

## **Determining Allocations**

### **Consolidated Plan Priorities**

In the PY2008-2012 Consolidated Plan, HCCSD developed priorities for funding based upon the analysis of data and community participation in development of the plan. Needs throughout the County were extensive and, as a result, a number of areas were designated “high-priority”.

In total, HCCSD proposes to assist 45 qualifying projects for \$12,145,485 assisting about 40,000 people. Planning and administration costs for HCCSD have been allocated in the amount of \$2,738,324.

## **Proposal Review and Project Selection**

### **Overview**

Selection of the community development, homeless and housing projects for funding is one of the most crucial activities HCCSD performs. As part of the 2011 Program Year, the CDBG, HOME, and ESG entitlement funds were allocated through the annual competitive Request for Proposals (RFP) process in combination with a renewal and pre-application process. Through these processes, funding is awarded to local public and private organizations that serve low-income residents from unincorporated Harris County and fifteen cooperative cities within the County.

All projects, including competitive, renewal and pre-applications, were reviewed and evaluated by HCCSD staff. Staff members reviewed the projects for initial eligibility, then evaluated and scored the entire proposal. Staff was comprised of professional, managerial and executive staff from the Development section with assistance from Finance, Planning and Grants Management sections. Assistance from the Public Infrastructure Department (PID) was also solicited in the evaluation of all CDBG General Projects pertaining to water and sewer activities.

### **PY2010 Renewal Process**

During the PY2009 RFP process, HCCSD provided those agencies applying for CDBG and ESG public services funding with an option for renewal. In determining allocations for PY2010 public service activities, HCCSD staff met to discuss and evaluate the 2009 performance of all those agencies that selected the renewal option. As a result, a total of twenty-five (25) projects were selected for renewal funding, including eighteen (18) CDBG PS and seven (7) ESG.

## **PY2010 Pre-Application Process**

In addition to the renewal option offered during the PY2009 RFP process, HCCSD also provided agencies applying for CDBG General funding for water and sewer infrastructure the option to complete long term planning and submit multiple year requests for Program Years 2010 through 2012. Agencies found to serve higher need communities and have proper planning were tentatively pre-awarded for future funding years. As part of the PY2010 project selection process, pre-awarded agencies were required to submit a completed current application but were not required to participate in the competitive process. In total, five (5) pre-application awards were provided as part of PY2010.

## **PY2010 RFP Process**

### **Overview**

In May 2009, the Department initiated the allocation of funds through its RFP process. The RFP serves as an organized method to evaluate and select projects that will deliver services in Harris County's HUD service area.

### **Planning Activities**

During the early days of planning, staff developed a timeline to target dates for the completion of critical activities. Staff utilized ideas, suggestions and comments from prior years' RFP processes to make recommended changes to the PY2010 Application and Guidebook.

In addition, Development staff sought input from Grants Management and Finance staff to ensure a streamlined process from the award to the contract development phase.

### **Issuance of RFP**

On May 25, 2009, the Notice of Funding Availability (NOFA) was mailed to over 700 individuals and organizations on the RFP mailing list and posted on HCCSD's website. In addition to the notification by mail, a public notice was placed in the Houston Chronicle on the same date to announce the availability of funds. Organizations not on the mailing list were asked to contact HCCSD to request information on how to obtain the PY2010 RFP and be added to the mailing list for future notifications. The RFP was placed on the County Purchasing Agent's website, which could also be accessed through HCCSD's website.

### **Applicants Conferences**

HCCSD hosted five Applicants' Conferences from June 2-4, 2009, for organizations interested in applying for HUD entitlement funds through Harris County. These conferences were held in the Auditorium at HCCSD's office, 8410 Lantern Point. The conferences were specific to each program area: CDBG general, CDBG public services (two conferences), HOME and ESG.

During these conferences, HCCSD staff presented information on program guidelines and instructions on completing the applications. Staff members

from Development, Grants Management and Finance were available to provide instruction on the completion and submission of the application and answer questions about grant program guidelines, including eligible and ineligible program activities.

### **Submission of Proposals**

On Monday, June 29, 2009, 63 proposals were received by Harris County Purchasing Office at 1001 Preston Avenue by the 2:00 P.M. deadline. Upon receipt, each was assigned a file number and logged into the RFP database. Upon completion of data entry, applications were assigned and distributed to the proposal review team members for an initial eligibility or threshold review.

## **Proposal Evaluation Process**

### **Overview**

The proposal evaluation process included the assistance of professional, managerial and executive staff from Planning, Development, Finance and the Public Infrastructure Department. The review process was divided into two phases, the initial threshold review (Phase I) and the proposal review (Phase II).

