

REQUEST FOR PROPOSALS

Facility Management and Operations Services

for

**Pratt & Whitney Stadium
at Rentschler Field**

East Hartford, Connecticut

Issued March 4, 2025

Key Dates:

April 1, 2025 - Submission of Letter of Interest
April 11, 2025 - Questions from Respondents Due
April 18, 2025 - Proposals Due

A Public Solicitation Issued by the
Capital Region Development Authority

TABLE OF CONTENTS

| | | |
|--------------|--|-----------|
| I. | General information and Requirements..... | 3 |
| II. | Stadium Description | 5 |
| III. | Scope of Services | 6 |
| IV. | Submittal Requirements..... | 10 |
| V. | Selection Criteria | 15 |
| VI. | RFP Schedule..... | 16 |
| VII. | Rights Reserved to CRDA..... | 16 |
| VIII. | RFP Conditions..... | 19 |

Exhibits

Exhibit A - Contract Compliance Package

- Notification to Bidders Form
- Bidder Contract Compliance Monitoring Report

Exhibit B - Bidder Assurance Form

Exhibit C - CT Gift and Campaign Certification

Exhibit D - CRDA Campaign Contribution and Solicitation Limitations

Appendices

Appendix I Revised IRS Guidelines Applicable to Management Contracts Involving Use of Bond-Financed Facilities

I. GENERAL INFORMATION AND REQUIREMENTS

A. Introduction

On behalf of the State of Connecticut, the Capital Region Development Authority ("CRDA") is seeking proposals from qualified and experienced firms or teams of firms interested in providing facility management services and catering and concessions services, for Pratt & Whitney Stadium at Rentschler Field ("the Stadium") in East Hartford, Connecticut.

A single firm may submit a proposal for stadium management services and catering & concessions services, or a team of firms may submit a proposal for such services (e.g., one entity would provide stadium management services and one would provide catering and concession services).

The current facility management agreement is set to expire on or about June 30, 2025. CRDA, a quasi-public agency of the State of Connecticut, operates the Stadium pursuant to a Memorandum of Understanding (the "MOU") with its owner, the State Office of Policy and Management ("OPM"); the MOU expires on June 30, 2028. The Stadium is a State facility subject to all applicable state laws, regulations and requirements.

B. CRDA Contact Information

The official contact person for the purposes of this RFP is:

Kim Hart
Capital Region Development Authority
100 Columbus Boulevard, Suite 500
Hartford, CT 06103-2819
Telephone: (860) 493-2925
E-mail: khart@crdact.net

All communications with CRDA regarding this RFP must be directed to Ms. Hart.

All communications with CRDA, OPM or the State of Connecticut, or any person representing CRDA, OPM, or the State of Connecticut concerning this RFP are strictly prohibited, except as permitted by this RFP. Any violation of this prohibition by a respondent or its representatives may result in disqualification or other sanctions.

C. Letter of Interest

Interested firms/teams should submit a letter of interest to Ms. Hart by April 1, 2025 acknowledging receipt of the RFP and informing CRDA of its intent to respond. Entities should also provide the name, address, telephone and email address of the individual who can address inquiries related to this RFP and the firm's proposal and receive clarifications or addenda from CRDA.

D. Stadium Tours

Firms/teams interested in touring Pratt & Whitney Stadium should reach out to Ms. Hart to arrange a tour.

E. Questions and Amendments

All questions regarding this RFP and submission requirements must be directed, in writing, to Ms. Hart at khart@crdact.net by April 11, 2025. Written responses to all questions will be posted by April 14, 2025 on the CRDA website at <https://crdact.net/rfps/> and on the State of Connecticut contracting portal.

Any amendments to this RFP will be posted on these Web sites and respondents are advised to periodically check the sites.

F. Additional Information

Supplemental materials to assist respondents in preparing their proposals are also available on the CRDA website at <https://crdact.net/rfps/>.

These materials include:

- CRDA Annual reports, including Stadium financial reports.
- Stadium facility site plan.
- OPM – UConn Stadium Lease.

Additional information is also available on the Stadium’s Web site at: www.rentschlerfield.com.

G. Proposal Deadline

Proposals submitted in response to this RFP must be submitted via email to Ms. Hart at khart@crdact.net by 3:00 p.m. Eastern time on April 18, 2025.

H. Short List; Presentations

CRDA may decide on the basis of the proposals to “short-list” one or more respondents and invite them to make individual presentations. For planning purposes, such presentations, if requested, would be expected to take the week of April 28, 2025.

I. Qualified Management Contract

Respondents should be aware that the Stadium was constructed with the proceeds of tax-exempt bonds and that, with the exception of certain areas where “private activity” is permitted, the management arrangements for the Stadium, including the manager’s compensation, must satisfy the IRS standards for a “qualified management contract”, as set forth in IRS Revenue Procedure 2017-13, a summary of which is attached as Appendix I. . CRDA would prefer a five (5) year contract term cancelable at three (3) years but will consider other qualifying Proposals.

II. STADIUM DESCRIPTION

Completed in 2003, the Stadium at Rentschler Field is an oval open-air facility occupying approximately 8.5 acres of the State-owned 146-acre parcel at Rentschler Field in East Hartford, Connecticut. The total Stadium capacity is 40,642, consisting of 38,110 permanent seats with an additional 2,532 standing room capacity in the scoreboard plaza. The Stadium has been designed with expansion capability to 50,000 seats.

The Stadium bowl surrounds the natural grass playing surface, which is 26 feet below grade level. The lower bowl completely surrounds the Stadium, while the upper bowl is open on the northwest side. A wide concourse area, which separates the upper and lower bowls, is surrounded on its perimeter by concession stands and restroom facilities.

The southwest side of the Stadium is framed by the "Tower," a five-story structure which houses the club seating and clubroom area, 38 suites, press facilities and media/broadcast rooms. The clubroom is capable of seating 400 people in a banquet setting and is available for year-round catering activities, group meetings and other functions, hosting as many as 100 events annually.

Additional facilities, including administrative areas, the central kitchen, locker rooms and storage, are located on the below-grade service level on the southeast side of the facility.

The Stadium serves as the home of the University of Connecticut ("UConn") Husky football program. It hosts a minimum of six games each year pursuant to a Lease Agreement that governs all elements of UConn's use of the facility, including financial terms, Stadium responsibilities, sponsorship and advertising and naming rights. That Lease Agreement is set to expire on June 30, 2028.

The Stadium hosts other athletic, cultural, entertainment and civic events throughout the year. Currently the second largest natural grass facility in New England, the Stadium has welcomed a variety of international soccer matches, as well as rugby and lacrosse tournaments. It is also a popular location for charity walks, fun runs and obstacle races.

Parking for approximately 8,000 cars is currently available on the Stadium site, with an additional 1,000 spaces available on adjacent land under a parking lease with Raytheon, the parent company of the neighboring Pratt & Whitney Aircraft. Events bringing in more than 27,000 fans are a challenge for the Stadium and offsite parking locations have been used. The Raytheon lease expired at the end of 2024 and the loss of those lots creates additional parking challenges that the selected firm/team will need to work with CRDA to address.

