

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO				CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY)	
TO: CITY COUNCIL		FROM (ORIGINATING DEPARTMENT): Economic Development		DATE: 10/10/2014	
SUBJECT: Community Development Block Grant – Review and Scoring Criteria					
PRIMARY CONTACT (NAME, PHONE): Eliana Barreiros, 619-481-4260, MS 56D			SECONDARY CONTACT (NAME, PHONE): Sima Thakkar, 619-236-5902, MS 56D		
COMPLETE FOR ACCOUNTING PURPOSES					
FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
COST SUMMARY (IF APPLICABLE):					
ROUTING AND APPROVALS					
CONTRIBUTORS/REVIEWERS:		APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	
Liaison Office		ORIG DEPT.	Moreno, Lydia	10/14/2014	
		CFO			
		DEPUTY CHIEF	Graham, David	10/17/2014	
		COO			
		CITY ATTORNEY	Reid, Michael T.	10/20/2014	
		COUNCIL PRESIDENTS OFFICE			
PREPARATION OF:	<input type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)	
No Action Required - Informational Item					
STAFF RECOMMENDATIONS: No Action Required - Informational Item					
SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)					
COUNCIL DISTRICT(S):	All				
COMMUNITY AREA(S):	All				
ENVIRONMENTAL IMPACT:	n/a				
CITY CLERK					

INSTRUCTIONS:	
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**COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO**

DATE: 10/10/2014

ORIGINATING DEPARTMENT: Economic Development

SUBJECT: Community Development Block Grant – Review and Scoring Criteria

COUNCIL DISTRICT(S): All

CONTACT/PHONE NUMBER: Eliana Barreiros/619-481-4260, MS 56D

DESCRIPTIVE SUMMARY OF ITEM:

The proposed Scoring and Review Criteria will be applied to the evaluation of the FY 2016 Community Development Block Grant (CDBG) applications. The review and scoring criteria are used by the Consolidated Plan Advisory Board (CPAB) to evaluate CDBG applications and arrive at a list of projects recommended for funding that is subsequently presented to the City Council for its consideration.

STAFF RECOMMENDATION:

No Action Required - Informational Item

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

Starting in fiscal year 2012, the City of San Diego Consolidated Plan Advisory Board (CPAB) assumed responsibility to review and score applications for the City's Community Development Block Grant (CDBG) program.

In 2011, the Public Safety and Neighborhood Services (PS&NS) Committee approved the initial set of review and scoring criteria to guide CPAB's review of applications. After two years of implementing the approved criteria and based on Council direction, revisions were made to the criteria in an effort to standardize scoring. These changes were approved by PS&NS on October 30, 2013 and forwarded to the full City Council as an informational, consent item which was heard on January 14, 2014.

Following the FY 2015 CDBG applications review and funding allocation process, City staff received comments from the CPAB members as well as CDBG applicant agencies in regards to the review criteria and how it could be improved. Staff also intended to make some changes to the criteria given policy changes being implemented as part of the FY 2015 – FY 2019 Consolidated Plan (Con Plan), adopted by the City Council ratified on April 20, 2014 (see Resolution Number R-308904).

In response to comments received, as well as policy changes outlined in the newly adopted Con Plan, staff presented background information and a proposed strategy for revising the criteria at the meeting of the CPAB held on May 14, 2014. During this meeting, the CPAB established an Ad Hoc Committee to work with staff on revising the criteria. The Ad Hoc Committee included the following CPAB members: Ms. Vicki Granowitz (chair), Mr. Kenneth Malbrough (vice-chair), Dr. Maruta Gardner and Ms. Valerie Brown. The Ad Hoc Committee convened six times during the months of June to August of 2014 working alongside staff to arrive at the revised criteria (see attachments 2 and 3). The Ad Hoc Committee took into consideration comments

received, applicable policies of the newly adopted Con Plan, as well as criteria used by other agencies in similar funding allocations and related best practices.

The revised criteria was presented by staff at the CPAB meeting held on August 13, 2014, distributed via the HUD Programs listserv, and posted on the City's website. As part of this process, the public was invited to submit comments through August 27, 2014. A final presentation regarding the revised criteria was made during the CPAB meeting held on September 10, 2014 and the Board voted unanimously to approve the criteria (7-0; 2 members absent) and forward it to the Public Safety & Livable Neighborhoods (PS&LN) Committee.

