



MAYOR RAHM EMANUEL

2019-2020

**COMMUNITY DEVELOPMENT GRANT APPLICATION (CDGA)
REQUEST FOR PROPOSAL (RFP)**

CITY OF CHICAGO

OFFICE OF BUDGET AND MANAGEMENT (OBM)

APPLICATIONS MUST BE ENTERED AND SUBMITTED ONLINE AT:

[HTTP://WWW.CITYOFCHICAGO.ORG/EPROCUREMENT](http://www.cityofchicago.org/eprocurement)

PAPER APPLICATIONS WILL NOT BE ACCEPTED

SYSTEM WILL OPEN AT 9AM (CT), MONDAY, APRIL 16, 2018

APPLICATIONS DUE AT 12:00 PM (CT), THURSDAY, MAY 31, 2018

OBM will host a Technical Assistance (TA) Session

**MALCOLM X COLLEGE
1900 W. JACKSON BOULEVARD
APRIL 11, 2018 AT 9 A.M.**

To register for CDGA TA Sessions, go to:

<http://www.signupgenius.com/go/10c0b4cadaa23a1f94-cdga>

TABLE OF CONTENTS

General Information	3
Purpose of this RFP	3
BACP Program: Neighborhood Business Development Centers (NBDC)	3
Eligibility Requirements	10
Funding Sources	10
Anticipated Term of Contract and Funding Source	11
Compliance	11
CDGA Technical Assistance (TA) Session (“Pre-Bidders Conference”).....	11
RFP, Program Specific, and eProcurement Questions.....	11
Technical Application and General Content of the RFP.....	11
Program Specific	12
Highlights and Key Dates on the CDGA Calendar	12
Evaluation and Selection Criteria	14
Compliance with Laws, Statutes, Ordinances, and Executive Orders.....	16
Insurance Requirements	20
Section 3.....	22
Sub-Recipient Financial Accountability in Federally Funded Programs.....	24

GENERAL INFORMATION

Purpose of this RFP

On behalf of the Department of Family and Support Services (DFSS), OBM is releasing this request for proposal (RFP) to fund various social service, housing and economic development programs for fiscal years 2019 and 2020. OBM will host a technical assistance (TA) session to provide information and guidance for applicants interested in applying for funding under the programs listed in this RFP as well as training for the City of Chicago's (City) online grant system application, eProcurement.

Submittal of an application does not ensure that you will receive an award. The City assumes no liability for costs incurred in submitting this application or for costs incurred in anticipation of receiving an award. If you receive an award, the award will not be final until your organization and the City have fully negotiated and signed a grant agreement. All payments of funds, as well as the terms and conditions of the grant agreement, will be subject to the annual appropriation and availability of funds as well as the terms and conditions of the grant agreement. The City may, in its sole discretion, reduce the compensation payable under the grant agreement. The grant agreement will terminate on whichever date comes earlier, the last day of the fiscal period for which sufficient appropriation was made or when funds appropriated for payment under the grant agreement are exhausted, OR as otherwise provided under the grant agreement.

Applicants must follow the directions of this RFP and all responses must be complete, legible, and coherent. Applicants' conformity to the RFP instructions will facilitate the evaluation of all proposals. Non-responsiveness or incomplete responses to this RFP may be cause for the proposal to be disqualified from further consideration. The City reserves the right to accept any proposal or any part or parts thereof and reject any or all proposals.

BACP Program: Neighborhood Business Development Centers (NBDC)

PROGRAM DESCRIPTION:

The City of Chicago Department of Business Affairs and Consumer Protection (BACP) will provide funding to not-for-profit organizations to provide business development assistance to Chicago's small business community through its Neighborhood Business Development Centers (NBDC) program. Participants of the NBDC program, also known as NBDC "grantees", will deliver customized business counseling, foster neighborhood engagement with the local business community, drive neighborhood economic vitality through business attraction and retention, enlist small businesses in making their neighborhoods safer for business, and build their capacity to more effectively deliver services. NBDC grantees will work in partnership with the City of Chicago (City) to significantly improve the small business experience in Chicago by providing small businesses, and fellow NBDC grantees, with expert training and resources to help address common challenges and support key City priorities. NBDC Program applicants may apply to any, or all, of the program categories listed below.

PROGRAM CATEGORIES:

To ensure that small businesses, and NBDC grantees, receive the expert guidance and support they need, the City seeks NBDC Program participants to work directly with the small business community to provide specialized services, or with fellow NBDC grantees to help build their capacity to successfully serve Chicago's small businesses and neighborhoods. The City is seeking NBDC Program participants to provide services that fall into the following six (6) categories:

1. Generalist
2. Diversity Outreach
3. Small Business Opportunity Centers (SBOC)
4. Innovation Centers
5. Special Projects
6. Peer-to-Peer Training

Applicants must identify which category, or categories, they are applying for, and be able to comply with the following minimum requirements for each category:

- Implement the activities and fulfill the targets set in the approved grantee work plan;
- For program compliance, all NBDC grantees will be required to submit documentation and reports, also known as “deliverables”, to validate completion of program activities;
- For fiscal compliance, all NBDC grantees will be required to submit vouchers/invoices and participate in all City and BACP-sponsored audits, site visits, evaluation, and quality assurance activities.

CATEGORY 1: NBDC - GENERALIST

The City seeks not-for-profit organizations, as NBDC - Generalist grantees, to provide geographic-based business development assistance to Chicago’s small business community in defined geographic areas, which includes providing customized business counseling, fostering neighborhood engagement with the local business community, driving neighborhood economic vitality through business attraction and retention, enlisting small businesses in making their neighborhoods safer for business, while also building their capacity to more effectively deliver services.

