

EV2228 Economic Development Incentives Analysis

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05/16/2016*

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1. Instructions and Conditions

1. PURPOSE

Conduct a comprehensive analysis of the City of Kansas City's historic use of economic development incentives and the resulting impacts.

2. DUE DATE FOR PROPOSALS

Proposers shall submit Proposals to the City Contact Person listed in Section 3 by 11:00 p.m. (CT) on 06/12/2016, (June 12, 2016).

3. CITY CONTACT PERSONS

(a) General, Technical and Proposal Submission Questions

Proposers shall submit their Proposal and any general questions or issues about any aspect of this RFP to the following City Contact person:

Kerrie Tyndall
City Manager's Office
City Hall, 29th Floor
414 E. 12th Street
Kansas City, Missouri 64106
Office: (816) 513-6539
E-mail: kerrie.tyndall@kcmo.org

Questions may also be submitted through the RFP365 online tool.

4. DEFINITIONS

- This Request for Proposals ("RFP" or "solicitation") is an invitation by the City for Proposers to submit an offer, which may be subject to subsequent discussions and negotiations by the City and the Proposer. It is not a request for a competitive bid.
- "Proposal" means any document, submittal, interview, presentation, discussion, negotiation, and everything and anything provided in response to this RFP regardless whether the submission is an oral or written submission.
- By submitting a proposal to the City, Proposer agrees that the Proposer does not obtain any right in or expectation to a contract with the City or a vested interest or a property right in a

contract with the City regardless of the amount of time, effort and expense expended by Proposer in attempting to obtain a written executed contract with the City that complies with Section 432.070, RSMo, the City Charter and City ordinances.

5. ESTIMATED SCHEDULE

This process will include two primary phases - the Qualifications Phase, during which firms will be evaluated, based on expertise and approach, and a preferred firm will be selected to proceed to the second phase - the Scope Development/Price Negotiation Phase. The schedule below provides estimated time frames for the major components of these two phases

These are estimated dates subject to modification by the City. Respondents will be notified of any changes to this schedule.

- 1 Issue RFQ/P
- 2 Due Date for Responses - 6/12/16
- 3 Pre-Submittal Teleconference - to answer questions and provide clarification on qualification requirements one (1) week prior to the close date for the RFQ/P.
- 4 Question Period - 2 weeks after Close.
- 5 Short-listed Firm Interviews Complete - Mid June 2016
- 6 Preferred Firm Selected - Jun 2016

Upon selection of the preferred firm, the City will issue an offer letter and schedule a kick off meeting to begin negotiation of the final scope of services and pricing with the selected firm.

- 1 Finalize the Scope of Services and Pricing - Early Summer 2016.
 - 2 Project Commencement - Summer 2016
 - 3 Required Project Completion Date - Fall 2016
-

6. RFQ/P DOCUMENTS

This RFQ/P consists of the following sections:

- This RFQ/P

- Scope of Services
 - Standard City Contract
 - HRD Documents
-

7. EXAMINATION OF ALL RFQ/P DOCUMENTS AND REQUIREMENTS

- Each Proposer shall carefully examine all RFQ/P documents and thoroughly familiarize themselves with all RFQ/P requirements prior to submitting a proposal to ensure that Proposer's Proposal meets the intent of this RFQ/P.
 - Before submitting a Proposal to the City, each Proposer shall be responsible for making all investigations and examinations that are necessary to ascertain any and all conditions and requirements that affect the requirements of this RFQ/P. Failure to make such investigations and examinations shall not relieve the Proposer from Proposer's obligation to comply, in every detail, with all provisions and requirements of the RFQ/P.
 - By submitting a Proposal to the City, Proposer certifies that Proposer has provided the City with written notice of all ambiguities, conflicts, mistakes, errors or discrepancies that Proposer has discovered in the RFQ/P, the Proposed Contract, Scope of Services and any other document. By executing a Contract with the City, Proposer certifies that Proposer communicated to City all ambiguities, conflicts, errors or discrepancies that it has discovered in the RFQ/P, the Proposed Contract, Scope of Services and any other document and that written resolution thereof by the City as embodied in the final Contract is acceptable to Proposer.
-

8. QUESTIONS AND CLARIFICATIONS ABOUT THIS RFQ/P

- Question Deadline
 - Proposers may submit written questions, request clarifications or provide notice to the appropriate City Contact person listed in Section 3 of any ambiguities, conflicts, mistakes, errors or discrepancies that Proposer has discovered in the RFQ/P, the Proposed Contract, Scope of Services and any other solicitation document at any time until one (1) week prior to the due date for proposals.
 - The City will answer all inquiries by any Proposer in writing. If any inquiry results in a change in the RFQ/P, the City will issue an Addendum and the Addendum will be on

the City's website. It is the responsibility of Proposers to check and City's website for addenda. <http://www.kcmo.gov>

- Questions - Post Deadline
 - If a Proposer discovers any ambiguities, conflicts, mistakes, errors or discrepancies **after the deadline for questions and clarifications or after the proposal due date**, Proposer shall immediately submit the ambiguity, conflict, mistake, error or discrepancy to the appropriate City Contact person listed in Section 3. The City, in its sole discretion, shall determine the appropriate response to any issue raised by any Proposer.

9. SUBMISSION OF PROPOSALS

All proposal documents must be submitted in the exact order as listed in the City RFQ/P.

- The City uses RFP365 for the electronic distribution and submission of this RFQ/P's responses.
- Respondents will prepare their answers and upload completed forms in this electronic platform. Respondents can prepare responses to RFQ/P questions that include:
 - Formatted text, using the formatting options in the text editor
 - Uploaded files, including completed forms and supporting documentation. Use the *paperclip* icon in the text editor to upload a file.
 - Embedded images. Thumbnails of images can be uploaded into the text, resized, and placed using the controls through *picture frame* icon in the text editor.
 - Links to external website which are publicly available.
- Respondents using the RFP365 platform can add internal team members to help in the preparation of their responses. By clicking on the Users page through the drop-down under your name in the upper right-hand corner, you can invite team members to collaborate on responses.
- Users of this platform must have an internet connection and can use browsers including: Google Chrome, Mozilla Firefox, Apple Safari, and Microsoft Internet Explorer 9 or newer. Users on old versions of browsers which are not supported by this application will be warned at the login screen that they are using an unsupported browser. Google Chrome and Mozilla Firefox are free browsers and can be installed on the user's computer at no charge.
- Users of RFP365 can send and receive messages to the RFQ/P owner by using the messaging feature in the top-right corner of this RFQ/P screen. Messages will be responded to accordingly and an email of any message will be copied to the respondent point of contact.
- Each response can be assigned to users of the respondent's team. They can set internal due dates and manage the progress inside of the RFP365 platform.
- Only complete and approved responses can be submitted.
- Submission after the due date at midnight (Central time) is not allowed.
- Technical support for this application is available at support@rfp365.com.

10. CONTENT OF PROPOSAL

In the subsequent sections of this proposal, respondents will be required to prepare answers to various questions. These sections include:

- Business/Firm Profile and Legal Structure
- Experience
- Personnel
- Project Approach
- Sustainability
- Cost Proposal
- References
- Other Required Documents

11. EVALUATION CRITERIA

Any evaluation criteria or weighting of criteria is used by the City only as a tool to assist the City in selecting the best proposal for the City. Evaluation scores or ranks do not create any right in or expectation to a contract with the City regardless of any score or ranking given to any Proposer by the City. In other words, even if the City gives a Proposer the highest rank and highest score, the Proposer still has no expectation of a contract with the City and the City may choose to contract with any other Proposer regardless of the score or rank of the other Proposer.

Our evaluation criteria will include the following:

Minimum Eligibility Criteria

- **Schedule.** The selected firm will be required to complete this analysis by Fall 2016, and will be required to demonstrate capacity to meet required deadlines, subject to final negotiated project schedule.
- **Minority Participation.** Selected firms will be required to comply with City MBE/WBE policies and utilized locally certified subcontractors in fulfillment of these requirements.
- **Qualifications.** Teams will be evaluated on the basis of experience in performing similar projects. References will be used to assist in this evaluation.

- Understanding of project. Teams will be evaluated on the basis of how well they communicate an understanding of the research project outlined in this RFQ/P.
- Approach to project. Proposals will be evaluated on how the proposed project meets the objectives of the City and its partners and the proposer's understanding of available data and their approach for gathering the data. This includes the strength of the applicant's approach to analyzing or modeling the impact of economic development incentives.
- Quality of work. Proposals will be judged on the apparent quality of the work performed in similar situations. References will be used to determine the research team's ability to deliver the results expected.
- Personnel. Proposals will be evaluated on the personnel assigned to the project. Specific attention will be placed on personnel who have similar project experience and qualifications to perform the tasks outlined in the RFQ/P. This includes the demonstrated ability of the contractor to conduct the project within the given timeframe, based on staffing. At least one team member of any responding firm should have a minimum of 10 years individual professional experience in a leadership capacity in an economic development, public sector finance, tax accounting, economics, either economic analysis, tax analysis, real estate analysis, public policy analysis, or related field.
- Value. Proposals will be evaluated on the basis of the approach that will position the City of Kansas City to obtain results and achieve the most success within the framework identified in the proposal - ultimately providing Kansas City with a significant economic development planning tool and analysis.
- Cost. Proposals will be evaluated on the cost estimate provided in relation to the expertise and approach outlined.
- Past Experience. Proposals will be evaluated on the number of years of relevant experience, with preference towards firms having experience working with local governments, analyzing economic incentives and/or tax policy, conducting economic research, and/or analyzing real estate values. The selected firm must have past experience completing complex analysis for federal, state, or local governments, or economic development organizations serving populations of at least 100,000 residents.

Evaluation of responses to this RFQ/P and final selection of a preferred consulting team will be conducted by a Project Selection Committee comprised of representatives from various City departments and community partners engaged in daily economic development activities on behalf of the City including - City Finance, City Planning, the Office of Economic Development (a division of the City Manager's Office), the Mayor's Office, the Economic Development Corporation of Kansas City, Missouri, and staff of the Tax Increment Financing Commission and the Planned Industrial Expansion Authority, which are economic development statutory agencies of the City.

12. INTERVIEWS

The City, in its sole discretion, may interview none, one, some or all of the Proposers who submit proposals.

13. DISCUSSIONS AND NEGOTIATIONS

The City, in its sole discretion, may do any or all of the following:

- evaluate Proposals and award a contract with or without discussions or negotiations with any or all of the Proposers;
- discuss and negotiate anything and everything with any Proposer or Proposers at any time;
- request additional information from any or all Proposers;
- request a Proposer or Proposers to submit a new Proposal;
- request one or more best and final offers from any or all Proposers;
- accept any Proposal in whole or in part;
- require a Proposer to make modifications to their initial Proposals;
- make a partial award to any or all Proposers;
- make a multiple award to any or all of Proposers;
- terminate this RFQ/P, and reissue an amended RFQ/P.

14. PROPOSAL MUST REMAIN FIRM IRREVOCABLE OFFER TO CITY FOR 6 MONTHS

- By submitting a proposal to the City, Proposer agrees that Proposer's Proposal shall constitute a firm irrevocable offer to the City that Proposer shall not withdraw or modify without the City's approval for six (6) months after the proposal due date. Proposer agrees that even if the City negotiates or makes a counter offer to Proposer on Proposer's original Proposal or any subsequent Proposal submitted by Proposer to the City, Proposer hereby grants to the City, in the City's sole discretion, the unconditional right for the City to accept Proposer's original Proposal and the City's negotiation or counter offer shall not be deemed to be a counter offer.
- After six (6) months, the City can accept any proposal or subsequent proposals from any Proposer with the consent of the Proposer at any time and regardless of the length of time that has passed from the proposal due date.

15. SELECTION

The City will select the proposal that in the City's sole judgment the City determines to be the best Proposal. Section 432.070, RSMo requires the City to have a written executed contract signed by both

parties prior to anyone performing services or providing any goods, supplies, materials or equipment to the City.

The written executed contract must also comply with the City Charter and City Ordinances.

This means that a proposer does not have a contract with the City until a written contract is *executed*. A contract is *executed* when all of the following have occurred: (1) the City Council authorizes the execution of a contract with the Proposer (if City Council approval is requested by City staff or is required by City Ordinance); (2) persons with actual authority to bind both the City and the Proposer execute the contract; (3) the contract is approved by the Law Department; (4) the City issues a purchase order to the Contractor with the Director of Finance's certification of availability of funds for the contract; and (5) any other required step.

