

March 23, 2021



City of Rialto
150 S. Palm Avenue
Rialto, CA 92376

**Subject: Proposal for Community Development Block Grant Consultant and
Neighborhood Stabilization (NSP) Programs**

Dear Ms. Baker:

LDM Associates, Inc. (LDM) is pleased to submit this letter proposal to provide Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP), and Home Improvement Program consulting services to the City of Rialto for a period from **February 12, 2021 to June 30, 2021**.

The enclosed cost estimate provides a not-to-exceed price of \$48,000 for the CDBG and NSP grant administration services and a not to exceed price of \$14,000 for the Home Improvement Program Support Services, both for the period covering February 12, 2021 to June 30, 2021.

Our consulting team is comprised of highly qualified professional staff with expertise in all aspects of HUD funded grants administration and implementation. Provided herewith, is the information requested in your Request for Proposals (RFP).

If you have any questions regarding this proposal, please do not hesitate to call me at your convenience.

Respectfully Submitted,



Rudy E. Muñoz
Senior Vice President

Enclosure: Proposal



Section I – Description of Firm, Qualifications, and Experience

SECTION I. DESCRIPTION OF FIRM, QUALIFICATIONS, AND EXPERIENCE

LDM Associates, Inc. (LDM) was established in 1986 and has undergone steady growth since its inception. LDM is a corporation registered in the State of California. In response to our clients' needs, LDM and its affiliate MDG Associates, Inc. (MDG) provide a wide variety of Community Development consulting services including, but not limited to Grants Management; Project Management; Construction Management; Architectural Design; Urban Planning; and Labor Compliance Monitoring.

LDM Associates, Inc. is comprised of individuals with a wide variety of expertise including the services specifically requested by the City. Currently, LDM has thirty (30) staff members. Sixteen (16) of the staff members are knowledgeable and experienced in the administration of CDBG, HOME, ESG, and the CalHome Programs in addition to projects funded under these Programs. LDM provides administrative and management services to cities that are seeking a consultant that can act as an extension of their staff and look after the best interest of the City.

LDM is a Veteran-Owned Small Business (VOSB); while its affiliate MDG is a Los Angeles County registered Minority Business Enterprise (MBE) and a State of California registered Small Business (SB).

Grants Management

LDM provides administration and implementation services for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), Community Development Block Grant-Disaster Recovery (CDBG-DR), CalHome, and Neighborhood Stabilization Programs (NSP). In addition, staff members implement activities funded under the aforementioned programs such as Residential Rehabilitation and Labor Compliance Monitoring and Enforcement.

The firm maintains an excellent relationship with the local HUD office as well as at the headquarters level (Washington D.C.). Our staff currently provides technical assistance (TA) to grantees throughout the country on behalf of HUD Headquarters through the OneCPD and Community Compass Programs. The technical assistance is provided to states, counties, cities and other HUD funded grantees in conjunction with the CDBG, HOME, and NSP programs as well as the IDIS and DRGR HUD reporting systems.

Our staff has been tasked by HUD Headquarters to provide national training on their behalf to recipients of HUD funds (grantees) as well as HUD Staff. The training has been in the areas of "Basically CDBG," Assessment of Fair Housing (AFH), Disaster Recovery Grant Reporting (DRGR), eCon Planning Suite, CPD Maps, and the Integrated Disbursement Information System (IDIS). Our staff has been tasked with providing assistance to grantees through the HUD Resource Exchange Ask a Question (AAQ) program in the areas of CDBG, HOME, and DRGR.

LDM and its affiliate are currently under direct contract with 37 cities and four (4) counties throughout the western United States with funds from HUD totaling approximately 85 million dollars. The services are primarily for the day-to-day implementation of their CPD Programs. For others, LDM provides services on specific tasks such as IDIS input, project monitoring, federal labor standards (Davis-Bacon)

compliance, monitoring CDBG/HOME and ESG grants, preparation of Consolidated Plan/Action Plan, and the preparation of Consolidated Annual Performance and Evaluation Report (CAPER).

Our staff is knowledgeable in a number of computer programs including all of the Microsoft Office software, Microsoft Project, Adobe programs and AutoCAD. Our staff is fully trained in the use of all required Federal, State and local online reporting databases, including but not limited to the Integrated Disbursement and Information System (IDIS), Disaster Recovery Grant Reporting System (DRGR), Homeless Management Information System (HMIS), Recovery Act Management and Performance System (RAMPS), Performance and Accountability for Grants in Energy System (PAGE), HEROS (Environmental Review Module), and FederalReporting.gov.

Neighborhood Stabilizations Program

LDM is currently working with a number of Cities throughout the Country under direct contract with HUD and under HUD's Technical Assistance program for the closeout and technical assistance of their Neighborhood Stabilization Program grants. LDM staff is currently working with HUD on conducting training and workshops on both closeout and NSP post closeout to inform recipient of the funds as to its obligations post closeout of the grant. This includes reporting, monitoring affordability, and the reuse of program income funds.

