

Draft RFP
Professional Services, Administrative Support, and Bond Purchase Agreement
for a Solar and Energy Efficiency Financing Program

I. Executive Summary

The City of ____ (City) is planning to implement a citywide renewable energy and energy efficiency financing district often referred to as the City Financing Initiative for Renewable and Solar Technology (CityFIRST) Program.

The program is designed to allow property owners (residential and commercial) to install electric and thermal solar systems and make energy efficiency improvements to their buildings and pay for the cost over 20 years through an annual special tax/assessment on their property tax bills. The City would provide the upfront funding for the project through proceeds derived from the creation of a bond, which is repaid from special taxes on participating property owners' tax bills.

The City is inviting proposals from qualified firms and parties to administer and finance the program for the city of _____. The proposal should include:

- Assistance as necessary in the formation and implementation of the financing district and program. (OPTIONAL)
- A comprehensive plan to administer the program, process applications, and handle customer service.
- A financing package that includes an agreement to purchase and/or place bonds.

Required components of the proposal include:

- Complete cost itemization
- Estimated bond coupon rates and/or benchmarks
- Expected level of city support (direct financial support and staff support) for the project
- Market analysis estimating number of participating properties and size of bond issuance(s) [OPTIONAL]

The proposal is for an 18-month contract professional services contract and bond purchase agreement with a total financing under the program not to exceed \$__ million in that time. Proposals may be by a single firm or jointly by multiple firms/organizations.

RFP Summary Timeline and Information

DATE	
Day zero	RFP Released
+3 weeks	Pre-Proposal Conference Call
+5 weeks	Proposals Due

+9 weeks	Winning Bid Announced
+11 weeks	Executed Agreement for Services
+16 weeks	Estimated Program Launch

Please direct inquiries to:
Name and Contact info

II. Program Description

The City of ____ has a policy goal of reducing greenhouse gas emissions and reducing energy costs within our community. A solar and energy efficiency financing district (often referred to as CityFIRST – Financing Initiative for Renewable and Solar Technology) can be a significant component of our effort to reduce local greenhouse gas emissions, to promote energy efficiency improvements in its buildings, to make the shift to renewable sources of energy more affordable, and to reduce energy costs for residents and businesses. Energy efficiency improvements, solar photovoltaic installations, and solar hot water systems are already cost effective for many residential and commercial property owners with the existing state and federal subsidies. However, the lack of appropriate financing has inhibited its growth.

The program is designed to allow property owners (residential and commercial) to install solar electric and thermal systems and make energy efficiency improvements to their buildings and pay for the cost over 20 years through an annual special tax on their property tax bills. No property owner would pay the special tax unless they had work done on their property as part of the program. Those who do have work done on their property would pay only for the cost of their project (including interest and administrative costs) and fees to administer the program. Individual property owners would contract directly with qualified private solar installers and contractors for energy efficiency and solar projects. The City would provide the upfront funding for the project through proceeds derived from the creation of bonds, which are repaid from special taxes on participating property owners' tax bills.

Such a program addresses two of the major financial hurdles to solar and energy efficiency installation – the high up-front cost and the possibility that those costs will not be recovered if the property is sold. Under the financing plan, there is no up-front cost to the property owner, and if the property is sold prior to the end of the repayment period the new owner takes over the remaining special tax payments as part of the property's annual tax bill.

The City would provide funding for the program through the issuance of a municipal bond that is repaid semi-annually through a new line-item on the tax bills of

participating property owners. The program is designed to avoid any on-going city subsidy or exposure to the City's general fund.

The program is an authorized use of Contract Assessment districts under State law ('15 Act as amended by AB 811). Charter Cities also have the authority to adopt their own special tax code to follow a Mello-Roos community facilities district process. The City of _____ plans to follow the _____ model.

For more information on the program, please visit: WEBSITE.

III. Summary Scope of Work

The City of ____ (City) is planning to implement a citywide renewable energy and energy efficiency financing district often referred to as the City Financing Initiative for Renewable and Solar Technology (CityFIRST) Program. The City is seeking an administrative and financial partner to run the program in partnership with the City.

As this is a complex program, the City encourages proposers to partner with other firms or parties if necessary to cover all of the legal, administrative, and financial elements of this RFP and of running the program.

The proposal should include the following elements:

1. *Assistance as necessary in the formation and implementation of the financing district and program. (OPTIONAL)*

The City of ____ is in the process of forming the energy financing district. The proposal should indicate the ability of the firm (or firms) to provide consulting, referrals, and recommendations to the City while it is setting up the legal structure, forming the district, and determining program particulars. The proposer can price this service on an as-needed basis, as part of the overall project cost, or both.

2. *A comprehensive plan to administer the program, process applications, and handle customer service.*

The proposal should clearly outline exactly how the program would be administered:

- Which components would be handled by the firm(s) and which would be handled by the City
- What information on the program would be provided to potential participants and how it would be provided
- Application components and process
- Detailed timeline for typical program participant
- Criteria by which applicants are approved or denied.
- Level and type of customer service

- All application/administration related fees or commissions
 - Relationship with the city – engagement, support, reporting
3. *A financing package that includes an agreement to purchase and/or place up to \$10 million in bonds and prompt funding to program participants.*
The proposal should provide:
- Market analysis estimating number of participating properties and size of bond issuance(s). (OPTIONAL)
 - Draft term sheet for bond purchase agreement with detailed information on projected interest rates/benchmarks, fees, and commissions.
 - Detailed timeline for bond purchase and provision of funds to program participants

The proposal is for an 18-month contract with a total financing under the program not to exceed \$__ million in that time. The contract may be extended upon the approval of the City and vendor(s).

IV. Submittal Format

Interested firms must submit a proposal that includes the following:

- Description of firm and partners. This should include location of the firm's offices, description of the firm's past work, and areas of expertise.
- Description of the qualifications of the firm and partners. Provide descriptions of similar projects that the firm and partners have undertaken and their outcomes.
- Resumes of professional personnel who will be working on this project.
- Detailed financial information relating to the firm's ability to take on the financial component of this project.
- A list of references from previous clients, including other cities, for whom similar work has been performed.
- Complete budget for the project, broken out to include direct costs to the city as well as costs included in the financing package.

V. Solicitation and Process Schedule

The solicitation process begins on _____ with the release and mailing of this Request for Proposals and continues until 5 p.m. PST on _____ when all proposals must be received by the City.

Proposers are strongly encouraged, but not required, to submit a Letter of Intent to Respond (LIR) by _____. Emailed LIRs are acceptable. All parties who submit an LIR will be placed on a mailing and emailing list to be kept up to date on

the process, including any amendments or clarifications and the Questions and Answers response.

A pre-proposal meeting will be held by telephone conference call on _____. Parties on the LIR will receive information prior to the call. Questions prior to the due date may be asked on the conference call or submitted in writing (email is acceptable) by _____ to the following address:

CONTACT INFO HERE.

Each proposal must be submitted separately and will be evaluated separately. For each proposal, proposer shall submit one original and four copies in a sealed envelope.

Proposals should be mailed to:

CONTACT INFO HERE

The City will evaluate proposals and will conduct interviews with some or all of the proposers. Proposals will be evaluated on the following:

- Financial Terms: 30%
- Demonstrated Financial Capacity: 10%
- Application Processing and Administration: 30%
- Qualifications and Experience: 20%
- Coordination of Program Elements: 5%
- Quality of Proposal: 5%

Detailed RFP Timeline

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