

MEMORANDUM

TO: Mayor and City Council

FROM: Howard P. Schesser, Community Development Director

SUBJECT: APPROVE CONTRACT AND EXPENDITURE FOR ARMORY FUND RAISING

DATE: June 22, 2016

Background

The Armory Rehabilitation project has completed the community based schematic design phase. The City will be requesting Cottage Grove defederalized funds from our Regional Rehabilitation Housing Program to hire an architect to prepare construction drawings and develop a more realistic construction cost estimate. In order to move this project forward an informal bid process was undertaken with three grant writers in April in order to do a funding campaign. All three responded. Two stated they did not have the capacity or time to undertake the funding work. This has not changed now that we are operating under the new purchasing rules.

The third one, Christina Lund Consulting did respond with a proposal which includes a team of seven to develop, hold donor events and write grants. This group has a greater than 66% success ratio in grant writing. The proposal is to write at least a minimum of 80 grants and hold one major donor event each year. The project will be over 30 months beginning July 1, 2016. The City will fund initial start up costs from a loan from the general fund that will be paid back June 30, 2017 or earlier with the proceeds of the grants. All money raised will be given to the City and placed in an Armory Reserve fund. The consultant will be paid out of that fund on a quarterly basis as the grants will include costs for administration. The City Manager will monitor the progress of the effort through monthly reports from the consultant and can cancel the contract with 60 day written notice. As the consultant will be based out of a local office communication on a daily basis should be easily maintained.

Recommendation

That the City Manager be authorized to execute the agreement with Christina Lund Consulting in an amount not to exceed \$463,000.

Cost

None


Richard Meyers, City Manager


Howard P. Schesser, Community
Development Director

PERSONAL SERVICES CONTRACT

With Indemnity

THIS AGREEMENT is entered into this ____ day of June, 2016, by and between the City of Cottage Grove, a municipality of the State of Oregon, hereinafter called City, and Christina Lund Consulting, hereinafter called Consultant.

WHEREAS, City has need for the services of an individual with particular training, ability, knowledge, and experience possessed by Consultant;

NOW THEREFORE, the parties agree as follows:

CONSULTANT'S OBLIGATIONS

1. Scope of Project.

A. Generally, Consultant agrees to perform, during the period from July 1, 2016, through December 31, 2018, the following personal services:

- (1) Design and print a marketing "tool set" to be used in a variety of ways to both publicize and solicit funds for the Armory;
- (2) Write in excess of 80 foundation grants totaling more than \$2.2 Million in 30 months;
- (3) Collaborate and provide information for use by Cottage Grove Community Development Department staff in preparing four state and/or federal grants;
- (4) Plan and implement 2 annual events at the Armory. Themes and dates to be decided by the City of Cottage Grove;
- (5) Cultivate local individuals and business donors;
- (6) Develop a comprehensive donor database that will be owned by the City of Cottage Grove;
- (7) Create community awareness of the project, keep donor records, and assist in the recruitment and retention of a "Friends of the Armory" volunteer group;
- (8) Explore social media as a tool for fundraising, outreach and cultivation; and

(9) Provide tours of Armory for development purposes, in conjunction with the City;

B. Specifically, the Consultant shall complete the Scope of Work, as described in the City's Request for Proposals and the Consultant's Proposal for Cottage Grove Armory Rehabilitation Project, dated April 18, 2016 both attached hereto and incorporated by reference as if fully set forth herein, as Exhibit A.

2. The Consultant shall complete the above Scope of Work for the total fee not to exceed \$463,000. \$100,000 payment will be due upon execution of the contract. Additional payments will be made in nine equal quarterly payments. Payments shall be based upon monthly reports which Consultant shall submit to the City, detailing the previous month's activities, fees for items not covered and percentage of the project completed to date.

3. Consultant is engaged as an independent contractor and will be responsible for any federal or state taxes applicable to this payment. The Consultant will be responsible for hiring and managing any necessary sub-contractors needed to execute the campaign and its components. The Consultant shall remain obligated for full performance hereunder, and the City shall incur no obligation other than its obligations to the Contract hereunder. The Consultant agrees that if subcontractors are employed in the performance of this Agreement, the Consultant and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation.

4. All printing associated with the project is not included in this fee, and must be paid by the City.

5. Consultant is not currently employed by City, and will not be under the direct control of City.

6. Consultant will not be eligible for any federal Social Security, state Workmen's Compensation, unemployment insurance or Public Employees Retirement System benefits from this contract payment, except as a self-employed individual.

