



THE CITY OF SAN DIEGO

FAQs – FY 2015 CDBG Applications

QUESTIONS & ANSWERS No. 4

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NOTICE TO ALL CIP APPLICANTS: All agencies submitting RFP's shall be aware and follow all applicable federal and local procurement laws and regulations to ensure full and open competition. Specifically in regards to proposals for CDBG Capital Improvement Projects, the procurement requirements shall be followed when the proposed construction work shall be completed by a general contractor, subcontractor, or any other entity other than the *applicant agency* (agency signing RFP submittal certification).

General Questions: All project types

1. Defining "project":

- a. In reference to Section B. Question 3b (in the Community & Economic Development RFP), can you define "Project"? Is it defined as our work within the City of San Diego limits relative to the LMI individuals we serve specific to CDBG funds? Or do you want the numbers of all clients that Agency XX serves through its program throughout the entire county of San Diego and then the portion of that total that is CDBG related?
- b. In reference to Section D Questions 1 & 2 – Along the same lines, does project mean just the CDBG project or our entire program?

A project is defined by the applicant agency and should include a full description of all activities included in the project as budgeted within the RFP response, counting City of San Diego CDBG funds being applied for and all leverage funds being allocated to said project as shown in the RFP response. The applicant agency should ensure **all** the information provided in the RFP response is consistent with this definition of project.

2. **Within the context of the definition of project, is the leverage amount regarding the entire program dollars throughout the county of San Diego, the City of San Diego or the City of San Diego as it relates to LMI served?** The leverage amount is tied to the definition of project as shown in response to question 1 above.
3. **Where we are being asked to identify the days/hours and similar characteristics of the project, clarify on the timeframe that pertains to these questions.** The City of San Diego seeks information regarding the number of years that the project (as defined in the RFP) has been in operation. Information pertaining to days/hours pertains to the specific days of the week that the service(s)



provided by the proposed project are available to the population receiving the benefit as well as the specific hours that the clients would receive such service. There is a great variation in the specifics of each project as they relate to these questions given the proposed benefits. For example, benefits provided may be confined to classes/education (delivered during specific hours) versus benefits that may be received through the improvement of a public park that is accessible year round during daylight hours.

- 4. Does our organization's CEO need to sign the RFP or any form within it, as in past years? It appears the only required signature is that of the authorized signing official, in this case our CFO, who signed all required RFQ documents and who is the fiscal lead for the proposed project.**
Documents must be signed by the person that has the authority to sign on behalf of the applicant agency (typically President/CEO or Executive Director) given the RFP process requires confirmation of knowledge and acceptance of terms. The signature also commits the applicant agency to adherence to all requirements associated with the City of San Diego CDBG funds.
- 5. Is the Three Month Cash Rule Test form provided to us during the workshop to be completed and included in the RFP submission?** You do not need to submit said form.

CIP Projects

- 6. Can a "CIP – Housing Rehabilitation Project" (rental, multi-family) serve a 100% senior population given this is a presumed LMI category? If this is correct, could a Housing Rehabilitation Project be classified as CIP-Public Facilities Improvements (CIP-PFI) project?** The presumed LMI category is **not** applicable to Housing Rehabilitation projects. This means that income verification is required and 100% of the households assisted must be documented Low/Mod Households (at or below 80% of the area median income). In order to qualify under the CIP-Public Facilities Improvements (CIP-PFI) projects' category, the facility **cannot** be a multi-unit rental property. Those that qualify under CIP-PFI are agencies that provide free housing as part of the supportive services provided to project clients (i.e. transitional housing, emergency shelter, interim housing and long-term supportive housing).
- 7. In the checklist, page 3, Project-Specific Requirements: CIP-Housing Rehabilitation Programs only, the 2nd box is asking for our procedures for determining the households to be assisted through the proposed FY2015 CDBG proposed housing rehabilitation program. Could this be possible an overlap with the application as C.1.c. asks us to describe the strategies your agency will use to identify housing units? Or, does the item in the checklist call of a separate document?** The "Procedures for determining the households to be assisted through the proposed FY 2015 CDBG project" required per the [Checklist](#) do call for a separate written document that describes the proposed applicant's agency procedures (inclusive of criteria) in selecting the households that would be followed if the subject project was funded. While these written procedures are evaluated by staff in order to ensure all applicable standards are followed, the narrative in the RFP response is forwarded to the CPAB as part of their review.
- 8. In regards to the question "will there be demolition required to complete proposed project activities" in the CIP – Housing Rehabilitation Supplemental form, is demolition permitted with CDBG funds?** Demolition as a primary/main activity is not allowed. Demolition needed in order to



accomplish rehabilitation of existing housing and demolition needed in order to carry out permitted improvements to a facility is permitted.

