



**Invitation to CDCs to apply for:
Advancing Equitable Development in Milwaukee
*HUD Section 4 Capacity Building Grants***

Background

With residents and partners we forge resilient and inclusive communities of opportunity across America- great places to live, work, visit, do business and raise families.

Strategies:

- Strengthen existing alliances and build new collaborations to increase our impact.
- Build leadership and the capacity of our partners to advance our work together.
- Develop the skills of people in underinvested communities to compete successfully for quality income and wealth opportunities.
- Invest in businesses, housing and other community infrastructure to catalyze economic, health, safety and educational mobility.
- Drive local, regional and national policy and system changes that foster broadly shared prosperity and well-being.

Local Initiatives Support Corporation (LISC) Milwaukee seeks applications from community development corporations (CDCs) to increase their human, financial and technical resources, enabling them to increase the scale and complexity of their housing production, to expand into new areas of economic development and to deepen resident's power and capacity for change. As a result, communities will have greater capacity to advocate for their needs, and activate solutions and partnerships that result in long-term, sustainable improvements to civic life. The issues we face in Milwaukee are complex and require innovative and connected thinking to effectively work toward solutions. **LISC Milwaukee prioritizes supporting effective collaborations that create authentic solutions and support the development of inclusive systems. Proposals that reflect new or developing collaborations will be given strong consideration.**

Given the significant level of downtown investment that will occur over the next several years, neighborhoods nearest to this will have a rare opportunity to leverage this economic boon. In order for existing residents as well as commercial districts, and local business owners, to benefit from the emerging investments, they need resources that help them engage innovation, investment and stability. Alternately, there is a significant risk of displacement, and the destabilization of other neighborhoods as people and businesses are pushed out, and must relocate. This dynamic has played out in other cities, as the result of large scale development implemented with good intentions, but poor planning and advocacy on behalf of and by pre-existing communities.

HUD Section IV Capacity Support

LISC Milwaukee's primary source of funding for our partners, HUD Section IV Capacity Building Program for Community Development and Affordable Housing was created by the U.S. Department of Housing and Urban Development (HUD) to increase the human, financial, and technical resources of CDCs.



LISC Milwaukee offers a wide range of technical assistance and capacity-building resources to local nonprofit organizations working in neighborhoods. We offer local, regional and national opportunities for training for CDCs, community-based organizations and resident leaders. Training topics include community and civic engagement, equitable economic development, nonprofit management, real estate development, building collaborations and other community revitalization issues. LISC Milwaukee coaches nonprofits through the program development process, community engagement and strategy development. In addition, we support local organizations through direct consulting or referrals to other organizations to build organizational capacity to become stronger nonprofits that can help the community reach a specific outcome.

Priority Areas

Greater MKE United neighborhoods, applications outside of these areas will be reviewed on case-by-case basis. We seek projects and program innovation that offer the opportunity to provide productive systems change and positive systems development within the Milwaukee community development sector.

Housing Preservation and Development

To ensure that local CDCs are able to address affordable housing needs, funds are available to organizations seeking to organize efforts to identify redevelopment opportunities, to coordinate clustered housing development and improvement, through preservation and/or rehabilitation of affordable multi-family units, existing single-family units, infill construction, housing repair, or developing cooperative housing. Building the capacity of CDC's to lead or champion housing development efforts will position them to be stewards responsive to their community's needs, while also supporting their institutional acumen to recognize affordable preservation opportunities. LISC Milwaukee's goal is to ensure the continued viability and affordability of housing co-developed and stewarded by non-profit partners; ensure preservation of existing affordable units, single and multi-family, expiring low income housing tax credit developments, naturally occurring affordable housing, and cultivate small "homegrown" developers including ACRE graduates.

Economic Development

To ensure that CDCs are able to create inclusive economic development growth areas that are employment-focused, funds are available to improve economic development through workforce development, district development, businesses development or capacity and network building. We are interested in supporting CDCs that engage in workforce development with a targeted focus on opportunity (18-24) youth, middle-skilled jobs training, displaced workers or reentry populations.

LISC Milwaukee is interested in supporting the work of CDCs that have a focus on district development with an emphasis on commercial redevelopment small business and entrepreneur support, capacity building and network building. Proposals that include organizations which convene neighborhood partners to collaboratively work on economic development strategies are strongly encouraged to apply.

Building Resident Power

To ensure that local CDCs bring neighbors together who individually may lack sufficient power, but collectively could form an influential group that could improve opportunities and communities should consider applying. CDCs that engage people most impacted by poverty and structural racism in creating strategies to create strategies to achieve systemic change; provide ongoing opportunities to develop the leadership capacity of volunteers/leaders in specific competencies; continually reflect on, improve and document practices to increase effectiveness of both operations



and outreach; and share best practices and learning experiences with other organizations funded by LISC Milwaukee are encouraged to apply. Examples of building resident power could include developing a community benefits agreement, teaching or engaging in effective community organizing; or developing worker cooperatives or community investment trusts.

Examples of costs that can be covered

Staff costs

CDCs are invited to apply for LISC HUD Section IV funding to cover staff salary and fringe costs associated with the activities to be funded. This can include time on the project spent by housing development and preservation project managers, community development specialists, organizing and outreach specialists and CDC leadership such as Executive Directors and Program Directors.

Funds are provided on a reimbursement basis. Back-up documentation for disbursement of grant funding must include payroll records and timesheets that document the staff person's time spent on the project.

Consultant costs

CDCs are also invited to apply for LISC HUD Section IV funding to cover organizational capacity building consultant costs. This can include consultants with expertise in strategic planning, financial management, staff professional development, data tracking and performance measurement of other areas.

