REQUEST FOR PROPOSAL

Consulting Services for Update of Development Impact Fees

Proposal Due Date:

March 5, 2021 by 4:00 p.m.

City of Reedley
Community Development Department
1733 Ninth Street, City Hall
Reedley, California 93654
(559) 637-4200
INTRODUCTION

The City of Reedley (City) is soliciting proposals from qualified consulting firms to conduct the City of Reedley Development Impact Fee (DIF) Calculation Report Update in accordance with the specifications, terms and conditions shown in this Request for Proposal (RFP). The intent of the process is to independently assess and evaluate the City’s Master Facilities and DIF Calculation Schedule, provide updated plans, provide a nexus and recommendation for new fees, and propose a fair and reasonable fee structure that shall adequately fund each identified component for Development’s share of capital costs of necessary community assets.

The City intends to award a contract to a consultant that most satisfies the requirements of this RFP and can verify successful performance of similar studies. The City reserves the right to reject any and all proposals or waive any irregularities in any proposal during the proposal process.

BACKGROUND

Reedley is located in the central San Joaquin Valley portion of California, lying inland between the State’s coastal mountain ranges and the Sierra Nevada Mountains. Reedley’s economy continues to be predominantly based upon agricultural production and agriculturally-oriented industry.

Reedley is situated approximately 25 miles southeast of the City of Fresno and equidistant from the City of Visalia. Manning Avenue, a four-lane divided major arterial street, connects the City with State Highway 99 which is 12 miles to the west. State Highway 180 is located eight miles north of the City, and both highways are heavily used by local, regional, and national residents, travelers, and motor carriers.

Agriculture is a prominent economic segment of the City of Reedley, with a long history reaching back to the turn of the century. Agriculture continues to play a key role in shaping our local economy while Reedley maintains its unique rural characteristics, however, the City does maintain a strong level of economic diversification. Undeveloped lands surrounding the existing City boundaries are predominantly agricultural lands, which are more likely to be converted to urban uses as near term development is eminent.

On February 25, 2014, the City Council approved the Reedley General Plan Update 2030 (GPU) and certified the environmental analysis. The GPU goals and policies provide an overall direction for decision-making on development proposals and the day-to-day activities of the City’s elected officials and staff. The GPU also provides developers of future proposed projects a sense of certainty regarding the City’s development expectation. There has been a small amount of General Plan amendments since 2014, but the general tenor of the 2014 General Plan has remained consistent. Implementation of the GPU’s goals and policies will stimulate and cause a positive, broad reaching effect on the surrounding agricultural industries, the quality of life for its citizenry, delivery of public utilities, and impacts to the community’s social and economic vitality throughout the entirety of the planning horizon (2030).

On March 24, 2015, the Reedley City Council adopted the most recent Development Impact Fee Justification Study and Fee Update. Such fees have remained in place from that date until the current time, with additional incentive programs to encourage infill development also incorporated over the past several years. This update will supersede the 2015 adopted items and incentive programs; utilizing them as a starting point for analysis and comparison.
SCOPE OF WORK

The City’s request for service is to create a complete and defensible update of the existing fee structure and proposed new fees consistent with the City’s goals and policies contained in the adopted General Plan. The study shall also ensure the City is accurately accounting for the true cost of providing future services within the City and that development fees collected reflect those costs. The consultant shall work with City staff to review and update a comprehensive Master Facility Plan and DIF program that meets the requirements of the Mitigation Fee Act (AB1600), California Government Code section 66000 et. seq., and other relevant regulatory policies and documents. Staff expects the study, update and recommendation for new fees to include at a minimum:

1. **Preliminary Work – Data Review and Collection.** Immediately after contract award, consultant shall meet with the City to refine work plan details, develop a timeline based on all available information, and discuss data needs. Subsequent to this initial meeting, the consultant shall hold a Project Kick-off Meeting at a City Council Meeting to allow for elected officials and the public to ask questions and weigh-in on the process to come. Following the initial meeting and consequent kick-off with City Council, the consultant shall work with the various City departments to collect all available data necessary to perform analysis and to establish the nexus for each fee component. Such data will include the 2005 and 2015 Development Impact Fee Reports, the 2030 General Plan Update, 2010 Urban Water Management Plan, and Integrated Mater Plans for Potable Water, Sanitary Sewer, and Storm Drainage Systems. Additional documents may be referenced, as appropriate or identified.

2. **Confirm Land Uses/Growth Forecasts.** To ensure appropriate cost allocations, the consultant may choose to verify land use data and growth forecasts for the City using the General Plan, along with other related supporting documents and information. The consultant may refine City employment forecasts to calculate the new development to which improvement costs will be attributed. The growth forecast shall be classified by land use type to aid the administration of impact fees.

