



**CITY OF DULUTH
ON BEHALF OF THE DULUTH 1200 FUND**

REQUESTS PROPOSALS FOR

CONSULTANT SERVICES FOR DULUTH 1200 FUND

RFP NUMBER 24-99811

ISSUED NOVEMBER 4, 2024

PROPOSALS DUE WEDNESDAY, DECEMBER 4, 2024 by 3:00 PM

SUBMIT TO

**CITY OF DULUTH
ATTN: PURCHASING DIVISION
CITY HALL, ROOM 120
411 WEST 1ST STREET
DULUTH, MN 55802**

PART I - GENERAL INFORMATION

I-1. Introduction and Project Summary. The City of Duluth, on behalf of the Duluth 1200 Fund, is seeking proposals for consulting services in the form of loan review and underwriting services related to the loans and other financial assistance provided by the 1200 Fund pursuant to its Bylaws. Additional detail is provided in **Part IV** of this RFP.

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

Activity	Date
Deadline to submit Questions via email to purchasing@duluthmn.gov	Thursday, November 21st
Answers to questions will be posted to the City website no later than this date.	Tuesday, November 26th
Proposals must be received in the Purchasing Office by 3:00 PM on this date.	Wednesday, December 4th

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 the best interests of the Duluth 1200 Fund. Neither the City nor Duluth 1200 Fund is 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.

I-4. Pre-proposal Conference. There will not be a pre-proposal conference for this solicitation.

I-5. 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. Answers to the questions will be posted as an Addendum to the RFP.

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. To be considered, hard copies of proposals must arrive at the City on or before the time and date specified in the RFP Calendar of Events. The City will not accept proposals via email or facsimile transmission. The City reserves the right to reject or to deduct evaluation points for 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 must remain valid for 60 days or until a contract is fully executed.

Please submit one (1) unbound paper copy of the Technical Submittal and one (1) paper copy of the Cost Submittal. The Cost Submittal should be in a separate sealed envelope. If the cost proposal includes a large table that may be difficult to read in print, please include a digital copy on flash drive in Microsoft Office-compatible or pdf format sealed in with the cost proposal.

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.Small Diverse Business Information. The City encourages participation by minority, women, and veteran-owned businesses as prime contractors, and encourages all prime contractors to make a significant commitment to use minority, women, veteran-owned and other disadvantaged business entities as subcontractors and suppliers. A list of certified Disadvantaged Business Enterprises is maintained by the Minnesota Unified Certification Program at <http://mnucp.metc.state.mn.us/> .

I-9. Agreement. The awarded proposer will be required to sign the agreement attached as Appendix B. Questions about the agreement should be submitted to purchasing@duluthmn.gov by the question deadline in the schedule above.

I-10. Award. The agreement award amount will be based on the time and materials submitted in the proposal and will be a not-to-exceed agreement.

I-11. Term of Contract. The term of the contract will begin once the contract is fully executed and is anticipated to end by December 31, 2025. The selected Bidder shall not start the performance of any work, nor shall the City or Duluth 1200 Fund be liable to pay the selected Bidder for any service or work performed or expenses incurred before the contract is executed.

I-12. 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.

I-13. Notification of Selection. Bidders whose proposals are not selected will be notified in writing.

PART II - PROPOSAL REQUIREMENTS

Bidders will submit a cover letter, background of the company, resumes, and references for board review. Proposals will be limited to 15 pages.

PART III - CRITERIA FOR SELECTION

The proposals will be reviewed by Duluth 1200 Fund and City Staff. The intent of the selection process is to review proposals and make an award based upon qualifications as described therein. A 100-point scale will be used to create the final evaluation recommendations. The factors and weighting on which proposals will be judged are:

Qualifications of the Bidder and Personnel	40%
Prior experience with similar work	30%
Work Plan	10%
Cost	20%

PART IV – PROJECT DETAIL

1200 Fund desires to obtain assistance and support services in the form of loan review and underwriting services related to the loans and other financial assistance provided by the 1200 Fund pursuant to its Bylaws

1. Review and underwriting services for all loans made by the 1200 Fund, other than participation loans, childcare collaboration grants, storefront loans and mentorship loans.
2. Consultant’s written underwriting analysis will contain and include:

- a. Description and overview of the project.
- b. Determine project's eligibility within the loan fund criteria and financing guidelines.
- c. Describe overall economic benefits of the proposed project.
- d. Balance sheet analysis and determination of adequate capital and equity.
- e. Analysis of repayment ability.
- f. Collateral adequacy.
- g. Management skills of the applicant.
- h. Credit risk of applicant.
- i. Need for any special requirements, key person life insurance, personal guarantees, etc.
- j. A recommendation as to acceptable credit risk and the amount and terms of any financial assistance to be provided by the 1200 Fund, including interest rate, term, payment terms (interest only, amortization period, etc.) and collateral.