Respondents should be aware that the Stadium was constructed with the proceeds of tax-exempt bonds and that, with the exception of certain areas where "private activity" is permitted, the management arrangements for the Stadium, including the manager's compensation, must satisfy the IRS standards for a "qualified management contract", as set forth in IRS Revenue Procedure 2017-13, a summary of which, prepared by the State's bond counsel, is attached as Appendix I.

III. SCOPE OF SERVICES

The selected firm or team of firms shall be prepared to perform its obligations in a prompt, diligent and professional manner consistent with other first-class stadium facilities.

1. Management Services

- **Management** – The selected firm/team shall assign to the Stadium a competent, full-time general manager to exercise general supervisory authority and control over the delivery of management services. Such general manager shall have no duties other than the day-to-day operation and management of the Stadium. The selected firm/team shall provide professional management for all aspects of Stadium operations. Resources should be expended efficiently, effectively, and for the exclusive use of the Stadium operations. The selected firm/team shall ensure that the Stadium and its assets are well maintained, in good order, clean, safe, and secure.
- **Customer Services** – The selected firm/team shall provide a high level of quality service to clients and patrons of the Facility. It shall establish operational policies and enter into vendor contracts to provide for all aspects of client and event-related requirements.
- **Event-Related Services** - The selected firm/team shall be responsible for various event-related tasks, including:
 - Provision of automated ticketing system for non-UConn events, capability to connect to the University's separate ticketing system for UConn events and ticket scanning capability for all Stadium events;
 - Installation of required equipment, fixtures, markings, sound and lighting systems, communications systems, staging, rigging and other event-specific requirements not otherwise provided by licensee; and
 - Provision of all staff, ticket takers, ushers and other patron-related personnel required for event operations, including first-aid, emergency medical, and missing children services, other assistance to patrons generally and to those with disabilities in accordance with the requirements of the ADA.
 - The selected firm/team agrees that any and all non-UConn event ticketing sales and distribution companies shall not:
 - 1. Engage in price-fixing or collusion with competitors in the ticketing industry.
 - 2. Use exclusive agreements, bundling, or other tactics that limit or cause to limit consumer choice or artificially inflate ticket prices.
 - 3. Discriminate against, or retaliate against, third-party competitors, venues, or customers based on their use of alternative ticketing services.
 - 4. Create barriers to entry for new or emerging ticketing platforms or services that may foster competition and innovation.

- The selected firm/team further agrees that any selected ticket sales or distribution company, nor any affiliated or subsidiary companies, shall engage in any conduct that would restrict, hinder, or unfairly limit competition within the market for ticket sales or related services. This includes, but is not limited to, actions that could lead to a monopoly or an unfair market share in the ticketing industry.
- **Parking and Traffic** - The selected firm/team will be responsible for implementation of the Stadium parking plan, and will provide, or subcontract for and supervise, necessary parking management services. Such parking plan shall include on-site and designated off-site parking for events.
- **Security** - The selected firm/team shall provide security services during events and at such times when the Stadium is not in use. Tasks shall include cooperating with and assisting appropriate State and local public safety authorities with respect to the planning and implementation of the Stadium's security plan.
- **Maintenance** - The selected firm/team shall be responsible for cleaning, maintenance and repair of the Stadium and playing field and related systems and equipment, as well as post-event maintenance of both on-site and off-site parking lots.
- **Inventory** - The selected firm/team shall be responsible for maintenance of a personal property inventory at the Stadium in accordance with State requirements.
- **Administered Agreements** - The selected firm/team shall function as the State's contract administrator and comply with applicable lease, license or other use agreements, including at the Stadium the lease which governs UConn use of the Stadium and the Stadium parking agreement with Raytheon, as well as license agreements with various cell service providers to use space for antenna and other associated equipment at the Stadium.
- **Financial Management** - The selected firm/team shall prepare for CRDA approval each year an annual plan and budget. The selected firm/team shall maintain all financial records, funds and accounts in accordance with State accounting requirements, and shall maintain and administer a revenue account, operating account, box office account and other accounts as are customary in connection with the operation of comparable facilities. The selected firm/team will be expected to make every effort possible to maximize revenues and minimize expenses and shall assist CRDA in identifying and realizing new revenue opportunities.
- **Reporting and Accountability** - The selected firm/team shall prepare and furnish CRDA monthly and annual financial statements and reports, reports of sales and events, and reports of other financial and operating metrics as are customary for similar facilities and contractual arrangements and/or reasonable required by CRDA. Such statements and reports shall be of a scope and in a format approved by CRDA, shall include, as appropriate, comparisons to budget and prior year actuals, and shall be made available in an electronic format compatible with CRDA's financial accounting and reporting system. All such financial statements shall be subject to audit and the selected firm/team shall cooperate fully with the State Auditors of Public Accounts as required. CRDA shall have access to all financial records and operating data at all times.

- **Corporate Services** - The selected firm/team shall provide corporate services including procedures, systems and manuals relating to accounting and fiscal controls, operating procedures, purchasing, employment and training manuals and materials, personnel practices and similar matters.
- **Contract Negotiation/Administration** - The selected firm/team shall negotiate and administer contracts for vendor-provided services. Services may include, but are not limited to, food services, event staffing, security, electrical and utility services, telecommunication and data services, housekeeping, grounds keeping, parking and box office. All subcontracts shall be subject to review and approval by CRDA.
- **Small and Minority Business Utilization** - The selected firm/team shall assist the State in meeting statutory requirements (Connecticut General Statutes § 4a-60g) with respect to the hiring of State-certified small and minority-owned businesses at the Stadium . Tasks shall include quarterly reporting to the State on Stadium utilization of such businesses.
- **Other Employment Preferences** - The selected firm/team shall assist the State in meeting statutory requirements (Connecticut General Statutes § 32-656(a)) with respect to available and qualified residents of Hartford and East Hartford, as well as available and qualified members of minorities.
- **Media Relations** - The selected firm/team shall assist CRDA in answering inquiries from news and entertainment media regarding upcoming Stadium events and arranging for media access to events where allowed. Tasks shall include cooperating and coordinating with broadcast media and providing access to broadcast facilities and hook-ups and other in-house services at the Stadium for use by broadcast media as is customary at comparable facilities.
- **Website** - The selected firm/team shall be responsible for maintaining and updating the Stadium's website.
- **Environmental Restrictions** - The selected firm/team shall be responsible for ensuring manager's and subcontractors' compliance with any environmental restrictions placed on the Stadium site. Such restrictions may include, but not be limited to, limitations on digging or excavating below a certain grade.
- **Other** - The selected firm/team shall be responsible for any other services or activities incidental to the normal and professional operation of the Stadium or as otherwise reasonably requested by CRDA.

2. Event Scheduling and Booking

The selected firm/team shall be responsible for booking and scheduling of all Stadium events, with first priority given at the Stadium to UConn Division I-A football games in accordance with lease or use agreements entered into with UConn and other tenants. Revenue from non-UConn events, however, is also critical to maintaining the financial health of the Stadium and the selected firm/team must seek out additional sporting and entertainment events.

