

Seattle Preschool Program

Provider Facilities Fund
Request for Investment



**Seattle Department of
Education and Early Learning**

REQUEST FOR INVESTMENT

Provider Facilities Fund

Project Title:
Seattle Preschool Program Provider Facilities Fund

Request for Investment (RFI)

Procurement Schedule

Schedule of Events	Timing	Notes
RFI Release	August 1 st , 2018	Department of Education and Early Learning (DEEL) website: http://www.seattle.gov/education

Review Period

Schedule of Events	Timing	Notes
RFI Pre-Submittal Conference #1	August 8, 2018, 1:00 – 2:00 p.m.	Department of Education and Early Learning (DEEL) 700 5th Ave, Room 2750 (27th Floor) Seattle, WA 98104 Or join by phone: 206-386-1200 Passcode: 795094#
Questions and Answers Period	August 8 – August 27, 2018 at 5:00 p.m.	Email all questions to Cameron.clark@seattle.gov .
RFI Closes	August 31st, 2018 at 4:30 p.m.	Submit five hard copies to: Department of Education and Early Learning (DEEL) 700 5th Ave, Suite 1700 (17th Floor) Seattle, WA 98104 Also email a copy to: Cameron.clark@seattle.gov
Proposal Review Period	Review period: August 31 st to September 26 th , 2018	

Contents

Procurement Schedule	2
Section I: Purpose and Background.....	4
Section II: Funding Availability and Process.....	5
DEEL Funding	5
Appeals Process.....	5
Section III: Minimum Qualifications and Eligibility.....	6
Section IV: Desired Qualifications and Rating Criteria.....	7
Specific Criteria for Evaluating Proposals.....	7
1. Initial Screening for Technical Compliance and Evaluating	7
2. Proposal Scoring.....	8
Section V: Response Materials and Submittal	10
Section VI: Funding Conditions	12
Project Expenditure and Completion	12
Service Commitments; Security.....	12
Funding Match Requirements	13
Site Control.....	14
Project Costs Prior to Signing an Agreement with the City	14
Equal Opportunity, Affirmative Efforts & Non-discrimination in Contracting.....	14
Prevailing Wage Requirement	15
Grant Disbursement.....	15
Section VII: Reference Links.....	15

Section I: Purpose and Background

The Department of Education and Early Learning (“DEEL”) announces the availability of funds to support expansion and improvement of child care facilities for the purpose of classroom capacity for the Seattle Preschool Program (SPP).

DEEL’s mission, under the direction of Mayor Jenny Durkan, is to ensure that all Seattle children have the greatest opportunity to succeed in school and life, and to graduate from school ready for college or a career. DEEL achieves these goals by investing in high-quality early learning services, supporting programs that help children succeed in school, and increasing the capacity of high-quality early learning programs in underserved communities.

On November 4, 2014, Seattle voters approved a four-year, \$58 million property tax levy to provide “accessible high-quality preschool services for Seattle children designed to improve their readiness for school and to support their subsequent academic achievement.” The Seattle Preschool Program Implementation Plan states that:

\$8.5 million [in Preschool levy funds] has been set aside for facilities improvement, expansion, and renovation over the four years of the SPP Levy. The guidelines and conditions related to the disbursement of facility and capital improvement funds are as follows:

Types of Projects

- *Projects that improve quality or help providers meet licensing standards in existing classrooms.*
- *Projects that expand space at existing facilities.*
- *Projects that start new facilities, either from the ground up or by substantially remodeling existing buildings for use as a preschool.*

As stated in the SPP Implementation Plan:

By supporting the renovation, expansion, or development of preschool facilities, provider agencies that have had few opportunities to make structural improvements will be better positioned to become licensed, increase their Early Achievers ratings, and expand access to their services. Many government subsidized preschool programs are currently half-day, utilizing the same space for classes in the mornings and afternoons. The SPP Facilities Capacity Building Fund will offer opportunities for providers to develop new spaces that can serve children in high-quality learning environments for more hours per day.

Projects eligible for funding will be capital projects resulting in new or expanded SPP child care facilities. Allocations under this RFI will be made in the form of a grant tied to specific commitments to provide SPP services. Recipients will manage their own capital projects, and grant funds will be distributed to recipients based on negotiated project milestones.

