

Hennepin County
**Community Investment Initiative
Request for Applications**

2022 Guidelines

Issued March 31, 2022

Applications due by Thursday, May 26, 2022 at 3:00 p.m.



Hennepin County Community Investment Initiative

BACKGROUND

The Community Investment Initiative (CII) was created to advance economic recovery and increase long-term economic opportunity in Hennepin County communities most significantly impacted by the pandemic. The approach of the CII is to strengthen communities and address pre-existing place-based disparities exacerbated by the pandemic through investments in neighborhoods, neighborhood-serving small businesses, and cultural and community assets.

The Community Investment Initiative represents a one-time programmatic opportunity made possible by pandemic recovery funding, and all funds must be spent by December 31, 2024.

To achieve these goals, the Community Investment Initiative seeks projects that not only respond to the immediate economic impacts of the pandemic, but also help mitigate its long-term negative impacts by:

- Stimulating investment in, and driven by, low-income communities and communities of color to help address economic disparities by race and by place exacerbated by the pandemic
- Supporting the resilience and growth of local businesses and non-profit organizations impacted by the pandemic and their ability to generate prosperity, economic opportunity, and employment opportunities in their communities

FUNDING

- A total of up to \$10,000,000 is available via a competitive Request for Applications (RFA)
- Awards will be made in the form of a grant. Grant awards are anticipated to range from \$300,000 to \$1,500,000.

TIMELINE

March 31, 2022	Request for Applications (RFA) opens
May 26, 2022 at 3:00 pm	Deadline to submit applications via Supplier Portal
August/September 2022	Funding awards announced
September/October 2022	Grant agreements finalized
November 2024	Deadline for all eligible costs incurred to be reimbursed

PROGRAM OVERVIEW

The CII supports two general types of projects to support long-term economic recovery in areas and/or to populations disproportionately impacted by the pandemic: those that provide long-term affordable commercial space or ownership opportunities and those that assist non-profit organizations providing services to these communities.

Affordable commercial projects include business incubators and accelerators, and other commercial redevelopment projects that create long-term affordable commercial space, community or cooperative ownership, or provide other innovative ways to offer lower-cost lease or ownership opportunities for a minimum of three businesses.

Additionally, non-profits that faced the most acute financial hardship from the pandemic are now called upon to increase their programming to meet higher levels of need in the communities they serve. The CII is designed to advance economic recovery of the communities most impacted by the pandemic by supporting the capital needs of non-profit organizations that are renovating, expanding or relocating to provide increased programming and services. The desired outcome of investments is to strengthen non-profit organizations that serve as vital community assets and contribute to economic recovery.

Below are hypothetical examples of eligible projects:

- A local for-profit developer is constructing a new mixed-use building with five commercial condominium units in an area that experienced negative economic impacts of the pandemic including multiple business closures. The developer applies for CII funding to cover a portion of the total amount required to construct the new commercial spaces. The funding request is commensurate with a portion of the total amount needed to write-down the sale price of the commercial spaces to a below-market price that is affordable to each of the five local businesses buying a commercial space.
- A community-based non-profit organization buys an existing building to own and operate a new small business incubator/resource hub, offering no-cost or low-cost technical assistance to entrepreneurs and microbusiness owners in a low-income community that experienced economic harm both as a result of, and exacerbated by, the pandemic. The organization applies for CII funding for a portion of the cost to renovate the building for this new use.
- A non-profit organization seeks to expand an existing community-based cultural institution, increasing arts-related educational programming for youth, generating 5-10 permanent jobs, and improving a vacant, abandoned commercial building adjacent to their current facility in a low-income community. The organization applies for CII funding for a portion of the cost to renovate the building for this new use.

REQUIREMENTS

ELIGIBLE APPLICANTS

- Cities or their economic/housing/development authority
- For-profit and non-profit developers
- Community development corporations
- Non-profit organizations engaged in commercial development
- Non-profit organizations serving areas or populations disproportionately impacted by the pandemic

Ineligible applicants include educational institutions such as public or private primary or secondary schools, institutions of higher education, parks and recreation departments or agencies, day care providers, or other non-profits that earn revenue like businesses.

