August 3, 2012

Office of the City Administrative Officer
Office of the Chief Legislative Analyst
Request for Bids to Establish an Economic Development Department
and a Related Nonprofit Organization for the City of Los Angeles

Deadline: Friday, August 31, 2012

The Office of the City Administrative Officer Office of Economic Analysis (CAO/OEA) and the
Office of the Chief Legislative Analyst (CLA) request bids for an economist or team of
economists to analyze and provide recommendations to the City to establish an Economic
Development Department (EDD) and a related, new economic development nonprofit
organization (Nonprofit) to implement the City’s economic development goals and projects.

Project Background

As a result of the elimination of the City’s former Community Redevelopment Agency (CRA), the
City no longer has access to the economic development and financing tools that had been used
by the CRA to revitalize communities and generate new revenue for the City. The closure of the
CRA presents an unusual opportunity for the City to create a new economic development model
to help the City define and meet its larger economic goals to create new jobs, attract new
businesses and industries, maximize the City’s assets, and increase General Fund revenue.

In June 2012, the Mayor and Council approved, in concept, the establishment of an economic
development entity comprised of a new EDD and a Nonprofit that would contract with the City.
The EDD and the Nonprofit would carry out the City’s economic goals and projects (C.F. 08-
3050).

Under the same Council action, the CAO and the CLA were instructed to secure a consultant to
assist in the development of the framework and roles of the EDD and Nonprofit. The consultant
would propose the roles, responsibilities and tools required to implement the City’s economic
development goals. Ultimately, the consultant would provide a report to the CAO and CLA that
would be submitted to the Mayor and Council. The report, due on Friday, December 14, 2012,
would include analysis and recommendations including, but not limited to, the following actions:

1. Analyze best practices in the economic development field; evaluate the City’s economic
development structure; and make recommendations for implementation of the EDD and
Nonprofit.

2. Propose an EDD and Nonprofit framework that addresses the City’s economic
development concerns in a holistic and proactive manner, with effective administration,
task forces and programs.
3. Provide an analysis on how the City can integrate asset management activities into its new economic development model.

4. Address how the EDD and Nonprofit would perform the following: a) create quality jobs in diverse sectors and/or industries to reduce the City’s unemployment rate; b) revitalize economically depressed areas of the City to create economic opportunities; c) compete for new and developing industries; d) maximize the City’s assets; e) generate tax revenue to increase revenue to the General Fund; f) leverage the resources in the City’s Proprietary Departments (Port of Los Angeles, Los Angeles World Airports, Los Angeles Department of Water and Power) to increase economic development; g) coordinate economic development functions and service delivery; h) create a business-friendly environment; and, i) provide effective policy guidance and productive program implementation with fixed responsibility and accountability.

5. Factor in various funding sources for the EDD and the Nonprofit, such as new tax increment funding from the former CRA for low/moderate-income housing, Community Development Block Grant funds, Economic Development Reserve Fund, fees from real estate and property management, site specific tax revenues, new market tax credits and fees; other transaction and processing fees; and private and nonprofit foundation investments.

6. Prepare and present an action plan with information regarding any proposed new entities such as the EDD and Nonprofit including, but not limited to, the following: staffing, program budgets and personnel implications for the new entities; mission and roles of the new entities; and identification of the City functions to be consolidated into the new EDD.

7. Ensure that the action plan includes consideration of findings and recommendations from stakeholders, experts and consultants that are available to the City over the next few months, including integration of recent survey work by leaders in the field of economic development programs and public-private partnerships such as Enterprise Community Partners, Inc., Housing and Urban Development Department’s OneCPD Technical Assistance and the USC Sol Price School of Public Policy. Include a nationwide survey of the major community redevelopment agencies under reform and provide input on best practices.

8. Include the steps necessary for City implementation of the EDD and Nonprofit including an analysis of the following: organization structure; identification of powers, duties and responsibilities; staff and resources; determination regarding the governing body and staff and whether they should be recruited, appointed, elected and/or hired, reporting and oversight relationships with Council and its standing committees; budget; and a recommended implementation timeline.

