

Request for Proposals (RFP)

Economic Development Strategy



Responses due
5:00 p.m.
Thursday, September 27, 2018



About Fairview Heights

Founded in 1969, Fairview Heights is one of the youngest cities in Illinois. Located 12 miles east of St. Louis, Fairview Heights can boast 3.5 million square feet of commercial space including the super-regional St. Clair Square mall and seven other shopping centers, more than 75 restaurants and eight hotels and motels. I-64, the St. Louis region's fastest-growing transportation corridor, straddles Fairview Heights with traffic counts at Exit 12 exceeding 75,000 cars per day. Continued strong retail traffic for several decades has established Fairview Heights as “the retail hub of Southern Illinois” and the City works closely with store owners/managers and property owners alike to keep facilities and offerings fresh and attractive.

Open since 1974, the St. Clair Square Mall boasts over 1 million square feet of retail space with 140 specialty stores. St. Clair Square is anchored by four national retailers--Dillard's, JCPenney, Macy's, and Sears—with a new anchor, H&M, signed to open in 2019. Other major retail centers in Fairview Heights include the Crossroads Centre, Fairview City Centre, Fairview Heights Plaza, Lincoln Place Shopping Center, and the Marketplace Shopping Center.

The City of Fairview Heights is a sophisticated user of economic development tools and a willing partner with six Tax Increment Financing (TIF) districts, an Enterprise Zone, ongoing streetscape projects, and planned utility districts. In addition, the City is currently exploring Property Assessed Clean Energy (PACE) as a means for financing energy efficiency upgrades or renewable energy installations. The City’s Business Assistance Program has been recognized as a “best practice” for such programs across the St. Louis region.

Long recognized as the retail hub for Southern Illinois, Fairview Heights is beginning to emerge as one of the great places to live in St. Louis' Metro East region. Construction of a new \$20 million recreation center, phased streetscape improvements and an expanded trail system will complement earlier projects such as the Miracle League baseball field at Moody Park to enhance quality of life.

A

Background & Purpose

The City of Fairview Heights seeks direction to better utilize its economic assets to advance the future of the City's businesses, non-profits and residents so as to grow our community's tax base and increase wealth. To that end, the City is soliciting proposals from Consultants to guide development of an Economic Development Strategy that can position the City on its path toward a resilient economy by creating a vision around which the City with its public, private and institutional partners can coalesce efforts to drive investment and growth for the community.

Accomplishing this goal will require two equally important components:

- First, an in-depth analysis of the City's economy focused on identifying opportunities and threats associated with our current economic advantages and prescribing long-term policies to assure our community's sustainability;
- Second, building upon this analysis, implementable strategies for growing the City's economic base.

It should be underscored that the primary objective of the Economic Development Strategy is action rather than analysis.

While the resulting Economic Development Strategy could entail many elements, equity is another principle objective. To create a resilient economy, Fairview Heights needs all its component elements--from agencies to chain stores to local small businesses to industries to neighborhoods to residents—to effectively work together.

The Economic Development Strategy should identify goals for building and strengthening the City's economy with strategies, tactics, guidelines and timelines for achieving such goals. The Economic Development Strategy should also be designed with metrics and a dashboard for monitoring implementation of each individual tactic and strategy identified.

More specifically, the Economic Development Strategy should answer these questions:

1. Identify 2-3 ways that the City of Fairview Heights can diversify its sources of revenue to offset the current dependence upon sales tax proceeds.
2. What are the three most important steps through which the City can best meet the challenges of shifting demographics to maintain and even improve attractiveness for investment?

3. How can the City most strategically enhance the built environment so as to expand economic development?
4. Identify five ways that Fairview Heights can maintain its economic growth against state and national trends to the contrary.
5. What are 2-3 ways that the City can provide access to major employment centers despite continuing growth in volumes of traffic?
6. Describe five ways that Fairview Heights can foster innovation as a key element of its economic development program.
7. What 2-3 steps should be implemented in order to diversify economic development while maintaining the City's economic base?
8. How can the City enhance—through economic development—quality of life across the whole community?

