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CITY OF OAKLAND



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Office of the City Administrator
Dan Lindheim
City Administrator

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June 15, 2010

City Council
Oakland, California

President Brunner and Members of the City Council:

RE: Supplemental Report on Contracts to Oakland Citizens Committee for Urban Renewal (OCCUR), Regional Technical Training Center (RTTC), and Allen Temple Housing & Economic Development Corporation (ATHEDCO) for an Amount Not to Exceed \$100,000 Each to Conduct Community Outreach for the City's Weatherization and Energy Retrofit Loan Program through the Community Development Block Grant received from the American Recovery and Reinvestment Act of 2009 (Federal Government's "Stimulus Package")

SUMMARY

This supplemental report provides additional background information about the competitive selection process and qualifications of the three organizations selected to provide outreach services for the City's Weatherization and Energy Retrofit Loan Program (the "Loan Program"): Oakland Citizens Committee for Urban Renewal (OCCUR), Regional Technical Training Center (RTTC), and Allen Temple Housing & Economic Development Corporation (ATHEDCO).

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KEY ISSUES AND IMPACTS

Council Community Economic Development Committee members requested additional information regarding the selection process and qualifications for contractors to provide outreach services under the Loan Program.

Outreach Contract Allocations

The initial allocations for outreach under the Loan Program will be a total of \$160,000 for all three groups: \$50,000 to RTTC and Allen Temple and \$60,000 to OCCUR. OCCUR's allocation includes an additional \$10,000 to develop and produce community outreach materials for the Loan Program. We expect to provide some level of outreach to 7,500-10,000 households throughout Oakland, for a cost of approximately \$16-\$21 per household reached.

Staff is recommending that Council authorize contracts up to \$100,000 per organization to allow for the possibility of working with these same groups to also provide outreach services under the Weatherization Assistance Program (WAP) contract, which the City is in the process of negotiating with the State. The State is expected by the Department of Energy to substantially spend down the first year of statewide WAP funds by September 30th of this year. If the City is satisfied with the performance of one or more of the selected contractors in providing outreach services under the Loan Program, the City can accommodate the State's urgent time constraints by making it possible to augment a Loan Program outreach contract to include outreach for the WAP.

The remainder of the \$338,988 in outreach and education funds is being spent on City staff time dedicated to outreach activities. In order to get the program going and moving the process along while waiting for the RFQ process to be completed, City staff has been engaging in program outreach and education services to get information out to low-income homeowners and serve them through energy retrofits. Loan Program outreach activities have included holding meetings and distributing information to contractors and community-based organizations, attending community meetings, and developing a Policy and Procedures Manual, which sets forth standardized procedures for client intake and services as well as policies governing energy retrofit contractor criteria.

Distribution of RFQ

Staff decided to issue a Request for Qualifications (RFQ) to provide outreach services for the Loan Program instead of a Request for Proposals (RFP) because there was no specific outreach program already in place and staff determined the best approach would be to solicit qualifications of agencies that had experience pertinent to providing weatherization outreach. The RFQ was distributed to the Community Development Block Grant (CDBG) contractors mailing list, which consists of local organizations serving low- and moderate-income Oakland residents. The RFQ was also distributed to other local community groups with experience in community outreach and green jobs training services. Finally, the RFQ was posted on the City's

stimulus website and distributed to all members of the City's Stimulus Interdepartmental Planning Committee with a request that they forward the opportunity to their contacts and e-mailing lists. The RFQ response period was about three weeks.

RFQ Criteria

The RFQ stated that the outreach program is part of the City's efforts to promote energy retrofits of building stock, stabilize neighborhoods, and provide job opportunities for Oakland residents. The scope of services included:

- conducting effective outreach to low- and moderate-income homeowners, including explaining program eligibility criteria and providing information about available services;
- providing community education regarding the alignment of weatherization services with job opportunities for local residents, including encouraging homeowners to facilitate job opportunities for green jobs trainees and referring contractors to green jobs training programs for new hires;
- referring low- and moderate-income homeowners to other home stabilization programs offered by the City and community-based partners; and
- providing follow-up communication with homeowner participants to address post-retrofit needs.

Respondents were asked to submit their qualifications, including a description of their organizational history, experience, structure, and capability as it related to the project, including past work in:

- effective outreach to members of the population to be served;
- experience with regard to residential energy efficiency principles, providing community education on these principles and related issues;
- experience conducting residential energy audits or existing partnerships with organizations that conduct residential energy audits;
- partnerships with green jobs training programs; and
- knowledge of home stabilization programs provided by the City and community partners.

In addition, respondents were asked to provide information about the following:

- ability to carry out the proposed project successfully and on time;
- capacity to answer the phone during normal office hours, track outcomes for clients, and track client demographic data to be reported monthly;
- experience of contractor and project team relevant to the project, including experience from previous counseling contracts, ability to work with City staff, and ability to comply with City requirements;

- statement of detailed work plan, including concept of approach and organization required for the project, methods, plan to interface with City staff, and project milestones and deliverables; and
- references and hourly billing rates.

