

BENECKE ECONOMICS
8410 Sanctuary Boulevard
Riverdale, NJ
07457

Response to the Request for Qualifications (RFQ)
Including Resumes, References and Cost Proposal
THE TOWNSHIP OF MONTCLAIR, ESSEX COUNTY, NEW JERSEY
FOR THE PROVISION OF THE FOLLOWING:

FINANCIAL CONSULTANCY SERVICES-2022

Township of Montclair
Department of Finance
Attn: Purchasing Agent
205 Claremont Avenue
Montclair, N.J.
07042

November 1, 2021

RE: RFQ-FINANCIAL CONSULTANCY SERVICES-RFP-21-08
Qualification Statement-Resume-in Response to the RFQ- FINANCIAL CONSULTANCY SERVICES

This formal proposal is being submitted in response to the Township of Montclair Request for Qualifications (RFQ) for "Financial Consultancy Services", RFP-21-08 to assist the Township with the continuing implementation of the Township's fiscal and economic improvement plans. The Township of Montclair has embarked on an exciting redevelopment program along the corridors of Bloomfield Avenue, Valley Road and Lackawanna Plaza. In addition, the Township of Montclair is moving beyond the Covid-19 pandemic and the Township has had its AAA financial rating reestablished.

In addition to this submission form we are including the documents required in the above mentioned RFQ: Affirmative Action Form(s) together with our New Jersey Business Registration Certificate (both are on file with the Township).

Benecke Economics is the recognized leader in providing redevelopment, financial consultancy services (financial and economic oriented) planning services to municipalities and the redevelopment community in the State of New Jersey.

The following is a description of our unique qualifications:

Name of firm and contact information:

Benecke Economics
8410 Riverdale
Riverdale, NJ
07457
Robert L. Benecke
CMFO-N-0093
Phone-239-877-4807
(Master of Arts, Public Finance, Fordham University. Distinguished Fellow.)

Also: Planning Associate.
Chelsea Gleis, A.I.C.P., P.P.
(Master of Urban Planning, Columbia University)

Planner Emeritus:
Fred Suljic, P.P. (Landscape Architect)

1-Names and background of the individuals and description of their experience and qualifications.

BE has worked on many complex redevelopment and financial assignments both in New Jersey and in other states. We have an impressive group of clients, many of which are municipalities. We advise clients in how to navigate all aspects of public finance, corporate finance and land use. The team assembled for Montclair is second to none and is led by Robert Benecke, the recognized leader in economic development in New Jersey.

Mr. Benecke has been associated with the Bloustein School of Planning since 1986. He has authored "Redevelopment in New Jersey-The State of the Art in Structuring and Financing a Project", June, 2006, and "Economic Development Workshop for New Jersey Municipalities", as well as in August, 2021, and "Compounding". Mr. Benecke has written numerous other studies and publications.

Moreover, he has structured more redevelopment and PILOT (payment in lieu of tax programs), including extensive models (economic impact and efficacy models), than any other firm in New Jersey. Over just the past couple of years Benecke Economics has worked on many projects and assignments, including the following projects:

- On 3. Nutley-Clifton.
- Union Avenue Redevelopment-Wanaque.
- SkyMark, Ridgefield Park.
- Canal Crossing, Jersey City (JCRDA). A 111 acre redevelopment area.
- Aberdeen Train Station. Mixed use transit project.

- Route 15, Jefferson Township, mixed use residential-retail project.
- Yardley Building, Union City. A proposed residential redevelopment project.
- 1500 Harbor Boulevard, Weehawken. A Hudson River redevelopment project.
- Ridge Crossing, Kearny. The re-purposing of a contaminated site.
- Route 35, Sayreville.
- Atlantic City, personnel issues.
- Middletown, personnel issues.
- Edison, personnel issues.
- East Orange, personnel issues.

