



RESEARCH PARTNER TO ASSESS AND DEVELOP RECOMMENDATIONS ON LOCAL AND REGIONAL GOVERNMENT FINANCE IN GREATER BOSTON

IN SUPPORT OF AN INDEPENDENT STATE REGIONAL PLANNING AGENCY

SOLICITATION

The Metropolitan Area Planning Council (MAPC) is seeking to hire a research partner to help assess and develop policy recommendations for reforming local and regional government finance as part of its updated regional plan, known as MetroCommon 2050. The contract we seek to award will be for \$9,500 and it is anticipated that the work will last between three and six months, beginning in June 2020. MAPC asks for responses from qualified organizations that are able to meet the requirements described further below.

Responses to this Solicitation are due by May 14, 2020 at 3pm and must be submitted electronically to Brian Luther at bluther@mapc.org.

MAPC takes a proactive approach to social equity and encourages Women and Minority Owned Firms to respond to its solicitations.

Introduction

ORGANIZATIONAL/PROJECT BACKGROUND

MAPC is the regional planning agency for the 101 cities and towns in Metropolitan Boston. Our mission is to advance smart growth and regional collaboration. MAPC is in the process of creating an update to our long-term regional plan, called MetroCommon 2050. The plan will include policy recommendations that will help our region reach the goals outlined in the plan. MetroCommon 2050 will contain approximately 20 policy chapters each with policy recommendations, strategies and actions, intended for a variety of actors (e.g., state, regional, local governments, and/or institutions). The recommendations, actions, and strategies are to be initiated and accomplished over the next 5 to 10 years. The recommendations should be relevant to the diversity of community types in our region. They should be bold, yet achievable. One of the policy chapters is devoted to municipal and regional finance. We are seeking to hire a research partner to develop this chapter, under the direction of MAPC staff members.

You can learn more about MAPC at our website: www.mapc.org. Information on MetroCommon 2050 can be found at: www.metrocommon.mapc.org

Scope of Work

PROBLEM STATEMENT:

Local and Regional Government Finance Policy Recommendations

As federal and state assistance to local governments has declined in real terms in recent decades, and as we face a new global recession, municipalities and states are increasingly dependent on their own ability to generate the revenues needed to support local and regional services and functions. A variety of state laws however limit the ability of local governments to generate additional dollars or create new revenue sources. Dependence on property taxes and the underlying value of property, together with state law constraints on the ability to vary property tax policy and rates, also lead to significant equity and sufficiency differences between what cities and towns can raise on their own.

Many municipalities are considered to be at full capacity for what they can generate through property taxes. Municipal budgets are not seen as sufficient for making needed investments in infrastructure while covering long-term liabilities such as pension and OPEB obligations. Vital regional entities that provide key services such as water and transportation are also heavily indebted. They are also outside of local and regional control as authorities under state dominion. How the region and its local governments can finance their future and do so in a way that doesn't further exacerbate inequities between communities and people across the region is a significant challenge.

PROJECT DELIVERABLES

There are three main deliverables that the research partner will provide as part of the Scope of Services. They are:

- (1) Developing an assessment of the current state of municipal and regional finance in our region, including addressing the impacts posed by the current pandemic and economic dislocation. This assessment must consider the sufficiency, resiliency/sustainability, and equity of regional and local tax policies – answering the questions set out in the next section.
- (2) Collecting and presenting best practices or case studies from across the country and/or world that could inform local and regional finance reforms in Greater Boston.
- (3) Drafting strategies and actions to improve local and regional government finance in Greater Boston. These policy recommendations will be vetted within MAPC but ultimately will be shared with stakeholders across Greater Boston as part of public engagement for MetroCommon 2050.

KEY CONSIDERATIONS

In developing the assessment and recommendations, the following factors must be considered:

- Sufficiency (do current revenues meet existing needs? Future needs? COVID-19 recovery, pensions, OPEB, infrastructure, climate-related investments);
- Resiliency/sustainability (are the revenues predictable and reliable over time? Are any sources particularly vulnerable to forces outside our control?); and
- Equity (do existing and proposed revenue and financing mechanisms exacerbate or mitigate existing disparities between municipalities? How progressive or regressive are they? How can investments be targeted to help disproportionately impacted communities rebuild (e.g. communities of color and neighborhoods with significant low-income households)?

MAPC is particularly also interested in innovative fiscal practices and revenue sources that can operate on a regional or multi-municipal basis and can augment the region's ability to finance its future. Some of the questions and ideas that MAPC is interested in the research partner exploring include:

- What can municipalities do to hasten recovery and rebuilding in light of the COVID recession, including preserving and enhancing their revenue bases?
- The impact and potential to reform Prop 2 ½ and provide municipalities more flexibility to mold their property tax systems to meet their needs
- The ability to meet current and expected expenditures on a regional basis (e.g., climate investments, school costs) and create real regional taxation and governance tools to finance local government more effectively
- Opportunities for PILOTs and other mechanisms to assess non-taxable entities
- Leveraging the region's infrastructure and property assets to create new financing opportunities (through proactive economic development, tax abatement or special assessment strategies)

Responding to this Solicitation

Respondents must provide all the documentation described in this section. There are two main components to the submission:

- 1) The response narrative, which should be concise and answer all the questions set out below. The narrative provided will be the core component of the evaluation conducted by the MAPC Selection Committee; and
- 2) References, with all the information requested, which will be used to validate proposers' experience and capabilities.

