



Request for City Council Committee Action from the Department of Community Planning & Economic Development - CPED

Date: June 5, 2012

To: Council Member Lisa Goodman, Chair, Community Development Committee

Referral to: Council Member Betsy Hodges, Chair, Ways and Means Committee

Subject: Small Business Technical Assistance Program

- Recommendation:** The CPED Director recommends that the City Council:
1. Establish the Small Business Technical Assistance Program and adopt the attached program guidelines; and
 2. Amend the 2012 CPED allocation in Fund 01SED-8900330 by reallocating \$100,000 from the Business Development Fund to the newly established Small Business Technical Assistance Program; and
 3. Authorize CPED staff and the appropriate City Officers to negotiate and execute contracts for the Small Business Technical Assistance Program consistent with the recommendations given in the body of this report, subject to modifications as approved by the CPED Director.

Previous Directives: On March 9, 2012, City Council directed CPED staff to develop a Small Business Technical Assistance Program and issue a Request for Proposals (RFP) from non-profit community development organizations to provide technical assistance services to Minneapolis businesses.

Prepared by: Jessica Green, CPED Business Finance	Phone: 612-673-5232
Approved by: Charles T. Lutz, Deputy Director CPED	_____
Catherine A. Polasky, Director, Economic Development	_____
Presenters in Committee: Jessica Green	
Funding Source and Appropriation	
Language Reviewed by Development Finance:	_____

Reviews

- Permanent Review Committee (PRC): Approval _N.A._ Date _____

Financial Impact

The funding for the Small Business Technical Assistance Program will be made available by redirecting funds currently or previously allocated to other programs in the CPED budget. The total amount available for the Small Business Technical Assistance Program will be \$500,000, with \$200,000 budgeted in Fund MCLC010 (Great Streets Business District Support), \$200,000 from Fund 01400-G489ED34 (Great Streets CDBG) and \$100,000 allocated from the available fund balance in Fund 01SED-8900330-MSED004 (as reflected above).

Community Impact

- Neighborhood Notification: All Neighborhood Groups were notified of the proposed program on January 11, 2012 and invited to comment; no comments were received. An RFP soliciting proposals for technical assistance support was released to neighborhood organizations, community development corporations, business associations, and other community partners and posted on the City's website on March 12, 2012.
- City Goals: The Small Business Technical Assistance Program supports multiple City goals including A Safe Place to Call Home, Jobs & Economic Vitality, Many People, One Minneapolis, and A City That Works.
- Zoning Code: N.A.
- Living Wage/Business Subsidy Agreement Yes No Service providers with contracts over \$50,000 will need to comply with the City's Living Wage ordinance.
- The Program is not subject to the State Business Subsidy Act.
- Job Linkage Yes No .

Supporting Information

The City has supported technical assistance to Minneapolis-based businesses for many years through the Great Streets Business District Support (BDS) Program as well as contracts managed through Business Finance. Through ongoing discussions with our partner organizations, we've learned that there are some limitations to these methods of City support. Most notably, the Great Streets Business District Support Program focuses on very specific geographies (commercial corridors, commercial nodes, LRT station areas, and activity centers designated in the comprehensive plan), and businesses located outside of these areas have been ineligible for assistance. The contracts managed through Business Finance fund a variety of activities, technical assistance included, that are available city-wide. However, because these activities are combined into a single contract, it has been difficult to track how many businesses are receiving technical assistance with this funding. The new Small Business Technical Assistance Program (TAP) will allow the City and our partner organizations to assist a greater number of businesses while achieving a higher level of accountability. We expect TAP to result in a more efficient and effective service delivery with clearly articulated goals and measureable results. Going forward, staff will use these results, along with input from service providers, to continually improve the program.

The selected service providers will enter into **outcomes-based** contracts with the City to deliver specified services to Minneapolis businesses and entrepreneurs. Service providers will be required to track and report to the City, at minimum, the following: demographic information, types of businesses assisted, number of hours assisted and nature of the assistance, number of jobs created or retained and number of businesses established or expanded. Organizations will be paid on a reimbursement basis after services have been provided and the necessary deliverables (Exhibit C) have been received and reviewed by City staff.