A Proposer does not have a contract with the City until all the steps are completed.

If the City does not complete all required steps, there is no contract between the City and the Proposer and the City has absolutely no contractual or financial obligation to any Proposer regardless of the amount of time, effort and money spent by the Proposer responding to the RFQ/P and attempting to negotiate and obtain a contract with the City.

16. REJECTION OF PROPOSALS

The City reserves the unconditional right to reject any or all proposals received in response to this RFQ/P at any time prior to the City executing a contract that meets the requirements of Section 432.070, RSMo, the City Charter and all applicable City Ordinances.

17. WAIVER OF ORDINANCES, REGULATIONS AND RFQ/P REQUIREMENTS

- The City, at any time, may waive any requirements imposed in this RFQ/P or by any City regulation.
- The City may waive any requirement imposed by the City's Code of Ordinances when failure to grant the waiver will result in an increased cost to the City and the requirement waived would be waived for all Proposers for this RFQ/P and it is in the best interest of the City to grant the waiver.

18. LATE PROPOSALS

The City, in its sole discretion, may consider proposals received by the City after the proposal due date.

19. CHANGES IN THE RFQ/P

- After this RFQ/P is issued, the City, in its sole discretion, may change everything or anything contained in this RFQ/P at any time including after the Proposal due date. If the change is prior to the proposal due date, the City reserves the right, when considered necessary or appropriate, to modify this RFQ/P.
 - If the City shall amend the RFQ/P after the proposal due date, the City may, in its sole discretion, solicit new proposals in an amended RFQ/P from anyone or everyone regardless whether a person submitted a proposal in response to the original RFQ/P.
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20. CHANGES IN EXECUTED CONTRACT AND ADDITIONAL WORK

- After the City executes a contract in accordance with the requirements of Section 432.070, RSMo, the City Charter and City Ordinances, the City may, in its sole discretion, amend the contract to change anything or everything associated with the contract as long as such change is in the interest of the City and as long as the Contractor agrees to the change.
 - The City, in its sole discretion, may award additional contracts for related work or subsequent Project phases to the selected Contractor.
 - The City, in its sole discretion, may extend the term of the contract with the selected Contractor notwithstanding the expiration of the initial term or any subsequent term or all options to renew, until the City has a new contract in place with either Proposer or another provider or until the City terminates the Contract.
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21. PROPOSER SOLELY RESPONSIBLE FOR ALL COSTS

Regardless of the amount of time, effort, cost and expense incurred by a Proposer in Proposer's attempt to win this City contract, Proposer agrees that Proposer shall be solely responsible and liable for any and all costs incurred by Proposer.

The City shall have no liability or responsibility for any of Proposer's costs or expenses.

22. OWNERSHIP OF PROPOSALS

By submitting its Proposal, Proposer hereby agrees that Proposer's Proposal and any supplementary material submitted by the Proposer shall become property of the City.

23. DISCLOSURE OF PROPRIETARY INFORMATION

- A Proposer may attempt to restrict the disclosure of scientific and technological innovations in which the Proposer has a proprietary interest, or other information that is protected from public disclosure by law, which is contained in the Proposal by marking each response of each such document prominently with the words "Proprietary Information";
 - After either a contract is executed pursuant to the RFQ/P, or all submittals are rejected, if access to documents marked "Proprietary Information", as provided above, is requested under the Missouri Sunshine Law, the City will notify the Proposer of the request, and it shall be the burden of the Proposer to establish that such documents are exempt from disclosure under the law.
 - If the Proposer elects to challenge a formal request for such information made to the City and if the Proposer is unsuccessful in keeping such information closed, the Proposer shall pay for any and all costs, attorney fees and fines that are a result of Proposer's attempt to keep the information closed.
 - Notwithstanding the foregoing, in response to a formal request for information, the City reserves the right to release any documents if the City determines that such information is a public record pursuant to the Missouri Sunshine Law. The City shall have no liability to any Proposer or anyone else for releasing any Proprietary Information of a Proposer even if the City is negligent in releasing or disclosing any Proprietary Information of any Proposer.
-

24. CLOSED RECORDS

All Proposals including interviews, presentations and documents, and meetings relating thereto may remain closed records or meetings under the Missouri Sunshine Law until a contract is executed or until all Proposals are rejected by the City. If the City amends this RFQ/P, Proposals submitted in response to the original RFQ/P may remain closed records until a contract is executed or all proposals submitted in response to the amended RFQ/P are rejected.

Proposals shall remain closed records even if the City mistakenly informs all Proposers that it is rejecting any and all Proposals prior to amending the RFQ/P as long as the City intends to amend the RFQ/P and resolicit Proposals.

25. AFFIRMATIVE ACTION

It is the policy of the City that any person or entity entering into a contract with the City, will employ applicants and treat employees equally without regard to their race, color, sex, religion, national origin or ancestry, disability, sexual orientation, gender identity or age.

The City's Affirmative Action ordinance requires that any person or entity who employs fifty (50) or more persons and is awarded a contract from the City totaling more than \$300,000.00 must:

- Execute and submit an affidavit, in a form prescribed by the City, warranting that the Contractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the contract.
- Submit, in print or electronic format, a copy of the Contractor's current certificate of compliance to the City's Human Relations Department (HRD) prior to receiving the first payment under the contract, unless a copy has already been submitted to HRD at any point within the previous two (2) calendar years. If, and only if, Contractor does not possess a current certification of compliance, Contractor shall submit, in print or electronic format, a copy of its affirmative action program to HRD prior to receiving the first payment under the contract, unless a copy has already been submitted to HRD at any point within the previous two (2) calendar years.
- Require any Subcontractor awarded a subcontract exceeding \$300,000.00 to affirm that Subcontractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the subcontract.
- Obtain from any Subcontractor awarded a subcontract exceeding \$300,000.00 a copy of the Subcontractor's current certificate of compliance and tender a copy of the same, in print or electronic format, to HRD within thirty (30) days from the date the subcontract is executed. If, and only if, Subcontractor does not possess a current certificate of compliance, Contractor shall obtain a copy of the Subcontractor's affirmative action program and tender a copy of the same, in print or electronic format, to HRD within thirty (30) days from the date the subcontract is executed

If you have any questions regarding the City's Affirmative Action requirements, please contact HRD at (816) 513-1836 or visit the City's website: www.kcmo.gov

26. TAX CLEARANCE FOR CITY

Prior to the City making the first payment under any contract or contract renewal term, Contractor must provide a tax clearance letter from the City's Commissioner of Revenue dated not more than ninety (90) days from the date of submission.

Proposers may obtain this tax clearance letter from the City's Revenue Division at (816) 513-1135 or (816) 513-1089.

27. INDEMNIFICATION

The City's standard contract requires that the Contractor shall indemnify, defend and hold harmless the City and any of its agencies, officials, officers, or employees from and against all claims, damages, liability, losses, costs, and expenses, including reasonable attorneys' fees, arising out of or resulting from any acts or omissions in connection with the contract, caused in whole or in part by Contractor, its employees, agents, or Subcontractors, or caused by others for whom Contractor is liable, including negligent acts or omissions of the City, its agencies, officials, officers, or employees. The contract requires Contractor to obtain specified limits of insurance to insure the indemnity obligation. **Contractor has the opportunity to recover the cost of the required insurance in the Contract Price by including the cost of that insurance in the Proposal.**

28. BUY AMERICAN AND MISSOURI PREFERENCE POLICIES

- Buy American Preference. It is the policy of the City that any manufactured goods or commodities used or supplied in the performance of any City contract or any subcontract thereto shall be manufactured or produced in the United States whenever possible. When proposals offer quality, price, conformity with specifications, term of delivery and other conditions imposed in the specifications that are equal, the City shall select the proposal that uses manufactured goods or commodities that are manufactured or produced in the United States.
 - Buy Missouri Preference. It is the policy of the City to give preference to all commodities manufactured, produced, or grown within the State of Missouri and to all firms, corporations, or individuals doing business as Missouri firms, corporations, or individuals, when the quality is equal or better and delivered price is the same or less. It is the Proposer's responsibility to claim these preferences.
-

29. MISSOURI SECRETARY OF STATE BUSINESS ENTITY REGISTRATION

Prior to execution of a contract with the City, the apparent successful Proposer must submit a current copy of Proposer's Certificate of Good Standing from the Missouri Secretary of State's website.

<http://www.sos.mo.gov>

30. CITY OF KANSAS CITY MISSOURI BUSINESS LICENSE

Prior to execution of a contract with the City, the apparent successful Proposer must submit a current copy of Proposer's valid business license.

Proposers may obtain this business license from the City's Revenue Division/Business License section at (816) 513-1135 or visit the City's website. <http://www.kcmo.gov>

31. PROHIBITED ACTIVITIES BY FORMER CITY EMPLOYEES AND OFFICIALS

Section 2-1018 of the City's Code prohibits former elected City officials and former executive or administrative employees of the City from trying to influence a decision of the City on behalf of an employer or client for one (1) year after that former employee or official leaves the City's employ. By submitting a Proposal, Proposer affirms that Proposer and its team members and employees are in compliance with the requirements of Section 2-1018. Failure to comply with the requirements of Section 2-1018 may cause the Proposal to be rejected.

32. EMPLOYEE ELIGIBILITY VERIFICATION

If this contract exceeds five thousand dollars (\$5,000.00), Supplier shall execute and submit an affidavit, in a form prescribed by the CITY, affirming that Supplier does not knowingly employ any person in connection with the contracted services who does not have the legal right or authorization under federal law to work in the United States as defined in 8 U.S.C. §1324a(h)(3). Supplier shall attach to the affidavit documentation sufficient to establish Supplier's enrollment and participation in an electronic verification of work program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration and Reform and Control Act of 1986. Supplier may obtain additional information about E-Verify and enroll at <https://e-verify.uscis.gov/enroll/StartPage.aspx?JS=YES>.

For those Suppliers enrolled in E-Verify, the first and last pages of the E-Verify Memorandum of Understanding that Supplier will obtain upon successfully enrolling in the program shall constitute sufficient documentation for purposes of complying with this section. Supplier shall submit the affidavit and attachments to the CITY prior to execution of the contract, or at any point during the term of the contract if requested by the CITY.

The affidavit is found under Section IV - Attachments and Exhibits.

33. COOPERATIVE PROCUREMENT WITH OTHER JURISDICTIONS

Proposer must acknowledge acceptance or decline by returning the form found under Section III - Special Instructions and Conditions.

34. MBE/WBE GOALS

- The City desires that City certified Minority Business Enterprises (MBEs) and City certified Women Business Enterprises (WBEs) have a maximum opportunity to participate in the performance of City contracts. The MBE/WBE participation goals for this Project are split. This RFQ/P requires 10% DBE/MBE participation and 5% WBE participation.
- The City's HRD Forms and Instructions are incorporated into this Request for Proposals and the Contract Documents.
- Please complete HRD Form 13 - Affidavit of Intended Utilization and attach it to this RFP response where indicated. The City of Kansas City, Missouri has a list of City Certified MBEs/WBEs at

<https://kcmohrd.mwdbe.com/FrontEnd/VendorSearchPub...>

35. WAIVER OF MBE/WBE REQUIREMENTS

The City Council, in its sole discretion, may waive any and all MBE/WBE requirements imposed by this solicitation and any Proposal Documents or the MBE/WBE Ordinance, and award the contract to the best Proposer if the City Council determines a waiver is in the best interests of the City.

1. Have you read the above Instructions and Conditions?

True

2. Scope of Services

About the Requestor

Kansas City, Missouri (the "City") lies on the western edge of Missouri. Among the 100 largest cities in the United States, it is the most centrally located in the lower 48 states. This central location makes it very competitive for employment involving transportation, communication and distribution.

The City covers 319 square miles and is home to approximately 470,000 residents, making it the largest city in Missouri, both in area and in population. Its area is the 11th largest among United States cities that are not consolidated with counties. Its population is the 37th largest in the United States. The City lies within parts of four counties; Cass, Clay, Jackson, Platte and 15 public school districts. It is at the center

of a 14-county metropolitan area with approximately 2,085,000 residents.

