

**REQUEST FOR PROPOSALS
FOR THE RURAL IDAHO ECONOMIC DEVELOPMENT
PROFESSIONAL PROGRAM
2010**

I. Table of Contents

- General Information
- Program Specifications
- Proposal Requirements
- Proposal Response Format
- Method of Evaluation
- Attachments

II. General Information

A. Purpose or Intent: The intent of the Rural Idaho Economic Development Professional Program is to build economic development capacity in rural Idaho. To accomplish this, state funds have been appropriated to help rural areas employ full-time Economic Development Professionals, who with a board of directors, will manage locally directed economic development programs. This Request for Proposals (RFP) is to solicit competitive proposals from rural areas seeking such funds. Funding up to \$40,000 per year may be requested for a one (1) year period from July 1, 2010 to June 30, 2011 with the option to renew by the department for two (2) additional years based on availability of funds. Subsequent renewals are subject to annual review by the Idaho Department of Commerce. The Idaho Department of Commerce reserves the right to determine final award amounts.

Increased local cash participation is needed to maximize the effectiveness of state funds and to develop a financially self-sustainable program. In the long term, as economic gain is achieved, it is anticipated that local funds will replace the need for state funds. Consequently, in order to qualify for state funding, Program Sponsors must enter into a signed Memorandum of Understanding (MOU) with the Department committing to a locally funded cash match in the amount of at least \$12,000.

Local matching funds will provide for the remainder of the ED Professional's salary and benefit package, professional office space, telephone, computer, internet access, necessary office equipment, clerical support, travel for marketing opportunities, and for the development of marketing materials.

The ED Professional will work on business retention, expansion and diversification projects in partnership with the Department to achieve the economic development goals of both the rural area and the Department. The Department recognizes that a minimum wage and benefit package in the range of \$45,000 to \$50,000 is necessary to hire and retain qualified ED professionals.

B. Definitions: For this Program, the terms below shall have the following meanings:

Department—The Idaho Department of Commerce

Fiscal Agent—The city, county, or their designated entity employing the ED Professional and responsible for requesting funds, tracking and reporting revenues and expenses and assuring compliance with all Program requirements.

Program—The Rural Idaho Economic Development Professional Program

Program Sponsor—The city, county or counties responsible for the overall management of the program.

ED Professional or Professional—The economic development professional will be subservient to the applicant's program and will be hired with Program funds (see the attached Job Description).

Economic Development Project—Any project that develops new or expands existing businesses, creates new jobs, saves existing jobs, adds value to the state and local tax base, or positions a community to create any of the above.

C. Eligible Applicants: To be eligible, applicants must meet all of the following criteria:

- Applicants must be an Idaho county or a group of Idaho counties and cities joining together to submit a single application;
- Each county's population must be less than 50,000; and
- Each applicant must commit to a locally funded cash match of at least \$12,000.

Idaho counties with populations in excess of 50,000 may apply provided that the population of the area being served by Program funds does not exceed 50,000, the area is not contiguous to an urban community, and the matching fund requirement is satisfied.

Eligible counties and cities may apply in partnership with economic development corporations, Indian Tribes, regional planning districts, RC&D districts, educational institutions, governmental or profit and non-profit entities. Preference will be given to applicants who organize creative collaborations for funding that cross jurisdictional boundaries and involve private sector partners.

In no case shall Program funds be used to replace locally funded economic development efforts.

D. Due Date: Proposals must be postmarked by Friday, May 14, 2010 and be addressed to Randy Shroll, Department of Commerce, 700 West State Street, P.O. Box 83720, Boise, ID 83720-0093. Proposals can also be faxed to 208-334-2631 or emailed to *randy.shroll@business.idaho.gov*. Proposals postmarked after May 14, 2010, or received by facsimile or email after 12:00 A.M. (midnight) Mountain Time on May 14, 2010, will not be considered for funding.

