

OFFICE OF THE CITY MANAGER
DES MOINES, IOWA

ITEM 112

CITY COUNCIL COMMUNICATION 97-140
MARCH 24, 1997 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
ENTERPRISE COMMUNITY RECOVERY VILLAGE PROJECT	◆ RESOLUTION ORDINANCE RECEIVE/FILE	JAMES GRANT COMMUNITY DEVELOPMENT DIRECTOR

SYNOPSIS —

Approving a contract for Enterprise Community Social Service Block Grant (SSBG) entitlement funds to C Marsh and Associates, a consulting firm, for the Enterprise Community Recovery Village Project.

FISCAL IMPACT —

Enterprise Community SSBG entitlement funds in the amount of \$35,000 will be utilized.

RECOMMENDATION —

Approve the contract with C Marsh and Associates, a consulting firm, for the Enterprise Community Recovery Village Project for \$35,000 in SSBG funding for activities consistent with the Enterprise Community Strategic Plan.

BACKGROUND —

On November 20, 1995, by Roll Call No. 95-4424, Council approved the Memorandum of Agreement between the City of Des Moines, the State of Iowa, and the U.S. Department of Housing and Urban Development which incorporates the Enterprise Community Strategic Plan and the benchmarks which measure the progress of major projects contained in the Enterprise Community Strategic Plan.

At the February 24, 1997, Council meeting, a number of specific concerns were raised. The attached report provides detailed answers to these questions. Specifically, the report focuses on the selection of a contractor versus having an agency or organization hire an employee.

A Request for Proposals (RFP) was first released on May 3, 1996. This public notice was published and distributed in the same manner as the Grant Writer Project. As a result of this RFP, the City received one application. The application received at this time was evaluated, and the applicant was interviewed by the Enterprise Community. The committee decided that the application received would not accomplish the goals described in the RFP. Additionally, the application had a budget three times the amount allocated.

The Human Environment Committee spent the next months redeveloping the RFP and redefining the goals of the Recovery Village. A second RFP was released on October 7, 1996. As a result of the second RFP, again one application was received. After evaluation, the Committee decided that this application met the needs of the Recovery Village. The consultant group selected, C Marsh and Associates, was chosen because of the varied skills and talents they brought to the project.

Cheryl Marsh from C Marsh and Associates has submitted a project application consisting of activities which are consistent with the goals of the Enterprise Community Strategic Plan and may be undertaken with SSBG funds.

The Enterprise Community Steering Committee recommended approval of the project application submitted by C Marsh and Associates at its December 5, 1996, meeting.

Upon review of the project application, Community Development Department staff concurred with the Enterprise Community Steering Committee recommendations.

The Community Development Department staff has negotiated a contract with C Marsh and Associates, a consulting firm, to carry out the Enterprise Community Recovery Village Project in accordance with all the terms and conditions of the contract for an amount not to exceed \$35,000, to be contributed by the City from its SSBG funds.

The EC Recovery Village Project will be divided into the following phases:

Phase One

Development of the strategic and business plans.

Provide a five-year budget projection based on the strategic and business plans.

Develop fund-raising strategy.

Contact will be made with key corporate funders.

Train board on how to conduct fund-raising.

Phase Two

Determine availability of lands and/or structures for the project.

Identify sources of public funding.

Provide architectural plans and construction estimates

Identify zoning and code restrictions for project.

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GRANT WRITER

The Enterprise Community Grant Writer Project was developed at the Enterprise Community Executive Committee and was designed to be a contract for personal services. The goal of the project was to place the Enterprise Community in a position to leverage additional funding for Enterprise Community Strategic Plan activities by applying for both public and private grants.

The Enterprise Steering Committee identified a need for a grant writer due to the number of federal grants that are released each year that give applicants extra points if they are an Enterprise Community or Empowerment Zone. The Steering Committee is also committed to seeking opportunities that will leverage the existing resources thus they have outlined the following activities for the Grant Writer:

- A. To write and/coordinate 15 grant proposals, 5 of which are to be dedicated to the 5 Enterprise Community Neighborhood Organizations.
- B. To review and identify grant opportunities from federal and state agencies and private foundations for the Enterprise Community to review for funding.
- C. To write the 1997 Weed and Seed funding application.
- D. To write the 1997 Youth Build grant application.

