



CITY OF DULUTH
REQUEST FOR PROPOSALS FOR
COVID19 SPECIAL HUD ADDITIONAL ALLOCATION
RFP NUMBER 20-03AA
ISSUED DECEMBER 22, 2020

PROPOSALS DUE JANUARY 22, 2021: 4:00 PM

SUBMIT TO
CITY OF DULUTH
ATTN: PURCHASING DIVISION
purchasing@duluthmn.gov

PART I - GENERAL INFORMATION

I-1. Project Overview. The City of Duluth has been notified by the U.S. Department of Housing and Urban Development (“HUD”) that it will be receiving an additional special allocation of funds to address the current COVID-19 pandemic. This is the second round of HUD funding to the city that was approved through the passing of the CARES Act by U.S. Congress (“Round 2 Funding”). It will be provided to the City of Duluth, specifically for the city to prevent, prepare for, and respond to COVID-19. Similar to the regular annual entitlement amounts that the city receives, this new funding is directed towards assisting low- and moderate-income people in Duluth. Round 2 Funding is in addition to the special allocation received by the city as the first round of CARES Act funding by HUD, for which the city issued an RFP in June 2020.

In April 2020, the City of Duluth began a process to identify needs that had begun to emerge as a result of the COVID-19 pandemic and continued to evaluate emerging needs throughout the fall 2020. This included an input session, public hearing, and the receipt of written comments in a process that was overseen by the Community Development Committee. A summary of the input that was received can be found on the city’s website at: <https://duluthmn.gov/planning-development/community-development-funding/cares-act-supplemental-funding/>. The Round 2 Funding is an additional special allocation by HUD; the city received \$1,252,530 in Emergency Solutions Grant (“ESG-CV”) and \$500,310 in Community Development Block Grant (“CDBG-CV”) funds. The intent of this RFP is to solicit proposals to utilize the Round 2 Funding, and potentially other funding remaining from earlier HUD special allocations related to COVID-19. The majority of funding that is available is ESG-CV, which requires projects to address or prevent homelessness. The remaining CDBG-CV funds may be applied more broadly to eligible community needs related to COVID-19.

The City of Duluth (the City) requests proposals from organizations that will assist the community to prevent, prepare for, and respond to COVID-19. Organizations responding to the RFP should have organizational infrastructure to receive and manage federal funds and have the capacity to carry out their proposal as efficiently and effectively as possible to ensure the community is able to respond to the COVID-19 pandemic needs. For the purposes of this RFP, those submitting a proposal are referred to as ‘bidders’. New to Round 2 Funding, the City has established a minimum proposal amount of \$50,000, referenced in I-9 below.

The City will use the RFP process to select proposals that respond to the community’s most pressing needs caused by the Covid19 pandemic. Proposals should include as much detail as possible and respond to all of the requested information. Additional detail is provided in **Part IV** of this RFP.

I-2. Calendar of Events. The City will make every effort to adhere to the following schedule:

Deadlines and	Date
Online RFP Review Session and Q&A at 11:00 AM (Attendance Strongly Encouraged)	01/07/21
Deadline to submit Questions via email to purchasing@duluthmn.gov	01/15/21
Answers to questions will be posted to the City website no later than this date.	01/19/21
Proposals must be received electronically by the Purchasing Office by 4:00 PM on this date.	01/22/21

I-3. Rejection of Proposals. The City reserves the right, in its sole and complete discretion, to reject any and all proposals or cancel the request for proposals, at any time prior to the time a contract is fully executed, when it is in its best interests. The City is not liable for any costs the Bidder incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the contract. All proposals are dependent upon the approval by the U.S. Department of Housing and Urban Development of the City of Duluth's Action Plan Amendment.

I-4. Questions & Answers. Any questions regarding this RFP must be submitted by e-mail to the Purchasing Office at purchasing@duluthmn.gov **no later than** the date indicated on the Calendar of Events (Section I-2). Answers to the questions will be posted as an Addendum to the RFP.

