

**City of Portsmouth
Portsmouth, New Hampshire
Assessing Department**

“STATISTICAL UPDATE – COMMERCIAL/INDUSTRIAL PROPERTIES”

REQUEST FOR PROPOSAL

Sealed proposals, **plainly marked**, “RFP# 57-09 Statistical Update – Commercial/Industrial Properties” on **the outside of the mailing envelope as well as the sealed envelopes** shall be addressed to the Finance/Purchasing Department, City Hall, 1 Junkins Avenue, Portsmouth, New Hampshire, 03801. Proposals will be accepted until (2:00) p.m., (June 26, 2009).

SCOPE OF WORK: The City of Portsmouth Assessing Department seeks proposals from qualified vendors capable of revaluing commercial and industrial properties throughout the City in accordance with State of New Hampshire and Department of Revenue guidelines.

The Request For Proposal is available at <http://www.cityofportsmouth.com/finance/purchasing.htm> or by contacting the Finance/Purchasing Department at the following number: (603) 610-7227. Questions may be directed to the Finance/Purchasing Department. Addenda to this proposal, if any, including written answers to questions, will be posted on the City’s website under the project heading. **Please continue below for the complete RFP.**

The City of Portsmouth reserves the right to reject any or all proposals, to waive technical or legal deficiencies, and to accept any proposal that it may deem to be in its best interest.

REQUEST FOR PROPOSAL

I. INTRODUCTION

The City of Portsmouth, New Hampshire seeks proposals from qualified vendors to revalue commercial and industrial properties throughout the City in accordance with State of New Hampshire and Department of Revenue guidelines. By way of background, as of April 1, 2009, the City has approximately 8,700 parcels. The Assessing staff consists of (3) full time assessing positions and (1) full time permanent assessing clerk.

The Scope of Services to be performed is set forth in Section VI below.

Addenda to this proposal, if any, including written answers to questions, will be posted on the City of Portsmouth website at <http://www.cityofportsmouth.com/finance/purchasing.htm> under the project heading. Addenda and updates will NOT be sent directly to vendors. Vendors submitting a proposal should check the web site for addenda and updates after the release date. Vendors should print out, sign and return addenda with the proposal. Failure to do so may result in disqualification.

II. SUBMITTAL REQUIREMENTS

Vendor's submission shall consist of two parts; a proposal outlining the vendor's qualifications and, in a separate sealed envelope, a price proposal. **Proposals will be accepted until 2:00 p.m., June 26, 2009.** Proposals received after the time opening of the proposals will be returned to the vendor, unopened. Faxed proposals are not acceptable.

Vendor shall submit three (3) copies of its proposal outlining its qualifications. Each proposal shall consist of the following:

- a) Cover letter with contact information
- b) Proof of Certification. Each vendor, corporation, partnership, or individual must hold from the time of submission of the proposal through the completion of all work hereinafter required, written certification of approval by the Department of Revenue Administration pursuant to Part 600, Administrative Rules.
- c) Description of the Vendor's Qualifications. The Proposal shall include a statement describing the vendor's qualifications and experience and identifying the number of years actually engaged as a vendor, corporation, partnership, or individual specializing in governmental tax revaluation services.
- d) References. Vendor shall submit a complete client list of municipalities to which it has rendered services during the last (5) years. At least (3) such projects shall have been performed for a municipality whose assessment list is comparable or larger than the City of Portsmouth.

e) Assigned Personnel. The vendor shall submit the written qualifications of all personnel assigned to this project in the form of a resume.

f) Proposed schedule.

Vendor shall submit in a separate sealed envelope a price required to complete the services described in the proposal. The price proposal should include:

- A fee schedule broken down by task.
- Identification of reimbursable expenses.
- Fees and costs that would be charged in the event of an appeal to the Board of Tax and Land Appeals or Superior Court.
- Any sub-consultant fee schedule for work being done in association with this proposal.
- A cover letter must be included which is signed by an authorized owner or agent of the vendor, committing the vendor's resources to complete the project on time and within the fee.