Section II: Funding Availability and Process

Approximately \$800,000 is expected to be available in 2018. Additional funds may be made available in subsequent years of the levy period.

DEEL Funding

DEEL has no specific quotas on types or number of projects to fund with the available dollars, but projects will need to meet a minimum scoring threshold. The minimum funding request is \$5,000.

The City reserves the right to reject all proposals and the right to negotiate with an agency (provider and agency will be used interchangeably in this document) as follows:

- Negotiate with agency regarding the amount of funding to be provided; this may differ from the amount requested in the proposal
- Negotiate terms or conditions of awards resulting from this RFI process

DEEL also has a Pre-Development Services Program, a companion to the Provider Facilities Fund that offers pre-development services to SPP and SPP Pathway providers, see programmatic information here:

http://www.seattle.gov/Documents/Departments/OFE/AboutTheLevy/EarlyLearning/2016-2-23_PreDevCommuncation.pdf

If the project proposed in your application needs further feasibility or pre-development work, DEEL encourages you to explore this program.

Appeals Process

An agency or individual applying for the Provider Facilities Fund has the right to appeal DEEL's decision on the proposal.

1. DEEL will notify each agency in writing of DEEL's decision on the proposal, and, if applicable, the amount of requested funding to be granted
2. Within four (4) working days from the date of DEEL's written notification of decision, the agency may submit a written appeal to the Director of DEEL, either in hard copy or via email. The basis for the appeal must address one or more of the following criteria:
 - DEEL's failure to follow the process, evaluation guidelines or criteria established in the RFI; or
 - DEEL's failure to adhere to published criteria and/or procedures.
3. The DEEL Director will review the written appeal and may request additional oral or written information from the agency. The DEEL director will provide a written decision within four (4) working days of the receipt of the appeal, unless the Director notifies the appealing party that more time is required to make an informed decision. The Director's decision will be final.

Section III: Minimum Qualifications and Eligibility

An agency is eligible for consideration if it is:

1. An agency under contract with the City of Seattle to provide preschool services for the Seattle Preschool Program (SPP) or the Seattle Preschool Pathway Program (agencies working toward meeting full SPP eligibility requirements).
2. An agency must be in good standing with DEEL and not on a corrective action plan. Proposals for the Provider Facilities Fund must meet the following basic requirements:
 - Funds must be solely used to improve or expand child care space, as defined under “eligible activities” below.
 - The proposal must demonstrate the agency has the legal authority to undertake the proposed project on the proposed property by meeting the Site Control requirements (outlined in Section V).
 - Projects seeking awards of \$250,000 or above must have at least 50% of the total funding request in the proposal committed from other funding sources.
 - Funding requests cannot exceed \$500,000.

Any agency or project deemed ineligible will be disqualified, and its proposal will not be reviewed or evaluated.

As a condition of receiving funding, a successful agency will be required to enter into a contract with DEEL that will include a commitment to use the project improvements to provide preschool services through the Seattle Preschool Program.

If the project serves multiple uses, only activities and costs directly related to preschool are eligible for funding.

Eligible activities include:

- Construction, renovation or rehabilitation of child care facilities, which includes instructional space as well as other related space such as a kitchens, bathrooms, storage or associated space to the instructional classroom.
- Design, construction, renovation or rehabilitation of outdoor play space in accordance with state licensing regulations.
- “Soft costs” or any project costs that is not construction (which may include design, project management and permitting costs) directly related to the development of a facility which will be eligible for use as a SPP classroom.
- Improvements that provide accessibility to persons with disabilities.

Ineligible activities include:

- Renovation costs not directly connected to a child care facility which will be eligible for use in SPP.
- Renovation costs for infant- or toddler-age classrooms or any classroom not used by children ages 3 through 5.

- Acquisition of existing facilities or land.
- Deferred maintenance or repairs which do not directly contribute to making the project or property suitable for use as an SPP classroom.
- The purchase of equipment or furnishings.

The agency will manage and oversee their capital projects and will be responsible for any cost overruns and for maintenance following completion. Funds that the City makes available under this RFI require commitments that the project or facility will be used for the SPP or SPP Pathway program. Commitments are outlined in Section VI: Funding Conditions.