3. **Analysis and Fee Calculations.** Based on the data collected and developed, the consultant shall interactively work with City staff to determine the most appropriate methodology and nexus (consistent with Government Code sections 66000) to proportionally divide the costs and establish the fees for all anticipated development types.

The consultant will update the existing Master Facilities Plan, inclusive of any recent and/or proposed (e.g. Quimby Act and groundwater recharge) fees, and then provide a comprehensive DIF study. The consultant shall provide a well-documented and defensible cost of service plan that will identify reasonable rates to be updated and implemented. Fees shall be calculated to provide facilities, equipment, infrastructure and all services necessary to support growth based on forecasts of the General Plan.

3.1 The proposed new DIF analysis shall also take into account existing fees and be compared to surrounding cities (including, but not limited to, Dinuba, Sanger, Selma, Sanger, Kingsburg, Fowler, Clovis and Fresno County) to ensure a fair, equitable and feasible program consistent with the current Reedley City Council goals of:

- Providing a high level of public safety to the community
- Maintaining fiscal responsibility
- Continuing infrastructure development
- Improving social and community services
3.2 Consultant shall develop a methodology for each fee component to identify existing deficiencies of current facilities and improvements and assist City staff in determining the portion of estimated costs that are attributed to new development versus the portion attributed to existing deficiencies.

3.3 Consultant shall review and evaluate current allocation factors and provide recommended alternatives to ensure the fee program meets the City's economic development goals.

3.4 Consultant shall include within the main report a comprehensive listing of current development fees required by additional agencies (i.e., school district, regional agencies, etc.) to allow for complete analysis of holistic fee impacts on developers.

3.5 Consultant shall review the efficiency, impacts and outlook of the "Development Impact Fee Incentive Program," which included both the initial City Center Reduction Incentive rate, and consequent expanded and enhanced City Center Reduction and Infill Incentive Rates. Consultant shall demonstrate the true cost, subsidy or impact (as appropriate) to the City relating to the program, including analysis regarding short-term vs. long-term analysis of program implementation (i.e., immediate revenue lost to incentives as compared to tax and other revenue gained by additional development over the years of said development).

4. DRAFT/FINAL IMPACT FEE. The consultant shall prepare and provide a report that documents fee study results, including, but not limited to, a description of the overall methodology, findings, supporting justification, recommended DIF and the calculations that provide the legal nexus between DIF recommendations and new development. All models developed should be designed to easily allow the City staff or policymakers to refine the included facilities or allocation factors at any point during the public outreach and approval process. In addition, the models should take into account existing deficiencies and any existing funding sources.

5. FIVE YEAR REVIEW PROCESS. Per California Government Code section 66001(d), the consultant shall notate or formulate a formal in-house process to complete the following on a five-year cycle: 1) demonstrate a reasonable relationship between the fee and purpose for which it is charged; 2) identify all sources and amounts of funding anticipated to complete financing for incomplete improvements: and 3) designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

DELIVERABLES

The consultant will be responsible for preparation of all documents, in both draft and final forms, as required by the Mitigation Fee Act and City requirements under contract. It is anticipated that such documents will include the following, as detailed below:

1. Administrative Draft document for staff review (10 hard copies and 1 fully editable digital copy)
2. Draft document for public distribution (1 hard copy and 1 fully editable digital copy)
3. Final screen check document for staff review (1 fully editable digital copy)
4. Final documents for City Council and public distribution (10 hard copies and 1 fully editable digital copy)
   - Note: Final document delivery shall include all electronic files in Word, Excel and/or other programs utilized, as fully editable and unlocked files.
5. Attendance at a minimum of one (1) public meeting of stakeholders, one (1) Planning Commission meeting, and two (2) City Council meetings (one serving as a project kick-off, and the second associated with adoption/acceptance of the study)

6. Display materials for all presentations, public hearings and meetings

SUBMITTAL REQUIREMENTS

The following information should be included in the proposal submittal. Clear distinction of chapters or sections should be made for clarity:

1. **Cover Letter.** Letter should be signed by an individual that is authorized on behalf of the firm.

2. **Introduction.** Provide a brief project description conveying an understanding of the issues and ability of the firm to complete the scope of work. Include specific experience developing and defending recommended fees to both the development community and City Councils.

3. **Scope of Work.** Outline specific tasks required to complete the project, describing how each task is to be accomplished, and identifying team members responsible for completion of specific tasks.

4. **Project Schedules.** Provide a project schedule of all tasks, major project milestones, approximate number of weeks to complete each task and anticipated completion timeframe upon notice to proceed, assuming all data necessary is delivered promptly upon request.