ELIGIBLE LOCATIONS

Projects must be located in Hennepin County. Projects will be evaluated on the extent to which they benefit areas and communities that have historically been impacted by economic exclusion or that experienced disproportionate economic impacts of the pandemic.

PROJECT REQUIREMENTS

Project requirements are outlined in Table 1 and additional enumerated requirements listed below.

Table 1.

	Affordable Commercial Project	Non-Profit Community Asset
Minimum project requirements	Projects must have a total development cost of at least \$1,000,000, not including acquisition costs	
	Serve at least three (3) small, independently owned (non-franchise) businesses impacted by the pandemic that have fewer than 50 employees and are owned by an individual(s) that resides in the metro region at time of occupancy	Project must demonstrate that its services and/or programming will benefit the economic recovery of communities disproportionately impacted by the pandemic
Maximum award	Limited to no more than 30% of total development costs not including acquisition, maximum awards are anticipated to be no greater than \$1,500,000 (see eligible costs below)	

Minimum award	\$300,000	
Award Term	Approved costs must be incurred within 24 months of award date; deadline for reimbursement request is November 1, 2024	
Project Term	Projects are encouraged to restrict affordability for a minimum of 10 years. Terms of affordability may be recorded against property	Recipient must continue operations and report on programs and services throughout the contract period

1. Funds are available on a reimbursement basis for actual costs incurred only for activities approved in the award contract. Only approved activities that occur after the date of award are eligible for reimbursement. Acquisition occurring after January 1, 2022 may be considered for reimbursement per terms outlined in table above.
2. Funding must provide gap financing to offset a demonstrated financial need and must be leveraged with other financing.
3. Award amounts will be determined on a per-project basis, based on several factors, including demonstrated funding gap, overall scale of project, amount of eligible expenses, benefit provided to businesses and communities impacted by the pandemic.
4. The municipality in which the project is located must agree to enter into a multi-jurisdictional agreement with the County for any project receiving an award, if applicable. A council resolution from the municipality, approving the project, is required before an award agreement will be signed.
5. All projects and awards must meet all eligibility and contracting requirements of Hennepin County and all applicable local, state, and federal laws, as determined by Hennepin County. Grant recipients must agree to enter into a grant agreement with Hennepin County and agree to all contract terms. Grant recipients will be responsible for performing according to all terms of subsequently negotiated funding award contracts and monitoring compliance with all local, state, and federal requirements.

ELIGIBLE USES OF FUNDS

For projects that meet eligibility criteria, applicants may request funding for capital expenditures listed below as eligible uses, including:

- Site or building acquisition
- Costs associated with vacant or abandoned properties, including:
 - Rehabilitation, renovation, maintenance, greening or other costs to secure, improve, and repurpose vacant or abandoned properties
 - Demolition or deconstruction of vacant or abandoned buildings
- Rehabilitation and new construction of commercial properties, including improvements

and additions to buildings, storefront and façade improvements, interior buildout of new commercial spaces

- Costs resulting from the pandemic, including increased construction costs, costs incurred to mitigate public health risks, to comply with public health guidance, and/or to accommodate business practices that changed due to the pandemic. Applicants must be able to provide further explanation and/or documentation upon request. Examples include, but are not limited to:
 - Costs to upgrade or install HVAC systems with HEPA filtration and air purification
 - Increased fenestration and/or operable windows to promote greater air flow
 - Costs associated with creating adequate space for social distancing, to provide spatial dividers, and/or to provide expanded square footage and accommodate greater distancing among customers or employees in business operations
 - Outdoor seating or service areas

Ineligible uses of funds include program administration or other financing applications; design services, or other soft costs; refinancing of existing debt; working capital, inventory, equipment, or motor vehicles; billboards.

APPLICATION PROCESS

Applications will only be accepted through the Hennepin County Supplier Portal.

In order to submit an application, you must first register with the Supplier Portal. For more information on how to register, please go to the "[Supplier Portal Help page](#)".

