence).
- 3. Affordable Housing Proposed/Project Description** – Provide a detailed description of the proposed affordable housing development, and targeted households. Indicate the income ranges of the persons to be assisted. Be as succinct as possible.

Provide a detailed **marketing/outreach plan**, and a **market** study specific to the location and immediate area or areas, both in writing, related to the proposed affordable housing development.

An organization receiving CDBG Program and HOME Program funds through this RFP must propose to address the housing needs of very low- and low-income renters; or to provide transitional or permanent housing, with appropriate supportive services, for previously homeless persons, or for a special needs population.

The City seeks proposals that will deconcentrate rent-restricted units and minimize impacts to downtown neighborhoods where subsidized housing currently exists.

4. **List of Board of Directors and Their Expertise** - Provide a roster/list of the Board of Directors which identifies Board Officers, Directors' addresses and telephone numbers, and their expertise.
5. **Authorizing Governing Board Resolution, (Including Roll Call Vote)** – Provide a Resolution by entity Board authorizing signatory to do business for the entity, and to seek a commitment of City of Vallejo funds under this program.
6. **Non-Profit Status/501 (c) 3 Designation Letter (from Internal Revenue Service)** – Provide documentation that agency is chartered as a 501 (c) 3 organization.
7. **Articles of Incorporation** – Attach a copy of organization's Articles of Incorporation.
8. **By-Laws** – Attach a copy of agency's By-Laws.
9. **HOME Program “CHDO” Status** – Indicate whether the agency is a qualified HOME Program Community Housing Development Organization, or “CHDO”, or can become qualified as a CHDO by July 1, 2016, through enclosing the following documents/materials:
 - (i) Documentation of Qualifying Governing Board
 - (ii) Board Meeting minutes, (January 1, 2015 through December 31, 2015)
 - (iii) Organizational Brochure(s)
 - (iv) Documentation of Affiliate Status (if applicable)
 - (v) Documentation/Copies of 2015 Media Coverage (e. g., newspaper articles)

(See Exhibit 3, attached, for a CHDO definition.)
10. **Annual Audit or Financial Statement, and Organizational Budgets with All Sources, for the Last Three Years** – The organization must document that it is fiscally sound. Submit a copy of the Annual Audits or Financial Statements of the organization for the past three years, and organizations with all funding sources for the past three years.
11. **Written Fiscal Policies and Procedures** – Submit organization's written Fiscal Policies and Procedures.

- 11. Written Personnel Policies and Procedures** – Submit organization’s written Personnel Policies and Procedures.
- 12. Organizational Viability** – Provide information and documentation to indicate that the organization will be active and financially viable in FY 2016-17. Provide a **summary** of the organization’s current strategic or operations plan.
- 13. Development Experience** – List type, location, start date, and end date for project(s) completed. Proposals will be considered from a non-profit organization that has developed a minimum of five housing units, completed within the last five years, and that can document eighteen months of experience in owning and operating a rental project of at least five dwelling units. The respondent must have the proven technical capacity and experience either through staff or through contracted services to plan and implement the proposed project.
- 14. Development Budget** – Provide the proposed project’s total development budget, as well as its specific line items. These line item costs will be evaluated to determine their comparability to recent and similar projects, industry standards, and their compliance with funding source regulations.
- 15. Detailed Sources and Uses Budget** – Identify all proposed funding sources. Sources will be evaluated to determine their compliance with funding source regulations.
- 16. Construction Cost Estimate** - Provide a detailed line item construction cost estimate.
- 17. 30 Year Pro Forma** – Provide projections of future operating expenses. Use industry standards for trending assumptions.
- 18. Proposed Rents** – Provide proposed rents, (if applicable to project proposal). Affordability levels are to be set at or below 60 percent of the AMI, or for a household of four persons, not more than \$44,700.00 annually.
- 19. Operating Budget for Development** – Provide a breakdown of all project income and expenses in the first year of operation.
- 20. Supportive Services Plan and Budget, (for Proposed Special Needs Projects** – Provide a detailed description of the tenant services and/or linkages to services that will be provided; the organization’s experience providing services and providing housing for the proposed special needs population; a proposed staffing plan; detailed Sources and Uses funding for the proposed services

budgeted; and the number of proposed special needs housing units.

