

**RFP # / DK**  
**Madison Public Market Financial and Fundraising Consultants**

**Request for Proposals (RFP) for financial consulting services to assist in securing and packaging New Markets Tax Credits, and professional fundraising services to develop and implement a capital fundraising campaign for the Madison Public Market**

**Please submit all responses and direct all questions to:**

City of Madison  
c/o Dan Kennelly, Economic Development Specialist  
215 Martin Luther King, Jr. Blvd. Room 312  
Madison, WI 53703  
(608) 267-1968  
dkennelly@cityofmadison.com

**Overview**

The City of Madison is seeking consulting support from an experienced financial consultant as well as an experienced fundraising consultant to assist the city in identifying and securing funds for the Madison Public Market. The selected firm/team would include financial expertise necessary to assist with securing New Markets Tax Credits, potentially assist in pursuing state/federal grants, and assist in structuring an overall financial package for the project. In addition, the selected firm/team would include an experienced fundraising consultant to assist in creating a message strategy for the Public Market, and capital fundraising campaign to raise private funds for the Madison Public Market.

**Project Background**

For more than a decade, Madison has been exploring options and creating plans for a public market. The vision is to create multi-use, indoor, year-round public market and surrounding market district that features local food vending, wholesaling, processing, and community uses in a culturally diverse public space. For the last three years, the City and the City's Local Food Committee have led an effort to develop a detailed business plan for a public market located near the intersection of 1<sup>st</sup> Street and East Washington Avenue. The process of creating the business plan included extensive interviews with prospective public market vendors, several vendor and community surveys, numerous public meetings to gather input from stakeholders and the community, and detailed research and analysis by the City and its consulting team from Project for Public Spaces, Inc. The complete business plan includes a preliminary program and floor plan, management and governance plan, budget, and financial plan. Though the details will evolve, the City has adopted the business plan as the guiding document for the public market project.

The complete business plan is available at [www.cityofmadison.com/publicmarket](http://www.cityofmadison.com/publicmarket)

The Business Plan for the Public Market was approved by the Madison Common Council on October 6, 2015. The City's Capital Budget includes funding for a portion of the capital cost of the project in 2018 and 2019. The City currently has a pre-construction budget to support activities

necessary get the project “shovel ready.” The City and the Local Food Committee are currently moving forward with implementation. This implementation effort includes creating a non-profit organization to operate the public market, finalizing the design, ongoing outreach and support to prospective vendors, and fundraising.

### **Capital Costs and Sources of Funds**

Based on the business plan and ongoing analysis, the City anticipates the total capital cost of the project to be approximately \$14 million. This includes construction costs, startup expenses, and operating losses for the first several years until the Public Market becomes self-sustaining. The City has budgeted \$4.25 million for the project in its future year capital budget. In addition, the City is actively tracking and expected to pursue state and federal grants for the project. These federal grant efforts are supported by recent federal designation of the Madison region as a national center-point in the agriculture and food related economy through the federal Investing in Manufacturing Communities Partnership (IMCP) program. This designation prioritizes federal funds for agriculture and food related economic projects in the Madison area including the Public Market. The City also anticipates the potential of federal New Markets Tax Credit support for the project. The site is located in an eligible NMTC census tract and the City has begun discussing the project with qualified CDEs. The City as also intends to pursue private donations from individuals and foundations. The following Sources and Uses Table identifies potential sources of capital dollars for the project and how those funds will be used.

<b>Madison Public Market Sources and Uses Budget - 12/21/15</b>		
<b>Sources</b>	<b>Amount</b>	<b>% Total</b>
City UDAG reallocation	\$1,000,000	7%
City Capital Dollars (potentially including TIF support)	\$4,250,000	30%
State/Federal Grant Support	\$3,000,000	21%
New Markets Tax Credit Equity	\$3,250,000	23%
Private Foundation Support	\$2,000,000	14%
Local Individual Donors	\$500,000	4%
<b>TOTAL SOURCES</b>	<b>\$14,000,000</b>	<b>100%</b>
<b>Uses</b>	<b>Amount</b>	<b>% Total</b>
Business Plan (completed 2015)	\$250,000	2%
Startup Costs (detailed in budget at the end of this document)	\$750,000	5%
First 5 Years Operating Losses	\$300,000	2%
Construction Costs	\$12,700,000	91%
<i>Hard Costs</i>	\$9,800,000	70%
<i>A/E &amp; Contractor Fees</i>	\$1,700,000	12%
<i>Contingency</i>	\$700,000	5%
<i>Other Soft Costs (LEED cert., legal, permits, etc.)</i>	\$500,000	4%
<b>TOTAL USES</b>	<b>\$14,000,000</b>	<b>100%</b>

### Scope of Work

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The Scope of Work for this project would consist of two distinct work components. The first work component would be developing an overall financial deal structure for the project. This would include facilitating the process of seeking, securing, and using New Markets Tax Credits. This may also include assisting the City in preparing federal grant applications. The city is seeking an experienced financial consultant to do this work, with a particularly emphasis on expertise in New Markets Tax Credits transactions for public/private partnership projects.

The second work component would consist of developing and assisting in the execution of a private fundraising campaign. For this effort, the City is seeking the support of an experienced fundraising consultant who would develop a message strategy for the project and would assist in creating and managing a capital campaign to raise funds for the Madison Public Market from foundations and private donors.

