Minneapolis
City of Lakes

C TAP

COOPERATIVE TECHNICAL ASSISTANCE PROGRAM

Supporting Co-op Development in the City of Minneapolis

Professional Services Solicitation

due April 20th, 2018
by 4:00pm.

INTRODUCTION

The City of Minneapolis is seeking proposals from local non-profit and business consultants to provide direct business technical assistance to co-operatives located in Minneapolis. The total funding available in this solicitation is $75,000 and we expect to award it to multiple consultants. During the contracting process the selected consultants and the City will agree upon the contract outcomes and deliverables. These will be outcome-based contracts for up to two years. Consultants will submit quarterly invoices in accordance with the terms of their contracts. Payments are based on the successful completion of the outcomes.

PROJECT BACKGROUND

In 2016, the City of Minneapolis expanded its Business Technical Assistance Program (B-TAP) to include services aimed at supporting the development of new Minneapolis co-operatives by launching the Co-operative Technical Assistance Program (C-TAP).

At this time, the City is seeking proposals from experts in the co-op and business assistance fields to create a pool of consultants that will provide training and technical assistance services to new and existing co-ops. There would be two to four training sessions per year and the technical assistance would be on-demand. Non-profit organizations, small businesses, and individual professionals are welcome to respond to this solicitation.

C-TAP GOALS

The City aims to leverage the co-op model for maximum community benefit to:
- Act as an economic development tool to reduce poverty and promote social cohesion.
- Increase racial and ethnic diversity, and community ownership.
- Support innovation, community building, and local investment by encouraging a more collaborative business model.

TARGET POPULATION

The training and technical assistance is targeted at, but not limited to, the following audiences:
- Groups interested in forming a co-op
- Existing co-ops in the early stages of formation
- Low-income individuals and minorities looking to start a co-op

PROPOSAL DEADLINE

Email proposals by **April 20th, 2018** to:
> Daniel Bonilla, Program Manager
> daniel.bonilla@minneapolismn.gov

Proposals received after the deadline will not be accepted. It is the responder's responsibility to assure that a proposal is received in a timely manner. Please make sure your proposal is complete. Incomplete proposals will not be accepted.

SELECTION PROCESS

The selection of the consultants will be at the discretion of City staff based on the proposal contents described on page 3. Selected contractors will be notified within 2 weeks.

QUESTIONS?

Prospective responders should direct questions by email only no later than April 17 to:
> Daniel Bonilla, Program Manager
> Daniel.bonilla@minneapolismn.gov

CONTRACT

The selected contractor will be expected to enter into the City's Standard Agreement Form (click for requirements and content).

PROFESIONAL SERVICES SOLICITATION

1. The City is looking to create a pool of consultants to provide training and technical assistance services to Minneapolis co-ops. The trainings will be based on existing curriculum already created for the C-TAP program. The technical assistance will be responsive to the needs of specific co-ops and limited to the activities listed on pages 5 and 6. The funding available, the unit price, and expected outcomes are as follows:

STEP	Total Available Funding	Unit Price	Expected # outcome
STEP 1 Feasibility Training	$ 20,000.00	TBD	4 training sessions per year
STEP 2 Technical Assistance to start-up co-ops	$ 35,000.00	$ 2,500.00 per activity, up to $5,000.00 per co-op	Approx. 5 to 10 co-ops
STEP 3 Technical Assistance to existing co-ops	$ 15,000.00	$ 100.00 per hour/ up to 25 hours per co-op	Approx. 6 co-ops

PROPOSAL CONTENTS

Please number your answers and provide a succinct narrative that addresses the following:

1. Cover page:
- Applicant's name and contact information
- Category for which you are applying and the requested dollar amount:
  - **Step 1:** Feasibility Training, $ ___
  - **Step 2:** Technical Assistance for start-up co-ops $ ___
  - **Step 3:** Technical Assistance for existing co-ops $ ___

2. Experience working with co-ops and portfolio samples:
Provide a description of your organization's experience in accomplishing similar projects. Describe any previous experience working with co-ops (i.e. worker, consumer, producer, housing, other). Describe any experience working with ethnic populations, as well as language capacities if applicable. Describe how the outreach and client flow will be managed.

3. Staff and leadership:
Describe the staff and consultants involved in the project and the roles they will play. Complete a Consultant Profile for each of the business consultants.
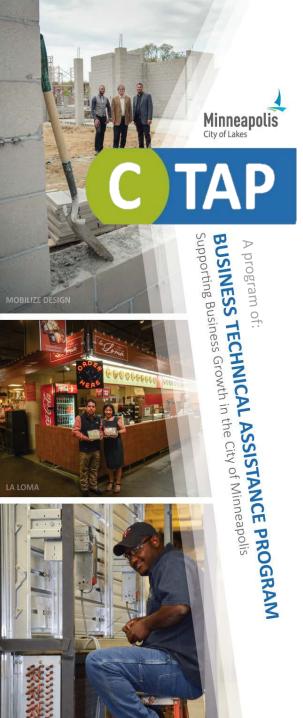
4. Project timeline:
Provide a detailed project timeline describing how long it would take to complete each task.

5. Project budget:
Provide the total cost per training and/or activity.
For Steps 2 and 3 indicate how much the C-TAP funding contributes to the cost and any other funding sources leveraged.