Based upon previous years of technical assistance support, we anticipate a wide range of results. From helping aspiring entrepreneurs develop a business plan, to helping existing businesses learn to cut expenses and increase revenues, we know there will be many benefits of the work supported through TAP. Small businesses create job opportunities, provide needed goods and services, fill vacant storefronts, create vibrant community

gathering spaces, improve dilapidated buildings, pay taxes, support other neighborhood businesses and strengthen the local economy.

While many clients receiving technical assistance will not go on to open a business, we recognize that this is often a benefit for both the individual and the City. We want to encourage stable, long-term businesses that will serve the City for many years to come, while also preventing under-equipped entrepreneurs from draining their personal resources to open a business that will ultimately fail. In these situations, it is important to focus on the indirect benefits of technical assistance; service providers report that clients seek out additional educational opportunities, learn financial management skills, and build confidence in themselves – all leading to the client's personal growth and civic development.

Program Funding

It is proposed that the Small Business Technical Assistance Program will be established with a total pool of \$500,000. In the past, up to \$200,000 has been made available through the Great Streets BDS Program to support technical assistance. This amount is currently budgeted in the CPED 2011 Budget and will be redirected to this new program along with \$200,000 of CDBG funds previously allocated to the Great Streets Real Estate Development Gap Financing Program (\$1.8MM will remain available for real estate development loans, which CPED management feels is sufficient to meet demand). An additional \$100,000 will be made available from Fund 01SED-8900330-MSED004.

The CDBG-funded portion of the program will be used to target small businesses categorized as 'microenterprises' that are owned or established by low and moderate income individuals. Microenterprises are defined as businesses that employ five or fewer employees, one or more of whom owns the business. Consistent with federal CDBG guidelines, this assistance is intended to facilitate economic development through the establishment, stabilization, and expansion of microenterprises.

Request for Proposals

A Request for Proposals from non-profit business consulting organizations was issued on March 12, 2012 with responses due April 13, 2012. The RFP defined the eligible activities as those that support the economic vitality of local small businesses through technical assistance. Suggested activities included educational classes or one on one sessions regarding legal, regulatory, and tax issues, financial record keeping, marketing and merchandizing, financial management, business operations and business planning.

The RFP (Attachment B) outlines the evaluation criteria for reviewing the proposals and establishes a point value for each criterion. The evaluation criteria include: (a) leverage of other resources committed for technical assistance work; (b) impact, visibility, and public impact; (c) organizational capacity to perform the proposed work; (d) feasibility and readiness; (e) evaluation methodology, impact measurement and best practices or lessons learned; and (g) alignment with City goals (Attachment B, pg. 5)

CPED received 7 proposals by the April 13, 2012 deadline requesting a total of \$1,123,109. The total amount budgeted for TAP is \$500,000, making the evaluation process very competitive. All proposals were reviewed and evaluated by staff from CPED Economic Development, the City's Civil Rights Department, and representatives from the State of MN Department of Employment and Economic Development (DEED), Local Initiatives Support Corporation (LISC), and the McKnight Foundation.

Recommendations for Funding

The table below summarizes the 6 proposals recommended for full or partial funding. Staff is not recommending funding for one proposal. The rationale for the proposals recommended as well as not recommended for funding is below.