NBDC - Generalist Key Functions:

- Maintain current and quality strategies for supporting businesses and neighborhoods.
- Serve as an extension of the BACP’s Small Business Center,
 - For business owners who are ready to apply for a City of Chicago business license and/or Public Way Use permit:
 - Identify the type of license/permit that aligns with the business activity
 - Prior to business investment (lease and/or purchase of property), identify via the City of Chicago Zoning map if the desired business location is properly Zoned to allow the business activity.
 - Identify issues/challenges in securing the license/permit
 - Support the applicant through the application process
 - Advise applicants of the online business license application system in addition to in-person consultations/applications
 - For business owners who are not ready to apply for a City of Chicago business license and/or Public Way Use permit:
 - Provide them with mentorship, technical assistance and/or next steps to be ready to apply for a license/permit
 - If not offered in-house, recommend capacity building resources (e.g. entrepreneurial training program, business incubator)
 - Ensure the applicant is on a path to successfully secure a license/permit
- Business Consultations (non-Tax Increment Financing (“TIF”) related): These services include identifying the business or entrepreneur’s needs as they start-up and grow, as well as providing progressive actions to address their needs to a final resolution. Examples include, but are not limited to: helping businesses with financial counseling; business planning; access to training and

resources; applying for City licenses and permits; and helping businesses navigate City government.

- Business Consultations (TIF-related) (where applicable): This service includes marketing TIF to current or prospective businesses, developers, and investors and assisting them in securing the TIF incentive.
- Welcomes, and provides ongoing support to, newly licensed businesses within their geographic region as identified from the City Data Portal.
- Provides referrals for businesses seeking assistance to both business and non-business resource partners.
- Connects with partners to support businesses, for example connecting with the nearest Small Business Opportunity Centers, Innovation Centers, and Microlenders.
- Forms a coalition with at least 2-3 geographic and/or industry-based partners to develop a regional strategy or initiatives the support the small business landscape in their geographic region.
- Develops business events, that will foster engagement and communication, which can include Networking, Educational, Business Roundtables, Business-to-Business, Safety Seminars, Working Group/Task Force
- Develops consumer events, to promote local spending, which can include: Producing Festivals, Marketing Events, Buy Local Event, and/or events designed to drive customer traffic.
- Produces campaigns that showcase assets and/or leverages several business owners to create engaging, unique ways for consumers to connect with the business community (e.g. Buy Local Campaign).
- Maintains an active and viable list of real estate vacancies in the district by gathering listing information from property owners and/or real estate brokers.
- Develops and maintains a community profile to be used as a business attraction strategy.
- Maintains relationships with local property owners and brokers, and plays an active role in business attraction to storefronts.
- Must have a functioning website, email, phone and social media outlets that at minimum include City and local resources for businesses; links to the City of Chicago Small Business Center Website and Site Selector; links to aldermen’s offices for the NBDC service area; and calendar of events, e-blasts and e-newsletters.
- Attend the triannual mandatory NBDC grantees meetings called “ChiBiz Chat”. At least one NBDC grantee staff member is required to attend each one of the three (3) ChiBiz Chats per year, and stay for the duration of the meeting. The events are an opportunity for NBDC grantee representatives to learn about the latest NBDC Program-related updates, participate in speaker discussions, network and exchange best practices.

CATEGORY 2: NBDC - DIVERSITY OUTREACH

The City seeks not-for-profit organizations, as NBDC - Diversity Outreach grantees, to provide diversity-based business development assistance, and support services, directly to target populations in Chicago’s small business community. Target populations include, but are not limited to, minorities, women, people with disabilities, LGBT individuals, returning citizens, New Americans, and military veterans.

NBDC - Diversity Outreach Key Functions:

- Provide 1:1 business counseling and referral services to the target populations
- Work collaboratively with other NBDC grantees, including, but not limited to, participating in a Regional Impact Project

- Host business events such as Networking, Educational, Business Roundtables, Business-to-Business, Safety Seminars, Working Group/Task Force
- Help their target population(s) businesses lease or purchase commercial sites in the City
- Implement activities that attract customers to their target population(s)' businesses
- Convey stories about agency's impact on their target populations
- Must have a functioning website, email, phone and social media outlets that at minimum includes City and local resources for businesses; links to the City of Chicago Small Business Center Website and Site Selector; links to aldermen's offices for the NBDC service area; calendar of events, e-blasts and e-newsletters.
- Attend the triannual mandatory NBDC grantees meetings called "ChiBiz Chat". At least one NBDC grantee staff member is required to attend each one of the three (3) ChiBiz Chats per year, and stay for the duration of the meeting. The events are an opportunity for NBDC grantee representatives to learn about the latest NBDC Program-related updates, participate in speaker discussions, network and exchange best practices.

CATEGORY 3: NBDC - SMALL BUSINESS OPPORTUNITY CENTERS (SBOC)

The City seeks not-for-profit organizations, as NBDC - SBOC grantees, to provide support, counseling and coaching assistance to entrepreneurs in Chicago's small business community that require access to capital. This includes accepting referrals from NBDC grantees, and other referral partners, of business owners looking to borrow funds and be matched with the right lender. NBDC-SBOCs are expected to develop a curriculum/individualized work plan for business owners based on their stage in the loan-readiness process.