Failure to provide all the information requested in the manner described could result in a proposer's disqualification from consideration.

RESPONSE NARRATIVE

In responding to this solicitation, respondents should provide the following information and/or answer all the questions listed below.

- Please describe how you would successfully provide the deliverables and address the key considerations outlined in the Scope of Service within a three-to-six-month period. Please emphasize how your organization would meet these deliverables while operating within the \$9,500 budget specified in the Scope of Service;
 - If you are unable to successfully provide the full range of support specified in the Scope of Services within the specified contract amount, please describe what your

organization is able to provide at that specified contract amount. Do not provide an alternative contract amount.

- Please include a proposed timeline by which you will meet the deliverables described in the Scope of Service. Please start the timeline on June 4th, 2020;
- Please include information about the personnel you would expect to work to the project, including biographies, resumes, and relevant experience: and
- Please submit any relevant materials or publications your organization has produced that are relevant to this topic in the previous 5 years. These materials do not have to be comprehensive but should serve as pertinent examples.

REFERENCES

Respondents must provide the following contact information for a minimum of 3 references that have hired your organization within the last 2 years. A minimum of 1 of these references must have been active within the 12 months prior to the release of this solicitation. Use a separate sheet(s) clearly marked "REFERENCES" to provide the following information for each reference.

1. Customer Name
2. Years as a customer
3. Street
4. City, State, Zip
5. Contact Person
6. Telephone number

Process and Contract Award

PROPOSER'S CONFERENCE AND QUESTIONS

During the period in which the Solicitation is open, MAPC will conduct a Virtual Conference for interested parties on **April 29th, 2020 at 1pm**. For details to access the Virtual Conference, email bluther@mapc.org. It is highly recommended that prospective Proposers participate in this Conference. The Conference will provide interested parties with the opportunity to ask questions about this Request to MAPC staff. Further information about the Conference will be sent to prospective respondents closer to the date.

Prospective respondents also have the opportunity to seek formal answers about the Solicitation by submitting questions in writing. All such questions must be submitted to Brian Luther at MAPC via email (bluther@mapc.org) by **May 1, 2020**. MAPC will respond in writing to all relevant questions from all interested parties by **May 6th, 2020**.

POTENTIAL INTERVIEWS

After responses are received by MAPC on May 14th, MAPC reserves the right to ask respondents to interview with members of the MAPC Selection Committee to answer further questions about their response and experience. If needed, these will likely occur on May 20th and/or May 21st through video conference. MAPC will communicate the exact date and time for these interviews, if they are to occur, as soon as possible after the receipt of response.

SELECTION COMMITTEE

MAPC will convene a Selection Committee to evaluate responses and select a research partner for this work. The Committee will use the information provided by respondents, gained through their responses, potential interviews, and from references to select an organization that can best provide the research and recommendations sought in this Solicitation. The Selection Committee will document its decisions and those can be made available by request as public records.

When selecting the research partner, MAPC will consider the following:

- The strength of the respondents' proposal to complete the specified services within the time and budget prescribed;
- The expertise and experience of the respondent in Massachusetts government finance and tax policy;
- Familiarity with best practices in other parts of the country and/or world; and
- The experience in developing actionable policy recommendations.

CONTRACT AWARD

After the Selection Committee has decided on its preferred provider, which it plans to do by late May 2020, MAPC will inform the successful responder and initiate a contract for execution to provide the research and policy recommendations. All the terms and conditions set out in this RFP will be included in the contract.

OBLIGATION TO PROCEED

MAPC is under no obligation to select an organization and may at any time decide not to proceed with an award.

Terms and Conditions

PAYMENT FOR SERVICES RENDERED

Payment will be distributed in two (2) equal payment of half the contract amount (\$4,750). The first invoiceable at contract execution and the second upon approval of the final deliverable. Approval of the final deliverable is at the sole discretion of MAPC. MAPC has thirty (30) days to complete payment once invoice is received.

CONTRACTOR QUALIFICATIONS/REQUIREMENTS

The contracted provider shall secure and maintain in effect insurance coverage adequate to meet its obligations under this section and shall provide MAPC with certification of such as a condition of award if requested.

CONDITIONS OF ENGAGEMENT

The response for this work must cover and include the cost for all contingencies, including all labor and materials necessary for the delivery of services.

All respondents shall indemnify, hold harmless and defend MAPC, its officers, agents, and employees from all liability of any nature or kind, including costs and expenses for all actions or claims resulting from injuries or damages sustained by any person or property arising directly or indirectly as a result of any error, omission or negligent or wrongful acts of the organization, subcontractor or anyone directly or indirectly employed by them in performance of this contract.

TERMINATION OF CONTRACT

MAPC can terminate its relationship with the contracted provider at its discretion but will provide written notice to the vendor 10 days before termination goes into effect.