B

Scope of Work

The successful Consultant (a professional firm or a team of professional firms) will perform the following duties as part of the development of the Economic Development Strategy:

1. Assessment, Benchmarking & Evaluation

The Consultant will conduct an economic analysis of the City of Fairview Heights and its economic relationships to the surrounding Metropolitan Statistical Area (MSA). The purpose of this analysis will be to help the City of Fairview Heights to better understand its economy in the context of the larger metro area in order to identify unique opportunities, to recommend how to best position municipal resources for the future, and to suggest potential regional synergies for economic growth and diversification.

The Consultant will review relevant previous economic studies (e.g., the Comprehensive Economic Development Strategy developed by the Southwestern Illinois Metropolitan & Regional Planning Commission), reports and other related information provided by the City of Fairview Heights to ensure that the Economic Development Strategy builds upon and coordinates with other economic development research. To the degree possible, City staff will make available local data requested by the Consultant, understanding that the Consultant may have better and more convenient sources of data than the City. The City will also provide information regarding its current economic development programs, staffing and budget, as well as provide relevant information about its local economic development partners.

The assessment, benchmarking and evaluation portion should include:

a. Demographic Analysis – a detailed demographic profile of the City considering such factors as population, household income, wealth and credit levels, impacts of poverty, education levels, property values and trends in property ownership, skills gaps, joblessness, underemployment, and race for up to the past ten years.

b. Local (City) Economic Assessment – a detailed analysis of the City of Fairview Heights' economic base, including:

i. Large Tier: Overview of the City's economy and drivers responsible for the majority of the economic activity in the City including, at minimum: the private employers with the largest number of employees in the City; largest government employers in the City; industries that are employing the most people within the City; employers that employ the most City residents; businesses that produce the most sales tax revenue for the City; businesses that produce the most earnings tax revenue for the City; and identifying sectors of the economy that produce the most employment and generate the most tax revenues to the City.

- ii. Small Tier: Overview of the micro-enterprise, small business and gig economy components of economic activity within the City.
 - iii. Analysis of economic trends to determine their impact on Fairview Heights’ future economic advantages and challenges.
 - iv. Identification of Fairview Heights’ position within the greater state, MSA, and region, how the shared economies interact, and how each business sector contributes to the local economy.
 - v. Strength/Weakness/Opportunity/Threat (SWOT) analysis to identify major strengths, weaknesses, opportunities and threats in the market, particularly as they compare to similar, competitive (or emerging competitive) markets, and identification/evaluation of exposure to systemic risks, including those identified in the City’s resilience strategy.
- c. Economic Development Ecosystem – Evaluation of relevant existing reports, initiatives and resources to ensure that the Strategic Plan's recommendations are properly informed, including:
- i. Existing reports and relevant recommendations (e.g., Comprehensive Plan)
 - ii. Current Community Development initiatives (i.e., St. Clair County grants, etc.)
 - iii. Existing data and data infrastructure (i.e., universities, Regional Data Alliance)
 - iv. Existing resources to be leveraged (i.e., state, federal, philanthropic)
- d. Internal Assessment - Review of City internal operations, including:
- i. Programs
 - ii. Policies, practices, procedures
 - iii. Staffing

2. Market & Industry Cluster Analysis

The Industry Cluster Analysis portion of the Economic Development Strategy should identify economic sectors in which the City of Fairview Heights currently is or is capable of becoming competitive at the regional level, as follows:

- a. Identify industries by three-digit NAICS in the City that are:
 - i. Dominant and expected to grow
 - ii. Dominant but waning due to industry/economic/technological or other trends or lack of infrastructure
 - iii. Emerging and a good match; expected to grow

