

**CITY OF CARO
REQUEST FOR PROPOSALS
THIRD PARTY ADMINISTRATOR FOR COMMUNITY DEVELOPMENT
BLOCK GRANT**

The City of Caro, Michigan hereby requests proposals from interested individuals and/or firms to function as Third Party Administrator for the City of Caro's \$1.5 million Community Development Block Grant program.

The City of Caro will receive sealed proposals at the City Clerk's Office, 317 S. State Street, Caro, MI 48723 for City of Caro by **Tuesday, September 1, 2026.**

All submissions must be received by 11:00 a.m. for consideration. Electronic submissions may be made via carocity.net under How Do I? – Bid. Paper submissions must be submitted in a sealed envelope and plainly marked "CDBG TPA - CITY OF CARO".

LATE SUBMISSIONS WILL NOT BE OPENED OR CONSIDERED

A complete Request for Proposal specification may be obtained from:

City of Caro
ATTN: City Clerk
317 S. State Street
Caro, MI 48723
Phone 989-673-7671

Submissions will be publicly opened and read aloud at 11:30 AM. on Tuesday, September 1, 2026, in the Council Chambers of the Caro Municipal Building, 317 S. State Street, Caro, Michigan.

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THIRD PARTY ADMINISTRATOR FOR COMMUNITY DEVELOPMENT
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1. Introduction and Purpose

The City of Caro is seeking qualified consulting firms or teams to serve as a Third Party Administrator (TPA) for its Community Development Block Grant (CDBG) Housing Rehabilitation Program administered through MSHDA.

The selected firm will provide comprehensive grant administration, compliance oversight, environmental review coordination, financial management support, and construction monitoring services necessary to ensure full compliance with all federal, state, and local requirements.

The purpose of this RFP is to select a qualified firm with demonstrated experience in CDBG program administration and NEPA environmental compliance to support the City in successfully implementing its housing rehabilitation program.

2. Background

The City of Caro has been awarded a \$1,500,000 Community Development Block Grant (CDBG) through MSHDA for housing rehabilitation activities.

The program includes:

- Approximately 21 total housing units
- Combination of:
 - Owner-occupied housing rehabilitation (14 units)
 - Unoccupied rental rehabilitation (7 units)

The program is designed to support housing stability, improve neighborhood conditions, and ensure compliance with HUD national objectives, including benefit to low- and moderate-income households.

3. Scope of Services

The selected TPA shall provide all services necessary for full implementation and compliance of the CDBG program, including but not limited to:

A. Program Administration

Maintain complete program files in compliance with MSHDA and HUD requirements
Assist with preparation of program guidelines and procedures
Monitor overall program compliance and reporting requirements
Coordinate with City staff and MSHDA program specialists

B. Financial Management

- Prepare and submit quarterly draw requests
- Review and track all program expenditures
- Ensure compliance with HUD financial management standards (2 CFR Part 200)
- Review contractor payment requests
- Assist with grant budget reconciliation and reporting

C. Environmental Review (NEPA Compliance – CEST Tiered Review)

- Complete one (1) Tier I broad environmental review
- Complete up to fourteen (14) Tier II site-specific reviews
- Prepare Environmental Review Record (ERR) documentation
- Coordinate SHPO consultation as required
- Address environmental concerns including asbestos, lead, and radon compliance considerations
- Maintain compliance with NEPA, HUD, and MSHDA requirements

D. Income Verification and National Objective Compliance

- Verify household income eligibility ($\leq 80\%$ AMI)
- Prepare income documentation files
- Ensure compliance with HUD National Objective requirements
- Maintain audit-ready documentation

E. Contractor Procurement

- Assist in development of bid documents and contractor solicitation
- Ensure compliance with federal procurement standards
- Maintain procurement documentation files
- Conduct SAM.gov exclusion checks
- Verify contractor insurance and licensing
- Assist with contractor selection process

F. Construction Management

- Review project specifications and cost estimates
- Conduct pre-construction and progress inspections
- Review contractor pay applications
- Monitor project progress and compliance
- Maintain photo documentation (before, during, after)
- Assist with final inspections

G. Rental Rehabilitation Compliance

- Assist with landlord agreements and rental rehab compliance

Monitor affordability requirements
Ensure compliance with rental rehabilitation standards
Maintain required rental program documentation

H. Program Closeout

Prepare final closeout documentation for MSHDA
Assist with audit preparation and response
Compile final project reports
Ensure all environmental, financial, and construction files are complete

4. Proposal Submission Requirements

Each proposer shall include:

Firm background and qualifications
Staff resumes and roles
Experience with CDBG and HUD-funded programs
Experience with NEPA environmental review (CEST Tier I and II)
Project approach and methodology
Staffing availability and capacity
Hourly rate schedule (inclusive of all costs)
Not-to-exceed total cost proposal
Tier II environmental review per-unit cost
Three (3) professional references

5. Evaluation Criteria (100 Points Total)

Proposals will be evaluated as follows:

Cost Proposal – 20 points
Firm Qualifications and Experience – 30 points
Capacity and Availability – 30 points
Proximity to City of Caro / Regional Knowledge – 20 points

The City reserves the right to conduct interviews, request clarification, and negotiate scope with selected firms.

6. Selection Process

The City of Caro reserves the right to:

- Reject any or all proposals
- Waive informalities or irregularities
- Shortlist and interview firms

- Negotiate with one or more firms
- Select the firm deemed most advantageous to the City

Submission of a proposal does not obligate the City to award a contract.