NBDC - SBOC Key Functions:

- For business owners who are ready to apply for a small business loan:
 - Identify the best financing product to pursue and recommend options for financing (e.g. microloans, SBA loans, conventional loans, crowd funding, etc.)
 - Enhance an applicant's existing loan activity so the SBOC can make stronger referrals
 - Help assemble business loan application documents
- For business owners who are not ready to apply for a small business loan:
 - Provide them with mentorship, credit building coaching, technical assistance and/or credit counseling opportunities and providers
 - If not offered in-house, recommend capacity building resources (e.g. entrepreneurial training program, business incubator)
- Maintain relationships with financial institutions and programs that provide access to capital
- Must have a functioning website, email, phone and social media outlets that at minimum includes City and local resources for businesses; links to the City of Chicago Small Business Center Website and Site Selector; links to aldermen's offices for the NBDC service area; calendar of events, e-blasts and e-newsletters.
- Attend the triannual mandatory NBDC grantees meetings called "ChiBiz Chat". At least one NBDC grantees staff member is required to attend each one of the three (3) ChiBiz Chats per year, and stay for the duration of the meeting. The events are an opportunity for NBDC grantee representatives to learn about the latest NBDC Program-related updates, participate in speaker discussions, network and exchange best practices.

CATEGORY 4: NBDC - INNOVATION CENTERS

The City seeks not-for-profit organizations, as NBDC - Innovation Center grantees, to create, or develop, neighborhood-based shared work environments for small businesses and entrepreneurs through an incubator, accelerator, and/or co-working center.

NBDC - Innovation Center Key Functions:

- Identify the type of shared working space the applicant will develop or expand: incubator, accelerator, and/or co-working center
- Describe the business profile of those served by the applicant's Innovation Center (e.g., targeted population and/or industry, annual sales, etc.)
- Develop space and programming to support the needs of the applicant's targeted enrollee (e.g., office suites, conference rooms, internet access, B2B meet-and-greets, etc.).
- Develop a recruitment/marketing approach (e.g. expos, flyers, website, newsletters, aldermen's offices, word of mouth)
- Screen entrepreneurs and/or businesses and provide ongoing management and support:
 - For entrepreneurs/businesses that are enrolled in the applicant's Innovation Center:
 - Keep baseline data that will be collected periodically throughout their tenure and upon graduation from the Innovation Center
 - Provide services such as, but not limited to: access to capital, business plan development, legal assistance, technology, marketing; data analysis, coaching, classes/workshops, and other business services; refer enrollees when needed to appropriate City resource partners (e.g. (e.g. Small Business Opportunity Centers (SBOCs), Microlenders, and legal services)
 - Create an Exit Strategy for enrollees that may include, but is not limited to:
 - Create an action plan with an assigned coach
 - Connect enrollee with relevant City resource partners
 - Monitor revenue growth
 - Monitor capacity/space needs
 - Monitor jobs created
 - Monthly check-ins/updates
 - Create exit plan (custom to each business)
 - Execute exit plan 12-18 months from start of action plan
 - For entrepreneurs/businesses that are not enrolled in the applicant's Innovation Center:
 - Provide them with mentorship and connection with the appropriate referral partner in the Innovation Center network based on their needs (e.g. business is not ready for an accelerator and is referred to an incubator, or a mid-growth company is too large for an incubator and is referred to an accelerator) as well as referrals to City resource partners (e.g. SBOCs, Microlenders, legal services)
- Create/update an Innovation Center Toolkit that is scalable and user-friendly for NBDCs to know how to work with Innovation Centers
- Must have a functioning website, email, phone and social media outlets that at minimum includes City and local resources for businesses; links to the City of Chicago Small Business Center Website and Site Selector; links to aldermen's offices for the NBDC service area; calendar of events, e-blasts and e-newsletters.
- Attend the triannual mandatory NBDC grantees meetings called "ChiBiz Chat". At least one NBDC grantees staff member is required to attend each one of the three (3) ChiBiz Chats per year, and stay for the duration of the meeting. The events are an opportunity for NBDC grantee representatives to learn about the latest NBDC Program-related updates, participate in speaker discussions, network and exchange best practices.

CATEGORY 5: NBDC - SPECIAL PROJECTS

The City seeks not-for-profit organizations, as NBDC - Special Project grantees, to work directly with small businesses and/or other NBDC grantees through current, expanded and/or innovative pilot projects that will spur small business growth and/or neighborhood economic development.

NBDC - Special Project Key Functions:

- State the gap for proposed project(s) for the geographic area, targeted population and/or targeted industry/sector
- Identify the expected impact of the proposed project(s)
- List reasons why the applicant is successful in implementing the project(s)
- Proposed program, expected outcomes, and evaluation methods
- How the proposal will expand an existing program or is innovative
- Identify up to five short-term goals for the project and how they align with your long-term goals
- Identification of meaningful indicators that show the impact of the applicant's proposed activities (e.g., jobs created or retained, businesses created or retained, increased sales or fundraising, or other relevant outcomes or metrics)
- How the impact will be tracked, quarterly metrics, and final deliverables
- Experience and credentials in delivering similar services or programs
- Why funding from the NBDC-Special Project program is required to achieve goals
- Must have a functioning website, email, phone and social media outlets that at minimum includes City and local resources for businesses; links to the City of Chicago Small Business Center Website and Site Selector; links to aldermen's offices for the NBDC service area; calendar of events, e-blasts and e-newsletters.
- Attend the triannual mandatory NBDC grantees meetings called "ChiBiz Chat". At least one NBDC grantees staff member is required to attend each one of the three (3) ChiBiz Chats per year, and stay for the duration of the meeting. The events are an opportunity for NBDC grantee representatives to learn about the latest NBDC Program-related updates, participate in speaker discussions, network and exchange best practices.

CATEGORY 6: NBDC - PEER-TO-PEER TRAINING

The City seeks not-for-profit organizations, as NBDC - Peer-to-Peer Training grantees, to work directly with NBDC grantees, with a focus on building the capacity of the organization.