In 2012, the City Council adopted the [AdvanceKC strategy](#), a comprehensive economic development strategy, aimed at improving the City's economic competitiveness nationally and globally. AdvanceKC further recommends that the City's policies include an ongoing data-supported analysis of the impact of awarded incentives based on the City Council's economic development strategic priorities.

About the Project

By resolution, the City Council has directed the City Manager to develop a plan for the purposes of engaging a consultant to conduct a comprehensive study of economic development incentives. The study shall take into consideration the City's economic development objectives as established by AdvanceKC.

Being able to evaluate the overall use of incentives is an important part of understanding the City's overall financial outlook and will inform future economic development policy direction. It will also increase transparency and accountability by establishing a process and system to capture, maintain, and report historic and future economic development project data which is readily accessible to policy makers and the public. As early investments in revitalization mature, many of the City's projects will fully return to the tax rolls, providing additional resources to its taxing jurisdictions. Much of our City's historic use of incentives has been tied to the revitalization of downtown, which began in earnest in the mid to late 1990s. As such, those investments would be anticipated to mature in the next three to eight years making this an ideal time to evaluate the use of incentive tools.

In order to evaluate the impacts of incentive use, and determine outcomes, we need to understand when, where and how the City and other taxing jurisdictions will see, and have seen, the benefits of those early investments. A comprehensive evaluation of the City's historic use of incentives to-date is needed to provide a qualitative and quantitative assessment of the tools and inform future economic development incentive policy.

The City of Kansas City receives its statutory authority to convey economic incentives pursuant to multiple state statutes. These same statutes include authorization to establish multiple statutory agencies whose authority may be direct or advisory to the City Council. These "Economic Development Agencies" responsibilities include oversight and administration of various economic development incentive programs for the purpose of conveying the benefits of certain tax exemptions, tax abatements, tax redirections, and/or direct financial support from the City for the purpose of economic development. These benefits are conveyed through a variety of different mechanisms including issuance of bonds, conveyance of title, direct contractual agreement or other approaches specific to the powers of each agency and the needs of individual projects.

The City's Economic Development Agencies for the purpose of this study include - the Land Clearance for Redevelopment Authority (LCRA), the Tax Increment Financing Commission (TIF Commission), the Downtown Economic Stimulus Authority (DESA), the Enhanced Enterprise Zone Boards (EEZ), the Planned Industrial Expansion Authority (PIEA) and the Kansas City Chapter 353 Advisory Board (353 Board) which administer programs for their respective programs. Additionally, the City directly and via

the Economic Development Corporation of Kansas City, the umbrella economic development agency for the City, and the Port Authority have additional authority to convey certain economic incentive benefits authorized pursuant to other Missouri State Statutes including Chapter 100 and Chapter 353. Major statutory authorizations are provided for reference below:

Chapter 67: <http://www.moga.mo.gov/mostatutes/ChaptersIndex/ch...>

Chapter 99: <http://www.moga.mo.gov/mostatutes/chapters/chapTex...>

Chapter 100: <http://www.moga.mo.gov/mostatutes/chapters/chapTex...>

Chapter 135: <http://www.moga.mo.gov/mostatutes/ChaptersIndex/ch...>

Chapter 353: <http://www.moga.mo.gov/mostatutes/chapters/chapTex...>

Project Tasks

This analysis seeks to complete three major tasks, which may be proposed in a phased approach as deemed appropriate by the responder, but shall include at a minimum the following:

Task 1 - Identify Key Performance Indicators for all Incentives Programs

Task 2 - Complete a Historical Analysis of Key Performance Indicators

Task 3 - Assist the City in Developing On-going Monitoring and Reporting Systems

And assist the City in answering questions such as:

- 1 How much and what type of constructed and/or improved public infrastructure has resulted from the City's economic development efforts? What percentage of the City's overall infrastructure investment does this represent?
- 2 What has been the impact on assessed values and tax revenues?
- 3 How much new private investment has been leveraged through public incentives?
- 4 What has been the relative distribution of tax revenues committed to incentives projects across all taxing jurisdictions?
- 5 What has been the actual vs. projected performance for projects plans, and programs?
- 6 Has the City's use of incentives had a direct impact on real estate market values and/or business/job growth rates within incentivized areas, and if so, what, if any, are the multiplier effects on surrounding neighborhoods/census tracts?
- 7 What are the best metrics for evaluating the City's historic and future use of incentives?
- 8 How can we further align economic development incentives efforts with the AdvanceKC Strategic Plan and Council's ED Policies?
- 9 How can we better inform the public about the City's use of incentives?
- 10 What are some of the best practices for monitoring and reporting?

Task 1 - Identify Key Performance Indicators for all Incentives Programs

Although the public purposes for most economic development programs are similar and aimed at one of

two primary objectives - elimination of blight and retention or creation of jobs, the mechanism for getting to these objectives varies from program to program.

These objectives are traditionally accomplished through facilitation of one of the following types of investment -

- improvements to real property including new construction and/or redevelopment of existing property,
- improvements to public infrastructure in the form of new construction and/or rehabilitation of existing infrastructure, and
- business retention and expansion in the form of new equipment purchases, and expansion of operations.

Metrics needed to evaluate the long-term outcomes of these historic investments may vary from program to program depending on statutory requirements, project characteristics, and local economic development policy objectives.

In conjunction with this project the City seeks assistance from the selected consulting firm/team to identify the essential key performance indicators, appropriate statistical analysis techniques, relevant analytical data, and other information needed to evaluate the long-term outcomes of these historic economic development efforts and the ability to measure outcomes for future investments. Identification of key performance indicators will also ensure that the City's efforts to compile and centralize project, plan and program data are completed quickly and efficiently and focused on gathering only the most important pieces of data.

The City has identified additional temporary staffing resources that will be available to support the data collection needs of the project. Coordination and supervision of temporary project staff will be handled through the City's Office of Economic Development in consultation with the selected consulting firm/team. The consultant's role will be to assist the City in identifying essential data points and working to collaboratively develop a scope of services for the analysis to be completed as part of Task 2.

Task 2 - Complete a Historical Analysis of Key Performance Indicators

The City anticipates that this analysis would quantify and evaluate the City's aggregated project level, plan level and program level economic incentives data inclusive of all statutory agencies conveying tax abatements or exemptions, or redirecting tax revenues, and/or all contracts entered into directly with developers, businesses, and/or property owners for the purpose of furthering historic economic development projects.

This analysis should quantify and analyze the City's historic use of incentives for a minimum of 25 years commencing in 1990 (subject to availability of suitable source data to be provided by the City), and present such data in a manner that it can be used to evaluate the results of all economic development programs, plans, and projects for the specified timeframe. Subject to consultation with the selected consulting firm/team and development of a final scope of services in collaboration with the City, this

analysis should seek to aggregate and evaluate key performance indicators identified in Task 1 according to the following tentative categorizations including but not limited to:

- Incentive Type (Redirection, Abatement, Contractual Funding, etc.)
- Incentive Program (TIF, LCRA, PIEA, 353, etc.)
- Program Modifications (Payments in Lieu of Taxes, Economic Activity Taxes)
- Property Use (including Residential, Commercial, Industrial, Retail, Hotel) each of which may be further sub-categorized
- Time of Implementation
- Geography
- Economic Development Objective (Blight, Conservation, Job Creation, Public Infrastructure, etc.)
- Project Funding (Pay-as-you-go, Bonded)
- Measurements for Impacts of Multiple Layered Incentives
- Other project categorizations as determined appropriate in collaboration with the consulting team to achieve the City's project objectives

Task 3 - Best Practices - Implementation Policies, Monitoring and Reporting

A key objective of this project will be to identify local government best practices in administering economic incentives programs. Additionally the City is seeking to develop ongoing reporting and monitoring practices reflecting national best practices to ensure that the data collected and analyzed is maintained and easily accessible to the public and policy decision-makers. Strategies to enhance communication and improve transparency in the deployment of economic development incentives are also needed to ensure that the public clearly understands the positive benefits of these efforts.

This analysis should identify local government best practices for data collection, monitoring, and reporting of economic incentives as well as economic development policy administration. Specifically, the selected firm should review and compare against best practices at a minimum the following:

- Economic Incentives Program Administration - This analysis should review existing policies and procedures for prioritizing, processing and vetting incentives requests, and evaluate their operational efficiency and alignment with stated policy objectives as identified in the City's AdvanceKC strategic plan and policy { copies attached to this RFQ }
- Monitoring - This analysis should evaluate and rank the capacity and effectiveness of existing legacy software systems and platforms to meet the City's current and future needs for capturing, analyzing and reporting economic incentives data at the program, plan and project levels. This analysis should identify best practices in local government economic incentives data collection systems and compare these benchmarks against existing systems. Existing software platforms that may be evaluated include Salesforce, PeopleSoft, EnerGov, MySidewalk, SalesForce, and CoStar, subject to negotiation as part of the final scope of services. This analysis should also evaluate current contract monitoring practices and identify monitoring duplications and/or gaps and develop a plan for improvement.

- Reporting - This analysis should review all existing economic incentives reporting across agencies including the City, the Economic Development Corporation and its associated statutory agencies (PIEA and Port Authority) and identify reporting gaps, duplications, and/or practices which should be replicated. It should also be evaluated for effectiveness at communicating key performance indicators and clearly communicating the outcomes at the program, plan and project level, and compared against other local government best practices (including examples of reporting types). Recommendations should include suggestions for improved practices including report types, audiences, and mechanisms of conveyance.

1. Have you read and do you agree to the Scope of Services? If you have any narrative, please place it in the comments box for this question.

True

See Section IX

2. If there are any concerns/issues with this section, please place a detail of those items in the comments box for this question.

True

N/A

3. Authorized Representative Form

By submission of the RFQ/P response, the Proposer certifies that:

- 1 It has not paid or agreed to pay any fee or commission, or any other thing of value contingent upon the award of this contract, to any City of Kansas City, Missouri employee or official or to any current consultant to the City of Kansas City, Missouri;
- 2 It has not paid or agreed to pay any fee or commission or any other thing of value contingent upon the award of this contract, to any broker or agent or any other person;
- 3 The prices contained in this Proposal have been arrived at independently and without collusion, consultation, communication or agreement intended to restrict competition;
- 4 It has the full authority of the Offeror to execute the Proposal and to execute any resulting contract awarded as the result of, or on the basis of, the Proposal;
- 5 Proposer will not withdraw the Proposal for six months.

1. I hereby certify that I have both the legal authority from my business/firm and the right to enter into this contractual agreement with the City of Kansas City, Missouri, and have read, understood, and hereby fully accept all the terms, conditions, specifications, and pricing information contained within this document as well as any and all subsequent pages, addenda, and notices.

True

2. Authorized Representative name and title

Lisa Petraglia
Vice President

3. Authorized Representative phone number and email address

(617) 338-6775 ext. 204
lpetraglia@edrgroup.com

4. Firm's name and physical address

Economic Development Research Group, Inc.
155 Federal Street, Suite 600
Boston, MA 02110

5. Email address for Purchase Order

lpetraglia@edrgroup.com

4. Cooperative Procurement with other Jurisdiction form

The Proposer agrees to provide products and/or services to any municipality, county, state, governmental, public utility, non-profit hospital, educational institute, special governmental agency, and non-profit corporation performing governmental functions that participates in or is represented by the Mid-America Council of Public Purchasing (MACPP) in the greater Kansas City Metropolitan Trade Area and any member of the Mid-America Regional Council (MARC).

1. Do you agree to the statement above?

True

5. Standard City Contract

Please review the attached [Standard City Contract](#).

1. Will you be able to comply with the Standard City Contract?

True

2. Please state any questions or concerns you have regarding the Standard City Contract.

None

6. Business/Firm Profile and Legal Structure

Please prepare responses for each of the following in the space provided:

1. Legal Name, address, phone, fax, e-mail, Federal ID#, and website address.

Economic Development Research Group, Inc.
155 Federal Street, Suite 60
Boston, MA 02110

Phone: (617) 338-6775

Fax: (617) 338-1174

E-mail: info@edrgroup.com

Federal ID: 04-3506899
Website: www.edrgroup.com

2. Brief history of business/firm including date the business/firm was established under the current name.

Economic Development Research Group (EDR Group) was started in 1996 by a core group of economists and planners who had previously worked together in various combinations for over ten years. The firm was incorporated in 2000.