The revised criteria details 6 categories that will be reviewed:

1. Project Characteristics (40 points)
2. Organizational Capacity (10 points)
3. Budget (18 points)
4. Project Benefits to High-Need Areas and/or Populations (10 points)
5. Project Specifics (22 points)
6. Other – Past Performance (up to -3 points)

Each category contains evaluation factors and sub-factors to guide both the CPAB reviewer and the applicant. The majority of changes were focused on simplifying the language used, providing clear and concise evaluation factors and identifying the maximum points for each sub-factor. Additionally, category 5 (Project Specifics) asks more detailed questions to better assess a project's Contract Execution Readiness based on each project type.

New this year is the addition of subtractive points (up to 3 maximum) for agency performance for CDBG contracts executed in FY 2015. The performance level will be based solely on the already agreed upon Scope of Work and Budget in each executed FY 2015 CDBG contract. No additional reporting will be required of agencies and the deficiency levels of minor, moderate, and significant will be defined before the release of the FY 2016 CDBG Request for Proposals (RFP).

The revised criteria will serve as the framework for the upcoming RFP and will contain application sections in the same sequential order to assist both applicants and CPAB reviewers.

FISCAL CONSIDERATIONS: None with this item.

EQUAL OPPORTUNITY CONTRACTING INFORMATION: N/A

PREVIOUS COUNCIL and/or COMMITTEE ACTION: No City Council or Committee actions have been taken pertaining to the newly revised criteria.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: The Consolidated Plan Advisory Board held publicly noticed meetings to discuss revisions being made to the CDBG Applications Review and Scoring criteria on the following dates: May 14, 2014, August 13, 2014, and September 10, 2014.

All meeting notices, agendas, and pertinent documents were distributed via electronic mail to interested stakeholders and posted on the City's HUD Programs webpage.

A survey was distributed to all applicants in order to solicit feedback on the FY15 application process on April 28 of this year. Twenty-five out of 53 unique applicant agencies responded. Comments were also received at the Consolidated Plan Advisory Board meetings, public hearings, as well as submitted via e-mail or mailed to the CDBG Program office.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Stakeholders include residents of low and moderate income communities, community-based organizations, community planning groups and other community development organizations.

Moreno, Lydia

Originating Department

Graham, David

Deputy Chief/Chief Operating Officer

Appendix 1: City of San Diego FY 2015 CDBG RFP Scoring Criteria

**CITY OF SAN DIEGO
CDBG PROGRAM
FY 2015 CDBG RFP APPLICATION SCORING CRITERIA
FOR QUALIFIED AGENCIES**

The following table lists the maximum score an applicant can receive, along with the review criteria for each section. For these sections, we suggest a close review of your application response in regards to the review criteria below.

MAXIMUM POINTS 100	APPLICATION REVIEW CRITERIA
10	<p>1. RELATIONSHIP TO CONSOLIDATED PLAN GOALS</p> <p>(a) Proposed activity is consistent with the Consolidated Plan Goals and yearly Action Plan Goals approved by City Council [anticipating new preliminary Fiscal Year 2015-19 Goals] (0-5)</p> <p>(b) Proposed activity meets a priority level identified in the Consolidated Plan (0-5)</p>
20	<p>2. PROJECT BENEFIT TO LOW AND MODERATE INCOME (LMI)</p> <p>(a) Activity targets direct services or improvements to underserved low income residents and areas*. *Methodology to determine areas will be developed in conjunction with the Consolidated Plan and RFP. Areas will be mapped and provided. Example of factors: - High % of the people served through the activity are very low income residents (<50% AMI) City of San Diego residents - Located in or has a service area with high concentration of economic distress</p>
20	<p>3. PROJECT OUTCOMES</p> <p>(a) Provides a clear description of each objective to be achieved and is consistent with the scope of the proposed activity (0-5)</p> <p>(b) Provides a clear description of the target population (0-5)</p> <p>(c) Provides a high benefit to the San Diego communities in relation to the amount of funds and type of service (0-5)</p> <p>(d) Each objective listed is supported by clear measurement methods and appear to be achievable (0-5)</p>