I-5. Attendance at Online Session. All bidders are strongly encouraged to attend an online RFP Review Session to be held on 01/07/21 at 11:00 AM. A link to this session can be found here: <https://duluthmn.gov/live-meeting> and selecting 'Planning & Development Public Meetings'. There will be a brief presentation and time for questions.

I-6. Addenda to the RFP. If the City deems it necessary to revise any part of this RFP before the proposal response date, the City will post an addendum to its website <http://www.duluthmn.gov/purchasing/bids-request-for-proposals/>. Although an e-mail notification will be sent, it is the Bidder's responsibility to periodically check the website for any new information

I-7. Proposals. Due to COVID-19 and the closure of city facilities, all proposals must be submitted electronically. Any requests for an exception must be submitted to the purchasing office via email at purchasing@duluthmn.gov at least seven (7) days prior to the proposal deadline. The City reserves the right to reject late proposals.

Proposals must be signed by an authorized official. If the official signs the Proposal Cover Sheet attached as Appendix A, this requirement will be met. Proposals shall remain valid for 90 days or until a contract is fully executed.

Please submit one digital copy in pdf format. All materials submitted in response to this RFP will become property of the City and will become public record after the evaluation process is completed and an award decision made.

I-8. Eligible Bidders. The U.S. Department of Housing and Urban Development defines the types of organizations that are allowed to provide services in different activity categories. Generally, eligible bidders include private 501(C)3 nonprofit organizations, governmental units, and public agencies.

I-9. Minimum and Maximum Proposal Amounts. All proposal should identify costs that are as accurate as possible. Proposals should state how costs were developed. There is no maximum grant amount but it is anticipated that the funds will be awarded based on a highly competitive process given the extensive community need and the tremendous demand for funds. A minimum proposal amount of \$50,000 is required. Prospective bidders with projects of less than \$50,000 are encouraged to seek partnerships as part of collaborative efforts to meet the current needs of the community based and reference adopted plans such as the 2020-2024 Consolidated Plan and the Imagine Duluth 2035 Comprehensive Plan. Partnerships with agencies that have experience with HUD or other Federal funds is strongly encouraged.

I-10. Term of Contract. It is anticipated that the selected proposals will each be awarded a six-month contract. Proposals that identify a need beyond six months should thoroughly describe the need for an extended timeline and how that work will serve to assist the community in recovery from the Covid-19 pandemic. The selected Bidder(s) shall not start the performance of any work nor shall the City be liable to pay for any service or work performed or expenses incurred before the environmental review is completed and the contract is fully executed. The city expects to issue contracts on or around April 1, 2021.

I-11. Mandatory Disclosures. By submitting a proposal, each Bidder understands, represents, and acknowledges that:

- A. Their proposal has been developed by the Bidder independently and has been submitted without collusion with and without agreement, understanding, or planned common course of action with any other vendor or suppliers of materials, supplies, equipment, or services described in the Request for Proposals, designed to limit independent bidding or competition, and that the contents of the proposal have not been communicated by the Bidder or its employees or agents to any person not an employee or agent of the Bidder.
- B. There is no conflict of interest. A conflict of interest exists if a Bidder has any interest that would actually conflict, or has the appearance of conflicting, in any manner or degree with the performance of work on the project. If there are potential conflicts, identify the municipalities, developers, and other public or private entities with whom your company is currently, or have been, employed and which may be affected.
- C. It is not currently under suspension or debarment by the State of Minnesota, any other state or the federal government.
- D. The company is either organized under Minnesota law or has a Certificate of Authority from the Minnesota Secretary of State to do business in Minnesota, in accordance with the requirements in M.S. 303.03.
- E. In addition to the guidelines set forth thin this document, additional requirements conforming to City of Duluth and the U.S. Department of Housing and Urban Development will be identified in subsequent written agreements.
- F. All proposals will comply with the City’s Duplication of Benefits Policy which outlines the need for all awardees to ensure there is not a duplication of funds. The policy can be downloaded here: <https://duluthmn.gov/media/10385/duplication-of-benefits-policy-91120.pdf>.