III. SELECTION CRITERIA AND CONTRACT PROCESS

All responsive submittals shall be reviewed. The City may conduct interviews of short-listed vendors. Each vendor shall be evaluated initially based on the following criteria:

- Vendor's qualifications including experience of personnel, competence, ability to interact positively with the public, reputation for timeliness, sufficient equipment and other resources for the work, and licensing status;
- Vendor's proposed personnel assigned to this project;
- Vendor's successful experience with similar projects of scope and size;
- Proposed Schedule; and
- Responsiveness and completeness of the proposal.

Upon review of the non-price proposals, and after conducting interviews, if so used, the City shall rate the vendors in order of preference. The City will then open the price proposals of the three top vendors which may result in re-ranking based on price. The top-rated vendor shall be notified of its standing and invited to enter into contract negotiations. If the City is unsuccessful in reaching a satisfactory contract with the top-rated vendor, it may terminate the negotiations without prejudice and commence negotiations with the second-rated vendor. If no agreement can be reached with the second-rated vendor, the City shall move to the third, and so forth. Once negotiations are terminated with a vendor, they may not be reopened.

IV. RESERVATION OF RIGHTS

The City of Portsmouth reserves the right to reject any, or any part of, or all proposals; to waive informalities and technicalities; and to accept that proposal which the City deems to be in its best interest.

The City reserves the right to undertake such investigation of the vendor as it deems necessary to evaluate qualifications. The vendor may be asked to execute releases to facilitate reference checks. Failure to execute a release if requested may result in disqualification

V. DISQUALIFICATION OF PROPOSERS

Any of the following reason may be considered as being sufficient for the disqualification of a proposer and the rejection of the proposal:

- (a) More than one proposal for the same work from an individual, vendor, or corporation under the same or different name.
- (b) Evidence of collusion among proposers.
- (c) Failure to submit all required information as requested.

VI. SCOPE OF SERVICES

1. Good Faith:

The Vendor shall, in good faith, use their best efforts to assist the City in determining accurate and proper market valuations for commercial/industrial properties, and will work closely with the City Assessor to ensure a successful program.

2. Public Relations:

The Vendor will assist the City in taking measures at all stages of the operation to foster and maintain good relations with the taxpayers of the City, City Officials, Agents, and City Employees. The Vendor will further present a plan for the dissemination of information to the taxpayers via appropriate local media that will serve to inform and educate the public at large of the following points:

- a) necessity of a Statistical Update program
- b) progress and status of the project
- c) goals of the project
- d) roles of the City and Vendor
- e) necessity of data collection or verification
- f) qualifications of the Vendor and City Assessment Department
- g) necessity of property owner cooperation
- h) disclosure aspects throughout the project
- i) on-going nature of completed assessment system

The Vendor shall make available a supervisor of the Vendor, skilled at public speaking endeavors, to meet with and address citizens groups, service clubs, and other interested groups as a means of establishing and promoting understanding and support for the Statistical Update program and sound assessing procedures and administration.

3. **Employees:**

The Vendor's employees shall at all times treat the taxpayers, residents, and City employees with respect and courtesy. The Vendor shall take appropriate and meaningful disciplinary measures against those who violate the terms of this provision.

The City, at its sole discretion, shall have the right to request that any employee involved in the project be removed for any reason it deems appropriate or in the best interests of the City.

The Vendor shall comply with this provision upon request in writing by the Assessor.

The Vendor shall not employ or compensate, in any way, a City Officer, agent, or employee or any member of the family of such officer or employee in the performance of any work under the Contract.

For the grading, classifying, appraising and data collection of all property covered by this contract, the vendor shall only employ personnel who are:

- a) Certified by the DRA, in accordance with New Hampshire Code of Administrative Rules, ASB 303 for the work they will be performing; and
- b) Approved by the Municipality.

Upon approval of the contract and before the update begins, the Vendor shall forward to the DRA a list of the approved employees assigned to the update project.

The Vendor shall ensure that DRA certified assessor supervisor will be on the update 100% of the time.

All employees working outside the City Hall or assigned office quarters will, at all times, wear an identification card, in a format acceptable to the Assessor, on a conspicuous location upon their person. All employees will be required to allow close inspection of the identification by any interested City taxpayer or resident upon request.

4. **Supplies:**

The Vendor shall provide all records, appraisal and data cards, literature, calculators, and the like, adequate for the successful execution of the Contract.