**Project Factors**

Factors to be incorporated in the analysis of the proposed Project should include, but are not limited to, the areas in the two lists below. The Initial Factors should be undertaken first and provide a foundation for the work to follow (Secondary Factors). Your RFB response should indicate which of the following Initial and Secondary Factors your firm/team can analyze and address in a report due by Friday, December 14, 2012.
Initial Factors

The Initial Factors focus on the preliminary analysis and recommendations for the proposed Nonprofit. It is anticipated that the consultant will coordinate and perform the following activities:

1. Validate the concept of the Nonprofit in the context of the creation of a new economic development model for the City.

2. Describe the relationship of the Nonprofit to the EDD, including the Nonprofit’s specific roles, organization and systems.

3. Recommend an organizational structure for the Nonprofit, including governance, staffing and other requirements. Describe how the governing body and staff will be recruited, appointed, elected and/or hired. Determine whether or not there would be potential candidates for these positions.

4. Help define the framework, mission and goals for the Nonprofit.

5. Describe the relationship between the Nonprofit and the City, including a comparison of economic development roles and responsibilities of the Nonprofit versus the City. Describe what the Nonprofit and EDD are authorized to do and what protocols they should follow.

6. Develop a budget for the Nonprofit and identify short-term and ongoing funding sources that do not impact the City’s General Fund.

7. Prepare a status update to the CAO and CLA that summarizes the analysis that has been performed and recommends in detail how to create the Nonprofit. In your firm’s RFB response, indicate the date that you believe your firm/team can provide this status update.

Secondary Factors

The secondary factors include defining the framework and roles relative to the Nonprofit and the EDD. The City expects that the consultant will participate in the development of the Nonprofit. It is anticipated that the consultant will coordinate and perform the following activities:

1. Assist the City to identify members for the Nonprofit’s governing entity, management and staff.

2. Assist the City to secure funding for the Nonprofit.

3. Advise the City on defining the framework, mission and goals for the EDD.

4. Review and update the description of the relationship between the EDD and the Nonprofit.

5. Develop a budget for the EDD and identify short-term and ongoing funding sources that do not impact the City's General Fund.

6. Prepare a report by Friday, December 14, 2012 that summarizes all of the analysis performed for each of the factors your firm/team proposed to undertake.
General Project Criteria

In addition to the actions in the Project Background and in the Initial and Secondary Factors, the proposal and the final products should include, but are not limited to, the criteria in the list below. Your firm should add appropriate items based on your experience and what you believe will be provide the best direction and results for the City:

1. Open to collaboration with other firms.
2. Willing to work under a Notice to Proceed while the contract is being developed.
3. Identification and inclusion of community outreach in the analysis and development of the Nonprofit and EDD, such as the Chamber of Commerce or the Business Improvement Districts (BIDs).
4. Identification of tools for the City to measure the outcome and success of the EDD and Nonprofit.
5. Identification of the City’s current economic development goals.
6. Development of new economic development goals for the City.
7. Willing to assist with preparing documents relative to the establishment and implementation of the Nonprofit with the ability to subcontract where additional expertise is needed (implementation of the Nonprofit and the EDD is anticipated by July 1, 2013). The City reserves the right to involve the consultant in implementation activities; therefore, please include consultation costs associated with establishment and implementation of the Nonprofit and EDD separately in your firm’s response.