Tasks shall include review of the current Stadium booking policy and revision as needed. Such booking policy shall include guidelines for rental rates and service fees, booking priorities, periods of availability, use restrictions and other terms and conditions of Stadium availability for events. The booking policy shall also include provision for a limited number of community, charitable and other public service events.

3. Concessions and Catering

The selected firm/team shall be responsible for providing food and beverage services at the Stadium either directly or through a subcontractor. Specific duties include, but are not limited to:

(a) the sale of food and beverages, including alcoholic and non-alcoholic beverages, and candy sold from concession stands, kiosks, fast food stands, bars, portable service stands and via wait service and vendors circulating through the facility;

(b) the catering or sale of food and beverage services and related services within the facility; and

(c) the sale or rental of novelties, other merchandise and programs within the facility, including the coordination, management, inventorying, scheduling and provision of food and beverages for both banquet and concession operations, catering all events at the facilities, including set-up, tear-down and clean-up, menu development and merchandising and the provision of the personnel necessary to provide the food services.

Contractor shall apply for and purchase all required alcoholic beverage licenses required to provide concession services for the facility. Catering and concession services shall include, but not be limited to, ordering, receiving, inventorying and storing all food and beverage products, supplies and equipment; preparing all food and beverages; providing all food and beverage service to guests; cleaning all areas used to prepare and serve food and beverage; and such other services as may be customary, appropriate, necessary and incidental to the provision of the food services.

4. Marketing and Sponsorship

The selected firm/team will be responsible for conducting all marketing and promotional activities with respect to the Stadium, excluding UConn events, with the objective of maximizing revenue, utilization of the facility and attendance at events.

Tasks shall include the development and strategic implementation of a comprehensive Stadium marketing plan. The selected firm/team shall be responsible for the marketing and sale of advertising and promotional opportunities (e.g., signage, scoreboard and electronic advertising, print advertising on tickets, programs and other materials, and title sponsorship opportunities) to the extent these opportunities are not reserved to UConn in the case of the Stadium. The selected firm/team shall also work to maximize event-related sponsorships in collaboration with licensees.

The selected firm/team shall be responsible for marketing and sale of suites and Club Room for non-UConn events at the Stadium. Such firm/team shall also be responsible for marketing and sale of advertising and promotional opportunities in connection with catering and concessions operations, including branding and pouring rights and similar food and beverage sponsorships, to the extent not reserved to UConn in the case of the Stadium.

The advertising and sponsorship rights reserved to UConn under the terms of the Stadium Lease are as follows:

- Main and auxiliary scoreboard signage
- Façade and concourse signage (with the exception of food and beverage signage in the concessions areas)
- Temporary signage within the Stadium bowl
- Public address announcements
- Fanfest (pregame interactive exhibit area) and
- Videoboard.

The selected firm/team shall respect any existing Stadium relationships with UConn partners but may explore opportunities with UConn to mutual benefit the parties.

The selected firm/team shall also assist the State in developing a strategy for the sale of naming rights at the Stadium. Respondents should note that naming rights for the overall Stadium facility are not available for sale until 2032, pursuant to a naming rights agreement with Raytheon, the parent company of Pratt & Whitney. This restriction, however, does not apply to discrete components of the Stadium. Please note that CRDA reserves the right to review and approve advertising and sponsorship agreements prior to execution. Certain categories of advertising may be deemed inappropriate by CRDA.

IV. SUBMITTAL REQUIREMENTS

All submissions must follow the required format and address all applicable requirements listed in the prescribed order using the numbering system below. Failure to follow the required format may result in disqualification of a submission.

Part 1 – Cover Letter

The cover letter should be signed by a person authorized to legally bind the respondent and must include the following items:

- The identity of the proposing firm/team and any partners, consultants or subcontractors included as part of the proposal, and a description of respondent's legal form and domicile.
- The names of the individuals involved in the preparation of the proposal and of any individuals employed or compensated to develop or advocate or solicit for the proposal along with their relationship to the proposing firm/team.
- A statement confirming that the respondent has sole and complete responsibility for performing the services as proposed.
- A statement expressly acknowledging, accepting and agreeing to the RFP Conditions in Section VIII of this RFP.

Part 2 – Table of Contents

Respondents must include a Table of Contents that lists sections and subsections with page numbers that follow the organization and sequence for this submission as required.

Part 3 – Organizational Profile

- a. **Qualifications.** Describe how your experience or special knowledge, skills or abilities meet the State’s needs as outlined in this RFP.
- b. **Summary of Relevant Experience.** Provide a listing of comparable facilities for which the respondent and/or its proposed management team currently provide facility management services or have provided such services within the last three (3) years. Additionally, provide detailed information on the type of facility, annual attendance and scope of services provided. Include name, title, address, telephone and email address of the client contact or contract administrator.

Provide a comprehensive list of facility management contracts that have been terminated or have not been renewed with your firm since 2020. Include name, physical address, and type of facility, plus the name, title, address, telephone and email address of the client contact or contract administrator.

- c. **Organization Chart.** Include data describing the firm/team’s current organization, date of incorporation, ownership, corporate office, number of years in business, size of business, services offered, operating philosophy and financial performance. Provide a diagram showing the hierarchical structure of functions and positions within the organization.
- d. **Financial Condition.** If the respondent is a firm or corporation, include the three (3) most recent annual financial statements prepared by an independent Certified Public Accountant, and reviewed or audited in accordance with Generally Accepted Accounting Principles (USA). If the submission has been in business for less than three (3), such respondent must include any financial statements prepared by a Certified Public Accountant and reviewed or audited in accordance with Generally Accepted Accounting Principles (USA) for the entire existence of such firm or corporation.
- e. **References.** Include the names of references that have contracted with the respondent for facility management services. Provide the following information for each reference: name, title, name of organization, address and telephone number, as well as a brief description of the services provided if they are not included in the Summary of Relevant Experience.

Part 4 – Partners and Subcontractors

- a. If the proposal is submitted jointly by two (2) or more entities that will share responsibility for contract performance in any way, provide the same information required under Parts 3 and 5 for each such entity.
- b. If any services are proposed to be subcontracted, identify the proposed subcontractor, its relevant qualifications and experience, and any affiliate or other relationship to the respondent. If services are proposed to be subcontracted but the subcontractor has not yet

been identified, describe the process and criteria by which the respondent intends to select the subcontractor (subject to CRDA approval).

Part 5 – Conflict of Interest

Please discuss any competing facilities connected to the respondent. Include any facilities in Connecticut, the State of New York or the greater New England region, regardless of size, and any facilities anywhere in the United States that are of such size or in such market as to compete with the Stadium for booking events. Present a plan for preventing any conflict of interest in managing competing facilities.