The City shall supply office space, with heat, air conditioning, lighting and furniture adequate for the purposes of executing the Contract, and shall further supply the software, computers, and printer for the facilitation of data storage, processing, file maintenance and CAMA valuation processing. The City shall also supply computer supplies and stock paper.

5. Forms:

All forms utilized throughout the project shall first be approved by the City; as to format, design, content, shape, size, color and quality. Such forms are to include, but are not limited to data collections forms, assessment record cards, income and expense forms, file control forms, quality control forms, telephone log forms, incident forms, inventory content forms, and the like.

6. Assessor's Records:

The Vendor shall use a system of parcel accounting that is acceptable to the City. Existing information will be provided to the Vendor; by the City electronically on the Vision CAMA system. Existing manual assessing records may be reviewed upon request to the City; however, records are not to be removed from the assessor's office without the express permission of the City.

7. Data Collection:

All data collection will be performed by the City in accordance with the update procedures established by the City Assessor. Any parcel having had a permit since April 1, 2010, will be reviewed by the Assessors Office with any changes recorded for the partial update.

Public Utility Property Data Collection:

Unmapped real estate, including poles, pipes, conduits, transmission lines and distribution facilities will be the responsibility of the City.

Tax Exempt Land and Buildings:

The City will be responsible for the data collection and appraisal of Tax Exempt parcels.

8. CAMA System:

The Vendor will use the Vision CAMA system provided to the City by Vision Appraisal under a separate agreement.

9. Maintenance Procedures:

The City and the Vendor, throughout the course of the project, shall take all measures to ensure accurate maintenance of all records, manual or mechanized.

- a) the City, on a regular basis, shall deliver to the Vendor all parcel splits, transfers, or changes of ownership throughout the course of the project;
- b) the City shall update all ownership and sales files as new information becomes known over the course of the project.

- c) the City shall deliver, on a regular basis, all building permits issued through April 1, 2010. The City will enter this information into the CAMA system, and take appropriate follow through actions.
- d) the City shall have in place procedures to ensure that data incoming from the field is accurately maintained in the CAMA system.
- e) the Vendor shall put into place field and record edits, including range and table edits and cross-edits to ensure the consistency and completeness of data entered into the CAMA system.
- f) the Vendor shall put into place procedures which ensure that changes in data or values as a result of appraisal reviews, informal hearings, and any other activities are duly reflected in the CAMA system.

10. Sales Review:

A DRA Certified Property Assessor Assistant pursuant to ASB 304.02 under the guidance of a DRA Certified Property Assessor pursuant to ASB 304.03 or DRA Certified Property Assessor Supervisor pursuant to ASB 304.04 may validate sales data. A DRA Certified Property Assessor Supervisor pursuant to ASB 304.04 shall prepare the vendor's sales survey.

In order to ensure that appraisals will reflect full and true value, the Municipality shall provide to the Vendor a copy of all property transfers located within the Municipality for a minimum of two (2) years immediately preceding the effective date of the Statistical Update. The Municipality may also furnish property transfers which have occurred throughout the State of New Hampshire.

All property sales shall be included in the sales book by photocopy or printout of the property assessment record card and a photograph of the principal buildings shall be attached thereto.

The sales price and terms of the sale shall be verified by the Vendor and a notation to that effect made on the property assessment record card along with the sale price, date of the sale, and date of inspection.

The completed sales survey showing the sales used and the analysis to indicate property values with documentation of the method employed and any location factors, together with neighborhood delineation maps showing front foot, square foot or front acre, rear acre unit values, or other appropriate units of comparison shall be delivered to the Selectmen/Assessors for approval and shall become the property of the Municipality with a copy provided to the DRA at the completion of the Statistical Update.

11. Sales Analyses:

A sales analysis shall be conducted to include sales from within the Municipality and throughout the State of New Hampshire using accepted appraisal methods in order to determine land, building and total property values. Such analysis shall include documentation of the methods employed and examples of the analyses. Accepted methodology shall include the consideration of all sales given by the municipality to the Vendor and their inclusion in the sales survey book with appropriate notations for those sales not used in the correlation of values.

Final unit values for all components used in the Statistical Update shall be presented to the City for review and critique before valuation. This review by the City will involve a complete review of each analysis conducted, and the documentation of the verification and adjustment process.

The development history and all analyses performed throughout the Statistical Update shall be documented and left with the City at the conclusion of the project as a part of the project deliverables.