- iv. Currently non-existent but for which a good match exists
- b. Analyze global trends, drivers and risks affecting existing industry clusters
- c. Interview key industry corporate executives, entrepreneurs and others to gain insight into challenges and opportunities for the City
- d. Identify key occupations where Fairview Heights has a competitive advantage against other parts of the region and show how the City can leverage these strengths to grow current industry sub-clusters and/or create new ones.
- e. Identify risks to maintaining the occupational advantages of Fairview Heights vis a vis evolving technologies, employer requirements, and educational/certification standards.
- f. Benchmark the top industry sub-clusters with opportunity for growth
- g. Identify the Top 5 investment opportunities
- h. Design a 5-year industry sub-cluster growth strategy and implementation program including a plan for multiplying those industries with the greatest growth potential, as well as ideas for either sustaining (or making the city more resilient to) foundational industries that are threatened or at great risk of downsizing
- i. Identify marketing strategies – what messages and campaigns ought to be implemented to inform and influence site selection decision makers and consultants to attract targeted industries. Who are some of the major decision makers and consultants in the respective targeted industries? What information should be posted on the City’s website that will be most useful to corporate decision makers and national site selection consultants within each targeted industry?
- j. Provide actionable implementation plans to grow sub-clusters, including emphasis on lead generation, lead execution, and global import/export opportunities.

3. Neighborhood Economic Nodes (Place-Based Growth Strategy)

The City of Fairview Heights seeks to build upon successes with growth and revitalization of St. Clair Square, other regional shopping centers and the Lincoln Trail District by laying the groundwork for the revitalization of those neighborhoods which have not yet shared in this growth.

One of the keys to successful neighborhoods in other cities in the region has been growth around main corridors, parks and transit hubs. The City is interested in identifying prospects throughout the City for building further economic nodes that can serve as the economic engines for their surrounding neighborhoods.

- a. Use data & windshield surveys to identify the existing and potential nodes throughout the city which do or can serve as the economic engines within specific neighborhoods;
- b. Develop a set of policies, strategies and tactics that the city should pursue for developing each of the neighborhood profile types;
- c. Identify the physical locations within the City where our industry cluster targets are growing, and tie the cluster strategy to the neighborhood growth strategy;

- d. Identify and rate top prospects for small to mid-size land assembly sites for quick (within 5 years) redevelopment to aid in the revitalization of distressed neighborhoods;
- e. Tie the recommendations in this strategy to the City's larger infrastructure and planning efforts such as the Comprehensive Plan and transit planning.

4. Recommendations & Best Practices

A strong and resilient local economy requires myriad elements, ranging from a vibrant entrepreneurial culture to dynamic small business growth to ongoing, targeted business recruitment. In this section of the Economic Development Strategy, the City of Fairview Heights is seeking best practices in these and many other areas that are critical to the City's continued economic success. More than simply listing practices other cities have used, however, we are also interested in learning how Fairview Heights can apply these best practices through strategic tasks and actions that the City and its partners can implement.

- a. Identify key best practices for Fairview Heights to pursue as determined by looking at the City's SWOT analysis
- b. Identify talent development best practices, particularly around upskilling of current residents, and the City's role in this type of work
- c. Identify other best practices, such as business retention and expansion strategies and how Fairview Heights and its partners (principally, the Metro East Chamber of Commerce and the Leadership Council Southwestern Illinois) could pursue these practices in the most efficient manner
- d. Identify key resident/talent attraction strategies for growing the city's population
- e. Identify tourism strategies for the City to pursue to make the most use of our many amenities, like the Gateway Arch and Forest Park
- f. Provide recommendations for maximizing the City's entrepreneurial & small business ecosystem, including strategies for recruiting early stage companies and entrepreneurs
- g. Recommend strategies for the City to best leverage creation of a small business incubator
- h. Identify local incentive programs that will help attract new job growth and/or retain existing job growth in targeted industries
- i. Identify best practices for ensuring that growth and development is equitable in order to attain the maximum reach of the economic benefits that are expected as a result of the successful execution of this plan
- j. Provide the top ten opportunities that the City of Fairview Heights can pursue to grow its tax base as efficiently as possible to reach financial sustainability.