Part 6 – Stadium Management and Operation Plan

- Describe your firm/team’s vision for managing the Stadium. Describe your firm/team’s understanding of the State’s goals for the Stadium and how your firm/team will achieve them.
- High-quality service and unique experience are essential to user satisfaction. Describe the experience your firm/team will provide users of the Stadium.
- Describe your firm/team’s short-term goals for the Stadium.
- Describe how the management function will be organized and provide a staff organizational chart. Include information on the onsite management team and the functions they will perform. Please be specific about the proposed start dates (in general) for key staff members. If possible, identify the on-site general manager proposed for the Stadium.
- Describe the proposed approach to event coordination, production, staffing and servicing.
- Describe how event staff will be recruited, organized, and trained.
- Describe the proposed approach to human resources and payroll services. Describe the method to record employment and operating revenues, expenditures, and capital improvement budgets.
- Describe how your firm/team will assist CRDA in meeting its small- and minority-owned business hiring goals, as well as its goals related to the hiring of minorities and residents of Hartford and East Hartford.
- Indicate the proposed management term for which you are bidding. As noted above, CRDA’s MOU with the owner of the Stadium – the State Office of Policy and Management – is set to expire on June 30, 2028. Should the selected bidder’s proposed term extend beyond that date, the resultant management contract will need to be acceptable and assignable to OPM in the event that the MOU is not extended.

- Confirm your firm's ability to mobilize and assume management responsibility for the Stadium by July 1, 2025 or, if unable to do so, what period of transition is required.
- Propose budget approval and internal review process.
- Identify any value-added services and benefits your firm/team can provide.
- Identify any issues or concerns.

Part 7 – Stadium Event Scheduling and Booking Services

- Describe your firm/team's proposed approach to booking and scheduling non-UConn events at the Stadium, including promotion, advertising and overall marketing of events. Describe your firm/team's experience in securing events at other facilities.
- Describe the resources and experience your firm/team can provide in order to maximize the number of quality events at the Stadium, including any relationships or arrangements with event promoters or other parties that might bring events to the Stadium.
- Describe the subcontracts or other relationships you would propose to enter into or develop with respect to producers or other third parties with respect to event bookings.
- Describe your firm/team's working relationship, if any, with the UConn Division of Athletics.

Part 8 – Stadium Marketing Plan

- Describe proposed marketing and promotional concepts that will further the success of the Stadium while also maximizing the benefits to the greater Hartford area. This should include your approach to promoting, copromoting and/or creating new events at the Stadium.
- Describe proposed approach to booking/scheduling, promoting, advertising and marketing events at the Stadium. Include procedures and policies for scheduling events with outside promoters, event coordinators and others. Also describe your approach for booking/scheduling local events. Include specific examples of your ability to attract and successfully service and implement the proposed events. In addition, respondents shall include any available evidence and examples of networking among the respondent's clients or other means used to enhance programming and describe the extent to which such means would be available at the Stadium .
- Describe past experience working with collegiate and/or professional sports tenants, in a publicly owned facility in marketing and booking outside events.

Describe how event scheduling and promoting will be coordinated with tenants or other entities.

- Describe the marketing plan for luxury suites, premium seating and other private use areas at the Stadium .
- Describe the organization of the proposed marketing staff for the Stadium. Provide an organizational chart listing positions, functions and responsibilities.
- Discuss any competing facilities managed by the respondent. Include any facilities in the State of Connecticut, the State of New York, or in the greater New England region, regardless of size, and any facilities anywhere in the United States that are of such a size or in such a market as to compete with the Stadium for booking events. Identify any limitations or restrictions imposed on respondent under agreements with other facility owners. Present a plan for preventing any conflict of interest in managing competing facilities.

Part 9 – Catering and Concession Plan

- Describe the proposed approach for providing catering and concession services at the Stadium . Will such services be provided by respondent or an affiliate or be subcontracted? Is there a proposed subcontractor for purposes of evaluation of the proposal? If not, how do you propose to select a subcontractor or subcontractors for catering and concession services?

Part 10 – Stadium Financial Plan

- Provide a strategy for minimizing the annual operating expenses and maximizing the annual operating revenues of the Stadium.

Part 11 – Term and Compensation Proposals

Describe the proposed compensation arrangements for Stadium management and operation. Specifically address the following:

- a. Base Fee – The amount of the annual fee for management services, if any;
- b. Capital Investments – Identify areas in which the respondent proposes to invest in Stadium capital additions or improvements, fixtures, equipment, on-going operational costs or other aspects of the Stadium, including any revenue enhancing investments. Describe the amount, timing, and terms of amortization, repayment or other recovery of any such investment;

As noted above, management services and booking services at the Stadium are subject to IRS private activity rules and must satisfy the requirements for a “qualified management contract” described in Appendix I.

Part 12 – Additional Data

Provide any additional information that the respondent wishes to bring to the attention of CRDA that is relevant to this RFP.

Part 13 – Required Forms

Exhibit A – Contract Compliance Package

Exhibit B – Bidder Assurance Form

Exhibit C - CT Gift and Campaign Contribution Certification

Exhibit D - CRDA Form A Campaign Contribution and Solicitation Limitations

W9 Form - Request for Taxpayer Identification Number (available at
<https://www.irs.gov/pub/irs-pdf/fw9.pdf>)

V. SELECTION CRITERIA

CRDA desires to employ the best-qualified firm or team of firms, who in its opinion will continuously provide top-quality service and product quality. As such, these criteria will be most important in the final selection process, and the right is reserved by CRDA to reject all proposals or any proposal for whatever reason including non-conformance with the proposal document formats as requested. The final decisions made by CRDA will be made in its overall best interests.

The following criteria shall be among those utilized in the selection process. They are presented as a guide for the respondent in understanding the State’s requirements and expectations and are not necessarily exclusive or presented in order of importance.

- A. The business organization of the respondent, including financial history.
- B. Experience with comparable facilities of similar size and with similar service requirements as the Pratt & Whitney Stadium and the Connecticut market.
- C. Experience in seeking out and booking events in order to supplement facility revenues.
- D. Key Personnel.
- E. Experience with publicly financed facilities.
- F. References.
- G. Demonstrated commitment to affirmative action.
- H. Financial terms of the proposal.

VI. RFP SCHEDULE

| | |
|--------------------------------|------------------------|
| RFP Issued..... | March 4, 2025 |
| Letters of Interest due | April 1, 2025 |
| Questions due | April 11, 2025 |
| Proposals due | April 18, 2025 |
| Short list presentations | Week of April 28, 2025 |

Proposals submitted in response to this RFP must be submitted by 3:00 p.m. Eastern time on April 18, 2025.

Late submissions will not be accepted. CRDA shall not be responsible for misdirected or lost submissions.

No additions or changes to the original submission will be allowed after submittal. CRDA reserves the right, at its sole and absolute discretion, to request clarification or amplification of any information submitted under RFP process. CRDA, at its sole and absolute discretion, may allow respondents the opportunity to submit any missing information. Any costs or expenses associated with such requests shall be the sole responsibility of the respondent.

VII. RIGHTS RESERVED TO CRDA

CRDA reserves the right to award in part, to reject any and all submittals in whole or in part for misrepresentation or if the respondent is in default of any prior State contract, or if the bid or submission limits or modifies any of the terms and conditions and/or specifications of the RFP. CRDA also reserves the right to waive technical defect, irregularities and omissions if, in its judgment, the best interest of CRDA would be served.