- 21. Timeline/Project Schedule** – Provide a timeline for the specific actions described in #3. The City will make funds available for the period beginning July 1, 2016, and ending June 30, 2017. According to HUD guidelines, the City must expend CDBG Program funds, and commit HOME Program funds, promptly. Therefore, the HRC and staff will recommend, and the City Council will consider, funding activities and services that will be delivered in a timely manner.

In addition, for FY 2016-17, the City requires that organizations allocated funding submit requested documentation (signed Agreement, scope of services, budget, and original insurance certificates and endorsements or binders), to the City **by June 30, 2016**, so that Agreements may be executed in a timely manner. **Failure to do so by June 30, 2016, will result in forfeiture by an organization of its FY 2016-17 funding allocation(s).**

- 22. Additional Documents** – If applicable, provide additional documentation regarding the proposed project, i. e., copies of purchase contract, appraisal, etcetera.

- 23. References** – Please list the name, address, and telephone number of references, or letters of reference, for the organization. References should include at least one financial institution.

- 24. Insurance Coverages and Workers Compensation** – Indicate current insurance coverages held by the agency. (See Exhibit 2, attached, for City's Insurance Requirements.)

Other Issues to be Considered: Prior performance by the respondent will be taken into consideration during the proposal review, including timely completion of previous projects and activities supported by City funds within the agreed-upon schedules and budgets, and full compliance with the terms of previous financing agreements.

V. SUBMISSION REQUIREMENTS (PHYSICAL DATA)

Submit **five** complete sets of the proposal to:

Guy L. Ricca, Senior Community Development Analyst
Housing and Community Development Division, City of Vallejo
200 Georgia Street
Vallejo, CA 94590

707/648-4395 Fax: 707/648-5249
Guy.Ricca@cityofvallejo.net

All questions pertaining to this request shall also be directed to the staff person at the above-named address.

These copies must be received by not later than 4:00 p. m. (PST on Thursday, January 7, 2016. Pursuant to City Council direction, the City will not accept or consider any proposals that are: (1) submitted after the deadline, or (2) are substantially incomplete, with no exceptions.

Information contained in proposals should be formatted consistent with this request and be thoroughly specific wherever possible. Greater priority will be given to specificity as well as information which is more recent.

Note: Staff will also hold a **mandatory** Bidder's Conference for prospective CDBG Program and HOME Program RFP respondents, on **Wednesday, December 16, 2015**, for the purpose of providing an overview of, and to respond to questions regarding, this RFP, as well as other HUD and City program requirements. In order for the City to accept and consider submitted RFPs, RFP respondents **must** attend one of two sessions scheduled to be held on December 16th in the Council Chambers of City Hall, 555 Santa Clara Street, Vallejo, from **10:00 a. m. to 12:00 p. m., (Session 1)**, or from **7:00 p. m. to 9:00 p. m., (Session 2)**. The presentations at Sessions 1 and 2 will be identical.

VI. EVALUATION CRITERIA

Submissions will be evaluated based upon their response to provisions of this Request for Proposals.

Ease of administration for the City of Vallejo and the most efficient use of staff resources is of high importance.

The following criteria will be used to evaluate responses to this Request for Proposals, in order of importance:

1. Agency's overall experience with providing affordable rental housing developments and/or services, and its performance record of programs provided on behalf of CDBG Program and HOME Program-eligible clients.
2. Quality of references and experience with public agency clients.

3. Strength and financial stability of the agency.
4. Expertise, technical qualifications, and quality of relationship management of the agency staff who will execute the Scope of Services outlined in the RFP.
5. Ability and commitment to meet the timelines identified in this RFP to execute the Agreement and to begin providing services promptly.

The City of Vallejo may reject any proposal in which the approach or qualifications are not deemed to be within an acceptable range. The City of Vallejo may seek clarifications from any or all agencies regarding their proposals, or may request that agencies provide modified proposals.