The City received one application as a result of the RFP. The applicant, Carol Behrer, had a history working with community development activities and strong credentials as a grant writer. The subsequent contract that was developed with Carol Behrer requires that she complete a minimum 15 grant submissions.

The Enterprise Community and Community Development Department staff have examined different ways to staff the grant writer:

After examining these options, it was decided that Payment per Grant Submission was the best option. The selected contractor will be paid upon the completion and submission of grant applications. There are advantages to this method that are unique to this option. A very important advantage to this method of payment is the one year commitment that the City has to the contractor. This is a one time allocation for the grant writer. There are no additional monies to continue funding this position after one year.

The Steering Committee examined working with an agency to staff a grant writer, but felt that this was not a good option. First, The committee was not successful at finding an agency willing to take on the responsibility of working with the varied groups that will be required. Second, it is not possible to guarantee that the needs of the EC for grant writing will take precedence over the needs of the agency.

STAFFING OPTIONS

1. Payment contingent upon grant award received
2. Payment per grant submission
3. Pay an hourly staff position through another agency

ADVANTAGES

Option #2 from above

1. No overhead costs to the City
2. No obligation beyond contract period
3. Contractor responsible for all benefits
4. One time award

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COST JUSTIFICATION

The funding allocated for this project is to be provided from the Enterprise Community (SSBG) Entitlement Funds awarded to the City in 1994. The Grant Writer Project has been allocated \$50,000. A number of questions regarding this amounts have been raised.

The question of whether or not this amount is too large has been asked. Community Development Department staff and the Enterprise Community had investigated this amount prior to the release of the RFP. This amount is at or below the industry standards for grant writing. Unlike most grant writing assignments, the EC would require that the grant writer meet with numerous community groups to gather information and build consensus. Additionally, Carol Behrer has a history and an interest in working with the Enterprise Community area and agencies within the area.

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RECOVERY VILLAGE

The Enterprise Community Recovery Village Project was developed by the Human Environment Work Group to support families in recovery. This project was designed to provide consultant services to the Enterprise Community for the business plan creation, program development, fund development, and to define the physical needs of the Recovery Village Project. The Enterprise Community has made a commitment to not recreating existing failures with this project.

The committee has discovered the difficulties of locating one individual who possesses skills in budget preparation, business plan creation, housing, corporate funder, etc. It is because of this that a consultant group becomes the most attractive alternate.

The same situation exists for the Recovery Village Project that exists for the Grant Writer. The money for the Recovery Village Consultant is a one-time allocation. By contracting with a consultant, the City's responsibility to the contractor ends at the end of the contract period. Additionally, the Recovery Village Project Design is set to be accomplished in seven months.

COST JUSTIFICATION

The funding allocated for this project is to be provided from the Enterprise Community (SSBG) Entitlement Funds awarded to the City in 1994. The Recovery Village Project has been allocated \$35,000. A number of questions regarding these amounts have also been raised.

Community Development Department staff and the Enterprise Community had investigated the standard consultant rates for project development prior to the release of the RFP. This may explain why each RFP received only one applicant. Additionally, C Marsh and Associates has a very strong track record with the community as she has worked on other project in the Enterprise Community.

It is true that there me be a more inexpensive alternatives to the selected contractors. There were representatives from many different groups and agencies at the pre-application conference on October 23, 1997. However, no other applicants came forward. In projects of this nature it is extremely important to have individuals committed to the project.

STAFFING OPTIONS

1. Contract with agency to hire individual
2. Contract Consultant Group for personal services
3. Pay an hourly staff position through another agency

BENEFITS OF CONSULTANT GROUPS

1. Skills of many individuals with specialized talents
2. No overhead or benefits
3. Connections to corporate and foundation funding sources