Housing Rehabilitation

LDM is currently under contract with 15 cities throughout Southern California for the management and implementation of their housing rehabilitation programs, including mobile homes. During the prior year, the firm processed and completed the rehabilitation of approximately 225 residential single-family dwellings and mobile homes. The funds utilized for the implementation of the rehabilitation programs included U.S. Department of Housing and Urban Development (HUD) funds such as CDBG and HOME funds as well as State of California Housing and Community Development (HCD) funds such as State HOME and CalHome funds. Through the years, LDM has developed systems for different types of programs including, but not limited to, emergency repair programs, rental rehabilitation programs, owner-occupied – single family rehabilitation program, and mobile home repair programs. Responsibilities under these programs typically include the overall administration of the program; reviewing applications for eligibility; preparing the environmental review record and clearances where required (California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA)); loan underwriting and loan document preparation for loan based programs; initial, progress and final inspections; responding to contractor questions during the bidding process; construction management and oversight; review and process contractor payment request; and preparing regulatory reports for HUD and HCD.

Labor Compliance (Davis-Bacon Act)

We are currently under contract to provide Labor Compliance services to 13 cities throughout Southern California. This includes both federal Davis-Bacon and State prevailing wage compliance. Our typical scope of work includes review of bid documents for compliance with Federal labor standards and

requirements including Davis-Bacon and Related Acts, Section 3, and DOL regulations; attend pre-construction meeting and present information on Davis-Bacon and Section 3 requirements; review submitted bid documents for compliance; establish and maintain contractor and subcontractor labor files; conduct employee field interviews and document posting compliance; reconcile weekly certified payroll reports and supporting documentation; monitor contractors for Section 3 accomplishments; compile and submit labor standards and related reports to HUD; schedule labor compliance file reviews prior to release of retention funds; and address and resolve any underpayment or deficiency issues.

Section 3

Our staff is experienced in the implementation of the Section 3 employment, contracting and training requirements. Currently, LDM monitors labor compliance activities on 15 projects with a combined construction value of over \$13 million. Of these projects, ten (10) are Section 3 covered projects.



Section II – Methodology/Project Approach and Scope of Work

SECTION II. METHODOLOGY/ PROJECT APPROACH AND SCOPE OF WORK

METHODOLOGY

LDM works as a team to administer the State and Federal programs. The team approach allows us to assign individuals with expertise in certain areas to complete those tasks and maximizing cost efficiency. The work program for the City's CDBG program has been designed to meet the City's needs and based on the scope of work delineated in the City's RFP.

PROJECT APPROACH

CDBG And NSP Programs Approach

LDM proposes to provide service on-site and at its home office as required by the City. We propose to have regularly scheduled hours at the City for the administration of the CDBG and NSP Program as directed by the City. Additional hours will be provided at our office as necessary to complete the tasks as noted in the scope of work. We anticipate becoming an extension of City staff and would provide scheduling that meets the needs of the City. In addition, we would make ourselves available to attend City Council meetings, Planning Commission meetings or other meetings as requested. We will make ourselves available during non-scheduled hours should the need arise by providing City staff with our cell phone numbers.

LDM will meet on a regular basis with the City's representative to discuss the status of the CDBG program and of the individual projects.

Scope of Work: CDBG and NSP Programs

In the performance of the administration of the three programs, LDM will provide staffing and other resources required to perform the following:

1. CDBG Program Implementation and Administration
Provide staffing and other resources as required to perform the following for all approved City CDBG projects:
 - a. Provide day-to-day administration and implementation of the City's CDBG funded Programs. Work with City staff to determine project eligibility along with monitoring of programs to assure compliance with all Federal, State, and Local reporting requirements.
 - b. Prepare reports, as required by HUD, including, but not limited to, a One-Year Action Plan and Annual Funding application, annual performance report (CAPER), Quarterly Cash Transaction Reports, etc., Section 3 Reports, and other reports required by HUD.
 - c. Setup and maintenance of IDIS records, including preparation of requested reports. Prepare draw down requests for reimbursement of expended funds at a minimum of a quarterly basis or more often as directed by the Finance Director.
 - d. Coordinate with HUD field office staff and other City representatives on CDBG related issues as needed and provide assistance for all program monitoring and audit preparation.
 - e. Work with City staff to prepare funding plans for CDBG funded activities.