Section IV: Desired Qualifications and Rating Criteria

Highly-ranked proposals will:

- Be clearly outlined, well-planned, and demonstrate significant benefits for children.
- Produce a net increase in licensed capacity (e.g. adding an additional licensed classroom or adding more licensed slots to an existing classroom) for the facility undergoing the capital improvement.
- Show a degree of project readiness that includes the ability to secure all necessary funding, produce finalized plans and specifications, secure all necessary and public approvals, and the ability to start promptly and be completed in a timely manner.
- Have identified a well-qualified project team that may include an architect, project manager, and/or general contractor.
- Submit a project budget that was informed by design and construction experts.
- Demonstrate the solicitation of WMBE (minority- and women-owned companies) as part of the project team.

Specific Criteria for Evaluating Proposals

Responses will be evaluated using a two-step process. First, proposals will be reviewed for technical compliance. Second, submissions that are technically compliant will be evaluated by a panel of reviewers using criteria outlined in this section. Both steps are described in greater detail below.

1. Initial Screening for Technical Compliance and Evaluating

The checklist below (**Table 1**) lists the required elements of each proposal. If any of these elements are missing or incomplete, the proposal may not be further evaluated. DEEL reserves the right to waive immaterial defects or irregularities in any submittal, and where clarification is needed, follow-up phone calls may be made to obtain additional information.

Table 1: Technical Compliance

Complete	Item	Documentation
<input type="checkbox"/> Yes <input type="checkbox"/> No	Submitted on time	N/A
<input type="checkbox"/> Yes <input type="checkbox"/> No	Submitted 5 hard copies to DEEL	Proposal
<input type="checkbox"/> Yes <input type="checkbox"/> No	Submitted via e-mail	Proposal
<input type="checkbox"/> Yes <input type="checkbox"/> No	Provides documentation of minimum site control of the proposed site and the ability to maintain site control through the applicable services	Site control documentation such as rental agreement or deed
<input type="checkbox"/> Yes <input type="checkbox"/> No	If site is leased, provides written authorization from the landlord to make tenant improvements outlined in the proposal	Landlord letter
<input type="checkbox"/> Yes <input type="checkbox"/> No	Evidence of the facility's current ADA compliance or plan for how facility will become ADA compliant (only needed if licensed)	Current state licensing inspection report
<input type="checkbox"/> Yes <input type="checkbox"/> No	Fully complete project budget form provided within the proposal materials	Attachment B: Project Budget Template
<input type="checkbox"/> Yes <input type="checkbox"/> No	Fully complete project schedule form provided within the proposal materials	Attachment C: Project Schedule
<input type="checkbox"/> Yes <input type="checkbox"/> No	Submitted evidence of commitment of other funding sources (if request is greater than \$250,000)	Funding commitment letter/s

2. Proposal Scoring

While this is a competitive grant process, there is no guarantee that proposals will receive funding. A review committee will first score each of the proposals meeting the technical compliance requirements. The committee will establish a group score for each proposal. All projects must receive at least 50 points (see scoring criteria in **Table 2: Scoring Proposals**) in the scoring review to be further considered for funding.

If a proposal meets the minimum scoring threshold, the additional criteria below will be used in order to determine which proposals and submitting agencies will be selected for further negotiation of an agreement. The additional criteria to be used for selection are:

1. Rank order of the submitted proposals from highest scoring to lowest scoring, *and then*
2. Availability of funding to award the agency's full financial request.