NBDC - Peer-to-Peer Training Key Functions:

- Determines objectives that will be pursued collectively with the NBDC grantee and establishes timelines to meet them
- Sets clear short-term and long-term goals for activities and outcomes and establishes the priorities, guiding the plan and providing a shared sense of purpose
- Identifies best practices/models taking into account needs of the community
- Tracks growth and improvement through metrics
- Develops activities and initiatives that will promote growth and expansion
- Provides training and technical assistance as well as tools and resources
- Establishes regular meetings and check-ins
- Must have a functioning website, email, phone and social media outlets that at minimum includes City and local resources for businesses; links to the City of Chicago Small Business Center

Website and Site Selector; links to aldermen’s offices for the NBDC service area; calendar of events, e-blasts and e-newsletters.

- Attend the triannual mandatory NBDC grantees meetings called “ChiBiz Chat”. At least one NBDC grantees staff member is required to attend each one of the three (3) ChiBiz Chats per year, and stay for the duration of the meeting. The events are an opportunity for NBDC grantee representatives to learn about the latest NBDC Program-related updates, participate in speaker discussions, network and exchange best practices.

REPORTING REQUIREMENTS:

NBDC grantees will be required to track a range of metrics using BACP-mandated platforms and report on targets agreed upon by the applicant and the City. A portion of these will be measured against preset agency targets as part of their contractual obligation, while others will be collected for information-gathering purposes for the City. Proposed metrics for the 2019/2020 NBDC program include, but are not limited to:

- Business consultations and referrals
- Contacting newly licensed businesses
- Stories/photos about helping businesses start and/or grow, profiling successful implementation of a neighborhood engagement project, and receiving media coverage
- Business and consumer events
- Commercial attraction activities

PROGRAM REQUIREMENTS:

All program specific questions, requirements, forms, or templates that applicants must answer or complete will be available on the City of Chicago eProcurement site.

SELECTION CRITERIA:

All proposals that are received by the deadline will undergo a technical review to determine whether all required components have been addressed and included. Proposals that are determined by BACP to be incomplete may not be considered. BACP reserves the right to waive irregularities that, within its sole discretion, BACP determines to be minor. If such irregularities are waived, similar irregularities in all proposals will be waived. Proposals that are determined to be complete will be forwarded to a Review Panel. The Review Panel will evaluate and rate all remaining proposals based on the following evaluation criteria:

- Applicant demonstrates it has the following key existing capacities for the NBDC program section of this RFP:
 - Ability to provide assistance to businesses according to the program requirements as listed in the “Key Functions of NBDCs” above
 - Experience in or verifiable ability of performing contractual obligations to execute expected commitments of NBDCs
 - Filling a noted program gap and describing why/how the NBDC funding is required to achieve goals. The applicant must identify any 2017/2018 NBDCs currently servicing the proposed geographic area and describe how their services are distinctive from the services provided by the 2017/2018 NBDCs.
- Applicant demonstrates how it is successful in performing activities listed in the “Key Functions of NBDCs” section of this RFP.
- Number of years the agency is financially in the black as evidenced by IRS Form 990’s.
- Overall quality and completeness of the application.

- Not responding to any question in the application (e.g. stating the agency is “not a City grantee” etc.) will be considered an incomplete application and may disqualify the application.

BACP reserves the right to recommend qualified funding proposals out of rank to ensure adequate geographic distribution of services. Qualified proposals will be scored against proposals in the same modality or type of service. City funding for the NBDC program is meant to be a minor supplement to an applicant’s fundraising efforts, member dues, or revenue from events or other sources.

PRIOR YEAR STATISTICS FOR THIS PROGRAM:

Applications received:	N/A
Projects funded:	90
Range of funding:	\$15,000 to \$92,000
Total funding:	\$3,360,000

PROGRAM CONTACT:

Edwin Tumlos, Assistant Commissioner
Email: NBDC@cityofchicago.org
Phone: 312-744-5366
Website: www.cityofchicago.org/BACP

Eligibility Requirements

This is a competitive process open to not-for-profit community-based organizations (unless specifically stated otherwise in the “Program Description” section of this document). Applicants must provide their federal 501(c)(3) tax-exempt designation and State of Illinois articles of incorporation as verification of their not-for-profit status. Applicants are required to deliver services within the city of Chicago and to Chicago residents only.

Applicants with existing contracts with the City that are not in good standing will not be considered for new funding. In addition, respondents that have had a City contract terminated for default, are currently debarred, or have been issued a final determination by a City, State, or Federal agency for performance of a criminal act, or abridgement of human rights or illegal/fraudulent practices will not be considered for new funding.

Funding Sources

All final awards will be subject to the availability of funds from the sources identified below. For more information about the various rules and regulations that may govern the use of these funding sources, visit the specific web site referenced by each funding source.

- City of Chicago Local Funds
- U.S. Department of Housing and Urban Development (HUD): Community Development Block Grant (CDBG)
- U.S. Department of Housing and Urban Development (HUD): Emergency Solutions Grant (ESG)
 - (http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs)

- Illinois Housing Development Authority (IHDA): Foreclosure Prevention Funds
 - (<http://www.ihda.org/>)
- Illinois Department of Commerce and Economic Development: Community Services Block Grant (CSBG)
 - (<https://www.illinois.gov/dceo/CommunityServices/HousingAssistance/CSBG/Pages/default.aspx>)
- Illinois Department of Human Services (IDHS): Emergency and Transitional Housing Funds
 - (<http://www.dhs.state.il.us/page.aspx?>)

Anticipated Term of Contract and Funding Source

The term of contracts executed under this RFP will be for two consecutive one-year periods. The first year funding award will cover the period of January 1, 2019 to December 31, 2019. Based on performance and availability of funds, the contract may be extended for an additional year, from January 1, 2020 to December 31, 2020. Additional extensions may be granted, not to exceed one additional year. Programs may be funded with a combination of federal, state, or local funds with each funding source representing a separate contract. Final awards are contingent on the availability of funds from the various sources identified above.

Compliance

Applicants must comply with all applicable federal, state, and City requirements necessary to execute and perform services under a contract funded by this application.

