



## Legislation Details (With Text)

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<b>Type:</b>	CONSENT AGENDA		<b>Status:</b>	Approved	
<b>File created:</b>	9/5/2022		<b>In control:</b>	Office of Procurement Services	
<b>On agenda:</b>	9/28/2022		<b>Final action:</b>		
<b>Title:</b>	Authorize a (1) one-year service contract in the amount of \$200,000, with a one year renewal option in the amount of \$200,000 as detailed in the Fiscal Information section, for the administration of a citywide program for tax assistance for the Office of Community Care; and (2) one-year service contract in the amount of \$400,000, with a one year renewal option in the amount of \$400,000 as detailed in the Fiscal Information section, for increased service delivery capacity for Volunteer Income Tax Assistance for the Office of Community Care - Foundation Communities, most advantageous proposer of two - Total amount not to exceed \$1,200,000 - Financing: General Fund (\$400,000) and Coronavirus State and Local Fiscal Recovery Fund (\$800,000) (subject to annual appropriations)				
<b>Sponsors:</b>					
<b>Indexes:</b>	100				
<b>Code sections:</b>					
<b>Attachments:</b>	1. Resolution				

Date	Ver.	Action By	Action	Result
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**STRATEGIC PRIORITY:** Government Performance & Financial Management

**AGENDA DATE:** September 28, 2022

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Jack Ireland

### SUBJECT

Authorize a **(1)** one-year service contract in the amount of \$200,000, with a one year renewal option in the amount of \$200,000 as detailed in the Fiscal Information section, for the administration of a citywide program for tax assistance for the Office of Community Care; and **(2)** one-year service contract in the amount of \$400,000, with a one year renewal option in the amount of \$400,000 as detailed in the Fiscal Information section, for increased service delivery capacity for Volunteer Income Tax Assistance for the Office of Community Care - Foundation Communities, most advantageous proposer of two - Total amount not to exceed \$1,200,000 - Financing: General Fund (\$400,000) and Coronavirus State and Local Fiscal Recovery Fund (\$800,000) (subject to annual appropriations)

### BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm

pricing for services, for a specific term, which are ordered on an as needed basis.

These agreements will provide for the administration of a city-wide program for free tax assistance and increase the service delivery capacity of the Volunteer Income Tax Assistance (VITA) Program. The Office of Community Care has sought nonprofit organizations through an open application process. The subrecipient will administer a city-wide program for free tax assistance targeted to communities with high concentrations of Earned Income Tax Credit (EITC) eligible filers. This agreement will enhance the financial literacy of the participants by providing education to families on beneficial use of EITC as the anchor for wrap-around services connecting to financial empowerment services.

This program also sought out administrators to increase capacity for VITA service delivery. VITA assists low-to-moderate-income individuals with free tax assistance and financial education to explore their opportunities to qualify for the EITC, in readily accessible locations. The recommended proposer will facilitate year-round outreach and education and expanded service delivery.

A four-member committee from the following departments reviewed and evaluated the qualifications:

- Budget and Management Services (1)
- Office of Community Care (2)
- Office of Procurement Services (1)\*

\*The Office of Procurement Services evaluated cost and local preference, if applicable.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Programming and work plan 35 points
- Organizational capacity - 20 points
- Evaluation plan 20 points
- Cost and budget 20 points
- Local Preference 5 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$15.21; the selected vendor meets this requirement.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 23, 2021, City Council authorized the acceptance of grant funds from the U.S. Department

of Treasury for the Coronavirus Local Fiscal Recovery Fund to provide relief during the ongoing COVID-19 pandemic by Resolution No. 21-1149.

On September 22, 2021, City Council authorized the final reading and adoption of the appropriation ordinance for the FY 2021-22 City of Dallas Operating, Capital, and Grant & Trust Budgets, which included the ARPA funds from the U.S. Department of Treasury for the Coronavirus Local Fiscal Recovery Funds by Resolution No. 21-1590.

### **FISCAL INFORMATION**

Fund	FY 2022	FY 2023	Future Years
General Fund	\$200,000.00	\$200,000.00	\$0.00
Coronavirus State and Local Fiscal Recovery Fund	\$400,000.00	\$400,000.00	\$0.00
Total	\$600,000.00	\$600,000.00	\$0.00

Initial Term: \$600,000.00

Renewal Option: Year 1 \$600,000.00

Total \$1,200,000.00

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal
\$1,200,000.00	Other Services	N/A
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall \$
N/A	N/A	N/A
<ul style="list-style-type: none"> <li>The Business Inclusion and Development Policy does not apply to Other Service contracts</li> <li>Foundation Communities - Non-local; Workforce - 22.00% Local</li> </ul>		

### **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Request for Competitive	<ul style="list-style-type: none"> <li>Utilized for high technology procurements, insurance procurements, and other goods and services</li> </ul>
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Sealed Proposal	<ul style="list-style-type: none"> <li>• Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications</li> <li>• Always involves a team evaluation</li> <li>• Allows for negotiation on contract terms, including price</li> </ul>
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The Office of Procurement Services received the following proposals from solicitation number BYZ22-00018327. We opened them on January 28, 2022. We recommend the City Council award these service price agreements in their entirety to the most advantageous proposer.