I. Land Analysis:

- a) all verified vacant land sales shall be inspected for unusual physical characteristics.
- b) residual techniques shall be employed as a cross-reference to unit values developed via the analysis of raw land sales.

II. Building Analysis:

- a) building unit values shall be determined by the analysis of construction costs in the local area.
- b) the ultimate result of the construction cost analysis shall be the establishment of replacement costs new for all types of structures found throughout the City.
- c) replacement costs new shall be the starting point for all other calculations utilized in the cost approach to value.

III. Depreciation Analysis:

- a) depreciation analyses shall be performed on all sales of older buildings.
- b) replacement costs new shall be the starting point for the calculations of all depreciation influences in the market.
- c) high and low end points, as well as depreciation curves and final depreciation schedules shall be taken directly from the local market.
- d) final depreciation schedules of all kinds will be documented before final reviews and establishment of final values.

IV. Economic Rent Analysis:

- a) an analysis of economic rent levels for all commercial and industrial and apartment space shall be performed.
- b) information providing the basis of these analyses shall be taken from interviews with tenants, managers, and brokers, and through income and expense questionnaires mailed to owners of leased commercial, industrial, and apartment space throughout the City, to be mailed at the City's expense.
- c) questionnaires sent to wholly owner occupied properties will request that the expense section be completed.
- d) all information received shall be of a confidential nature and shall not be disclosed to anyone outside the Vendor or assessing staff.

- e) data received through this collection process shall be compiled in spreadsheet form, and will form the basis of raw data to be analyzed.
- f) separate income, vacancy, and expense models shall be developed for each classification of commercial, industrial, and apartment property throughout the City.
- g) income and expense models shall be sufficiently flexible in order to reflect the varying characteristics of the City, physical conditions and desirability of the various spaces;
- h) final models will be indexed and tabulated in schedule form, with instructions for appraiser application.
- i) final models will be tested against sales or known market values for tests of reasonability and accuracy.
- j) final models and market tests shall be presented to the City for review and approval prior to the application in the final review process.

V. Capitalization Rates:

- a) An analysis shall be undertaken to determine proper capitalization rates for the various income producing space throughout the City.
- b) where possible, rates should be determined from the sales of income producing space where the income and expenses are known.
- c) market surveys will be performed utilizing standard and acceptable sources of economic data publications.
- d) final capitalization rates shall be indexed and tabulated according to the property types, classes, and locations to be applied.
- e) final models and market tests shall be presented to the City for review and approval prior to the application in the final review process.

13. Valuation Process:

The Vendor shall assign estimates of fair market value as of the effective date of valuation for all taxable properties in the City that are part of the Vendor's responsibilities. The Vendor shall also make diligent efforts to ensure uniformity in the application of influence factors and schedule assignments, as well as the accuracy of codes, classification and data.

- a) Preliminary Values: after submission and acceptance of the various analyses and final models as described in the previous section, preliminary values shall be generated for all properties in the City. A preliminary ratio study will be performed at that time and delivered to the City for reference.
- b) Final Reviews: all properties will receive an on-site review by an experienced, qualified, and accepted appraiser. The appraiser will review each property for:
 - 1) proper classification
 - 2) data accuracy
 - 3) accurate assignment of codes and parameters

accurate assignment of percent complete as of 4/1/01 as applicable reasonability of the various indications of value

- c) Vacant Land: the review appraiser shall review each valuation of vacant tracts, viewing the tracts in-field.
- d) Commercial/Industrial/Apartment Properties: properties of this category will be appraised via the cost approach, income approach, and the market approach to value. Each parcel will be reviewed in-field, by an experienced and qualified appraiser, for reasonability of the preliminary estimates of value, and will modify the valuation parameters as required.
- e) Special Purpose Properties: Special purpose properties will be appraised via the cost approach to value. Data must be sufficient in quantity to establish the classification as special purpose. The review appraiser will review the preliminary value in-field for accuracy and reasonability.

14. City Review:

- a) The Vendor, after performing maintenance of values resulting from field reviews, shall turn over the refined preliminary estimates to the City for review of conclusions.
- b) Upon completion of the in-field final reviews, maintenance, and final pricing, the Vendor shall perform a sales ratio analysis and deliver to the City for review.
- c) Upon completion of the reviews by the City, the records will be returned to the Vendor, with the results of their reviews and recommendations for action, if any.
- d) The Vendor shall review the recommendations and perform those requests for action or discuss alternate measures.

