



## REQUEST FOR PROPOSAL (RFP)

### **Comprehensive Feasibility Assessment for Leech Lake Band of Ojibwe Construction Industry Workforce Program**

*Funded by US Department of Commerce Economic Development Administration*

## 1. INTRODUCTION

The Leech Lake Band of Ojibwe (LLBO) is the Tribal government overseeing the 1,050 square mile reservation that includes portions of four (4) counties in Central Minnesota. Funded by the United States Department of Commerce-Economic Development Administration (EDA), the LLBO has determined a need for a feasibility study of a vertically integrated workforce program. This assessment includes a market and financial analysis, architectural designs, and a management plan. The workforce initiative will address the unmet need for housing and enhance development of the tribal construction industry. Plans call for the feasibility of developing 2,000-4,000 affordable housing units for Tribal members over the next 20 years and creating a minimum of 100 jobs. Half of these homes will be for low-income families to reduce existing poverty rates of more than 40%, high unemployment, and homelessness on the reservation.

The scope of work for this RFP is to create a comprehensive assessment that will define and deliver a construction industry workforce program; produce housing on the reservation; create jobs in a high-paid, high demand industry for Band members; and grow the Tribal economy. Keeping dollars circulating locally on the reservation, rather than exporting to communities off the reservation, is a significant objective. This work will define the long-term financial stability of this initiative and requires substantial targeted data collection, partner input, and a clear direction that adheres to the Band's strategic objectives.

## 2. BACKGROUND

The Leech Lake Band of Ojibwe have a population of approximately 10,500, with about 4,200 Band members living on the reservation. The average age of the population is young (24.6 years) and represents a potentially large workforce. The reservation is 1,050 square miles in size, yet the Band only owns 4% of the land within its boundaries. The majority is owned by federal, state, or county government and private landowners. The largest community is Cass Lake, population 750, which is the only community on the reservation with water and sewer infrastructure. Most areas are rural or covered in water. These factors have created difficult economic conditions on the reservation.

The unemployment rate on the reservation hovers annually in the 40% range and is higher in cold weather months. The poverty rate is also near 40% by every measure and 60% of female head of household reported incomes below the poverty line. The 2018 median household income for Band members living on the reservation is \$23,000/year, with 15% of reservation households having incomes below \$15,000/year.

Less than 3% of homes on the reservation are newer than 8 years old, and many homes were built in the 1950's. The waiting list is 329 families long that need a new home and the homeless/near homeless population on the reservation is more than 1,000 (2018 Wilder Foundation Study). This number is almost 25% of the on-reservation Band member population. A recent study by the Oweesta Corporation (2019)

shows a need for up to 4,000 homes over the next 20 years and an immediate need for more than 600 housing units (2018 Bowen National Research). The vacancy rate for housing is less than 3% and there are few places for people to live, which is contributing to tribal members leaving the reservation in search of jobs and affordable housing.

The proposed project to EDA will address many of these negative factors by creating a comprehensive workforce program. This program will train and educate the emerging young LLBO workforce to produce and build affordable homes on the reservation. The Leech Lake Tribal College will lead this training effort in collaboration with state agencies, non-profits, and private sector contractors to provide on-the-job training and apprenticeship programs.

A panelized housing manufacturing facility is planned to produce housing components that will be constructed on the reservation. Housing products will be sold to Band members and financed by a variety of sources including government and private sector lenders. This workforce program will reduce the high unemployment and poverty rates, provide living wage jobs, and the needed housing for a growing Tribal population. Money earned from selling housing products and paying livable wages to Band members will 'turnover' 5-7 times in the local community and help grow the tribal economy.

### 3. STRATEGIC PARTNERS

#### **Leech Lake Band of Ojibwe (LLBO)**

The Leech Lake RBC (Tribal Council) is the governing body that has offices in Cass Lake. Elections are held every two (2) years with staggered terms and representatives serve four (4) year terms. The Tribal Council consists of a chairman, secretary/treasurer, and three district representatives. Eighteen (18) villages across the reservation are organized into three (3) districts for government administration purposes, and each district is represented by an elected official on the tribal council. Each village is represented by a Local Indian Council, which is responsible for acting as the voice of the local community to its district representative.

