



CDC Capacity Building Request for Grant Applications (RFGA)

Applications Due Prior to: 2:00 PM January 18, 2020

Application Link: [CDC Capacity Building Grant Application](#)

Issuing Department: Austin Housing Finance Corporation (AHFC)

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*All communications concerning the RFGA shall be directed to the POCs named above. Any communication other than with the POCs will be considered unofficial and non-binding.

Background and Purpose

The City of Austin's Neighborhood Housing and Community Development Department (NHCD) has assembled a pool of funding to establish a Community Development Corporation (CDC) Capacity Building Grant that will build up the capacity of the CDC ecosystem in the City of Austin.

The CDC Capacity Building Grant is included in NHCD's [Displacement Mitigation Strategy](#) which incorporates recommendations from the City of Austin's Anti-Displacement Task Force [Final Recommendations for Action, 2018](#) to address gentrification and to develop strategies for preserving and expanding the supply of affordable housing, supporting small businesses, and preserving the City's cultural assets. The strategy also incorporated both the work of the University of Texas gentrification study [Uprooted](#), as well as the [People's Plan](#), which recommends strategies to minimize displacement. The Displacement Mitigation Strategy is also responsive to the directive to create an implementation plan for the *Strategic Housing Blueprint*, as called for in City Council [Resolutions 20170413-024](#) and [20170413-025](#).

NHCD envisions communities where every person has equitable access to safe, affordable housing, and where race and origin are not a predictor of life outcomes. In recognition that communities of color are often overrepresented in homeless and criminal justice populations, that they are more likely to be displaced, that past housing policies have reinforced neighborhood segregation, and that people of color and immigrant communities often face more obstacles accessing quality health care, housing, education, and other opportunities, NHCD wishes to strengthen the CDC ecosystem.

CDCs are uniquely structured to increase the values of neighborhoods, towns and cities for all members of the community. CDCs lead efforts to help individuals make decisions that positively build opportunity for people to prosper in housing, health, education and other quality of life measures. Recognizing that challenges with displacement and affordability can only be corrected with involvement of many engaged stakeholders, NHCD and the Innovation Office have collaborated to provide a process for CDCs and other eligible entities to receive funding to build capacity within their organizations.

By building up the capacity of the CDC ecosystem, NHCD aims to:

1. Provide alternatives to displacement through increased affordable housing stock.
2. Ensure that neighborhoods that are experiencing displacement or are at risk of displacement increase self-determination concerning how their community develops affordable housing and other amenities.

3. Increase community cohesion by cultivating a community-based, community-led approach to displacement mitigation.

With these grants, NHCD has the objective of implementing evidence-based grant making. Evidence-based grant making requires the rigorous gathering of data to measure impact from funded activities toward grant goals. This data gathering will help NHCD determine the scope of future grant opportunities. Awardees of the grant will be required to gather data specified in the Reporting Requirements section below.

The capacity building work of this fund is aligned with Austin City Council's [Strategic Direction 2023](#) addressing economic opportunity and affordability.

Grant Amount and Grant Term:

Multiple grants will be awarded ranging from **\$5,000 to \$50,000** to be spent in a grant period of **up to 12 months**.

Eligible Grant Applicants

Applicants must apply under their own 501(c)(3) designation or under the fiscal sponsorship of another organization's 501(c)(3) status. The applicant may be involved in a wide range of community services that meet local needs such as education, job training, improving health outcomes, healthcare services, commercial development, and other social programs, but funds awarded via this grant must be allowable under their mission or strategic plan's *affordable housing activities* in the City of Austin. Affordable housing activities are defined as: the preservation, production or expansion of income-restricted affordable housing. These activities will stabilize communities, mitigate displacement, and improve the stability, affordability, and quality of housing. This work may provide place-based housing interventions. This work may also include preserving units affordable to low and moderate-income people (e.g. Subsidized housing such as U.S. Housing and Urban Development, Low Income Housing Tax Credits, Permanent Supportive Housing, Senior Housing, Public Housing, and Equitable Transit-Oriented Development).

Applicants may apply jointly with other community-based organizations, but only one organization must act as a fiscal sponsor, and dispersal of grant funds shall be made directly to the sole fiscal sponsor only. Joint applications between organizations are encouraged, and those that exhibit partnership between organizations operating in areas with different levels of social capital are encouraged (View reference map [here](#)). The Affordable housing activities of organizations applying for this grant need not be restricted to an organization's initial or traditional geographic area of focus. The fund will prioritize providing resources for a spectrum of local, established, and emerging community-based organizations that identify a specific need for capacity building in a manner responsive to their organization's current capacity such that they can increase their potential to plan, build, preserve and manage affordable housing.

