



City and County of San Francisco

Office of the Controller

OFFICE OF ECONOMIC ANALYSIS

REQUEST FOR QUALIFICATIONS FOR ECONOMIC CONSULTING SERVICES

RFQ#CON2009-13

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Background

The City and County of San Francisco (the "City") established by Charter in 1850, is a legal subdivision of the State of California with the governmental powers of both a city and a county under California law. In addition to being the chief accounting officer and auditor for the City, the City Controller's Office includes the Office of Economic Analysis ("OEA"), whose primary mission is identifying and reporting on legislation introduced at the Board of Supervisors that has a material economic impact on the City. The office analyzes the likely impacts of legislation on business attraction and retention, job creation, tax and fee revenues, and other matters relating to the overall economic health of the City.

The City seeks responses from firms demonstrating successful experience in a wide variety of economic consulting studies, ranging from real estate feasibility analyses, fiscal impact analyses, tax incidence studies, economic impacts of environmental policies, among others. These services will be used to assist the OEA with completing economic impact reports of proposed legislation, as well as to respond to data requests from various stakeholders within the City. In addition, other City departments engaged in land use planning and implementation may utilize the services of the selected consultants. Respondents must have experience working with municipalities (or similar government agencies) on complex economic analyses in specialized fields, as described later in this document.

Intent of this RFQ

It is the intent of the Controller's Office to create a pre-qualified list of consultant firms from which the Controller's Office and other interested City departments, boards, or commissions may choose prospective contractors on an as-needed basis. This RFQ specifies three distinct categories of economic analysis for which the City may require service; respondents are encouraged to respond only for those Service Areas in which experience and qualifications can be demonstrated.

Selected Respondents will remain eligible for consideration and contract negotiation on an as-needed basis through **March 2, 2012**. Selected Respondents are not guaranteed a contract.

The Human Rights Commission ("HRC") Local Business Enterprise ("LBE") **subcontracting requirement** for this RFQ and resulting contracts is **four (4) percent** of the total value of the goods and/or services procured. See RFQ Attachment II for more information.

Schedule*

RFQ Issued	12-21-09
Deadline for RFQ questions	01-11-10 (12pm PT)
Answers to RFQ questions posted online	01-18-10
Deadline for RFQ responses	02-02-10 (12pm PT)
Pre-qualification notification	03-02-10
Pre-qualified list expiration date	03-02-12

*Each date subject to change. Check website for latest schedule.

RFQ Questions and Communications

In lieu of a pre-response conference and to ensure fair and equal access to information about this RFQ, e-mail your questions in advance to Richard Kurylo at Richard.Kurylo@sfgov.org.

Questions must be in writing and received before 12pm PT on January 11, 2010. No questions will be accepted after this time with the exception of City vendor compliance or Human Rights Commission subconsulting requirement questions.

A summary of the questions and answers pertaining to this RFQ will be posted on the Controller's Office website at <http://www.sfgov.org/controller> under "Contract Opportunities."

1. Introduction

General terms used in this RFQ. The “Respondent” refers to any entity submitting a response to this Request for Qualifications (“RFQ”) to be considered for inclusion on a pre-qualified consultant list. The “Contractor” refers to the Respondent(s) awarded contracts for services under this RFQ.

1.1 Statement of Need and Intent

What Does the City Seek? The City and County of San Francisco, California (“City”) seeks responses from firms demonstrating successful experience in providing public sector economic consulting services on a range of topics, broadly divided into four Service Areas, including:

1. *Fiscal policy*, including the economic and fiscal impact of particular tax structure on the revenues of the City, and the broader economy of San Francisco. The City is considering various tax proposals and requires expert assistance in calculating the impact of various tax policies on the City’s economy and financial position.
2. *Real estate economics*, including financial feasibility studies, negotiation support for development agreements (including public/private partnerships), analysis of impact fees and/or assessments on financial feasibility, assistance with financing strategies, among others.
3. *Labor market analysis*, including assessments of workforce skills and capabilities in communities within San Francisco, skill requirements of different industries, and assessment of the fit between local supply and demand.
4. *Economic development strategy*, including local competitiveness assessments, industry cluster analysis, comparative benchmarking, strategy development, and policy best practices.

