



Chicago Metropolitan Agency for Planning

Agenda Item No. 6.0

233 South Wacker Drive
Suite 800
Chicago, Illinois 60606

312 454 0400
www.cmap.illinois.gov

MEMORANDUM

To: Local Coordinating Committee

From: Bob Dean, Deputy Executive Director for Local Planning

Date: August 3, 2011

Re: Future Grants and Procurements

Beyond the Community Planning Program grants, there are several grant sources managed by CMAP that can be used to support the agency's technical assistance activities in FY 12. The overall philosophy of the Local Technical Assistance (LTA) program is to identify projects that are priorities to accomplish, and then use a variety of methods to accomplish them, including staff assistance as well as grants. Many projects are currently receiving staff assistance, but others can be effectively accomplished through grants instead.

Two major types of new grants are proposed for FY 12, differing in size and purpose. The first type includes larger grants which are used to hire a contractor, typically a consulting firm, to manage a project. The second includes smaller grants that are used to hire a contractor, sometimes a consulting firm but often a nonprofit partner, to contribute to a project. The distinction, and a proposal for an approach to each, is explained below.

Larger grants for project management

The Community Planning Program grants already discussed by the Local Coordinating Committee are an example of larger grants in which the contractor is expected to perform most activities on a certain project. These grants are typically made directly to project sponsors (most often local governments). Contractors are procured through a competitive selection involving a Request for Proposals (RFP) process, and typically consist of for-profit planning consulting firms. As part of their response to the RFP and subsequent negotiations, contractors provide a full scope of services and schedule for the project, which they are then responsible for implementing. Contracts for most planning projects of the type of interest to CMAP (comprehensive plans, transportation plans, subarea plans, ordinance updates, and similar activities) typically exceed \$50,000 in cost, reaching \$150,000 or more for large, complex projects.

As described in the memo on the Community Planning Program, CMAP reserved \$1 million in FY 12 for grants to project sponsors, and has recommended \$740,000 in grants through the Community Planning Program. This leaves \$260,000 available to distribute through the remainder of FY 12. The priority of staff is to accomplish projects within the LTA program, so these grants would be directed to projects currently within the program. While this does

restrict the pool of potential applicants, it should be noted that CMAP just completed a general grant application process in which every municipality in the region had the opportunity to apply for funding.

Certain types of projects are more suitable for grant assistance than others. Several basic criteria to judge suitability include:

- Relevance of project to grant source. Often, the sources of funding have restrictions on what types of projects may be pursued. For example, most of CMAP's funding comes from federal or state transportation programs, meaning that projects pursued through these grants must be able to demonstrate clear relevance to transportation.
- Community capacity. Communities must have a certain level of staff capacity to successfully receive and expend a grant (including consultant procurement and contract management) in an efficient and timely manner. The sponsors of LTA projects that have limited staff capacity are generally more suitable to receive staff assistance, which carries with it fewer administrative requirements and responsibilities for a sponsor; communities with higher staff capacity are more suitable to receive grants.

Staff proposal for FY 12: Staff proposes that the remaining \$260,000 in grants be directed to projects within the LTA program, where it would be used to replace expected staff assistance. (The total value of the resources committed to each project would not change, but the assistance would be in the form of a grant rather than staff time.) The specific projects will be identified based on the interest of project sponsors and the suitability of each project to receive grant assistance. A recommendation for projects to receive grants rather than staff assistance would be brought to the CMAP Board in September.

Smaller grants for contributions to projects

In addition to the large grants described above, there is often a need for small-scale assistance with specific projects. In these cases, the project is led by CMAP, and CMAP staff conduct most of the work on the project, but small contracts are necessary to "fill gaps" in CMAP staff's expertise. Contracts of this type are typically in a cost range of \$10,000 to \$20,000, though they may be as high as \$50,000 for significant activities that are part of particularly large projects.

Examples of types of contracts covered by smaller grants include:

- Assistance with public engagement. While CMAP has several outreach staff devoted to public engagement, participation of local community-based organizations is also desired, as many of these organizations have the ability to reach residents that CMAP would not be able to on its own. CMAP has contracted with community-based organizations for public engagement before (for the vision development of GO TO 2040) and achieved positive results.
- Design and illustration assistance. Communication of complex planning issues is often difficult, but preparing illustrations of how planning decisions can affect a specific site is a proven way to effectively communicate with the public. CMAP does not have the staff

expertise to prepare high-quality renderings, photosimulations, or other illustrations, so it is relevant to pursue contracts with external contractors for this purpose.

- Topical area expertise. While CMAP staff have broad experience in many areas of planning, some projects demand a level of expertise which is not present on staff. Examples include highly technical issues, like estimation of greenhouse gas emissions; specific requirements of the HUD Sustainable Communities Regional Planning grant, like fair housing assessments; or issues that are not traditionally covered by planners, like consideration of arts and culture.

Within the HUD Sustainable Communities Regional Planning grant is \$400,000 in funds that can be used for subcontracts or grants, and are meant for small-scale grants of the types described above. Priority in these grants should be given to nonprofit and civic organizations, where possible, in response to the intent of the HUD grant to build capacity among these groups, though some small grants may be more appropriate to be directed to for-profit consulting firms.

Staff proposal for FY 12: Staff proposes to direct the \$400,000 in available HUD grant funds to small-scale grants responding to the needs identified above. The HUD grant funds do not correspond to CMAP's fiscal year, so this funding would not all need to be spent in FY 12. Grant recipients would be selected through three RFPs, each conducted during fall 2011. The RFPs would relate to the three bullet points above: one would focus on public engagement, one on illustration assistance, and one on filling gaps in CMAP's topical expertise. Multiple contractors would likely be chosen through each RFP. Board approval for individual grants over \$25,000 would be requested as recommendations are made, and the Board would receive reports on grants under \$25,000 through the monthly reports on the LTA program.

Summary

The LTA program has made considerable progress in providing staff assistance to communities, but even more could be accomplished by supplementing the staff assistance with strategic grant awards. Staff proposes to allocate grant funds through a targeted effort to direct available funds to suitable projects within the LTA program, as well as through a series of RFPs to find contractors to supplement CMAP's ongoing staff assistance work. Both of these activities would occur during fall 2011, and Board approval would be sought on expenses of \$25,000 or over.

ACTION REQUESTED: Discussion.

###