EMPIRE STATE DEVELOPMENT

REQUEST FOR QUALIFICATIONS

November 21, 2014

SOLICITATION FOR PREQUALIFICATION OF ON-CALL REAL PROPERTY TAX CONSULTING SERVICES

BACKGROUND

The New York State Urban Development Corporation d/b/a Empire State Development ("ESD") is New York's chief economic development agency. The mission of Empire State Development is to provide a vigorous and growing economy, encourage the creation of new job and economic opportunities, increase revenues to the State and its municipalities, and achieve stable and diversified local economies. The State Legislature has provided ESD with broad statutory powers, including the powers to acquire real property by eminent domain or otherwise, dispose of state property through sale or lease, issue tax-exempt bonds, offer tax benefits to developers, and override compliance, where appropriate, with local codes and laws. In addition to the use of these extraordinary powers, ESD provides assistance to economic development projects through the use of loans, grants, tax credits and other forms of financial assistance. ESD strives to enhance private business investment and growth to spur job creation and support prosperous communities across New York State. Additional information about ESD may be found on ESD's website at www.esd.ny.gov.

PURPOSE

The purpose of this request for qualifications ("RFQ") is to solicit submission of qualifications from individuals and/or firms (collectively, "firms") with demonstrable experience in providing real property tax consulting services. Experience can include estimating market values and assessed values for the purposes of calculating taxes or payment in lieu of taxes (PILOT), calculating as-of-right tax abatements such as 421-a and the Industrial and Commercial Abatement Program (ICAP) and assisting clients in navigating the tax certiorari process. The submissions will be considered in adopting a list of pre-qualified real property tax consultants that are capable of providing tax projections for property interests that are acquired, leased or otherwise disposed of by ESD and its subsidiaries. Once adopted, ESD and its subsidiaries may select, from time to time as the need arises, one or more firms from the pre-qualified list to provide real property tax consulting services. It is expected that the list will remain in effect for 3 – 4 years after adoption. Inclusion of a firm on the pre-qualified list does not represent or guarantee that it will receive any contract for services during the effectiveness of the list. Submission for consideration, however, will constitute a firm's agreement to enter into a contract on the terms and conditions set forth in Schedule A to ESD's Standard Short Form Contract, available at http://esd.ny.gov/CorporateInformation/Data/ScheduleA_ConditionsApplicabletoCorporationA2greementsForMaterialServices_RevisedMay2014.pdf, should the firm be selected to provide services to ESD.

ESD strongly encourages State certified Minority-Owned Business Enterprises and Women-Owned Business Enterprises (as well as firms that are not yet certified, but that have applied for certification) to submit responses to this RFQ.

KEY EVENTS/DATES
Issuance of RFQ: November 21, 2014
Deadline for RFQ Questions: December 1, 2014
Deadline for ESD Responses to RFQ Questions: December 9, 2014
RFQ Response Due Date: **4:00 pm, December 16, 2014**
Notification of Pre-Qualified List Selection: Fall 2014

REQIRED INFORMATION
Submissions should include detailed information regarding relevant experience, at least three references with contact information, and a statement of rates, costs and expenses. Public sector experience is preferred but not required. If interested firms have represented ESD or its subsidiaries in the last 5 years, contact persons should be identified. Submissions should include detailed information regarding relevant experience, including the type and location of the property and property interest being appraised, the date of the appraisal and the use for which the appraisal was prepared. Please indicate whether the firm or anyone in the firm has experience in providing testimony as an expert witness in connection with any appraisal matter and, if so, the outcome of the litigation. Also provide at least three references with contact information, and a statement of rates, costs and expenses. Responses to this solicitation should also include a statement that there is no material or threatened litigation, or contractual or other business relationship, involving the firm or its principals, partners, associates or employees that would constitute a conflict of interest or appearance of impropriety in providing the services for which the firm seeks prequalification.

Below is the list of information and documentation required of each respondent. A proposal may be rejected if it does not include the required information and documents.