15. Informal Reviews:

The Municipality shall in a newspaper of general circulation for the entire Municipality or post in 2 public places, a list showing all property values within the Municipality. The notification shall contain instructions regarding the appeal process for abatements pursuant to RSA 76:16, 76:16-a and RSA76:17.

16. Training:

The Vendor shall provide training to the assessing staff in the methodologies and procedures used in the project sufficient for the staff to maintain the methodology until the next update.

17. Formal Appeals:

The Vendor agrees to furnish the services of a qualified representative for the Statistical Update tax year upon appeal to the N.H. Board of Tax and Land Appeals (BTLA) or Superior Court, in all cases where the appeal has been entered within the time prescribed by law. The Vendor shall continue to be responsible for providing a qualified representative even if the Assessors have reduced the value as part of the proceedings defined in RSA 76:16. However, if the Assessors increase any value established by the Vendor, they forfeit their right to Vendor representation.

The Vendor agrees to furnish the services of a qualified representative for the Statistical Update tax year upon appeal to the BTLA or Superior Court, in all cases where the appeals have been entered within the time prescribed by law at the fees set forth in the Price Proposal.

18. Turnover:

Upon final maintenance of all properties by the Vendor, no later than July 1, 2010, the Vendor shall deliver to the City, in completed and final form and in good order, the following deliverable products:

- a) an estimate of fair market value for all properties situated within the City which were appraised by the Vendor;
- b) a final property (Vision) record card, with data and value current and accurate, for all parcels in the City which were appraised by the Vendor.
- c) **USPAP Standard 6 Compliant Final Appraisal Report** {RSA 21-J:14-b, 1, (c)} This report shall follow closely the most recent Edition of the Uniform Standards of Appraisal Practice (USPAP) Standard Number 6. The report shall contain the following sections:
 - A Letter of Transmittal
 - A Certification Statement.
 - A section detailing the Scope of Work.
 - A section detailing sales, income, and cost approaches to value including all valuation premises.
 - A section including all tables pertinent to the valuation process along with the cost data and schedules developed along with neighborhood delineation maps for the valuation of residential, commercial, industrial, manufactured housing and exempt properties.
 - A section including statistical analysis and testing. The Vendor shall bind the USPAP Standard 6 Compliant Final Appraisal Report for use as an appraisal manual. The Vendor shall instruct the Assessors in the use of the manual so that the Assessors shall have an understanding of the appraisal process being utilized. Upon completion of the statistical update Statistical Update, the Vendor shall deliver one copy of the manual to the Assessors Office and one copy to the Department of Revenue Administration.

19. Services To Be Performed By The Municipality:

The Municipality shall notify the vendor, in writing, which properties within the taxing jurisdiction are exempt from taxation.

The Municipality shall furnish to the Vendor information pertaining to ownership of all property in the municipality, a set of current tax maps, zoning maps, charts, plans, and sales information, and additional copies if requested by the Vendor.

The Municipality shall keep the vendor informed of all sales of property taking place during the progress of the update of which it has knowledge.

The municipality shall make corrections to tax maps as of April 1, of the update year where lots have been subdivided or apportioned and notify the Vendor of all ownership, name and address changes of which it has knowledge.

The Municipality shall provide suitable office space with desks, tables, and chairs for the use of the agents and employees of the Vendor in performing their necessary work

20. Project Size and Scope

The project includes the following parcels, which have been grouped into several major categories of Commercial and Industrial property for project responsibility.

Type	Count
Commercial/Industrial Condos	490
Community/Neighborhood Shopping Centers	22
Restaurants	38
Commercial Warehouses	35
Industrial	128
Office Buildings	109
Hotel/Motels/B&B	21
Apartments > 8 Units	150
Mixed Use	100
Auto Dealerships	14
Service/Gas Stations	21
Nursing Homes	2
Vacant Land	70
Store	74
Bank	14
Utility	12
Other	78
Total	1378

The Portsmouth Assessors office will estimate values for: Current Use and Exempt properties plus the Hospital and the Schiller Plant.