- f. Prepare and maintain files and contracts for CDBG funded activities.
 - g. Coordinate with City staff in the identification, management, and completion of all CDBG funded projects, including preparation and review of federal funding requirements as part of construction bid packages, requests for proposals, monitoring reports, public notices, etc.
 - h. Review and process all CDBG funded Capital Improvement project invoices.
 - i. Monitor all Capital Improvement projects during construction. Monitoring includes the implementation of Davis-Bacon labor compliance and Section 3 compliance.
 - j. Review completed projects for all necessary compliance issues.
 - k. Preparation of necessary Environmental Review forms and documents for CDBG projects.
 - l. Provide regularly scheduled office hours at City Hall, on days and hours as determined by City staff. Additionally, remain available on-site, as needed, during HUD monitoring visits and external City audits.
 - m. Any such other activities as required to properly administer the program.
 - n. Attend City Council meetings as required.
2. Administration of Sub-Recipient Contracts
- a. Prepare of NOFA on an annual basis for social services funding. Work with City staff to prepare a funding plan for the recommended social service providers.
 - b. Prepare files and contracts for each of the funded social service and fair housing administration providers.
 - c. Process all sub-recipients invoices.
 - d. Monitor all sub-recipients on an annual basis or sooner as necessary.
3. Schedule of Cost
- a. Provide a schedule of hourly billing rates for all staff and provide a list of reimbursable items.
 - b. Provide schedule of cost by service areas (e.g., preparation of CAPER, administration of program, etc.)
4. NSP Program Implementation and Administration
- Provide staffing and other resources as required to perform the following for all approved City NSP program:
- a. Provide day-to-day administration and implementation of the City's CDBG funded Programs. Work with City staff to determine project eligibility along with monitoring of programs to assure compliance with all Federal, State, and Local reporting requirements.
 - b. Prepare quarterly reports, as required by HUD, including annual closeout reports as required; Quarterly Cash Transactions Reports, etc., Section 3 Reports, and other reports required by HUD.
 - c. Setup and maintenance of DRGR records, including preparation of requested reports. Prepare draw down requests for reimbursement of expended funds at a minimum of a quarterly basis or more often as directed by the Finance Director.
 - d. Coordinate with HUD field office staff and other City representatives on NSP related issues as needed and provide assistance for all program monitoring and audit preparation.
 - e. Work with City staff to prepare funding plans for NSP funded activities.
 - f. Prepare and maintain files and contracts for NSP funded activities.
 - g. Coordinate with City staff in the identification, management, and completion of all NSP funded projects, including preparation and review of federal funding requirements as part of requests for proposals, monitoring reports, public notices, etc.

- h. Monitor all project during construction. Monitoring includes the implementation of Davis-Bacon labor compliance and Section 3 compliance as applicable.
- i. Review completed projects for all necessary compliance issues.
- j. Preparation of necessary Environmental Review forms and documents for CDBG projects.
- k. Provide regularly scheduled office hours at City Hall, on days and hours as determined by City staff. Additionally, remain available on-site, as needed, during HUD monitoring visits and external City audits.
- l. Any such other activities as required to properly administer the program.
- m. Attend City Council meetings as required.

Home Improvement Program Support Services Approach

LDM proposes to provide service on-site and at its corporate office as required by the City. We will make ourselves available during non-scheduled hours should the need arise, by providing staff with our cell phone numbers.

Scope of Work: Home Improvement Program

- A. Program coordination with Project Manager in Development Services Department, or other City designee. Tasks will include, but are not limited to:
 - Program Marketing: Market the program to Rialto residents through a variety of methods including, but not limited to, advertisements in the local newspaper, City quarterly mailer, and the City's website; distribution of program flyers at various City public facilities and other locations; Notices in the City's cable channel.
 - Intake/assessment of eligibility (review applications): Contractor will make initial eligibility determination of applicants based on established City program eligibility criteria and U.S. Department of Housing and Urban Development (HUD) income guidelines and the apparent need for rehabilitation measures to correct relevant housing code or Housing Quality Standard (HQS) deficiencies.
 - Property Inspection: Inspections will take place a minimum of three (3) separate times during the rehabilitation process. Contractor will perform site visits to ascertain that approved and contracted/applicable rehabilitation work is proceeding properly and satisfactorily, will authorize (with the homeowner's written approval, including signature and date) appropriate change orders, and will mediate in the event of owner dissatisfaction with the work done by the subcontractor. The initial property inspection takes place following Consultant's determination of applicant and property eligibility to determine rehabilitation needs for the purpose of the funding recommendation, environmental review and whether or not hazardous materials testing will be necessary. Subsequent inspections take place during the construction phase to verify compliance with contract specifications in order to validate the release of funds from escrow to the contractor. Contractor and the owner will conduct the final inspection upon completion of all work items.