#### **Leech Lake Tribal College (LLTC)**

The Leech Lake Tribal College is a public community college in Cass Lake, Minnesota. It was established in 1990 and designated a Land Grant Institution in 1994. The college includes approximately 70 faculty, staff, and administrators and approximately 300 students. The Leech Lake Tribal College has contributed to the larger-than-average rate of associate degree achievement on the reservation.

#### **The Region Five Development Commission (R5DC)**

R5DC was established via State Statute as a Local Unit of Government in 1973. R5DC is governed by 25 elected officials from Counties, Cities, Townships, School Boards, Tribes, and other Special Interest groups.

***Through this competitive RFP process, a consultant firm will be selected by a committee comprised of LLBO and R5DC staff. This is made possible by the EDA investment to answer the questions that would shape a housing and construction workforce program on the reservation.***

## 4. KEY OBJECTIVES

### A. Analysis of Market/Community Demand, Supply, & Support

Determine the financial feasibility of starting a tribally owned and operated workforce training facility, including a feasibility study establishing the market demand for affordable workforce housing and possible supply chain business expansion opportunities that add economic value for Band members. The vision is to develop a vertically integrated workforce program on the reservation. This should be comprised of three (3) primary pieces:

1) **An educated and trained labor supply**, primarily consisting of Band members living on or near the reservation, who will provide the skilled labor required to build houses and support the construction industry contractors & sub-contractors in a variety of disciplines. The college will lead the development of workforce offerings in a variety of education, training, and subsidized programs in collaboration with state agencies, non-profits, and private sector partners. A report on the trained labor supply would include the needed support services so Band members can access the education and skill training they need to enter the labor supply chain and move past the many barriers to expanding the workforce (such as transportation, lack of child & adult care, tuition costs, and others). This is critical to supplying the 100+ jobs needed, including developing small business sub-contractor support to the construction industry. The labor supply model recommendations could potentially create pathways to jobs for Band members, more classroom education, or skills training programs (ex. on-the-job training and apprenticeship programs with private sector businesses)

2) **Developing a housing manufacturing facility** on the reservation in close proximity to the Tribal College that will manufacture the panelized housing components. This will involve assessing different technologies such as panelized housing, modular housing, SIP technology, and others to access the best housing technology for the Band. This will help develop affordable housing opportunities for Band members and fill the unmet need for affordable housing on the reservation (2000+ units now).

3) **Identify finance, mortgage products, & entities** to allow Band members to purchase the products produced at the housing manufacturing facility. This will include a variety of subsidized programs such as a down payment assistance program from Tribal government, government agencies, banks, non-profits, and others. This piece will create pathways to homeownership for Band members.

Part of this study will involve material and labor supply chain recommendations that are integrated with the manufacturing and labor training vision above. For example, identifying Tribal loggers to harvest trees on the reservation; having the trees cut, dried, processed at Cass Forest Products in Cass Lake; and establishing cross border trade with Tribe(s) in Canada to supply windows, doors, and other housing materials without tariffs or taxes.

### B. Partnership and Branding Opportunities

Provide an analysis of branding opportunities for tribally constructed affordable houses for sale on and off the reservation. Determine the necessary partnerships within the local, regional, and statewide workforce training partners, including existing LLBO resources and programs at the Leech Lake Tribal College.

Several existing housing technologies have been identified that could be modeled/copied to the reservation and established as a manufacturing and assembling operation to produce the panelized components in a controlled environment.

As the Consultant examines and assesses various panelized technologies, they should assess the degree of knowledge & skills that contractors and sub-contractors will need to assemble and build the housing products produced at the manufacturing facility. This may include basic framed panelized components, SIP panelized components, modular housing construction where entire house sections are built inside and transported to

site, or “Tiny House” units built on movable trailers where the entire house is completed and transported to site.

The study should look at the immediate & future housing need on and off the reservation and identify specific niche market needs, in addition to single family, multi-family, and senior housing demand (i.e.- supportive housing, transitional housing, etc.).