In Montclair, we currently serve as financial advisors and prepared the economic analysis of various downtown projects including modeling various scenarios. We explore various redevelopment financing scenarios and structured financing for Montclair. We could go on and on: suffice it to say if there is an issue related to complex financing and capital issues we, at a minimum, get a call for help. Benecke Economics does not underwrite or market securities. We do not have an "inside" relationship with any bank or financial institution. We serve as financial advisors and financial consultants to many cities and municipalities.

Ms. Gleis has extraordinary qualifications and is recognized as one of the leading young planners in New Jersey. Mr. Fred Suljic has over 40 years of experience in all aspects of planning and land use.

Robert Benecke is a licensed municipal finance officer who has written five textbooks on finance for Rutgers University; this includes writing the New Jersey accounting system known as the Flexible Chart of Accounts (FCOA). Mr. Benecke has over 35 years of government and private sector experience.

2. Breakdown of Scope of Economic Development Services.

**SPECIFICATIONS FOR
RFP – 21 - 08
Request for Qualifications (RFQ) –
Professional Services/Financial Consultancy
Services
Term: January 1, 2022 to
December 31, 2022 Or one (1)
year from date of award**

Financial Consultancy Services:

The following are the minimum threshold requirements for persons and/or firms to be considered for the above:

1. Have a minimum of five (5) years of experience in providing financial advisory services to similar government entities. Mr. Benecke has over 40 years financial experience. Benecke Economics was founded in July 2004.
2. Must demonstrate knowledge of New Jersey Redevelopment laws, NJ municipal finance laws including but not limited to municipal bond laws, municipal budget laws, municipal fiscal affair laws and local public contract laws. Benecke Economics has probably prepared more redevelopment plans than any firm in New Jersey. BE was the lead advisor in achieving Local Finance Board approval of a \$59 million redevelopment area bond in April 2021-covering the Brick Church Redevelopment project. (This is the largest and most complex NJ RAB financing to date.)
3. Must demonstrate extensive knowledge and experience working with New Jersey urban area redevelopment programs, affordable housing programs and workforce housing programs. Benecke Economics has participated in numerous difficult affordable housing matters including the Verona FHA matter, specifically, we prepared the Cameco and Spectrum redevelopment plans as well as the Bobcor property acquisition issue.
4. Having Municipal public finance certifications and municipal professional planner licenses are highly desirable. Benecke Certified Municipal Finance Officer #N-0093, Chelsea Gleis, Professional Planner #33LI00622400.
5. Knowledge of local, state, and federal requirements, programs, issues and trends required. Benecke continually addresses trailblazing topics such as inflation impacts, school children impacts (and cost of education) redevelopment cases, PILOT matters, market timing, property tax rate trends, etc. On February 23, 2022, Benecke will be giving a trend-setting seminar on PILOTs in New Jersey.

Requested financial advisory services may include, but are not limited to:

1. Consulting on the issuance of general obligation debt in connection with the Township's projects. Providing sensitivity analysis of different interest rates on financing plans for the program. Managing the bond financing process and negotiating key business points to accomplish the Township's objectives. Recommend the type of financing-permanent or temporary based upon market conditions and other financial concerns. Experience and understanding of the NJ I-Bank options. Benecke Economics develops strategies within the confines of the New Jersey Local Budget Law (N.J.S.A. 40A:2-1 et seq.) and related statutes. We model various scenarios, etc. We are NOT broker dealers and focus on improving all aspects of internal debt management.
2. Developing a plan of finance and preparing financing schedules, which would include recommendations as to the timing of bonds or notes to be issued. Coordinating with bond

counsel and the finance team in recommending size, structure, specific terms and conditions of a debt issue. Presenting information and making recommendations regarding methods of sale, including publicly offered and privately negotiated options. Benecke Economics will make presentations in public and has successfully done so for decades.

3. Participating in regular periodic Finance Committee meetings. May also be required to attend the council meetings. We will continue to do this on a regular basis.

4. Participating in redevelopment meetings on behalf of the Township and presenting various reports and recommendations to the council. We will continue to do this on a regular basis.