Organizations that own and/or manage more than 250 affordable housing units may not apply for this grant. For-profit entities may not apply for this grant. To be eligible for this funding, organizations should not be on the City's debarment list. Organizations that have a documented negative record with AHFC may be disqualified from award of this grant (This must be formally documented in a previous contract file such as cancellation, notice to cure, etc.).

Applicants and their subcontractors should be registered to do business with the City of Austin prior to submitting an Application. Applicants can register at: https://www.austintexas.gov/financeonline/vendor_connection/index.cfm.

In order to be eligible for this grant, your organization must currently be in the Pre-CDC Level to Level 3 (see chart below) and be looking to expand capacity up to the next respective level or higher.

Capacity Levels Framework (What your organization can already do without capacity building funds.)				
Pre CDC Level	Level 0	Level 1	Level 2	Level 3
<p>Has its own 501(c)3 fiscal status or is eligible to apply for 501(c)3 status but has not yet done so</p> <p>Your organization does not yet have a portfolio of affordable housing units but is already involved in a wide range of community services that meet local needs such as education, job training, improving health outcomes, healthcare services, commercial development, and other social programs</p>	<p>Has a mission and vision</p> <p>Recruiting neighborhood representatives to the board</p> <p>Building community trust & maintain community relationships that will keep them representative of the community</p> <p>Recruit some board members with skill/fundraising capacity</p> <p>Convene neighborhood to co-create plans and vision</p> <p>No paid staff, volunteer run</p>	<p>Level 0+ the following:</p> <p>Fundraise for and employ part time staff (usually a part time Executive Director (ED), maybe a part time property manager)</p> <p>Recruit board with expertise needed to have 1-5 housing units in their affordable housing portfolio</p> <p>Have 1-5 units in their affordable housing portfolio</p> <p>Recruit and work with development partners</p> <p>Maintain some single family homes</p> <p>Administer applications process</p> <p>Manage properties owned</p>	<p>Level 0+Level 1 + the following:</p> <p>Fundraise for a mix of full time & part time staff (full time ED and usually a part time property manager and or a development professional)</p> <p>Have more units than level one (five to 10 units) in their affordable housing portfolio</p> <p>May have a portfolio of several multi-unit properties, some commercial and some residential</p>	<p>Level 0 + Level 2 + the following:</p> <p>Successfully for and retain time staff</p> <p>Fundraise for development</p> <p>Pursue multiple simultaneous</p> <p>Explore different types and expand boundaries of</p> <p>Affordable housing portfolios with units</p> <p>The portfolio development units and some commercial</p>

Eligible Activities

Applicants may undertake the following activities as labeled by their current capacity level (see chart above) in order to support moving from their current level to the next level (or next two levels up).

- Board Recruitment (All levels)
- Board Capacity Building (Training or Coursework that supports their role as board members) (All levels)
- Board management (All levels)
- Strategic planning (All levels)
- Housing portfolio growth planning (All levels)
- Improving back office functionality/accounting systems (All levels)
- Leadership development and successful leadership transitions (All levels)
- Supporting recruitment, training and practices to diversify the organization’s staff, leadership and/or board to reflect the community served. (All levels)
- Expanding services that will deepen the organization’s work to support underrepresented and underserved populations (All levels)
- Exploring new organizational structures resulting in greater organizational efficiencies. (All levels)
- Fundraising and fundraising plans (All levels)
- Establishment as a 501c3 (Pre-CDC, Level 0)
- Staff recruitment and growth from volunteer to part- or full-time paid staff (Levels 0-2)
- Supporting staff salaries (Levels 0- 3)
- Property Maintenance and Contingency Planning (Level 1-3)
- Alignment¹ of property maintenance with the City’s Home Repair Program (levels 1-3)
- Recruitment of development partners and project plan development for CDC projects (Levels 1-3)
- Unit and parcel identification (Levels 1-3)

¹ The organization can use these funds to align their property maintenance schedule and needs assessment to make better use of the City of Austin’s [home repair programs](#).

19. Financial management and Financial modeling for capital stacks (Levels 2-3)
20. Acquiring CHDO status (Level 2-3)
21. Leveraging CHDO dollars (Level 2-3)

Reporting Requirements and Measurable Outcomes:

Grant awardees will provide AHFC with periodic reports. Grantees will be required to provide a contract status report at six months after the start of the grant period and a full report at the end of the grant period, A Post Grant Report shall be requested from the grantee six (6) months after the end of the program period.