1. Provide a brief description of relevant experience for similar property tax consulting assignments.

2. Indicate whether the service has been provided previously to ESD or any of its subsidiaries or affiliates, and, if so, identify the client entity and describe the service.

3. Provide at least three references with contact information, and a statement of hourly rates, costs and expenses.

4. Provide evidence of public sector experience. Such experience is preferred but not required. If interested respondents have represented ESD or its subsidiaries in the last five (5) years, contact persons should be identified.

5. Provide the names of the firm's principals and other key staff who would be responsible for ESD's matters, and a description of the relevant qualifications and experience of each.

6. If respondent is a State-certified MWBE firm, please provide documentation evidencing registration. For respondents that are not certified but have applied for certification, please provide evidence of filing, including the filing date.

7. Provide a description of the instances, if any, in which you have worked with MWBE firms on previous transactions by engaging in joint ventures or other partnering or subcontracting arrangements. Responses should include the nature of the engagement, how such arrangement was structured and a description of how the services and fees were allocated.

8. Include background information such as: number and category of professional staff, location of all offices, telephone number and e-mail address of the primary staff personnel who are anticipated to provide services to ESD, resumes and organizational charts.

Please provide the following information in the same order in which it is requested. Responses must be limited to 15 pages, at least 12 point type with standard margins printed on one-sided 8 ½ X 11 inch pages, either bound or contained in a binder.

SUBMISSION REQUIREMENTS

Proposal submissions must be received by ESD by 4.00pm noon on or prior to the Proposal Due Date set forth in the KEY EVENTS/DATES section of this RFQ. The submission should be labeled "Prequalified On-Call Real Property Tax Consulting Services RFQ Response" and addressed to:
Edgar Camacho
Contracts and Procurement Specialist, Contract Administration
Empire State Development
633 Third Avenue, 35th Floor,
New York, NY 10017-8109
Attn: Prequalified On-Call Real Property Tax Consulting Services RFQ

The submission should include two (2) copies of the information required by this RFQ and one electronic copy that is emailed to ESDRFPProposals@esd.ny.gov (pdf format or link to download preferred). Electronic submissions only will not be accepted. Please note that files over 25 mb must be uploaded to a download service (e.g. Dropbox or Box.net).

CRITERIA FOR SELECTION

In evaluating qualifications submitted pursuant to this request, ESD places high value on the following factors, not necessarily in order of importance:

1. Relevant experience.
2. The general qualifications and experience of the staff proposed to be assigned to the ESD engagement.
3. Diversity and commitment to equal opportunity programs and firm's status as a MWBE.
4. Anticipated cost of services and willingness to work with ESD to minimize costs.
5. Overall organization, completeness, and quality of proposal, including cohesiveness, clarity of response and demonstrated understanding of ESD.

REQUIRED PROCUREMENT FORMS

The following required procurement forms for this RFQ are described below. They must be executed and included in the submission in the same order as listed below:

- State Finance Law §§139-j and 139-k Forms;
- New York State Vendor Responsibility Questionnaire For-Profit Business Entity;

- Encouraging the Use of NYS Businesses in Contract Performance Form; and
- Iran Divestment Act Statement

In addition, Responses will be subject to Project Sunlight as described below.

State Finance Law §§139-j and 139-k

State Finance Law §§139-j and 139-k (collectively, the "Procurement Requirements") apply to this RFP. These Procurement Requirements (1) govern permissible communications between potential respondents and ESD or other involved governmental entities with respect to this RFP; (2) provide for increased disclosure in the public procurement process through identification of persons or organizations whose function is to influence procurement contracts, public works agreements and real property transactions; and (3) establish sanctions for knowing and willful violations of the provisions of the Procurement Requirements, including disqualification from eligibility for an award of any contract pursuant to this RFP. Compliance with the Procurement Requirements requires that communications regarding this RFP, from the time of its issuance through final award and execution of any resulting contract (the "Restricted Period"), be conducted only with the designated contact persons listed below; completion by respondents of the Offerer Disclosure of Prior Non-Responsibility Determinations, and the Offerer's Affirmation of Understanding and Agreement pursuant to State Finance Law (each form is accessible at the Required Forms for Vendors link at the ESD web site under "RFPs/RFQs"); and periodic updating of such forms during the term of any contract resulting from this RFP. Respondents must submit the Offerer Disclosure of Prior Non-Responsibility Determinations, and the Offerer's Affirmation of Understanding and Agreement pursuant to State Finance Law as part of their submittal. Copies of these forms are available at:
http://www.empire.state.ny.us/CorporateInformation/Data/RFPs/RequiredForms/SF_Law139_JK.pdf