Responses to the RFQ

The City received five responses to the RFQ, including the three groups that were ultimately selected and two that were not. The two respondents that were not chosen were Energy Conservation Options, a private for-profit company specializing in energy auditing, and Rebuilding Together Oakland, a nonprofit organization providing home repair services to low-income homeowners. Energy Conservation Options was not selected because their primary area of expertise at the time of their response was commercial energy auditing rather than neighborhood outreach. Rebuilding Together Oakland was not chosen because they are primarily a volunteer-based organization with limited capacity to create new jobs for outreach workers.

City staff also received inquiries from organizations that considered submitting responses to the RFQ but ultimately decided not to apply, including Rising Sun Energy Center, Anew America Community Corporation, Volunteers of America, and Causa Justa - Just Cause. Community Economic Development Committee members asked why three specific organizations did not apply: Rising Sun Energy Center, Spanish Speaking Citizens' Foundation, and the Unity Council. Staff followed up with these organizations, which provided the following responses:

- Rising Sun Energy Center of Berkeley stated that they did not submit a response to the RFQ because the scope of work did not fit within any of Rising Sun's existing programs. Their youth program provides direct energy auditing and minor weatherization installation to residents of all incomes rather than providing outreach limited to certain income groups. In order to successfully take on the outreach contract, they would have had to design an entirely new program, which they did not have capacity to do. Rising Sun also has an adult program in Berkeley and Richmond that provides weatherization jobs training and, starting this year, includes a new social enterprise to directly install energy retrofit measures. The adult program does not currently exist in Oakland, and while Rising Sun is interested in obtaining City funds to expand their own program to include Oakland, conducting outreach activities on behalf of the Loan Program would have been outside the scope of the existing adult program and therefore beyond their capacity to undertake at the time the RFQ was issued.
- The Unity Council stated that they did not respond to the RFQ for several reasons. First, they felt that they did not meet the eligibility requirements because they had no organizational experience in weatherization or energy efficiency counseling. Second, they assessed that the amount of funding available and timing was not adequate to execute a successful outreach effort. Finally, because their services are primarily

focused on the Fruitvale community, they felt that they would be unable to adequately serve the Latino populations in West and East Oakland.

- The Spanish Speaking Citizens' Foundation stated that they did not respond to the RFQ for several reasons. First, given the current economic downturn, they did not support the idea of encouraging homeowners to take out a loan to finance residential energy retrofits. Their priority has been and continues to be helping their clients obtain employment rather than improving their homes. Second, they already have two open contracts with the City's CDBG Program, and they feel that the CDBG reporting and other administrative requirements are unduly burdensome and they consequently did not have the capacity to undertake the administrative requirements of a third contract at the time the RFQ was issued. Finally, they felt that homeowner education with regard to weatherization and residential energy retrofit measures was too complicated an undertaking for their organization, given their lack of specific experience in weatherization outreach.

Evaluation of Responses to RFQ

Prior to selection of contractors, the responses to the RFQ were reviewed and evaluated by City staff. Responses were evaluated based on the respondents' ability to provide outreach and referrals to the Loan Program, contribute to job creation for local residents including green jobs training graduates, provide referrals to other home stabilization programs and communicate with homeowners to address follow-up needs. Such ability was determined by reviewing the qualifications described above and other information submitted by the respondents, such as support letters and media articles. Interviews and site visits were also conducted by staff prior to final selection and notification of contractors.

Qualifications of Selected Contractors

After reviewing the five responses to the RFQ and conducting interviews, staff determined that OCCUR, RTTC and ATHEDCO are qualified to provide outreach, education and related services for the Loan Program. A brief description of each organization's qualifications follows:

- Established in 1954, OCCUR is an independent community service and public policy nonprofit agency focused on designing and implementing programs and services that address community-building and work directly with low-income youth, residents and families on equitable development, consumer education, neighborhood assets, digital inclusion and workforce opportunities. OCCUR has over ten years of experience providing consumer education and financial literacy services to low-income residents of Oakland, including presentations on financial literacy, homeownership, telecommunications, public utility services, consumer discounts, low-cost insurance and general consumer empowerment. This includes over six years of experience providing consumer education about energy conservation and efficiency for low-income households under PG&E's CARE and related programs. For the last two years, OCCUR has

conducted weatherization outreach for the PG&E Energy Partners Program, which provides free energy education, weatherization measures and energy efficient appliances to low-income residents. As a PG&E Energy Partners provider, OCCUR sends outreach workers door-to-door to speak with low-income residents about energy efficiency, residential weatherization measures and options to lower their gas and electricity costs. OCCUR secured matching funds to provide outreach for the Loan Program from Quality Conservation Services, a PG&E Energy Partners energy efficiency contractor. OCCUR also has experience in workforce development, offering job skills and workforce certificate training and placement services to over 400 low-income East Oakland students per month through its Community Technology Training programs at its Lion Creek Crossing and Eastmont Technology Center sites. Finally, as a provider of technical assistance and capacity-building services to community organizations, OCCUR maintains an immediate partnership network of over 150 nonprofit organizations and over 200 faith-based organizations representing congregations and client bases in economically challenged Oakland neighborhoods.