CDGA TECHNICAL ASSISTANCE (TA) SESSION (“PRE-BIDDERS CONFERENCE”)

The Office of Budget & Management (OBM) will host one technical assistance (TA) session, also known as the Pre-Bidders Conference, which will include a brief overview of the HUD-funded programs, overview of the Community Development Advisory Committee (CDAC), Fair Housing, breakout sessions for individual programs, and an overview of the online eProcurement system. Staff from City departments that oversee the various programs included in this RFP will be in attendance to host informational sessions, respond to questions, and offer any other assistance needed. All applications must be submitted on the City’s eProcurement system at: <http://www.cityofchicago.org/eprocurement>. Training sessions will be available to assist in navigating the eProcurement system. **Participation in the TA session is strongly encouraged.**

To sign up and register for the TA session please visit:
<http://www.signupgenius.com/go/10c0b4cadaa23a1f94-cdqa>

RFP, PROGRAM SPECIFIC, AND EPROCUREMENT QUESTIONS

Technical Application and General Content of the RFP

Questions regarding the general content of this RFP or the online eProcurement system must be submitted in writing to OBMGMU@cityofchicago.org. OBM will compile all questions and post answers to commonly asked questions on its website. Questions will be answered within 24 hours and those received after regular business hours will be answered the following business day.

Program Specific

Program specific questions must be submitted in writing to the appropriate program liaison identified below:

- **Business Affairs and Consumer Protection (BACP)** – Edwin Tumlos: Edwin.Tumlos@cityofchicago.org

HIGHLIGHTS AND KEY DATES ON THE CDGA CALENDAR

CDGA RFP Release	April 9, 2018
Technical Assistance Session	April 11, 2018
2019 CDGA Application Opens	April 16, 2018 at 9:00 AM CT
2019 CDGA Application Closes	May 31, 2018 at 12:00 PM CT
Applicants Notified of Funding Recommendations	October-November 2018*
2019 Annual Appropriation Recommendations Released and CDBG Public Hearing Held	Mid-October 2018*
City Council Deliberates Proposed Budget	October-November 2018*
City Council Votes on FY2019 Budget	November 2018*
Final Award Notifications Sent to Organizations	December 2018*
Program Year Begins	January 1, 2019
Sub-grantee Agreements Executed	January 1, 2019*

*Dates are tentative and based on FY2019 Budget cycle

EVALUATION AND SELECTION CRITERIA

Each lead department administering the programs listed in this RFP will evaluate and score all proposals based upon the criteria identified in the Program Description. During the evaluation process, lead departments reserve the right to consult with community advisory groups or committees, external experts, other City departments, and public and private funders.

The Applicant must show to the complete satisfaction of the lead department that it has the necessary facilities, ability, and financial resources to provide the services specified in the Program Descriptions in a satisfactory manner. The lead department may make reasonable investigations deemed necessary and proper to determine the ability of the Applicant to perform the work and the Applicant shall furnish to the lead department all information that may be requested. The lead department reserves the right to reject any application if the materials or information provided by the Applicant fail to satisfy the lead department that the Applicant is properly qualified to carry out the obligations of the contract and to complete the work described in the Program Description.

Evaluation of the Applicants qualifications shall include:

- The ability, capacity, skill, and the financial and other necessary resources to perform the work or provide the service required.
- The ability to perform the work or provide the service promptly or within the time specified, without delay or interference.
- The experience and efficiency of the agency.
- The quality of work and performance of previous contracts or services, as applicable.

Final department funding recommendations must be approved by the Chicago City Council (as appropriate) and are subject to the availability of funds.

Once submitted and RFP is closed, no proposal may be amended or substituted, unless an addendum is issued by the City. The City, at its sole discretion, reserves the right to contact an applicant if additional information or clarification is required.

The table on the following page lists the maximum score an applicant can receive, along with examples of the review criteria for each section. Lead departments may incorporate additional criteria for specific program models.

APPLICATION REVIEW CRITERIA

The maximum points an application can receive is 100. There are additional requirements identified in the Program Descriptions section of this document.

Points	CRITERIA
25	<p>Organizational Capacity</p> <ul style="list-style-type: none"> • The Applicant identifies qualified staff responsible for program oversight, management, fiscal oversight, and evaluation and performance management methods. • The Applicant provides evidence of successful past program performance or success in initiating, maintaining, and completing a similar program, and consistently meeting program goals.
25	<p>Proposed Program</p> <ul style="list-style-type: none"> • The Applicant serves a high need community area (defined as an area of 51% low to moderate income residents); an area with a service gap; and/or serves an under or unserved population. • The Applicant clearly demonstrates quality experience and accomplishments in providing services to target population. • The Applicant clearly defines the activities to be undertaken or the services to be provided. • The Applicant’s proposed goals and service delivery is appropriate based on agency capacity and past experience.
20	<p>Reasonable Costs, Budget Justification, and Leverage of Funds</p> <ul style="list-style-type: none"> • The Applicant demonstrates reasonable implementation costs and funding requests relative to its financial and human resources. The proposed budget supports the proposed scope of work or work plan. • Overall, the Applicant is fiscally sound, as evidenced by the financial history and record of the organization, as well as audited financial statements (or the equivalent) from the current fiscal year. • The Applicant proposes a reasonable cost per person or per unit and provides justification for the level of funding requested. • The Applicant leverages other non-local funds to support total program cost.
20	<p>Program Quality and Impact</p> <ul style="list-style-type: none"> • The Applicant has documented collaborations or partnerships with other public and private agencies that support or enhance resources for the target population.
10	<p>Overall Responsiveness</p> <ul style="list-style-type: none"> • The Applicant completed the application in an accurate manner, answers all questions with sufficient detail to demonstrate knowledge and capacity to carry out the proposed program(s), and submits all necessary information or documentation.