Organization	Total Request	Funding Recommendation
African Development Center of Minnesota (ADC)	\$205,000	\$40,000
Metropolitan Consortium of Community Developers (MCCD)	\$200,000	\$125,000
Metropolitan Economic Development Association (MEDA)	\$50,000	\$40,000
Neighborhood Development Center (NDC)	\$80,000	\$80,000
Northside Economic Opportunity Network (NEON)	\$300,000	\$165,000
University of Minnesota Office for Business and Community Economic Development	\$258,109	\$50,000 Challenge Grant
TOTAL:	\$ 1,093,109	\$ 500,000

Rational for Funding Recommendation

1. African Development Center (ADC) \$40,000

The African Development Center works within the African community in Minnesota to start and sustain businesses, build wealth, and promote community reinvestment. Staff recommends that ADC receive \$40,000 to administer 500 hours of one on one business technical assistance and host 3 seminars and 3 business planning workshops targeted to the African immigrant and refugee community in Minneapolis. Seminars are informational meetings for potential entrepreneurs to learn about the organization and the services offered – essentially an outreach function soliciting potential clients. Entrepreneur instruction is provided through the ADC’s workshops. Each workshop will consist of 2 sessions, with each session lasting 6 hours. ADC will leverage the City’s technical assistance funding with foundation support and earned income on these activities.

The City currently provides financial support to ADC for other activities as well. On February 10, 2012, City Council approved a \$40,000 contract with ADC to support the organization’s Alternative Finance Loan Program and assist with overhead costs associated with loan packaging and originations, loan servicing, etc. On April 27, 2012, the City Council approved a \$5,000 award through the 2012 Great Streets Business District Support Program to ADC to support business networking events.

2. Metropolitan Consortium of Community Developers (MCCD) \$125,000

The Metropolitan Consortium of Community Developers submitted a joint proposal along with African Economic Development Solutions(AEDS), Build Wealth MN, Latino Economic Development Center(LEDCE), Redesign, Inc., Women Venture and West Bank Community Development Corporation (WBCDC). Please note that WBCDC will not be eligible for TAP resources - not only are others doing the CCLRT-area work that they proposed, but there are currently several unresolved property disputes between the organization and the City disqualifying them from City grant assistance. The remaining members of the collaborative include organizations with language and cultural specialties as well as organizations that provide neighborhood specific services and others that have ethnic or gender focuses. Staff recommends funding for 1,175 direct technical assistance hours and 60 training classes. MCCD will also be collaborating with NEON to assist Northside-specific clients (see NEON summary below). MCCD and its member organizations will leverage City funds with foundation support, Community Development Financial Institution and Small Business Administration support and participant fees.

The City Council approved a \$125,000 contract with MCCD on February 10, 2012 to operate several small business lending programs including the Micro Loan Program, the Credit Building Program, the Homegrown Business Development Center and the

Business Recovery Loan Program. City support is also used to help cover administrative costs associated with loan packaging, originations, and servicing. Seward Redesign was awarded a \$49,900 2012 Great Streets Business District Support (BDS) grant to assist property owners in developing investment plans to help with business recruitment, and to coordinate marketing assistance for businesses. Redesign will be required to draw on the BDS contract before receiving reimbursement for services through TAP.