The purpose of Phase I is to determine initial eligibility based on HUD regulations for the CDBG, HOME and ESG programs and adherence to RFP requirements. Phase II provides a forum for staff with expertise in different areas to provide an objective review of all proposals and discuss their findings in a cooperative setting. It is through these two phases of review that staff is best suited to make funding recommendations.

### **Evaluation Activities**

During Phase I of the threshold review process, Development staff determined eligibility of the projects based on the CDBG/HOME/ESG Threshold Evaluation Worksheets. Seventeen (17) projects were found to be ineligible.

Phase II was conducted by Planning, Development and Finance staff. Development staff reviewed projects for programmatic feasibility; Finance staff reviewed the budgets for cost reasonableness, while Planning began the environmental reviews. This phase of the review process concluded with a discussion of the review findings and recommendations from the Finance and Grants Management sections. Executive, management and professional staff members participated in this meeting.

## **Evaluation Factors**

While evaluating the proposals for initial eligibility, the proposal review team used the following established threshold factors and criteria. These criteria were included in the RFP and incorporated into the evaluation worksheets.

- Does the project meet at least one National Objective or applicable program objective?

- Does this project address a Measurable Objective outlined in the PY2008-2012 Harris County Consolidated Plan?
- Is this project located within the Harris County service area and/or serve Harris County service area residents?
- Does this project require matching funds, and, if so, are the funds eligible and secured?
- Does the organization have prior history with Harris County entitlement funds? Are there any outstanding monitoring findings?
- Did the proposed project fall within the category of explicitly ineligible activities?

Staff evaluated each proposal based upon these criteria, made recommendations accordingly and justified these recommendations during the discussions.

## **Findings**

While evaluating the proposals, staff used established evaluation criteria. These criteria were included in the RFP and incorporated into the evaluation worksheets. Each question on the objective review worksheets were assigned a point value. Scores were based on the following criteria:

- Priorities of the Consolidated Plan
- Completeness of proposal
- Diversity of funding base
- Availability of working capital
- Need and community impact
- Measurable goals and objectives
- Program administration and operational expenses
- Organizational capacity
- Financial capacity
- Duplication of services
- Geographic distribution of projects
- Past and current performance

If applicable:

- Construction - work descriptions, plans, schedules and cost estimates
- Relocation policy
- Marketing plans
- Other program required information (Davis-Bacon policy, Affirmative Marketing Plan, participation of a homeless or previously homeless person in policy and decision making, and Minority Outreach Plan).

Staff evaluated and scored each proposal based upon these criteria, made recommendations accordingly and justified these recommendations in the roundtable discussions.

## **Selection of Projects**

Following the completion of Phase II in September, Development staff developed the *Allocation Manager* and *Proposal Review Report* for presentation to the Director for review and approval. Upon the Executive Director's final recommendations, the proposed projects were assembled into the PY2010 AAP. The development of the AAP was managed by HCCSD Development staff and includes all proposed projects.

The public review period for the PY2010 AAP was held from October 23-November 23, 2009, with a public hearing taking place on Wednesday, November 4<sup>th</sup>. A public notice was placed in the Houston Chronicle on October 23rd, and included a list of recommended projects and proposed expenditures. The general public was notified of the availability of the draft document for review at the HCCSD office as well as on the website.

The Harris County PY2010 Annual Action Plan was presented to the Harris County Commissioners Court for approval on Tuesday, November 24, 2009.

## **Contract Development Activities**

Once the recommended projects are included in the AAP, conditionally awarded recipients begin the contract negotiation process. At that time revised budgets and statements of work are submitted and processed for contract drafting by the Grants Management section.

## **PY2010 RFP Process Evaluation**

Following the submission of the PY2010 AAP, Development staff will conduct the following activities to properly evaluate the HCCSD RFP process and plan for the PY2010 process. Tentative evaluation tools include:

(1) Staff Evaluation - An RFP Feedback committee will be assembled to analyze the PY2010 RFP process. This committee will be comprised of professional staff from Planning, Development, Grants Management, and Finance sections. The goal of the committee is to identify positive and negative aspects of the previous process and recommend suggestions for improvement.

(2) Applicant Evaluation - Development staff will survey applicants to gain their perspective on the PY2010 RFP process. The survey will gather information on the complexity of the application(s), the time provided to complete the application(s), and the technical assistance provided throughout the RFP process.

(3) Technical Assistance Workshops - Staff will provide five workshops prior to issuing the PY2011 RFP, including CDBG General Activities, CDBG Public Services, HOME, and ESG. These workshops will educate prior or potential applicants on program areas and regulatory requirements. These activities will facilitate improvements to the annual RFP process and make it more efficient and accessible for the applicants.