Table 2: Proposal Scoring Criteria

Rating Criteria	Points
<p>Project Description</p> <p>a. When completed, the project will directly contribute to a net increase in the licensed capacity served by the agency in its SPP preschool classrooms at the improved facility.</p> <p>b. Demonstrates a sound investment of the funds both in terms of qualitative and quantitative benefits to children.</p> <p>c. Aligns and supports the agency's long-term strategic plan.</p> <p>d. Project is in a geographic location where currently there are fewer than 3 classrooms within the SPS middle school attendance zone.</p> <p>e. Location of the project is in a geographic location deemed to be a high priority for the Seattle Preschool Program for serving low-income students {see page 25 of the SPP program plan at: http://www.seattle.gov/Documents/Departments/OFE/AboutTheLevy/EarlyLearning/SPP_ProgramPlan2015-16_Final.pdf</p>	40
<p>Project Readiness</p> <p>f. Shows a realistic and comprehensive schedule for the project, demonstrating an ability to complete projects within one calendar year—except for projects funded above \$250,000, which should be completed within an 18-month period.</p> <p>g. Demonstrates regulatory feasibility (building code, zoning, ADA, environmental and licensing), or a clear plan to address regulatory barriers.</p> <p>h. Demonstrates sufficient financial stability and management capacity to plan and implement its proposed project.</p>	25
<p>Project Funding and Budget</p> <p>i. Shows a realistic and reasonable cost estimate, including prudent contingencies.</p> <p>j. Demonstrates leveraging additional funding sources outside of this grant.</p>	20
<p>Agency Administration and Capacity</p> <p>k. Has demonstrated organizational stability in the delivery of effective child care services.</p> <p>l. Has a solid track record of managing public funds, for operating programs and/or capital projects.</p>	15
Maximum points	100

Projects must receive a minimum of 50 points to receive consideration for a funding award.

Section V: Response Materials and Submittal

Prepare your response as follows on the Application and Attachments. Failure to provide all information below on proper forms and in order requested may cause the City to reject the submittal.

Section 1

- a) Proposed Project Name and Address: Indicate the name and address of the project for which funds are being requested.
- b) Agency's Legal Name and Address: Indicate the legally incorporated name and address of the organization or agency that will be receiving funds.
- c) Agency Contact Person: Provide the name, daytime telephone and fax numbers, and e-mail address of the person who will act as the agency's project lead and who can best answer questions about the proposed project. DEEL will direct formal information about the proposal to this person only.
- d) Signature: Have the Director of the Agency sign the application in the prompted area.
- e) List of All Current Program Sites: Provide a list and address to each site for applicant currently participating in SPP or SPP Pathways

Section 2-3

- f) Contact and Legal Status – Add contact person for project and mark the appropriate box/s for legal status.

Section 4

- g) Site Control – Check the box that indicates the site control at the project location. The application will need attached documents to verify control in the form of a lease or proof of ownership.
- h) Goals for Project: Check all boxes that apply for overall goals of your project.
- i) Funding Request/Total Project Cost: List your total funding request from this program. This may not be the same as your total project budget.
- j) Project Description Summary: Describe the preschool program to be provided in the facility after the project is completed, including a quantification of service levels (# of classrooms, expected licensed occupancy, operating funding sources). Provide a concise description of the physical work the project will fund. Answer all the questions. DEEL will use this description as a brief summary to publicly describe the project. Please limit your answer to less than 750 words.
- k) Development Team: List the main team members involved in executing the project. This could include your architect, contractor, project manager, other funders, etc.

- l) Eligibility Requirements: Please attach as **Attachment A** all necessary documentation to prove the project meets the minimum eligibility standards identified in Section III. This includes all relevant forms to the proposal outline in Section III, Table 1. If the site is unlicensed, please attach a letter that outlines how you intend to become licensed within one year. The letter should come from the local State of Washington Department of Early Learning (DEL) licensing office.

Include other attachments that support or provide detail to your project, specifically to support the illustration of readiness. These could include zoning analysis, permitting document, preliminary design documents, etc.

For each attachment, ***write the attachment name and description*** in the table **for Attachment A**.

- m) Project Schedule: List all of the project tasks in **Attachment B**. Tasks include project decision points and milestones such as hiring a contractor, permitting and other architecture and engineering activities, construction dates, completion dates, etc. Next to each activity in the worksheet, please list the expected time the task takes to complete and shade the appropriate cell for the month and year the activity will be completed. To complete this schedule, the proposal will likely need to receive input via the project manager from conversations with the Seattle Department of Construction & Inspections (DCI, formerly DPD) and related parties involved in the project.
- n) Project Budget: On **Attachment C**, list project expenditures in the appropriate column according to the fund source you anticipate will pay for the activity. Provider Facilities Funds must be allocated for specific line item activities in each approved project. Therefore, when preparing the budget, be sure to consider which activities will be paid for with Provider Facilities Funds.

Project budgets should also carry a minimum of 15% hard cost contingency. Include all soft costs such as project managers, design, permitting, insurance, etc., in the total project budget. Agencies are required to carry general liability insurance coverage as stated in their contracts for SPP or SPP Pathway preschool services.