5. **Related Experience and References.** Provide two separate lists: 1) References should include, project manager/contact, name of municipality and current phone number for at least three similar projects (Master Facilities Plan and/or DIF Study). Provide a brief description of referenced project. 2) Comprehensive client list for the firm, identifying the specific project worked on within the past five years. Client list may be attached separately in an Appendix format.

6. **Project Budget.** To the best of the firm’s ability, itemize costs for each task or phase as identified in the scope of work. The budget should provide a concise description of how the costs were derived (hourly billing rates for each team members, estimated cost of travel, cost of subcontractors, etc.). The total should reflect a not-to-exceed contract amount, but also include costs for additional meetings, and potential costs that typically arise in similar projects based on past projects. A maximum of $45,000 has been budgeted for this activity.

7. **Consultant Team.** Detail all individuals to be assigned to the project, their qualifications and responsive roles. Also identify any subcontractors and provide a description of their expertise.

8. **Insurance Coverages.** Professional liability insurance (errors and omissions) with limit of liability of not less than $1,000,000 per occurrence and $2,000,000 aggregate, and commercial general liability of not less than $1,000,000 per occurrence and $2,000,000 aggregate will be required for this project. The City’s standard Professional Services Agreement will be used, which includes; a conflict of interest statement, and completion of a statement of economic interest. Copies of previously approved agreements are available on request. Any contract exceeding $50,000 shall be subject to the approval of the City Council in accordance with Reedley Municipal Code.
EVALUATION CRITERIA

All proposals will be reviewed by a panel of City staff. The City reserves the right to interview selected consultants, or to recommend to the Reedley City Council/City Manager a consultant based on the strength of the proposal and references. It is anticipated that if any interviews are necessary, they will be scheduled within twenty-one (21) days of the submission date.

The City reserves the right to cancel this Request for Proposals for any reason without any liability or to waive irregularities at its discretion. This solicitation does not constitute a contract offer of employment, or offer of purchase. The City makes no representation that any contract will be awarded to any respondent to this solicitation. The City also reserves the right to reject any and all proposals at its sole discretion. The contract, if awarded, will be awarded to the firm whose proposal is considered the best value to the City and will be determined on responsiveness, completeness of services and price.

QUESTIONS

Questions regarding this RFP are to be directed by e-mail to Rob Terry, Community Development Director, at rob.terry@reedley.ca.gov. If a question arises during the review of this RFP, a proposer may submit in writing questions for clarification. All questions must be submitted in writing prior to the close of business on February 22nd. A response to all questions will be issued on February 26, 2021, and available on the City’s website page found at: https://reedley.ca.gov/community-development-department/major-projects/.

SUBMISSION INSTRUCTIONS

Before submitting a proposal, interested firms should fully inform themselves of the scope of work and all conditions and limitations. Consultant shall provide five (5) bound copies of the proposal, and one (1) electronic copy in PDF format. The proposal shall be submitted in a sealed envelope, clearly marked “Consulting Services for Update of Development Impact Fees”.

PROPOSAL MUST BE RECEIVED NO LATER THAN 4:00 p.m. on March 5, 2021, at the following address:

Community Development Department
Attn: Rob Terry, Community Development Director
1733 Ninth Street
Reedley, California 93654

Proposals arriving after the specified date will not be considered, nor will late proposals be opened. Proposers are solely responsible for ensuring the receipt of delivery. Postmarks will not be accepted.

CURRENT DIF AND MASTER FACILITIES PLAN

Due to size, the current DIF and Master Plan Facilities Plan, and other pertinent information to assist interested firms is available on the City’s website at: https://reedley.ca.gov/community-development-department/major-projects/ under the heading of “Update of Development Impact Fees,” (roughly half-way down the page). Various studies, maps and other supporting documentation listed here
may be updated or amended at any time, and it is the sole responsibility of the Proposer to ensure information referenced is the most current and relevant for their proposal.

**PROPOSED REVIEW SCHEDULE**

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<thead>
<tr>
<th>Activity</th>
<th>Date/Time</th>
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<tbody>
<tr>
<td>Request for Proposals (RFP) released</td>
<td>February 5, 2021</td>
</tr>
<tr>
<td>Deadline for submitting RFP questions</td>
<td>February 22, 2021 by 5 p.m. Pacific Time</td>
</tr>
<tr>
<td>Deadline for proposal submittal</td>
<td>March 5, 2021 by 4 p.m. Pacific Time</td>
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<tr>
<td>Selection process/oral interviews</td>
<td>Weeks of March 8th &amp;/or 15th (Tentative)</td>
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<tr>
<td>Notice to Proceed</td>
<td>April 13, 2021 (Tentative)</td>
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<tr>
<td>Completion of project</td>
<td>September 30, 2021 (Tentative)</td>
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