7. Consultant is not a member of the Oregon Public Employees Retirement System, nor employed for a total of 600 hours or more in the calendar year by any public employer participating in the Retirement System.

8. Consultant shall comply with all federal, state and local laws and ordinances applicable to the work under this contract, including, without limitation, applicable provisions of the Oregon Public Contract Code including ORS 279B.020, 279B.220, 279B.230, and 279B.235, as more particularly set forth on Exhibit B, attached hereto and incorporated herein by this reference.

9. Consultant agrees to defend, indemnify and hold City harmless from and

against all claims and demands for loss or damage arising out of or in any way connected with the Consultant.

11. Access to Records. The Consultant shall maintain, and the City and its duly authorized representatives shall have access to the books, documents, papers, and records of the Consultant which are directly pertinent to this specific contract for the purpose of making audit, examination, excerpts, and transcripts for a period of three years after final payment. Copies of applicable records shall be made available.

12. Errors. The Consultant shall perform such additional work as may be necessary to correct errors in the work required under this contract without undue delays and without additional cost.

13. The City may terminate this agreement only upon sixty (60) days written notice to the other party. Payment due upon termination will be a pro rata portion of the total project cost, reflecting project completion to date.

15. City shall report the total amount of all payments to Consultant, including any expenses, in accordance with federal Internal Revenue Service and State of Oregon Department of Revenue regulations.

16. Arbitration. If any disputes, disagreements, or controversies arise between the parties pertaining to the interpretation, validity, or enforcement of this Agreement, the parties shall, upon the request of either party, submit such dispute to binding arbitration. Except as otherwise provided in this Agreement, arbitration shall be requested by delivering to the other party a written request for arbitration. Within five (5) days of receipt of such request, the parties shall select a mutually agreeable arbitrator and designate mutually agreeable rules of arbitration. If the parties cannot agree upon an arbitrator within five (5) days, an arbitrator may be appointed by the Lane County Circuit Court, upon the request of either party submitted in accordance with ORS 36.310. If the parties have not designated mutually agreeable rules of arbitration at such time as the arbitrator is appointed, the arbitrator shall adopt rules for the arbitration. The arbitrator's decision shall be binding upon the parties.

The City and Consultant agree to a consolidated arbitration of such claims, disputes, and other matters in question between themselves regarding the project, with claims, disputes, and other matters in question regarding the project between and among the City, Consultant and the City's third party designees and contractors and anyone else under contract with the City or any other party to perform work or services related to the project.

Notwithstanding any dispute under this Agreement, whether before or during arbitration, the Consultant shall continue to perform its work pending resolution of a dispute, and the City shall make payments as required by the Agreement for undisputed portions of work.

17. Indemnification.

A. The parties mutually agree, to the fullest extent permitted by law, to indemnify and hold the other harmless from any damage, liability or cost (including reasonable attorney fees and costs of defense) to the extent caused by the indemnifying party's, its employees, officers or agents, intentional or negligent acts, errors or omissions in the performance of this contract.

B. Indemnity – Standard of Care. If Consultant's services involve engineering or consulting, the standard of care applicable to Consultant's service will be the degree of skill and diligence normally employed by professional engineers or consultants performing the same or similar services at the time such services are performed. Consultant will re-perform any services not meeting this standard without additional compensation.

18. Attorney Fees. If either party commences any arbitration, suit, or proceeding against the other to rescind, interpret or enforce the terms of this contract, the parties agree that the prevailing party shall be awarded reasonable attorney's fees and costs incurred in any such arbitration, action, suit or proceeding and in any later appeals filed as a consequence thereof. Such costs shall bear interest at the maximum legal rate from the date incurred, until the date paid by losing party.

19. Applicable Law. This agreement shall be construed in accordance with Oregon law.

20. Severability. If any part, term or clause of this contract is held by a court or arbitrator to be unenforceable, of no effect or in conflict with any law, the validity of the remaining provisions and clauses shall not be affected and the rights and obligations of the parties shall be construed and in force as if the contract did not contain the particular part, term or clause held to be unenforceable.

21. Entire Agreement. This agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be a force or effect with respect to those matters covered hereunder. This agreement may not be altered except in writing signed by both parties.