I-12. Notification of Selection. An evaluation committee will make a recommendation to the Duluth City Council for final selection of proposals. The city expects to notify bidders of the selection decisions by February 26, 2021.

PART II - PROPOSAL REQUIREMENTS

Bidders must submit a complete package in order to be considered. The ideal submission package includes each of the sections below, in the following order:

1. **Proposal Form.** See Appendix A. Bidders should fill out the proposal form (in pdf format) and submit a project that can be immediately implementable and addresses the questions identified in the proposal form for each section listed below. In the proposal form Sections 1-6 also include questions that should be answered in each section. It is important that bidders attempt to answer all questions.
 - a. Proposal and Organization Information
 - b. Section 1: Community Need
 - c. Section 2: Proposed Project
 - d. Section 3: Organization Information
 - e. Section 4: Project Timeline
 - f. Section 5: Outcomes
 - g. Section 6: Budget
2. **Signature Form.** See Appendix B.
3. **Letter of Partnership.** A one-page *letter of partnership* is only required for proposals that include collaborative partnerships and it shall describe the partnership framework and outline each organizations' responsibilities.

PART III - CRITERIA FOR SELECTION

The proposals will be reviewed by the evaluation committee and recommended for final approval to the City Council. The intent of the selection process is to review proposals and make award(s) based upon qualifications as described therein.

1. Level of community need identified that prevents, prepares for, or responds to COVID-19. The proposal needs to clearly demonstrate how the community need has been created or intensified by the pandemic. Details on how this need was identified and any community outreach that took place should be included in the proposal form.
2. Level of effectiveness for low- to moderate- income individuals and families in Duluth. CDBG and ESG funds are targeted towards individuals who are considered low- to moderate- income. The proposal must explain how these communities are being served with attention to outreach directed at historically and currently disenfranchised communities. Current low- and moderate-income limits are listed in Appendix C.
3. Demonstrated ability to carry out the proposal with effective delivery methods during a developing pandemic. Proposals should include how shifting quarantine status and technology access is being addressed.
4. Demonstrated capacity to manage federal grants and requirements. CDBG and ESG funds require strict attention to requirements such as determining eligible activities, income verification, and demographics reporting. Proposals should indicate how Federal grant requirements will be addressed and how the organization is prepared to coordinate with the City to maintain compliance with Federal laws and regulations.

5. Demonstrated ability to carry out the contract in a timely manner. The ideal proposal will take place within a six-month timeline, unless reasonably justified otherwise. Proposals should have a detailed timeline of events including projected start date and overall duration of the project.
6. The proposal will clearly determine how many people/households/businesses will be assisted with the project. The proposal will also certify that the project creates an unduplicated response to COVID-19 as well as describe any partnerships created to help carry out the proposal.
7. A reasonable and detailed budget that requests a minimum of \$50,000 in CDBG-CV/ESG-CV funds.

As stated, the City will use this RFP process to select an undetermined number of proposals for funding. Some funds may be held for additional/emerging needs.

PART IV – PROJECT DETAIL

Proposals submitted will be awarded funding provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was signed into law on Friday, March 29, 2020. The use of these funds is meant strictly to prevent, prepare for, and respond to Covid19 while benefiting low- to moderate-income people. The City of Duluth Planning & Development Division intends to award funds to organizations in the Duluth community through an RFP process. Multiple RFP processes may ensue depending on the number and type of proposals received, changing community needs, and any additional influxes in funding. The City reserves the right to change funding priorities based on direction received from HUD.