Respondents must have experience working with municipalities (or similar government agencies) on complex economic and/or real estate projects.

With Whom Will Consultants Work? Consultants will work with the OEA, other Controller’s Office staff, and staff from other departments, potentially including the City’s Office of Economic and Workforce Development, Planning Department, Department of Building Inspection, San Francisco Redevelopment Agency, among others.

What is the City’s Intent with this RFQ? Based on responses to this RFQ, it is the intent of the City to create a pre-qualified list of consultants from which the City shall choose prospective contractors on an as-needed basis for consulting projects indicated below in Section 2, Scope of Work. This consultant list may be utilized by the City, at its sole and absolute discretion, for contractor selection and negotiations through March 2, 2012. No pre-qualified or selected Respondent is guaranteed a contract.

1.2 Background of City and County of San Francisco

What is the City? San Francisco is the fourth largest city in California and serves as a center for business, commerce and culture for the West Coast. The City and County of San Francisco, known as the “City”, was established by Charter in 1850. It is a legal subdivision of the State of California with the governmental powers of both a city and a county under California

law. The City's powers are exercised through a Board of Supervisors serving as the legislative authority, and a Mayor and other independent elected officials serving as the executive authority. The services provided by the City include public protection, public transportation, construction and maintenance of all public facilities, water, parks, public health systems, social services, planning, tax collection, and many others.

What are the City's General Statistics?

Size of operating budget	Approx. \$6.5 billion
Size of capital budget	\$100 to \$400 million
Number of budgeted FTEs	Approximately 26,500+

What are the Roles and Responsibilities of the City Controller's Office? The City Controller is the chief accounting officer and auditor for the City and responsible for all financial management systems, procedures, internal control processes and reports that disclose the fiscal condition of the City to managers, policy makers and citizens. The City Controller is also the auditor for the City performing financial and performance audits of departments, agencies, concessions and contracts.

Proposition I, passed by the City's voters in November 2004, created the Office of Economic Analysis within the Controller's Office. With this role, the Controller's Office is responsible for providing objective, rigorous analysis of proposed legislation as it relates to the City's overall economy. For more information regarding the OEA's roles and responsibilities, visit <http://www.sfgov.org/controller/oea>.

2. Scope of Work

This scope of work is a general guide to the work the City expects to be performed, and is not a complete listing of all services that may be required or desired. The City is soliciting qualifications to create a pre-qualified list of consultant firms that may be selected for the services described below.

To minimize duplication of effort and to allow the City to coordinate data requests and data available for the multiple projects solicited within this RFQ, as well as for previous and future projects, the selected Contractors' findings and data may be shared by the City with other City contractors, as deemed appropriate by the City.

What if My Firm is Interested in Being Considered for More than One Service Area? Respondents are asked to indicate the Service Areas for which they would like to be considered in RFQ Attachment V, Response Template. Given the broad range of possible opportunities, we encourage firms to respond for all Service Areas for which they meet or exceed minimum qualifications as described in this RFQ. Please note that qualifications are evaluated separately for each Service Area.

Is My Firm Expected to Propose for a Specific Project? No. The Controller's Office will create a list of consultant firms to draw from for a diverse set of possible projects that may require a range of different and varied experience. Each consultant firm should demonstrate its capabilities by providing Prior Project Descriptions as part of RFQ Attachment V. The City will negotiate the scope of services, budget, deliverables, and timeline for each project it decides to pursue. There is no guarantee of a minimum amount of work or compensation for any of the Respondents selected for pre-qualification. The City may select Contractors from the pre-qualified list in its sole and absolute discretion.