9. **In regards to the question “Has rehabilitation been previously completed with CDBG funds...?” – would previous improvements qualify as rehabilitation within this context?** Yes – do see [FAQs number 2](#) which provide further details (pertaining to eligible expenses and such) that may apply to your proposed project.
10. **If our proposal features multiple separate units, do we have to bid out to each one separately in order to meet the “signed construction bid” submittal requirement?**
- If several units are proposed to be improved within one multi-family structure, the bid required as part of the RFP process should identify costs associated with each unit proposed to be rehabilitated as well as a total costs for the structure (inclusive of any common areas that may also be rehabilitated as part of the project). The rehabilitation work should be prioritized in the following order: health and safety hazards, correct existing code violations, correct deficiencies in the electrical, mechanical, plumbing or structural systems, accessibility or mobility upgrades if it benefits the current owner and, lastly, energy efficiency and water conservation measures.
 - If one or more multi-family structures are proposed to be rehabilitated, a separate and distinct RFP response must be submitted for each structure and each RFP response must include its own signed construction bid
 - If the proposal entails a Housing Rehabilitation Program (utilizing an application process to determine the households to be served), one RFP is submitted –see Housing Rehabilitation Program RFP & Supplemental.
11. **Does the CIP RFP (all types) allow for any the use of CDBG funds to cover overhead?** No.
12. **Can we cover building permit fees be included in the construction portion of the CDBG budget?** Yes-please note there further details regarding eligible and non-eligible uses of CDBG funds
13. **In the supplemental housing program form, it asks how our agency will ensure work completed will be maintained for five years. If the work completed is done on owner-occupied units, can the agency require continued ownership by that household?** Yes
14. **Can the applicant hire a third party consultant to take on the agency responsibility for ensuring compliance with Davis-Bacon requirements, including review of certified payroll? They do not have anyone on staff currently to take care of this responsibility.** Yes, they could use the construction management line item to budget for that and pass on that responsibility to the construction management company or budget in a labor compliance consultant for those responsibilities. If funded, they will have to comply with the procurement requirements for these services. It should be noted that the expectation is that applicant agencies should have the capacity to manage Davis Bacon requirements on CDBG funded projects.
15. **Are there requirements that apply to the selection of a general contractor (GC) to complete work carried as part of a CIP project?** Completion of a bidding process for the GC responsibilities/work to be completed will be required for CIP projects in order for the Notice to Proceed to be issued. The applicant agency is required to select a GC though a competitive bidding process. No agency may act as general contractors themselves given procurement rules which must be followed.



While an agency may be able to act as GC for non-CDBG funded construction work, do note that Davis Bacon regulations apply to the whole of the project included those portions that may be with non-CDBG moneys.

- 16. Can the cost of housing warranty to ensure improvements are maintained be included in the budget?** As a confirmation, maintenance of improvements during the required five-year period is the responsibility of the applicant agency and said agency must cover related expenses with other funds (non-CDBG). After completion of a project, the costs for maintenance become the sole responsibility of the agency not the property owner, tenant or CDBG Program.

Public Service and/or Community Economic Development Projects

- 17. In regard to Section D.1 of the CED RFP: Is there a place other than page 10 and 11 to include budget information such as narrative or cost estimates?** No, there is no narrative. Do note that Q4 of the CED RFP calls for a description of *“how the project will provide a high benefit to San Diego communities in relation to the amount of funds being requested and the type of service provided.”*
- 18. Would a Director of Programs and/or Senior Case Manager be considered direct personnel?** Salaries of any and all personnel that provides support (whether administrative and/or managerial support) to the proposed project must be contained within the 15%. Such expenses are considered indirect costs. Only the salaries of the personnel that provide direct services to the clients (for example: meet directly with the client to provide counseling or deliver food to clients) are considered direct expenses and hence not subject to the 15% cap.