5. Implementation

This segment of the Economic Development Strategy should tie together all of the previous elements into a clear set of strategic actions and tasks that the City in collaboration with our partners (including businesses, CDCs, the Economic Development Partnership, the Regional

Chamber and others) can implement in order to reach defined goals supporting a resilient and equitable economy in the City of Fairview Heights. This strategy should become a “tool kit” adopted by the City as a living/breathing “manifest” that can be implemented in real time to achieve real, long term population, business and tax base growth and stability for Fairview Heights by means of:

- a. Making policy or procedural change recommendations, as needed, for the City to achieve the economic growth and resilience strategy’s goals;
- b. Recommending changes needed, if any, to the City’s economic development toolbox, including changes to incentive programs (including new incentive or financing tools), or the addition of programs or services to better promote business development;
- c. Analyzing current operational capacity, programs and services at the City of Fairview Heights and providing recommendations for any structural changes needed within the City’s Economic Development Department to make it more effective in accomplishing accomplish the goals within the strategic plan;
- d. Identifying areas in which increased collaboration between the City’s Economic Development Department and other economic development network partners could bring greater economies of scale and help achieve strategic objectives;
- e. Developing state and local policy recommendations to support the implementation of the plan;
- f. Listing metrics that the City should track to best measure the success achieved by the implementation of the Economic Development Strategy;
- g. Creating an implementation matrix that includes designation of leaders, partners, timeline, resources (both current and potential funding sources), priority levels, and measures for each goal and objective, as well as clearly indicating overall milestones for successful implementation of the strategies, services and programs;
- h. Recommending ways that the City and its partners can work together to be more agile in implementation of the Economic Development Strategy, so that the City can be flexible and adaptable in its implementation;
- i. Set a context for the magnitude and timeline for topline tax revenue growth that could be expected following successful implementation of the economic strategy with some commentary about the long term;
- j. Provide a framework and exact content in a format that the City could easily utilize to put this plan, and dashboard for tracking metrics on the City’s progress, on the website.

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C

Submittal Requirements

1. Detailed Project Work Plan – submittals should list specific tasks and any specific considerations, options, or alternatives along with a detailed timeline; any assumptions regarding turnaround time for the City or its staff review should be clearly noted.
2. Subcontractors – submittals should identify portion(s) of the scope of work, if any, that will be subcontracted along with firm qualifications and key personnel, telephone number and contact person for each subcontractor; the City of Fairview Heights reserves the right to approve or reject any Consultant or individual staff member during or after the review and selection process.
3. Fee information – submittals should provide a detailed fee proposal by task for the services identified in the scope of services, including a professional fee schedule (hourly fee chart) for the Consultant’s personnel and the Subcontractor’s key personnel, if any, who would be working on this project; the professional fee schedule should include any costs associated with complying with insurance requirements and the fee, if any, that would be charged for additional meetings not identified in the scope of services provided here.
4. Interviews – it is expected that lead members of the Consultant’s team will be expected to attend any interviews scheduled with the City of Fairview Heights.
5. Work Schedule – it is expected that work will begin immediately upon execution of the contract and will continue until the City of Fairview Heights approves the completed plan, and so a proposed schedule for the Economic Development Strategic Plan process should be submitted as part of the proposal.

***Note:** Responding to this Request for Proposal does not create any obligation on the part of the City of Fairview Heights as the issuing agency or on behalf of the responding entity, and the City reserves the right to establish further criteria, to waive informalities in submissions, to reject any or all proposals, to re-issue an RFP, and to negotiate with successful respondents. The City of Fairview Heights further reserves the right to request additional information from any Consultant.*

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D

Review Process

Consultant selection will be based upon a qualitative review of the proposals submitted. During the review process, staff from the City of Fairview Heights and/or the Selection Committee may request additional clarifying information from any Consultant that submits a proposal. The Selection Committee will evaluate the responses to this RFP, may interview the top-rated Consultants, and will make a recommendation to the Mayor and City Council as to the selection of the Consultant determined to be the most qualified for the project. It is anticipated that City of Fairview Heights and the selected Consultant will enter into a professional services contract for the period beginning November 1, 2018 through project completion.