- West Oakland-based RTTC is a green jobs training and placement agency in the Bay Area. As a nonprofit workforce development agency, RTTC offers 11 State-approved training modules, including weatherization technician training, to a diverse population of low-income and limited-English speaking clients. Weatherization technician students receive training in the theory, methods and techniques related to the installation of weatherization measures, including the areas of building science, health and safety measures, combustion analysis, home energy auditing and construction technology. RTTC is also the founder and host of the Bay Area Business Roundtable, an association of representatives from various sectors developing innovative solutions around workforce, business and economic development. RTTC is one of the leading organizations developing the Oakland Green Business Incubator to assist Oakland entrepreneurs in developing and implementing new green businesses, including home performance and energy retrofit contracting and energy auditing. RTTC is also a founding member of the West Oakland Community Collaborative, a community collaborative composed of fifteen core organizations representing or serving low-income residents of West Oakland. On a monthly basis, RTTC conducts career development outreach to faith-based and other community organizations in West Oakland, including groups within the West Oakland Community Collaborative network. RTTC's immediate partnership network includes twelve faith-based organizations and dozens of community-based organizations primarily serving low-income Oakland residents.
- ATHEDCO is a 21-year-old, faith-based nonprofit corporation engaged in affordable housing, economic development, health and social service, and workforce development activities. Since 2003, ATHEDCO's job training program has provided services to over 500 participants a year, including training in energy education, weatherization marketing and green construction. ATHEDCO's job training program was selected to receive funds through a joint program of Public/Private Ventures, the U.S. Department of Labor, the

U.S. Department of Justice and the Annie E. Casey Foundation and was also awarded a national demonstration grant from the U.S. Department of Labor through the Prisoner Re-Entry Initiative. Like OCCUR, ATHEDCO also performs direct outreach and energy auditing services for PG&E's Energy Partners Program in Oakland. ATHEDCO's weatherization and energy education specialists are trained for two weeks by PG&E at its Energy Training Center in Stockton. ATHEDCO proposes to refer homeowners who exceed the PG&E Partners income limits to the Loan Program, which has a significantly higher income threshold. ATHEDCO's immediate community network includes over 2,500 congregants who attend weekly services at Allen Temple Baptist Church; formal partnerships with other green job training programs including Men of Valor, Volunteers of America, Indian Tribal Nations, Merritt College, Laney College, and OUSD's Oakland Adult and Career and Education Program; and low-income residents and seniors receiving other ATHEDCO services such as grocery distribution, social services and exercise classes. ATHEDCO's response to the RFQ included a letter of support from RHA, Inc., the administrator of the PG&E Partners Program, reiterating ATHEDCO's presence in the weatherization outreach sector.

Loan Program Target Outreach Areas

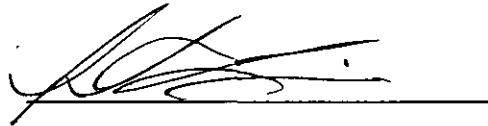
Each organization will cover specific CDBG districts. RTTC, based in West Oakland, will provide outreach to CDBG districts 1 and 3, North and West Oakland. OCCUR will provide outreach to CDBG districts 2, 5 and 6, which encompasses Eastlake, San Antonio, Chinatown, Fruitvale and Central East Oakland. ATHEDCO will serve CDBG Districts 4 and 7, including Central Oakland and Elmhurst/Coliseum, and will also collaborate with OCCUR on some outreach to CDBG district 6 because of ATHEDCO's strong community contacts in Central East Oakland.

OCCUR, which will serve Chinatown, will subcontract with the East Bay Asian Local Development Corporation (EBALDC) in the amount of \$10,000-\$15,000 to assist with outreach to Asian-language speaking residents. OCCUR will also hire Spanish-speaking outreach workers to provide outreach to the Fruitvale community and other Spanish-speaking neighborhoods. Allen Temple will also hire Spanish-speaking outreach workers to reach Spanish-speaking residents in its designated service areas. Staff will work with all contractors to develop a plan to adequately serve income-eligible Asian-language and Spanish-speaking neighborhoods.

RECOMMENDATIONS AND RATIONALE

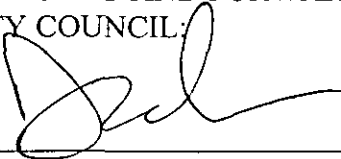
Staff recommends that the Council adopt the resolution authorizing the approval of contracts to Oakland Citizens Committee for Urban Renewal (OCCUR), Regional Technical Training Center (RTTC), and Allen Temple Housing & Economic Development Corporation (ATHEDCO) for an amount not to exceed \$100,000 each to conduct community outreach for the City's Weatherization and Energy Retrofit Loan Program through the ARRA Community Development Block Grant.

Respectfully submitted,



Margareta Lin
Deputy City Administrator

APPROVED AND FORWARDED TO THE
CITY COUNCIL:



Office of the City Administrator

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