After the pre-qualified list has been established, the City may issue Request(s) for Proposals or Request(s) for Quotes to the pre-qualified consultant list to better assess qualifications for a specific scope of service, which may include staffing, scheduling, deliverable, and cost considerations.

Does the City prefer firms to form a large group or consortium to cover more services, or to focus on an area of expertise and respond individually? The City prefers individual firm responses focused on the Service Areas that the firm and its lead staff can demonstrate possession of appropriate qualifications. For any proposed Respondent partnerships, at least 50% of proposed work effort on the City's projects must come from the lead Respondent firm.

Demonstrated expertise is requested, but is not limited to, the following Service Areas:

2.1 Service Area 1: Fiscal Policy

Firms pre-qualified for work in this Service Area may be engaged to 1) produce reports or technical memorandums to the City covering technical evaluations in specific areas related to the effects of taxation, or 2) provide technical assistance to City staff in completion of economic impact reports related to taxation legislation. The scope of work for firms pre-qualified for Service Area 1 will include a study of the expected revenue, employment, and overall spending impact of alternative local tax proposals. The scope of work will focus on the City's existing tax structure and a study of various tax alternatives proposed and/or considered by policymakers.

2.2 Service Area 2: Real Estate Economics

Firms pre-qualified for work in this Service Area may be engaged to conduct a range of studies related to land-use economics, including (but not limited to):

- Provide advice and research data to staff in developing marketing strategies and requests for development proposals.
- Review development proposals and participate with staff in the developer selection process.
- During complex real estate transaction negotiations, review and analyze business term proposals and support staff in developer negotiations.
- Identify potentially appropriate uses for a given parcel, based on the review of market conditions and trends, knowledge of development, financing practices and conditions and other relevant parameters.
- Perform pro-forma analysis of alternative development schemes and analyze feasibility of each scheme with respect to current market conditions and trends, availability of financing, suitability of the site location, access, and other factors.
- Determine and compare the fiscal impacts of alternate development proposals including: construction payroll, permanent work force and payroll tax, real property tax, sales tax, hotel tax, etc., as well as the City's cost to provide service to the new population.
- Determine the highest and best uses of a site given the site constraints and current market conditions and trends.
- Perform financial feasibility analyses of development projects located within plan area developments, particularly assessing the impacts of any zoning changes on development feasibility, including (in the case of up-zoning) the ability of these projects to absorb higher impact fees, exactions, or other assessments, while maintaining feasibility.

2.3 Service Area 3: Labor Market Analysis

Firms pre-qualified for work in this Service Area may be engaged to 1) produce reports or technical memorandums to the City covering labor market analysis or 2) provide technical assistance to City staff engaged in developing policy pertaining to economic and workforce development. The scope for firms pre-qualified for Service Area 3 may include assessments of the workforce skills and capabilities in one or more communities within San Francisco, the skills required by particular industries or major employers, assessment of job quality associated with different industries or major employers, assessment of opportunities for career laddering and career development in industries or major employers, advisability of different policies to promote local hiring and increase participation in the labor force of San Francisco residents.

2.4 Service Area 4: Economic Development Strategy

Firms pre-qualified for work in this Service Area may be engaged to 1) produce reports or technical memorandums to the City covering technical evaluations in specific areas related to economic development strategy or 2) provide technical assistance to City staff in completion of economic development policies and initiatives. The scope for firms pre-qualified for Service Area 4 will include assessments of the overall economic performance of San Francisco and the Bay Area, the structure and competitiveness of particular industries and industry clusters, the adequacy of local factor conditions to support continued economic development, and best practices in key policy areas in economic development, including small business development, local hiring, procurement policy, among others.