\*Denotes successful proposer

<b><u>Proposers</u></b>	<b><u>Address</u></b>	<b><u>Score</u></b>
*Foundation Communities	3000 South IH 35 Frontage Rd. Suite #300 Austin, TX 78704	90.33
Services of Hope & Fiancial Hope CCS,	5470 Ellsworth Ave. Dallas, TX 75206	77.67

### **EQUITY INVESTMENT FRAMEWORK INFORMATION**

<b>Equitable Investment Framework</b>	<b>Department Input</b>
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**Benefits & Burdens** Funds will support free, year-round outreach and professional tax assistance from trained staff and certified volunteers. The program will target low-income Dallas residents who have been disproportionately impacted by the COVID-19 pandemic. Research from the Dallas Federal Reserve Bank shows that low-income residents are leaving millions on the table in unclaimed tax refund dollars. Hispanic households are less likely than other households to claim EITC benefits, though research suggests this difference closes when language barriers are removed (<https://www.dallasfed.org/cd/communities/2022/0321> <https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.dallasfed.org%2Fcd%2F> ).

The program will help low-income clients take advantage of available refundable tax credits, such as the Earned Income Tax Credit, considered to be the most effective means-tested anti-poverty program, or the Child Tax Credit, which targets working families and has been expanded under COVID-related aid packages, and to maximize refunds. Without these resources available, low-income residents will have limited support and will be less likely to be aware of and successfully claim funds available to them and may be susceptible to using high-cost providers or to accepting expensive loan products that can tremendously reduce the cash that comes back into the household.

Intentional efforts will be made on providing services in Qualified Census Tracts and other areas accessible to low-income residents.

<p>The U.S. Department of Housing and Urban Development (HUD) defines Qualified Census Tracts as census tracts that have at least 50 percent of households with incomes below 60 percent of the Area Median Income (AMI) or have a poverty rate of 25 percent or more.</p>	
<p><b>Data Analysis</b></p>	<p>Contracts will require the subrecipient to report monthly on the number of direct beneficiaries served. This monthly report will include demographic data on direct beneficiaries such as data on race, ethnicity, and household income. This will enable the subrecipient to review and target service delivery, improve outreach and outcomes for key communities, including communities of color, and will allow them to collect information on total refunds coming back into specific communities. The U.S. Treasury Guidance for the SLFRF program defines low- and moderate-income as:</p> <ul style="list-style-type: none"> <li>• Low-income is defined as having a household income at or below 185% of Federal Poverty Guidelines, per the U.S. Department of Health and Human Services, or at or below 40% of Area Median Income, as defined by HUD.</li> <li>• Moderate-income is defined as having a household income at or below 300% of Federal Poverty Guidelines, per the U.S. Department of Health and Human Services, or at or below 65% of Area Median Income, as defined by HUD.</li> </ul> <p>Additionally, the RFP considered the location of service delivery, targeting identified Qualified Census Tracts and other areas that are accessible to low-income populations, and client outreach targeting as a component of the evaluation process to select subrecipient partners.</p>
<p><b>Community Engagement</b></p>	<p>A critical component of service delivery for this program is outreach and education. Proposers were required to submit outreach plans as a component of the submission, including strategies for reaching target populations. Services must be available in community-based sites that are known and easy to access for these populations. Services must be available in Spanish as well as English, in order to target Spanish-speaking populations.</p>

<b>Transparency &amp; Accountability</b>	In addition to thoughtful community outreach and accessible service delivery locations, the program also includes a robust evaluation. The subrecipient will submit monthly target analysis documents and monthly demographics data, including zip code and council district data. This program aligns with the requirements set forth for ARPA SLFRF because it specifically targets low-income residents, who are more likely to have been negatively impacted by the pandemic, in areas like QCTs. Additionally, the service is responsive to the client needs as the prevalence of periods of unemployment, changing tax codes, and expanded Child Tax Credit may complicate tax filings, making a resource such as free professional tax assistance truly valuable in COVID-19 response.
<b>Alignment</b>	The Tax Assistance Program aligns with the City's core work around financial stability and Financial Stability Centers (FECs). These services address poverty by providing a substantial infusion of funds into low-income families, which is then likely to be spent catching up or making purchases from local businesses and contributing to local taxes. Additionally, by linking outreach and education, and tying back to and expanding upon the work of FECs, the broad reach of tax assistance programs can serve as an avenue to reach and engage clients. This project aligns with Equity Indicators 3 - Income and 4 - Poverty.
<b>Amplification</b>	Achievements will be reported to the U.S. Treasury, Dallas City Council, and the general public. All marketing and informational materials will be published in English and Spanish.
<b>Applicable Tier</b>	Tier 1 - Immediate Relief <i>Or</i> Tier 4 - Regional Partnerships

**OWNER****Foundation Communities**

Walter Moreau, Executive Director