- Work write-ups: For each eligible unit to be assisted, Contractor will complete a detailed Work Description and Bid Proposal that details the rehabilitation work to be performed, including estimated costs of each activity, materials to be used, and industry or regulatory standards to be met. This write-up will be signed and dated by the Contractor and homeowner.
- Solicitation and selection of construction contractors: Contractor will assist approved homeowners in the identification, proper solicitation, and selection of subcontractors qualified to perform the authorized rehabilitation of eligible housing units in accordance with the requirements of the Community Development Block Grant and CalHOME programs. Contractor will review work orders/contracts/agreements that homeowners will sign in contracting with subcontractors, and Contractor will assist homeowners in ensuring the description of the work contained in any contracts/agreements/work orders with subcontractors is as accurate as possible.
- Loan underwriting: Contractor will order Policy of Insurance of Record Title (PIRT) Policy or State mobile home title reports from the State Department of Housing and Community Development (as applicable) as well as property appraisals to determine the estimated post-rehabilitation value on units to be assisted with CalHOME funds. Contractor will also prepare Loan Review Committee (LRC) Report and LRC Agenda & Determination Form as well as schedule and conduct LRC meetings.
- Loan document execution: The Contractor shall facilitate the execution of loan documents by the owner and Housing Manager at City offices or at the unit to be assisted. In addition, Contractor shall prepare construction contract and escrow account control instructions; arrange for the City to fund the escrow account, submit Deed of Trust and Request for Notice to title company for recordation following the three (3)-business day cancellation period.
- Submittal of invoices to City Staff for Approval of construction contractor payments: As rehabilitation progresses and as invoices are submitted by contractors, Contractor will verify that the expenses are reasonable, and the work has been completed properly (including sign-off the owner), and will submit to City the applicable form(s) executed by Contractor and property owner indicating that the work has been completed and it is satisfactory. This will be City's verification of Contractor approval of subcontractor payment(s) for final City staff approval. Major tasks will require approval from the City before the Contractor can proceed with work prior to signing a subcontractor contract.
- Coordinate with City Staff on invoices, general administrative issues.
- Provide public information at the direction of the City.
- Provide the City monthly status reports.
- Maintenance of case files and other records: For each application, Contractor will maintain case files, including but not limited to application and documentation of eligibility, work write-ups,

subcontractor selection criteria, copy of contract/agreement/work order between owner and subcontractor(s), documents on all necessary licenses and permits, site visit/inspection reports (including final inspection), change orders as applicable, and subcontractor invoices for payment (with owner-signed-off). Contractor will also maintain appropriate information on persons residing in the property, including a list or lists identifying persons in the home immediately before the rehabilitation, after rehabilitation completion, and those moving in during rehabilitation (per 24 CFR 570.606 and 24 CFR part 24). Contractor will maintain these and other program and financial records in accordance with CDBG record keeping requirements as specified in the Agreement.

- B. Coordination with CDBG and CalHome Administration processing of subcontractor invoices.



Section III – Budget & Schedule of Billing Rates

SECTION III. BUDGET AND SCHEDULE OF HOURLY BILLING RATES

LDM proposes to perform the Scope of Services on an hourly basis, billed in quarter-hour increments based on the billing rates listed on the attached Rate Schedule under Exhibit "A".

CDBG and NSP Programs Budget Proposal

This portion of the proposal includes a **not-to-exceed contract price of \$48,000** (CDBG Budget \$41,500 – NSP Budget \$6,500) for the period covering February 12, 2021 to June 30, 2021.

Home Improvement Program Support Services Budget Proposal

This portion of the proposal includes a **not-to-exceed contract price of \$14,000** (Budget for the period covering February 12, 2021 to June 30, 2021).

EXHIBIT "A"

SCHEDULE OF HOURLY BILLING RATES

Rates effective as of July 1, 2021

Title	2021-2022	2022-2023	2023-2024
President/Senior Vice President	\$121.00	\$124.50	\$128.00
Vice President	\$116.00	\$119.00	\$122.50
Director	\$111.00	\$114.00	\$117.00
Manager	\$105.50	\$108.50	\$111.50
Senior Associate	\$100.00	\$102.50	\$105.50
Associate	\$90.00	\$92.50	\$95.00
Senior Project Assistant	\$74.00	\$76.00	\$78.00
Project Assistant	\$69.00	\$71.00	\$73.00
Secretary	\$48.00	\$49.50	\$51.00

REIMBURSABLE ITEMS

Project Supplies	At Cost plus 10% surcharge (when applicable)
Prints/Reproductions	At Cost plus 10% surcharge (when applicable)
Postage and Delivery	At Cost plus 10% surcharge (when applicable)
Property Profile Requests	\$25.00 each
Policy of Insurance Record Title (PIRT)	At Cost plus 10% surcharge
Recordation of Required Loan Documents and Notice of Completion	At Cost plus 10% surcharge

Conflict of Interest

LDM Associates, Inc. is not aware of any possible conflict of interest that might limit the projects on which our firm could work.