



TOWN OF ST. JOHNSBURY

Town Manager's Office
51 Depot Square, Suite 103
St. Johnsbury, VT 05819
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Police 802-748-2170
Fire 802-748-8925
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January 10, 2018

Request for Qualifications (RFQ)

**The Town of St. Johnsbury is seeking a qualified
consultant to assist the Town with
Tax Increment Financing (TIF) District
Planning.**

RFQ Due Date: January 31, 2018 by 4:30 pm

RFQ's shall be delivered to:

Town Manager's Office
attn: Joe Kasprzak
51 Depot Square, Suite #3
St. Johnsbury, VT 05819
jkasprzak@stjvt.com

Submittals received after the due date listed above will not be considered.

PROJECT DESCRIPTION

Overview

In 2015 the Town of St. Johnsbury was the recipient of a “Community Visit” by the Vermont Council on Rural Development. This well-attended event brought over two-hundred residents together to define both key assets and key concerns of the Town.

The following five priorities were identified;

- Redevelop and Revitalize Downtown Buildings
- Redevelop the Downtown Riverfront
- Improve Housing in Downtown St. Johnsbury
- Develop a Warming Shelter in St. Johnsbury
- Improve Community Communications and Promote a Positive Town Image

Two years later committees formed during this Community Visit process continue to gather and work to meet goals and objectives that serve these five priorities. A Tax Stabilization Program was developed in 2016 to incentivize investment in our downtown, a Housing Study and Needs Assessment was completed in December of 2017 that provides direction and data necessary to implement housing strategies, a warming shelter was opened in 2015, a \$425,000 Northern Borders Regional Commission (NBRC) grant was awarded in April of 2016 to connect the Lamoille Valley Rail Trail to the downtown, and the Chamber of Commerce has focused their efforts to improve community communications and promote a positive town image.

In February of 2017, the Town of St. Johnsbury joined a consortium made up of several other Vermont towns to lobby to lift the moratorium on the creation of Tax Increment Financing (TIF) Districts that was imposed by the VT State Legislature in 2012. These efforts were successful, and the State lifted the cap allowing the creation of six new TIF Districts in the state.

In December of 2017 the Town of St. Johnsbury was awarded a Municipal Planning Grant (MPG) from the Vermont Department of Housing and Community Development for \$17,817 to assist with TIF District planning.

TIF Districts allow the property tax revenue to be used to pay for improvements that stimulate private investment. In Vermont, that includes a portion of the property taxes that go toward the educational fund. If planned properly, with private investment in the queue, communities can leverage TIF Districts to spur investment and address many concerns that communities face.

Tax Increment Financing is a complicated tool and must be planned, timed correctly, and involve partners who agree to invest. Because the infrastructure investments are bonded by taxpayers, it is essential that the private sector invests and property values increase. If not executed properly taxpayers could end up paying for infrastructure improvements that are not utilized and result in an additional financial burden on an already struggling community.

Because of the complexities involved, and the risk of poor timing and implementation, St. Johnsbury is looking to hire an expert to help Town Officials assess whether the creation of a TIF District would be a

valuable tool to stimulate investment in St. Johnsbury, and if so, help pave the way for a deliberate, successful, implementation of a TIF District strategy.

Context and Background

In January 2017 the Town of St. Johnsbury joined a consortium made up of Springfield, Montpelier, Newport, Bennington, Rutland, St. Johnsbury, and the Brattleboro Development Corporation. Their goal was to have the cap lifted on the creation of Tax Increment Financing (TIF) Districts that lawmakers imposed in 2012. The consortium hired a consultant to lobby on their behalf to remove this cap and give communities access to a tool that would help them revitalize their communities. After much debate, lawmakers agreed to remove the cap and allow six new TIF Districts to be formed.

From the onset, Town of St. Johnsbury realized the need to hire an expert to assist with TIF District Planning. The recently awarded MPG provides St. Johnsbury with the opportunity to hire a consultant that would assist our town planners and legislative body to determine whether the creation of a TIF District will help stimulate private investment and meet our long-term development goals.

Funding

A total of \$17,817 was awarded by the State of Vermont MPG with the matching funds of \$4,908 provided by the Town of St. Johnsbury totaling \$22,725 for this project.

Work Plan

The Consultant will perform the following:

- **Planning for a Tax Increment Financing District in St. Johnsbury:** Review the planning process and potential locations for TIF District creation. Identify potential private investment projects and the public infrastructure improvements necessary to make these projects *pencil-out* for private developers.
- **Cost Estimates for Infrastructure Improvements:** Hire an engineering firm to develop cost estimates for required public infrastructure improvements, including brownfields assessment and remediation costs.
- **Review Areas in St. Johnsbury for Redevelopment:** Primary focus will be directed on the Bay Street corridor, Eastern Avenue, Railroad St., and Main Street. Secondary study areas could include Portland St., Concord Avenue, and Hospital Drive.
- **GIS Mapping of the Proposed TIF District:** Map potential TIF District Boundaries.
- **Identify Potential Incremental Taxable Values and Review Hypothetical Funding Scenarios:** Consultants will work with Town Officials to base-line property tax liability, forecast incremental increases in property tax revenue due to development, and develop debt service models to pay for public infrastructure improvements.

- **TIF District Application:** Work with Town Officials to develop a time-line and necessary supporting documents for TIF District application submittal.