MAXIMUM POINTS 100	APPLICATION REVIEW CRITERIA
20	<p>4. ACTIVITY/TIMELINESS</p> <p>(a) Provides a clear description of the scope of the activity, details the specific tasks to be accomplished in achieving the defined objectives, and demonstrates the appropriate level of licensing or site control.</p> <p>(b) The applicant clearly details how the proposed activity is:</p> <ul style="list-style-type: none"> - a new service or improvement with documented need - not a duplication of existing services - an expansion of an existing service that increases access to services to previously underserved households or areas <p>(0-5)</p> <p>(c) Project does not charge client fees or clearly provides proper justification for any client fees charged</p> <p>For CIP Projects, the factors will consist of the following as applicable (max 10 points):</p> <p>(d) Developer/construction manager to be utilized has previous development/construction experience with similar type construction activity funded with federal funds</p> <p>(e) Construction timeline and schedule well-documented</p> <p>(f) Construction is ready to start pending the selection and award of the general contractor within ninety (90) calendar days from the CDBG contract execution</p> <p>(g) Project scope addresses identified and documented health, safety, and/or ADA problems</p> <p>(h) Clearly demonstrates how the completed work will be maintained for a period of not less than five (5) years after termination of Agreement with the City</p> <p>For Direct Services Projects, the factors will consist of the following as applicable (max 10 points):</p> <p>(e) Demonstrates a clear alignment or connection between the needs identified and the intended objectives/results</p> <p>(f) Provides the number of unduplicated clients to receive each identified service</p> <p>(g) Annual cost per client is justifiable</p> <p>(h) Demonstrates collaborative efforts with other service providers in the area to maximize benefit to clients served</p>

MAXIMUM POINTS 100	APPLICATION REVIEW CRITERIA
15	<p>5. ORGANIZATIONAL CAPACITY/ TRACK RECORD</p> <ul style="list-style-type: none"> (a) Identifies staff responsible for ensuring project oversight, management, fiscal oversight, and evaluation methods. If the staff identified was not included in the RFQ (in the same roles), additional qualifications and a justification is provided (0-5) (b) Clearly demonstrates quality experience and accomplishments in providing services to LMI City residents and/or communities (0-5) (c) Provides confirmed evidence of successful past project performance or success in initiating, maintaining, and completing similar projects or projects of similar magnitude with CDBG funds and/or other funding sources; consistently met its program goals (0-5)
15	<p>6. BUDGET JUSTIFICATION & LEVERAGE OF FUNDS</p> <ul style="list-style-type: none"> (a) Provides a budget that: <ul style="list-style-type: none"> - details all sources of funding for total activity costs - details all uses of funding for total activity costs - cost estimates are well documented (0-5) (b) The CDBG funds requested represents less than 50% of the overall total activity costs and leverage of non-CDBG sources are documented and secured (0-10)

**ATTACHMENT 2: CDBG Review Criteria for Applications
CAPITAL IMPROVEMENT PROJECTS: Public Facilities and Housing Rehabilitation**

Category	Criteria	Reviewer Score	Maximum Score
1. Project Characteristics	<p>a. Applicant provides a clear project summary which includes:</p> <ul style="list-style-type: none"> i. Brief description of the project including resulting activities and/or services to be provided; ii. Characteristics of Population(s) to be served; and, iii. Description of Geographic Areas to be served. 		10
	<p>b. Applicant clearly describes:</p> <ul style="list-style-type: none"> i. The critical need(s) that will be addressed through the project; ii. How other resources are not available to meet the need(s); and iii. Efforts to collaborate with other organizations 		10
	<p>c. Applicant clearly explains how the proposed project will result in:</p> <ul style="list-style-type: none"> i. A new facility; ii. Improvement of an existing facility to expand services or programs provided; or iii. Housing stabilization improvements. 		5
	<p>d. Applicant clearly identifies the goal(s) of the project and describes how these goals will be met</p>		10
	<p>e. Applicant clearly identifies the results of the project:</p> <ul style="list-style-type: none"> i. Number of unduplicated City of San Diego individuals or households to be assisted; ii. Number of unduplicated City of San Diego businesses to be assisted; or iii. Number of distinct improvements to facilities. 		5
2. Organizational Capacity	a. Applicant clearly describes their experience in successfully implementing projects of similar scope and of comparable complexity		5

**ATTACHMENT 2: CDBG Review Criteria for Applications
CAPITAL IMPROVEMENT PROJECTS: Public Facilities and Housing Rehabilitation**