The **initial market demand** should be supplying Leech Lake Band housing in various sizes and designs aimed at the 4-5 population sectors of the reservation, identified in recent housing studies. Long-term recommendations should focus on supplying the Leech Lake Band housing options. Eventually, this could include demand from other tribes (within a 2 hr drive) and regional non-Native housing in Bemidji, Grand Rapids, and other communities near the reservation.

The Consultant should identify and recommend which strategic partnerships with DEED, other agencies, and non-profits can subsidize and supply workforce training and apprenticeship programs to help students transition from the classroom to private sector construction companies.

### **C. 10-year Trend Projections**

Inventory and Prioritization for Funding Sources (a Funding Matrix). This should include existing funding sources, proposed new sources supporting different parts of workforce program, etc.

### **D. Pro Forma and Financial Capacity Operations**

Documentation with detailed demonstration that LLBO has the financial capacity and staffing plan to operate and sustain the workforce program including: 1) a labor training program plan anchored with the Tribal College 2) a panelized manufacturing facility plan (making panels out of raw materials to assemble for housing) and 3) a marketing/financial entity tools that allow Band members to purchase the products produced. There is capacity and financial analysis needed for all three of these components.

### **E. Data-driven Recommendations and Conclusions – including recommended:**

This is a major summary of the study and should document the need and justification from the Consultant and the plan/recommendations to EDA.

This also includes:

- ✓ The off reservation market demand
- ✓ The practicability of this being a national demonstration project

### **F. Draft of Policies and Procedures for Operations (SOP)**

This should include a recommended supply chain model-please see notes above (section D) referencing the material supply chain and labor supply chain. This should also include how this program could be a national demonstration project.

### **G. Draft of Performance Plan and Impact Measurement System**

This will include how the workforce program will measure and track success. Specifically, the plan will identify the performance measurement data collection points and from who those come from (such as from students and community), when data is collected, where it will be stored, and how it will be reported. The performance plan will detail lead responsible parties for setting performance goals of the program, monitor performance, and approve and revise the performance plan measures (listing members of any oversight or policy board).

### **H. Outline of Incubator Models/Alternatives**

The consultant will provide analysis of several models of financing for tribal members to be able to purchase a home (different scenarios and recommendations). Examples could include development of a Down Payment Assistance Program (DPA) similar to the Nebraska 'Ho-Chunk Inc' Housing Authority model, the HUD Section 184 loan program, and others. Models should look closely at integrating local banks into the various models and how they can interact with HUD, BIA, state loan, and subsidy programs. A recent example is Security Bank in Bemidji providing construction loan in collaboration with HUD Section 184 Indian loan program (This is where the bank funds construction of a house, and after it is completed, HUD assumes the loan from the bank). Recommend TYPES of housing development sites for housing areas that are served with the needed infrastructure including water and sewer services. Consultant will meet with the LLBO Housing Director for Leech Lake Housing Authority (LLHA) and other recommended partners to determine recommendations. They will provide an initial design and concept plan showing the conceptual floorplan and cost estimated for the proposed manufacturing facility.

**I. Workforce Analysis - Draft of Policies and Procedures for Program, Trainings, and Services – including recommended recruitment model and trained workforce placement**

- Identify curriculum plan model(s) for training students
- Explore EDA supported “mobile classroom models”
- Create recruitment plan for how students will participate and pay for tuition. Create a plan for how students who graduate from the training program could apprentice and have on-the-job placement with contractors and the manufacturing facility.
- Create advisory plan of how LLBO seeks private sector industry expertise to inform curriculum.
- Specific recommendations for how to support Band members with barriers to attaining education and jobs; i.e.-child care, transportation, funding, etc.

**J. Engineering - Preliminary Drawings and Design Conceptualizations.**

- Recommendation of site based on initial cost analysis for facility equipment, site development, and structure to determine feasibility – not a full Preliminary Engineering Report. (A 5-acre site has already identified for the production facility across the street from the Tribal College).
- Provide a cost and design analysis for the necessary equipment, site development, and structure for the manufacturing facility.
- Create a design plan of the program delivery space including *Preliminary Engineering* and Design- One Form ED-900C (EDA Application Supplement for Construction Programs) and accompanying supporting documentation.