3. Response Requirements

3.1 Time and Place for Submission of Responses

Responses and all related materials must be received by **12:00pm PT on Tuesday, February 2, 2010**. Responses may be delivered to the Reception Desk at City Hall, Room 316 or to:

*Richard Kurylo
Office of the Controller
City Hall, Room 388
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102*

Postmarks will not be considered in judging the timeliness of submissions. Responses submitted by e-mail will not be accepted. Late submissions will not be considered, including those submitted late due to mail or delivery service failure. Note that Respondents hand-delivering responses to City Hall may be required to open and make packages accessible for examination by security staff.

3.2 Response Package

The following items must be included in your response and packaged in a box or envelope clearly marked **RFQ#CON2009-13 Economic Consulting Services**.

Complete, but concise responses, are recommended for ease of review by the Evaluation Team. Responses should provide a straightforward, concise description of the Respondent's capabilities to satisfy the requirements of the RFQ. Marketing and sales type information should be excluded. All parts, pages, figures, and tables should be numbered and clearly labeled.

- A. **One (1) original printed response (with original signatures) labeled as "Original."** The pages should be bound by a method in which the sheets may be easily separated (e.g. 3-hole binder, binder clip, comb binding, velo binding, etc).

RFQ Attachment I Acknowledgement of RFQ Terms and Conditions

RFQ Attachment II Human Rights Commission Local Business Enterprise Forms – 2 copies

RFQ Attachment III City's Administrative Requirements

RFQ Attachment IV City's Agreement Terms and Conditions

RFQ Attachment V Response Template

- B. **One (1) CD-ROM containing entire contents of response, including all Attachments.** The CD-ROM and electronic files on the CD-ROM must be labeled with the Respondent's name. All files should be submitted in unprotected PDF or Word format. Electronic files should include signatures, where applicable.

- C. **Seven (7) complete printed copies of RFQ Attachment V.** The pages may be bound by a method of the Respondent's choosing. Respondents are advised to review RFQ Attachments I through IV before beginning work on RFQ Attachment V to ensure they can meet the City's requirements.

4. Evaluation Criteria

This section describes the guidelines used for analyzing and evaluating the responses and for Respondent pre-qualification. It is the City's intent to pre-qualify Respondent(s) that provide the best overall qualifications to the City inclusive of fee considerations. Consultant firms selected for pre-qualification are not guaranteed a contract. This RFQ does not in any way limit the City's right to solicit contracts for similar or identical services if, in the City's sole and absolute discretion, it determines the pre-qualified list is inadequate to satisfy its needs.

4.1 Evaluation Team

City representatives will serve as the Evaluation Team responsible for evaluating Respondents. Specifically, the team will be responsible for the evaluation and rating of the responses for pre-qualification, for conducting reference checks, and for interviews, if desired by the City.

4.2 Minimum Qualifications

Any response that does not demonstrate that the Respondent meets these minimum qualifications by the response deadline may be considered non-responsive and may not be evaluated or eligible for award of any subsequent contract(s).

- A) **RFQ ATTACHMENTS:** Has completed the requirements and submitted the forms described in RFQ Attachments I, II, III, IV, and V as part of its RFQ response, as applicable.
- B) **EXPERIENCE:** Has submitted no more and no fewer than two (2) Prior Project Descriptions, as part of RFQ Attachment V response, for EACH SERVICE AREA for which it would like to be considered for pre-qualification. The services described in the Prior Project Descriptions must have been provided to public sector municipality or similar government agency clients within five (5) years from the date of this RFQ.
- C) **STAFFING:** The lead staff, including the Respondent's Project Manager and technical lead(s), proposed to be assigned to the City's project(s) must individually have had a similar lead role in both of the Prior Project Descriptions submitted for EACH SERVICE AREA.

4.3 Evaluation Criteria for Pre-qualification

Each RFQ response will be evaluated in accordance with the criteria below. A Respondent must receive a score of 70 points or above out of the 100 total possible points to be pre-qualified.