A series of selection criteria will be utilized (not necessarily in priority order) during the review of proposals and throughout the selection process:

1. Demonstrated level of qualifications, experience, and professionalism for the respondent firm (or team), its principals, project management team, project manager, key staff, and sub-consultants (if applicable) assigned to the project;
2. Demonstrated level of professional and technical expertise (particularly expertise at both the neighborhood and citywide aggregate levels) and proven record in the preparation of economic development strategic plans (and other economic development plans) and place-based strategies / planning experience by the respondent firm (or team);
3. Demonstrated level of multi-disciplinary experience on the project team, with respect to the range of experience and services;
4. Demonstrated experience in community engagement, public participation, and outreach as part of similar efforts;
5. Demonstrated experience working with public agencies, city departments, and other regional entities as part of similar efforts;
6. Demonstrated adherence to, and ability to stay on task, schedule, and budget as part of similar efforts;
7. Demonstrated capacity and capability of the firm to perform the work within the specified timeline;
8. Overall value of the proposal and proposed services relative to the level of creativity and innovation in the proposed approach to the project;

9. Level of Minority/Women Business Enterprise (M/WBE)¹ participation; and
10. Other issues which may arise during the selection process.

¹The City of Fairview Heights is committed to the growth and development of women and minority business enterprises (M/WBEs). In furtherance of this commitment, the policy of the City of Fairview Heights is to encourage minority participation in all contracts financed in whole or part by the City and its affiliated agencies and authorities.

E

General Terms and Conditions

1. **Applicable Laws and Courts** - This RFP and any resulting contract shall be governed in all respects by the laws of the State of Illinois and the Southern District of Illinois, and the Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations.
2. **Assignment of Contract** - A contract shall not be assignable by the Consultant in whole or in part without the written consent of the City of Fairview Heights.
3. **Changes to the Contract** - Changes can only be made to the contract in one of the following ways:
 - a. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
 - b. The City of Fairview Heights may order changes within the general scope of the contract at any time by written notice to the Consultant. The Consultant shall comply with the notice upon receipt and shall be compensated for any additional costs incurred because of such order or shall give the City of Fairview Heights a credit for any savings.
4. **Default** - In case of the Consultant's failure to deliver goods or services in accordance with the contract terms and conditions, the City of Fairview Heights, after the submission of sufficient written notice to the Consultant, may procure the goods and services from other sources and hold the Consultant responsible for any resulting additional purchase and administrative costs, which shall be in addition to any other remedies available to the City, including termination of the contract.
5. **Work Products** - All papers, reports, forms, materials, creations or inventions created or developed in the performance of this contract shall become the sole property of the City of Fairview Heights. On request, the Consultant shall promptly provide an acknowledgment or assignment in a written form satisfactory to the City to document the City's sole ownership of any specifically identified intellectual property created or developed in the performance of the contract.
6. **No Corrections** - Once a competitive proposal is submitted, the City may not accept any request by any proposer to correct errors or omissions in any calculations or competitive price submitted.

7. Openness of Procurement Process - Written competitive proposals, other submissions, correspondence, and all records made thereof, as well as negotiations conducted pursuant to this RFP, shall be handled in compliance with the Illinois Freedom of Information Act. Proposals may not be subject to disclosure during the evaluation and negotiations process but will be subject to public requests for review at the conclusion of the contracting process. The City of Fairview Heights gives no assurance as to the confidentiality of any portion of any proposal once submitted.

7. No Collusion - By proposing a submission to the RFP, the proposer certifies the proposer has not divulged to, discussed or compared his/her competitive proposal with other proposers and has not colluded with any other proposers or parties to this competitive RFP whatsoever.

8. Rejection of Bids or Informality Waiver – The City of Fairview Heights reserves the right to reject any or all responses or to waive any irregularity, variance, or informality whether technical or substantial in nature, in keeping with the best interests of the City.

9. Litigation and Debarment – Consultants must disclose any prior, current, or proposed business-related debarment, suspension, ineligibility, voluntary exclusion from contracts, suspension, litigation, bankruptcy, or loan defaults within the past five (5) years; as well as if the Consultant or any of its principals are the subject of any pending investigations or hearings by any Federal, State, or local regulator agency. If none, a statement to that effect must be included with the RFP.

