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City of St. Louis
COMMUNITY DEVELOPMENT ADMINISTRATION

Francis G. Slay
Mayor

Jill Claybour
Acting Executive Director

MEMORANDUM

TO: Community Partners

FROM: Jill Claybour, Acting Executive Director

SUBJECT: Response to Comments Received on 2014 Draft Proposal Package

DATE: July 2, 2013

On June 21, 2013, the Community Development Administration (CDA) requested comments from its community partners on the proposed 2014 CDBG proposal package for the City of St. Louis. Direct requests were sent to approximately 125 community partners. The request and proposal package were also posted on the CDA website and on the department's Facebook page. The comment period ended at the close of business on June 26, 2013.

Below please find responses to comments arising from the aforementioned process. Please note that some comments have been paraphrased or consolidated with similar questions received to minimize duplication and remove references to specific organizations. Questions pertaining to responses to the Request for Proposals will be addressed after July 1 and may then be found on the CDA website at www.stlouis-mo.gov/cda

Responses to Comments

1. **"The budgeting portion of the application may be the most challenging. Please include a sample budget as a guide for applicants."**

We intend to fund organizations with the capacity to complete essential administrative tasks, such as preparing a budget. Although we will not be able to provide a sample budget, organizations will be given an opportunity to ask proposal-specific questions, including those relating to budget preparation, at two public hearing/training sessions: (1) July 10, 2013 at 5:30pm at the CDA office and (2) July 11, 2013 at 1:30 at the CDA office.

2. **"The RFP should explicitly discourage, if not outright prohibit, proposals/projects/service areas that conform to political boundaries. The focus should be on neighborhoods and areas of need as identified in the Market Value Analysis. The RFP should specifically state the need to service multi-neighborhood and multi-ward areas."**

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We leave it to the applicant to define its proposed service area. The Market Value Analysis is not scheduled to be completed until later in 2013, so it will not be used to identify needs for this round of funding.

3. **"The addition of down payment assistance as an eligible activity is good."**

We agree.

4. **"The timeframe is too short to effectively achieve what CDA is asking of applicants. The application period should be 2-4 weeks longer."**

Based on a review of CDBG programs throughout the country, we have determined that many jurisdictions provide as few as two weeks to complete responses to requests for proposals. Based on our review, we find that four weeks is sufficient.

5. **The language on "Bonus Points" makes this sound like a game. Change the language to "extra" points or "higher consideration" which would better reflect the seriousness of the task at hand.**

The term "bonus points" is commonly used in HUD-issued proposals.

6. **"The RFP notes that CDA is responsible for determining "adequacy of performance". CDA should develop guidelines for "adequacy of performance" that will be effect [sic] for one year's time and provide to each organization in writing. At the end of one year's time, the guidelines should be reviewed and adjusted and each funded applicant should receive a new written guide to prevent guesswork."**

We already have a well-established performance measurement system and, through this system, information is relayed to funded organizations in many ways. For example, the contract between CDA and organizations is very detailed and specifically states how an organization's performance will be measured. In addition, we provide an annual training for funded organizations, as well as periodic programmatic and fiscal reviews to assist in adequate performance. In our system, organizations should not need to "guess" as far as their performance. Each organization is assigned a program monitor who provides assistance as needed.

7. **"The RFP should be more specific about what elements the selection committee is looking for in Financial Management Functions (a-d) to insure that each organization has a best opportunity to succeed."**

We intend to fund organizations with sufficient capacity to handle essential financial management tasks. The elements we are seeking are specifically detailed in a-d in the RFP. We are seeking organizations that can: (a) generate financial reports; (b) handle financial recordkeeping; (c) maintain an accounting system; and (d) effectively handle the payment process. As noted in the RFP, we are requiring that the organization assign the financial management tasks to persons who have the capacity to complete those tasks.

8. **"The CDFI, MLK, and Better Blocks funds sound like great initiatives"**

We agree. We hope they will bring great value to the City of St. Louis.

9. **"The shift of Healthy Home Repair Program from community organizations to complete control by CDA will not improve customer service. This change will have a major negative impact on the West and North sides of the City of St. Louis.... The Healthy Home Repair [sic] as run through CDA addressed less homes because each home is brought to code and maximum dollars are spent per home. We observed that many properties wait-listed are only in need of minor repairs that should not require a lien being put on the home, do not need permits, and can be performed by certified handymen."**

On June 25, 2013, we decided to revise our RFP to include two additional housing programs activities: Minor Home Repair and Healthy Home Repair Construction Management. We will consider minor home repair proposals to provide accessibility and minor repair services to persons 62 or older or persons with disabilities. We will also consider proposals to provide construction management services for the Healthy Home Repair Program.

The outputs of minor home repairs are not in a number of respects analogous to the Healthy Home Repair Program (HHRP). HHRP is funded by the HOME Investment Partnership (HOME) program, which requires that all properties be made lead-safe and that they be brought up to code. Therefore, in order to comply with the federal HOME regulations, most houses—including those on the waiting list—require significant funding. The City-operated HHRP program has been more productive than decentralized programs in 2012.

10. **"The RFP should clearly state how much funding is available, including how much is available for different funding categories such as services, housing, economic development, etc."**

Because this is a transitional year, we want to remain flexible in the amount of funding allocated to specific categories.