Category	Criteria	Reviewer Score	Maximum Score
	<p>b. Applicant has experience in providing services and/or benefits to low-income residents (and/or other qualified CDBG beneficiaries such as seniors, illiterate adults, homeless persons, abused children and/or battered spouses).</p>		5
<p>3. Budget</p>	<p>i. Budget for project clearly identifies all sources of funding for the total project costs.</p>		5
	<p>ii. Budget clearly details uses of funds (City of SD CDBG funds and non-City of SD CDBG funds) by eligible budget line items.</p>		5
	<p>iii. Budget clearly lists all other funding sources secured for project, submits documentation for each source listed, and percent of funds leveraged (calculated by: other secured funding/total project costs) is:</p> <ul style="list-style-type: none"> ▪ 0%-24% (1 points) ▪ 25%-50% (2 points) ▪ 51% or greater (3 points) 		3
	<p>iv. Applicant has demonstrated that there are funds and a mechanism in place to ensure the project does not rely on CDBG funds for program sustainability or maintenance of improvements.</p>		5
<p>4. Project Benefits to High-Need Areas and/or Populations [geographic targeting]</p>	<p>High-Need Areas (TBD): To be determined based on US Census Bureau and other reputable third-party data. May consider, among other factors, income level, employment status, educational attainment, poverty levels, community planning area data, and other data (for area benefit projects); and/or,</p> <p>High-Need Populations (TBD): Population served is considered high-need or highly vulnerable due to certain characteristics/factors such as income level, employment status, educational attainment, poverty levels. High-Need Populations targeted by projects may also be located in High-Need Areas (limited clientele projects)</p>		10

**ATTACHMENT 2: CDBG Review Criteria for Applications
CAPITAL IMPROVEMENT PROJECTS: Public Facilities and Housing Rehabilitation**

Category	Criteria	Reviewer Score	Maximum Score
5. Project Specifics	<p>a. Applicant clearly describes Contract Execution Readiness: Extent to which a project is ready to proceed by detailing that:</p> <ul style="list-style-type: none"> i. Total amount of CDBG funds requested is justified by accurate cost estimations (4) <ul style="list-style-type: none"> a. If the facility you are applying for has received CDBG funds for improvements/expansions in the past, please explain the outcome and justification for the request of additional CDBG funds ii. The level of Environmental Review (city, state and federal) needed has been identified and planned for, as demonstrated by HUD Programs staff verification; (2) iii. All applicable permits have been identified, planned for, and/or secured; (2) iv. The CDBG eligible Scope of Work and Budget demonstrates compliance with meeting National Objectives and other HUD requirements, as demonstrated by HUD Programs staff verification; (2) i. Applicant has clearly described how the project will be completed within the required 18-month timeline, defining the following milestones: (12) <ul style="list-style-type: none"> a. Notice To Proceed (within 90 days of contract execution) b. 50% expenditure level c. 75% expenditure level d. 100% expenditure level e. Project completion, beneficiaries reported (National Objective met), and close out report approved by HUD Programs staff 		22

ATTACHMENT 2: CDBG Review Criteria for Applications
CAPITAL IMPROVEMENT PROJECTS: Public Facilities and Housing Rehabilitation

Category	Criteria	Reviewer Score	Maximum Score
6. Other	City of San Diego Track Record: Rating based on past performance of applicant agency on projects previously funded by the City of San Diego under the CDBG, ESG, HOME and HOPWA programs based on performance indicators data collected starting in FY 2015. <i>These are subtractive points from maximum 100 point score, assigned by performance level:</i> <ul style="list-style-type: none"> • <i>Minor deficiencies documented (-1)</i> • <i>Moderate deficiencies documented (-2)</i> • <i>Significant deficiencies document (-3)</i> 		-3