3. Metropolitan Economic Development Association (MEDA) \$40,000
Staff recommends \$40,000 in technical assistance funding to MEDA to provide 800 hours of direct technical assistance to aspiring and existing entrepreneurs of color, with the intent to launch, stabilize and grow Minneapolis businesses to foster job creation and improve the City's tax base. MEDA's contract will involve work with non-Northside clients and those with a direct relationship with the organization. In addition to MEDA's individual contract, MEDA will be collaborating with NEON for technical assistance referrals in North Minneapolis based on initial client evaluations. MEDA has the organizational capacity and long-standing relationship with NEON to ensure proper coordination of services.
4. Neighborhood Development Center (NDC) (\$80,000)
The Neighborhood Development Center offers a variety of programs designed to equip aspiring entrepreneurs with business knowledge that enables them to start successful businesses and transform the economies of their own neighborhoods. NDC intends to assist 90 aspiring entrepreneurs through its 11-session Entrepreneur Training Class, with 15 of those entrepreneurs starting businesses in Minneapolis. NDC will also provide 900 hours of one-on-one technical assistance to 90 existing small business owners in Minneapolis, with 15 of those businesses receiving financial assistance from NDC. The organization will also be collaborating with NEON to assist Northside-specific clients (see NEON summary below). The City's funding support will leverage and additional \$265,000 in other funding that is already committed to NDC, which includes anticipated loan capital provided to Minneapolis businesses.
5. Northside Economic Opportunity Network (NEON) (\$165,000)
NEON submitted a joint proposal along with Build Wealth MN, Emerge, Metropolitan Consortium of Community Developers, Metropolitan Economic Development Association, MN Black Chamber of Commerce, Neighborhood Development Center, Pro Bid, West Broadway Coalition, and Women Venture. As shown above, MCCD, MEDA and NDC have all submitted separate proposals for technical assistance support in addition to NEON's collaborative proposal. MCCD and NDC will refer North side specific clients to NEON for assistance. MEDA will be collaborating with NEON for technical assistance referrals based on initial client evaluations. Staff recommends \$165,000 to provide 1,575 hours of direct technical assistance in addition to the following courses and workshops: Contractor Training; Entrepreneur Training; Technical Assistance; and Financial Literacy. NEON also anticipates providing siting assistance to 10 businesses, with the expectation of 5 businesses locating or expanding in North Minneapolis. NEON will leverage the City's funding for technical assistance with other public and philanthropic support as well as partner in-kind contributions.
6. University of Minnesota Office for Business and Community Economic Development (BCED) (\$50,000 Challenge-Grant)
Staff is recommending a \$50,000 challenge grant for BCED to assist 10 Minneapolis business owners through the organization's Growth Accelerator Program (GAP). GAP is an intensive 9-month program targeted to minority- and women-owned businesses with high potential for growth. Each business owner will receive over 100 hours of support including one-on-one advising, student consulting, education, and

peer group support. At the end of each nine-month session, participants will have a full-scale action plan that outlines how to grow their business in a specific area, such as marketing, finance or operations. BCED intends to use the funding provided through the Technical Assistance Program to target small business owners in Minneapolis, with a focus on businesses located in North Minneapolis

Rational for Proposal Not Recommended for Funding

1. Nicollet East Harriet Business Association (NEHBA)

NEHBA's proposal for \$30,000 for technical assistance funding included a variety of construction mitigation activities and 6 social media workshops (social media workshops are an eligible activity for funding through the Great Streets Business District Support Program). The proposal indicated that construction mitigation would include education and outreach (meetings and discussions with businesses as well as City and County staff), communication (distributing information regarding construction, updating construction website) and advocacy on behalf of businesses. The evaluation team felt that while there is potential for construction mitigation to include technical assistance services - such as preparing for lost revenues and creating financial projections, etc. - the activities described in NEHBA's proposal and were primarily for organizing and advocacy, which does not align with the program objectives (Attachment B, pg.1).

NEHBA was recently awarded \$25,000 through the 2012 Great Streets Business District Support program to continue work on the organization's 'Experience Southwest' campaign. NEHBA received \$8,100 through the 2012 Business Association Assistance Program to support meetings, website updates, and administrative expenses. In addition to these awards, NEHBA received a \$15,250 grant through the Business District Support Program in 2011 for construction mitigation; this is a 2-year contract that does not expire until 2013.

Attachments

- Exhibit A: Small Business Technical Assistance Program Guidelines
- Exhibit B: Small Business Technical Assistance Program RFP
- Exhibit C: Small Business Technical Assistance Standard Deliverables



Small Business

Technical Assistance Program

Guidelines

The City of Minneapolis, through its Department of Community Planning and Economic Development, has established the Small Business Technical Assistance Program to support technical assistance to Minneapolis businesses and entrepreneurs through agreements with local non-profit business consulting organizations.

The goal of the Technical Assistance Program is to help Minneapolis-based businesses successfully start or expand and to support job creation in the City. The assistance provided through this program is intended to facilitate economic development through the establishment, stabilization, and expansion of small businesses and microenterprises.