EDR Group was started with a core philosophy--to contribute to a better society by enhancing our understanding of economic processes and by improving the tools we have for decision-support regarding policies and investments. Our firm reflects a focus on economic development and its relationship to public and private investments, programs, and policies. We aim to empower clients to better plan and implement actions that are efficient, sustainable, and serve to grow jobs, increase incomes, reduce disparities, and enhance quality of life.

We initially built a practice based on evaluation of past projects, existing programs, and proposed future investments around North America. We have since expanded to serve a global clientele and to advise organizations on how to better implement processes for planning, prioritization, and funding decisions that consider wider benefit and impact factors.

3. List all services provided by the business/firm.

Economic Impact Analysis
Benefit/Cost Analysis
Program Evaluation
Market Analysis

4. Number of total employees including number of total employees in Kansas City, Missouri and number of employees in Greater Kansas City Area.

Boston, MA: 19 employees at EDR Group, 1 employee at subcontractor Karl F. Seidman Consulting Services
Chicago, IL: 1 employee at EDR Group
Kansas City, MO: 2 employees at subcontractor Collins Noteis & Associates

5. Type of ownership, or legal structure of business/firm.

S Corporation

6. Has the business/firm ever failed to complete work for which a contract was issued? If yes, explain the circumstances.

No

7. Are there any civil or criminal actions pending against the business/firm or any key personnel related in any way to contracting? If yes, explain in detail. Are there any current unresolved disputes/allegations?

No

8. Provide a brief history of the business/firm's contractual litigation, arbitration, and mediation cases for the last five (5) years that are material and relevant to this contract.

N/A

9. Has the business/firm ever been disqualified from working for the City or any other public entity? If yes, explain the circumstances.

No

10. Provide proof of financial capacity to perform this contract, such as Dun and Bradstreet or audited financial statements.

[EDRG Balance Sheet FYE 2014.pdf](#)

[EDRG P&L FYE 2014.pdf](#)

[EDRG Balance Sheet FYE 2015.pdf](#)

[EDRG P&L FYE 2015.pdf](#)

7. Experience

For questions 1-5 below, describe the five (5) most relevant or comparable contracts completed by your business/firm during the past five (5) years.

For each listed contract, provide a narrative that includes:

- 1 the assigned project personnel
- 2 scope of services provided
- 3 dollar amount of the contract
- 4 the contracting entity's contact person, e-mail address, cell phone number, and telephone number
- 5 summary of how your business/firm delivered services

1. Relevant contract description #1

For the Minnesota Department of Revenue, Lisa Petraglia, Adam Blair, and Karl Seidman conducted a comprehensive evaluation of a state angel investment tax credit administered by the Department of Employment and Economic Development. The value of this contract was \$99,106. Paul Wilson is the contact for this contract; his e-mail address is paul.wilson@state.mn.us and his phone number is (651) 556-6138. Ms. Petraglia managed the project, Mr. Seidman provided technical and subject matter expertise, and Mr. Blair was lead analyst. The evaluation considered the fiscal and economic impacts during the first three years of the angel investment tax credit program. The team designed survey instruments and an evaluation methodology, assessed disparities in tax credit uses, and drafted a report. The evaluation also included a REMI analysis of the economic and fiscal impacts attributable to the tax credit program. Click [here](#) for a copy of the report.

The scope of services required an analysis of the following:

- a. the effect of the credit on the level of equity investment in qualified small businesses in Minnesota, including investments by angel investors, venture capital firms, and other sources of equity capital for

- startup businesses, and also should include how much investment would not have occurred in these qualified small businesses "but for" the incentive provided by the credit;
- b. the effect of the credit, if any, on investment in firms other than qualified small businesses;
 - c. the amount of economic activity both direct and indirect, including the number of jobs and the wages of those jobs, generated by qualified small businesses that received investments that qualified for the credit;
 - d. the incremental change in Minnesota state and local taxes paid as a result of the allowance of the credit;
 - e. the net benefit to the Minnesota economy of allowance of the credit relative to alternative uses of the resources, such as increasing the research and development credit or reducing the corporate franchise tax rate; and
 - f. the reasons for any disparity in the number of qualified small businesses and the amount of investment in those businesses in the 7 county metro area versus Greater Minnesota. Also, to the extent information is available, information on women-owned and minority-owned businesses.

2. Relevant contract description #2

For the U.S. Department of the Treasury CDFI Fund, Lisa Petraglia and Adam Blair conducted a proof-of-concept analysis of methods to benchmark and validate job outcomes reported by New Markets Tax Credit (NMTC) allocatees and CDFI Financial Assistance (FA) awardees. The project required economic impact modeling expertise, statistical analysis, and the authoring of a draft and final report. This contract was valued at \$83,150. The contact for this contract is Greg Bischak; his e-mail address is bischak@cdfi.treas.gov and his phone number is (202) 622-8669.

The scope of services required that our team:

- a. Review existing web-based, professional economic analysis tools that provide well-documented industry and regional-level estimates of job impacts of community and economic development projects.
- b. Assess the feasibility of building economic impact models for different generic project types associated with specific types of lending and investing activity for the CDFI Fund's two major programs. This task should distinguish between direct and indirect employment effects. Executing this task will involve analysis of each program's transactional data reported by awardees (e.g. lines of credit or working capital loans; business expansion loans, capital equipment loans, affordable housing, commercial real estate development, residential single family housing, community facilities, health clinics, charter schools, etc.).
- c. Evaluate whether additional survey data would be needed to properly characterize the composition of first round spending effects arising from the different project types to estimate job effects, or whether the state-of-the-art of available techniques is sufficiently developed to provide non-survey methods to estimate impacts.
- d. Analyze how to attribute the effects of the CDFI Fund's programs on project outcomes based on the project-level leverage due other project-related public and private investments (i.e. project leverage and prorating project impact).
- e. Provide summary findings about methods to address each of the foregoing topics.

3. Relevant contract description #3

For the Initiative for a Competitive Inner City, Lisa Petraglia conducted two analyses, both of which used IMPLAN to estimate the total job impacts stemming from the Inner Cities Capital Campaign, a program designed to assist small businesses. The first analysis (2011) examined self-reported survey data on job outcomes since the program commenced in 2004 through 2010. A 2012 update examined the 2011 through Q2 2012 awards and included survey review and revision. The value of this contract was \$22,800. Hyacinth Vassell is the contact for this contract; her e-mail address is hvassell@icic.org and her phone number is (617) 297-3120.

4. Relevant contract description #4

For the Appalachian Regional Commission, as a subcontractor to HDR Engineering, Adam Blair conducted an ex post analysis of economic impacts associated with the multi-state agency's Infrastructure and Public Works Program. The program provides grants to local communities for water, sewer, access road, and other infrastructure investments intended to improve quality of life and support business growth. The analysis included a statistical analysis of the relationships among grant funds, intermediate outcomes, and impacts on jobs and personal income in the local economy. This contract was valued at \$30,000. The contact for this contract is Kostas Skordas and his e-mail address is kskordas@arc.gov.

The scope of services included estimating economic impacts stemming from various infrastructure grants, developing a comprehensive database of program outputs and outcomes, and recommending data collection process improvements.

5. Relevant contract description #5

For Living Cities, a coalition of foundations committed to improving the lives low-income people, Karl Seidman participated on a national evaluation team of initiatives in five cities. As part of this work, he designed and completed an approach used to assess direct impacts from projects and firms financed by the initiative, impacts on intermediary Community Development Financial Institutions, and changes to the local development finance system. Additional roles included preparing a small business development report and tracking outcomes for the Detroit initiative. This contract was valued at \$153,500. The contact for this contract is Robin Hacke; her e-mail address is rlhacke@kresge.org and her phone number is (301) 280-6000.

Mr. Seidman employed a variety of quantitative and qualitative methods as part of this evaluation, and brought to the project expertise in real estate and small business finance.

6. Provide a copy of your most recent relevant ongoing public contract.

Lisa Petraglia, Adam Blair, and Karl Seidman are currently providing technical support to the Maine Office of Program Evaluation and Accountability. In 2014, Maine released a comprehensive evaluation of its economic development incentive programs. However, because the evaluation did not provide sufficient information for analyzing the net economic and fiscal effects of government spending, the state legislature required a review of several controversial programs. EDR Group and Karl Seidman were retained to provide evaluation support in the form of survey design, economic modeling, and statistical analysis. [Contract with Maine OPEGA](#)

7. Provide a list of all public contracts entered into for the last three (3) years. Include the dollar amounts, summary of scope of services, contract terms, Public Owner's contact person, e-mail address, cell phone number and telephone number.

[EDR Group Projects](#)

8. Personnel

Please prepare responses for each of the following in the space provided.

Please make special note of staff capacity for meeting City's requirements, including capability to meet data requirements such as conducting high-level regression analysis or other statistical methods to evaluate economic and fiscal impacts.

1. Please provide your staff capacity for meeting the City's requirements.

Understanding that this project will proceed along an aggressive timeline, each of our team members has committed to prioritizing this project and making themselves available throughout the duration of the contract. Should the team require additional support, EDR Group is prepared to make additional management and analytical staff available for this project.

2. Identify the Key Employees who are likely to be assigned to this contract if your proposal is selected. [NOTE: Key Employee(s) must be committed to the contract duration, and may not be removed or substituted without the City's prior written consent.]

Lisa Petraglia, Vice President, EDR Group

Adam Blair, Senior Analyst, EDR Group

Vicki Noteis, President, Collins Noteis & Associates

Robert Collins, Vice President, Collins Noteis & Associates

Karl Seidman, President, Karl F. Seidman Consulting Services

3. For each of the Key Employee(s), provide a resume and/or summary with at least the following background information: a. Description of relevant experience. b. Years of employment with the business/firm. c. City and State of residence. d. State time commitment on other accounts. e. Applicable professional registrations, education, certifications, and credentials.

Lisa Petraglia, Vice President, EDR Group

a. [Resume of Lisa Petraglia](#)

b. Years with firm: 16

c. Residence: Amherst, MA

d. Time commitment: 70 percent

e. BS, MS

Steven Landau, Vice President, EDR Group

a. [Resume of Steven Landau](#)

b. Years with firm: 16

c. Residence: Cambridge, MA

d. Time commitment: 70 percent

e. BA, MCP

Adam Blair, Senior Analyst, EDR Group

- a. [Resume of Adam Blair](#)
- b. Years with firm: 4
- c. Residence: Evanston, IL
- d. Time commitment: 50 percent
- e. BA, MRP, Certified Business Economist (expected September 2016)

Vicki Noteis, President, Collins Noteis & Associates

- a. [Resume of Vicki Noteis, AIA](#); [Relevant Project Experience](#)
- b. Years with firm: 12
- c. Residence: Kansas City, MO
- d. Time commitment: 70 percent
- e. BArch, AIA

Robert Collins, Vice President, Collins Noteis & Associates

- a. [Resume of Robert Collins](#); [Relevant Project Experience](#)
- b. Years with firm: 12
- c. Residence: Kansas City, MO
- d. Time commitment: 70 percent
- e. BA, MA, MUP

Karl Seidman, President, Karl F. Seidman Consulting Services

- a. [Karl Seidman Bio](#); [Resume of Karl Seidman](#); [Relevant Project Experience](#)
- b. Years with firm: 21
- c. Residence: Cambridge, MA
- d. Time commitment: 70 percent
- e. BA, MPP

4. Please comment on the ability of your business/firm to sustain the loss of Key Employee(s).

EDR Group is known for its economic development analysis experience, having completed evaluations for local, state, and federal government agencies. Should a Key Employee leave the consulting team during the course of this analysis, there are several qualified staff members who can fill in. Given the small size of EDR Group, Karl F. Seidman Consulting Services, and Collins Noteis & Associates, our team can easily transmit knowledge internally and externally should an additional staff member need to jump in mid-project and continue the analysis.

5. Provide a staffing plan for the contract including the locations of the positions.

Lisa Petraglia is based in Boston, MA. She will serve as Project Manager, providing day-to-day oversight, coordinating the efforts of team members, and ensuring that deliverables are complete and prepared on time. Because Lisa is an expert in economic modeling, having previously worked for Regional Economic Models, Inc., she will also make important contributions to the performance indicator identification and methodology design. Ms. Petraglia has successfully managed many large-scale evaluations involving multiple team members.

