



Open Access Feasibility Fund Request for Proposals Re-issued: June 1, 2008

This Request for Proposal (RFP) is an invitation by the Blandin Foundation (Foundation) to qualified community institutions and/or organizations to request financial assistance to support research that determines the feasibility of geographically based Open Broadband Networks. Open Broadband Networks are defined by the Blandin Foundation for purposes of this RFP as communication networks that make available synchronous (symmetric) broadband service of at least 50 megabits per second to every premise within a market area and where no retail service provider owns a controlling interest in the network infrastructure itself. Applications that engage multiple public and private sector partners and/or communities are encouraged.

Funds are currently available rural Minnesota communities, especially those in 28 southwest Minnesota counties including: Chippewa, Kandiyohi, McLeod, Meeker, Nicollet, Renville, Sibley, Lac Qui Parle, Lincoln, Lyon, Redwood, Yellow Medicine, Brown, Cottonwood, Jackson, Martin, Murray, Nobles, Pipestone, Rock, Watonwan, Blue Earth, Faribault, Freeborn, LeSueur, Rice, Steele, and Waseca.

Submission of a proposal does not create any right in or expectation of a contract with the Foundation. The Foundation reserves the right to reject any or all proposals, and the Foundation further declares that it will incur no financial obligations for any costs by any company in preparation of proposals. Applications can be submitted at any time from May 1, 2007 until May 1, 2010.

Qualified community institutions and/or organizations may submit their proposal responses to:

**Bernadine Joselyn, Director, Public Policy & Engagement
Blandin Foundation
100 North Pokegama Avenue
Grand Rapids, MN 55744**

Applicants are strongly encouraged to contact Bill Coleman at 651-491-2551 or bill@communitytechnologyadvisors.com with any questions regarding this RFP; this includes transmitting draft versions of proposals for pre-submittal review.

Background

Brief Description of the Foundation

Blandin Foundation is a private foundation based in Grand Rapids, Minnesota. The Foundation was created in 1941, and is Minnesota's largest rural-based and rural-focused foundation. The Foundation is funded through annual contributions from the C.K. Blandin Residuary Trust and earnings from its own investments. At the end of 2004, the net assets of the Foundation and the Residuary Trust were approximately \$410 million.

The Foundation's mission "To strengthen rural communities in Minnesota, especially the Grand Rapids Area," and vision "Healthy rural communities grounded in strong economies where the burdens and benefits are widely shared," guide our three program areas, grant making, community leadership training and public policy. See www.blandinfoundation.org for additional information.

The Blandin Broadband Initiative

The Blandin Broadband Initiative is designed to catalyze broadband investment and use, raise awareness about the value of broadband and encourage public and private investment in rural broadband capacity. Expanding the use of broadband technology increases the potential to retain jobs in rural areas, grows new markets for business, strengthens health care, enhances educational access and improves the quality-of-life.

The Blandin Broadband Initiative began its efforts in 2003. A Strategy Board was convened and identified the need to increase broadband use as an urgent goal of first priority. In response, the Foundation launched the *Get Broadband* Community Grant Program, which supports locally led education and outreach efforts aimed at bringing the benefits of broadband to rural households and businesses. As of December 2006, 29 communities have participated in the program. The Strategy Board also created a vision of ubiquitous ultra high-speed broadband across Minnesota, which the Foundation has been actively promoting.

There are many challenges to attracting the investment necessary to build globally competitive ultra high-speed broadband networks. They are expensive. The governmental regulatory framework is inefficient and obsolete. There is fierce competition from service providers who want to maintain the status quo. A new business model that delivers the desired bandwidth (speed) has shown great success and promise in other parts of the world. This model, called Open Networks or Open Access Networks, is a model where the ownership of the infrastructure (typically a fiber-optic cable network that connects every home and business) is separate from the retail service providers that deliver the voice, video and data services. This is analogous to our road or air travel infrastructure, where the public sector builds the roads or airports and private companies compete to provide the shipping or travel services using this infrastructure. The Open Networks can be owned by the public sector or different types of public-private partnerships. This

business model provides greater efficiency and lower costs because it eliminates the need for redundant infrastructure and investment while promoting private sector competition for the retail services.

The Foundation believes that it can play an important role in promoting this business model by assisting communities in conducting the feasibility studies necessary to determine the financial and technical requirements of an Open Network.

Open Access Feasibility Fund

Goals

1. Identify whether and how an Open Network business model can be successfully implemented in a community or combination of communities.
2. Identify barriers or missing elements necessary to implement an Open Network.

Network Requirements

The Open Network Feasibility Fund is technology-neutral. Proposed Networks must be able to provide synchronous (symmetric) 50 megabits per second to every premise in the community. Network ownership can be private, public or a private-public partnership. No retail service provider can own a controlling interest in the network

Uses of Funds

Foundation funds may be to pay the organization(s) that conduct the feasibility study.