CRDA reserves the right to correct inaccurate awards resulting from clerical errors. This may include, in extreme circumstances, revoking the awarding of a contract already made to a respondent and subsequently awarding the contract to another respondent. Such action on the part of CRDA shall not constitute a breach of contract on the part of CRDA since the contract with the initial respondent is deemed to be void ab initio and of no effect as if no contract ever existed between CRDA and the respondent.

CRDA reserves the right to reject any and all proposals, to waive formalities, and to select the proposal and firm(s) that, in the CRDA's sole discretion, is in the best interests of CRDA.

1. CRDA reserves the right to:
 - a. Amend, modify, or withdraw this RFP;
 - b. Revise any requirements under this RFP;
 - c. Require supplemental statements of information from any respondent;
 - d. Extend the deadline for submission of proposals hereto;
 - e. Negotiate or hold discussions with any bidder to correct insufficient proposals that do not completely conform to the instructions and contained herein;
 - f. Waive any nonconformity with this RFP;
 - g. Request additional information or clarification of information provided in the proposal without changing the terms of the RFP;
 - h. Waive any portion of the selection process in order to accelerate the selection and negotiation with the top-ranked firm(s);

CRDA may exercise the foregoing rights at any time without notice and without liability to any bidder, or any other party, for expenses incurred in the preparation of proposals hereto or otherwise. Proposals hereto will be prepared at the sole cost and expense of the bidder.

2. Nothing stated at any time, by any representative of CRDA, will effect a change in, or constitute an addition to, this RFP unless confirmed in writing by CRDA;
3. Firms/teams responding hereto must agree to keep confidential their proposals and any information received from CRDA;
4. CRDA shall provide the release of all public information concerning the project, including selection announcements and contract awards. Those desiring to release information to the public must receive prior written approval from an authorized representative of CRDA;
5. Neither CRDA nor any of its officers, agents, consultants, or employees shall be responsible for the accuracy of any information provided as part of this RFP (including appendices). All respondents are encouraged to independently verify the accuracy of any information

provided. The use of this information in the preparation of a response to the RFP is at the sole risk of the respondent;

6. All proposals submitted must be the original work product of the respondent. The copying, paraphrasing, or other use of substantial portions of the work product of another respondent is not permitted. Failure to adhere to this instruction will cause CRDA to reject the proposal.

VIII. RFP CONDITIONS

- A. CRDA is an Equal Opportunity and Affirmative Action employer and does not discriminate in its hiring, employment, or business practices. CRDA is committed to complying with the Americans with Disabilities Act of 1990 (ADA) and does not discriminate on the basis of disability, in admission to, access to, or operation of its programs, services, or activities.
- B. All submissions in response to this RFP are to be the sole property of CRDA. Respondents are encouraged **NOT** to include in their submissions any information that is proprietary. All materials associated with this procurement process are subject to the terms of State laws defining freedom of information and privacy and all rules, regulations and interpretations resulting from those laws. The Connecticut Freedom of Information Act (FOIA) generally requires the disclosure of documents in the possession of CRDA upon request of any citizen, unless the content of the document falls within certain categories of exemption. An example of an exemption is a "trade secret," as defined by Connecticut General Statutes Section 1-210(b)(5)(A). Confidential information must be separated and isolated from other material in the submission and labeled **CONFIDENTIAL** and enclosed in a separate envelope.

If the respondent indicates that certain documentation, as required by this RFP, is submitted in confidence, by specifically and clearly marking said documentation as **CONFIDENTIAL**, CRDA will endeavor to keep said information confidential to the extent permitted by law. CRDA, however, has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information pursuant to a FOIA request. As set forth below, the respondent has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall CRDA or any of its staff have any liability for disclosure of documents or information in the possession of CRDA which CRDA or such staff believes to be required pursuant to the FOIA or other requirements of law.

IMPORTANT NOTE: If the information is not readily available to the public from other sources and the respondent submitting the information requests confidentiality, then the information generally is considered to be "given in confidence." A convincing explanation and rationale sufficient to justify each exemption from release consistent with C.G.S. § 1-210(b) shall be prepared by the respondent and shall accompany the submission. The rationales and explanation shall be simply stated in terms of the prospective harm to the competitive position of the respondent that would result if the identified information were to be released, and you shall state the reasons why you believe the materials are legally exempt from release pursuant to C.G.S. § 1-210(b).

- C. Any product, whether acceptable or unacceptable, developed under a contract awarded as a result of the RFP is to be the sole property of CRDA.
- D. Timing and sequence of events resulting from this RFP will ultimately be determined by CRDA.
- E. The respondent's submission shall remain valid for a period of 180 days after the closing date for the submission and may be extended beyond that time by mutual agreement.
- F. All proposed costs must be fixed through the period of the agreement. No cost submissions that are contingent on a CRDA action will be accepted.
- G. CRDA may amend or cancel this RFP or modify the schedule, prior to the due date and time, if CRDA deems it to be necessary, appropriate or otherwise in the best interests of CRDA. Failure to acknowledge receipt of amendments, in accordance with the instructions contained in the amendments, may result in a firm/team's submission not being considered.
- H. CRDA retains the right to choose more than one respondent to enter into a process of competitive negotiation. It further reserves the right to reject any and all submissions from any or all respondents and to republish the RFP.
- I. Any costs and expenses incurred by respondents in preparing or submitting submissions are the sole responsibility of the respondent.
- J. A respondent must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in the submission.
- K. No additions or changes to the original submission will be allowed after submission. While changes are not permitted, clarification of submissions may be required by CRDA at the respondent's sole cost and expense.
- L. Respondents may be asked to give demonstrations, interviews, presentations or further explanations to the RFP selection committee.
- M. The respondent represents and warrants that the submission is not made in connection with any other respondent and is in all respects fair and without collusion or fraud. The respondent further represents and warrants that they did not participate in any part of the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no agent, representative or employee of the CRDA participated directly in the respondent's submission preparation.
- N. All responses to the RFP must conform to this instruction. Failure to include any required signatures, provide the required number of copies, meet deadlines, answer all questions, follow the required format, or failure to comply with any other requirements of this RFP may be considered appropriate cause for rejection of the response.
- O. This RFP is not an offer and neither this RFP nor any subsequent discussions shall give rise to any commitment on the part of CRDA or confer any rights on any respondent unless and until a contract is fully executed by the necessary parties. The contract document will

represent the entire agreement between the respondent and CRDA and will supersede all prior negotiations, representations or agreements, alleged or made, between the parties. CRDA shall assume no liability for payment of services under the terms of the contract until the successful respondent is notified that the contract has been accepted and approved by CRDA. The contract may be amended only by means of a written instrument signed by CRDA and the respondent.