Identified Community Needs

In October 2020, a process was created to provide opportunities to ensure the most prevalent community needs were identified for use of the Round 2 Funding from HUD. The city used several outreach methods to gain insight and better understanding of how COVID-19 was affecting communities in Duluth. Outreach was conducted to community members, partner agencies, and organized community groups. Outreach included a public hearing, community input session, solicitation of written comments and engagement with community groups. In no particular order, the following five key themes were identified from this outreach:

- Mental Health Services- The COVID-19 pandemic has led to isolation, stress, job loss, housing instability, and a variety of other stressors that have indicated the need for more accessible mental health support.
- Disproportionate Impact –The pandemic has impacted communities differently throughout Duluth, with the greatest impacts falling on people of color and people of limited economic means who must continue working in front line roles at lower than average wages.
- Youth Services and Support- Families are feelings stretched due to the need for distance learning, lack of accessible childcare, and families balancing health, social, economic, and physical needs.
- Digital Divide- Now more than ever, people have a need for technology for education, employment, health care, and social needs and those without access to the internet are not receiving critical technology needs.

- Homelessness- The COVID-19 pandemic has caused a rise in need for homeless services. Overcrowded shelters are unable to keep up with the need to serve all of the people experiencing homelessness.

Proposals that identify a sound approach (and that also outline eligible activities) to address one or more of these five community needs will be prioritized to receive funding. The majority of funding that is available through ESG-CV (approximately \$1.2M) which requires projects to address or prevent homelessness. The remaining CDBG-CV (approximately \$500K) funds can be applied more broadly to eligible community needs related to COVID-19.

Activity Categories

In addition to addressing the community needs identified above, each proposal should identify one activity that it will take to help the community with response to COVID-19. Each proposal should identify one of the categories listed below. If an entity is interested in proposing projects for more than one activity, they must submit separate proposals for each category.

1. Public Facilities

Facility or infrastructure improvement proposals should highlight how projects will assist the community in preventing, preparing for, or responding to COVID-19. Proposals should describe the readiness of the project and a reasonable completion timeline. Needs identified by the community will be prioritized, including improvements to homeless facilities, hygiene facilities, or facilities for the delivery of essential services. Public facility proposals should identify how many individual people will be served through the project. Proposal should also include the anticipated ongoing need/use for the facility improvement as pandemic circumstances evolve.

2. Public Services (Housing & Non-housing benefit)

Proposals to provide services to prevent, prepare for, and respond to COVID-19 shall describe the provision of essential public services that have a higher demand in the community. Public Services proposals should identify how many people (non-housing benefit) or households (housing benefit) will be served through this project. There are two categories of public services that include:

- A. Non-housing benefit. Activities that are categorized as 'non-housing benefit' include the provision of services that are unrelated to housing. Such services include the provision of basic needs, such as food, shelter, and health services, as well as job training. Approaches to job training should align with the Duluth Workforce Development Board Strategic Plan and include City of Duluth Workforce Development as a partner.
- B. Housing benefit. Activities that are categorized as 'housing benefit' include the provision of services that are directly related to providing services that assist with maintaining housing.

3. Tenant-based rental assistance- rapid rehousing

The tenant-based rental assistance/rapid-rehousing category is for the provision of resources to assist in rehousing people who have lost housing. Proposals should include how the loss of housing is to be documented and how the process to find and secure housing will work. Proposals should demonstrate sufficient financial capacity for entities receiving

assistance to make payments to rental property owners and describe how the need for these services has changed since the COVID-19 pandemic began. Proposals in this category should identify how many households will be served through this project.

4. Homeless Person Overnight Shelter

Proposals to provide overnight shelter for people experiencing homelessness should include the entities experience in providing safe overnight shelter. Proposals can include costs for operating shelter including rent, staffing, and supplies that meet basic needs. Proposals should describe how the need for additional shelter has grown since the COVID-19 pandemic began. Proposals in this category should identify how many individual people will be served through this project.

5. Homelessness Prevention

Homelessness prevention proposals should address the prevention of homelessness by assisting people who are at-risk of losing their housing. Proposals should describe how at-risk households will be identified and how the entity will provide the service. The maximum length of assistance to any household is 3 months. If payments for rent are to be used, proposals should demonstrate the capacity for entities receiving assistance to have sufficient financial capacity to provide secure payments. Proposals in this category should identify how many individual people will be served through this project.

