

# REQUEST FOR PROPOSALS

Sealed proposals will be received by the

Director of Finance, New York City Educational Construction Fund, 4<sup>th</sup> Floor,  
30-30 Thomson Avenue, Long Island City, New York 11101

**Until: 12 Noon Friday, March 28, 2014**

NO LATE PROPOSALS WILL BE ACCEPTED

For:

## DEVELOPMENT ADVISORY SERVICES-- REDEVELOPMENT OF PUBLIC SCHOOL SITES

Only the duly authorized representative shall sign this proposal to the New York City Educational Construction Fund.

Name of Agency/Company \_\_\_\_\_

Address of Agency/Company \_\_\_\_\_

City/State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone No. \_\_\_\_\_ Fax \_\_\_\_\_

Federal ID No. \_\_\_\_\_

Signatory \_\_\_\_\_

New York City Educational Construction Fund  
30-30 Thomson Avenue, 4<sup>th</sup> Floor • Long Island City, NY 11101  
Telephone: (718) 472-8287 \* Fax: (718) 752-8285  
ATTENTION: Juanita Rosillo

**EACH ENVELOPE SUBMITTED MUST BE LABELED AND EVERY LABEL MUST REFERENCE  
“ECF--DEVELOPMENT ADVISORY SERVICES 2014”**

**SECTION I PROGRAM SUMMARY, BACKGROUND, AND PURPOSE OF THE REQUEST FOR PROPOSALS (RFP)**

**A. PROGRAM SUMMARY**

The New York City Educational Construction Fund (“ECF”) is seeking proposals from organizations that are capable of providing real estate development advisory services (“Proposer”) for select underutilized properties within the portfolio of the New York City Department of Education. The objectives of re-developing selected school sites are as follows:

- Redeveloping sites to produce new or renovated schools in combination with permitted highest and best non-school uses
- Raising capital from the disposition of surplus development rights
- Ensuring that re-development keeps disruption of the affected school community, if any, to a minimum and ensures the safety of school staff and students.

**B. BACKGROUND AND PURPOSE OF THE REQUEST FOR PROPOSAL**

ECF is a public benefit corporation whose purpose it is to build “combined occupancy” or mixed-use structures that include educational facilities for use by the New York City Department of Education. The Fund has constructed 18 school projects, all in mixed-use developments, since its founding in 1967. ECF works with the Department of Education (“DOE”) and the New York City School Construction Authority (“SCA”) to deliver new or renovated educational facilities by leasing “air space” over vacant or existing school sites for residential or commercial uses. The rental and tax equivalency (“PILOT”) income from such leases is used to pay debt service on ECF’s bond issuances to fund construction of the new or renovated school. The city of New York transfers title of a selected site to ECF in order to facilitate the use of this ECF development model.

In 2012, ECF opened two schools – PS 59 and the High School of Art and Design, at 231-249 East 56<sup>th</sup> Street – as part of a combined occupancy structure comprising a 320,500SF school site, a 480,000SF residential tower and 98,000SF of retail space. The school portion of the project is funded by the private developer. ECF projects are a direct result of sustained efforts initiated in 2003 to revive the Fund model as a method of delivering additional public school seat capacity in New York City. ECF continues to explore ways to create additional value from existing sites, namely, through re-development of certain school properties where

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unused development potential makes a strong business case for re-development.

**SECTION II SCOPE OF SERVICES**

The Proposer will support the work of ECF with a set of thorough and comprehensive real estate advisory services specified below. The services sought by this RFP will support ECF in its re-development efforts from initial site selection to preparation of offerings through transaction closing. Because a number of disposition or re-development scenarios may be possible, depending on the property, proposers must offer services that address all of the following areas:

Phase I Services

1. Property Profiling. Assemble factual information on location, neighborhood context, lot area, building area, building status, current/future building status.
2. Analysis of Development Options. Determine reuse potential of existing buildings versus new construction for alternate/mixed uses; working with ECF zoning consultant, evaluate existing zoning and potential value added in seeking zoning or BSA modifications; if appropriate, work with architects to develop conceptual plans for selected properties.
3. Market Research and Site Selection. Through interaction with developers and brokers, provide market analysis of current pricing, develop threshold requirements and trends for development sites; provide identification of suitable alternative sites for any relocated school facilities.
4. Financial Analysis. For each identified property, identify the most likely development scenario incorporating highest/best use analysis, renovation/construction budgets including hard and soft costs and all pertinent qualitative concerns pertinent to each site; develop likely financing terms; evaluate options to “package” properties through phasing, disposition or leasing; identify incentive programs that may be available for the selected site; evaluate alternate transaction structures (e.g. sale, long term lease, joint venture) that incorporates expected financial return and the client’s preferences and constraints.

