

EV2228 Economic Development Incentives Analysis

*Janet Razler
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Contents

1. Instructions and Conditions	3
2. Scope of Services	16
3. Authorized Representative Form.....	21
4. Cooperative Procurement with other Jurisdiction form.....	22
5. Standard City Contract.....	22
6. Business/Firm Profile and Legal Structure	23
7. Experience	24
8. Personnel	25
9. Project Approach.....	26
10. Sustainability.....	28
11. Pricing/Cost Proposal.....	28
12. Employee Eligibility Verification Affidavit	29
13. References	29
14. Tax Clearance for City and Local Governments.....	29
15. Performance Bond.....	30
PERFORMANCE BOND	30
16. Value Added Options- Cooperative Agreement Submittals.....	32
17. MBE/WBE Goals	32
18. Addendum 1: Preliminary Questions	33
19. Addendum 2: Pre-Submittal Teleconference Instructions.....	34
20. Addendum 3: Post-Teleconference Questions and Responses	35
21. Addendum 4: Additional Information on Incentive Programs.....	36
22. Addendum 5: Urgent Notice to Respondents.....	37

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.
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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.

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

As discussed on the June 7th RFP conference call, the scope of services is extensive and the timeline is aggressive. While PFM agrees to the Scope of Services, it will require substantial commitment on the part of the City (and City staff) to ensure that the City data necessary for rigorous analysis is available at the earliest possible point in the project.

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

None.

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.

False

Indemnification: PFM respectfully requests the opportunity to negotiate the indemnification language in any resulting agreement so that PFM's obligation to indemnify is limited to circumstances in which its performance has been wrongful, which would include negligent or intentionally wrongful acts. Personnel: PFM respectfully requests the opportunity to negotiate this provision in any resulting agreement to allow PFM to replace personnel with notice in the event of an occurrence where PFM may not have the opportunity, or the time, to secure the City's written consent prior to replacement. Assignability: PFM respectfully requests the opportunity to negotiate this provision in any resulting agreement to allow PFM to assign the agreement in the future to a regulated PFM entity with notice to City.

2. Authorized Representative name and title

Michael Nadol, Managing Director

3. Authorized Representative phone number and email address

215-567-6100 Ext. 1433

nadolm@pfm.com

4. Firm's name and physical address

Public Financial Management, Inc.

1735 Market Street

42nd Floor

Philadelphia, PA 19103

5. Email address for Purchase Order

nadolm@pfm.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

Any potential assignments will be subject to review to ensure no conflict of interest with existing client commitments

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.

Indemnification: PFM respectfully requests the opportunity to negotiate the indemnification language in any resulting agreement so that PFM's obligation to indemnify is limited to circumstances in which its performance has been wrongful, which would include negligent or intentionally wrongful acts.

Personnel: PFM respectfully requests the opportunity to negotiate this provision in any resulting agreement to allow PFM to replace personnel with notice in the event of an occurrence where PFM may not have the opportunity, or the time, to secure the City's written consent prior to replacement.

Assignability: PFM respectfully requests the opportunity to negotiate this provision in any resulting agreement to allow PFM to assign the agreement in the future to a regulated PFM entity with notice to City.

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.

Public Financial Management, Inc.
1735 Market Street
43rd floor
Philadelphia, PA 19103
Phone 215-567-6100 Ext. 1433
Fax 215-567-4180
nadolm@pfm.com
FEIN 23-1992164
www.pfm.com

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

[PFM Firm History](#)

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

[PFM Firm Make Up](#)

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

The most recent PFM employee roster lists a total of 596 employees. There are no employees in Kansas City or the Greater Kansas City Area. There are 5 employees in the St. Louis Metro Area.

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

[PFM Firm Structure](#)

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

PFM has never failed to complete any work awarded to it.

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?

There are no civil or criminal actions pending against PFM or, to its knowledge, any key personnel, related in any way to contracting.

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.

PFM and an affiliate (collectively "PFM") were joined as "4th party defendants" in a lawsuit initiated by a school district against its swap counter-party for declarative relief that the swap is unenforceable. The swap counter-party joined the school district's bond counsel as a defendant, and bond counsel then joined PFM, claiming that if counsel were to be liable for any damages it would be entitled to contribution from PFM. This suit was settled in early 2013; PFM contributed less than 1% of the amounts agreed in settlement.