Funding

The Foundation will accept applications for up to \$25,000 for a single community or up to \$40,000 for applications that serve multiple communities. All Foundation grant funds must be matched on a 1:1 cash basis. Additional in-kind contributions are welcome and will be considered as an indicator of organizational support for the project. Grantees should plan to expend the funds within six months of funding.

Application Information and Process

Pre-Application Process

Applicants should contact the Blandin Foundation when considering a proposal. The Foundation would prefer to be involved in design (not implementation) of the community solicitation process [of an organization to do conduct the feasibility study] to ensure that the feasibility study deliverables meet Foundation expectations. In cases where the applicant has already identified a qualified organization to conduct the feasibility study, the Foundation would prefer to review contractual arrangements before they are finalized. The Foundation will provide minimum specifications and requirements for all feasibility studies.

Specifications for Proposal

All proposals submitted in response to this RFP should be prepared simply and economically, avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete, accurate and reliable presentation.

Submit 1 printed copy of the proposal along with an electronic version of the proposed narrative (financial statements required with the submission need not be mailed electronically). Proposals should be sent: Attention Bernadine Joselyn, Blandin Foundation, 100 North Pokegama Avenue, Grand Rapids, MN 55744, and, emailed to Brjoselyn@BlandinFoundation.org.

All proposals must be no longer than eight pages and contain the following information:

- Cover letter that introduces your organization and your proposal, and makes a strategic link between your proposal and the Foundation's mission and grant making interests.
- Organization Information
 - Summary of lead organization's history, including the date your organization was established.
 - Please indicate if the project's lead organization is a 501(c)(3) or a unit of government. An officer of the project's lead organization/fiscal agent should sign Grant application cover letters.
 - Summary of lead organization's mission and goals.
 - Description of all participating organizations. This should include: legal name, mission statement, services and programs, addresses, and staff contacts.
 - Description of the role of the lead and participating organizations, inter-organizational coordination and collaboration during the project, and decision-making processes.
- Area or market to be served
- Business models to be analyzed
 - Business models in addition to Open Networks are acceptable

- Evaluation Criteria for this Proposal
 - Qualifications of personnel/organizations conducting the study
 - Contractual deliverables (outcomes) of the study. Blandin will provide additional information on this requirement.
 - Timeliness and cost
- Attachments (financial information required only of lead/fiscal agent organization)
 - Contract(s) with proposed vendor(s) (if available), or
 - Proposed solicitation request for vendors
 - Most recent financial statement from most recently completed year, audited if available, showing actual expenses. This information should include a balance sheet, a statement of activities (or statement of income and expenses) and functional expenses.
 - Organization budget for current year, including income and expenses.
 - Project Budget, including income and expenses
 - Additional funders. List names of corporations and foundations from which you are requesting funds to implement project activities, with dollar amounts, indicating which sources are committed or pending.
 - Brief description of key project staff and organizations
 - A copy of the lead organization's (or your fiscal agent's) IRS determination letter indicating tax-exempt 501(c)(3) status.

Proposal Checklist

- Cover letter
- Cover sheet
- Proposal narrative
- Lead organization budget
- Project budget
- Financial statements from lead organization, preferably audited, showing actual expenses including:
 - Balance sheet
 - Statement of activities (income and expenses)
 - Statement of functional expenses
- List of additional funders
- Brief description of key staff
- Copies of contracts or requests for proposals
- IRS determination letter

Disposition and Disclosure of Proposals

All proposals submitted in response to this RFP will become the property of the Blandin Foundation.

Modification or Withdrawal of Proposals

Responses to this request for proposals may be modified or withdrawn by written notice (e-mail notice acceptable) prior to the final due date of **May 1, 2010**.

Reservation of Rights

The Blandin Foundation reserves the right to:

- Accept or reject any and all proposals received in response to this RFP, and to solicit new submittals.
- Waive or modify any irregularities in proposals received after prior notification to the vendor.
- Request the submission of proposal modifications at any time if deemed in the best interest of the Foundation with the understanding that such requests may change the cost of services provided.
- Consider proposals or modifications received at any time before the contract is made if such changes are deemed in the best interest of the Foundation.
- Request clarification and/or additional information from the vendor during the evaluation process.
- Utilize any and all ideas submitted in the proposals received unless those ideas are covered by legal patent or proprietary rights and the patent of those rights is indicated by the vendor. Proposals will become the property of Blandin Foundation.
- In the event of contract termination, enter into contract negotiations with other qualified firms that submitted proposals, rather than redoing the proposal process for the project.

Thank you for your submission of a proposal to the Blandin Foundation.