III. Program Specifications

A. Scope or Description of Work: The Program Sponsor along with a local board of directors with representation from all partnering counties, cities and organizations must jointly agree to manage the program. A representative from the Department shall be invited to attend all board meetings and shall be invited to participate in the hiring and annual performance evaluation of the ED Professional. One-third of the composition of the board must include private sector representatives as voting members of the board. For the purpose of this RFP a private sector representative is a person who does not hold elective office but owns, manages or is employed by a business that is not under the direct day to day supervision of a government or quasi governmental entity. The board shall meet at least six (6) times per year and develop a specific plan of work for the ED Professional along with a plan for oversight and evaluation.

Under the direction of the Program Sponsor and board of directors, the ED Professional will perform tasks directly related to economic development projects throughout the project area. The ED Professional will assist the board in developing a yearly work plan and budget. The ED Professional will assess and document business development assets, develop marketing materials to promote business opportunities, assist existing businesses with expansion plans, assist existing businesses to deal with issues that threaten job loss, provide entrepreneurial training and support, pursue leads to

recruit new businesses, actively help in listing available sites into Gem State Prospector, develop projects that will lead to business development such as incubators, business and industrial parks, organize community response teams to respond to business development inquiries and build collaborative networks to ensure maximum use of existing resources. The ED Professional will provide monthly reports to the Department through an internet portal.

The Department requires the board to develop a three year strategic plan. To accomplish this task, representatives from the Department will, upon request and at no cost, provide assistance with the strategic planning.

The Department requires the board to conduct an annual capital fund campaign, over and above the required \$12,000 match, anticipating that local funds will replace the need for state funds. Programs that show a reduction on request for state funding in year's two and three of their submitted budget will receive additional points.

B. Project Management: An MOU will be executed between the Department and the Program Sponsor outlining the responsibilities and commitments of parties regarding this Program. It is expected that continual contact with the Department will be maintained during work on economic development projects. The Department will designate a primary Department contact person for each project although the ED Professional is expected to use all Department resources depending on the project. At the end of each project year, the ED Professional and the board will conduct a review to assess progress and to initiate the next year's plan of work.

C. Program Monitoring: Each ED Professional will complete and submit monthly reports to their board and complete the Department's internet reporting form. This reporting includes business recruitment, business expansion, business start-ups, business retention, as well as activities pertaining, but not limited to: Workforce Development, Gem State Prospector, Foreign Direct Investments (FDI), grants, infrastructure, scenic byways, tourism, training, and other collaboration efforts.

D. Program Oversight: Each Program receiving state funds must comply with Idaho's Open Meeting Law, including the procedures for convening an executive session pursuant to Idaho Code § 67-2345 when confidential private business information is being discussed; Bribery and Corrupt Influences Act; Prohibition Against Contracts with Officers; Ethics in Government Act; and Public Records Law, including provisions for the protection of confidential private business records in Idaho Code § 9-340(D)(6). As a rule of thumb, Program work should allow for maximum

public review without breaching the confidential information of private business clients.

E. Support, Training and Maintenance: The Department will provide appropriate training sessions for the ED Professional and board and will provide ongoing assistance as necessary. Additional training available from the Department includes marketing, business retention & expansion, economic development 101, fund raising, recruiting mock site visits, and leadership training.

F. Method of Payment: The method and schedule of Program payments will be outlined in the MOU.

G. Contract Term: The MOU between the Department and the Program Sponsor will be for one (1) year with the option to renew two (2) additional years by the department.

IV. Proposal Requirements

A. Statement of Need:

- Clearly identify the need for funding through economic indicators such as:
 - i. Average Covered Wage
 - ii. Median Household Income
 - iii. Per Capita Income
 - iv. Local Property Tax Base per capita
 - v. Unemployment Rate
- Other indicators could include major loss of employment or employer in the region, loss of significant tax base, levels of remoteness, and barriers to markets caused by lack of telecommunications or transportation. The applicant must identify the sources of all data.