This RFP does not commit the City of Vallejo to allocating funding. Agencies shall bear all costs incurred in the preparation of the proposal and participating in the process. The City of Vallejo reserves the right to reject any and all proposals, to accept the proposals it considers most favorable to the City of Vallejo's interest in its sole discretion, and to waive minor irregularities. The City of Vallejo further reserves the right to seek new proposals when such procedure is considered by it to be in the best interest of the City of Vallejo.

Exhibits

- Exhibit 1 – City Council Staff Report Dated November 17, 2015
- Exhibit 2 – Insurance Requirements
- Exhibit 3 – CHDO Definition

community sentiment regarding a potential November 8, 2016 ballot measure reauthorizing Measure B and direct the City Manager to return to the City Council by March 2016 with polling results.

* B.

APPROVAL OF FISCAL YEAR 2016-2017 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

Recommendation: By motion, approve the Fiscal Year 2015-2016 CDBG Program and HOME Program funding application process as outlined in this report

Contact: Guy Ricca, Senior Community Development Analyst, (707) 648-4395

Assistant City Manager Whittom provided an overview of the staff report and outlined the proposed recommendation.

Speakers: None.

Staff responded to questions from Councilmembers. Councilmembers provided comment.

Action: Moved by Mayor Davis and carried unanimously to approve the Fiscal Year 2016-2017 CDBG Program and HOME Program funding application process as outlined in the staff report.

C. **CONTINUATION OF A PUBLIC HEARING TO THE DECEMBER 8, 2015 MEETING AN ORDINANCE AMENDING CHAPTER 16.71 WATER EFFICIENT LANDSCAPE REGULATIONS OF THE VALLEJO MUNICIPAL CODE (ZONING ORDINANCE) TO INCORPORATE REVISIONS CONSISTENT WITH THE UPDATED STATE MODEL WATER EFFICIENT LANDSCAPE ORDINANCE**

Recommendation: Continue the Public Hearing to December 8, 2015

Contact: Michelle Hightower, Senior Planner, (707) 648-4506

Mayor Davis opened the public hearing. There were no speakers.

Action: Continued the Public Hearing to December 8, 2015.

9. **INFORMATION CALENDAR**

A. **FISCAL YEAR 2015-2016 GENERAL FUND FINANCIAL UPDATE**

Recommendation: Receive the first quarter Fiscal Year 2015-2016 update from city staff on the status of City finances

Contact: Ron Millard, Finance Director, (707) 648-4592

Finance Director Millard provided background information and economic news, reviewed revenues, expenditures and the fiscal impact for the first quarter of FY 15/16, provided a ten year forecast, and outlined next steps.



DATE: November 17, 2015
TO: Mayor and Members of the City Council
FROM: Anne Putney, Housing and Community Development Manager
Guy Ricca, Senior Community Development Analyst

SUBJECT: APPROVAL OF FISCAL YEAR (FY) 2016-17 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING APPLICATION PROCESS

RECOMMENDATION

By motion, approve the FY 2016-17 CDBG Program and HOME Program funding application process as outlined in this report .

REASONS FOR RECOMMENDATION

Since 1974, the City has received annual funding allocations of CDBG Program or HOME Program funds from the U.S. Department of Housing and Urban Development (HUD). These funds have helped the City to address its community development and affordable housing needs. The City Council typically approves a process for determining activities and projects every one or two years.

BACKGROUND AND DISCUSSION

This agenda item is the beginning of the process to determine the allocation of FY 2016-17 CDBG Program and HOME Program activities. At tonight's meeting staff proposes that the City adopt a funding application process and criteria.

CDBG Program funds may be used for such projects as affordable housing, housing and neighborhood preservation or revitalization, public improvements in Target Area neighborhoods, curb ramps, social services, and economic development. HOME Program funds may be used solely to support affordable housing. The Housing and Redevelopment Commission (HRC) consider this item on November 5, 2015, and recommended unanimously that the City Council approve staff's recommendations.

Availability of Funds

For FY 2015-16, the current fiscal year, the City allocated \$996,808 in new CDBG Program funds. Of this amount, \$50,000 is revenue (program income) that the City anticipates it will receive in FY 2015-16, primarily from principal and interest loan payments. The balance (\$946,808) is grant ("entitlement") funds the City received from HUD.

