

Request for Proposals

Financial Feasibility Study

BLZ1237

I. GENERAL

A. Overview:

The City of Dallas is soliciting proposals for financial feasibility consulting services to the City of Dallas for the Dallas Arboretum botanical gardens parking facilities which includes constructing approximately 1,900 parking spaces located in 1) a parking structure located at 8726 Garland Road, 2) surface parking on properties owned by the Dallas Arboretum and Botanical Society located on Garland Road, and/or 3) surface parking located near Winfrey Point on property owned by the City of Dallas at White Rock Lake.

The proposals for financial feasibility consulting services are due Wednesday, May 2, 2012 at 2:00 PM, unless otherwise stated per addendum.

B. Objectives:

The purpose of this contract is to prepare a financial feasibility study for parking revenue to support the construction of a parking structure and/or surface parking to accommodate Dallas Arboretum attendees.

C. Scope of Work

PREPARATION AND EXAMINATION OF FORCAST FOR PARKING AT THE DALLAS ARBORETUM

Task 1 – Review of Prior Analyses, Historical Performance, Current Status of the Dallas Arboretum Attendance and Parking Capacity.

The objective of this task is to review all pertinent background documents in order to gain an understanding of the history and current performance of parking at the Dallas Arboretum. The background information to be provided and analyzed includes:

- 1.1 Attendance history
- 1.2 Parking history and receipts
- 1.3 Parking expenses
- 1.4 Operating revenues and expenses, other than parking
 - Gate revenue
 - Membership revenue
 - Concessions and catering revenue
 - Facility rental revenue
 - Other revenue

- All operating expenses
- 1.5 Non-operating revenues and expenses.
- Non-specific donations to the Dallas Arboretum and Botanical Society
 - Interest revenue
 - Miscellaneous income (loss)
 - Interest expense
 - Capital maintenance expenses
- 1.6 Key market demographic characteristics and trends
- 1.7 Any relevant pending legislation

Task 2 – Preparation of Financial Forecast for the Dallas Arboretum Additional Parking Facilities

The purpose of this task is to prepare the financial forecast for additional parking facilities for the Dallas Arboretum including determining the future market potential and attendance for the botanical gardens. The following activities will be completed in Task 2:

- 2.1** Conduct interviews of key interested and related parties. These interviews will include (as appropriate)
- Management and Board Members of the Dallas Arboretum and Botanical Society
 - City of Dallas officials
 - Current and potential users (Task 2.2)
- 2.2** Analyze information about current and prospective visitors
- Attendance trends of the Dallas Arboretum, include event attendance data
 - Forecast expected daily attendance with the opening of the Children’s Garden currently under construction (include event attendance)
 - Input as to expansion of existing facilities
 - Opinions on strengths and weaknesses of the Dallas Arboretum to continue to attract attendance
- 2.2** Review growth and development trends within the industry which will have an impact on the facility, as expanded.
- 2.3** Compare the Dallas Arboretum to other attractions. Compare and contrast key market factors and identify competitive advantages and disadvantages. Competitive analysis will include:
- Reviewing data internal to the management of the Dallas Arboretum.
 - Updating data on competitive facilities.
 - Identifying key strengths and weaknesses of the Dallas Arboretum compared to other facilities.
- 2.4** Forecast the expected daily parking totals for the Dallas Arboretum with opening of the Children’s Garden.

- 2.5 Forecast parking revenue for the fiscal years ending September 30, 2013 – 2023 including, assuming that 1,900 parking spaces are available to accommodate the attendees.
- 2.6 Forecast parking expenses for the fiscal years ending September 30, 2013 – 2023, assuming that 1,900 parking spaces are available to accommodate the attendees.
- 2.7 Forecast operating revenue for the fiscal years ending September 30, 2013-2023 including:
- Parking Revenue
 - Admission Revenue
 - Concessions and Catering
 - Facility Rentals
 - Other
- 2.8 Forecast operating costs for the fiscal years ending September 30, 2013 – 2023 including:
- Personnel and benefits
 - Operations and maintenance
 - Insurance
 - Utilities
 - Overhead
- 2.9 Forecast commitments on Dallas Arboretum revenues for the fiscal years ending September 30, 2013 – 2023