Phase II Services

1. Development Marketing. Create interest in identified properties through extensive outreach to prospective individual and institutional developers
2. Development Planning. Work with ECF and DOE to determine key terms and conditions depending on selected transaction structure; prepare and present high quality, first rate offering materials; work

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with client to evaluate proposals received as the result of formal offerings or request for proposals.

3. Transaction Support. Provide support to ECF and DOE staff and ECF outside counsel to negotiate development or sale agreements that may result from formal RFP issuance.

In order to ensure that proposals are as responsive as possible in every respect of the above Scope of Services, collaborations among service providers are strongly encouraged.

**SECTION III PROPOSAL PROCEDURES AND REQUIREMENTS**

**A. PROPOSAL REQUIREMENTS**

*BUSINESS PLAN*

Proposers must provide a business plan, schedule of proposed deliverables and management system that addresses all of the services requested in this RFP and which demonstrates methodologies that have been employed successfully in other engagements of similar complexity. The plan should include:

- The Proposers understanding of the issues and tasks of the project. Proposers are required to present a detailed description of the methodology to be used by their firm in achieving the objectives of the project and accomplishing the tasks described in the Scope of Services with separate and specific reference to each component of the Scope of Services.
- A statement of how the proposer intends to address internal controls over corruption risk and conflicts of interest.

*COMPANY INFORMATION*

Each response to this RFP must provide the following information, if it exists:

- Headquarters/Parent Company Information
- Details of Business Entity Structure (Corporation, LLC, etc.)
- Internet Web Site address
- Organization Chart of Business Entity
- Primary/Secondary Business Information (core competencies)
- Office Locations and Employee Information By Business Unit
- Client List
- Company Code of Ethics and Ethics Protocols/Programs

*REFERENCES*

Proposers must provide references from at least three clients where the work requested and performed to date is similar in scope to the services requested in this RFP. If possible, at least one (1) of these references should be from a governmental or not-for-profit entity. Provide full contact

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information for each reference and a thorough description of the services provided to each.

*STAFFING*

Proposers shall document the size and experience of the proposed personnel team assigned to this project as well as the experience and availability for all sub-contractors identified as part of the proposal. Proposals must include the composition of the service team designated to perform work on this project. Staff resumes must be provided.

*FEE PROPOSAL/FISCAL PLAN*

Proposers should also submit an overall project budget, including a description of any in-kind services, if applicable, that will be provided in order to meet the total budget. Proposers must submit a projected budget for the services provided. The budget will be reviewed for the total cost associated with the requested services. Expenses should include all costs that are expected to be paid by ECF. A part of this budget submission, a schedule of fees for all professional services should be included. If the proposal contemplates that some services will not be fee-based then that information should be clearly outlined in the proposal.

**B. EVALUATION PROCEDURES**

Each proposal received by the Educational Construction Fund will be initially evaluated for conformance and qualitative compliance with the selection criteria. An evaluation committee will evaluate and rate all proposals under consideration, applying the evaluation criteria prescribed below. ECF reserves the right to conduct site visits to verify facility information contained in a proposal and may require Proposers to make an oral presentation in support of a proposal.

**C. EVALUATION CRITERIA**

The ratings chart on the following page will be used to evaluate the quality of each submitted proposal [it is not necessary to meet all elements within a category to receive a substantial amount of points]:

[EVALUATION CRITERIA CHART FOLLOWS ON THE NEXT PAGE]

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<b>Response Category</b>	<b>Desired Characteristics</b>	<b>Points Awarded</b>
<b>Organization Capacity</b>	<p>Evidence of adequate staff, resources (human, organizational, instructional and technical) and professional ability to deliver regular services.</p> <p>Quality of staff and quality of resumes.</p> <p>Knowledge of service area and how service can be used to implement ECF's proposal requirements</p>	15
<b>Experience and Effectiveness</b>	<p>Demonstrated experience in providing development advisory and planning services from site selection through transaction closing.</p> <p>Demonstrated experience providing real estate transaction management services including negotiations and closing support.</p> <p>Demonstrated thorough knowledge of New York City construction market and real estate environment.</p> <p>Demonstrated analytical experience which incorporates highest and best use analysis incorporating air rights</p> <p>Demonstrated transaction structuring experience which demonstrates sophisticated solutions.</p> <p>Demonstrated experience working with real estate clients in the public sector, including governments and not-for-profit clients.</p>	45
<b>Proposed Business Plan</b>	<p>Clearly defined scope of services, including an identification of the service components (as listed in the Scope of Services section of this RFP) that the plan of services will cover:</p> <p>Comprehensiveness of service design including:</p> <ul style="list-style-type: none"> <li>• Clear identification of service goals and relationship to items outlined in the RFP's scope of services.</li> <li>• Identification of all methods that will be used to accomplish program goals.</li> <li>• Use of recognized approaches or best practices and creative strategies to achieve service goals.</li> <li>• Flexibility of service plan design and reasonableness of project timeline</li> </ul>	25
<b>Fiscal</b>	<p>Comprehensiveness of budget plan</p> <p>Alignment of budget plan with proposed service plan design</p> <p>Cost effectiveness of proposed program and reasonableness of proposed unit costs (daily rates for consultants, salaries, etc.)</p> <p>Evidence of provision of in-kind or "value added" services</p>	15