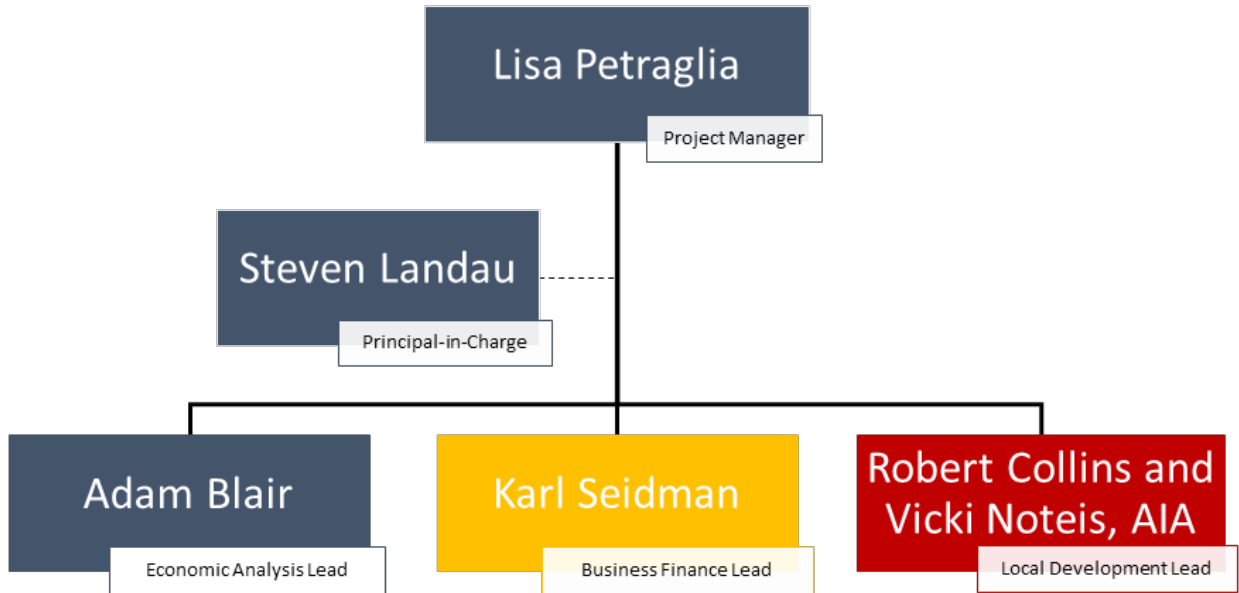
Steven Landau is based in Boston, MA. He will serve as Principal-in-Charge, making sure that deliverables meet strict quality standards and fully satisfy the requirements set forth in the RFP. Mr. Landau will be an important reviewer of intermediate and final deliverables resulting from all three tasks in the scope of services.

Adam Blair is based in Evanston, IL, a suburb of Chicago. As Economic Analysis Lead, Adam will perform much of the analysis required under Task 2 of the scope of services and will also contribute to Task 1 and Task 3. He has worked closely with Lisa and Steve on several related evaluations and has worked with Karl on an evaluation of an angel investment tax credit program.

Karl Seidman is based in Cambridge, MA. As Development Finance Lead, he will provide expert input regarding the identification and analysis of firm-level impacts of various incentive programs. Karl will make contributions to all three tasks of the scope of services, with an emphasis on the identification of indicators, research methodology design, and best practices compilation. Karl has worked closely with Lisa and Adam on an angel investment tax credit program.

Vicki Noteis, AIA, and Robert Collins are based in Kansas City, MO. In their combined role of Local Development Lead, they will provide expert input regarding local incentive programs, and will make significant contributions to the identification of indicators and best practices compilation. A local presence is critical; in addition to making analytical contributions, Ms. Noteis and Mr. Collins will ensure that this analysis proceeds in an efficient manner by serving as local liaisons and on-the-ground points-of-contact.

6. Provide an organizational chart for the assigned staff.



7. Provide a plan to address vacations, sicknesses and absences.

As mentioned above, given the manageable size of our team and ability to keep non-project staff up to speed, we can easily swap in additional managers and analysts if a Key Employee becomes unavailable during the duration of this analysis.

9. Project Approach

Please prepare responses for each of the following in the space provided, with specific attention to the following:

Question 1 - include in your response a description of any potential phasing for the project and general deliverables, including a representative timeline for completion of each phase and the total project.

1. Discuss your approach to a project with specific references to the services requested in the RFP.

There is increasing pressure on municipalities to promote economic growth and development in a way that is cost effective, efficient, and impactful. We understand Kansas City's current analysis needs, and have assembled a team that is uniquely qualified to inform future policymaking regarding the continuation/improvement of various real estate and business incentives. We describe our understanding of the project scope and objectives in our response to Question 7 below.

Our team is comprised of three firms that each possess the qualities necessary to complete the three

required tasks. We identify a lead person or organization for each task, however, know that all tasks and responsibilities fall under the general management and quality oversight of EDR Group. EDR Group utilizes a dual-management structure, meaning that a principal officer of the company oversees the project manager to ensure that chosen methodologies and deliverables meet strict quality standards.

Our approach to the project is unique because it is based on years of evaluation experience and incorporates the areas of expertise needed for such a study:

- An extensive understanding of real estate/economic development finance, urban infrastructure performance, and the ways both relate to key outcomes.
- Methods for assessing the performance of project, plans, and programs that
 - Combine quantitative and qualitative data;
 - Control for outside economic conditions; and
 - Overcome statistical limitations related to small sample sizes and insufficient data.
- The ability to establish measurement frameworks and design easy-to-use tools and solutions for monitoring and reporting program inputs, outputs, and outcomes-the three components of a program logic model.

From a logistical standpoint, our team structure will allow us to work on subtasks simultaneously, thereby ensuring that we meet Kansas City's accelerated timeline and deliver results and recommendations in time for policymakers to make informed decisions regarding future real estate and economic development efforts.

Kick-Off Meeting

A project of this scope should begin with a productive kick-off meeting attended by members of the consultant team and key stakeholders in Kansas City. Key members of our team will meet with Kansas City staff and stakeholders in person or via web meeting (at the City's discretion). We recommend using this time to review options for project scope and schedule presented herein, and to begin establishing the contacts and lines of communication needed for efficient data transfer processes.

Task 1 - Identify Key Performance Indicators for all Incentives Programs

This task is critical as it establishes the parameters for completing a historical analysis during Task 2. Lisa Petraglia and Adam Blair from EDR Group will lead this task with support from Karl Seidman and Collins Noteis. Karl Seidman will provide important input regarding economic development theory and the most useful indicators of real estate and business performance. Vicki Noteis and Robert Collins will bring extensive knowledge of local incentive programs and past revitalization and blight removal planning efforts.

Performance measurement is one of EDR Group's core services. The firm has developed numerous guidebooks for local, state, and federal government agencies that walk through the process of identifying, collecting, and analyzing measures and metrics. During this task, we will work closely with Kansas City staff to review the metrics already being collected and determine where gaps exist.

Task 1A - Review Existing Indicators and Database Completeness

We will immediately schedule a series of calls and/or in-person meetings with Kansas City staff to take stock of the projects/programs to be analyzed and the indicators currently collected. (We will likely accomplish some of this during the kick-off meeting.) We understand that database completeness may vary by project or program, and will therefore identify gaps that exist.

A successful historical assessment is built up from a consideration of each project that has received some form of incentive through the city's authorized agencies. While a categorization of projects by program is administratively useful and necessary, for the purposes of evaluating outcomes, the consultant team will also consider grouping projects by their intended purpose. This imparts clarity at the outset regarding the difference between incentives that led to neighborhood growth relatively quickly as compared with incentives that took more time to materialize. We will place program types in the appropriate context of local and regional economic and real estate development activity. For example, the performance of incentives offered through Port KC for the Port Improvement District will differ from that of a downtown TIF due to different exogenous factors.

We will also develop a logic model that illustrates the linkages among project/program inputs (e.g., development cost), short-term outputs (e.g., permanent new jobs), and long-term outcomes (e.g., change in Kansas City employment/wage levels). Logic models are a necessary part of economic development program evaluations because they establish a framework for analysis and expose gaps in necessary information.

Task 1B - Collect and Clean Additional Indicators

Should we identify gaps in necessary information, we will work with Kansas City staff to collect and clean additional indicators needed for the Task 2 analysis. Cleaning involves examining collected datasets for missing information and inconsistencies, and ensuring that records meet the high quality standards necessary for analysis.

This subtask may require developing survey instruments if we are unable to collect necessary data using secondary sources such as government records. Another strong case for utilizing surveys in the context of economic development program evaluation is to estimate attribution. Not all project/program outputs are attributable to Kansas City incentives; numerous market and policy forces affect business performance and the success of real estate developments.

Surveys will also allow us to estimate net impacts when the relationship between program inputs and outputs is convoluted and various influencing factors are difficult to untangle. An example application could be using survey instruments to distinguish between created jobs and relocated jobs (when program records do not permit such a distinction). This issue is particularly important given Kansas City's location along a state border and the media coverage local job relocation has received, most recently in an episode of NPR's Planet Money. It is therefore imperative that we employ methods that will withstand public scrutiny.

Our team is highly qualified to develop carefully-crafted survey instruments that minimize response and non-response bias while providing defensible results that will allow us to estimate attribution and other behavioral impacts (questions might include, for example, As a real estate developer, were you able to leverage additional investment using a Kansas City incentive program? Did you make use of more than one program and, if so, how did they interact?). We will work closely with City staff to review and approve any necessary survey instruments for dissemination. We will also discuss dissemination/collection options and procedures that may include online questionnaires, e-mail follow-up, and phone calls.

We will also collect additional data by working with City staff to scan government records held by various departments that contain information on individual projects. Collins Noteis & Associates will play an integral role during this assignment, bringing to bear their time in local government and extensive understanding of government recordkeeping.

Task 1C - Collect and Clean Project Context Data

No business or real estate development operates in isolation: Regional and national economic trends and shifts in public policy significantly affect the success of government investments. For this reason, we will collect a variety of information necessary to establish the context in which Kansas City's downtown revitalization occurred. Doing so will allow us to control for outside factors when conducting our Task 2 analysis. All three team members have worked extensively with economic and demographic data. EDR Group in particular has years of experience assembling and controlling for regional and national indicators related to employment growth, wage growth, poverty rates, unemployment rates, and educational attainment—all influencing factors.

The fact that we subscribe to multiple third-party data sources sets us apart from other firms and will facilitate this subtask. Our subscriptions include:

- Esri Business Analyst - Geographic data on businesses, industries, and households for geographies as small as block groups and census tracts (useful for zooming in on downtown Kansas City) to as large as the U.S.
- Hoover's (Dun & Bradstreet) - Financial statistics for individual business establishments in Kansas City and elsewhere in the U.S.
- Moody's Data Buffet - Historical and forecast employment, wages, and business output for counties, regions, states, and the U.S.

Timeline and Deliverables

This task will begin immediately and take place during Months 1-4. Based on our review of the information Kansas City already provided, we expect to spend Month 1 reviewing existing data and identifying gaps and Months 2-4 collecting and cleaning the data needed to fill those gaps.

We will deliver a cleaned and complete database containing new indicators and added data, and will

outline the sources used so that Kansas City can continue to collect necessary data using processes established under Task 3.

Task 2 - Complete a Historical Analysis of Key Performance Indicators

EDR Group will lead Task 2 with ancillary support from Karl Seidman and Collins Noteis & Associates. Our team has the analytical knowledge and expertise needed to verify and evaluate the performance of key indicators over a period of approximately 25 years. We understand how outcomes materialize over time and how various parameters such as incentive type, geography, and incentive layering affect program success. Importantly, we have worked effectively with Karl Seidman in the past to identify, analyze, and communicate indicators of economic development performance.

Task 2A - Design Methodology

We will discuss with Kansas City staff the expectations for program outcomes on a project-by-project basis, exploring foundational questions such as Since the incentive was granted, is the business or real estate development still viable? If so, what data is being tracked and is there enough of a time series for an analysis of growth impacts? If the answers are yes, then data analysis in the form of verification, benchmarking, and inferential statistics can begin.

Statistical Techniques

The methodology/methodologies chosen for this analysis will depend on data availability and the extent to which we are able to fill database gaps using primary and secondary sources. Techniques vary for economic development program evaluations: When the number of projects is large and data is sufficient in size and quality, quasi-experimental statistical analyses permit researchers to assess the *ex post* (after the fact) impacts of various projects and programs on a community. This requires establishing a control group of projects that did not receive incentives and comparing their outcomes with those observed among projects that did receive incentives.