Consultant costs can only be covered if the consultant is retained following an open procurement process that meets federal guidelines. Funds are provided on a reimbursement basis. Back-up documentation for consultants must include the consultant contract, invoices, and copies of cancelled checks and documentation of the competitive selection process.

Supplies

CDCs are also invited to apply for LISC HUD Section IV funding to cover supplies used to complete a project that is connected to one or more of LISC Milwaukee's priority areas. Funds are provided on a reimbursement basis. Back-up documentation for supplies must include itemized receipts and proof of purchase.

Ineligible uses

Grants will not be considered for: fundraising; lobbying efforts; entertainment; bad debt, fines, penalties and judgements; housing and personal living expenses for employees; contingencies; conferences, food, beverages and overhead costs without federal approval.

Grant periods and size

LISC Milwaukee will award up to \$50,000 per grant.

Eligibility to apply for funding

The HUD Section IV is exclusively for Community Development Corporations (CDCs) and Community Housing Development Organizations (CHODOs). CDCs and CHODOs must be organized under Federal, State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation.



To be eligible to apply for LISC HUD Section IV funding, an organization must meet the following threshold criteria:

- Must have a tax exemption ruling from the IRS under 501(c)3 or 4 of the Internal Revenue Code
- Must conduct an annual audit through an independent certified accountant
- Must provide the following financial materials: financial audits for the past three fiscal years, current operating budget and current budget to actuals and current list of funders (other additional materials may be required)
- If subject to an A-133 audit, must submit the A-133 audit to the federal Audit Clearing House within nine months after the close of the CDC's fiscal year
- Be actively registered in the System for Award Management (SAM) and maintain an active SAM registration during LISC grant term
- Must not be excluded, debarred or suspended from doing business with the Federal government
- Must be current with Federal tax obligations
- Must have an accounting system which segregates grant revenues and expenditures; organizations must track their LISC HUD Section IV grants separately in their accounting systems and must be able to produce general ledgers, balance sheets and other accounting records that demonstrate that grant expenses are segregated for each federal grant
- Must have an employee timekeeping system that records and certifies how much time the employee spends on the LISC HUD Section IV funded project. Timesheets should be prepared at least monthly and coincide with one or more pay periods. Documentation must include actual compensation (i.e., payroll records).
- Must have written Personal Policies and Procedures that have been recently updated and approved by the Board
- Must have written Procurement Procedures that meet federal regulations
- Must have written Finance and Accounting Policies and Procedures that have been recently updated and approved by the Board.

Selection Criteria

With this funding opportunity, LISC Milwaukee seeks to build the capacity of CDCs to increase the scale and complexity of their housing production, to expand into new areas of business, support community safety initiatives and to form effective local partnerships to ensure that the diverse priorities identified by neighborhood residents are met. Proposals will be evaluated utilizing the following criteria:

- Proposed activities aligns with one or more of the program priorities described in the call for proposals
- Proposal articulates how the grant will build the capacity of the CDC
- Articulate either a challenge to be tackled or an opportunity to be realized within a defined community or CDC service area
- Clearly articulate what the community seeks to achieve as well as how the success of the venture will be measured
- Explain how the project or program engaged with and responds to the local context
- Applicant has demonstrated capacity to administer federal funds
- Application demonstrates commitment to ensuring the long-term sustainability of the organization and its assets



- Applicant described a reasonable and feasible work plan and budget for designing and carrying out the proposed activities
- How changes and improvements will be sustained after the grant period

Timeline

Task	Deadline
Distribute RFP Announcement	12/20/17
RFP Submissions Due	1/19/18
Review Committee	1/26/18
Awards Announced	2/8/18

ALL SUBMISSIONS MUST BE TRANSMITTED IN MICROSOFT WORD FORMAT TO LISC MILWAUKEE BY E-MAILING LISCMKE@GMAIL.COM AND MUST BE RECEIVED BY **5PM CST on 1/19/18**.

Application requirements

Please include the following information in your proposal:

1. Organization background

As per HUD Draft Definition of a Community Development Corporation (CDC), a CDC means a nonprofit organization that has the following characteristics:

- (1) Is organized under Federal, State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation;
- (2) Is governed by a board of directors composed of community residents, business, and civic leaders -- this includes faith based community development corporations;
- (3) It has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of persons of low income;
- (4) Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization;
- (5) Has a tax exemption ruling from the Internal Revenue Service under section 501(c) (3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1);
- (6) Has standards of financial accountability that conform to 24 CFR 84.21, "Standards for Financial Management Systems";
- (7) Is not an agency or instrumentality of a State or local government
- (8) For urban areas, "community" may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State

- CDC's mission and history



- Description of current programs, activities and recent accomplishments
- Description of neighborhood(s) and population served
- Description of staff – total full-time and part-time, key leadership
- Description of board – number, composition and key leadership
- Current operating budget, and year-to-date financial information

2. **Describe the proposed activities to be supported with LISC HUD Section IV funding.** Please explain the need for these activities and how the proposed activities relate to one or more of the priority areas in this RFP (1-3 paragraphs).
3. **Describe how this grant will build your organization’s capacity.**
4. **Provide a narrative description of the deliverables and outcomes you expect to achieve (1-2 paragraphs), along with numerical targets chosen from the chart below (chose among the outcomes that are relevant to your proposal).**
5. **Provide a description of your proposed staffing for the activities described (1-2 paragraphs).**
6. **Provide a brief timeline needed to complete this scope of work and projected dates of completion for key milestones.**
7. **Provide an overall project budget that includes your request to LISC as well as other sources of funding for this work that have been secured or are pending.**

Use of Funds	Amount
Total:	