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**SECTION V PROPOSAL DUE DATE**

**A RESPONSE DEADLINE AND PROPOSAL SUBMISSION INFORMATION**

One (1) original and five (5) copies of the response, identified by “ECF-Development Advisory Services” on the envelope, must be submitted by **12 Noon**, March 28, 2014 to:

New York City Educational Construction Fund  
30-30 Thomson Avenue, 4<sup>th</sup> Floor  
Long Island City, New York 11101

Attention: Juanita Rosillo  
Director of Finance  
Fax: (718) 752-8285

Proposals should be in plain paper format and bound, if necessary. Exhibits and any supporting materials, if any, must be labeled clearly.

The proposal shall submit a cover letter transmitting the proposal package to the Educational Construction Fund. The cover letter shall be signed and dated by an authorized individual.

To request additional copies of the RFP, please contact Helena Viteri at (718) 472-8287.

**SECTION VI GENERAL INFORMATION**

**A. REQUESTS FOR CLARIFICATION AND ADDENDA**

Any inquiry regarding this RFP shall be made in writing. To be considered, all written inquiries must be addressed to the authorized contact as follows:

Ms. Jennifer Maldonado  
Executive Director  
New York City Educational Construction Fund  
30-30 Thomson Avenue, 4<sup>th</sup> Floor  
Long Island City, New York 11101  
FAX (718) 752-5222

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Proposers are advised that ECF is not able to ensure that it shall be able to respond to inquiries received after **March 14, 2014**. Proposers should not rely on any representations, statements or clarifications not made in either this RFP or in a formal RFP Addendum.

**B. INCURRING COSTS**

ECF shall not be held liable for any pre-contract activity or costs incurred by proposers in the preparation of their proposals, or during any negotiations on proposed contracts, or for any work performed or materials provided in connection therewith.

**C. NEGOTIATIONS**

ECF reserves the right to: (i) reject all proposals submitted; (ii) accept any proposal or alternate submitted without negotiations; (iii) accept or negotiate with all proposals submitted which fall within a competitive range; (iv) require revisions to, corrections of, or other changes to any proposal submitted as a condition to its being given any further consideration; (v) select for negotiations only the overall best proposal or alternate submitted, as determined by ECF; (vi) negotiate with one or more proposers in any manner its deems fit (such negotiations may be concurrent or sequential as ECF determines); (vii) following the conclusions of any such negotiations solicit Best and Final Offers (BAFO) utilizing the appropriate procedure; (viii) re-open negotiations after the BAFO procedure, if it is in ECF's best interest to do so. No proposer shall have any rights against the Fund arising at any stage of the solicitation from any negotiations that take place, or from the fact that the Fund does not select a proposer for negotiations.

**D. LOCAL LAW 34**

Local Law 34 was enacted to limit the actual or perceived influence that campaign contributions could have on procurement and award processes. Local Law 34 covers transactions between entities and City agencies, as well as with other governmental entities, such as public benefit corporations. In accordance with LL 34, the successful Proposer (i.e. the principal officers, owners and senior managers of the Proposer) will be required to complete a Doing Business Data Form. The completion of this information is a condition of the award of contract by ECF for Real Estate Development Advisory Services.

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**D. CONTRACT**

ECF reserves the right to award a contract to other than the Proposer(s) offering the lowest overall cost. The contract(s) resulting from this solicitation shall be awarded to the qualified Proposer(s) whose proposal(s) the ECF determines to be the most advantageous, based on the evaluation criteria set forth in the Request for Proposals (RFP).

All contracts resulting from this RFP shall be signed by the Proposer(s) within a reasonable time upon receipt, which period shall not exceed 30 days. Thereafter the Proposer(s) is (are) deemed delinquent, at ECF's option, the contract(s) may be voided.

ECF's award of contract decision also may be voided if the Proposer does not execute a contract in a timely manner.

**E. TYPE OF CONTRACT AND PAYMENT**

This RFP will result in the award of an exclusive professional services contract to the successful Proposer. The term of such contract shall be for two (2) calendar years, with the option of two (2) extensions for one (1) additional calendar year each.