CONSULTANT:

CITY OF COTTAGE GROVE:

By: _____
Printed Name: Christina Lund
Title: President
Address: 40 S 6th Street
Cottage Grove, OR

By: _____
Printed Name: Richard Meyers
Title: City Manager
Address: 400 Main Street
Cottage Grove, OR

Date: _____

Date: _____

ATTEST:

Printed Name: _____

Title: _____

Date: _____

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CHRISTINA LUND CONSULTING PROPOSAL FOR SERVICES

For Cottage Grove Amory Rehabilitation Project

Thank you for the opportunity to participate in the development of resources needed to renovate and rehabilitate the Cottage Grove Armory. This project, which will benefit all sectors of the community, is crucial to the success of critical and social services in South Lane County. Christina Lund Consulting (CLC) and her associates have both the capacity and the talent to execute the development goal in the timeline described.

OVERVIEW

Christina Lund Consulting is pleased to submit this proposal for services to support The City of Cottage Grove in achieving its goal to raise a total of \$3.2 million to renovate the former National Guard Armory building. It is understood that the current development goal of \$2.6 million will be accomplished through a combination of fund raising efforts to include Grant Writing, Events, Individual Asks, Local Support and the like. CLC has partnered with several other development professionals to provide the best possible outcome in the shortest period possible, while building lifelong donors and volunteers of the Armory.

The Objective

The City of Cottage Grove has recently purchased the former National Guard Armory in downtown Cottage Grove, OR. The Armory needs immediate funding to design and construct necessary additions and fire/life/safety improvements, seismic upgrades, asbestos abatement, mechanical and plumbing system installations, interior alterations, and exterior restoration. Further, the Armory will need a completely redesigned kitchen, climate-controlled archival storage, lighting, seating, carpeting and furnishings through-out.

Specific Objectives are as follows;

- To design, implement and manage the development campaign for the restoration and renovation of the CG Armory project in Cottage Grove, Oregon.
- To raise a minimum of \$2.6 Million over 30 months.
- To create awareness of the project through education, tourism and donor stewardship.
- To assist in the development of a "Friends of the Armory" volunteer group.

The Opportunity

To renovate and restore the National Register-listed Cottage Grove Armory into a multi-purpose community center and gathering place to serve the great area. The Cottage Grove Armory Rehabilitation Project seeks to turn a 33,000 square foot three story building, built in 1931, into a center for seniors, youth, and families. The Armory will also create much needed meeting rooms, event space, archival storage, and offices for social and community services. Plans include a soup kitchen, business incubator, non-profit resources, historical artifacts, papers and artwork, indoor athletics, public restrooms and a theater/stage.

The Solution

- Design and print a marketing tool set to be used in a variety of ways to both publicize and solicit funds for the Armory.
- Write in excess of 80 foundation grants totaling more than \$2.2 Million in 24 months.
- Collaborate, and edit to final draft, four state and/or federal grants in conjunction with the Cottage Grove City Planner.
- Plan and implement 2 annual events at the Armory. Themes and dates to be decided by the City of Cottage Grove.
- Cultivate local individual and business donors.
- Develop a comprehensive donor database that will be owned by the City of Cottage Grove.
- Recruit volunteers.
- Explore social media as a tool for fundraising, outreach and cultivation.
- Provide tours of Armory for development purposes, in conjunction with city employees, or when they are not available.

OUR PROPOSAL

The City of Cottage Grove has a well-deserved reputation for project management. They have taken on other local projects and shown an ability for completing them in a timely fashion, while being inclusive and community minded. However, faced with challenges of managing a development process of this size, start to finish, would certainly tie up crucial labor resources. The City of Cottage Grove lacks the in-house assets, personnel and expertise to execute a development campaign at this level, on the timetable offered.

Christina Lund and her team can help. We have developed a comprehensive Funds Development plan that meets the City's timeframe and does not deplete its resources. CLC propose that The City of Cottage Grove hire her team to execute the plan as outlined above, and provide for a timely result in order to have the Armory functional as soon as possible. Our plan seeks to raise the needed financial support, and easily integrates with Armory partners and city employees. This will enable The City of Cottage Grove to focus on design, construction and program. Most importantly, we are campaign ready. A project start date of May 2016 will ensure that the project can ramp up quickly and take advantage of grant deadlines that are fast approaching. The prompt start date also allows the Armory project to get out ahead of other potential capital campaigns in South Lane County.

Timeline for Execution

The project will be executed during the outlined 30-month timeframe. See attached proposed development plan.

