

POUDRE RIVER PUBLIC LIBRARY DISTRICT AGENDA ITEM SUMMARY

Name of Requestor: Holly Carroll
Appearance Date: September 8, 2014
Time Required: 15 minutes
Date Decision Needed: September 8, 2014

Agenda Item:
VIII. UNFINISHED BUSINESS
b. Approval of continued participation in the Larimer County TIF Urban Renewal Study

Objective:

Secure Board of Trustees approval of continued participation in the TIF study group and a financial commitment up to \$2,330 for the cost of a consultant to conduct a study and make recommendations for future Tax Increment Financing (TIF) projects in Larimer County.

Situation:

The Poudre River Public Library District was asked to participate in a countywide study of current TIF practices. The group represents most taxing entities in the county and meetings are coordinated by County Manager, Linda Hoffman. The full group and a core group charged with developing a purpose and goals statement and RFP for consulting services have met alternating months since February 2014. Holly Carroll, Executive Director, represents the Library District on both groups.

A RFP for consulting services not to exceed \$108,000 was released by Larimer County on September 3, 2014. All entities participating have been asked to share in the cost with contributions ranging from \$1,000 to \$30,000 (cities of Loveland and Fort Collins and county of Larimer). The special districts were originally asked to contribute \$1,000. The Library District, Foothills Gateway and Health District have since been requested to contribute \$2,330 each based on further discussions of the core group at its meeting on August 20, 2014.

Proposal:

Library administration recommends that the Library District continue participation in the TIF study group and contribute up to \$2,330 for a consultant to conduct a study of current practices and future TIF proposals.

Advantages:

If the study produces recommendations to which the taxing entities can agree, the Library District may be able to negotiate favorable agreements with the City of Fort Collins URA for future TIF projects. The study and resulting agreements may serve as a model of cooperation in other counties.

Disadvantages:

The taxing entities may not be able to agree to the study's recommendations and a process for the evaluation and implementation of future TIF projects is not accomplished.

Requested Action:

Approval to continue participation in the TIF study group and to contribute up to \$2,330 to pay for a consultant to conduct a study and make recommendations for the future.

Potentially Affected Interest: Library District patrons and staff

Level of Public Interest and Participation: High



REQUEST FOR PROPOSAL
LARIMER COUNTY COLORADO
200 W. OAK ST., SUITE 4000
FORT COLLINS, COLORADO

PROPOSAL NUMBER: P14-10
DESCRIPTION: Tax Increment Financing Consulting Services
RECORDING DATE: 10/6/2014

The Board of Larimer County Commissioners will be receiving sealed proposals at the office of the Purchasing Director, 200 W. Oak Street, Suite 4000, Fort Collins, Colorado, up to 2:00 P.M. (our clock), Monday, October 6, 2014 at which time they will be recorded, but not publicly opened, to consider contracting for tax increment financing consulting services for the Larimer County Manager.

All questions regarding this proposal must be in writing and should go to Ms. Kathryn Rowe, Purchasing Director, at (970) 498-5956. **Questions are due no later than 3:00 p.m., Friday, September 5, 2014.** Questions may be faxed to Ms. Rowe at 970-498-5959, or e-mailed to krowe@larimer.org. Please call to verify receipt of your questions. No additional questions will be accepted after the date and time referenced above.

INSTRUCTIONS TO PROPOSERS:

In submitting a proposal, the vendor agrees that acceptance of any or all proposals by the County within a reasonable time or period constitutes a contract. No delivery shall become due or be accepted unless a purchase order shall first have been issued by the Purchasing Director of Larimer County.

No work shall commence nor shall any invoices be paid until the contractor provides the requested proof of insurance as outlined in the "Insurance Requirements for Contractors" and until such proof is accepted by Larimer County. ***Additionally***, the contractor will provide an endorsement naming Larimer County as an additional insured to their policy. If you have any questions concerning the insurance requirements, please contact Connie Ellis, Property/Casualty Claims Adjustor, at (970) 498-5963 at least one week before the proposal recording date.

Payment for work performed or goods sold to Larimer County can be expected within 30 days after receipt of the invoice and satisfactory acceptance from the department receiving the service or goods.

As of August 7, 2006, state and local government agencies are prohibited from purchasing services from any contractor that knowingly employs illegal immigrants to help carry out publicly funded work. Pursuant to the provisions of Colo. Rev. Stat. §8-17.5-101, contractors must certify that they are using the E-Verify Program or Department Program to verify the employment eligibility of new employees. If a contractor awarded a contract violates the provisions of Colo. Rev. Stat. §8-17.5-101(2), the state or local government agency may terminate the contract and the contractor will be liable for damages to such agency.