Please list the name of the individual or organization that helped you prepare or informed your project budget.

- o) Fund Source Requirements: On **Attachment D**, state the funding sources the agency has available to complete the project. If Provider Facilities Funds are your exclusive funding source, please state that instead. Please list both the origin/source of each individual funding stream and dollar contribution towards the project.

In summary, a completed application should have the following:

1. **Proposal Application**
2. **Attachment A** – All supporting documents such as zoning analysis, pictures of the site, preliminary design or other documents related to pre-development work (*not required but highly encouraged*)
3. **Attachment B** – Project Schedule
4. **Attachment C** – Project Budget
5. **Attachment D** (if necessary) – Funding Sources

Attachment B-D are all on the same Excel Document.

Section VI: Funding Conditions

This section outlines conditions the agency will need to meet to receive awarded funds.

Project Expenditure and Completion

Upon receiving notice of proposal approval, the agency will be required to meet with representatives of the City to review the project schedule and enter into contract negotiations. The grant agreement shall outline major milestones for the project and payment points based on milestones. The goal will be to have a final grant agreement within 90 days of the notification of approval.

All projects should be completed within one calendar year of the City contract agreement start date. Projects that receive more than \$250,000 in funding will be required to be completed within an 18-month timeframe.

Service Commitments; Security

Approved agencies are required to provide commitments to use the capital improvements for SPP. The type and nature of the commitment will vary depending on the level of award. Commitments are outlined below in **Table 3**.

Table 3: Service Commitments

Tier	Grant Amount	Required Commitment to City of Seattle
1	Awards \$50,000 or less	<ul style="list-style-type: none"> • For SPP Pathway providers, commitment of any classrooms improved through this funding to participate in the SPP within one (1) year. • An agency receiving funds must commit any classrooms improved through this funding to participate in SPP for no less than three (3) years, unless otherwise mutually agreed to by both parties.
2	Awards greater than \$50,000	<ul style="list-style-type: none"> • For SPP Pathway providers, commitment of any classrooms improved through this funding to participate in the SPP within one (1) year.

Tier	Grant Amount	Required Commitment to City of Seattle
		<ul style="list-style-type: none"> An agency receiving funds must commit any classrooms improved through this funding to participate in SPP for no less than five (5) years, unless otherwise mutually agreed to by both parties.
3	Awards greater than \$250,000	<ul style="list-style-type: none"> For SPP Pathway providers, commitment of any classrooms improved through this funding to participate in the SPP within one (1) year. An agency receiving funds must commit any classrooms improved through this funding to participate in SPP for no less than ten (10) years, unless otherwise mutually agreed to by both parties.

In order to provide the City with assurance that the improvements will be committed to SPP use, the City will require some form of security for funding awards greater than \$250,000. The specific form of security will be negotiated as part of the agreement, however, acceptable forms of security include a restrictive covenant limiting the use of the property to SPP, a personal guaranty or a deed of trust securing recovery of the grant funds in the event the improvements are not used for SPP purposes.

Funding Match Requirements

Agency funding requests that exceed \$250,000 require a funding match by the agency for 50% of the total funding request. The match funding can be in the form of a commercial loan, grant awards, internal agency resources or other sources. The source of the match cannot be a fundraising campaign, unless that campaign can document that sufficient funds have already been raised. Documentation submitted in the agency application to establish evidence of the match could include a grant commitment letter, bank letter, or other proof that the resources are within the current control of the agency. DEEL may request additional documentation after reviewing the application.

Funding requests cannot exceed \$500,000. Table 4 below shows the required match funding commitment an agency would be required to make.

Table 4: Match Funding Levels by Agency Funding Request

RFI Funding Request	Agency Match Commitment (50%)
\$250,001	\$ 125,000
\$300,000	\$ 150,000
\$350,000	\$ 175,000
\$400,000	\$ 200,000
\$450,000	\$ 225,000
\$500,000	\$ 250,000

Site Control

Site control of the facility, either in the form of ownership or a long-term lease is a crucial consideration for accessing the Provider Facility Funds. In a case where the facility is not owned, the agency must possess a lease which allows for the use of the leased space for a preschool classroom, and with a term sufficient to meet the service commitment requirements in Table 3: Service Commitments. Additionally, all required landlord approvals for the improvements to the leased facility must be obtained prior to the execution of the final grant agreement between the City and agency.