The City also received \$367,969 in new HOME Program funds from HUD in FY 2015-16, and estimated in May, 2015, that it would receive \$200,000 in program income, also from loan repayments, for a total of

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\$567,969. Fifteen percent of the City's annual HOME Program grant received directly from HUD must be allocated to a qualified Community Housing Development Organization, ("CHDO"). Community Housing Development Corporation (CHDC), whom the City has partnered with for several years, is a qualified CHDO.

Staff estimates the City will receive approximately the same amount in CDBG Program funds in FY 2016-17 as in FY 2015-16. In addition, staff estimates the City will receive approximately the same amount of HOME Program funds in FY 2016-17 as the City received in FY 2015-16.

High Priority Needs

The Consolidated Plan is a five year planning document required by HUD, in order for the City to receive certain federal community development and housing funds. It documents, in detail, community development and housing needs in Vallejo. The Plan includes characteristics of the housing market and the existing housing stock; an assessment of affordable housing needs; and the resources available to address those needs. The City's current Consolidated Plan was approved by the City Council in May, 2015. The Plan includes the period beginning July 1, 2015, and ending June 30, 2020.

The Consolidated Plan has established the following groups as the most in need of assistance, in this order of priority: (1) very low- and low-income renters; (2) homeless persons; (3) non-homeless persons with special needs; and (4) very low- and low-income first time homebuyers.

Housing - The Consolidated Plan documents a need for the development of affordable rental and ownership housing; supportive housing for persons with special needs; first time homebuyer assistance; the acquisition, rehabilitation, and resale of foreclosed and short sale properties to stabilize neighborhoods; and services appropriate to address the needs of the unsheltered (chronically) homeless population in the community.

Staff recommends that the City request and consider proposals to use FY 2016-17 CDBG Program and HOME Program funds for the aforementioned affordable housing activities.

Public Improvements in "Neighborhood Preservation Areas" - The Consolidated Plan found that there is a need for (1) curb ramps throughout Vallejo; and (2) basic public and facility improvements in CDBG Program Target Area neighborhoods. For example, in many locations in Target Areas, curbs, gutters, and sidewalks are severely deteriorated or missing. A previous City Council also established the installation of curb ramps as a high priority until all needed ramps are installed.

Social Services - According to HUD guidelines, the City may allocate no more than fifteen percent of its CDBG Program funds each year to social service activities. In FY 2015-16, the City allocated \$168,271 to nine social service agencies.

Staff estimates that there will be approximately \$150,000 available to allocate to social service programs in FY 2016-17. Staff recommends that the minimum funding allocation to each social service agency be \$20,000; and that there be no maximum. Staff believes that with limited CDBG Program funding, it is not cost effective for the City, or the social service agencies, for the City Council to allocate less than \$20,000 per social service

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program, and still meet the administrative requirements of the CDBG Program. If a \$20,000 minimum funding level is established, (no proposals are considered that request less than \$20,000) then no more than seven to eight social service activities would receive funding in FY 2016-17. In some cases, the HRC and City Council may wish to allocate more than \$20,000 to a program.

Program Administration - HUD regulations allow the City to allocate no more than twenty and ten percent of its CDBG Program and HOME Program funds, respectively, each year to program administration. These funds are used for general management, oversight, and coordination of the CDBG Program and HOME Program by staff; and for public information.

Staff anticipates the City will need to allocate the full amount allowed in this category in FY 2016-17 to administer these programs effectively, and ensure program requirements are met.

Proposed Process for Requesting CDBG Program and HOME Program Funds

Staff recommends that the City use a Request for Proposals ("RFP") process to receive requests for housing and social service projects and activities for a portion of its CDBG Program and HOME Program funding. This process has been effectively deployed in previous funding cycles. For FY 2016-17, the City would accept proposals from organizations that will address the top priority needs in the Consolidated Plan. The review process would not consider proposals that do not address the City's highest priorities and established criteria, as delineated below.