It is worth describing three specific statistical techniques in order to provide an example of the capabilities our team possesses and may likely employ for this analysis (following review/approval from City staff). Regression discontinuity (RD) is one common method of evaluating placed-based lending and investment programs, which generally do not conform to randomized controlled experiments. RD is quasi-experimental in that it uses a specific "cutoff" value on a program eligibility variable (e.g., census tract poverty rate of 20 percent) to assign observations to a treatment group and control group.

When cutoff values are not available, difference-in-differences and propensity score matching (PSM) are alternative methods that mimic experimental designs by comparing average changes over time in a dependent variable (e.g., real estate value) for the treatment group to average changes over time in a control group. PSM was used in a paper that considered the relationship between incentive use and job creation in the Kansas City region ("Evaluating Firm-Specific Location Incentives," 2014, Nathan M. Jensen, Kauffman Foundation).

Ultimately, these approaches target the evaluation counterfactual, i.e., What would have happened to program beneficiaries and what outputs/outcomes would they have generated had they not received Kansas City incentives? If we adopt one of these techniques, we will use our Hoover's subscription to identify control group business establishments (those not receiving incentives).

Modeling Techniques

When sample sizes do not permit robust statistical analysis, evaluators of economic development incentive programs often tally self-reported levels of job creation but stop short of (1) benchmarking direct and non-direct impacts and (2) estimating program attribution. The Urban Institute's 2013 evaluation of the federal New Markets Tax Credit Program is an example of this. This leaves policymakers with mostly qualitative insights regarding program effectiveness instead of numerical estimates that are often necessary for weighing the costs and benefits of government spending. Our understanding is that Kansas City desires both qualitative *and* quantitative findings.

EDR Group has developed and successfully employed-most recently for the U.S. Treasury Department's CDFI Fund-a unique approach for overcoming such methodological limitations. Our approach is especially useful for answering key questions identified in the RFP, including

- What has been the actual vs. projected performance for projects plans, and programs? and
- Has the City's use of incentives had a direct impact on...business/job growth rates within incentivized areas, and if so, what, if any, are the multiplier effects on surrounding neighborhoods/census tracts?

Our approach involves collecting additional indicators related to business revenue and potentially using existing information on the labor compensation share to create job creation ratios. What this means is that, in the absence of knowing actual job outcomes due to methodological limitations, we can compare initial projected job creation/retention data reported by incentive recipients at the time of application with what we would expect of similarly-sized businesses.

To generate these ratios of revenue-to-jobs or wages-to-jobs, we use county-specific economic information provided by IMPLAN Group, LLC. This is a methodology we will explore in depth during project kick-off and scope finalization. Importantly, this step will also permit the development of a spreadsheet model (for future use by Kansas City staff) detailed below in Value Added Task 2.

Task 2B -Analyze and Verify Data

We will gauge incentivized, project-specific performance based on (1) the actual (not planned) use of program dollars plus (2) any leveraged funding (from another jurisdictions or private entities, for example) and (3) the economic condition of the neighborhood where the project is located. Because many of these projects occurred quite some time ago, we will examine and control for cyclical metro, state, and national growth trends when considering the movement in any particular project's performance indicator(s).

Program attribution is another critical component of economic development program evaluation. Incentive programs can rarely claim credit for all job creation stemming from a given project, for example, often because projects receive support from a variety of public and private entities. In addition, displacement or "crowding out" occurs when an incentivized investment in a project simply replaced an un-subsidized investment elsewhere in the city or region. Project outcomes can also be misleading when a portion of job creation or wage and tax revenue-generating activity was simply relocated from elsewhere in the city. In consultation with city staff from relevant agencies, we will decide how attribution should best be assigned to the program dollars at work. Assessing attribution is an art and a science, often requiring a combination of (1) statistical techniques that isolate program effects and (2) survey instruments that ask program beneficiaries about their behavioral response to certain incentives.

Timeline and Deliverables

This task will likely require eight weeks to complete, beginning four months after project inception and finishing with enough advance to allow our findings to inform Task 3 and our recommendations for developing internal monitoring procedures. Deliverables will include summaries of preliminary findings by incentive type/program and geography that contain graphs, charts, and key takeaways.

Task 3 - Assist the City in Developing On-going Monitoring and Reporting Systems

Karl Seidman of Karl F. Seidman Consulting Services will lead Task 3 with local support from Collins Noteis & Associates. We believe that Karl is best fit to help Kansas City improve its program administration because he is an expert in development finance with years of experience working with local governments around the country. Karl is intimately familiar with the many ways that incentives affect real estate development and business performance, having authored a comprehensive textbook on the subject, *Economic Development Finance* (SAGE 2005).

This pairing of local and national expertise is critical. Karl will bring knowledge regarding the ways that other municipalities implement economic development incentive programs and track their performance. Both Karl and EDR Group are well familiar with the difficulties involved in tracking program outputs and outcomes in a way that facilitates future evaluation. Collins Noteis & Associates will complement Karl and EDR Group's national experience by bringing extensive knowledge of local government and redevelopment efforts in Kansas City. Collins Noteis & Associates will play a unique and important role in this task, helping the rest of the team understand Kansas City development history, real estate nuances, and the audience for this analysis; existing practices for program implementation; and the methods of conveyance used to describe the performance of economic development incentives.

Task 3A - Identify Best Practices in Program Administration, Reporting, and Monitoring

EDR Group, Karl Seidman, and Collins Noteis & Associates routinely help clients monitor and report programs inputs (e.g., public investment), outputs (e.g., jobs created), and outcomes (e.g., reduced unemployment). Monitoring and reporting is one of the great challenges of economic development administration and evaluation. In order to help Kansas City overcome this challenge, we recommend enhancing existing databases of incentive programs with detailed baseline characteristics, immediate

outputs, and mid- to long-term outcomes (to the extent they are verifiable). To improve program reporting, we recommend and are available to assist Kansas City staff in using Microsoft's Excel Interactive View-a technology introduced in 2013-to build and present a combination of information and data collected under Task 1 and analyzed under Task 2.

Excel Interactive View allows users to "generate Excel table and chart views on-the-fly, in the browser, from an HTML table on a web page." Kansas City could use this technology internally but also post it to a public webpage where policymakers and members of the public can view program outputs and outcomes in a transparent way. Once posted to a designated webpage, users will have the ability to query and filter the database; generate custom tables and charts that can be copied for presentation; and download embedded data.

This is only one option for improving monitoring and reporting practices. We will identify other options by collecting best practices around the U.S. Our team members have collectively worked on dozens of projects that involved performance measurement. EDR Group is particularly well-suited to contribute to this task given the firm's extensive library of guidebooks covering this exact topic.

Task 3B - Prepare and Summarize Strategies for Process Improvement

Our findings from the previous subtask will only benefit Kansas City if they result in a key set of strategies and recommendations for moving forward with program administration, monitoring, and reporting. It is important for future policy decisions that Kansas City improve its various processes even after this analysis is complete. A secondary goal of this task will be to equip City staff with the knowledge and tools needed to conduct their own analyses on a regular basis. Value Added Task 2 describes one option for formalizing recommended analysis procedures through the development of a spreadsheet tool. Even without a spreadsheet tool, however, our team will help City staff learn from best practices and adopt them internally. At each stage of this process, we will ensure that strategies and recommendations are consistent with the objectives set forth in AdvanceKC.

Timeline and Deliverables

Work on this task will take place in earnest during the final four months of the project so that deliverables produced under previous tasks can inform our identification of best practices. Our team will deliver a comprehensive report that summarizes our analysis findings; provides case studies of best practices in administration, monitoring, and reporting; and strategies that Kansas City can implement immediately and over time. Our team will also prepare graphics to accompany the report, and can make in-person presentations to key audiences if Kansas City finds it valuable. We should discuss the City's specific needs during the kick-off meeting.

Valued Added Task 1 - Estimate Regional Economic Impacts

This value added task is a direct response to Kansas City's requirement that the selected consultant team must agree to provide products and/or services to any member of the Mid-America Regional Council (MARC). We understand that this requirement applies to the three core tasks identified in the Scope of

Services, however, we want to offer an additional service that may be of interest to MARC and other region-level organizations in particular.

The value added service we are offering is to estimate the economic impacts of Kansas City incentive programs at a geography that extends beyond the city boundary to the multi-county metropolitan area. Kansas City operates within a larger regional economy, and the revitalization of downtown may very well have generated impact beyond the City's borders.

We confirmed that the Mid-America Regional Council currently subscribes to the REMI economic impact modeling software (of the metro region). EDR Group has extensive experience using REMI to model the direct and non-direct impacts of economic development incentive programs, most recently for the Minnesota Department of Revenue. Critically, this modeling requires the knowledge necessary to translate program performance indicators into the inputs necessary for models like REMI. For this reason, we are prepared to work with Kansas City (through a software sharing arrangement, if possible), and MARC to perform modeling necessary to evaluate and communicate the full range of regional impacts and outcomes various economic development incentives have generated. To be clear, this option is contingent on our ability to make use of MARC's existing subscription.

This task will require approximately four weeks to complete, beginning in early fall once Task 2 is complete, and will result in a technical addendum to the main report.

Value Added Task 2 - Develop Impact Estimation Spreadsheet Tool

EDR Group not only provides direct services to clients but also develops various tools and software solutions. For public sector clients, we have used our economic modeling expertise to create custom solutions that allow program administrators to estimate, in advance, the impacts stemming from proposed program structures/designs. This capability provides administrators with an efficient way to inform public policy decisions through quantitative, defensible calculations. Maximizing the value gained from public spending is key objective of EDR Group.

If Kansas City is interested in this value added option, we will explore exactly what it will take during the kick-off meeting or a separate meeting devoted to the task. Past solutions generally involved incorporating findings from statistical analyses as well as information contained in economic models such as IMPLAN and REMI to create formulas relating program inputs (e.g., spending) to outputs and outcomes. Microsoft Excel is a sufficient platform for accomplishing this, allowing our team to use relationships established in previous tasks to create a spreadsheet form that accept inputs in the form of key performance indicators.

This task will require approximately four weeks to complete, beginning in the late fall once Value Added Task 1 is complete. We will deliver an easy-to-use spreadsheet tool and user manual.

2. Highlight unique services and management tools and indicate the benefits of them to the City.

What makes your business/firm better than the competition?

Having conducted numerous program evaluations and authored a variety of guidebooks related to performance measurement and best practices, we understand what a comprehensive analysis of Kansas City economic development incentive programs requires. We assembled a team that possesses the necessary qualities, including a combination of local and national knowledge and experience.

EDR Group is unique in that the firm not only provides consulting services but also develops software solutions designed to help government agencies monitor, analyze, and report program outputs and outcomes. Our flagship software product is TREDIS, an online tool used by dozens of state departments of transportation, state departments of economic development (Missouri DED and DOT included), and metropolitan planning organizations. Our experience developing and spinning off TREDIS is important for this analysis and a distinguishing feature of our team because of your interest in evaluating improvements to public infrastructure. We have developed custom solutions for clients that accomplish this very objective. For this analysis, we will work with Kansas City to isolate and analyze key indicators of infrastructure performance. We have proven methodologies for translating these indicators into economic and tax revenue impacts.

Our custom solutions extend beyond infrastructure analysis, however. We have also developed custom tools that benchmark and validate firm-level indicators such as job creation/retention, equipment purchases, and expansion of business operations. The most relevant example of this experience is a proof-of-concept that we developed for the U.S. Treasury Department's CDFI Fund. The CDFI Fund subsidizes private investments made in disadvantaged communities. The CDFI Fund was interested in accomplishing something very similar to that which Kansas City now requires: the development of reporting and monitoring practices that enable future evaluation and communication as well as application screening. For years the CDFI Fund had collected information through program application forms but had never streamlined its monitoring practices. We worked with the Fund to develop a custom solution that would compare reported program outcomes such as job creation and leveraged investment with expected outcomes. We accomplished this using a combination of regression techniques and economic impact modeling. Our proof-of-concept was so well-received that Treasury included a line item for its full development in the department's latest federal budget request.

Our modeling expertise is another factor that distinguishes us from other firms. Other firms are often limited in their ability to evaluate economic development programs at such a local level because of small sample sizes. We acknowledge statistical limitations but also recognize that government agencies still require conclusive results in order to inform important policy decisions. Our solution to this conundrum has been to pair statistical analysis with economic modeling, enabling agencies to compare observed outcomes (What does our ex post analysis of a certain job creation program, for example, suggest insofar as results?) with expected outcomes (What does modeling tell us about what we would expect to happen based on the support Kansas City provided?).