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

PFM has never been disqualified from working for the City or any other public entity.

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

[PFM Financial Audit](#)

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

[St Louis Case Study_PFM](#)

2. Relevant contract description #2

[Hawaii Case Study_PFM](#)

3. Relevant contract description #3

[City of Baltimore_PFM Case Study](#)

4. Relevant contract description #4

[New Orleans_PFM Case Study](#)

5. Relevant contract description #5

[Pittsburgh Act 47_PFM Case Study](#)

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

[PFM Sample Contract](#)

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.

[PFM Contracts 2013 to Present](#)

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.

[PFM Staff Capacity](#)

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.]

[PFM Key Personnel.docx](#)

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.

[PFM Resumes.docx](#)

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

[PFM Loss of Key Personnel.docx](#)

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

[PFM Staffing Plan.docx](#)

6. Provide an organizational chart for the assigned staff.

[PFM Organizational Chart.docx](#)

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

[PFM Vacation Coverage.docx](#)

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.

[PFM Approach.docx](#)

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?

The proposed PFM project team has a unique and unrivaled blend of experience and expertise. It is led by the national leader in providing independent financial advice to state and local governments. It is augmented by a Kansas City firm whose partners have significant experience in Kansas City government. It also includes highly regarded Ph.D. researchers and public policy practitioners who are highly knowledgeable about state economic development requirements and the analysis of local economic development program impacts. Finally, it is complemented by an economic impact analysis firm to provide another measure for determining the success or failure of economic development incentives.

3. Describe your Quality Assurance Plan.

PFM subjects all reports to a round of internal review for edits or clarifications. PFM will also actively engage the City in all final project discussions. This includes providing all models (and discussion with their developers) in advance of final written reports so that the City may weigh in on any areas of disagreement. Throughout the project, the PFM team will maintain close contact and provide opportunities for City staff to conduct their own QC review.

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

The project team is ready, willing and able to meet all published project time frames. PFM would also be amenable to accelerating the timeline (including into late June as a starting point), if the City wishes to do so. It is likely that this would translate into a June 27 start date.

5. Discuss your transition plan to begin providing services.

As part of the detailed project plan, PFM settles onto an initial project plan. This generally requires the assistance of a scheduler on the City side to help establish meetings and calendars. Simultaneously, the project team provides its detailed project plan and information request. At that point, it is up to the Client as to how fast the project can move - needless to say, PFM has never been the 'less movable' party. Absent extremely circumstances- we will react and perform to your deadlines.

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

At the current time, the PFM team believes it would be counter-productive to suggest additional performance measures or project activities. The project is already significant in stature and need and the timeline challenging. As a result, we would prefer the project to be completed as proposed prior to additional actions.

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

The prior discussion of the project approach should provide a representative sample of the project team's understanding of the project scope and objectives. The City's RFP and its June 7, 2016 presentation describe the City's desire for a comprehensive analysis that will inform future economic development policy, increase transparency and accountability, identify appropriate measures to determine future development outcomes, document the impacts of past incentive efforts, establish a process for collecting and reporting of data and improve accessibility to that data and information. This helps to define overall project objectives. The tasks identified (identify key performance indicators for all incentives, complete historical analysis of key performance indicators and assist with developing on-going monitoring and reporting systems) largely determine the project scope.

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.

As previously noted, the project team is comfortable with the existing project scope and believes that, in order to get the City the information it requires from the existing scope, it would be counter-productive to suggest add-ons at this time.

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.

[PFM Green Policy](#)

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.

As appropriate, the project team will encourage the use of sustainable practices during the conduct of the project. This may include using communication methods (teleconference, video conference, webinars) as a substitute for travel where it does not negatively impact on project performance. The project team will request information electronically as opposed to obtaining paper copies where possible. The project team will also conduct surveys and other project information gathering electronically (as opposed to paper copies) where possible. Within the project findings and recommendations, the project team will be cognizant of opportunities for both the administration and reporting of incentives to be conducted in ways that maximize sustainability. Where appropriate, the project team will also analyze how existing incentives have impacted on the environment and/or sustainable practices

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: PFM Price Proposal.docx

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.