Task 3 – Preparation of Financial Forecast for Non-Operating Items

The objective of this task is to prepare the financial forecast for the Dallas Arboretum for non-specified donations, interest earned, interest expense, committed revenue, and miscellaneous revenues and expenses. The following activities will be completed in Task 3:

- 3.1 Analyze the current and prospective non-specific donation revenue data.
- 3.2 Forecast the other non-operating revenues and expenses including:
- Interest earned on investments
 - Interest expense
 - Miscellaneous revenues and expenses
 - Capital maintenance expenditures

Task 4 – Prepare Financial Forecast for the Dallas Arboretum additional parking facilities

The objective of this task is to combine the results of Tasks 1 through 3 together into one forecasted operating statement for the fiscal years ending September 30, 2013 – 2023. The forecasted operating statement generated in this task will represent operating and non-operating revenues which will support the repayment of a bond to build the parking structures to accommodate approximately 1,900 parking spaces.

Task 5 – Preparation of the Examination of Financial Forecast for the Dallas Arboretum additional parking facilities

Upon completion of tasks 1 through 4, prepare a Report of Financial Forecast for the Dallas Arboretum additional parking facilities. The Report shall be prepared as follows:

- Prepare draft Report of Financial Forecast for the Dallas Arboretum additional parking facilities in an appropriate format for inclusion in the Official Statement.
- Review draft Report with City of Dallas officials, Dallas Park and Recreation Department officials, Dallas Arboretum and Botanical Society management and Board members, financial advisors, investment bankers, bond counsel and other relevant parties.
- Revise draft Report as appropriate.
- Issue final Report on Financial Forecast of the Dallas Arboretum additional parking facilities.
- Participate in Bond Financing Rating Presentations, as needed.

D. Contents of Proposal

The proposal shall include each of the items specified in Section D. The proposal shall be arranged in the following format and sequence and will be evaluated using the factors and assigned values listed in Section D, Subsection IV. Proposals may be ranked without interviews; hence, applicants are encouraged to submit their proposals as comprehensively as possible. However, proposers are cautioned not to submit extraneous material.

I. The Firm: A brief history and general description of the firm should include:

- i. A description of the capabilities and resources of its principle office responsible for performing this work, its regional Texas offices, and a listing of its Texas office resident personnel by discipline who would be assigned to the City's work.
- ii. A synopsis of the firm's experience in providing market and financial feasibility studies, modeling and forecasting tools, demonstrated success in forecasting parking revenue for bond-financed parking facilities, and experience in rendering opinions and other analyses concerning parking revenue projections.
- iii. Experience with performing duties imposed on Feasibility Consultants for private bond financing, including presentations to rating companies and municipal bond insurers.
- iv. An abstract of the firm's quality assurance procedures and cost control measures.

V. A comprehensive description of the procedures used by the firm to supervise the providing of market and financial feasibility study services in a timely and cost effective manner.

VI. Summarize how the firm charges professional fees for the services described in this RFP and provide the firm's fee quote. It should include hourly billing rates for the lead consultant and all other personnel proposed to be employed in performing services for this engagement. The fee quote should include a lump sum proposal for the base scope of services and additional hourly billing rates if the Proposer is asked to undertake any additional phases of work. Such hourly billing rate shall be

inclusive of all costs, charges, overhead, and profit, and shall apply for the duration of the engagement without adjustment, except as provided in the contract. The proposer's lump sum fee quote shall include an estimate of the total level of effort (number of hours for lead consultant and all other proposed personnel) required to provide the services described in this RFP, with an appropriate breakdown to show the basis for the quote. If the proposer proposes to employ any sub-consultant(s), the fee quote shall include all information indicated above with respect to compensation to the sub-consultant(s).

