EDI Fund – Round 2 Frequently Asked Questions

These are questions received by EDI staff during the recent round of outreach meetings. If there was a question that was not captured by staff, please let us know and we will update the FAQ.

1) **When do I need to provide a project budget and schedule like those in Appendix B and C?**

Applicants do not need to complete a budget or schedule unless the applicant is requesting immediate funding for a capital project (i.e. acquisition or construction financing). Applicants can use capacity-building and/or pre-development awards to help complete the budgets for future applications.

We are adding an Appendix D: which is a sample capacity-building budget template, which applicants can choose to use for explaining how capacity-building dollars might be used.

2) **How do you know that the initial 5 projects in Round 1 are still valid? What if other community groups don't think those projects are the best ones to advance community priorities?**

City Council authorized the 5 initial projects in the Equitable Development Implementation Plan and Financial Investment Strategy. City legislation allocated approximately $6.5 million to those projects which is separate from the funds available to this RFP. EDI will work with stakeholders involved in the Round 1 applications to support that work, including any needed capacity-building to be, as long as the project is making progress with the goals identified in the EDI Implementation Plan and Financial Investment Strategy. This long-term partnership approach applies to both Round 1 projects and future EDI projects.

3) **How can the community trust City staff to evaluate projects?**

Since EDI is a values-driven program, the review process has been designed to center the perspectives of those most-impacted in the process. This means that proposal will be predominantly reviewed by a committee of leaders from communities and geographies most impacted by displacement (subject to a conflict of interest policy).

EDI staff will assist applicants with answering questions regarding the applications to help applicants better represent the project to the review committee.

Further, EDI staff will schedule an implicit-bias training for all reviewers prior to their receiving applications, which is intended to help provide balance for organizations that don't have resources to hire professional staff to complete the application.

4) **Many community organizations were not able to attend or did not hear about the workshops. Will there be additional opportunities to raise awareness?**

EDI Staff is available to hold either formal pre-application meeting, or informal consultations with organizations who have questions about the fund. Staff is currently assessing the effectiveness of the first round of outreach efforts and will make adjustments, possibly including additional workshops in February. EDI staff is also open to suggestions for opportunities to partner with community members and organizations to help increase awareness about the fund.

5) Does the EDI fund focus specifically on physical projects?

The EDI fund is a tool dedicated to advance the Financial Investment strategy for community driven neighborhood projects as part of the overall EDI Implementation Plan. In general, that will be real estate projects but applicants that have ideas for neighborhood-focused strategies that do not involve real estate should contact EDI staff to discuss their idea and whether it might be viable.

Ultimately, EDI expects tangible development projects to occur, whether or not the organization completes the projects themselves or partners with others to accomplish their goals.

6) What is the timing for accessing the funds

Depending on scheduling availability for the review committee, award announcements should go out around mid-May. EDI staff will be available to work with approved organizations on the contracting process as soon as the awards are announced. In alignment with the "as-needed" aspects of the fund, contracting could include requests for funds not including in the original application if conditions on the ground have changed or opportunities arise.

7) How is the City accountable to the community regarding EDI funding

Accountability and Stewardship are fundamental values for the EDI. These values are incorporated into the program in several specific ways:

  a. *Through an Interim Advisory Board and grant review committee that prioritizes members drawn from impacted communities.*
  b. *Through scoring criteria rooting in historical realities of discrimination.*
  c. *The City will conduct an Equity Analysis after the completion of Round 2 with an explicit objective of identifying areas where improvements will need to be made to future rounds to better align results with the EDI values.*
  d. *Application reviewers will be expected to take an anti-bias training prior to receiving applications.*

8) How do we know if applicant's board or staff is actually working in a representative way with the community?

Applicants are going to be expected to explain how their project proposal resulted from work within the community and that the organization's mission is in line with the proposed activities. Part of the Equity Analysis to be completed will look at how well the scoring criteria addressed this question and whether adjustments will need to be made for future funding rounds.

9) Are there supports to help applicants apply?

Because the potential volume of applicants is unknown, EDI staff is available to provide general guidance about the application. More formal pre-applications meetings are available if applicants want to discuss their project idea with multiple city departments who may have additional resources to contribute.

EDI staff will also, to the extent feasible, use the application review process to help applicants respond to questions from the review committee.

Staff can also an answer questions or provide clarification prior to the application being transmitted to the reviewers.

EDI staff is also exploring potential partnerships that might provide more formal resources, including technical assistance, to applicants for future rounds but these strategies will not be available for Round 2 applications.

Lastly, EDI staff will also provide feedback to all applicants who did not receive funding in order to help them revise their applications for future funding rounds.

10) How will the $5.5 million be disbursed? Will it be allocated by geography or through some other criteria?

The review committee will make recommendations about both projects that should be approved as well as potential funding amounts. The Equity Analysis to be completed at the end of 2018 will include recommendations for whether additional resources need to be provided to Round 1 and Round 2 projects in order to ensure they have sufficient funding to be successful.

11) How do smaller community-based organizations compete with larger, well-resourced and staffed organizations?