- P. CRDA is exempt from the payment of excise, transportation, and sales taxes therefore such taxes must not be included in the price quoted. Also, the price quoted will be applicable to the entire term of the contract and will not be subject to alterations without the prior written consent of CRDA.
- Q. The bidder must certify that the personnel identified in its response to this RFP will be the persons actually assigned to the project. Any additions, deletions or changes in personnel from the proposal during the course of the project must be approved by CRDA, with the exception of personnel who have terminated employment. Replacements for personnel who have terminated employment are subject to approval by CRDA. At its discretion, CRDA may require the removal and replacement of any of the bidder's personnel who do not perform adequately, regardless of whether they were previously approved by such party.
- R. The respondent is willing to furnish a facility bond and a performance bond if required by CRDA.
- S. **STATUTORY AND REGULATORY COMPLIANCE** – By submitting a proposal in response to this RFP, the respondent implicitly agrees to comply with all applicable State and federal laws and regulations, including, but not limited to, the following:
 - 1. Freedom of Information, C.G.S. § 1-210(b). The FOIA generally requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b). If the respondent indicates that certain documentation, as required by this RFP, is submitted in confidence, the State will endeavor to keep said information confidential to the extent permitted by law. The State has no obligation to initiate, prosecute, or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information pursuant to a FOIA request. The respondent has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. While a respondent may claim an exemption to the State's FOIA, the final administrative authority to release or exempt any or all material so identified rests with the State. In no event shall the State or any of its employees have any liability for disclosure of documents or information in the possession of the State and which the State or its employees believe(s) to be required pursuant to the FOIA or other requirements of law.
 - 2. Contract Compliance . C.G.S. § 42-60 and Regulations of CT State Agencies § 46a-68j-21 thru 43, inclusive. Connecticut statute and regulations impose certain obligations on State agencies (as well as contractors and subcontractors doing business with the State) to ensure that State agencies do not enter into contracts with organizations or businesses that discriminate against protected class persons.

3. Consulting Agreements Representation, C.G.S. § 4a-81. Pursuant to C.G.S. §§ 4a-81 the successful contracting party shall certify if it has entered into any consulting agreements in connection with this resultant Contract. "Consulting agreement" means any written or oral agreement to retain the services, for a fee, of a consultant for the purposes of (A) providing counsel to a contractor, vendor, consultant or other entity seeking to conduct, or conducting, business with the State, (B) contacting, whether in writing or orally, any executive, judicial, or administrative office of the State, including any department, institution, bureau, board, commission, authority, official or employee for the purpose of solicitation, dispute resolution, introduction, requests for information, or (C) any other similar activity related to such contracts. "Consulting agreement" does not include any agreements entered into with a consultant who is registered under the provisions of chapter 10 of the Connecticut General Statutes as of the date such contract is executed in accordance with the provisions of section 4a-81 of the Connecticut General Statutes. Such representation shall be sworn as true to the best knowledge and belief of the person signing the resulting contract and shall be subject to the penalties of false statement.

4. Campaign Contribution Restriction, C.G.S. § 9-612. For all State contracts, defined in section 9-612 of the Connecticut General Statutes as having a value in a calendar year of \$50,000 or more, or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to the resulting contract must represent in the RFP response that they have received the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice.

5. Gifts, C.G.S. § 4-252. Pursuant to section 4-252 of the Connecticut General Statutes and Executive Order No. 21-2, the Contractor, for itself and on behalf of all of its principals or key personnel who submitted a bid or proposal, represents: (1) That no gifts were made by (A) the Contractor, (B) any principals and key personnel of the Contractor, who participate substantially in preparing bids, proposals or negotiating State contracts, or (C) any agent of the Contractor or principals and key personnel, who participates substantially in preparing bids, proposals or negotiating State contracts, to (i) any public official or State employee of the State agency or quasi-public agency soliciting bids or proposals for State contracts, who participates substantially in the preparation of bid solicitations or requests for proposals for State contracts or the negotiation or award of State contracts, or (ii) any public official or State employee of any other State agency, who has supervisory or appointing authority over such State agency or quasi-public agency; (2) That no such principals and key personnel of the Contractor, or agent of the Contractor or of such principals and key personnel, knows of any action by the Contractor to circumvent such prohibition on gifts by providing for any other principals and key personnel, official, employee or agent of the Contractor to provide a gift to any such public official or State employee; and (3) That the Contractor is submitting bids or proposals without fraud or collusion with any person. Any bidder or proposer that does not agree to the representations required under this section shall be rejected and the State agency or quasi-public agency shall award the contract to the next highest ranked proposer or the next lowest responsible qualified bidder or seek new bids or proposals.

6. Large State Construction or Procurement Contract. In accordance with section 1-101qq of the Connecticut General Statutes the State has provided to the Contractor the summary of State ethics laws ("Contractors' Guide to the Code of Ethics") developed by the Office of State Ethics pursuant to section 1-81b of the Connecticut General Statutes. The successful contracting party shall certify that the chief executive officer or authorized signatory and all key employees of such officer or signatory have read and understood the summary and agree to comply with the provisions of state ethics law; shall prior to entering into a contract with any subcontractors or consultants, provide the summary to all subcontractors and consultants and each such contract entered into with a subcontractor or consultant on or after July 1, 2021, and shall include a representation that each subcontractor or consultant and the key employees of such subcontractor or consultant have read and understood the summary and agree to comply with the provisions of state ethics law. Failure to include such representations in such contracts with subcontractors or consultants shall be cause for termination of any resultant Contract. The successful contracting party shall include such summary by reference as a part of the contract terms in each contract with any subcontractor or consultant.
7. Iran Energy Investment Certification C.G.S. § 4-252(a). Pursuant to C.G.S. § 4-252(a), the successful contracting party shall certify the following: (a) that it has not made a direct investment of twenty million dollars or more in the energy sector of Iran on or after October 1, 2013, as described in Section 202 of the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010, and has not increased or renewed such investment on or after said date. (b) If the Contractor makes a good faith effort to determine whether it has made an investment described in subsection (a) of this section it shall not be subject to the penalties of false statement pursuant to section 4-252a of the Connecticut General Statutes. A "good faith effort" for purposes of this subsection includes a determination that the Contractor is not on the list of persons who engage in certain investment activities in Iran created by the Department of General Services of the State of California pursuant to Division 2, Chapter 2.7 of the California Public Contract Code. Nothing in this subsection shall be construed to impair the ability of the State agency or quasi-public agency to pursue a breach of contract action for any violation of the provisions of the resulting contract.
8. Nondiscrimination Certification, C.G.S. § 4a-60 and 4a-60a. If a bidder is awarded an opportunity to negotiate a contract, the proposer must provide the State agency with written representation in the resulting contract that certifies the bidder complies with the State's nondiscrimination agreements and warranties. This nondiscrimination certification is required for all State contracts – regardless of type, term, cost, or value. Municipalities and CT State agencies are exempt from this requirement. The authorized signatory of the contract shall demonstrate his or her understanding of this obligation by either (A) initialing the nondiscrimination affirmation provision in the body of the resulting contract, or (B) providing an affirmative response in the required online bid or response to a proposal question, if applicable, which asks if the contractor understands its obligations. If a bidder or vendor refuses to agree to this representation, such bidder or vendor shall be rejected and the State agency or quasi-public agency shall award the contract to the next highest ranked vendor or the next lowest responsible qualified bidder or seek new bids or proposals.