The Procurement Requirements also require ESD staff to obtain and report certain information when contacted by prospective bidders during the restricted period, make a determination of the responsibility of bidders and make all such information publicly available in accordance with applicable law. If a prospective bidder is found to have knowingly and willfully violated the State Finance Law provisions, that prospective bidder and its subsidiaries, related or successor entities will be determined to be a non-responsible bidder and will not be awarded any contract issued pursuant to this solicitation. In addition, two such findings of non-responsibility within a four-year period can result in debarment from obtaining any New York State governmental procurement contract.

The designated contact person for this solicitation is Thomas Conoscenti, Director, Real Estate Development & Planning. All comments and questions must be sent to him by email at tconoscenti@esd.ny.gov.

This is not a complete presentation of the provisions of the Procurement Requirements. A copy of State Finance Law Sections 139-j and 139-k can be found at:
http://www.empire.state.ny.us/CorporateInformation/RFPs.html (under "ESD Policy Regarding Permissible Contacts under SFL 139").

All potential Respondents are solely responsible for full compliance with the Procurement Requirements. Both the prime consultant and the sub-consultants complete the forms required above.

Vendor Responsibility

All respondents to this RFP must be "responsible," which in this context means that it must have the requisite financial ability, organizational capacity and legal authority to carry out its obligations under this RFP, and in addition must demonstrate that both the respondent and its principals have and will maintain the level of integrity needed to contract with New York State entities such as ESD. Further, the respondent must show satisfactory performance of all prior government contracts. Accordingly, the contract to be entered into between ESD and the designated chosen respondent to this RFP, if any, shall include clauses providing that the respondent remain "responsible" throughout the term of the contract, that ESD may suspend the contract if information is discovered that calls into question the responsibility of the contracting party, and that ESD may terminate the contract based on a determination that the contracting party is non-responsible. On request, model language to this effect will be provided to any respondent to this RFP.

To assist in the determination of responsibility, ESD encourages vendors to register in the State's Vendor Responsibility System ("VendRep System"). The VendRep System allows business entities to enter and maintain their Vendor Responsibility Questionnaire information in a secure, centralized database. New York State Procurement Law requires that state agencies award contracts only to responsible vendors. Vendors are invited to file the required Vendor Responsibility Questionnaire online via the VendRep System or may choose to complete and submit a paper questionnaire. To enroll in and use the VendRep System, see the System Instructions available at www.osc.state.ny.us/vendrep or go directly to the VendRep system online at https://portal.osc.state.ny.us. For direct VendRep System user assistance, the Office of the State Comptroller's Help Desk may be reached at 866-370-4672 or 518-408-4672 or by email at helpdesk@osc.state.ny.us.

Vendors opting to file a paper questionnaire can obtain the appropriate questionnaire from the VendRep website at http://www.osc.state.ny.us/vendrep/forms_vendor.htm and execute accordingly pertaining to the company's trade industry.

Encouraging the Use of NYS Businesses in Contract Performance Form

New York State businesses have a substantial presence in State contracts and strongly contribute to the economies of the state and the nation. In recognition of their economic activity and leadership in doing business in New York State, bidders/proposers for this ESD contract for commodities, services or technology are strongly encouraged and expected to consider New York State businesses in the fulfillment of the requirements of the contract. In order for ESD to assess the use of New York State businesses in each Proposal, ESD requests that each Respondent complete the Encouraging Use of New York State Businesses in Contract Performance form, included in the Appendix.