Evaluation of Proposals

Staff proposes the following criteria be used in screening and evaluating proposals:

The organization must propose to address the needs of a high priority group in the Consolidated Plan.

Social Service Agencies: A social service agency must propose to address the needs of one of the following populations: (1) homeless single men in need of emergency shelter, (2) unsheltered homeless persons in need of appropriate supportive services, (3) homeless individuals in need of permanent housing, (4) very low- or low-income families with children, (5) homeless families with children in need of permanent housing, (6) supportive services for persons with HIV/AIDS, (7) supportive permanent housing for the severely mentally ill, (8) treatment and prevention programs for persons with substance abuse addictions, (9) programs meeting the basic needs of the elderly and disabled, or (10) victims of domestic violence.

Housing Agencies: A housing organization must propose to address the housing needs of very low- or low-income renters, prospective homeowners, or existing homeowners; or to provide transitional or permanent housing with appropriate supportive services to the homeless (sheltered or unsheltered), or to a special needs population.

All organizations that submit proposals must document that they are chartered as a non-profit, 501(c)(3) organization; submit other eligibility documents; and provide evidence that they are fiscally sound. Proposers

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must also submit written fiscal and personnel policies and procedures.

According to HUD guidelines, the City must expend CDBG Program funds, and commit HOME Program funds, promptly. Therefore, staff recommends that the City consider funding activities and services that have the best chance to be delivered in a timely manner.

Proposed Availability of Request for Proposals, Proposal Deadline, and Bidder's Conference

Staff proposes to prepare a Request for Proposals for housing and social service organizations to complete, and to make them available by or before **Wednesday, November 25, 2015**. Staff also proposes the deadline for organizations to return completed proposals be not later than **4:00 p. m. (PST) on Thursday, January 7, 2016**.

In fairness to those organizations that participate in the funding process from the beginning, and to ensure an orderly process, staff recommends that the HRC and City Council not consider any proposal that is submitted after the January 7, 2016, deadline, or that is substantially incomplete, with no exceptions.

Finally, staff proposes to hold a **mandatory Bidder's Conference**, consisting of two sessions, for prospective CDBG Program and HOME Program RFP respondents, and other interested parties, on **Wednesday, December 16, 2015**. The purpose of these sessions will be to provide an overview on and to respond to questions regarding the RFPs, as well as HUD and City program requirements.

FISCAL IMPACT

There is no impact to the General Fund by this action. If the recommendation is approved, the City Council's action will establish a funding application process for the allocation of CDBG Program and HOME Program funds to projects and activities in FY 2016-17. The HRC and staff will make recommendations to the City Council on the allocation of CDBG Program and HOME Program funds by or before May, 2016.

ENVIRONMENTAL REVIEW

There is no environmental review associated with this action. California Environmental Quality Act ("CEQA") and National Environmental Policy Act ("NEPA") environmental reviews for proposed projects will be completed. In the past, these types of projects have been determined to be categorically excluded pursuant to CEQA Guidelines section 15302, and categorically excluded from NEPA.

ATTACHMENTS

None

CONTACT

Guy Ricca, Senior Community Development Analyst, (707) 648-4395
guy.ricca@cityofvallejo.net

EVIDENCE OF INSURANCE

INSURANCE REQUIREMENTS:

AGENCY shall procure and maintain for the duration of AGREEMENT, including any extensions thereto, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by AGENCY, its agents, representatives, employees, or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance.
4. Professional Liability Insurance, when applicable, appropriate to AGENCY's profession (Errors and Omissions).

_____ (check if required)

_____ AGENCY Acknowledgement of Requirement (AGENCY initials)

5. "All risk" Property Insurance, when applicable, which shall include fire and extended coverage, sprinkler leakage, vandalism, and malicious mischief coverage for all buildings, equipment, fixtures, and materials used or stored for use by AGENCY. This insurance shall contain a loss payee provision providing that all proceeds allocated to the buildings, fixtures, and any other property that is not AGENCY's personal property shall be paid to CITY.