4.3.1 Firm Qualifications – 20 points

- a) Respondent's firm history and structure, including total staff size and composition
- b) Respondent's experience providing economic consulting services to public sector municipal or similar government agency clients, including the representative list of the government clients to whom the firm has provided economic services
- c) Pending or current litigation related to economic services provided by the firm
- d) Client relationships severed for reasons other than convenience
- e) Respondent's capacity and resources to provide the services under this RFQ

4.3.2 Staff Qualifications – 40 points

Qualifications and educational backgrounds of lead staff members, including subcontractor staff, if applicable, proposed to perform services for the City are appropriately demonstrated for each Service Area indicated in response.

4.3.3 Approach and Cost – 30 points

- a) Expectations of client involvement or level of effort are appropriate, and questions demonstrate experience with providing services to comparable clients
- b) Sufficient expertise or methodology to create competitive differences that will be beneficial to the City is demonstrated
- c) Cost response is sufficiently detailed, reasonable and appropriate

4.3.4 Completeness of Response Submission – 10 points

- a) Response conforms with RFQ requirements and concisely but comprehensively addresses RFQ requirements.
- b) Response is professionally presented and contains organized content and format.

4.4 Contractor Selection Processes

Respondents scoring 70 points and above for each Service Area will be added to the pre-qualified list for as-needed services in that Service Area. Due to the varied nature of the services to be performed, the City reserves the right to contract with any or all pre-qualified Respondents.

Selection Interviews

Following the Response Evaluation process, Respondents may be invited to interviews with the Evaluation Team. Interviews, if pursued by the City, will consist of standard questions asked of selected Respondents, and specific questions regarding individual proposals.

The City has sole and absolute discretion over whether interviews will be conducted or not to select Respondents for contract negotiations.

Reference Checks

Reference checks, including, but not limited to, prior clients as indicated in Attachment V Prior Project Description(s), may be used to determine the applicability of Respondent experience to the services the City is requesting and the quality of services and staffing provided to prior clients, as well as adherence to schedules/budgets and Respondent's problem-solving, project management and communication abilities, as well as performance on deliverables and outcomes, and effectiveness in meeting or exceeding project objectives.

Other Terms and Conditions

The selection of any pre-qualified Respondent for contract negotiations shall not imply acceptance by the City of all terms of the response, which may be subject to further negotiation and approvals before the City may be legally bound thereby.

If a satisfactory contract cannot be negotiated in a reasonable time with any pre-qualified Respondent, then the City, in its sole discretion, may terminate negotiations and begin contract negotiations with any other remaining pre-qualified Respondents.

The City, in its sole discretion, has the right to approve or disapprove any staff person assigned to a firm's projects before and throughout the contract term. The City reserves the right at any time to approve, disapprove, or modify proposed project plans, timelines and deliverables.

5. Protest Procedures

5.1 Protest of Non-Responsiveness Determination

Within five (5) working days of the City's issuance of a notice of non-responsiveness, any consultant firm that has submitted a response and believes that the City has incorrectly determined that its response is non-responsive may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth (5th) working day following the City's issuance of the notice of non-responsiveness. The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the

protest. The protest must be signed by an individual authorized to represent the Respondent, and must cite the law, rule, local ordinance, procedure or RFQ provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

5.2 Protest of Establishment of Pre-Qualified Consultant List

Within five (5) working days of the City's issuance of a notice of intent to establish a pre-qualified consultant list, any consultant firm that has submitted a responsive response and believes that the City has incorrectly selected another Respondent for pre-qualification may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth (5th) working day after the City's issuance of the notice of intent to establish a pre-qualified consultant list.

The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Respondent, and must cite the law, rule, local ordinance, procedure or RFQ provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

5.3 Delivery of Protests

All protests must be received by the due date. Protests should be transmitted by a means that will objectively establish the date the City received the protest. Protests or notice of protests made orally (e.g., by telephone) or by FAX will not be considered. Protests must be e-mailed to: ***esther.reyes@sfgov.org***.