Iran Divestment Act

Every bid or proposal made to ESD pursuant to a competitive solicitation must contain the following statement, signed by the bidder or respondent on company letterhead and affirmed as true under penalty of perjury:

"By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury,

that to the best of its knowledge and belief that each bidder is not on the list created pursuant to paragraph (b) of subdivision 3 of section 165-a of the State Finance Law."

The list in question is maintained by the Office of General Services. No bid that fails to certify compliance with this requirement may be accepted as responsive.

Project Sunlight

Under the Public Integrity Reform Act of 2011, “appearances” (broadly defined and including any substantive interaction that is meant to have an impact on the decision-making process of a state entity) before a public benefit corporation such as ESD by a person (also broadly defined) for the purposes of procuring a state contract for services as contemplated in this RFP, must be reported by ESD to a database maintained by the State Office of General Services that is available to members of the public. If in doubt as to the applicability of Project Sunlight, Respondents and their advisors should consult the Laws of 2011, Ch. 399 for guidance.

MINORITY- AND WOMEN-OWNED BUSINESS PROVISIONS

New York State Law

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation to promote opportunities for maximum feasible participation of certified MWBEs, and the employment of minority group members and women in the performance of ESD contracts.

In 2006, the State of New York commissioned a disparity study to evaluate whether minority and women-owned business enterprises had a full and fair opportunity to participate in state contracting. The findings of the study were published on April 29, 2010, under the title "The State of Minority and Women-Owned Business Enterprises: Evidence from New York" (“Disparity Study”). The report found evidence of statistically significant disparities between the level of participation of MWBEs in state procurement contracting versus the number of MWBEs that were ready, willing and able to participate in state procurements. As a result of these findings, the Disparity Study made recommendations concerning the implementation and operation of the MWBE program. The recommendations from the Disparity Study culminated in the enactment and the implementation of New York State Executive Law Article 15-A, which requires, among other things, that ESD establish goals for maximum feasible participation of New York State Certified MWBEs and the employment of minority groups members and women in the performance of New York State contracts.

Business Participation Opportunities for MWBEs

ESD has established an overall goal of 30% for MWBE participation for the Consultant Services performed under contracts awarded pursuant to this RFQ: 15% for Minority-Owned Business Enterprises (“MBE”) participation and 15% for Women-Owned Business Enterprises (“WBE”).

Firms that are not MWBEs responding to this RFQ are strongly encouraged to consider partnering, or other joint venture arrangements, with other certified MWBE Consultant Service provider firms to achieve the prescribed goals and to give MWBE Consultant Service provider firms the opportunity to participate in the Consultant Services performed under contracts to be awarded to pre-qualified

providers by ESD. ESD also reserves the right to require firms selected as pre-qualified Consultant Service providers to work as partners on specific transactions or matters with other MWBE firms and allocate work in a manner that ensures that MWBE Consultant Service providers are assigned to substantive tasks and receive appropriate credit and compensation for the Consultant Services.

Note that, under Executive Law Article 15-A, firms must document good faith efforts to provide meaningful participation by MWBE firms as service providers. Willful and/or intentional violation of this obligation may result in the imposition of liquidated damages or other appropriate sanctions, including, without limitation, suspension of any future contracts with ESD and monetary payments based on the MWBE goal shortfall.

The directory of New York State Certified MWBEs can be viewed at: **https://ny.newnycontracts.com/**

Further, the ESD Office of Contractor & Supplier Diversity ("OCSD") is available to assist respondents in identifying New York State certified MWBEs that can provide Consultant Services in connection with this RFQ. If you require MWBE listings, please call the OCSD at (212) 803-3225. Calls placed to OCSD for the aforementioned purposes will not be considered a prohibited lobbying contact.

INSURANCE REQUIREMENTS

Please note that upon selection for this Project, the Applicant will be required to demonstrate/provide the following insurance coverage:

- Commercial General Liability insurance - $1 million per occurrence / $2 million aggregate.
- Auto Liability insurance - $1 million per occurrence / $1 million aggregate.
- Must show evidence of Worker's Compensation & Employer's Liability insurance at State statutory limits.
- Must show evidence of Disability insurance coverage at State statutory limits.
- Professional Liability (Errors & Omissions) Insurance of $1 million.
- The NYS Urban Development Corporation d/b/a Empire State Development must be named as additional insured on a primary and non-contributory basis on all of the following policies: Commercial General Liability & Auto Liability. All policies listed above should include a waiver of subrogation in favor of NYS UDC d/b/a ESD.