[PFM 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: PFM_St Louis Reference.pdf

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

See Attachment: PFM Pittsburgh Act 47 Reference.pdf

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

See Attachment: PFM City of Baltimore Reference.pdf

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

PFM would be willing to provide a bond if required. The requirements as they are written now would require a slight revision in the third paragraph to allow for indemnification and hold harmless arising from our negligence or intentionally wrong performance under the contract.

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: HRD 08 Form.pdf

2. Submit HRD Form 13.

See Attachment: HRD 13 Form.pdf

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	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

resources" will be available, as listed in the description? 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 percentage required or a soft goal? The percentages are based on the scope of work. 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. 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	Yes, firms can supply their D&B number, and the City can run the report.

D&B credit 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?

PFM acknowledges Addendum 3.

2. Do you acknowledge this addendum?

N/A

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?

PFM acknowledges Addendum 4.

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 count towards MBE/WBE goals?

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 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?

PFM acknowledges this addendum.

PFM Price 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.

The PFM project team is comprised of four entities with differing hourly rates for differing classes of individuals who may be involved with the project. That can make the blending necessary to arrive at a single hourly rate difficult to determine, as work often may be done by individuals with different hourly rates. Another complicating factor is that some foundational work – such as benchmarking other cities and stakeholder interviews – are necessary project components that impact on each of the three tasks.

As a result, it should be noted that it is difficult to break the project down into three discreet component parts, with a single blended hourly rate. The project team understands the City's interest in making comparisons among competing proposals. At the same time, we would also caution that this is a representative estimate of the time and effort – and cost – associated with the project as a whole and less so for the three components of the overall project.

For comparison purposes, the following attempts to break out the upfront interviews and benchmarking work into the relevant categories, but there is some overlap that makes this a bit subjective. Within each category, the following hourly rates are applied to the respective organizations that are part of the project team:

- PFM: \$240/hour
- CNA: \$175/hour
- UMSL: \$62.50/hour
- TXP: \$240/hour

These are fully loaded rates, meaning that all necessary travel and other expenses have been built into the hourly rates. The following table provides the requested information related to a total average hourly rate for the entire team and an estimated minimum number of hours needed to complete each of the three tasks. To better explain who will be responsible for the efforts, it is also broken out by the four respective entities:

Task	Activities	Hours by Entity				Total Cost Per Task
		PFM \$240/hour	CNA \$175/hour	UMSL \$65.10/hour	TXP \$240/hour	
Identify Key Performance Indicators for All Incentive Programs						
	Stakeholder Interviews (internal and external)	40	40	40	8	
	Benchmarking research	40	0	40	0	
	Data and information research	16	16	40	0	
	Indicator analysis and testing	16	24	40	8	
	Draft/final task report	8	24	40	8	
	Task 1 Hours	120	104	200	24	448
	Task 1 Price	\$28,800	\$18,200	\$13,020	\$5,760	\$65,780
Complete Historical Analysis of Key Performance Indicators						
	Stakeholder meetings	8	8	40	0	
	Data review for validation and verification	8	8	80	0	
	Data mapping/coding and other analytical techniques	8	0	120	8	
	Economic impact analysis	8	0	20	40	
	High-Level Findings and Recommendations	8	8	16	8	
	Internal/External Review and Vetting	8	8	20	8	
	Draft/final task report	40	8	80	8	
	Task 2 Hours	88	40	376	72	576
	Task 2 Price	\$21,120	\$7,000	\$24,478	\$17,280	\$69,878
Best Practices - Implementation Policies, Monitoring and Reporting						
	Stakeholder Interviews (internal and external)	40	40	0	0	
	Benchmarking research	20	0	0	0	
	Analysis for application to the City	80	20	0	0	
	Draft/final task report	80	20	0	0	
	Task 3 Hours	220	80	0	0	300
	Task 3 Price	\$52,800	\$14,000	\$0	\$0	\$66,800
Total Hours All Tasks						1,324
Combined Tasks						\$202,458
Blended Hourly Rate						\$152.91