Firm Organization, Staffing and Procedures:

- vii.** Provide an organizational chart identifying key project management and lead personnel for the firm. The relevant areas of project responsibility for lead personnel should be indicated. Designate the firm's principal office and officer to be directly responsible for potential City project. Provide in detail the identified personnel's experience with market and feasibility studies for bond-financed parking facilities.
- viii. The names and experience resumes of those key personnel named on the organizational chart who currently are full time employees of the firm and who would be assigned to the City's Project. Particular descriptive and historic emphasis should be given to the qualifications of personnel currently assigned to the firm's designated project office staff.
- ix.** Number of staff, broken into professional and sub-professional groupings, by specialty and by geographic location committed for availability.

II. Experience:

A listing of relevant projects, in tabular form, for which the respondent provided market and financial feasibility study services since January 1, 2006 shall include the following:

- i. Project name.
- ii.** Project location.
- iii. A brief description of the project and the work performed, including the date of Official Statement related to financing the project.
- iv. An explanation of whether project-related obligations were rated by bond rating agencies and, if so, the role the firm's work played in the ratings process.
- v. Name, address and telephone number of client contact.
- vi. A summary client list for the past five (5) years.
- vii.** A summary of those significant active projects expected to be underway in the firm's designated project office during the calendar years 2012 and 2013. The summary should indicate staff levels by discipline that the firm has pre-committed to such projects, in sufficient detail to establish the firm's availability to provide the level of staffing required for the City's high priority assignments.

- viii. A summary of all regulatory and legal proceedings initiated since January 1, 2006, in which the firm has been named as a claimant, plaintiff, respondent, or defendant, including the nature of the proceeding, the claims made, and resolution or current status thereof.
- ix. Any early termination of the firm's work or contract for services by any city or entity since January 1, 2006, including an explanation of the types of services and the reason for termination.

III. Work Plan

A proposed work plan (with work commencing upon execution of the contract for the services set forth in the Scope of Work which shall include at least the following:

- i. A clear, detailed description of all activities necessary to perform all tasks and sub-tasks in the Scope of Work, including an itemized list of tasks (sub-tasks) and an estimate of the hours required to complete each task and sub-task;
- ii. The staffing plan identifying the firm(s) and key person or persons responsible for completing each task and sub-task;
- iii. Milestones;
- iv. Schedule and timelines (sequence of work).

IV. Submission

Each firm proposal must be typed and submitted in accordance with Section D, Contents of Proposal. Each proposer must complete the feasibility study within 6 weeks and must submit proof of having met deadlines on previous projects. The proposer shall submit, in a sealed package, one (1) signed original and seven (7) copies of the proposal. Proposals shall be delivered to:

Business Development & Procurement Services
 Attn: Sandy Baxter
 1500 Marilla, 3FN
 Dallas, TX 75201

IV. Selection Criteria

The selection committee will be comprised of individuals with expertise in the particular proposal area, executives, financial advisors, and/or management from the Park and Recreation Department. The successful proposer shall be selected by a committee on the basis of demonstrated competence and qualifications under the following criteria:

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| 1. Experience completing similar studies | 20 points |
| 2. Cost of feasibility study | 30 points |
| 3. Methodology used in the revenue forecasting model | 25 points |

4. Timeline of activities to complete the study in 6 weeks 10 points
5. Qualifications of individuals assigned to the project 15 points

If it is necessary to conduct interviews, City of Dallas will choose the number to be interviewed and schedule them accordingly. Those selected will make in-person presentations to the selection committee.

V. Deliverable

The proposer must submit a Financial Feasibility Report for the Dallas Arboretum parking facility(ies) which includes a parking structure located at 8726 Garland Road, surface parking on properties owned by the Dallas Arboretum and Botanical Society located on Garland Road, and surface parking located near Winfrey Point on property owned by the City at White Rock Lake.

The full contract payment shall be made upon submission and acceptance of the final Financial Feasibility Report.

VI. Insurance

The successful bidder will be required to purchase and maintain, during the term of the contract, insurance as described in Attachment A.