Any contract agreed to by the parties that results in a sole source government contract must contain provisions and comply with Article XXVIII, Section 15 of the Colorado Constitution.

Vendor certifies, warrants, and agrees that (he) (she) (it) has knowledge of the "Keep Jobs in Colorado Act of 2013" codified at Sections 8-17-101, *et seq.* of the Colorado Revised Statutes and that Colorado labor shall be employed to perform at least eighty percent (80%) of the work.¹

Larimer County reserves the right to reject any and or all proposals, to further negotiate with successful proposer and to waive informalities and minor irregularities in proposals received, and to accept any portion of the proposal if deemed to be in the best interest of Larimer County to do so. If, in the sole judgment of the Board of County Commissioners, the proposals are substantially equal, the Board may grant the contract to companies located in Larimer County. The total cost of proposal preparation and submission shall be borne by the proposer.

All information submitted in response to this request for proposal (RFP) is public after the Notice of Award has been issued. The proposer should not include as part of the response to the RFP any information which the proposer believes to be a trade secret or other privileged or confidential data. If the proposer wishes to include such material with a proposal, then the material should be supplied under separate cover and identified as confidential. Statements that the entire proposal is confidential will not be honored. Larimer County will endeavor to keep that information confidential, separate and apart from the proposal subject to the provisions of the Colorado Open Records Act or order of court.

No telephone, e-mail or facsimile proposals will be accepted.

Proposals must be clearly identified on the front of the envelope by proposal number and title. Responsibility for timely submittal and routing of proposals, prior to recording, lies solely with the proposer. Proposals received after the closing time specified will not be considered.

Minority Business Enterprises will be afforded full opportunity to submit proposals in response to this invitation and will not be discriminated against on grounds of race, color, or national origin.

The Contractor certifies that by signing the contract, neither the contractor nor subcontractors, the organization nor its principals are suspended or debarred or otherwise excluded from procurement by the Federal government and do not appear on the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA).

PROJECT OVERVIEW:

Colorado law allows for the creation of Urban Renewal Authorities (URA) within municipalities. URAs have the ability to use Tax Increment Financing (TIF) to utilize property tax increases above an established base amount to fund improvements intended to remedy blight identified within the boundaries of the Urban Renewal Plan Area. URA boards are formed by municipalities, and can be made up of the Mayor and Council members. The County and Special Districts have limited involvement in the decision-making process to establish URAs, and no vote in the final decision.

Larimer County sits at the northern end of the Front Range corridor of Colorado. Fort Collins is the county seat. Other municipalities within Larimer County are the City of Loveland and the Towns of Wellington, Estes Park, and Timnath. The Towns of Windsor, Johnstown and Berthoud occupy a portion of Larimer County and extend into the neighboring county to the east, Weld County. There are currently three URAs in Larimer County and a total of seven TIF Districts. Larimer County has a total assessed value of \$4.1B. Of this amount \$163M is in a TIF District, which represents approximately 4% of total assessed value. Amongst the other nine most populous counties in Colorado, Larimer County has the highest percentage of TIF assessed value compared to total assessed value.

The County, selected Special Districts and the municipalities have come together to study the future of URAs and TIF in Larimer County. All are committed to making the best use of this important urban renewal tool while evaluating and addressing funding needs for Special Districts and the county. Figure 1, below, is the Purpose and Goals Statement adopted by the study group to define the work.

This Request for Proposals seeks a Consultant to assist with this work. Specifically, based on the adopted purpose and goals, the client group needs to agree on what elements, characteristics or predictable outcomes of new TIF districts can be used to weigh positive and negative impacts of new TIF districts. Once this is completed, models to quantify or estimate the selected elements, characteristics or outcomes must be developed. The Consultant will work with the study group to accomplish those tasks. It is desirable to complete this work by the end of June 2015. After the Consultant's work is complete, the client group intends to negotiate intergovernmental agreements among themselves to implement these tools as part of future processes to propose and consider tax increment financing proposals. Refer to the Proposal Submittal Requirements Section of this Request for Proposals for a more detailed explanation of the scope of services.

The cost to complete this project should not exceed \$108,000.00.