**ATTACHMENT 3: CDBG Review Criteria for Applications
PUBLIC SERVICES AND COMMUNITY ECONOMIC DEVELOPMENT PROJECTS**

Category	Criteria	Reviewer Score	Maximum Score
1. Project Characteristics	<p>a. Applicant provides a clear project summary which includes:</p> <ul style="list-style-type: none"> i. Brief description of the project including resulting activities and/or services to be provided; ii. Characteristics of Population(s) to be served; and, iii. Description of Geographic Areas to be served. 		10
	<p>b. Applicant clearly describes:</p> <ul style="list-style-type: none"> i. The critical need(s) that will be addressed through the project; ii. How other resources are not available to meet the need(s); and, iii. Efforts to collaborate with other organizations to meet the need(s). 		10
	<p>c. Applicant clearly explains how the proposed project will result in the provision of a new service, or the expansion/improvement of an existing service.</p>		5
	<p>d. Applicant clearly identifies the goal(s) of the project and describes how these goals will be met.</p>		10
	<p>e. Applicant clearly identifies the results of the project:</p> <ul style="list-style-type: none"> i. Number of unduplicated City of San Diego individuals or households to be assisted; or ii. Number of unduplicated City of San Diego businesses to be assisted. 		5
2. Organizational Capacity	<p>a. Applicant clearly describes their experience in successfully implementing projects of similar scope and of comparable complexity.</p>		5
	<p>b. Applicant has experience in providing services and/or benefits to low-income residents (and/or other qualified CDBG beneficiaries such as seniors, illiterate adults, homeless persons, abused children and/or battered spouses).</p>		5

**ATTACHMENT 3: CDBG Review Criteria for Applications
PUBLIC SERVICES AND COMMUNITY ECONOMIC DEVELOPMENT PROJECTS**

Category	Criteria	Reviewer Score	Maximum Score
3. Budget	Budget for project clearly identifies all sources of funding for the total project costs.		5
	Budget clearly details uses of funds (City of SD CDBG funds and non-City of SD CDBG funds) by eligible budget line items.		5
	Budget clearly lists all other funding sources secured for project, submits documentation for each source listed, and percent of funds leveraged (calculated by: other secured funding/total project costs) is: <ul style="list-style-type: none"> ▪ 0%-24% (1 points) ▪ 25%-50% (2 points) ▪ 51% or greater (3 points) 		3
	Applicant has demonstrated that there are funds and a mechanism in place to ensure the project does not rely on CDBG funds for program sustainability or maintenance.		5
4. Project Benefits to High-Need Areas and/or Populations [geographic targeting]	High-Need Areas (TBD): To be determined based on US Census Bureau and other reputable third-party data. May consider, among other factors, income level, employment status, educational attainment, poverty levels, community planning area data, and other data (for area benefit projects); and/or, High-Need Populations (TBD): Population served is considered high-need or highly vulnerable due to certain characteristics/factors such as income level, employment status, educational attainment, poverty levels. High-Need Populations targeted by projects may also be located in High-Need Areas (limited clientele projects)		10

**ATTACHMENT 3: CDBG Review Criteria for Applications
PUBLIC SERVICES AND COMMUNITY ECONOMIC DEVELOPMENT PROJECTS**

Category	Criteria	Reviewer Score	Maximum Score
5. Project Specifics	<p>Services to be Provided Applicant provides a listing of the services to be provided and a clear description of each of these services which includes, as applicable, the following details:</p> <ul style="list-style-type: none"> i. The quantity and duration of each of these services (2); ii. The method of delivery of each of these services (2); iii. Details regarding whether each of these services will be provided on an individual basis (one-on-one) and/or group settings (note expected number of groups and their size) (2); and iv. Explain and Justify the total amount of CDBG funds requested in relation to the services provided (4). 		10
	<p>Project Scope & Schedule</p> <ul style="list-style-type: none"> i. The CDBG eligible Scope of Work and Budget demonstrates compliance with meeting National Objectives and other HUD requirements, as demonstrated by HUD Programs staff verification; (2) ii. Applicant has clearly described how the project will be completed within the required 12-month timeline, defining the following milestones: (10) <ul style="list-style-type: none"> a. Contract Execution b. 50% expenditure level c. 75% expenditure level d. 100% expenditure level e. Project completion, beneficiaries reported (National Objective met), and close out report approved by HUD Programs staff 		12

**ATTACHMENT 3: CDBG Review Criteria for Applications
PUBLIC SERVICES AND COMMUNITY ECONOMIC DEVELOPMENT PROJECTS**

Category	Criteria	Reviewer Score	Maximum Score
6. Other	<p>City of San Diego Track Record: Rating based on past performance of applicant agency on projects previously funded by the City of San Diego under the CDBG, ESG, HOME and HOPWA programs (performance indicators data collected from FY 2015 forward) – <i>These are subtractive points from maximum 100 point score, assigned by performance level:</i></p> <ul style="list-style-type: none"> • <i>Minor deficiencies documented (-1)</i> • <i>Moderate deficiencies documented (-2)</i> • <i>Significant deficiencies document (-3)</i> 		-3