APPENDICES

Appendix A – Proposal Cover Sheet

Appendix B – Agreement Template

**APPENDIX A - PROPOSAL COVER SHEET
DULUTH 1200 FUND
RFP# 24-99811 CONSULTANT SERVICES**

Bidder Information:	
Bidder Name	
Mailing Address	
Contact Person	
Contact Person's Phone Number	
Contact Person's E-Mail Address	
Federal ID Number	
Authorized Signature	
Name & Title of Authorized Signer	
Email of Authorized Signer	

**APPENDIX B - PROPOSAL COVER SHEET
DULUTH 1200 FUND
RFP 24-99811 CONSULTANT SERVICES**

DULUTH 1200 FUND, INC.
AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT FOR CONSULTING SERVICES (“Agreement”) is made effective as of the ____ day of _____, 20__ by and between the **Duluth 1200 Fund, Inc.** (“1200 Fund”) and _____ (“Consultant”) in response to the following situation:

A. 1200 Fund desires to obtain assistance and support services in the form of loan review and underwriting services related to the loans and other financial assistance provided by the 1200 Fund pursuant to its Bylaws.

B. Consultant is willing to continue to provide services to 1200 Fund pursuant to the terms of this Agreement.

NOW, THEREFORE, 1200 Fund and the Consultant do mutually agree as follows:

1. **Services to be Performed.** The scope of services to be provided to 1200 Fund by Consultant is as set forth on Exhibit A attached hereto.

2. **Personnel.** Consultant will secure, at its own expense, all personnel required to perform the services under this Agreement, and such personnel shall not be the employee(s) of, nor have a contractual relationship with, 1200 Fund.

3. **Assignability.** Consultant shall not assign any interest in this Agreement, shall not contract with others to perform Consultant’s services and shall not transfer any interest in this Agreement without the prior written approval of 1200 Fund.

4. **Agreement Period.** This Agreement shall be effective as of the date hereof and shall continue until terminated as provided in Section 5 hereof. The Agreement may be renewed upon mutual written agreement of both parties.

5. **Termination of Agreement.** Either Consultant or 1200 Fund may, by giving written notice specifying the effective date which shall not be less than thirty (30) days from the date such notice is given, terminate this Agreement in whole or in part. In the event of termination, all property and finished or unfinished documents and other writings prepared by the Consultant under this Agreement shall be delivered to 1200 Fund and Consultant shall be entitled to compensation for time expended and expenses incurred to the date of termination. Unless sooner terminated as set forth above, this Agreement shall terminate as of _____, 20__.

6. **Independent Contractor.** The relationship between the Consultant and 1200 Fund shall be that of an independent contractor. Nothing herein shall in any way make or create any employer employee relationship between 1200 Fund and Consultant.

7. **Standard of Performance and Insurance; Indemnity.** All services to be performed by Consultant hereunder shall be performed in a skilled, professional and non-negligent manner. Consultant shall obtain and maintain at his/her/its cost and expense:

7.1. Comprehensive general liability insurance that covers the consultant services performed by Consultant for 1200 Fund with a combined single limit of liability of at least One Million Dollars (\$1,000,000.00).

7.2. Errors and omissions or equivalent insurance that covers the consultant services performed by Consultant for 1200 Fund with a combined single limit of liability of at least One Million Dollars (\$1,000,000.00).

7.3. Worker's compensation insurance covering Consultant (if an individual) all of Consultant's employees with coverages and limits of coverage required by law.

Consultant shall indemnify and hold harmless 1200 Fund from and against all errors, omissions and/or negligent acts causing claims, damages, liabilities and damages arising out of the performance of his/her/its services hereunder.

Consultant certifies that Consultant is in compliance with all applicable worker's compensation laws, rules and regulations. Neither Consultant (if an individual) nor Consultant's employees and agents will be considered 1200 Fund employees. Any claims that may arise under any worker's compensation laws on behalf of any employee of Consultant and any claims made by any third party as a consequence of any act or omission on the part of Consultant or any employee of Consultant are in no way 1200 Fund's obligation or responsibility. By signing this Agreement, Consultant certifies that Consultant is in compliance with these laws and regulations.