FEE FOR SERVICES

Christina Lund Consulting would charge \$463,000 to manage and execute the project outline above. \$74,000 due upon execution of contract. Additional payments towards the contract would be made in nine equal quarterly payments. The dates to be mutually agreed upon. Printing is not included in this fee. This pricing is valid for 90 days from the date of this proposal.

QUALIFICATIONS

Christina Lund Consulting, and her partners, have continually proven themselves capable of meeting difficult fundraising challenges. Most notable, Ms. Lund raised more than \$5mm in the five years after the stock market crash of 2008. She did this in Lane County for three non-profits simultaneously. To date the collective team has helped more than 250 non-profits raise more than \$200 million in awards and matching gifts. Ms. Lund and her team have a combined 100+ years in philanthropy, annual giving and stewardship, capital campaigns, event management, case development, volunteer recruitment and training, feasibility, grant writing and stewardship.

OUR TEAM

Ms. Lund has 20 years of project management experience in both the private and public sectors. During the past 15 years, she has focused her attention on funds development, working with non-profits and volunteer recruitment. She is a successful grant writer, but excels most in donor cultivation and events. Ms. Lund has executed 6 capital campaigns in the past 15 years. Most notably for CASA of Lane County, The Bohemia Park and the Southwest Oregon Chapter of the Red Cross. She has an additional 20 years of event expertise, helping to raise more than \$3,000,000 in the last 10 years alone. Ms. Lund has dual BS degrees in Business Administration and Political Science from Linfield College. She is a graduate of the Ford Family Foundation and the American Leadership Forum. Ms. Lund is currently working on her MBA through Marylhurst University in Portland, Oregon.

Our team consists of:

- Christina Lund Consulting – Project Management, Cultivation, Grant Writing & Procurement
- Casey Woodard Consulting – Philanthropic Management & Strategy
- Lori Bumgardner, Goddess of Grants – Grant Writing
- Asbury Design, Inc. – Marketing, Public Relations & Advertising
- Pelletier & Pelletier - Creative Design & Event Management
- Rhonda Worley – Administration

CONCLUSION

We look forward to working with The City of Cottage Grove and supporting your efforts to renovate the Cottage Grove Armory. We are confident that we can meet the challenges ahead, and stand ready to partner with you in delivering an effective development plan.

If you have questions on this proposal, feel free to contact me at your convenience by email at christinamlund@gmail.com or by phone at 541-953-5377. We will be in touch with you next week to arrange a follow-up conversation on the proposal.

Thank you for your consideration,

Christina Lund
CLC - President

Howard Schesser

From: Howard Schesser [cddirector@cottagegrove.org]
Sent: Wednesday, April 06, 2016 1:40 PM
To: Christina Lund; Lori Bumgardner; Jody Rolnick
Cc: Amanda Ferguson
Subject: FW: Req1uest For Fundraising Campaign Manager/Grant writer

Importance: High

Earlier this morning I sent you an email (below) but forgot to include the deadline for response. **Responses need to be delivered or emailed to me by 5 PM on Monday, April 18th.**

Howard P. Schesser, CFM
Community Development Director &
Emergency Manager
City of Cottage Grove, Oregon

Phone 541-942-3340

NOTICE: This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

City Inspection Line: 541-942-9758 Building Inspection Line (toll free) 1-800-383-8855

From: Howard Schesser [<mailto:cddirector@cottagegrove.org>]
Sent: Wednesday, April 06, 2016 8:57 AM
To: Christina Lund; Lori Bumgardner; Jody Rolnick
Subject: Req1uest For Fundraising Campaign Manager/Grant writer
Importance: High

Fundraising Campaign Manager/Grant writer

The City is looking to contract with an experienced grant writer to design, implement and manage a fundraising campaign for the restoration/rehabilitation of the Cottage Grove Armory. This \$2.6million project would start in May, 2016, with potential construction beginning in summer/fall 2017 and completion expected in 2018. The manager would be expected to identify, cultivate and apply for private and government grants and manage received grants through closure, as well as organize and hold annual fundraising events.

If you are interested in this project, can you please respond to this email with answers to the following questions:

- 1) What is your capacity to undertake this project in the timeline outlined above?
- 2) Describe your history of success in similar projects.
- 3) What would your potential fee be to undertake this project (possible methods of estimating fees include a per dollar raised amount, hourly/monthly or lump sum)?

Howard P. Schesser, CFM
Community Development Director &
Emergency Manager
City of Cottage Grove, Oregon