Eligible activities

Activities are eligible if they support the economic vitality of local small businesses and microenterprises through technical assistance, which may include, but is not limited to: business planning, educational classes or one-on-one sessions on legal, regulatory, and tax issues, financial record keeping, marketing and merchandizing, financial management, and business operations.

Eligible organizations

Eligible organizations include non-profit business consulting organizations that have demonstrated capacity to perform the work. This includes staff devoted to business development, establishment, and expansion activities, past organizational and staff experience providing assistance to businesses, and managing contracts.

Eligible areas

The program supports technical assistance services throughout the City and is available to entrepreneurs that own or wish to establish a business in Minneapolis.

Process

CPED will issue a Request for Proposals from non-profit business consulting organizations for each funding round, and enter into outcome-based contracts with the selected service providers. The City will require the organizations to track a variety of information based on the services provided and report back to the City. This valuable information will ensure that City dollars are used for their intended purpose.

Evaluation

Proposals will be evaluated based on multiple criteria, which may include but is not necessarily limited to: leverage of other funds, impact and viability, capacity, feasibility and readiness, and how the organization will measure impact.

An evaluation panel consisting of CPED staff and partner organizations will review proposals and present a recommendation to City Council for final approval.

Introduction

The City is seeking proposals from local non-profit organizations that provide technical assistance services to small businesses and microenterprises located in Minneapolis. The total funding available for the Small Business Technical Assistance Program in 2012 is up to \$500,000 and we expect to receive multiple proposals. Collaboration is suggested and encouraged. During the contracting process, the selected service providers and the City will agree upon the contract outcomes and deliverables. These will be outcomes-based contracts. Recipients will periodically submit invoices in accordance with the terms of their contracts. Contract payments are based on successful completion of the outcomes in the contract (see Exhibit B for contract Scope of Services template).

Objectives

The goal of the Small Business Technical Assistance Program is to help Minneapolis-based businesses startup or expand their business and to support job creation in the City. The assistance provided through this program is intended to facilitate economic development through the establishment, stabilization, and expansion of small businesses and microenterprises.

Program Details

Funding for the Small Business Technical Assistance Program will be separated into two categories. Organizations may apply for Category 1, 2, or both. Your proposal should clearly indicate which category or categories you are applying for. Up to \$300,000 of the overall Small Business Technical Assistance Program budget will be dedicated to funding Category 1 activities; Up to \$200,000 will fund Category 2.

Category 1 – Small Business Support

Funds dedicated to Category 1 may be used to support any legitimate small business located in Minneapolis. Please see the 'Eligible Activities' section below for examples of acceptable technical assistance support services.

Category 2 – Microenterprise Support

Community Development Block Grant (CDBG) funds have been used since 1981 to support neighborhood revitalization, economic development and improved community facilities and services. CDBG funds may be used for financial assistance to business enterprises through grants, loans, loan guarantees, and by providing training, technical assistance, and support services for small businesses. The City of Minneapolis now intends to use a portion of its economic development block grant funds to increase the level of technical assistance available to Minneapolis-based businesses that can be specifically categorized as microenterprises. By definition, microenterprises have 5 or fewer employees with at least one being the business owner. Organizations will need to comply with reporting requirements such as income verification.

It is important that applicants understand that CDBG funds must be used only to serve persons qualifying as low and moderate income individuals that own or wish to establish a microenterprise. Organizations must be able to collect information on each person receiving assistance, including, but not limited to: data on the individual's family size and income. The assistance provided must support a federally identified national objective. The City will not reimburse any organization that fails to document and support the established criteria.

Eligible areas

The program is available throughout the City of Minneapolis.

Eligible activities

Activities are eligible if they support the economic vitality of local small businesses and microenterprises through technical assistance, which may include, but is not limited to: educational classes or one-on-one sessions on legal, regulatory, and tax issues, financial record keeping, marketing and merchandizing, financial management, business operations, and business planning.

Applicants should be able to complete the activities within one year of executing a contract with the City.