3. Describe your Quality Assurance Plan.

Quality control is a key element in assuring EDR Group's ability to deliver projects on time and within agreed-upon costs and scope. EDR Group maintains up-to-date processes and procedures for managing time records; expense billing and reimbursement filings; and project reporting by all staff. EDR Group also maintains written administrative procedures for project management and project control. All staff members employed by EDR Group are responsible for following and implementing these proposal and project procedures--even non-managers.

We employ a dual-management structure (project manager and principal officer) for all projects because we recognize that decisions and policies at the highest levels depend on the quality and accuracy of our research and analysis. Therefore, it is ingrained in both our corporate policy and professional culture that all materials produced by EDR Group are reviewed and assessed at the director/officer level before being released for review by our clients. All project deliverables with significant potential public impact are also reviewed by EDR Group's president before release. Our objective is to produce studies and professional services that meet the highest quality and that are widely recognized as being of the highest quality and reliability. Our track record of providing state-of-the-practice research, studies, and reports to federal, state, and municipal agencies through the U.S., Canada, and Europe confirms the effectiveness of our management and quality control processes.

4. State approximate date your business/firm is available to begin work on the Project.

Our consulting team is available to begin work immediately upon award of contract.

5. Discuss your transition plan to begin providing services.

We recommend holding an immediate kick-off meeting (in-person or remotely) to clarify the schedule, begin specifying an exact scope, and establish a data sharing plan. The last step is particularly important as it will allow us to quickly understand the number and types of projects funded by agency; the inception dates for each project; and the types and timing of data tracked on a project. This in turn will allow us to (1) determine what (minimum and necessary) data augmentation we will provide and (2) begin to define performance indicator concepts (some may be readily available in existing databases). All subsequent tasks are contingent upon this transition being immediate and successful.

6. Propose additional performance measures including why the performance measure is important and how the City will measure and verify performance.

We propose the following additional performance measure categories, however, we may expand this list following a formal review of existing program databases:

Periodicity - During our kick-off meeting, we want to confirm the regularity with which Kansas City departments collect and update each of the provided indicators. It is essential that we have a time series of project outputs in order to measure the effectiveness of various incentives.

Business Performance - In our response to Question 1, we described one option for supplementing statistical analysis of actual, ex post project outcomes with a benchmarking and validation exercise. This method requires knowing something about how individual businesses performed during the analysis period. One of the most useful measures of business performance is revenue. Knowing which industry

businesses operate in is also important for such analyses.

7. Discuss your understanding of the project scope and objectives.

In the 2-3 decades since the revitalization of Kansas City's downtown began, numerous projects have proceeded with the support of economic development incentive programs. At the same, the national and regional economies have undergone dramatic change. EDR Group understands the need for local governments to communicate the need for economic development programs while also maximizing the efficiency with which they are implemented and the return they generate for taxpayers. We also understand how difficult it is for government agencies to isolate the impacts of various projects and programs in the face of changing economic conditions and determine the role that incentives should play in long-term strategies like those put forth in AdvanceKC.

City government needs a current assessment of how two decades plus of economic development incentives, offered in various forms, have delivered economic, real estate value, and tax revenue benefits that would not have otherwise been achieved. The assessment must account for the diverse objectives the 6-8 authorized incentive-offering agencies are focused on, and aspire to achieve, through awards to select projects. Meeting those objectives requires understanding relevant performance indicators, and the assessment must be performed with historical project-related data collected by the city starting from the initial project application/eligibility information and interim data collection requirements placed on the recipient real estate development or business.

The assessment should shed light on proven winners among the projects within an agency's focus area, and should enable Kansas City to better target resources, track outcomes, and reduce uncertainty around fiscal results.

8. Based on your firm's expertise, please include in your response any additional technical analysis and/services which your firm/team would recommend to ensure successful achievement of the City's project objectives, including why the proposed analysis and/or service is important. These should correspond directly to the Value Added Options described herein.

While the key emphasis is on delivering a defensible assessment of neighborhood level, project-specific outcomes, government spending likely catalyzed additional (non-direct) business activity through supplier purchases and paychecks for their workers. Our team has the capability to estimate both non-direct economic impacts and tax revenue impacts.

Some suppliers may be in the neighborhood or elsewhere in region. For this reason, we recommended in two value added tasks a consideration of region-level economic modeling and the development of a spreadsheet tool that will allow City staff to estimate such impacts on a regular basis. We believe both options are important for meeting Kansas City's objectives as they relate to improved economic development policy making as described in AdvanceKC.

10. Sustainability

The City has adopted an overall policy supporting a greater use of "green solutions" or enhanced sustainability measures that consider environmental quality, social equity and economic vitality. In order to minimize waste, enhance efficiencies, and achieve multiple benefits and project synergies, all City projects must identify opportunities for sustainability improvements and implement those improvements when financially reasonable and operationally practical.

Incorporate sustainability and efficiency into the planning, design, construction, operation and maintenance of the project. Highlight each component of the project that you feel deserves consideration in this context, and demonstrate how sustainability and efficiency are integrated into the project.

If it is not possible to comprehensively integrate significant sustainability measures, then highlight elements you feel deserve consideration in this context.

1. Include a concise summary of your company's policies, strategies, and actions that demonstrate your philosophy and commitment to sustainability.

We believe that a core element of the "business case" for public programs is their effect on the well-being of residents; the health of the economy that they depend on; and the quality of the environment in which they live. Our company's approach to research and analysis reflects the fact that, in places like Kansas City, physical, social, and economic infrastructure are intertwined with the natural environment at every level. EDR Group employs subject matter experts in transportation, energy, and urban planning, each of whom routinely applies a range of economic impact and cost effectiveness techniques needed to promote the long-term sustainability of the places in which we work. [Sample of Sustainability Projects](#)

2. Describe how your Proposal will address the established City policies referenced in this RFP specific to the project or service on which you are proposing.

We will incorporate sustainability and efficiency into the planning, design, and execution of the project in the following ways:

- Sustainable transportation: We anticipate attending a kick-off meeting and other meetings with Kansas City staff and local stakeholders as needed. Collins Noteis & Associates staff are local; Adam Blair is located in Chicago; and other EDR Group staff and Karl Seidman are located in Massachusetts. It is important to consider the carbon impact of long-distance travel. For 500-mile trips (Chicago to Kansas City), the Union of Concerned Scientists recommends taking a motor coach or train. Adam is committed to using one of these modes of transportation if traveling to Kansas City. For trips over 1,000 miles, the Union of Concerned Scientists recommends taking a motor coach or flying economy. EDR Group staff and Karl Seidman are committed to using one of these modes of transportation if traveling to Kansas City. Once in Kansas City, project staff are committed to walking or using public transportation to reach meetings, hotels, and restaurants. See <http://www.ucsusa.org/sites/default/files/legacy/a...> for more information on low-carbon long-distance travel.
- Eco-friendly hotels: Should the project team require overnight accommodations in Kansas City, we will prioritize hotels committed to green practices (e.g., water conservation, recycling, green building design).

- Sustainable food systems: During our stay in Kansas City, project staff will prioritize restaurants that source products locally in order to avoid the carbon emissions associated with long-distance shipping.
- Electronic communication: Throughout the duration of the project, the project team will communicate electronically (internally and with Kansas City staff and stakeholders) in order to save paper and avoid the carbon emissions associated with shipping parcels long-distance.

11. Pricing/Cost Proposal

The City recognizes this type of initiative is complex and that proposals may vary greatly in scope, approach, budget, and deliverables from one firm to another. The purpose of this RFQ/P will be to identify a preferred consultant firm/team based on the evaluation criteria contained herein, to work collaboratively with the City and jointly develop a scope of work which will best meet the project objectives outlined above.

Final pricing for this proposal will be negotiated, along with final scope and project phasing with the selected firm, based on their qualifications. However, since relative cost will be one of the evaluation criteria for responses, firms should provide the following information for general comparison purposes.

- Identify in pricing estimate, services or tasks which are necessary to meet the three identified objectives and any optional services or analysis, which are not required but could further enhance the findings of the study.
- Provide a total average hourly rate for your entire firm/team and an estimated minimum number of hours needed to complete each of the three tasks.
- Provide pricing for any additional "value added services" that your firm thinks would be relevant to this request on an a la carte pricing basis.

1. Attach your pricing proposal with the cost breakout as shown above.

See Attachment: Cost Proposal Selection (1).pdf

12. Employee Eligibility Verification Affidavit

Please download the attached [Employee Eligibility Verification Affidavit](#). Please sign, notarize, and scan the final form below.

1. Please attach the signed and notarized Employee Eligibility Verification Affidavit here. Use the 'paperclip' icon to attach the scanned file.

[Employee Eligibility Verification Affidavit](#)

13. References

Proposers are required to provide three (3) client references, including contact information, for similar projects that the Proposer has completed within the past five (5) years.

It is preferred that at least one (1) client reference be a government sector client.

Instructions:

- 1 Download the attached [References](#) form
- 2 Distribute to designated references
- 3 Collect the responses
- 4 Attach the completed forms below

1. Attach the completed reference form here from Reference #1.

See Attachment: Reference Minnesota (Angel Credit Study) 6-8-16 (signed).pdf

2. Attach the completed reference form here from Reference #2.

See Attachment: EDR Group reference from CDFI Fund.pdf

3. Attach the completed reference form here from Reference #3.

See Attachment: K Seidman recommendation.pdf

Copy of the report:

http://www.cambridgema.gov/CDD/News/2015/02/~/_media/3724267A45024DCBB17F1ED7682FAF4B.ashx

14. Tax Clearance for City and Local Governments

The local governments of City of Kansas City, Jackson County, Missouri; Johnson County, Kansas; and the Unified Government of Wyandotte County/Kansas City, Kansas (collectively the "Local Governments"), have agreed to help enforce each other's Tax Laws to insure that taxpayer funded contracts are performed by Contractors in compliance with the Tax Laws of the Local Governments. Contractor agrees that Contractor shall be in compliance with the Tax Laws of the Local Governments throughout the term of this contract and any contract renewals and that proof of Contractor's compliance with the Tax Laws of the Local Governments shall be a condition precedent to City making City's first payment under the contract or any contract renewal.

The selected Contractor may obtain the City tax clearance letter from the City's Commissioner of Revenue at (816) 513-1135 or (816) 513-1089 and authorize the City to obtain the Clearance letters from the Local Governments of City of Kansas City, Jackson County, Missouri; Johnson County, Kansas; and the Unified Government of Wyandotte County/Kansas City, Kansas (collectively the "Local Governments"), dated not more than ninety (90) days from the date of submission.

1. Do you acknowledge the requirement in this section?

True

15. Performance Bond

A Performance Bond is required in the amount of the final contract amount.

PERFORMANCE BOND

Project Number

Project Title

KNOW ALL MEN BY THESE PRESENTS: That _____, as PRINCIPAL (CONTRACTOR), and _____, (SURETY), licensed to do business as such in the State of Missouri, hereby bind themselves and their respective heirs, executors, administrators, successors, and assigns unto Kansas City, Missouri, a constitutionally chartered municipal corporation, (OWNER), as obligee, in the penal sum of _____ Dollars (\$ _____) for the payment whereof CONTRACTOR and SURETY bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,

CONTRACTOR has entered into a Contract with OWNER for _____ which Contract, including any present or future amendment thereto, is incorporated herein by reference and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if CONTRACTOR shall promptly and faithfully perform said Contract including all duly authorized changes thereto, according to all the terms thereof, including those under which CONTRACTOR agrees to pay legally required wage rates including the prevailing hourly rate of wages in the locality, as determined by the Department of Labor and Industrial Relations or by final judicial determination, for each craft or type of workman required to execute the Contract and, further, shall defend, indemnify, and hold harmless OWNER from all damages, loss and expense occasioned by any failure whatsoever of said CONTRACTOR and SURETY to fully comply with and carry out each and every requirement of the Contract, then this obligation shall be void; otherwise, it shall remain in full force and effect.

WAIVER. That SURETY, for value received, hereby expressly agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the Work to be performed thereunder, shall in any way affect the obligations of this Bond; and it does hereby waive notice of any such change, extension of time, or alteration or addition to the terms of the Contract or the Work to be performed thereunder.