**FIGURE 1
Regional Urban Renewal TIF Study
Purpose and Goals Statements**

Purpose and Goals	
	The Municipalities, County and Special Districts are participating in this regional TIF study to develop and agree to a process for the evaluation of future TIF proposals. The purpose of the evaluation is to provide for the economic well-being of the people of Larimer County and serve as a model of cooperation in other counties. Our goals are threefold: to develop a method to qualify and quantify the economic benefits and financial risks of TIF proposals; to identify and address the differences of TIF proposals and corresponding financial effects on taxing entities; and to adopt formal agreements that balance the benefits and risks among the participating Larimer County entities.
	Economic vitality is an important component of community well-being and tax increment financing is an important tool for stimulating economic vitality. Services needed to support other important components of community well-being are dependent on property tax for funding. Tax increment financing incrementally impacts funding for these services. This Regional TIF Study will develop tools to quantify impacts (positive and negative) of TIF proposals.
	Cost and Benefit factors may include: <ul style="list-style-type: none"> • Cumulative impact of multiple TIFs • Investment made by the URA proposing the TIF, including project financial risks to the sponsoring city • Cost of providing services to redeveloped project compared to existing conditions based on land use mix • Benefits of proposed project over time based on land use mix • Benefits of proposed project throughout the affected geographic area • Provisions of related Intergovernmental Agreements between Larimer County taxing entities
Goal 1.1	Devise a method to accurately quantify the net economic benefits of a proposed TIF project over time and the affected geographic area.
Goal 1.2	Devise a method to accurately quantify both the individual and cumulative project impacts of redirected property tax revenue on the provision of services for the community.
Goal 1.3	Devise a method to accurately quantify direct and indirect costs on the provision of services for the project.
	Tax Increment Financing proposals are necessarily variable because of the many factors that influence an optimal balance between "Place Making" desires and other broad public interests. This Regional TIF Study will recognize and address critical differences between major types of TIF proposals.

Goal 2.1	Address the difference in impacts (positive and negative) between TIF proposals that generate sales tax and those that do not.
Goal 2.2	Address the difference in impacts (positive and negative) between TIF proposals that provide incentives for a single project and those that are programmatic, funding area-wide improvements.
Consistency and predictability aid understanding and long-range planning for all parties involved in TIF proposals (municipalities, property tax dependent entities, developers, and citizens.) This Regional TIF Study will result in intergovernmental agreements regarding the process and parameters of future TIF proposals.	
Goal 3.1	Develop a process for crafting and considering TIF proposals that is transparent and inclusive without being burdensome for agencies responsible for negotiating economic development incentive packages that include TIF.
Goal 3.2	Adopt agreements as needed among Larimer County entities affected by TIF to use the study results to assess and balance their benefits and risks.

QUALIFICATIONS:

The study participants are seeking a consultant with thorough knowledge and understanding of Colorado statutes and the functionality of URAs and TIFs in Colorado. The Consultant should have a balance of experience working with municipalities, counties and property tax dependant special districts and experience with local government finance. Skills and experience in developing strategic approaches among multiple players and completing complex financial modeling is required.

PROPOSAL SUBMITTAL REQUIREMENTS:

Seven (7) thumb drive copies of your proposal in pdf format are required.

All proposals shall follow the format outlined below. Proposals are limited to 10 pages with a minimum font size of 11. The Signature Page should be filled out and will not count in the 10 page limit. A single cover page may accompany the proposal and will not count in the 10 page limit. Resumes may be attached in an appendix and will not count in the 10 page limit.

Section 1: Project Understanding

Describe your understanding of the intent of this work. Use examples of how it compares with other work your firm or team has recently completed.

Section 2: Scope of Services

2.A. Client Communication: The contracting authority for the work will be Larimer County. The effective client for the work will be all of the participating agencies and organizations. The study group has established monthly meetings that the Consultant can use to communicate with the client group. The Full Study Group (which includes representatives from all participating agencies and organizations) meets the third Wednesday of odd-numbered months. A subset of the Full Study Group is called the Core Study Group. The Core Study Group is made up of representatives from the cities of Fort Collins and Loveland, and the Town of Timnath, Larimer County, and two Special Districts and meets the third Wednesday of even-numbered months. The Consultant should plan for sufficient time with each of the members of the Full Study Group to fully understand each entity's perception of the value and risk of TIF. The Consultant shall become familiar with existing Intergovernmental Agreements between the entities involved in this study and consider during the progress of the work any potential conflicts or constraints posed by these agreements.

Proposals should detail: 1) how the Consultant will use these standing meetings to ensure timely progress of the work, 2) what additional communication methods the Consultant will employ, and 3) any additional meetings the Consultant foresees.