- An agency intending to acquire a facility should include a copy of its purchase and sale agreement in its RFI proposal.
- An agency that owns its facility should include a copy of a deed of trust in its RFI proposal.
- If a site is leased, the agency must include a copy of the current lease with the RFI proposal and as a condition of any final agreement, must demonstrate that it has any necessary landlord approvals to make the improvements.

Minimum lease terms include:

- For awards between \$10,000 and \$50,000, a minimum of a five (5) years remaining on the current lease with the property owner.
- For award above \$50,000, a minimum of seven (7) years remaining on the current lease with the property owner.
- For award above \$250,000, a minimum of ten (10) years remaining on the current lease with the property owner.

It is especially critical for agencies with leases to work closely with DEEL staff to ensure leases and related documents are acceptable prior to moving forward with the proposal.

If the agency vacates the facility or no longer provides the proposed services before fulfilling the City's negotiated contractual terms, the agency may be liable for repayment of the Provider Facilities Funds.

Project Costs Prior to Signing an Agreement with the City

Any agency applying for funds under this RFI bears the risk of all project costs incurred prior to executing a funding agreement with the City. An agency should not expect City funds to reimburse expenses accrued prior to executing a funding agreement with DEEL. Notwithstanding the forgoing, project costs incurred by an agency prior to execution of a final funding agreement may be eligible for reimbursement under the agreement if (i) the project is selected through this RFI, and (ii) the project meets all requirements of this RFI, including prevailing wage requirements, and (iii) funding will ensure completion of the improvements for use in the SPP program.

Equal Opportunity, Affirmative Efforts & Non-discrimination in Contracting

Agencies are expected to provide equal employment opportunity to agencies' employees in all terms, conditions, and privileges of employment without regard to race, color, gender, marital status, sexual orientation, political ideology, age, creed, religion, ancestry, national origin, veteran status, or physical, mental, or sensory disabilities in accordance with applicable laws, ordinances and policies. The City encourage the utilization of women-owned and minority-owned business enterprises ("W/MBE") in

contracts funded by the City. Agencies and their contractors shall not create any barriers to open and fair opportunities for W/MBE's to participate in City-funded contracts.

Prevailing Wage Requirement

Construction projects funded totally or partially with DEEL funds must comply with applicable labor standards requirements. The City also requires payment of prevailing wages under Revised Code of Washington (RCW) Chapter 39.12. Prevailing wages will apply to the project funded by the City, as determined by the grant agreement. **Agencies should consider this requirement when developing cost estimates or obtaining pricing for construction work.** This requirement is not applicable if the project activities you are proposing to fund with these funds does not contain a construction component.

Prevailing wage rates are available from the Department of Labor and Industries at:

<http://www.lni.wa.gov/TradesLicensing/PrevWage/WageRates/>

Grant Disbursement

The following steps will take place if the application is approved:

1. Agency will receive an approval notification. The notification will list documents or other resources the City will need related to the project to enter into contract negotiations.
2. Once all additional documentation is received, the City and agency will meet to conduct a review of the project schedule, budget and other issues. The City, in consultation with the agency, will propose payment points, project milestones, agency requirements, and other issues that will be part of the final contract.
3. Agency and City signs the final contract.
4. Grant payments are made in accordance with the final contract.

Section VII: Reference Links

For further background related to the priorities for the Provider Facilities Fund, please see the SPP Implementation Plan:

<http://www.seattle.gov/Documents/Departments/OFE/AboutTheLevy/EarlyLearning/SPP%20Implementation%20Plan.April%201.PostCommittee.pdf>

For information related to the **Pre-Development Services Program**, a companion to the Provider Facilities Fund that offers pre-development services to SPP and SPP Pathway providers, see programmatic information here:

http://www.seattle.gov/Documents/Departments/OFE/AboutTheLevy/EarlyLearning/2016-2-23_PreDevCommuncation.pdf

SPP Program Plan, a guiding document for the SPP Program:

http://www.seattle.gov/Documents/Departments/OFE/AboutTheLevy/EarlyLearning/SPP_ProgramPlan_2015-16_Final.pdf