COMPLIANCE WITH LAWS, STATUTES, ORDINANCES, AND EXECUTIVE ORDERS

Grant awards will not be final until the City of Chicago and the applicant have fully negotiated and executed a grant agreement. All payments under Agreements are subject to annual appropriation and availability of funds. The City assumes no liability for costs incurred in responding to this RFP or for costs incurred by the applicant in anticipation of a grant agreement. As a condition of a grant award, applicants must comply with the following and with each provision of the grant agreement:

1. Conflict of Interest Clause: No member of the governing body of the City or other unit of government and no other officer, employee, or agent of the City or other government unit who exercises any functions or responsibilities in connection with the carrying out of the project shall have any personal interest, direct or indirect, in the grant agreement.

The applicant covenants that he/she presently has no interest, and shall not acquire any interest, direct, or indirect, in the project to which the grant agreement pertains which would conflict in any manner or degree with the performance of his/her work hereunder. The applicant further covenants that in the performance of the grant agreement no person having any such interest shall be employed.

2. Governmental Ethics Ordinance, Chapter 2-156: All applicants agree to comply with the Governmental Ethics Ordinance, Chapter 2-156 which includes the following provisions: a) a representation by the applicant that he/she has not procured the grant agreement in violation of this order; and b) a provision that any grant agreement which the applicant has negotiated, entered into, or performed in violation of any of the provisions of [Governmental Ethics Ordinance, Chapter 2-156] shall be voidable by the City.
3. Drug-free Workplace: Selected applicants shall establish procedures and policies to promote a Drug-free Workplace. The selected applicant shall notify employees of its policy for maintaining a drug-free workplace and the penalties that may be imposed for drug abuse violations occurring in the workplace. The selected applicant shall notify the City if any of its employees are convicted of a criminal offense in the workplace no later than ten days after such conviction.
4. Business Relationships with Elected Officials: Pursuant to Section 2-156-030(b) of the Municipal Code of Chicago as amended (Municipal Code), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a business relationship, or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship. Violation of Section 2-156-030(b) by any elected official with respect to the Agreement shall be grounds for termination of the Agreement. The term business relationship is defined as set forth in Section 2-156-080 of the Municipal Code.

Section 2-156-080 defines a “business relationship” as any contractual or other private business dealing of an official, or his or her spouse or domestic partner, or of any entity in which an official or his or her spouse or domestic partner has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; provided, however, a financial interest shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the

Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A “contractual or other private business dealing” shall not include any employment relationship of an official’s spouse or domestic partner with an entity when such spouse or domestic partner has no discretion concerning or input relating to the relationship between that entity and the City.

5. Legal Compliance: Compliance with Federal, State of Illinois and City of Chicago regulations, ordinances, policies, procedures, rules, executive orders and requirements, including: Disclosure of Ownership Interests Ordinance (Chapter 2-154 of the Municipal Code); the State of Illinois - Certification Affidavit Statute (Illinois Criminal Code); State Tax Delinquencies (65ILCS 5/11-42.1-1); Governmental Ethics Ordinance (Chapter 2-156 of the Municipal Code); Office of the Inspector General Ordinance (Chapter 2-56 of the Municipal Code); Child Support Arrearage Ordinance (Section 2-92-380 of the Municipal Code); and Landscape Ordinance (Chapters 32 and 194A of the Municipal Code).
6. Economic Disclosure Statement: If selected for grant award, applicants are required to (a) execute the Economic Disclosure Statement and Affidavit and (b) indemnify the City as described in the Agreement between the City and the successful applicants.
7. Prohibition on Certain Contributions, Mayoral Executive Order 2011-4: Neither you nor any person or entity who directly or indirectly has an ownership or beneficial interest in you of more than 7.5% (Owners), spouses and domestic partners of such Owners, your Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% (Sub-owners) and spouses and domestic partners of such Sub-owners (you and all the other preceding classes of persons and entities are together, the Identified Parties), shall make a contribution of any amount to the Mayor of the City of Chicago (the Mayor) or to his political fundraising committee during (i) the bid or other solicitation process for the grant agreement or Other Contract, including while the grant agreement or Other Contract is executory, (ii) the term of the grant agreement or any Other Contract between City and you, and/or (iii) any period in which an extension of the grant agreement or Other Contract with the City is being sought or negotiated.

You represent and warrant that since the date of public advertisement of the specification, request for qualifications, RFP or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached you or the date you approached the City, as applicable, regarding the formulation of the grant agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

You shall not: (a) coerce, compel or intimidate your employees to make a contribution of any amount to the Mayor or to the Mayor’s political fundraising committee; (b) reimburse your employees for a contribution of any amount made to the Mayor or to the Mayor’s political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under the grant agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under the grant agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If you violate this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, the Commissioner may reject your bid.

For purposes of this provision:

- “Other Contract” means any agreement entered into between you and the City that is (i) formed under the authority of Municipal Code Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.
- “Contribution” means a “political contribution” as defined in Municipal Code Ch. 2-156, as amended.
- “Political fundraising committee” means a “political fundraising committee” as defined in Municipal Code Ch. 2-156, as amended.

8. Hiring Practices:

- a) The City is subject to the June 24, 2011 “City of Chicago Hiring Plan” (the “2011 City Hiring Plan”) entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2011 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.
- b) You are aware that City policy prohibits City employees from directing any individual to apply for a position with you, either as an employee or as a subcontractor, and from directing you to hire an individual as an employee or as a subcontractor. Accordingly, you must follow your own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by you under the grant agreement are employees or subcontractors of you, not employees of the City of Chicago. The grant agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by you.
- c) You will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under the grant agreement, or offer employment to any individual to provide services under the grant agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of the grant agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support

of or in opposition to political organizations or parties or candidates for elected public office.

