

AMENDMENT NO. 1 TO
REQUEST FOR PROPOSALS FOR
CONSULTING SERVICES TO
REVISE THE CITY OF NEWPORT'S
SYSTEM DEVELOPMENT CHARGE METHODOLOGY
AND PERFORM A CONSTRUCTION EXCISE TAX
FEE STUDY

This first amendment revises the project overview; construction excise tax assessment; project schedule; selection of proposals; and the proposal submittal and schedule sections of the Request for Proposals. Deleted language is shown with a ~~strikethrough~~ and new language is depicted with an underline.

Section 2. PROJECT OVERVIEW

The purpose of this project is to revise the City of Newport's 2007 System Development Charge Methodology to (a) ensure that formulas used to establish SDC fees accurately account for the impact new development has on the capital system and are proportional to the scale of a project; (b) confirm that growth projections are reasonable; (c) promote affordable housing; (d) update capital project lists to align with current facilities plans and confirm that projects listed are likely to be needed in a 20-year planning period; and (e) gauge the cumulative impact of proposed SDC rate adjustments to ensure that they are in line with other similarly situated communities. All work is to conform to statutory requirements for SDC methodologies outlined in ORS 223.297 to 223.314

In addition, Consultant is to assess likely revenues and the cumulative impact to development fees should the city elect to impose a residential construction excise tax of 1% of permit valuation and a commercial/industrial excise tax ranging from ~~1% to 3%~~ 0.5% to 2% of permit valuation. The work must take into consideration parameters for such taxes set forth in SB 1533, adopted in the 2016 legislative session, and shall provide recommendations for how the City could structure developer incentives required as part of the legislation to offset additional costs attributed to the tax.

Section 3. DRAFT SCOPE OF WORK

E. Construction Excise Tax Assessment. Consultant to prepare a memo assessing the likely revenues and the cumulative impact to development fees should the city elect to impose a residential construction excise tax of 1% of permit valuation and a commercial/industrial excise tax ranging from ~~1% to 3%~~ 0.5% to 2% of permit valuation. The work must take into consideration parameters for such taxes set forth in SB 1533, adopted in the 2016 legislative session, and shall provide recommendations for how the City could structure developer incentives required as part of the legislation to offset additional costs attributed to the tax. The memo shall also consider the cumulative impact of a tax and any proposed SDC rate adjustments to ensure that they are in line with other similarly situated communities. Consultant to present the information to an advisory

committee, solicit feedback on a preferred approach, and make recommended changes to the document.

Product: Memo outlining options for how the city could structure a construction excise tax and developer incentives with a “total cost” comparative analysis to other similarly situated communities.

Section 4. PROJECT SCHEDULE

Completed by end of ~~February~~ May 2017 so that ordinances can be considered and adopted, as needed, ~~to inform the preparation~~ as part of the fiscal year 2017/2018 budget ~~process~~.

Section 6. SELECTION OF PROPOSALS

Proposals will be evaluated based on the following criteria:

Thoroughness, quality and conciseness of submittal.	20 pts.
Project understanding and approach for accomplishing the City’s objectives.	20 pts.
Qualifications of the project manager and project team, and proven ability to successfully complete projects of similar scope.	20 pts.
Proposed cost of services.	15 pts.
Ability to complete the Scope of Work within six (6) months of when the consulting contract is signed <u>by the end of May 2017</u> .	10 pts.
References from past and present clients.	15 pts.
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Total	100 pts.

Section 7. PROPOSAL SUBMITTAL AND SCHEDULE

Parties interested in submitting a proposal should contact Derrick Tokos, Newport Community Development Director, to indicate their interest in submitting a proposal and specify the manner to receive any amendments to the RFP.

Four (4) copies of the proposal shall be submitted to the City of Newport, Attention: Derrick I. Tokos, AICP, Community Development Director, 169 SW Coast Highway, Newport, Oregon 97365, **no later than 5:00 P.M., August 5, 2016** August 19, 2016. Envelopes should be marked: “Newport System Development Charge and Construction Excise Tax Study.”