11. **"Nothing that I can see here includes activities that are eligible under §570.204: neighborhood revitalization project, community economic development projects or energy conservation projects. Each is pretty well-defined in the reg."**

24 CFR 570.204 details special activities that can be completed by Community Based Development Organizations (CBDOs). However, it is important to note that, in its computerized reporting system, HUD does not provide for a CBDO specific matrix code. This means that being a CBDO, in itself, does not automatically constitute an eligible activity. The CBDO eligible activities being considered for this round are encompassed in the eligible activities listed in the RFP. So, for example, a CBDO interested in providing neighborhood revitalization services may apply under "Neighborhood Improvements". CBDOs wishing to provide for community economic development projects may apply under "Job Readiness". Energy conservation projects may fall under "Other Public Supportive Services".

12. **"Recommendation for inclusion in Evaluation [sic] tool....Consider value that community-based organizations add that impact health and wellness among low-income people"**

Thank you for your recommendation. However, we feel that health programs should be evaluated in the same manner as other public service activities.

13. **"...specifically add in a priority to push for Veteran and military member owned businesses as part of the effort to keep them here in the community when they transition from the military."**

We acknowledge the importance of Veteran and military-member owned businesses. However, it is not detailed as a specific activity or called out as a priority need in the City's 2010 – 2014 Consolidated Plan that was approved by HUD. Even though we can not add it as a specific priority, we are eager to receive quality proposals for providing services to veterans.

14. **"Section III: Question 2 asks for a list of non-federal grants received over the past five years. Is this asking for all grants during that time, or just a sampling? We receive 30+ grant awards each year, so the list would be 150 – 200 items."**

Thank you for your comment. Section III, Question 2 has been revised to allow organizations to aggregate by category, if the number of funding sources exceeds 10.

15. **"Section VI-3: What is the difference between question 1 and question 3?"**

Thank you for bringing this to our attention. The RFP has been revised.

16. **"This application and its processes are well thought out and thorough. Since our agency has never requested CDBG dollars, I am uncertain if data is able to be saved as information is entered. ...[A]lso, what if each agency's applicant number was the only form of identification given to the raters. This could increase objectivity..."**

We plan to convert our RFP to a fillable PDF that can be saved. If we are successful, this form will be available on July 1.

It will be hard to use an applicant number as the only identification given to raters, as our RFP requires a good deal of information about the applicant organization. There is no practical way to shield an organization's identity.

17. **"You might want to add an element to the evaluation sheet that relates to community input/engagement by the applicant, and whether the neighborhood association(s) for the affected geographic area have been consulted about the proposed project or activity and whether they are supporting it."**

Our Citizen Participation process offers neighborhood associations the opportunity to provide input on proposed projects. We encourage all members of the community to participate actively in this process.

18. **"I would strongly encourage CDA to require that this CDFI be an insured depository institution, i.e., bank or credit union, that is certified CDBF and offers a full range of financial services, loans and financial education/counseling."**

We will be retaining our language for the 2014 funding cycle as a compromise solution, because we also received comments calling for less restrictive requirements.

19. **"The cover letter addresses HOME but the Draft RFP and other attachments seem to be related only to CDBG.... Will there be a similar review for HOME at a later date?"**

HOME funds are typically used for the Housing Production and Healthy Home Repair Programs, both of which will be administered by CDA. Organizations interested in applying for housing development funds

should make plans to apply during the Housing Production funding round that will occur later. The existing residential development applications, which may be found on the CDA website, will be used: www.stlouis-mo.gov/cda.

20. "Who will be on the committee that will evaluate/rate the applicants?"

Several members of our staff, yet to be determined, will serve on the review committee. Rater scores will be averaged to determine final score for each proposed activity.

21. "What will be the role of the Board of Aldermen once recommendations from the committee are made?"

The Board of Estimate and Apportionment (Board of E & A) and the Board of Aldermen must approve our Annual Action Plan. This process has not changed. What has changed is that we will provide funding recommendations based on merit to the Board of E & A and the Board of Aldermen for annual funding. No longer will it be necessary or acceptable for organizations to approach aldermen for additional funding. It will also no longer be necessary or acceptable for individual aldermen to request transfers.

22. "How soon will eligibility be established to apply for CDFI, MLK, and Better Blocks funds?"

We are accepting proposals for the CDFI activity during this round. Organizations interested in applying for this activity should do so using the July 1 RFP. The MLK and Better Block funds will have their own proposal acceptance processes that will be publicized at a later date.

23. "What will the HUD-approved citizen participation process look like as it relates to the applications/review/recommendation for funding under the RFP?"

Our citizen participation process is as follows (dates subject to change):

Draft application and ranking criteria on line for comment	June 21-26, 2013
Mail applications (hard copy and electronic) to existing Operating Agencies and organizations that requested applications.	July 1, 2013
Proposal Period Begins; Applications Available On-Line	July 1, 2013
First public hearing, application training and participation—include RHCDA outcomes training	**July 10-11, 2013**
Proposal Period Ends 4 pm CDT	August 1, 2013
Second public hearing to review recommendations – 3:00 pm	August 27, 2013
Advertise Action Plan 30-day review period and third and final public hearing date	October 3, 2013
Introduction/first reading of Board Bill	October 4, 2013
HUDZ Committee hearing on Board Bill and referral to full Board	October 9, 2013
Second reading of Board Bill	October 11, 2013

Draft Annual Action Plan available for review	October 15, 2013
Third and final public hearing - 5:30 p.m.	October 17, 2013
Perfection of appropriation Board Bill	October 18, 2013
Third reading and final passage of Board Bill	October 25, 2013
Publish Final Statement, Finding of No Significant Impact on the Environment and Intent to Request the Release of Funds from HUD (allow 15-day citizen review period)	November 1, 2013
Submit Annual Action Plan to HUD	November 15, 2013

Thank you for participating in the draft comment process. If you have any questions about this information, please contact Alana Green, Director of Administration at (314) 657-3844 or me. Thank you.