Staff will prepare a Scope of Services that will be based on your proposal. The Scope of Services will be a part of your contract. Please only include activities in your proposal which you are committed to doing through a contract with the City.

Staff may request to observe training sessions administered in classroom settings for informational purposes.

Activities not eligible for these funds include financing for real estate development, physical improvements to any property, or loans to businesses. See the City's Great Streets website (http://www.minneapolismn.gov/cped/great_streets_home.asp) for information on City assistance for commercial real estate development and business finance tools.

Eligible organizations

Eligible organizations include non-profit business consulting organizations that have demonstrated capacity to perform the work. This includes staff devoted to business development, establishment, and expansion activities, past organizational and staff experience providing assistance to businesses, and managing contracts. If a consultant will do some of the work through a subcontract, identify that consultant (or pool of possible consultants) and provide the consultants' qualifications.

Proposal submission and deadline

Applicants must submit one unbound copy and five bound or stapled copies of the proposal and one electronic version. Proposals must be on standard 8½” by 11” paper. All supporting documentation must be on paper no larger than 11” by 17”. Proposals and supporting documentation must be submitted in a sealed envelope labeled “Small Business Technical Assistance Program Proposal.” The electronic version should be on a CD or jump drive (but not emailed). Faxed proposals will not be accepted. Applicants may choose to provide additional sets if and when invited to do so for presentation purposes. Submissions will not be returned.

Proposals shall be delivered to the City on or before:

April 13, 2012, 4:00 pm

To:

Contract Services

Department of CPED

105 Fifth Avenue South, Suite 200

Minneapolis, MN 55401

Attn: Jessica Green

Proposals received after the deadline will not be accepted. It is neither CPED's responsibility nor practice to acknowledge receipt of any proposal. It is the responder's responsibility to assure that a proposal is received in a timely manner. Please make sure your proposal is complete.

RFP Inquiries

Prospective responders should direct questions in writing to the department contact person:

Jessica Green

Community Planning and Economic Development

105 Fifth Avenue South, Suite 200

Minneapolis, MN 55407

Email: jessica.green@minneapolismn.gov

Fax: 612-673-5232

All questions are due no later than April 4, 2012. Questions will be answered in writing and posted on the CPED web site (www.minneapolismn.gov/cped). The department contact cannot vary the terms of the RFP. **A pre-proposal meeting will be held on March 26, 2012 from 9:00 – 10:00** at the Crown Roller Mill located at 105 Fifth Ave. South, Suite 200. Attendance is recommended but not required.

Proposal Contents

Proposals must include the following:

A **cover page** that includes the following information:

- a. Applicant's name, mailing address, and federal ID number.
- b. Contact person's name, title, phone number, and e-mail address.
- c. Category for which you are applying (1,2, or both)
- d. Signature of an individual authorized to sign on behalf of the proposing organization. If a partnership or team is proposing, an authorized signature is required from each entity.

Please number your answers and provide succinct narrative that addresses the following. Be sure to review and address the **evaluation criteria** (see page 5) in your answers.

1. A **description of the activity** that clearly defines the nature and extent of the activities proposed, identifies the intended service area and population, articulates the need for the proposed activity, and defines the objective of the proposed activity. Include a description of the organization's intake and screening process.

Include a description of the model of service delivery including how the services will be marketed and to whom, how participants will be selected, and how services will be evaluated and measured. If the organization is unable to assist a client, will the client be referred to another service provider? If so, please describe your referral process and network.

If your organization has experience working with CDBG, please provide a narrative of your experience and familiarity with the documentation process.

2. An **identification of the entities** that will be involved, including staff and consultants, a description of the roles they will play and a description of each of the entities' experience in conducting similar types of work.