Consultant shall deliver to 1200 Fund, concurrent with the execution of this Agreement, one or more certificate(s) of insurance evidencing that Consultant has the insurance required by this Agreement in full force and effect. 1200 Fund shall be named as additional insured under such policy(ies). The insurer will provide at least thirty (30) days prior written notice to 1200 Fund, without fail, of any cancellation, non-renewal, or modification of any the policy(ies) or coverage evidenced by said certificate(s) for any cause, except for nonpayment of premium. The insurer will provide at least ten (10) days prior written notice to 1200 Fund, without fail, of any cancellation of any of the policy(ies) or coverage evidenced by said certificate(s) for nonpayment of premium. Consultant shall provide 1200 Fund with appropriate endorsements to its policy(ies) reflecting the status of 1200 Fund as an additional insured and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided 1200 Fund by the insurance company providing such insurance policy to Consultant.

The Consultant shall require any subcontractor permitted by 1200 Fund under Section 3 hereof to perform work for Consultant on the Project to have in full force and effect the insurance coverage required of the Consultant under this Agreement before any subcontractor(s) begin(s) work on the Project. Consultant shall require any such subcontractor to provide to Consultant a Certificate of Insurance evidencing that such subcontractor has the insurance required by this

Agreement in full force and effect. The Consultant and 1200 Fund shall be named as additional insureds under such policies. The insurer will provide thirty (30) day written notice to 1200 Fund and Consultant, without fail, of any cancellation, non-renewal, or modification of the policy(ies) or coverage evidenced by said certificate(s) for any cause, except for nonpayment of premium. The insurer will provide at least ten (10) days prior written notice to 1200 Fund, without fail, of any cancellation of any of the policy(ies) or coverage evidenced by said certificate(s) for nonpayment of premium. 1200 Fund shall also be provided with appropriate endorsements to its policy(ies) reflecting the status of 1200 Fund as an additional insured and requiring that the foregoing required notice of cancellation, material alteration or non-renewal be provided 1200 Fund by the insurance company providing such insurance policy(ies).

8. **Compensation.** Consultant's staff shall be compensated as shown on Exhibit B attached hereto, plus any direct expenses such as mileage or photocopies. Consultant shall submit to 1200 Fund itemized statements of services rendered during each month setting forth the date such services were rendered, a description of the services rendered, the person performing such services and the amount of time expended in performing such services. The total compensation and expenses under this Agreement may not exceed _____ and No/100 Dollars (\$ _____).

9. **Recordkeeping.** Consultant hereby agrees:

9.1. To maintain all books, documents, papers, accounting records and other evidence pertaining to the fees and expenses for which it seeks payment or reimbursement hereunder and appropriate records with respect to the services performed by it under this Agreement.

9.2. To make such materials available at its office at all reasonable times during the Agreement Term and for three (3) years from the date of final payment under this Agreement for inspection by 1200 Fund and copies thereof shall be furnished to 1200 Fund upon request by 1200 Fund.

10. **No Prohibited Interest.** Consultant represents and warrants to 1200 Fund that no employee, officer or agent of 1200 Fund, any member of the family of any such person, any partner of any such person or any organization which employs or is about to employ any of the above has a financial or other interest in the business of Consultant.

11. **Confidentiality.** Consultant agrees that, at all times, both during the term of this Agreement and after the termination of this Agreement, it will be faithful to 1200 Fund by not divulging, disclosing or communicating to any person, firm or corporation, in any manner whatsoever, except in furtherance of the business of 1200 Fund or as required by any applicable law, rule, regulation or ordinance of 1200 Fund or any other governmental authority, any information of any kind, nature or description concerning any matters affecting or relating to the business, employees, agents, customers of 1200 Fund, or parties contracting with 1200 Fund.