B. Program Organization:

- Provide the name of the Program Sponsor. Describe your organizational structure and explain how your organization qualifies as an eligible applicant for Program funds.
- Describe the area to be served and list all of the partners including all counties, cities, Indian tribes, economic development districts, economic development corporations, other governmental agencies and private sector partners.
- Provide a list of the board of directors that shows the names, contact information, board position, geographical representation

and affiliation, if any. Attach any MOUs showing an agreement to cooperate between the partners.

- Document that at least one-third of the total number of directors are from the private sector.
- Provide documentation of the ED Professional's relationship (employee, contractor etc.) to the fiscal agent, board or other Program sponsor.
- Describe how the program will comply with Idaho's Open Meeting Law.

C. Qualifications and Experience: Demonstrate the capacity to manage the Program. Describe successful past and ongoing economic development projects involving economic development corporations, or other public or private entities. Include a description of each successful project, the number and type of jobs created by the project, and the number of businesses assisted and types of assistance provided.

D. Statement of Work: Provide a work plan that follows the department's ED PRO Monthly Electronic Reporting format. Additionally provide examples of potential projects that can be pursued to develop businesses and create jobs including projects that are ongoing and would benefit from professional assistance by an ED Professional. For potential or ongoing projects, describe the role the ED Professional is playing or will play in bringing the project to completion.

E. Local Commitment and Fiscal Responsibility:

- Provide a detailed three year Program Budget using the attached form showing requested state funds for salary and benefits. Note: The entire grant of Program funding must be used for the salary and fringe benefits of the ED Professional. Local matching funds may be used to augment the ED Professional's salary and benefits.
- Describe how a local cash matching funds in the amount of at least \$12,000 will be realized and sustained.
- Identify the sources of local cash matching funds and provide a letter of commitment from each entity contributing cash. Clearly state uses of all local cash matching funds and in-kind commitments used for office space, clerical support, telephones, office equipment and travel expenses. Identify all public and private sources for local cash matching funds. Applicants demonstrating funding from the private sector will be more competitive.
- Identify the organization employing the ED Professional and explain how fringe benefits will be provided.
- If Program funds are to be managed by an organization other than a county, provide information showing financial stability.

F. Coordination/Cooperation: List local and regional community development, economic development, and workforce development entities and/or groups. Describe how this Program will coordinate/cooperate with those entities and what the level of interaction will be.

V. Required Proposal Response Format

- The proposal shall be submitted under the same cover at the same time either as a hard copy or electronically.
- Proposals are to be formatted for standard 8-1/2" x 11" paper.
- Proposals must respond to the RFP requirements by restating the number and text of the requirement in sequence and writing the response immediately after the requirement statement. Treat bulleted items as separate requirement statements.
- Pages must be numbered consecutively within each section of the proposal showing proposal section and page number.
- Proposals shall be based only on the material contained in this RFP.

VI. Method of Evaluation

The person preparing the proposal should read the entire RFP in order to understand the desired intent of the Program. Sections II. *General Information* and III. *Program Specifications* provide details of the Program that are important to the preparation of the proposal.

Proposals will be evaluated and scored on Three (3) general areas:

A. **Need (500 Points)** – Points will be awarded on a quartile basis. For example, if there are 16 applications (the top 4 will receive maximum points, the next 4 75% of the available points, the next 4 50% of the available points and the bottom 4 25% of the available points.