3. A **description of the specific expected outcomes and deliverables** that will result from the activity. How will you measure success? What outcomes do you expect? **Be specific.** Your Scope of Services (Exhibit B) will be based on the narrative provided. The more specific you are in your proposal, the easier and faster it will be to develop a Scope of Services.
4. A **description of how the proposed activities and outcomes will support multiple City goals.** For example, perhaps the technical assistance provider anticipates working with local food businesses, thus supporting the City's goal of becoming more Eco-Focused as well as enhancing Jobs & Economic Vitality. A complete listing of the City's goals can be found at: http://www.ci.minneapolis.mn.us/council/council_goals_index.
5. A **project budget** including the total cost of the activity, funds requested from the Small Business Technical Assistance program, staff hours or consultant time and billing rate, other anticipated expenses, and funds or staff resources from other sources. Please see the Exhibit C for a listing of the maximum allowable billing rates for suggested services.

If funds from another source are committed, provide a letter from the funder indicating the amount of funding provided, expected deliverables, and any restrictions on the funding.

5. Any **other information** that would help City staff understand and evaluate the concept.

Your proposal must include an executed "Consent for Release of Response Data" form (Exhibit A), included in this RFP document. Proposals that do not include an executed "Consent for Release of Response Data" form shall be considered incomplete. Omission is grounds for rejection of the entire proposal.

The contents of the proposal and any clarification to the contents submitted by the successful proposer may become part of the contractual obligation and be incorporated by reference into the contract between the proposer and the City.

Evaluation criteria

In reviewing Small Business Technical Assistance Program proposals, the review team will consider the following criteria. The maximum score a proposal can receive is 100.

1. Leverage: Do the City funds leverage other resources? Leveraged funds are those that are committed to the specific activity that is the subject of this proposal (10 points)

2. Impact and visibility: What is the magnitude of the anticipated project outcomes? Would the activity directly strengthen the economic vitality of the City? Are the public benefits commensurate with the public investment requested? (25 points)

3. Capacity: Describe the organization's intake and screening process. Does the organization have the experience and capacity to conduct the work proposed? Does the organization have a track record and the ability to keep appropriate documentation? (20 points)

4. Feasibility and readiness: Does the organization have the structure in place to begin delivering services immediately? Are other necessary resources committed? (10 points)

6. Evaluation: Does the organization currently have evaluation methodology in place? Does the organization measure impact? Are there "best practices" or "lessons learned" that will be transferrable? Are the proposed activities the most effective way to deliver technical assistance to Minneapolis-based businesses? (20 points)

7. Alignment with City Goals: Does the organization's proposed activities and outcomes support multiple City goals? The City strives to provide assistance to underserved populations. Will the proposed activities fill an unmet need in these populations? (15 points)

The City may, in its sole discretion, expand or reduce the criteria upon which it bases its final decisions regarding selection of which business district support activities to fund.

Review and selection process

A committee of City staff and partner organizations will review proposals that have been received by the due date of April 13, 2012 and make a recommendation to City Council for funding.

The City reserves the right to reject any or all proposals or parts of proposals, negotiate modifications to an entire proposal or specific components of the scope of work within a proposal to create a project of lesser or greater magnitude than described in this RFP or the submitted proposal.

Anticipated timeline

RFP Issued:	March 12, 2012
Informational Meeting	March 26, 2012
Submission deadline for proposals:	April 13, 2012
Staff evaluation of proposals:	April 23, 2012
Recommendation to City Council	May 15, 2012
Contracting:	June 2012

Contracts

This is a *reimbursable* performance-based contract. Organizations with contracts will periodically submit invoices for payment for the delivery of outcomes in accordance with the terms of their contracts. During the contracting period, organizations will work with City contract managers to develop a Scope of Services (see Exhibit B). The Scope of Services will be the basis for contract payments. By signing the contract the organization is committing to **completion of all of the deliverables** in the Scope of Services.

City Contracting Requirements

City and Federal requirements are extensive. The following list is not exhaustive.