IN WITNESS WHEREOF, the above parties have executed this instrument the ____ day of _____, ____.

CONTRACTOR

Name, address and facsimile number of Contractor

I hereby certify that I have authority to execute this document on behalf of Contractor.

By:

Title:

(Attach corporate seal if applicable)

SURETY

Name, address and facsimile number of Surety:

I hereby certify that (1) I have authority to execute this document on behalf of Surety; (2) Surety has an A.M. Best rating of B+, V, or better; (3) Surety is named in the current list of Companies Holding Certificates of Authority as Acceptable Reinsuring Companies: as published in Circular 570 (most current revision) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury; and (4) Surety is duly licensed to issue bonds in the State of Missouri and in the jurisdiction in which the Project is located.

By:

Title:

Date:

(Attach seal and Power of Attorney)

1. Do you acknowledge the performance bond requirement?

True

16. Value Added Options- Cooperative Agreement Submittals

Additional project objectives or deliverables which respondents feel would further enhance the City's utilization of the collected data (historic or future) are encouraged and will also be considered.

Additional objectives should be provided in the proposer's response with a description of the associated scope and its benefit and cost.

17. MBE/WBE Goals

Please contact the City's Human Relations Department at 816-513-1836 for assistance on any aspect of the MBE/WBE program.

Program forms are linked below for reference. Click on the form name to download it.

For RFQP submittal, only Form 08 and Form 13 are required. Complete and upload these two forms in the appropriate question below.

If you are short-listed or selected for award, you will be notified of additional documents needed for submission.

- [HRD 06](#) : RFQ/P Instructions
- [HRD 07](#): Instruction for Non-Construction Bids
- [HRD 08](#): Contractor Utilization Plan and Request for Waiver (00450)
- [HRD 10](#): Timetable for Utilization (00460 HRD 10)
- [HRD 11](#): Request for Modification or Substitution (00470)
- [HRD 13](#): Affidavit of Intended Utilization
- [004501.01](#): Letter of Intent to Subcontract
- [01290.14](#): Contractor Affidavit for Final Payment
- [01290.15](#): Subcontractor Affidavit for Final Payment

1. Submit HRD Form 08.

See Attachment: Notarized Contractor Utilization Plan.pdf

See Attachment: blob

2. Submit HRD Form 13.

See Attachment: Notarized Affidavit of Extended Utilization.pdf

See Attachment: blob

3. Do you accept this requirement?

True

18. Addendum 1: Preliminary Questions

Question	Response
What is the budget range for this project?	The City is committed to spending the dollars necessary to deliver a comprehensive analysis. In speaking with the City's procurement staff and other economic development resources, we think that there may be a range of scopes and costs. We

have not set a maximum on the budget for this project because we are committed to ensuring we secure a the most effective technical team. We have dealt with the potential for different price points within the responses by requesting responders to provide an average hourly rate and number of hours anticipated to complete the required tasks. That factor would be evaluated against the overall approach and expertise of the responding firm, in recognition that higher expertise may come with a corresponding increase in cost. We encourage any and all firms who think they are qualified to consider a response to our project.

Does Kansas City have an existing relationship with an economic development consulting firm?	The City does not. Our main economic development partner, the Economic Development Corporation of Kansas City, uses SB Friedman and Springsted Incorporated to conduct financial analyses of pending real estate redevelopment projects.
Are you open to hiring a non-local company?	The City is seeking firms with experience conducting similar types of analysis. Whether the selected firm is local or non-local, we require that it comply with the MBE/WBE goals as stated in the RFQ.
What will be the audience for this report?	The audience for this report includes City staff, Mayor & City Council, the Economic Development Corporation of Kansas City and the redevelopment agencies it houses, local neighborhood groups, the development community, and the broader public. The expectation is that this report will be made public.
What "temporary staffing resources" will be available, as listed in the description?	The City will have summer interns entering the data and information from the statutory incentive agencies into a database. The goal is to limit the amount of data compilation that the selected firm would need to do, so that firm can focus predominantly on data analysis. However, once a firm is selected, the City will work with that firm to compile the data necessary for the firm to complete the agreed upon scope of work.
Which incentive programs are included in the scope?	The City's Economic Development Agencies for the purpose of this study include - the Land Clearance for Redevelopment Authority (LCRA), the Tax Increment Financing Commission (TIF Commission), the Downtown Economic Stimulus Authority (DESA), the Enhanced Enterprise Zone Boards (EEZ), the Planned Industrial Expansion Authority (PIEA) and the Kansas City Chapter 353 Advisory Board (353 Board) which administer programs for their respective programs. Additionally, the City directly and via the Economic Development Corporation of Kansas City, the umbrella economic development agency for the City, and the Port Authority have additional authority to convey certain economic incentive benefits authorized pursuant to other Missouri State Statutes including Chapter 100 and Chapter 353.
Is the listed MBE/WBE	The percentages are based on the scope of work. The City desires that City certified Minority Business Enterprises (MBEs) and City certified Women Business

percentage required or a soft goal?	Enterprises (WBEs) have a maximum opportunity to participate in the performance of City contracts. This RFQ/P requires 10% DBE/MBE participation and 5% WBE participation. MBE/WBE firms can be found at https://kcmohrd.mwdbe.com/FrontEnd/VendorSearchPublic.asp?TN=kcmohrd&XID=186 .
Does Kansas City recognize MBE/WBE certification in other cities?	The City of Kansas City, MO only recognizes MBE/WBE certification from Kansas City. For a list of certified firms, please search https://kcmohrd.mwdbe.com/FrontEnd/VendorSearchPublic.asp?TN=kcmohrd&XID=186 .
Does the scope include recommendation s to improve the performance?	The scope does not include policy recommendations. Given that many other cities are grappling with similar questions and conducting similar analyses, our scope does seek input as to best practices for administration, monitoring, and reporting of incentives.
When is the pre-submittal teleconference?	The pre-submittal teleconference is Tuesday, June 7th at 10am (CT). Instructions on how to call in and participate will be sent out to interested firms at a later date.

1. Do you acknowledge this addendum?

True

19. Addendum 2: Pre-Submittal Teleconference Instructions

The City will conduct a pre-submittal teleconference at 10am CT on Tuesday, June 7th to go through the RFQ/P and answer any questions from potential respondents. Access to the meeting will be two-pronged: to view the slide deck, you will need to join the Skype meeting via the invite below. In order to ask questions and participate on the call, please use the dial in number.

Contact Aaron Shroyer (aaron.shroyer@kcmo.org; 816-513-6537) if you have any questions.

[Join Skype Meeting](#)

For dialing-in:

1. Dial one of the numbers listed below
 2. When prompted, enter the Meeting Access Code: 9689153#
- * Caller-Paid number: 213-787-0529
 - * Toll-Free Number (in USA): 888-808-6929.
 - * Blackberry (Caller-Paid): 2137870529x9689153#
 - * iPhone (Caller-Paid): 2137870529,,9689153#

1. Do you acknowledge this addendum?

Yes

20. Addendum 3: Post-Teleconference Questions and Responses

Questions Responses

Are you looking for submissions from all of the team member firms on a proposal or only from the lead firm?

If several suppliers are creating a joint proposal, only the lead proposer would submit in RFP365. However, please provide information on all proposers in Section 1.

Does the reference to Dun & Bradstreet in this section and item refer to a D&B number or a D&B credit report?

Yes, firms can supply their D&B number, and the City can run the report.

Which e-Verify form should be submitted?

It is fine to submit the e-Verify form that is attached in RFP365.

Where can I find the list of certified MBE/WBE?

Please find that list at <https://kcmohrd.mwdbe.com/FrontEnd/VendorSearchPublic.asp?TN=kcmohrd&XID=186>.

Why does the City ask for a performance bond?

We are asking for a performance bond to secure the performance of the selected firm's services through the entirety of the project. It will be released at the end (acceptance) of the project. We ask for this on all of our large services projects to guarantee the services.

Would there be any exceptions for submitting the completed reference forms past the due date of June 12th?

References are a requirement and all suppliers should make every effort to meet all requirements of the RFP.

1. Do you acknowledge this addendum?

Yes

2. Do you acknowledge this addendum?

Yes

21. Addendum 4: Additional Information on Incentive Programs

[Data Fields](#) [TIF Generational Chart](#) [Chapter 100 - Super TIF Projects](#) [Incentive Areas.pdf](#)[Incentive Areas.xlsx](#) [Zone 1 Map.PDF](#)[Zone 2 Map.PDF](#) [Zone 3 Map.PDF](#)

Attached to this Addenda are the following:

- DataFields: shows the types of data that will be captured in our database. Note: Data is currently being entered and not all incentive projects will have data in every one of the listed fields.
- TIF Generational Chart: Breakdown of generations of TIF, as noted by Kerrie Tyndall during Tuesday's phone call.
- Chapter 100- Super TIF Projects: List of all Chapter 100 & Super TIF Projects.
- Incentive Areas: Map and list of all incentive areas.
- Zones 1-3: Map of Enhanced Enterprise Zones in Kansas City, Missouri

1. Do you acknowledge this Addendum?

Yes

22. Addendum 5: Urgent Notice to Respondents

URGENT NOTICE TO RESPONDENTS

The deadline for responses has been extended to 5pm CT on Thursday, June 16th.

As a result, the schedule for selection will be altered as follows:
Question Period: Two weeks after close (SAME)
Short-listed Firm Interviews: Late June/Early July 2016
Preferred Firm Selected: July 2016
Finalize the Scope & Pricing: July 2016
Project Commencement: Late July 2016
Project Completion Date: Fall 2016

Can the City provide an overview of the economic incentive programs? See attached Word document entitled Quick Reference Guide.

In regard to the Standard City Contract, is there any flexibility with regard to contract negotiation? How would you advise that firms answer the questions with our proposed changes? Question 2 in Section 5 is provided to allow for any comments, concerns, or questions regarding the Standard City Contract. Some things may be negotiable and others may not. If you have exceptions to any specific sections, please explicitly state those in your response.

Would it be acceptable to add additional scope to the proposal as a "value-added task" that would Per Section 3-431 (City Code 130041) the Bidder/Proposer can include additional scopes for participation and count that participation towards the project's MBE/WBE goal. This is acceptable because a contract that cannot achieve participation as it written can be structured to CREATE potential

count towards MBE/WBE opportunities for qualified MBEs and WBEs to participate as subcontractors, service providers and/or suppliers, Section 3-431(b)(3) of our policy allows that as an acceptable option. If the Bidder/Proposer is unable to meet the target goals, they must submit documentation of their Good Faith Efforts in accord with Section 3-441. The Standards to determine good faith are attached for your convenience.

Is the deadline to complete the project firm? The City is seeking to complete this analysis by the Fall of 2016. However, if the responder feels that this timeline is insufficient to meet the intention of the outlined scope of services, they should indicate what portion of the scope could be completed by this fall and include an alternative schedule for completion of the project including any related phasing. The City's emphasis is on receiving a high-quality product as soon as possible.

Are respondents required to rely upon data fields provided to complete the analysis? No, Task 1 of the scope is intended to allow for proposals to identify their data requirements and scope and use that to negotiate a plan to compile that data. The data that firms can use is not limited to the data that is currently collected. The City welcomes inputs from the selected firm as to what data can be included. The City will work with partners to collect that data, with the caveat being that some historical data might not be available.

[Quick Reference Guide.doc](#)
[130041 MWBE GFE Standards.pdf](#)

1. Do you acknowledge this Addendum?

Yes

Cost Proposal - EDR Group, Karl F. Seidman Consulting Services, and Collins Noteis & Associates

Total Average Hourly Rate for Entire Team*: **\$178.70**

*Note that the rate is not weighted by hours; individual staff rates vary from \$110.55-239.17.

Basic Tasks	Minimum Person-Hours
Task 1 - Identify Key Performance Indicators for all Incentives Programs	240
Task 2 - Complete a Historical Analysis of Key Performance Indicators	460
Task 3 - Assist the City in Developing On-going Monitoring and Reporting Systems	240
Total Basic Proposal	940

Value Added Tasks	Price
Optional Value Added Task 1 - Estimate Regional Economic Impacts	\$40,000
Optional Value Added Task 2 - Develop Impact Estimation Spreadsheet Tool	\$40,000
Total Value Added Proposal	\$80,000