9. Access to Data for State Auditors. The Contractor shall provide to OPM access to any data, as defined in C.G.S. § 4e-1, concerning the resulting contract that are in the possession or control of the Contractor upon demand and shall provide the data to OPM in a format prescribed by OPM and the State Auditors of Public Accounts at no additional cost.

EXHIBIT A

CONTRACT COMPLIANCE PACKAGE

COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES
CONTRACT COMPLIANCE REGULATIONS
NOTIFICATION TO BIDDERS

The contract to be awarded is subject to contract compliance requirements mandated by Sections 4a-60 and 4a-60a of the Connecticut General Statutes; and, when the awarding agency is the State, Sections 46a-71(d) and 46a-81i(d) of the Connecticut General Statutes. There are Contract Compliance Regulations codified at Section 46a-68j-21 through 43 of the Regulations of Connecticut State Agencies, which establish a procedure for awarding all contracts covered by Sections 4a-60 and 46a-71(d) of the Connecticut General Statutes.

According to Section 46a-68j-30(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance requirements has an obligation to “aggressively solicit the participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials.” “Minority business enterprise” is defined in Section 4a-60 of the Connecticut General Statutes as a business wherein fifty-one percent or more of the capital stock, or assets belong to a person or persons: “(1) Who are active in daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are members of a minority, as such term is defined in subsection (a) of Section 32-9n.” “Minority” groups are defined in Section 32-9n of the Connecticut General Statutes as “(1) Black Americans . . . (2) Hispanic Americans . . . (3) persons who have origins in the Iberian Peninsula . . . (4) Women . . . (5) Asian Pacific Americans and Pacific Islanders; (6) American Indians . . .” An individual with a disability is also a minority business enterprise as provided by Section 4a-60g of the Connecticut General Statutes. The above definitions apply to the contract compliance requirements by virtue of Section 46a-68j-21(11) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder’s qualifications under the contract compliance requirements:

- (a) the bidder’s success in implementing an affirmative action plan;
- (b) the bidder’s success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (c) the bidder’s promise to develop and implement a successful affirmative action plan;
- (d) the bidder’s submission of employment statistics contained in the “Employment Information Form,” indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- (e) the bidder’s promise to set aside a portion of the contract for legitimate minority business enterprises. See Section 46a-68j-30(10)(E) of the Contract Compliance Regulations.

COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES
CONTRACT COMPLIANCE REGULATIONS
NOTIFICATION TO BIDDERS

(Revised 09/17/07)

The contract to be awarded is subject to contract compliance requirements mandated by Sections 4a-60 and 4a-60a of the Connecticut General Statutes; and, when the awarding agency is the State, Sections 46a-71(d) and 46a-81i(d) of the Connecticut General Statutes. There are Contract Compliance Regulations codified at Section 46a-68j-21 through 43 of the Regulations of Connecticut State Agencies, which establish a procedure for awarding all contracts covered by Sections 4a-60 and 46a-71(d) of the Connecticut General Statutes.

According to Section 46a-68j-30(9) of the Contract Compliance Regulations, every agency awarding a contract subject to the contract compliance requirements has an obligation to "aggressively solicit the participation of legitimate minority business enterprises as bidders, contractors, subcontractors and suppliers of materials." "Minority business enterprise" is defined in Section 4a-60 of the Connecticut General Statutes as a business wherein fifty-one percent or more of the capital stock, or assets belong to a person or persons: "(1) Who are active in daily affairs of the enterprise; (2) who have the power to direct the management and policies of the enterprise; and (3) who are members of a minority, as such term is defined in subsection (a) of Section 32-9n." "Minority" groups are defined in Section 32-9n of the Connecticut General Statutes as "(1) Black Americans . . . (2) Hispanic Americans . . . (3) persons who have origins in the Iberian Peninsula . . . (4) Women . . . (5) Asian Pacific Americans and Pacific Islanders; (6) American Indians . . ." An individual with a disability is also a minority business enterprise as provided by Section 4a-60g of the Connecticut General Statutes. The above definitions apply to the contract compliance requirements by virtue of Section 46a-68j-21(11) of the Contract Compliance Regulations.

The awarding agency will consider the following factors when reviewing the bidder's qualifications under the contract compliance requirements:

- (f) the bidder's success in implementing an affirmative action plan;
- (g) the bidder's success in developing an apprenticeship program complying with Sections 46a-68-1 to 46a-68-17 of the Administrative Regulations of Connecticut State Agencies, inclusive;
- (h) the bidder's promise to develop and implement a successful affirmative action plan;
- (i) the bidder's submission of employment statistics contained in the "Employment Information Form", indicating that the composition of its workforce is at or near parity when compared to the racial and sexual composition of the workforce in the relevant labor market area; and
- (j) the bidder's promise to set aside a portion of the contract for legitimate minority business enterprises. See Section 46a-68j-30(10)(E) of the Contract Compliance Regulations.

INSTRUCTIONS AND OTHER INFORMATION

The following **BIDDER CONTRACT COMPLIANCE MONITORING REPORT** must be completed in full, signed, and submitted with the bid for this contract. The contract awarding agency and the Commission on Human Rights and Opportunities will use the information contained thereon to determine the bidder's compliance to Sections 4a-60 and 4a-60a CONN. GEN. STAT., and Section 46a-68j-23 of the Regulations of Connecticut State Agencies regarding equal employment opportunity, and the bidder's good faith efforts to include minority business enterprises as subcontractors and suppliers for the work of the contract.

1) **Definition of Small Contractor**

Section 4a-60g CONN. GEN. STAT. defines a small contractor as a company that has been doing business under the same management and control and has maintained its principal place of business in Connecticut for a one year period immediately prior to its application for certification under this section, had gross revenues not exceeding ten million dollars in the most recently completed fiscal year and at least fifty-one percent of the ownership of which is held by a person or persons who are active in the daily affairs of the company and have the power to direct the management and policies of the company, except that a nonprofit corporation shall be construed to be a small contractor if such nonprofit corporation meets the requirements of subparagraphs (A) and (B) of subdivision 4a-60g CONN. GEN. STAT.

2) Description of Job Categories (as used in Part IV Bidder Employment Information) (Page 2)

MANAGEMENT: Managers plan, organize, direct, and control the major functions of an organization through subordinates who are at the managerial or supervisory level. They make policy decisions and set objectives for the company or departments. They are not usually directly involved in production or providing services. Examples include top executives, public relations managers, managers of operations specialties (such as financial, human resources, or purchasing managers), and construction and engineering managers.

BUSINESS AND FINANCIAL OPERATIONS: These occupations include managers and professionals who work with the financial aspects of the business. These occupations include accountants and auditors, purchasing agents, management analysts, labor relations specialists, and budget, credit, and financial analysts.

MARKETING AND SALES: Occupations related to the act or process of buying and selling products and/or services such as sales engineer, retail sales workers and sales representatives including wholesale.

LEGAL OCCUPATIONS: In-House Counsel who is charged with providing legal advice and services in regards to legal issues that may arise during the course of standard business practices. This category also includes assistive legal occupations such as paralegals, legal assistants.