Reporting Requirements for Grant Recipients:

6 month Report (If the grant term is set at 6 months, answer closeout report questions instead)

Provide a narrative of what you've been working on, the results you've been having, progress toward your goal, and an expenditures report.

1. Have you been able to leverage any other funding because of the grant funds awarded by the City?
2. Amount fundraised from the year previous year to receiving the grant and the amount fundraised after receiving the grant.

Final Report

The final report at the end of the grant must include:

1. Please describe your staff (number, PT/FT, roles, paid or unpaid)
2. Describe your geographic focus area. Provide street boundaries.
 - a. Did you expand your geographic boundaries of interest due to this grant?
3. Please describe your organization's current affordable housing portfolio (number of units, MFI levels, rental, accepting Section 8 housing, commercial, mixed use, number of developments, etc.).
 - a. Number of people in units and demographics (race, income, age, number of kids, employment status, education attainment, etc)
4. Using the Capacity Levels Framework, answer the following:
 - a. What is your organization's current capacity level?
 - b. Describe why you think your organization is at that capacity level and what your organization's gaps are even within your organization's current capacity level?
5. What is the total dollar amount used for the proposed activities under this grant?
6. Please answer the following:
 - a. Describe the activities your organization completed with granted dollars in order to move your organization to the next capacity level (or through the next two capacity levels)
 - b. How did the activities above lead to a clear outcome for your organization's ability to plan, build and manage affordable housing portfolio as a result of this grant in the next 1 to 3 years?
7. Please provide a link to your organization's board bios webpage or upload a document with board bios. Provide the following information:
 - a. Demographics of Board (income, race, age, zip code, education attainment)
 - b. Presence of skills (fundraising, legal, community organizing, finance, web, etc.)
8. Articulate sustainability plans for capacity-building activities you took on with this grant. Also articulate: what are new, upcoming capacity-building activities planned for the year following the grant?
9. Have you been able to leverage any other funding because of the grant funds from the City, and if so, how much? What is the name of the organization from which you were able to leverage funds?
10. Amount fundraised the year previous to receiving grant and the year after receiving grant.
11. Did your organization begin or continue to have program combinations that compliment your organization's affordable housing activities such that they support the ability of occupants of their affordable housing units to afford market rate housing on their own in the future? Please describe.
12. What organizations did you partner with during the year?

13. Did your organization receive CDHO certification this year?
 - a. Do you now have CDHO certification?
 - b. Would you have qualified for CDHO certification without this grant?
 - c. Did you pull down CDHO grant dollars with your new certification? (If not, why not?)
14. Before receiving this grant, how many units was your organization likely to create in the next 1-3 years? 3-5 years?
15. After receiving the grant, how many units is your organization likely to create in the next 1-3 years? 3-5 years?
16. During the course of the grant year, please ask the following question of clients (if your organization has clients in units built or administered by your organization). If your organization wants to continue to qualify for grant funds going forward, your organization will be required to track this client information for six months after the grant year is over.
 - a. Of the people who moved into your organization's units, how likely were they to be displaced without accessing the unit?
 - i. This can be captured with a survey to the client asking on a scale of 1-5 "How likely were you to be displaced from this neighborhood without this unit?" 1 = very unlikely, 5 = very likely

Post Report (1.5 years)

See Final Report for questions except 5, 6, 8, 10, and 14.

Insurance Requirements

As a condition of award, Grantees shall provide insurance coverage in the amounts described below. The City reserves the right to waive some or all of these insurance requirements depending on the nature of the proposed work. This will be determined during the City's application review process.

General Requirements:

- i. The Grantee shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award.
- ii. The Grantee shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Grantee hereunder and shall not be construed to be a limitation of liability on the part of the Grantee.
- iii. The Grantee must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office
P. O. Box 1088
Austin, Texas 78767

OR

PURInsuranceCompliance@austintexas.gov

- B. Specific Coverage Requirements: The Grantee shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Grantee.
- i. Worker's Compensation and Employers' Liability Insurance: Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
 - (1) The Grantee's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
 - ii. Commercial General Liability Insurance: The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
 - (1) The policy shall contain the following provisions:
 - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
 - (b) Contractor/Subcontracted Work.
 - (c) Products/Completed Operations Liability for the duration of the warranty period.

- (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
 - (2) The policy shall also include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- iii. Business Automobile Liability Insurance: The Grantee shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
 - (1) The policy shall include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.