- d) In the event of any communication to you by a City employee or City official in violation of paragraph (b) above, or advocating a violation of paragraph (c) above, you will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the Department. You will also cooperate with any inquiries by IGO Hiring Oversight related to this Agreement.

INSURANCE REQUIREMENTS

Insurance requirements are applicable at the time of contract execution.

A) Required Insurance –The kinds and amounts of insurance required are as follows:

- 1) Workers Compensation and Employers Liability: Workers Compensation as prescribed by applicable law covering all employees who are to provide services under a grant agreement and Employers Liability coverage with limits of not less than \$100,000 each accident, illness, or disease.
- 2) Commercial General Liability (Primary and Umbrella): Commercial General Liability Insurance or equivalent with limits of not less than \$500,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverage must include the following: all premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work or services.
- 3) Automobile Liability (Primary and Umbrella): When any motor vehicles (owned, non-owned and hired) are used in connection with work or services to be performed, Sub-grantee must provide Automobile Liability Insurance with limits of not less than \$300,000 per occurrence for bodily injury and property damage.
- 4) Professional Liability: When any professional consultants perform work or services in connection with a grant agreement, Professional Liability Insurance covering errors, omissions, or negligent acts, must be maintained with limits of not less than \$500,000. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede start of work or services on a grant agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years.
- 5) Medical/Professional Liability: When any medical services are performed in connection with a grant agreement, Medical/Professional Liability Insurance must be provided to include coverage for errors, omissions and negligent acts related to the rendering or failure to render professional, medical or health services with limits of not less than \$1,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with or precede the start of work or services on the grant agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years.
- 6) Builders Risk: When any Sub-grantee performs any construction, including improvement, betterments, and/or repairs, Sub-grantee must provide All Risk Builders Insurance to cover materials, supplies, equipment, machinery and fixtures that are part of the structure.

B) Related Requirements

- 1) If coverage has an expiration or renewal date occurring during the time for performance of the grant agreement, Sub-grantee must furnish renewal certificates to the Federal Funds Insurance Unit at the address listed in Section 2.5 of the grant agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the grant agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Sub-grantee is not a waiver by the City of any requirements for sub-grantee to obtain and maintain specified coverage. Sub-grantee must advise all insurers of

the grant agreement provisions regarding insurance. Non-conforming insurance does not relieve sub-grantee of your obligation to provide insurance as specified here. Nonfulfillment of the insurance conditions may constitute a violation of the grant agreement, and the City retains the right to stop work or services or terminate the grant agreement until proper evidence of insurance is provided.

- 2) The sub-grantee must provide for 30 days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed.
 - 3) All deductibles or self-insured retentions on referenced insurance coverage must be borne by sub-grantee.
 - 4) Sub-grantee will waive and agree to require their insurers to waive their rights of subrogation against the City, its employees, elected officials, agents or representatives.
 - 5) The coverage and limit furnished by sub-grantee in no way limits sub-grantee's liabilities and responsibilities specified within the grant agreement or by law.
 - 6) Any insurance or self-insurance programs maintained by the City do not contribute to the insurance provided by sub-grantee under the grant agreement.
 - 7) The required insurance to be carried is not limited by any limitations expressed in the indemnification language in the grant agreement or any limitation placed on the indemnity in the grant agreement given as a matter of law.
 - 8) If sub-grantee is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.
 - 9) Sub-grantee must require all subcontractors to provide the insurance required in the grant agreement or sub-grantee may provide the coverage for sub-contractors. All subcontractors are subject to the same insurance requirements of sub-grantee unless otherwise specified in the grant agreement.
 - 10) If sub-grantee or sub-contractors desire additional coverage, the party desiring additional coverage is responsible for the acquisition and cost of such additional protection.
 - 11) Notwithstanding any provisions in the grant agreement, the City maintains the right to modify, delete, alter, or change these requirements.
- C) If you need additional information related to insurance, please call the Department of Finance (Finance) at (312) 744-7923.

SECTION 3

Section 3 is a provision of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, with implementing regulations at 24 CFR Part 135. The legislation requires that employment, training and contracting opportunities generated by HUD financial assistance for housing and community development must, to the greatest extent feasible, be given to low- and very low-income persons, i.e., those under 80% of area median income (Section 3 residents). Section 3 applies to those projects (Section 3 projects) financed by the City in whole or in part with HUD funds and which involve housing construction, housing rehabilitation or other publicly-funded construction. There are minimum dollar thresholds for determining whether a Section 3 project is subject to Section 3 requirements. In order to demonstrate compliance with Section 3, recipients, contractors and subcontractors must meet specific hiring and contracting goals. Under these goals, there are resident and business preferences that dictate the order in which Section 3 residents and businesses are to be hired.

DOLLAR THRESHOLDS

If a project receives more than \$200,000 in HUD assistance, the developer must comply with Section 3. All of a developer's HUD-funded Section 3 projects with the City will be counted in determining whether the Section 3 threshold is met; if so, Section 3 applies to the Section 3 project causing the threshold to be exceeded and not to the earlier projects. In addition, if on the same Section 3 project there are contracts and subcontracts in excess of \$100,000, Section 3 applies to the contractor and those subcontractors. If the developer also acts as general contractor, the amount of assistance need only exceed \$100,000 for Section 3 to apply to the developer. If the dollar thresholds are met, Section 3 applies to the entire Section 3 project, regardless of whether the Section 3 project is fully or partially funded with HUD assistance.