10. Merger and Severability – This RFP contains the entire agreement between the parties relating to the subject matter hereof. The invalidity or unenforceability of any provision hereof, or of the application of any provision hereof to any circumstances, shall in no way affect the validity or enforceability of any other provision, or the application of such provision to any other circumstances. This Agreement (and each amendment, modification and waiver in respect of this Agreement) may be executed and delivered in counterparts (including by facsimile transmission or e-mail), each of which will be deemed an original, and all of which together constitute one and the same instrument. Delivery of an executed counterpart signature page of this RFP by e-mail (PDF) or facsimile transmission shall be effective as delivery of a manually executed counterpart of this RFP.

F

Insurance

1. Liability Insurance – The Consultant shall furnish, pay for, and maintain during the life of the contract with City of Fairview Heights the following liability coverage:
 - a. Comprehensive General Liability Insurance on an “occurrence” basis in an amount not less than \$1,000,000 combined single-limit Bodily Injury Liability and Property Damage Liability;
 - b. Business Automobile Liability insurance in the amount of at least \$1,000,000, providing Bodily Injury Liability and Property Damage Liability;
 - c. Workers’ Compensation Insurance applicable to its employees for statutory coverage limits, and Employers’ Liability with a \$500,000 limit, which meets all applicable state and federal laws; and
 - d. Professional Liability/Malpractice/Errors or Omissions insurance, as appropriate for the type of business engaged in by the Consultant, shall be purchased and maintained by the Consultant with minimum limits of \$1,000,000 per occurrence.

2. Additional Insured – The City of Fairview Heights is to be specifically included as an additional insured on the Comprehensive General Liability and Business Automobile Liability policies referenced above.

3. Notice of Cancellation or Restriction - All policies of insurance must be endorsed to provide the City of Fairview Heights with thirty (30) days’ notice of cancellation or restriction.

4. Certificates of Insurance/Certified Copies of Policies - The Consultant shall provide the City of Fairview Heights with a certificate or certificates of insurance showing current coverage as required by this RFP. The Consultant will maintain this coverage with a current certificate or certificates of insurance throughout the term stated in the proposal. New certificates and new certified copies of policies (if certified copies of policies are requested) shall be provided to the City of Fairview Heights whenever any policy is renewed, revised, or obtained from other insurers. The certificates and/or certified policies shall be sent or delivered to the City’s Finance Director and addressed to: City of Fairview Heights – 10025 Bunkum Rd., Fairview Heights, IL 62208

5. Hold Harmless Provisions - The Consultant shall defend, indemnify, save and hold the City of Fairview Heights harmless from any and all claims, suits, judgments and liability arising directly or indirectly from the performance of the contract by the Consultant, its employees, subcontractors, or assigns, including legal fees, court costs, or other legal expenses. The Consultant acknowledges that it is solely responsible for complying with the terms of this RFP. In addition, the applicant shall, at its expense, secure and provide to the City of Fairview Heights, prior to beginning performance under this RFP, insurance coverage as required in this RFP. The primary Consultant providing services or products to the City will be expected to

enter to a written agreement, contract, or purchase order with the City that incorporates, either in writing or by reference, all the pertinent provisions relating to insurance coverage. Any party providing services or products to the City of Fairview Heights will be expected to adhere to the requirements as contained herein. A failure to do so may, at the sole option of the City, disqualify any bidder or proposer of services and/or products to the City of Fairview Heights.

G

RFP Questions and Clarifications

To ensure consistent response and correct information to all interested parties, Consultants should submit all questions in writing to Paul Ellis, Director of Economic Development via email: ellis@cofh.org. No questions will be accepted after 5:00 p.m. on Thursday, September 20, 2018

H

Attachment – ULI Technical Assistance Panel Report

This past May, the Urban Land Institute convened a Technical Assistance Panel to review two potential development sites in Fairview Heights; the resulting report offers insights into local potential and capacity for development.