C. Endorsements: The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

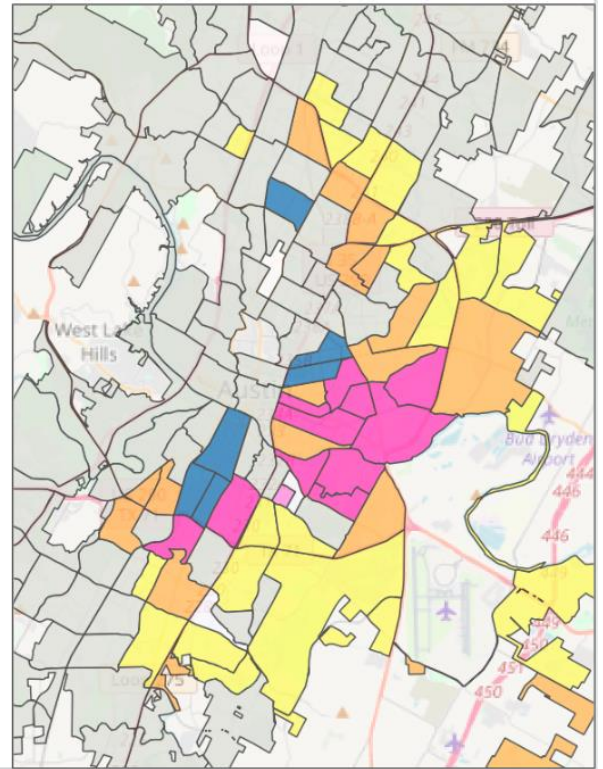
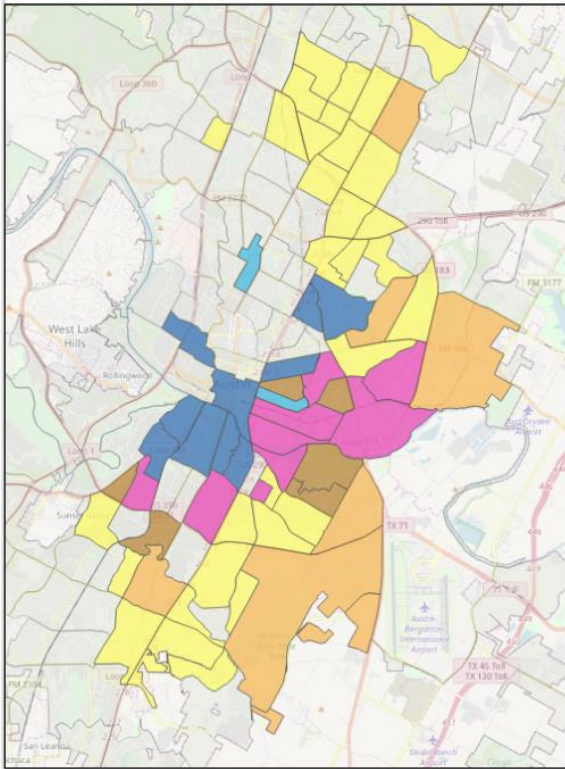
Evaluation Factors

Applicants may submit an application via the application portal available [here](#). Applicants must submit an application via the portal prior to the due date to be considered for award.

Applications will be evaluated by a panel comprised of City staff and subject matter experts. The evaluation process will evaluate the strength of the applicant's plan to shift their organization from one level to another in the Capacity Levels Framework (see chart above) toward an increased ability to build, manage, preserve and maintain affordable housing with particular attention to the needs of persons of low income who are vulnerable to displacement (i.e. All classifications except not gentrifying, see map below).

Renter

Homeowner



Successful applications will demonstrate how funding would be applied to enhance their organization’s ability to undertake and complete an activity listed in the eligible activities section. The applicant will demonstrate how the activity they seek support for could be established or enhanced within their operations. They will also articulate a clear link to a successful outcome to their organization’s ability to plan, build and manage an affordable housing portfolio as a result of the assistance.

Applicants will receive higher scoring if they are able to demonstrate that they are independently (with separate funding) structuring **programmatic combinations** that compliment their affordable housing activities to support the ability of occupants of their affordable housing units to afford market rate housing on their own in the future. These **programmatic combinations** can include but are not limited to, workforce development access, affordable childcare access, matched savings accounts, and small business development support for occupants of the units owned or managed in the organization’s portfolio.

Capacity building applications that help organizations qualify and apply for CHDO status and CHDO dollars will also receive higher scoring (see CHDO information [here](#).)

NHCD reserves the right to waive any minor informality in any application or solicitation procedure (a minor informality being one that does not affect the competitiveness of the application).

NHCD will score and rank applications and fund down the list of applicants until funds are exhausted. NHCD reserves the right to reject applications from organizations and applications that do not meet eligibility as stated in the **Eligible Grant Applicants section** and those which do not comply with eligible activities as defined in the **Eligible Activities section**.