Timeframe

RFQ's are due by January 31, 2018. A Consultant will be selected by February 19th, 2018. The consultant is expected to start on March 1st, 2018 with a completion date of December 31, 2018.

Deliverables

Provide a report on (or before) the December 31st, 2018 deadline that addresses the following:

1. Determine whether TIF is an appropriate tool to catalyze economic development in St. Johnsbury.
2. Analyze potential TIF District locations and boundaries.
3. GIS mapping of potential TIF Districts.
4. Develop cost estimates for required public infrastructure improvements to attract private investment.
5. Base-line property tax base and forecast incremental increase in property tax revenue due to private development within a defined TIF District.
6. Provide Town Officials with monthly updates.
7. Participate in no more than two (2) public hearings to provide progress reports to residents and take public comment.
8. Develop TIF District application strategy with Town Officials.

SUBMISSION REQUIREMENTS

All responses to the RFQ shall include the following information:

1. **Cover Letter** - A letter of interest for the project.
2. **Statement of Qualifications and Staffing** – Provide a qualifications profile of the lead consultant and sub-consultants, including an indication of the lead consultant, the proposed role of each consultant on the team. Also provide detailed information on each consultant, including the name of the firm, year established, and contact information.
3. **Summaries of relevant projects** – Describe relevant experience on similar projects for each firm and list the work experience of the individuals expected to be involved in the project. Include a minimum of three (3) professional references for whom a similar project has been completed within the last ten (10) years.
4. **Page Limit** - The proposal, encompassing items 1-3 above, shall not exceed 15 double-sided pages (30 total pages) including cover letter, project lists, and contacts.

All information submitted becomes the property of the Town of St. Johnsbury upon submission. The Town of St. Johnsbury reserves the right to issue supplemental information or guidelines relating to the RFQ as well as make modifications to the RFQ or withdraw the RFQ.

Submission Requirements

Respondents should submit one (1) digital copy (PDF) and *five* printed copies of the proposal by *January 31, 2018* to:

Municipality/Local Project Manager Contact Information

Joe Kasprzak
Assistant Town Manager
Town of St. Johnsbury
51 Depot Square, Suite 3
St. Johnsbury VT, 05819
(802) 748-3926 ext. 5
jkasprzak@stjvt.com

Please expect a confirmation email upon receipt of the qualifications by Joe Kasprzak, Assistant Town Manager, Town of St. Johnsbury.

If you have any questions about this project or the RFQ, please address them in writing either via U.S. mail or email to jkasprzak@stjvt.com. We will respond to all questions in writing within three business days. Both the question and response will be shared with the other consultants.

Selection Process

Qualifications will be reviewed by a selection committee comprised of representatives from the Town of St. Johnsbury. A short-list of consultants will be selected to submit detailed proposals for the project with a project approach, scope of services, schedule and budget with details on staffing, hourly costs and overhead. The Town of St. Johnsbury reserves the right to request personal interviews with finalists.

RFQ Schedule Summary:

Qualifications due January 31, 2018.
Consultants selected for short-list by *February 5, 2018*
Proposals due *February 15, 2018*
Consultant selection by February 23, 2018.
Project work to begin *March 1st*.
Complete project on or by *December 31, 2018*.

Evaluation of Qualifications

Respondents will be evaluated according to the following factors:

1. Consultant Qualifications (experience with similar projects, ability to work with municipalities to attain desired outcomes, and knowledge of the topic) - 85%

- a. Experience with Vermont Tax Increment Financing (TIF) and the Vermont TIF District application process
 - b. Success bringing private investment to New England communities.
 - c. Ability to create reasonable and accurate financial projections.
 - d. Knowledge of Vermont law pertaining to TIF Districts and District creation.
 - e. Understanding of the needs and challenges facing rural Vermont communities and their downtowns.
 - f. Proven ability to work with committees and conduct public meetings
 - g. Availability to begin work on project start date
2. Quality, completeness, and clarity of submission - 15%

Interview Framework

The Town of St. Johnsbury reserves the right to select the top two to three highly scored consultants and invite them for an interview. In this process, the selection committee may ask the respondents to give an oral presentation of their respective proposals. The purpose of this oral presentation is to provide an in-depth analysis of qualifications, experience in performing similar services, and an opportunity for the consultant to clarify or elaborate on their qualifications without restating the proposal.

The interview and presentation are merely to present facts and explanation to the review committee and allow the selection committee to ask targeted questions of the consultant team. The interview and presentation, if deemed necessary by the review committee, will be held at the St. Johnsbury Town Manager's Office at 51 Depot Square, Suite 3, St. Johnsbury, Vermont. The day and time will be notified to the respondents at least one week prior to the meeting. All costs and expenses incurred in traveling for the purpose of interview and presentation shall be the responsibility of the consultant.

Final Consultant Selection

Following the selection process, one team will be selected to negotiate a final contract for services. The final scope of work with specified deliverables may be modified through negotiation of the final contract. The final project team may also be modified through the negotiation of the final contract. Any expenses resulting from the interview and proposal process will be the sole responsibility of the consultant.

Contract Requirements

The consultant contract will be subject to the terms of Attachment D of the Municipal Planning Grant Agreement (Procurement Procedures and Other Grant Requirements). A sample contract meeting these requirements is available at (<http://accd.vermont.gov/sites/accdnew/files/documents/CD/CPR/MPG/CPR-MPG-Sample-Contract.doc>).