1. Unemployment (Max 100 Points)

- a. Quartile 1 - 100 pts (The 25% of applications with the highest unemployment)
- b. Quartile 2 – 75 pts
- c. Quartile 3 – 50 pts
- d. Quartile 4 – 25 pts (The 25% of applications with the lowest unemployment)

2. Median Household Income (Max 100 Points)

- a. Quartile 1 - 100 pts (The 25% of applications with the lowest median household income)
- b. Quartile 2 – 75 pts
- c. Quartile 3 – 50 pts
- d. Quartile 4 – 25 pts (The 25% of applications with the highest median household income)

3. Per Capita Income (Max 100 Points)

- a. Quartile 1 - 100 pts (The 25% of applications with the lowest per capita income)
- b. Quartile 2 – 75 pts
- c. Quartile 3 – 50 pts
- d. Quartile 4 – 25 pts (The 25% of applications with the highest per capita income)

4. Assessed Taxable Value (Max 100 Points)

- a. Quartile 1 - 100 pts (The 25% of applications with the lowest assessed taxable value)
- b. Quartile 2 – 75 pts
- c. Quartile 3 – 50 pts
- d. Quartile 4 – 25 pts (The 25% of applications with the highest assessed taxable value).

5. Average Covered (nonfarm) Wage (Max 100 Points)

- a. Quartile 1 - 100 pts (The 25% of applications with the lowest wage)
- b. Quartile 2 – 75 pts
- c. Quartile 3 – 50 pts
- d. Quartile 4 – 25 pts (The 25% of applications with the highest wage).

B. Organizational Capacity (500 Point) –

1. Staff – Points will be awarded to those programs whose staff have been identified, show training and experience in field of economic development and have a track record of success. (100 Points)
2. Core Activities – Points will be awarded based how the program will carry out core economic development functions

as described in item "D. Statement of Work" as described in the RFP. Specifically evaluators will be interested in: (250 Points)

- a. Business Recruitment – How the organization plans on generating business recruitment leads, respond to leads provided by others and manage site visits. (50 Points).
 - b. Business Retention and Expansion – How the organization will engage the businesses located in its communities and the services they will provide to meet their expansion and retention needs. (50 Points)
 - c. Business Start Ups – What the organization will do to reach out to entrepreneurs and the services that will be offered to help starting businesses. (50 Points)
 - d. Coordination and Cooperation – Did the application identify partners, specific partner programs e.g. Project 60, Horizons, Gem State Prospector etc. (50 Points).
 - e. Other – What other activities will the program pursue and how will these endeavors support core economic development functions. (50)
3. Potentials and Opportunities – Points will be awarded based on the applicant's response to item D. Statement of Work. The ideal response will identify specific opportunities, the steps to be taken to pursue the opportunities, the benefits that will be achieved and a timeline for completing the steps. (100 Points).
 4. Training and Enrichment – What efforts will the program pursue to provide training opportunities for its board and economic development professional. (50 Points)

C. Sustainability – (500 Points)

1. Private Sector Board Participation – The applicant will receive 10 points for each board member who isn't an elected official or public employee. (A signed statement identifying the private sector rep by name must accompany the application) (Maximum points 100).

2. Matching Funds – The applicant will receive 1 point for every dollar (cash only) per capita of matching cash support funds above and beyond the minimum of \$12,000 match required in the RFP(a signed support pledge from each funding source must be included with application (Points 100).
3. Private Financial Support – The applicant will receive 1 point for every dollar per capita of matching cash support originating from the private sector (a signed support pledge must be included with application). (Points 100).
4. State Funding – The applicant will receive 1 point per whole percentage of grant request below the maximum amount that may be applied for. (Points 100)
5. Sustainability Bonus – Any program that received funding in FY 2010 and submits a budget that reduces their request for state funds by 25% of their FY 2010 request will receive 50 points. Any program whose FY 2012 budget of state funds is 25% less than its FY 2011 request will receive an additional 25 points. Any program whose FY2013 budget request for state funding is 25% less than its FY 2012 request will receive 25 points. (Points 100)

VII. Attachments

To assist in the response to this RFP, the following documents are and are available electronically at: <http://www.commerce.idaho.gov>
ED Pro Sample MOU - Sample agreement with the Department
ED Pro Sample Budget – Sample budget format
ED Pro Sample Electronic Reporting Outline