Because access to resources has historically been a significant driver in expanding disparities, this is a central concern for the EDI. The EDI fund is attempting to address this through a few specific strategies to allow greater access:

a. *Scoring criteria are specifically designed to limit the importance of "organizational capacity" in the traditional sense. This is specifically to prevent resources from being deployed in ways that perpetuate existing disparities in resource distribution.*
b. *Application reviewers will receive anti-bias training prior to access the applications to help provide additional skill in valuing proposals that come from organizations that don't have the resources for professional development staff.*
c. *The "as-needed" aspects of the application are intended to lower the amount of technical expertise required to complete applications. This is intended to allow organizations to access capacity-building funding and then request resources when they are required, rather than being disqualified because there are unresolved questions about technical challenges that are not timely.*
d. *The maximum caps on funding requests is intended to help prevent organizations with larger, more well-defined projects capturing too high a percentage of the funds, such that there are not enough resources available for smaller organizations that need to work through multiple capacity-building stages before they are ready to access capital dollars.*

12) How does the EDI fund assure that the Interim Advisory Board and review committee are balanced? How will the City assure that all community interests are represented on the Board?

The Interim Advisory Board and review committee members are selected to help represent both a wide geography of areas while prioritizing communities that have been highly impacted by displacement. City Council has asked OPCD to provide recommendation on a permanent

structure for the Advisory Board by July 1ˢᵗ, 2018, which will be an opportunity to revisit membership.

In addition, all reviewers of the applications will be required to sign onto a conflict of interest policy to ensure that reviewers are not voting on proposals where they have a conflict. Round 1 projects are not eligible to apply for funds in this RFP to further reduce potential conflicts of interest.

13) **How will EDI be funded in the long term? What will EDI funding look like 3-5 years from now? How will EDI funding meet the growing need in the future?**

City Council has dedicated some of the proceeds from the tax on short-term rentals (the AirBnB tax) to the Equitable Development Initiative. The City will start collecting these funds in 2019 but the actual amounts available are still unknown. Following Round 2, EDI staff will conduct an Equity Analysis by the end of 2018 that will look at several questions related to future distributions, including:

   a. *Did the scoring criteria inadvertently create disparities among organizations or communities that can be addressed in future funding rounds through changes to the scoring guidelines?*
   b. *Are there sufficient resources for the projects that were approved to be able to be successful, especially given the relatively low level of the funding caps?*
   c. *Are there geographic disparities(as it is related to high risk displacement neighborhoods) that are evident by the distribution of funds?*
   d. *How frequent should additional funding rounds be opened to allow new projects to enter the fund?*

14) **How can the EDI Fund leverage private sector funding? How can EDI encourage philanthropy to be part of the mix for less-advantaged communities?**

Leveraging funds is a core value of the EDI program. This will be an ongoing process with potential funding partners and most projects will need to secure financing from other sources to be successful. Specifically, the EDI fund is set up to help organizations with leveraging resources by:

   a. *Providing capacity-building and predevelopment resources to hire consultants for capital campaigns.*
   b. *Providing early commitments where necessary to projects that may help demonstrate viability with other funders.*
   c. *Advancing the need for additional investment in Equitable Development as a core public policy priority for the City.*

15) **What should applicants do if potential fiscal sponsors are not interested in sponsoring real estate projects?**

Please contact EDI staff if this is an issue. Staff will attempt to problem-solve with the applicant and the potential fiscal sponsor to address this concern.

16) Can coalitions apply or only single applicants?

   a. *Coalitions are encouraged to apply so long as the coalition is authentically created to advance the project. Partnerships created solely to appear more credible to the EDI guidelines may bring additional questions from the review committee.*
   b. *There must be a specific organization that will receive the contract. Please consult with EDI staff if there are questions around a specific coalition structure.*
   c. *Organizations can apply for multiple projects or coalitions although EDI staff and/or the review committee may make recommendations about allocations if it appears that there would be inequitable distribution of resources.*

17) How "cooked" does a proposal need to be?

Applicants should prioritize explaining their project in the context of their community and their own plans for stewarding the project. The "as-needed" funding process is intended to encourage applicants to request only what is appropriate for the project at the time to reduce the burden on less-resourced applicants.

18) Can EDI fund projects operate on multiple sites?

The EDI fund is intended to support community-initiated solutions to displacement. If a multi-site strategy is clearly most appropriate, the EDI fund will attempt to support that strategy. Applicants will be asked to explain how the multiple sites all operate together to be considered part of the single project, as opposed to a strategy to fund multiple unconnected projects through a single-award.

19) Who controls/owns the project?

This is likely to be specific to each project. Community-control of land is an important component of most anti-displacement strategies. What that control/ownership structure looks like will likely be part of the design of the project.

The City will also have requirements that come with the investment of public resources that will need to be negotiated on a case-by-case basis.

20) Will EDI staff provide ongoing technical support?

The City will attempt to support EDI partners through the process. However, this support may also include assisting in procuring consultant support resourced through the capacity-building and predevelopment funds, especially in areas where direct public agency support may not be appropriate.

21) How should we interpret the Place-Based Criteria?

This is an area that will likely involve significant discussion by the review committee. There are multiple valid lenses through which both equity and place-based strategies can be viewed and

because this is the first time the scoring criteria have been applied, EDI staff does not have precedent to help guide applicants. However…

The EDI was specifically created to address racial disparities that persist from specific policies of historical discrimination. The organizations that are most likely to be prioritized to receive EDI funding are those that were founded to directly address this history. Further, place-based strategies should be viewed in the context of mitigating displacement and increasing access to opportunity.