6. Jobs created/retained

Proposals should include the creation of permanent jobs and include the hiring of low and moderate-income people to permanent positions at for-profit businesses. (Organizations with business relationships or for-profit businesses are eligible to apply for this category.) Proposals should include the method of how people will be trained, how the jobs will provide a living wage, and what supports will be available for newly hired employees. Approaches to job creation should align with the Duluth Workforce Development Board Strategic Plan and services offered by City of Duluth Workforce Development Department. The approach for recruiting prospective employees that are low and moderate-income should be included. Proposals in this category should identify the number of jobs created/retained.

7. Businesses

Assisting businesses that are owned by low- and moderate-income people should be the focus of proposals for this activity category. Due to HUD regulations, individual private businesses are not eligible to apply. Proposals should state how outreach will be performed and what services will be available to businesses. Community priorities that have been identified include providing technical assistance to low- and moderate-income business owners to assist with overcoming the COVID-19 pandemic and improve delivery of services via websites or other virtual methods. All proposals that provide assistance to businesses should be to provide services that are needed to assist businesses in responding to COVID-19. Proposals in this category should identify the number of businesses to be assisted.

Proposal Outreach:

Bidders are expected to identify how they will or have engaged historically and currently disenfranchised communities in the development and implementation of their programs. Through the community needs and input process in October & November of 2020, it became evident that people of

color and people with low/no income are most affected by the pandemic and the city needs to ensure continued outreach to all community groups. All proposals should detail how the project will ensure continued outreach to these community groups for project design and delivery.

Skills Requirements:

The city expects to contract with an undetermined number of organization to address the needs of the Covid-19 pandemic. The City broadly expects the chosen organizations to understand the requirements of being a sub-grantee with the City with use of federal funds. The City will focus on the quality of the submitted narrative, work plan, timeline, and budget with special emphasis placed on the organization's ability to deliver services efficiently to low- and moderate- income people. Successful proposals will have demonstrated experience and expertise with the following:

- A) Expertise in the design, implementation, and evaluation of grant programs or services
- B) Proven ability to manage grant funds and meet project deliverables
- C) Proven ability to maintain appropriate communication channels to give updates on project timeline, issues, and goals
- D) Ability to coordinate with the City on the following HUD requirements:
 - 1. determine eligible HUD activities and expenses
 - 2. determine eligible participants through HUD approved income verification methods
 - 3. provide sufficient backup documentation for invoices
 - 4. retain appropriate records for reporting purposes
 - 5. retain appropriate records for monitoring purposes
 - 6. maintain appropriate certifications needed to receive federal grants
- E) Demonstrated experience in providing services or activities to low- and moderate- income people in Duluth
- F) Demonstrated experience in conducting outreach to low- and moderate- income communities and stakeholder groups
- G) Knowledge of and the inclusion of culturally responsive practices within the work plan

APPENDIX C – HUD INCOME GUIDELINES

ANNUAL INCOME GUIDELINES FOR CITY OF DULUTH

FAMILY SIZE	EXTREMELY LOW- INCOME <i>(30% of the Median)</i>	VERY LOW-INCOME <i>(50% of the Median)</i>	LOW INCOME <i>(80% of the Median)</i>
1	\$16,150	\$26,900	\$43,050
2	\$18,450	\$30,750	\$49,200
3	\$20,750	\$34,600	\$55,350
4	\$23,050	\$38,400	\$61,450
5	\$24,900	\$41,500	\$66,400
6	\$26,750	\$44,550	\$71,300
7	\$28,600	\$47,650	\$76,200
8	\$30,450	\$50,700	\$81,150

Discontinue previous income guidelines and use the above guidelines until such time as they are revised again by HUD. Please note that the extremely low-income classifications may differ from Section 8 income levels.

Effective – July 01, 2020