2.B. Develop Agreement on Measures: The Purpose and Goals statement (see Figure 1) is divided into an overview statement at the top with three purpose statements below. Each purpose statement is further defined with numbered goals. The first purpose statement includes a bullet list that suggests the types of measures that could be used to determine whether or not a new TIF district satisfies the agreed upon purposes of the TIF tool. However, the Purpose and Goals statement does not identify the specific measures that should be used to quantify positive and negative impacts of new TIF districts. Goals 1.1-1.3 and 2.1-2.2 define the study participants' interests that must be addressed by the selected measures. The Consultant will use their expertise to guide the Study Group through a process to agree on a set of specific, critical measures.

When preliminary agreement on the critical measures is reached, each of the study participants will consult with the governing body of their agency regarding the proposed measures. Some of the agencies may share this information with stakeholders from the public, including private developers. A pause in the study progress of approximately 30 days is anticipated. The results of the input received from governing bodies and stakeholders will be used to refine the proposed measures to complete this task.

Proposals should detail how the Consultant will lead the process in order to secure agreement among the Study Participants regarding what variables, results, characteristics, inputs, costs, revenues, or other factors should be measured in order to gauge the impact of a new TIF district. The Study Group is interested in the Consultant's initial thoughts about what measures should be considered.

2.C. Develop Models to Quantify TIF Impacts (Positive and Negative): The Consultant will develop models to quantify each of the measures agreed upon by the study participants. For example, if the Study Group agrees that the cost of providing services to the TIF district is an important measure of impact, the Consultant will develop a model to predict the cost of providing services to the TIF district for each of the taxing entities within the district. For this example, a model exists for County services based on proposed land use. It should be updated to reflect current fiscal and economic conditions. In addition, the model should focus on the net change in the land use mix brought about by redevelopment and the associated revenues and costs of such a change.

Proposals should detail: 1) how the Consultant will work with the study participants to develop models to quantify impacts, and 2) how many models the Consultant anticipates will be necessary.

2.D. Any Other Recommended Services: Describe any other services that are recommended to successfully accomplish the intent of this project. Explain what additional benefits will accrue from this work and/or what problems can be mitigated by the recommended additional services.

Section 3: Qualifications to Perform the Work

Proposals must detail: 1) examples of relevant work completed by the firm or team in the last 5 years. Links to examples of your work are encouraged. 2) the key team members with roles on the project noted and their qualifications, 3) references from four past client agencies or organizations.

Section 4: Fee for Services

Proposals must include a fee for all proposed services broken down by phase of work (2.A – 2.D, above.) An estimated fee for task 2.C is acceptable, as the amount of work in this task cannot be defined at this time. The fee for this phase of work will be negotiated following completion of Task 2.B.

INSURANCE REQUIREMENTS:

Prior to commencement of any work, contractor shall forward Certificates of Insurance to Larimer County Purchasing, 200 W. Oak St., #4000, Fort Collins, Colorado 80521. The insurance required shall be procured and maintained in full force and effect for the duration of the Contract and shall be written for not less than the following amounts, or greater if required by law. Certificate Holder should be Larimer County at the above address.

I. Workers' Compensation and Employers' Liability

- A. State of Colorado: Statutory
- B. Applicable Federal: Statutory
- C. Employer's Liability: \$100,000 Each Accident
\$500,000 Disease-Policy Limit
\$100,000 Disease-Each Employee

D. **Waiver of Subrogation**

II. Commercial General Liability on an Occurrence Form including the following coverages: Premises Operations; Products and Completed Operations; Personal and Advertising Injury; Medical Payments; Contractual Liability; Independent Contractors; and Broad Form Property Damage. Coverage provided should be at least as broad as found in Insurance Services Office (ISO) form CG0001. Minimum limits to be as follows:

- A. Bodily Injury & Property Damage General Aggregate Limit \$2,000,000
- B. Products & Completed Operations Aggregate Limit \$2,000,000
- C. Personal & Advertising Injury Limit \$1,000,000
- D. Each Occurrence Limit \$1,000,000

Other General Liability Conditions:

1. Products and Completed Operations to be maintained for one year after final payment. Contractor shall continue to provide evidence of such coverage to the County on an annual basis during the aforementioned period (as appropriate).
2. **Contractor agrees that the insurance afforded the County is primary.**
3. If coverage is to be provided on Claims Made forms, contractor must refer policy to Risk Management Department for approval and additional requirements.