Recognizing that these are two distinct areas of expertise, interested applicants are welcome to apply to be considered for just one of the two work components. Interested firms are also encouraged to independently create teams that would bring together the necessary expertise. In the selection process, the City will reserve the right to select individual firms for different work components of the project and the City reserves the right to divide and form teams that would draw from firms included in different proposals.

*The following is a Scope of Work for the project divided into the two components. This scope of work is based on the City of Madison's general expectations and needs. The City would welcome modifications or alternative approaches based on the expertise of proposers.*

## **Work Components and Tasks**

### **Work Component 1: New Markets Tax Credits and Financial Structure**

- **Task 1.1: Project Familiarization** - Review Public Market Business Plan and related documents, and participate in initial meetings with city staff, the Mayor's Office, the Local Food Committee, and project stakeholders
- **Task 1.2: New Markets Tax Credits** – Work with the City to solicit interest from eligible CDE's, package and market tax credits to investors, and structure the New Markets Tax Credits transaction
- **Task 1.3: Other Public Sector Funding** – Work with the City to pursue state and federal grants for the Public Market project
- **Task 1.4: Structure and Close** – Work with the City to structure all of the sources of funds, close the NMTC transaction, and ensure compliance with all state/federal financial requirements and regulations

### **Work Element 2: Message Strategy and Fundraising Campaign**

- **Task 2.1: Project Familiarization** – Review Public Market Business Plan and related documents, and participate in initial meetings with city staff, the Mayor's Office, the Local Food Committee, and project stakeholders
- **Task 2.2: Message Strategy** - Create a message strategy with key themes, ideas, taglines, etc. that communicate the benefits of the project to potential donors.
- **Task 2.3: Collateral Materials** - develop a package of marketing materials including a project logo, color palette, brochures, web graphics, etc.
- **Task 2.4: Develop Capital Campaign** – Develop a capital campaign for the project including identifying potential lead donors, creating a plan for fundraising events, creating a plan for web-based fundraising, and laying out goals and a schedule

- **Task 2.5: Assist With Campaign Execution** – Assist the City with outreach, prospect cultivation, donor recognition, event coordination, and public information

**Budget: The City's Budget for this Project is \$190,000**

Note: The City of Madison Staff (including Economic Development Staff and the City's Grant Writer) will be available to assist with the project. In addition, project partners, members of the Local Food Committee, and members of the newly-launched Friends of the Madison Market will be resources.

**Oversight**

The selected consultants will work closely with City of Madison staff, the Local Food Committee, and other community partners. The City of Madison is managing the process of developing the Madison Public Market. The City's Local Food Committee as the official guiding body with oversight by the Madison Common Council. The long term plan is for an independent non-profit Public Market Operator (PMO) to manage the Public Market. This PMO is taking shape and will come into existence over the next several months. As the PMO gets established, its board and eventually its staff will likely be involved in the fundraising aspect of the process.

**Timing**

The City anticipates this being an 18 month contact. The City hopes to have contracts in place and begin working with the selected team in June 2016.

**Proposal Contents:**

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**Qualifications (please limit to 10 pages)**

- **Firm/Team** - Describe your team. State firm or firms that will be on the team, location of the office from which this engagement will be serviced, and the range of activities performed by the firm/team.
- **Team Members** - Describe individual team members. Include names, titles, roles, and responsibilities for each team member. Identify the project manager and primary contact. Include resumes for all team members.
- **Project examples** – Provide descriptions of five related projects including New Markets Tax Credit projects and capital campaigns the team has completed. Include the type of facility, total capital costs of the project, financial structure, dollar's raised, strategies used, etc.

- **References** – Provide contact information for clients from four recent projects, similar in size and scope, which can be used as references

### **Approach and Scope of Work, and Budget**

- **Overall Approach** – Briefly describe how you would approach this project. Share any initial thoughts on the Madison Public Market and on how you would undertake the project.
- **Work Plan** - Submit a work plan describing how you would undertake the Work Components and Tasks described in the scope of work provided above. Include a project schedule. *As stated previously, proposers are welcome to just submit to work on one of the two work components. Also, the City would welcome modifications or alternative approaches based on the expertise of proposers.*
- **Work Hours by Task** - Submit an estimation of total work hours and budget broken down by each work element and each individual task.
- **Budget Detail** – Provide a total anticipated budget for the project broken down by work component and task. Include billing rates for team members and anticipated expenses
- **Deliverables** – Describe the deliverables and outcomes of each Work Component and Task.

### Proposal Timeline, Deadline and Submission Information

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<b>RFP Release</b>	April 20, 2016
<b>Interested applicant Q&amp;A meeting/teleconference ( RSVP to Dan Kennelly at 608-267-1968 or dkennelly@cityofmadison.com)</b>	May 4th, 2016
<b>Due Date</b>	May 20 at 4pm CT
<b>Staff Review and Short Listing</b>	May 23 – May 26, 2016
<b>Interviews</b>	May 30 – June 3, 2016
<b>Section and Contract</b>	June 7, 2016
<b>Execute Project</b>	June 2016 to June 2017

#### Submission Information:

**Please submit 10 hard copies of your proposal and one electronic file. Electronic file can be emailed or included on a flash drive with your submittal).**

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#### Contact:

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