Only submit requested materials; do not submit additional, unlisted documents, nor additional sheets for expanded narrative.

Applicants are urged to be as complete with their application as possible, knowing projects may change. Brevity is appreciated, and bulleted points are encouraged.

Applicants are strongly encouraged to make their submissions well in advance of the application due date as the process may take some time to complete. Failure to submit a proposal on time may be grounds for rejection of the proposal; however, the County reserves the right, in its sole and absolute discretion, to accept proposals after the time and date specified.

Applications must include the following, which are downloaded from the Supplier Portal posting:

- Application Form
- Attachments as listed in the application form

EVALUATION AND RECOMMENDATION FOR SELECTION

A selection committee including Hennepin County staff and additional contributors, as needed, will review applications and may request additional information. Hennepin County may elect to allocate funding to projects that best meet program criteria and may not allocate funding if projects do not meet program priorities. Staff anticipates presenting funding recommendations to the County Board in August or September 2022.

The County may require the entities selected to participate in negotiations to submit fiscal, technical, or other revisions of their applications that may result from negotiations.

Applications will be evaluated to the extent to which they demonstrate:

1. Organizational scale, experience, qualifications, and capacity to successfully complete a project within 24 months of award
2. A financial gap necessary for the project to proceed that leverages other sources of financing
3. Outcomes that align with the goals and objectives of the Community Investment Initiative.
4. Meaningful support to businesses and communities disproportionately impacted by the pandemic, including:
 - Benefit to multiple local businesses, as well as the relevant business district, and the broader community that experienced disproportionate negative impacts of the pandemic
 - Benefit to disadvantaged communities and business owners
 - Benefit to low-income communities or other areas that experienced disproportionate economic impacts of the pandemic, as evidenced by higher rates of business closures, high vacancy rates, etc.
 - Improvement to the built environment and quality of life in disproportionately impacted communities, including increased choice and access to new or expanded goods, services, and other opportunities, including employment opportunities

This RFA does not commit the County to award a contract. Submission of a proposal shall neither obligate nor entitle an Applicant to enter into a contract with the County. The County reserves the following rights, to be exercised in the County's sole and absolute discretion: 1) to determine whether any aspect of a proposal satisfactorily meets the criteria established in this RFA; 2) to seek clarification or additional information from any Applicant; 3) to negotiate, sequentially or simultaneously, pricing and/or terms with any Applicant or vendor; 4) to reject any or all proposals with or without cause; 5) to waive any irregularities or informalities in a proposal; 6) to cancel or amend by addenda this RFA, in part or entirely; 7) to award multiple contracts to Applicants; and/or 8) award a contract to a respondent that did not submit an application.

INQUIRIES

Please direct any questions to Ryan Kelley, Manager, Community Development at: ryan.kelley@hennepin.us by **April 22, 2022**.

Potential applicants are **strongly encouraged** to review eligibility of their project with Mr. Kelley prior to submittal by signing up for a TA session via the CII webpage.

ADDENDA

The County reserves the right to modify the RFA at any time prior to the application due date. If the RFA is modified, addenda to the RFA will be provided to all applicants known to have received a copy of the RFA. It is the responsibility of each prospective applicant to assure receipt of all addenda.

The County will modify the RFA only by formal written addenda. An applicant's proposal should be based on the specifications herein and any formal written addenda from the County, not oral or other interpretations or clarifications.

COUNTY'S RIGHT TO WITHDRAW, CANCEL, SUSPEND AND/OR MODIFY RFA

The County reserves the right to withdraw, cancel, suspend, and/or modify this RFA for any reason and at any time with no liability to any prospective applicant for any costs or expenses incurred in connection with the RFA or otherwise. Hennepin County reserves the right to accept or reject any or all applications received, to accept or reject any late applications, to rescind the request for proposals, to request additional information as deemed necessary to review any application, to negotiate with all qualified Applicants, to use any or all Applicant ideas and/or approaches presented, or to cancel in part or in its entirety this request for proposals, if it is in the best interest of Hennepin County to do so.