NUMERICAL GOALS

Hiring: HUD has devised numerical standards for recipients of Section 3-covered housing and community development assistance, and for their contractors and subcontractors, to demonstrate compliance. For housing assistance, contractors and subcontractors can show compliance by committing to employ Section 3 residents as 10% of the total number of new hires needed to complete a particular project. For community development assistance, contractors and subcontractors must commit to employ Section 3 residents as 30% of the total number of new hires needed to complete the project. Recipients of the assistance have the responsibility of ensuring compliance in the operations of their contractors and subcontractors. These hiring goals also apply to entities that own or manage at least 500 units located in the Chicago metropolitan area that receive housing assistance from HUD.

Contracting: Numerical goals also exist for contracting activities. Section 3 business concerns must receive a minimum percentage (10% for building trades work; 3% for non-building trades such as architecture or engineering) or the total dollar amount of all contracts awarded in connection with Section 3 projects. A "Section 3 business concern" is defined as a business:

1. That is at least 51% owned by Section 3 residents;
2. Whose permanent, full-time employees include persons, at least 30% of whom are, or were within 3 years of the date of first employment with the business, Section 3 residents; or
3. That provides evidence of a commitment to subcontract more than 25% of the dollar amount of all subcontracts to be awarded to businesses that satisfy (1) or (2) above.

Training: Section 3 does not require recipients or contractors to create training programs. However, where training opportunities exist in connection with Section 3 projects, they must be in part directed to Section 3 residents.

PREFERENCES

Hiring: Hiring opportunities must be provided where feasible in the following order of priority:

1. Section 3 residents residing in the Section 3 project's service area;
2. Participants in HUD Youth-build programs; and
3. All other Section 3 residents

For Section 3 projects receiving assistance under the Stewart McKinney Homeless Assistance Act, homeless persons residing in the Section 3 project's service area must receive the highest priority.

Contracting: Contracting opportunities must be provided where feasible in the following order of priority:

1. Section 3 business concerns that provide economic opportunities for Section 3 residents in the Section 3 project's service areas;
2. Applicants selected to carry out HUD Youth-build programs; and
3. All other Section 3 business concerns.

SUB-RECIPIENT FINANCIAL ACCOUNTABILITY IN FEDERALLY FUNDED PROGRAMS

CDBG sub-recipients/ “Delegate Agencies” are an indispensable part of the CDBG program. Delegate Agencies provide the City and HUD with assurances that the diverse communities, groups, and individuals whom the CDBG program is intended to serve are in fact reached by the program. HUD and the City count on sub-recipients to make sure that needed services are delivered in a cost-effective manner. In the past, some sub-recipients have encountered administrative problems in achieving their mission. The following are key regulations defining Federal administrative requirements for nonprofit sub-recipients:

In 2013, the Federal Office of Management and Budget (OMB) issued final guidance on administrative requirements, cost principles and audit requirements for federal awards (which includes research grant awards). This final guidance supersedes and streamlines requirements from OMB Circulars A-21, A-87, A-110 and A-122 (which have been placed in 2 CFR Parts 220, 225, 215 and 230): Circulars A-89, A-102 and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up

Copies of the OMB Circulars that are superseded by this guidance are available on OMB’s Website at https://www.whitehouse.gov/omb/grants_circulars. The final guidance consolidates the guidance previously contained in the aforementioned citations into a streamlined format that aims to improve both the clarity and accessibility. This final guidance is located in Title 2 of the Code of Federal Regulations.

The following is a more detailed explanation of audits that might be required in connection with Subpart F of 2 CFR Part 200, Sections 200.500 through 200.512.

If the sub-recipient is a nonprofit corporation and is expending federal funds totaling \$750,000 or more during its fiscal year, it must submit under Subpart F section 200.501 a single audit in accordance with section 200.514 or a program-specific audit in accordance with the provisions of Subpart F section 501c and 200.507.

If the sub-recipient is a nonprofit corporation and is expending federal funds under this and other agreements totaling less than \$750,000 during its fiscal year, then the sub-recipient, under Subpart F section 200.501 is exempt from federal audit requirements for that year, except as noted in section 200.503 Relation to other audit requirements. However, records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office.

The audit must cover the time period specified by Subpart F section 200.507 for program-specific audits. In addition to the audit opinion, reports, and schedules required by, section 507 the program-specific audit shall include the following financial statements: (1) Statement of Financial Position (Balance Sheet) (if applicable) and (2) Statement of Activities (Revenue and Expenses). The City may perform, or cause to be performed, various monitoring procedures relating to the sub-recipient’s award(s) of federal funds, including, but not limited to, “limited scope audits” of specific compliance areas. The sub-recipients must submit the audit reports within 6 months after the end of the audit period. The sub-recipient will submit the audit, within this time frame, to their lead department and to Finance’s Internal Audit Division.

If a Single audit is required, the sub-recipient will also send a copy of the audit, within the time frame indicated in Subpart F section 200.512, to the Federal Audit Clearinghouse. Further, the sub-recipient must submit, with the audit, a report that comments on the findings and recommendations in the audit, including corrective action planned or taken. If no action is planned or taken, an explanation must be included. Copies of written communications on non-material compliance findings will be submitted to the sub-recipient’s lead department and Finance’s Internal Audit Division. The City also retains its right to independently audit the sub-recipient. If the sub-recipient is found in non-compliance with these audit

requirements, by either the City or any federal agency, the sub-recipient may be required to refund financial assistance received from the City or any federal agency or agencies.

The City may in its sole discretion audit the records of sub-recipients or its subcontractors, or both, at any time during the term of the grant agreement or within 5 years after the City, and, if applicable, the federal government determines that sub-recipients have met all closeout requirements for the grant agreement in connection with the goods, work, or services provided under the grant agreement. Each calendar year or partial calendar year is considered an “audited period.” If, as a result of such an audit, it is determined that the sub-recipient or any of its subcontractors has overcharged the City in the audited period, the City will notify sub-recipient. The sub-recipient must then promptly reimburse the City for any amounts the City has paid sub-recipient due to the overcharges and also some or all of the cost of the audit.