All of the above documentation offers the data required for future construction investments to advance the comprehensive workforce program.

## 5. EDA ALIGNMENT

The LLBO workforce training program assists with economic resilience (including business continuity and preparedness) and long-term recovery from our natural disasters and economic shock to ensure that our region is globally competitive.

The Leech Lake Band of Ojibwe workforce training program comprehensive study offers informed data to LLBO leaders and future funding partners. The program has the potential to broaden the construction industry by increasing the valuable qualified skilled workforce and strengthening the manufacturing and housing economy. This will be done via the development and construction of high-performing programs and buildings to mitigate the future risk and economic vulnerability of the housing economy.

EDA Workforce Development & Manufacturing priority: The LLBO workforce training program supports the planning and implementation of infrastructure for skills-training centers and related facilities that address the hiring needs of the business community -- particularly in the manufactured housing sector -- with a specific emphasis on the expansion of apprenticeships and work- and-learn training models. This also includes projects that encourage job creation and business expansion in manufacturing, infrastructure, and manufacturing supply chains.

The Leech Lake Band of Ojibwe workforce training program comprehensive study offers informed data to LLBO leaders and future funding partners. Through newly designed partnerships, educational offerings will be delivered to students who seek high paid positions within the housing and construction economy and supply chain businesses.

EDA Opportunity Zones priority: Planning and implementation projects aimed at attracting private investment - including from Opportunity Funds - to grow businesses and create jobs in Census tracts that have been designated as Opportunity Zones. This includes targeted projects located within an Opportunity Zone; projects that, while not located within an Opportunity Zone, have a clear intent of benefiting nearby Opportunity Zone(s); and regional projects that encompass an area containing at least one Opportunity Zone with a clear intent of benefiting that Opportunity Zone.

Opportunity Zones are designed to spur economic development by providing tax benefits to investors. The Leech Lake Band of Ojibwe is located on a designated Opportunity Zone area. To the extent we are able to leverage this designation to offer economic resilience, we mitigate the potential for future economic injury and promote a faster "up-time" for the housing and construction related economy.

## 6. LLBO RESPONSIBILITIES

- a. Procurement of competitive proposals in accordance with procurement method in compliance with 2.CFR.200.320.(d).
- b. Assist with submittal of all forms to funding sources
- c. Provide the project Feasibility Study
- d. Timely review of drawings.
- e. Meet on regular basis to further define scope of work
- f. Compensate for services

## 7. PROJECT SCHEDULE

- a. **RFP posted July 20, 2020**
- b. **Responses to this RFP due August 10, 2020, submitted to Cheryal Lee Hills [chills@regionfive.org](mailto:chills@regionfive.org).**
- c. A meeting may be scheduled to give Respondents the opportunity to ask questions regarding the project specifications.

July 20, 2020	August 10, 2020	August 11, 2020 – February 15, 2021	March 30, 2021
Craft & POST consultant RFP	Select, hire Consultant	Consultant performs deliverables	Consultant delivers final reports

## 8. RESPONDER'S RESPONSIBILITIES/DELIVERABLES

The respondent agrees to be responsible for any damages arising from any defects in design (the firm must show proof of insurance to cover liability for such damages)

*Responders will provide bulleted/itemized costs for each of the following deliverables*

### 1. Feasibility Study

- On-going Planning with Leadership & Project Administration
- Analysis of Market/Community Demand, Supply, & Support
- Outline of Incubator Models/Alternatives
- Partnership and Branding Opportunities
- 10-year Trend Projections - Inventory and Prioritization for Funding Sources (Funding Matrix)
- Pro Forma and Financial Capacity Operations
- Data-driven Recommendations and Conclusions – including recommended
  - ✓ off reservation market demand
  - ✓ practicability of national demonstration project
- Draft of Policies and Procedures for Operations (SOP) – including recommended supply chain model for labor supply and material supply chains
- Draft of Performance Plan and Impact Measurement System
- Travel, 3 Trips, 2 Consultant Employees