III. Professional Liability: Each Occurrence Limit \$1,000,000
Aggregate Limit \$1,000,000

IV. Commercial Automobile Liability coverage to be provided on Business Auto, Garage, or Truckers form. Coverage provided should be at least as broad as found in ISO form CA0001 (BAP), CA0005 (Garage) or CA0012 (Trucker) including coverage for owned, non-owned, & hired autos. Limits to be as follows:

- A. Bodily Injury & Property Damage Combined Single Limit \$1,000,000
- B. Medical Payment Coverage \$5,000
- C. Uninsured/Underinsured Motorist Colorado Statutory Limit \$1,000,000

V. **All Insurance policies (except Workers Compensation and Professional Liability) shall include Larimer County and its elected and appointed officials and employees as additional insureds as their interests may appear.** The additional insured endorsement should be at least as broad as ISO form CG2010 for General Liability coverage and similar forms for Commercial Auto and Umbrella Liability. Additional Insured endorsement(s) shall be attached to the certificate of insurance that is provided to the county.

VI. The County reserves the right to reject any insurer it deems not financially acceptable by insurance industry standards. Property and Liability Insurance Companies shall be licenses to do business in Colorado and shall have an AM Best rating of not less than B+ and/or VII.

VII. **Notice of Cancellation:** Each insurance policy required by the insurance provision of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the County, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to Larimer County Risk Management, 200 W. Oak St., #4000, Ft. Collins, CO 80521. If the insurance company refuses to provide the required notice, the contractor or its insurance broker shall notify the

County of any cancellation, suspension, non-renewal of any insurance within seven (7) days of receipt of insurers' notification to that effect.

- VIII. Contractor shall furnish Larimer County certificates of insurance. Contractor will receive all sub-contractors certificates of insurance. Such certificate must meet all requirements listed above.

ANY DEVIATIONS FROM THE STANDARDS GIVEN ABOVE MUST BE APPROVED BY THE LARIMER COUNTY RISK MANAGEMENT DEPARTMENT.

EVALUATION CRITERIA:

Proposals will be reviewed by an evaluation committee and ranked based on:

- Qualifications of the proposing firm or team
- Experience of the key team members
- Understanding of the project needs and goals
- Proposed project process and approach
- Fee for services provided

Following the ranking of each proposal's strengths and weaknesses by the evaluation committee, a short-list of proposers will be identified and invited to oral interviews which will be held on Wednesday afternoon, October 15, 2014. The invitations to participate will detail the parameters of the interview. Once a successful firm or team is identified, Larimer County will negotiate a contract for services with that party.

SIGNATURE PAGE

ADDENDA:

The proposer acknowledges the receipt of the following Addenda:

<u>Addendum Number</u>	<u>Date of Addendum</u>	<u>Date Received</u>
_____	_____	_____

The undersigned certifies that he/she has examined the specifications and instructions to proposers and has submitted a proposal in full compliance and without collusion with any other person, individual or corporation.

The undersigned further certifies that he/she is or is trying to participate in the "Basic Pilot Employment Verification Program (Basic Pilot)" as detailed as a part of the "Systematic Alien Verification for Entitlements (SAVE) Program" as found on the U.S. Citizenship and Immigration Services website at (<http://www.uscis.gov>). The entire URL for the SAVE program is:

http://www.uscis.gov/portal/site/uscis/menuitem.5af9bb95919f35e66f614176543f6d1a/?vgnextoid=71cf58f91f08e010VgnVCM1000000ecd190aRCRD&vgnnextchannel=71919c7755cb9010VgnVCM10000045f3d6a1_____

The undersigned certifies that you have verified that you do not employ illegal aliens, and that you shall not knowingly employ an illegal alien to perform work.

SIGNED: _____ TITLE: _____

PRINTED NAME: _____

FIRM: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

TELEPHONE NUMBER: _____ EMAIL ADDRESS _____

For further information regarding this request for proposal, please contact Kathryn Rowe, Purchasing Director, at (970) 498-5956.

PLEASE SUBMIT YOUR PROPOSAL WITH THE FOLLOWING AFFIXED TO THE FRONT OF THE ENVELOPE:

Proposal Number: P14-10, Tax Increment Financing Consulting Services
Proposal Closing Date: _____
Vendor Name: _____
Return Proposal to:
LARIMER COUNTY PURCHASING DIRECTOR
200 W. OAK STREET, SUITE 4000, PO BOX 1190
FORT COLLINS, COLORADO 80522



NOTE: Use the label to the left on packages when returning your proposal response.