12. **Intellectual Property Rights.** For the purposes of this Agreement, Project Materials means copyrights and all works developed in the performance of this Agreement, including, but not limited to, the finished product and any deliverables, including any software or data. Project Materials do not include any materials that Consultant developed, acquired or otherwise owned or had a license to use prior to the date of this Agreement. All Project Materials are agreed by Consultant to be “works made for hire” as defined under 17 U.S.C. §101, for which 1200 Fund has the sole and exclusive right, title and interest, including all rights to ownership and copyright and/or patent. In addition, Consultant hereby assigns all right, title and interest, including rights of ownership and copyright in the Project Materials to 1200 Fund. Consultant shall provide 1200 Fund, at no additional cost to 1200 Fund, with copies of all Project Materials. Upon request by Consultant, 1200 Fund may authorize Consultant to use specified Project Materials to evidence Consultant’s professional capabilities. In all such uses of Project Materials by Consultant, reference shall be made to 1200 Fund and the Project and that the Project Materials are owned by 1200 Fund. Consultant also acknowledges and agrees that all names and logos provided to Consultant by 1200 Fund for use in connection with the Project are and shall remain the sole and exclusive property of 1200 Fund. Consultant agrees not to use the name, logo, or any other marks owned by or associated with 1200 Fund or the name of any representative of 1200 Fund in any sales promotion work or advertising, or in any form of publicity, without the prior written permission of 1200 Fund in each instance. However, Consultant may use the name of 1200 Fund in a document required to be filed with, or provided to, any governmental authority or regulatory agency to comply with applicable legal or regulatory requirements. Consultant agrees to provide 1200 Fund with a copy of any such document.

13. **Notices.** Any legal notices required or desired shall be in writing and delivered by U.S. certified mail, return receipt requested, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

If to 1200 Fund:	Duluth 1200 Fund, Inc. 411 W 1st St. Ste. 160 City Hall Duluth, MN 55802 Email: <i>astier@duluthmn.gov</i>
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If to Consultant:	[Name] Attn: _____ [Address] [City, State Zip] Email: _____
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If requested by recipient, any notice delivered by email shall be followed by personal or mail delivery of such correspondence and any attachments. Notices shall be deemed effective upon the

earlier of receipt when delivered, or, if mailed, upon return receipt, or, if emailed, upon transmission to the designated email address of said addressee.

14. **Miscellaneous.** This Agreement constitutes the sole and complete agreement relating to the subject matter of this Agreement between the parties, superseding any and all other agreements between the parties and no verbal or other statements, inducements or representations have been made or relied upon by either party. No modifications hereof shall be binding upon either party unless in writing and properly executed.

15. **No Contractual Authority.** Consultant shall have no authority to enter into any contracts or agreements binding upon 1200 Fund or to create any obligations on the part of 1200 Fund.

16. **Choice of Law and Venue.** All matters relating to the validity, construction, performance, or enforcement of this Agreement shall be determined in accordance with the laws of the State of Minnesota. All legal actions initiated with respect to or arising from any provision contained in this Agreement shall be initiated, filed and venued in the State of Minnesota District Court located in the City of Duluth, County of St. Louis, State of Minnesota.

17. **Facsimile and Electronic Signatures.** The parties hereto consent and agree that this Agreement may be signed and/or transmitted by e-mail of a .pdf document or using electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and that such signed electronic record shall be valid and as effective to bind the party so signing as a paper copy bearing such party's handwritten signature. The parties further consent and agree that (a) to the extent a party signs this Agreement using electronic signature technology, by clicking "SIGN", such party is signing this Agreement electronically, and (b) the electronic signatures appearing on this Agreement shall be treated, for purposes of validity, enforceability and admissibility, the same as handwritten signatures.

18. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, 1200 Fund and Consultant have executed this Agreement for Consulting Services as of the date first above written.

1200 FUND:

Duluth 1200 Fund, Inc.

By _____
Its _____

And By _____
Its _____

CONSULTANT:

[Print Name of Consultant]

By _____
Its _____

EXHIBIT A
Scope of Services

1. Review and underwriting services loans applied for by applicants that are referred to Consultant for review and analysis. .
2. Consultant's written underwriting analysis will contain and include:
 - 2.1. Description and overview of the project.
 - 2.2. Determine project's eligibility within the loan fund criteria and financing guidelines.
 - 2.3. Describe overall economic benefits of the proposed project.
 - 2.4. Balance sheet analysis and determination of adequate capital and equity.
 - 2.5. Analysis of repayment ability.
 - 2.6. Collateral adequacy.
 - 2.7. Management skills of the applicant.
 - 2.8. Credit risk of applicant.
 - 2.9. Need for any special requirements, key person life insurance, personal guarantees, etc.
 - 2.10. Provide a recommendation as to acceptable credit risk and the amount and terms of any financial assistance to be provided by the 1200 Fund including interest rate, term, payment terms (interest only, amortization period, etc.) and collateral.

EXHIBIT B
Rate Schedule