Please review the details on the follow pages:
- Pages 4 to 6 to learn more about each step
- Pages 7 and 8 to learn more about the program design.

STEP 1: Co-ops Feasibility Training
CO-OP TECHNICAL ASSISTANCE PROGRAM

Feasibility Training and Basic Coaching
The selected consultant will offer an 8-week training (2 hours per week) for groups interested in creating a cooperative. We are particularly interested in consultants with cultural competency working with minority populations. The class will equip the participants with tools to evaluate their co-op idea and/or to refine their model for those already in the process of incorporation. Participants will create a co-op profile to evaluate the feasibility of their idea. A curriculum will be provided by the City of Minneapolis (here). Approximately 30 participants per class.

Topics:
>
> *Session 1:* Introduction to the co-op business model
> *Session 2:* Understanding and leading the co-op development process
> *Session 3:* Business plan and sustainability
> *Session 4:* Building the democratic community and co-op feasibility study
> *Session 5:* Focus on financials
> Session 6: Cooperative governance
> *Session 7:* Legal framework
> *Session 8:* Resources and moving forward

Scope:
- Participant's registration
- Training time (16 hours)
- Additional coaching time with co-op groups (10 hours approx.)

Budget:
Please submit your budget. Total available funds for this category is $20,000.00.

STEP 2: Technical Assistance for Start-up Co-ops
CO-OP TECHNICAL ASSISTANCE PROGRAM

Refining and Implementing the Co-op Business Idea
The selected consultant will provide one-on-one consultation to refine the participants' co-op business ideas and take the appropriate steps to implement them. C-TAP will pay up to $2,500 for each of the eligible activities listed below, up to $5,000 for each co-op group. The City will match prospective co-op groups with consultants according to the group's specific needs and stage of development. To be reimbursed, City staff will request a technical assistance report. Eligible co-ops will have completed the Step 1 co-op training and/or co-op profile. Co-op groups must operate within the City of Minneapolis.

Eligible Technical Assistance for Start-up Co-ops
Selected service providers will provide one or more of the following services:
- Business plan writing
- Legal services including incorporation, bylaws, etc.
- Financial feasibility, loan packaging and financial sustainability
- Member recruitment and community engagement
- Cooperative governance and board training
- Organizational structure
- Physical space layout, site selection, and negotiation
- Marketing and customer service
- Other

Budget
$2,500 for each activity, up to $5,000 (or 2 activities) for each co-op. Indicate any leveraged funding. Total available funding for this step is $35,000.00 and we expect to award it to multiple consultants.

STEP 3: Technical Assistance for Existing Co-ops
CO-OP TECHNICAL ASSISTANCE PROGRAM

Sustaining and Expanding the Co-op Business
The selected consultant will provide one-on-one consultation to existing co-ops so they can sustain operations and/or prepare for expansion. Eligible co-ops need to have be in operations for at least two years and be located within the City of Minneapolis. Eligible co-ops will contact C-TAP staff in order to receive services. C-TAP staff will review the eligibility and match them according to the group's needs with a consultant to receive the services.

Eligible Technical Assistance for Existing Co-ops
Selected service providers will provide one or more of the following services:
- Marketing plan development
- Legal and regulatory services
- Strategic plan development
- Business plan writing
- Member recruitment and community engagement
- Cooperative governance and board training
- Organizational structure
- Physical space layout, site selection, and negotiation
- Other

Budget
$100.00 per hour, up to 25 hours per co-op. Indicate any leveraged funding. Total available funding for this step is $15,000.00 and we expect to award it to multiple consultants.

INTRODUCTION TO C-TAP: Cooperative Technical Assistance Program

Program design: Steps

- **STEP 1:** Co-op Feasibility Class
  - For groups thinking of forming a co-op and needing a clearer picture of the legal, operational and organizational requirements. Participants will create a co-op feasibility profile.
- **STEP 2:** Technical assistance for start up co-ops. Refining and implementing the co-op idea
  - Coaching and consultant services will be provided to co-ops to redefine and implement their co-op idea. Existing co-ops and participants of the "co-op readiness training" may be eligible for this service.
- **STEP 3:** Technical assistance for existing co-ops. Sustaining and expanding the co-op business
  - Business consulting services will be provided to design plans and systems to help the co-op sustain operations and prepare for expansion.

Co-op Development Flow Chart

Before Starting **Self Organizing**	*STEP 1* **Feasibility Analysis** *(8 weeks)*	*STEP 2* **Project Implementation** *(between 6 to 36 months)*	*STEP 3* **Sustainability and Growth** *(between 3 to 6 months)*

Groups will self-organize around a co-op business idea. Need to have at least 2 committed members

Eligible groups register to the Co-op Feasibility Training

Groups will create a co-op profile, a tool to decide to whether or not continue with the co-op idea

No

Yes

Keep an eye out for future opportunities. Around 80% of groups decide to wait

Groups that have completed the co-op profile, and have a feasible idea are eligible for Technical Assistance to **start up a co-op**

Technical Assistance includes business plan, registration, member recruitment, loan packaging, and other

The final outcome from this process is to open a co-op

Co-ops with over 2 years in operations are eligible to receive Technical Assistance for Co-op **retention or for expansion**