Proposal Contents and Format

Please provide the following information within 25 pages, single-spaced, 12-point font and 1-inch margins:

1. Demonstration of your firm’s or team’s experience and abilities in these areas, including project names and dates:
   a. Collecting and analyzing economic development strategies for local and regional governments.
   b. Creating or guiding the creation of realistic, practical and actionable workforce and economic development strategies for local and regional governments in collaboration with elected officials, government managers and staff, task forces, boards, staff, nonprofits, and the business community.
   c. Addressing and developing organizational strategies.
   d. Identifying and negotiating public financing strategies.
   e. Designing government and nonprofit organizations; recruiting governing bodies, managers and staff to operate those organizations. This public administration
f. Developing business plans for government departments that partner with or contract with nonprofits.

g. Integrating economic analysis, economic development, strategic planning, public financing, organizational design, governance, and executive search for government and nonprofit organizations.

h. Developing and integrating asset management systems, especially for City properties.

i. Developing budgets for government departments and for nonprofits.

j. Familiarity with the City of Los Angeles, especially City departments, budget, funding sources, processes, civil service employment, relationships with county, state and federal government.

k. Making presentations to elected officials, City managers, the business community and the public.

l. Producing analysis and reports quickly.

2. Description of how your firm will execute the project.

3. Description of what the reports and deliverables will include.

4. Fixed fee, staff and schedule. The proposal should identify the staff who will be involved, their role in the project (including number of hours proposed for each) and their hourly rates. The proposal should include a schedule with milestones to complete the specific Initial and Secondary Factors that your firm will address. The selected economist or team of economists will be expected to present their reports and deliverables to the Council, Mayor, other City officials and the public. Resources for presentations and the number your firm is willing to attend should be included in the bid. The final price and schedule for the analysis will be negotiated by the City with the selected firm or firms prior to the execution of an agreement. Please note that the City does not pay for mileage, parking, travel, internal printing and copying or computer time as these are part of the normal cost of doing business.

5. Resources required from the City.

6. A minimum of three references for the proposed staff for the type of work described in the proposal. The former clients should be able to discuss how they have implemented your recommendations.

7. Cover letter or transmittal signed by an officer or other person empowered to commit the proposer to the terms and conditions of the proposal.
Supporting Documents

When responding to the RFB, and as part of your final report, your firm should review available documents related to the proposed EDD and Nonprofit including, but not limited to, the following reports, actions and references:

- The City’s website located at: http://www.lacity.org/index.htm
- The City’s OEA website located at: http://cao.lacity.org/OEA/index.htm
- Other references as requested by the CAO and/or CLA

A conference call for proposers to ask questions about the RFB will be held on Tuesday, August 14, 2012 at 2:00 PM PST. The phone number and access code will be e-mailed to all of the firms by Monday, August 13, 2012.

Selection Information

We will be choosing the Economic Analysis Team and reserve the right to form the team with any configuration from the qualified list. Each responsive proposal will be evaluated in accordance with established City criteria. The City may choose to interview responsive bidders as part of the review process. The most qualified firm or firms will be selected based on the proposal, interview (if scheduled), the fixed fee submitted and the specific information provided.

The selected economist or team of economists will be required to comply with the City’s current Contractor Responsibility Ordinance and other City contracting requirements. In addition, the selected firm or firms will need to provide a copy of their Business Tax Registration Certificate (BTRC) from the City of Los Angeles Office of Finance.
Proposal Due Date

The bids are due by **Friday, August 31, 2012 at 3:00 PM by e-mail and three hard copies delivered to the CAO at 200 North Main Street, Room 1500, Los Angeles, CA 90012.** Please e-mail your proposals to Trina Unzicker at CAO.OEA@lacity.org. If you have questions about the proposal process, please contact Trina Unzicker at (213) 978-7686 or Trina.Unzicker@lacity.org. We look forward to hearing from you.

Attachment
Project Timeframe


August 14, 2012: Conduct conference call for prospective bidders.

August 31, 2012: Request for Bids responses due.

August 31 – September 14, 2012: Evaluate proposals and schedule interviews with firms if necessary.

September 14, 2012: Issue Notice to Proceed to successful proposer.

December 14, 2012: Report due from proposer.

January 2013: CAO and CLA report to Council with recommendations.

February to June 2013: Implement recommendations.

July 1, 2013: EDD and Nonprofit are functioning.