### 2. Financial Analysis

Provide analysis of several models of financing for tribal members to be able to purchase a home. Housing finance & mortgage options for Band members (pathway to purchasing housing)

### 3. Workforce Analysis

Draft model for Policies and Procedures for Program, Trainings, and Services – including recommended recruitment model and trained workforce placement plan. Explore EDA supported “mobile classrooms”

- Identify curriculum plan for program.
- Create recruitment plan for how students will access, participate in, and pay for tuition and graduate from the training into the apprentice and on-the-job placement program with contractors or construction industry.
- Create advisory plan of how LLBO seeks private sector industry expertise to inform curriculum.
- Identify the necessary partnerships with local, regional, and statewide workforce training partners.
- Identify specific recommendations for how to support Band members with barriers to attaining education and jobs; i.e.-child care, transportation, funding, etc.

### 4. Engineering

Preliminary Drawings and Design Conceptualizations, Recommendation of site, based on initial cost analysis for facility, equipment, site development and structure; to determine feasibility – not a full Preliminary Engineering Report.

Specific dollar amounts listed above may vary and are presented as estimates not to exceed the \$153,840.00 project consultant line item allocation. Project would reimburse actual expenses derived from invoices aligned with project progress of deliverables by the Consultant team approved through the RFP selection process.

## 9. TECHNICAL PROPOSAL

The technical proposal prepared in response to this RFP shall contain at a minimum the following information and shall be organized in the following manner:

- a. The name, address, and contact information of the firm submitting the RFP and identification of a parent company, if any;
- b. The name, office location, qualifications (brief bio), and experience of the individual who would be designated as overall project manager as well as any other team members, partners, or sub-contractors contributing to the project. Include identification of similar work performed by these individual(s) in the last three to five years.
- c. A chart or table illustrating the Respondent's assessment of key milestones in the project and an anticipated timeline for reaching those milestones.
- d. A specific description of the support that must be provided by the LLBO for the Responder to successfully and expeditiously carry out the work plan described above.
- e. Name of any professional memberships such as the American Consulting Engineers Council (ACEC), American Society of Civil Engineers (ASCE), National Society of Professional Engineers (NSPE), and/or the American Institute of Architects (AIA).

## 10. COST PROPOSAL

- a. A firm, not to exceed fixed price for the complete scope of services described in the Responder's Technical Proposal and cover costs for each of the items listed in Responders Responsibilities and Deliverables - section 8.0 of this RFP.
- b. Compensation is not based on the use of the cost-plus-a- percentage-of- cost or percentage of construction cost form of compensation.
- c. All services necessary for the successful execution of the project, including any of the following: consultations, surveys, soil investigations, supervision, "as- built" drawings, and incidental costs or spelled out in RFP response.

## 11. PROPOSAL EVALUATION

The initial evaluations will be based on the content of the Proposals. The proposals will be ranked based on the following factors (weighting of each factor listed in parenthesis):

- ✓ Expressed understanding of the project, key objectives, and associated risks(30%)
  - ✓ Assessment of the proposed key milestones, project timeline and work tasks proposed for the project (10%)
  - ✓ Assessment of the proposed project team and/or firm for qualifications, experience with similar projects, appropriate resources allocated to the project, references (25%)
  - ✓ Assessment of the overall project cost estimate on a comparative basis to the other proposals (35%).
- a. Interviews with top ranked Respondents may be held to clarify and review proposal and qualifications only.
  - b. Evaluation committee reserves the right to award the contract to the Responder whose offer provides the overall greatest value to the LLBO. The award may not be determined by price alone.
  - c. Evaluation committee reserves the right to review any proposal in full or in part.
  - d. If necessary, contract negotiations related to the timeline may proceed following selection of the successful proposal.
  - e. Any protest regarding the evaluation, recommendation or award of proposals shall be filed no later than five (5) calendar days after the electronic notification of award has been sent. Protests shall be addressed to the Cheryal Lee Hills, Executive Director at Region Five Development Commission and be delivered electronically to [chills@regionfive.org](mailto:chills@regionfive.org)