7. Procurement Conditions

All costs incurred in preparing proposals are the responsibility of the proposer
 The City reserves the right to modify or cancel this RFP at any time
 The City may award without further discussion
 This RFP does not constitute a contract offer

8. Insurance Requirements

The selected consultant shall maintain the following minimum insurance coverage:

Commercial General Liability: \$1,000,000 per occurrence
 Automobile Liability: \$1,000,000 combined single limit
 Workers Compensation: Statutory limits
 Professional Liability (Errors & Omissions): \$1,000,000 per claim

The City of Caro shall be named as additional insured.

9. Federal and State Compliance Requirements

The selected firm shall comply with all applicable federal, state, and local regulations including:

2 CFR Part 200 (Uniform Administrative Requirements)
 HUD CDBG Regulations
 National Environmental Policy Act (NEPA)
 Davis-Bacon Act (if applicable)
 Section 3 of the Housing and Urban Development Act
 Equal Employment Opportunity requirements
 Debarment and Suspension requirements
 Conflict of Interest requirements
 Michigan FOIA (Public Act 442 of 1976)

10. Professional Services Agreement (Summary)

A formal agreement will be executed between the City of Caro and the selected firm, including:

Scope of Services

As defined in this RFP.

Compensation

Hourly not-to-exceed contract based on approved proposal.

Term

Duration aligned with grant implementation and closeout.

Standard of Care

Consultant shall perform services consistent with professional standards.

Termination

City may terminate for convenience with written notice.

Indemnification

Consultant shall indemnify and hold harmless the City.

Records and Audit Rights

Full access for HUD/MSHDA monitoring and audit purposes.

Compliance

Full compliance with federal, state, and local requirements.

10. Submission Instructions

The City of Caro will receive sealed qualifications at the City Clerk's Office, 317 S. State Street, Caro, MI 48723 for City of Caro until **Tuesday, September 1, 2026**.

All submissions must be received by 11:00 a.m. for consideration. Electronic submissions may be made via carocity.net under How Do I? – Bid. Paper submissions must be submitted in a sealed envelope and plainly marked “CDBG TPA - CITY OF CARO”.

11. Questions and Addenda

Questions regarding this RFP shall be submitted in writing to the contact listed above no later than Friday, August 28, 2026. Responses and any addenda will be issued in writing.

I. GENERAL INFORMATION FOR SUBMISSIONS

1.1 Program Administrator

The Program Administrator is the primary point of contact for this submission. All communication between prospective bidders and the City of Caro upon receipt of this proposal shall be with the Program Administrator, as follows:

Scott R. Czasak
City Manager
317 South State Street
Caro, MI 48723
Telephone: (989) 673-7671
E-mail: sczasak@carocity.net

Prospective bidders are to rely only on written statements issued by the Program Administrator. Any other communication will be considered unofficial and non-binding on the City.

Communication directed to parties other than the Program Administrator may result in disqualification of the prospective bidder.

Upon or after awarding the contract, the City Manager may designate another City staff member as a contact for the assignment and timing of work, and/or quality control.

1.2 Proprietary Information and Public Disclosure

Materials submitted in response to this competitive proposal shall become the property of the City. All proposals received shall remain confidential until the deadline for submission of proposals has expired, as defined by Michigan statute (MCL 15.243(i), the Freedom of Information Act).

1.3 Revisions/Addenda to the Proposal

In the event it becomes necessary to revise any part of this proposal, addenda will be put in writing and provided to all prospective bidders known to the City of Caro. For this purpose, the published questions and answers and any other pertinent information will be considered an addendum to the proposal and will be provided to all known prospective bidders.

The City of Caro reserves the right to cancel or to reissue the request for proposals in whole or in part, prior to execution of a contract.

1.4 Acceptance Period

Proposals must provide 30 days for acceptance by the City of Caro from the due date for receipt of proposals.

1.5 Responsiveness

All proposals will be reviewed by the City Manager to determine compliance with administrative and operational requirements and instructions specified in this request for proposals. Failure to comply with any part of the request for proposals may result in rejection of the proposal as nonresponsive. The City of Caro also reserves the right, at its sole discretion, to waive irregularities.

1.6 Most Favorable Terms

The City of Caro reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms that the respondent could propose. There will be no “best and final offer” procedure. The City of Caro reserves the right to contact a respondent for clarification of its proposal.

This request for proposals specification shall be incorporated and is an integral component of a contract resulting from this request for proposals. It is understood that the proposal will become a part of the official procurement file on this matter without obligation to the City of Caro.

1.7 Costs of Proposals

The City of Caro will not be liable for any costs incurred by the bidder(s) in preparation of a proposal submitted in response to this invitation, in the conduct of a presentation, or any other activities related to responding to this request for proposals.

1.8 No Obligation Contract

The issuance of this request for proposals does not obligate the City of Caro to award a contract for services as specified herein.

1.9 Decision on Proposals

The City of Caro reserves the right, at its sole discretion, to accept, reject or modify any and/or all proposals, to waive irregularities or informalities, and/or not to issue a contract as a result of this request for proposals.

1.10 Failure to Comply

The Respondent is specifically notified that failure to comply with any part of the request for proposals may result in rejection of the proposal as non-responsive.

1.11 Commitment of Funds

The City of Caro or their delegates are the only individuals who may legally commit the City of Caro to the expenditure of funds for a contract resulting from this request for proposals. No costs chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

1.12 Evaluation Procedure

Responsive proposals will be evaluated in accordance with the requirements stated in this request for proposals and any addenda issued. All proposals received by the stated deadline will be reviewed by the City Manager and staff to ensure that the Submissions meet the minimum requirements to perform the work requested and that proposals contain all of the required information requested in the request for qualifications. Only responsive proposals which meet the requirements will be considered for award. Any Contractor which does not meet the stated qualifications or any proposal which does not contain all of the required information will be rejected as non-responsive.