5. Managing competitive or negotiated sale process. Providing advice on the advantages and disadvantages of competitive vs. negotiated sales. For negotiated sales, providing assistance in the selection of investment banking firms, underwriters, and placement agents to successfully market the issue. Providing advice as to the acceptance or rejection of the bids to purchase the bonds received at public sales, or the bond purchase agreements received through a negotiated basis. After the bid is awarded, prepare an actual debt service table. We will continue to do this on a regular basis.

6. Participate in rating agency presentations and preparation of Notice of Sale and Official Statements.

Also: Provide independent financial advice and serve solely the interests of the Township. Provide as-needed financial advice regarding market conditions and trends and financial products. Provide other financial services as requested, including but not limited to monitoring of continuing disclosure requirements. Advise on the investment of bond proceeds. Participating in meetings with Township Officials, rating agencies, bond counsel, underwriters, auditors, and New Jersey Local Finance Board as requested. Due to inherent conflicts of interest, the firms selected as financial advisors will not be allowed to resign in order to serve as underwriter for any proposed transactions. Other potential financial analysis and advice may include review of proposed agreements with other entities for joint services, proposals for new services from private or public entities, or proposals for structural changes in current provision of services. We will continue to do this on a regular basis.

Cost

1. State the rates at which the services of assigned personnel would be provided to the Township during the current year. State the maximum increase in rates for extensions of the contract, if extension is elected by the Township.

(a) For each person whose resume is provided, the projected services to be provided and the hourly rate you propose to charge the Township. \$130 per hour for all services, no disbursements. No increase upon contract extension.

For each applicable category of support staff or other assigned staff the hourly rate you propose to charge the Township. Support staff is included in the hourly rate, only direct hours by Benecke (and Gleis) will be charged at \$130 per hour billed in a monthly manner. For all fiscal work we will be on site for all scheduled meeting (or if needed on a zoom/virtual format) at the municipal building, or related facility. The hourly rate (fee) includes finance department support, the preparation of redevelopment work-outs,/plans preparation of financing models and feasibility reports, and all work on implementing the work called for in this RFQ.

(b) A schedule of all disbursements which you anticipate may result in a charge to the Township and a rate for each. NONE-no disbursements.

(c) Any reduced rates or fees charged other State or local public finance issuers in New Jersey for these types of services. No.

(d) A statement whether you would be willing to agree to caps on fees on an issue by issue basis. YES!

(e) State any special considerations with respect to billing or payment of fees and expenses that your firm offers and that you believe would differentiate you from other proposers and make your firm's services as financial ~~advisor~~ consultant more cost effective to the Township. We are in call 24/7 and do NOT charge for minor calls, follow ups, emails, etc.

Benecke will help your CFO in handling various fiscal issues of the Township including the preparation of:

- the annual financial statement.
- the annual budget, including all schedules and tax levy cap work.
- the annual capital budget.
- all related work including budget and cash controls and monitoring.

In addition, Benecke shall support litigation, personnel issues, insurance matters and all relevant finance department work for the Township. Working on the redevelopment designated areas of the Township to attract capital investment in the Township. This requires writing a redevelopment plan for the designated areas. Any such redevelopment work shall be consistent with the Local Redevelopment and Housing Law (N.J.S.A. 40A :12A-1 et seq.).

C. Planning. The Township may utilize Ms. Gleis as planner, or special planner. Benecke Economics will continue to write and implement policies as directed by the Director of Finance- CFO. 4-The term of this Project. This proposal and agreement shall be for a period of twelve months,

beginning on January 1, 2022 and terminating on December 31, 2022.

References: Dan Mahler-Mayor, Borough of Wanaque. Tara O'Grady-Clerk, Village of Ridgefield Park.
Frank Mason-CFO, Town of Morristown.

Thank you for the opportunity to submit this proposal. We look forward to working with Montclair on this exciting project.

BENECKE ECONOMICS

Robert L. Benecke

Robert L. Benecke Principal

November 1, 2021

Accepted by the Township of Montclair:



Witness:



Date:

11/22/21