QUESTIONS ABOUT THIS RFQ

Responses to all questions of a substantive nature relating to this RFQ will be provided in writing, via ESD's website (http://esd.ny.gov/CorporateInformation/RFPs.html). In addition, any changes, additions or deletions to this RFQ will also be posted on ESD's website, along with the electronic version of this RFQ. Respondents should note that any necessary clarification must be sought by the deadline for questions set forth in the "Key Events/Dates" section of this RFQ. Respondents are urged to check ESD's web site frequently for notices of any clarification of or changes, additions or deletions to the RFQ.

OTHER THAN THE CONTACT PERSON INDENTIFIED ABOVE, PROSPECTIVE RESPONDENTS SHALL NOT APPROACH ESD'S EMPLOYEES DURING THE RESTRICTED PERIOD OF THIS RFQ PROCESS ABOUT ANY MATTERS RELATED TO THIS RFQ OR ANY QUALIFICATIONS SUBMITTED PURSUANT THERETO FROM THE TIME OF ISSUANCE OF THIS RFQ THROUGH THE FINAL AWARD AND EXECUTION OF ANY RESULTING CONTRACT (THE "RESTRICTED PERIOD") .

GENERAL PROVISIONS

ESD reserves the right to reject any or all proposals submitted if such election is deemed to be in the best interest of ESD. ESD assumes no obligation, no responsibility and no liability for costs incurred by respondents prior to the issuance of a contract.

ESD reserves the right to modify this schedule at its discretion. Notification of changes in connection with this RFQ will be made available to all interested parties via ESD's website: http://www.esd.ny.gov/CorporateInformation/RFPs.html.

APPENDIX

ENCOURAGING USE OF NYS BUSINESSES IN CONTRACT PERFORMANCE FORM

New York State businesses have a substantial presence in State contracts and strongly contribute to the economies of the state and the nation. In recognition of their economic activity and leadership in doing business in New York State, bidders/proposers for this ESD contract for commodities, services or technology are strongly encouraged and expected to consider New York State businesses in the fulfillment of the requirements of the contract. Such partnering may be as sub-contractors, suppliers, protégés or other supporting roles (herein collectively called "Subcontrators").

Bidders/proposers need to be aware that, if selected through this ESD solicitation, they will strongly encouraged, to the maximum extent practical and consistent with legal requirements, to use responsible and responsive New York State businesses in performing the contract, including without limitation: (i) purchasing commodities that are of equal quality and functionality; and (ii) in utilizing services and technology. Furthermore, bidders/proposers are reminded that they must continue to utilize small, minority and women-owned businesses, consistent with current State law.

Utilizing New York State businesses in State contracts will help create more private sector jobs, rebuild New York's infrastructure, and maximize economic activity to the mutual benefit of the contractor and its New York State business partners. New York State businesses will promote the contractor's optimal performance under the contract, thereby fully benefiting public sector programs that are supported by associated procurements.

Public procurements can drive and improve the State's economic engine through promotion of the use of New York businesses by its contractors. The State therefore expects bidders/proposers to provide maximum assistance to New York businesses in their use of the contract. The potential participation by all kinds of New York businesses will deliver great value to the State and its taxpayers.

Bidders/proposers can demonstrate their commitment to the use of New York State businesses by responding to the questions below:

(A) Do you anticipate the need for Subcontractors fulfilling the requirements of this ESD contract?
Yes☐ No ☐

(B) Will New York State businesses be used in the performance of this ESD contract as Subcontractors?
Yes ☐ No ☐

<u>NOTE</u>: If the answer to question (B) is Yes, please identify New York State businesses that will be used and attach identifying information (e.g., name, address, contact information, nature of business).