_____ (check if required)

_____ AGENCY Acknowledgement of Requirement (AGENCY initials)

B. Minimum Limits of Insurance

AGENCY shall maintain limits no less than:

1. General Liability: \$2,000,000.00 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, coverage shall be twice the per occurrence amount.
2. Automobile Liability: \$1,000,000.00 per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability: \$1,000,000.00 per accident for bodily injury or disease. If AGENCY is not subject to California Workers' Compensation requirements, AGENCY shall file a completed Certificate of Exemption Form which may be obtained from CITY prior to commencing any activity authorized hereunder.
4. Professional Liability (Errors and Omissions): \$1,000,000.00 combined single limit per claim, and annual aggregate.
5. "All risk" Property Insurance: One hundred percent of the then current replacement value of all buildings, equipment, fixtures, and materials used or stored for use by AGENCY.

C. Deductible and Self-insured Retention

Any deductibles or self-insured retention must be declared to and approved by CITY's City Attorney. If the deductibles or self-insured retention limit is unacceptable to CITY's City Attorney, at his or her option, the insurer shall either reduce or eliminate such deductibles or self-insured retention as respects CITY, its officers, officials, employees, and volunteers; or AGENCY shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

D. Other Insurance Provisions

The General Liability and Automobile Liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. CITY, its officers, officials, employees, agents, and volunteers are to be covered as additional insured as respects: liability, including defense costs, arising out of activities performed by or on behalf of AGENCY; products and completed operations of AGENCY; premises owned, occupied, or used by AGENCY; or automobiles owned, leased, hired, or borrowed by AGENCY. The coverage shall contain no special limitations on the scope of protection afforded

to CITY, its officers, officials, employees, agents, or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.

2. For any claims related to AGREEMENT, AGENCY's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by CITY, its officers, officials, employees, agents, or volunteers shall be excess of AGENCY's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, its officers, officials, employees, agents, or volunteers.

4. AGENCY's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty days' prior written notice by certified mail, return receipt requested, has been given to CITY.

The Workers' Compensation and Employer's Liability policy required hereunder shall be endorsed to state that the Worker's Compensation carrier waives its right of subrogation against CITY, its officers, officials, employees, agents, and volunteers, which might arise by reason of payment under such policy in connection with AGENCY's performance under AGREEMENT.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII.

F. Verification of Coverage

AGENCY shall furnish CITY with original certificates of insurance for all insurances required by AGREEMENT, and with endorsements effecting general and automobile liability insurance coverages required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY's City Attorney before work commences. CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsement affecting the coverage, by AGREEMENT at any time. All verification of coverage and other insurance documents shall be mailed to the following address or to any other subsequent address as may be directed in writing by CITY's City Attorney:

City of Vallejo
Attention: City Attorney
555 Santa Clara Street
Vallejo, CA 94590

G. Subcontractors

AGENCY shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

H. Payment Withhold

CITY will withhold payments to AGENCY if the certificates of insurance and endorsements required in Paragraph f, above, are canceled or if AGENCY otherwise ceases to be insured as required herein.

Exhibit 3

Community housing development organization means a private nonprofit organization that:

1. Is organized under State or local laws;
2. Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
3. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:
 - i. The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.
 - ii. The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members; and
 - iii. The community housing development organization must be free to contract for goods and services from vendors of its own choosing;
4. Has a tax exemption ruling from the Internal Revenue Service under section 501© (3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501© (3)-1);
5. Does not include a public body (including the participating jurisdiction). An organization that is State or locally chartered may qualify as a community housing development organization; however, the State or local government may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of the participating jurisdiction or State recipient. Board members appointed by the State or local government may not appoint the remaining two-thirds of the board members;
6. Has standards of financial accountability that conform to 24 CFR 84.21, "Standards for Financial Management Systems;"
7. Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;
8. Maintains accountability to low-income community residents by:

- i. **Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, city, county, or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and**
 - ii. **Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;**
9. **Has a demonstrated capacity for carrying out activities assisted with HOME funds. An organization may satisfy this requirement by hiring experienced key staff members who have successfully completed similar projects, or a consultant with the same type of experience and a plan to train appropriate key staff members of the organization; and**
10. **Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating its parent organization has at least a year of serving the community.**