APPLICANT'S RIGHT TO WITHDRAW OR MODIFY PROPOSAL

An application may be withdrawn on written request of the applicant prior to the proposal due date. Prior to the proposal due date, changes may be made, provided the change is submitted in writing and signed by an officer or authorized representative of the applicant. No modification, unless in writing, will be accepted.

APPLICATIONS WILL NOT BE RETURNED

Upon submission, proposals will not be returned.

PUBLIC DISCLOSURE OF APPLICATION DOCUMENTS

Under Minnesota law, applications are private or nonpublic until the applications are opened on the application due date. Once the applications are opened, the name of the Applicant becomes public. All other data in the application is private/nonpublic data until completion of the evaluation process. The evaluation process is completed when the County enters into a contract with an Applicant. At that time, all remaining data submitted by all Applicants is public with the exception of data classified as private/non-public trade secret data under Minn. Stat. § 13.37 of the Minnesota Government Data Practices Act.

Applicants must not submit trade secret material, as defined by Minn. Stat. § 13.37, as part of their application. The County does NOT consider cost or prices to be trade secret material, as defined by the statute. Applicants may present and discuss trade secret information during an interview or demonstration, if applicable.

The Applicant agrees, as a condition of submitting its application, that the County will not, as between the parties, be liable or accountable for any loss or damage which may result from a breach of confidentiality related to the application. The Applicant agrees to indemnify and hold the County, its officials, agents, and employees harmless from all claims arising out of, resulting from, or in any manner attributable to any violation of any provision of the Minnesota Government Data Practices Act, including legal fees and disbursements paid or incurred to enforce this provision. This indemnification survives the County's award of a contract. In submitting an application in response to this RFA, the Applicant agrees that this indemnification survives as long as the Application is in the County's possession. The County is required to keep all the basic documents related to its contracts, including RFA applications, for a minimum of seven years.

USE OF APPLICATION IMAGES

By submitting any renderings, images, perspectives, sections, diagrams, photos, or other copyrightable materials (collectively, "copyrightable materials") with an application, applicant certifies that applicant's organization is the owner of the copyrightable materials or is fully authorized to grant permissions regarding the copyrightable materials and that those materials do not infringe upon the copyrights of others. Applicant also agrees that: 1) Hennepin County has a nonexclusive royalty-free license and all necessary permissions to reproduce and publish any copyrightable materials for noncommercial purposes, including but not limited to press releases, presentations, reports, and on the internet; and 2) your organization will not hold Hennepin County responsible for the unauthorized use of the copyrightable materials by third parties. If applicant desires attribution on the copyrightable materials, you may include a discreet transparent watermark.

APPLICANT'S COSTS

The County shall not be responsible for any costs incurred by applicant in connection with this RFA. Applicant shall bear all costs associated with proposal preparation, submission, and attendance at presentation interviews, or any other activity associated with this RFA or otherwise. These same costs are not eligible for TOD grant funding.

COLLUSION

If the County determines that collusion has occurred among applicants, none of the applications of the participants in such collusion shall be considered. The County's determination shall be final.

CONFLICT OF INTEREST

Applicant affirms that, to the best of its knowledge, its application does not present a conflict of interest with any party or entity, which may be affected by the terms of a contract resulting from this RFA. The applicant agrees that, should any conflict or potential conflict of interest become known, it will immediately notify the County of the conflict or potential conflict, and will advise the County whether it will or will not resign from the other engagement or representation. Further, the County may make reasonable efforts to avoid, mitigate, or neutralize an organizational conflict of interest by an applicant in all competitive procurements. To avoid an organizational conflict of interest by an applicant, the County may utilize methods including disqualifying an applicant from eligibility for a contract award or canceling the contract if the conflict is discovered after a contract has been issued. To mitigate or neutralize an organizational conflict of interest by an applicant, the County may use methods such as revising the scope of work to be conducted, allowing applicant to propose the exclusion of task areas that create a conflict, or providing information to all applicants to assure that all facts are known to all applicants. The County may, at its sole and absolute discretion, waive any conflict of interest.