1. **Data Practices** – The recipient must agree to comply with the Minnesota Government Data Practices Act and all other applicable state and federal laws relating to data privacy or confidentiality and hold the City, its officers and employees harmless from any claims resulting from the recipient's unlawful disclosure or use of data protected under state and federal laws.
2. **Intellectual Property** – The recipient must agree to provide the City with the right to royalty-free, non-exclusive license to reproduce, publish or otherwise use and to authorize others to use any intellectual property created using the grant funds. Work covered by this provision shall include inventions, improvements, discoveries, databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, electronic files, specifications, materials, tapes or other media.
3. **Billboard Advertising** – Through Ordinance 109.470, City and City-derived funds are prohibited from use to pay for billboard advertising as a part of a City project or undertaking.
4. **Conflict of Interest/Code of Ethics** – The recipient must agree to be bound by the City's Code of Ethics, Minneapolis Code of Ordinances.
5. **Hold Harmless** – The recipient shall agree to defend, indemnify and hold the City harmless from any and all claims or lawsuits that may arise from the recipient's activities under the provisions of the Contract, that are attributable to the acts or omissions, including breach of specific contractual duties of the recipient or the recipient's independent contractors, agents, employees or officers.
6. **Insurance** - Insurance secured by the Contractor shall be issued by insurance companies acceptable to the City and admitted in Minnesota. The insurance specified may be in a policy or policies of insurance, primary or excess. Such insurance shall be in force on the date of execution of the Contract and shall remain continuously in force for the duration of the Contract. The Contractor and its sub-contractors shall secure and maintain the following insurance:
 - a) **Workers Compensation** insurance that meets the statutory obligations with Coverage B-Employers Liability limits of at least \$100,000 each accident, \$500,000 disease - policy limit and \$100,000 disease each employee.
 - b) **Commercial General Liability** insurance with limits of at least \$2,000,000 general aggregate, \$2,000,000 products - completed operations \$2,000,000 personal and advertising injury, \$100,000 each occurrence fire damage and \$10,000 medical expense any one person. The policy shall be on an "occurrence" basis, shall include contractual liability

coverage and the City shall be named an additional insured. Amount of coverage will be automatically increased if the project amount is expected to exceed \$2,000,000 or involves potentially high risk activity.

- c) **Commercial Automobile Liability** insurance covering all owned, non-owned and hired automobiles with limits of at least \$1,000,000 per accident.
- d) **Professional Liability** Insurance or Errors & Omissions insurance providing coverage for 1) the claims that arise from the errors or omissions of the Contractor or its sub-contractors and 2) the negligence or failure to render a professional service by the Contractor or its sub-contractors. The insurance policy should provide coverage in the amount of \$2,000,000 each occurrence and \$2,000,000 annual aggregate. The insurance policy must provide the protection stated for two years after completion of the work.
- e) **Computer Security and Privacy Liability** for the duration of this agreement providing coverage for, but not limited to, Technology and Internet Errors & Omissions, Security and Privacy Liability, and Media Liability. Insurance will provide coverage against claims that arise from the disclosure of private information from files including but not limited to: 1) Intentional, fraudulent or criminal acts of the Contractor, its agents or employees. 2) Breach of the City's private data, whether electronic or otherwise. The insurance policy should provide minimum coverage in the amount of \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If written on a Claims-Made basis, the policy must remain in continuous effect for at least 3 years after the service is provided or include a 3 year extended reporting period.

Acceptance of the insurance by the City shall not relieve, limit or decrease the liability of the Contractor. Any policy deductibles or retention shall be the responsibility of the Contractor. The Contractor shall control any special or unusual hazards and be responsible for any damages that result from those hazards. The City does not represent that the insurance requirements are sufficient to protect the Contractor's interest or provide adequate coverage. Evidence of coverage is to be provided on a current ACORD Form. A thirty (30) day written notice is required if the policy is canceled, not renewed or materially changed. The Contractor shall require any of its subcontractors, if sub-contracting is allowable under this Contract, to comply with these provisions, or the Contractor will assume full liability of the subcontractors.

EXHIBITS

- A. Form of Consent for Release of Response Data
- B. Scope of Services template
- C. Technical Assistance Standard Deliverables
- D. General Conditions for Request For Proposals (RFP)