COMPUTER SPECIALISTS: Professionals responsible for the computer operations within a company are grouped in this category. Examples of job titles in this category include computer programmers, software engineers, database administrators, computer scientists, systems analysts, and computer support specialists

ARCHITECTURE AND ENGINEERING: Occupations related to architecture, surveying, engineering, and drafting are included in this category. Some of the job titles in this category include electrical and electronic engineers, surveyors, architects, drafters, mechanical engineers, materials engineers, mapping technicians, and civil engineers.

OFFICE AND ADMINISTRATIVE SUPPORT: All clerical-type work is included in this category. These jobs involve the preparing, transcribing, and preserving of written communications and records; collecting accounts; gathering and distributing information; operating office machines and electronic data processing equipment; and distributing mail. Job titles listed in this category include telephone operators, bill and account collectors, customer service representatives, dispatchers, secretaries and administrative assistants, computer operators and clerks (such as payroll, shipping, stock, mail and file).

BUILDING AND GROUNDS CLEANING AND MAINTENANCE: This category includes occupations involving landscaping, housekeeping, and janitorial services. Job titles found in this category include supervisors of landscaping or housekeeping, janitors, maids, grounds maintenance workers, and pest control workers.

CONSTRUCTION AND EXTRACTION: This category includes construction trades and related occupations. Job titles found in this category include boilermakers, masons (all types), carpenters, construction laborers, electricians, plumbers (and related trades), roofers, sheet metal workers, elevator installers, hazardous materials removal workers, paperhangers, and painters. Paving, surfacing, and tamping equipment operators; drywall and ceiling tile installers; and carpet, floor and tile installers and finishers are also included in this category. First line supervisors, foremen, and helpers in these trades are also grouped in this category.

INSTALLATION, MAINTENANCE AND REPAIR: Occupations involving the installation, maintenance, and repair of equipment are included in this group. Examples of job titles found here are heating, ac, and refrigeration mechanics and installers; telecommunication line installers and repairers; heavy vehicle and mobile equipment service technicians and mechanics; small engine mechanics; security and fire alarm systems installers; electric/electronic repair, industrial, utility and transportation equipment; millwrights; riggers; and manufactured building and mobile home installers. First line supervisors, foremen, and helpers for these jobs are also included in the category.

MATERIAL MOVING WORKERS: The job titles included in this group are Crane and tower operators; dredge, excavating, and lading machine operators; hoist and winch operators; industrial truck and tractor operators; cleaners of vehicles and equipment; laborers and freight, stock, and material movers, hand; machine feeders and offbearers; packers and packagers, hand; pumping station operators; refuse and recyclable material collectors; and miscellaneous material moving workers.

PRODUCTION WORKERS: The job titles included in this category are chemical production machine setters, operators and tenders; crushing/grinding workers; cutting workers; inspectors, testers sorters, samplers, weighers; precious stone/metal workers; painting workers; cementing/gluing machine operators and tenders; etchers/engravers; molders, shapers and casters except for metal and plastic; and production workers.

3) Definition of Racial and Ethnic Terms (as used in Part IV Bidder Employment Information) (Page 3)

White (not of Hispanic Origin)- All persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.
Black(not of Hispanic Origin)- All persons having origins in any of the Black racial groups of Africa.
Hispanic- All persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

Asian or Pacific Islander- All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes China, India, Japan, Korea, the Philippine Islands, and Samoa.
American Indian or Alaskan Native- All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

BIDDER CONTRACT COMPLIANCE MONITORING REPORT

PART I - Bidder Information

| | |
|---|---|
| Company Name Street Address City & State Chief Executive | Bidder Federal Employer Identification Number _____ Or Social Security Number _____ |
| Major Business Activity (brief description) | Bidder Identification (response optional/definitions on page 1) -Bidder is a small contractor. Yes ___ No ___ -Bidder is a minority business enterprise Yes ___ No ___ (If yes, check ownership category) Black ___ Hispanic ___ Asian American ___ American Indian/Alaskan Native ___ Iberian Peninsula ___ Individual(s) with a Physical Disability ___ Female ___ |
| Bidder Parent Company (If any) | - Bidder is certified as above by State of CT Yes ___ No ___ |
| Other Locations in Ct. (If any) | - DAS Certification Number _____ |

PART II - Bidder Nondiscrimination Policies and Procedures

| | |
|---|---|
| 1. Does your company have a written Affirmative Action/Equal Employment Opportunity statement posted on company bulletin boards? Yes ___ No ___ | 7. Do all of your company contracts and purchase orders contain non-discrimination statements as required by Sections 4a-60 & 4a-60a Conn. Gen. Stat.? Yes ___ No ___ |
| 2. Does your company have the state-mandated sexual harassment prevention in the workplace policy posted on company bulletin boards? Yes ___ No ___ | 8. Do you, upon request, provide reasonable accommodation to employees, or applicants for employment, who have physical or mental disability? Yes ___ No ___ |
| 3. Do you notify all recruitment sources in writing of your company's Affirmative Action/Equal Employment Opportunity employment policy? Yes ___ No ___ | 9. Does your company have a mandatory retirement age for all employees? Yes ___ No ___ |
| 4. Do your company advertisements contain a written statement that you are an Affirmative Action/Equal Opportunity Employer? Yes ___ No ___ | 10. If your company has 50 or more employees, have you provided at least two (2) hours of sexual harassment training to all of your supervisors? Yes ___ No ___ NA ___ |
| 5. Do you notify the Ct. State Employment Service of all employment openings with your company? Yes ___ No ___ | 11. If your company has apprenticeship programs, do they meet the Affirmative Action/Equal Employment Opportunity requirements of the apprenticeship standards of the Ct. Dept. of Labor? Yes ___ No ___ NA ___ |
| 6. Does your company have a collective bargaining agreement with workers? Yes ___ No ___ 6a. If yes, do the collective bargaining agreements contain non-discrimination clauses covering all workers? Yes ___ No ___ 6b. Have you notified each union in writing of your commitments under the nondiscrimination requirements of contracts with the state of Ct? Yes ___ No ___ | 12. Does your company have a written affirmative action Plan? Yes ___ No ___ If no, please explain. 13. Is there a person in your company who is responsible for equal employment opportunity? Yes ___ No ___ If yes, give name and phone number. _____ _____ |

1. Will the work of this contract include subcontractors or suppliers? Yes No

1a. If yes, please list all subcontractors and suppliers and report if they are a small contractor and/or a minority business enterprise. (defined on page 1 / use additional sheet if necessary)

1b. Will the work of this contract require additional subcontractors or suppliers other than those identified in 1a. above?

Yes No

PART IV - Bidder Employment Information

Date: _____

| JOB CATEGORY * | OVERALL TOTALS | WHITE (not of Hispanic origin) | | BLACK (not of Hispanic origin) | | HISPANIC | | ASIAN or PACIFIC ISLANDER | | AMERICAN INDIAN or ALASKAN NATIVE | |
|---|----------------|--------------------------------|--------|--------------------------------|--------|----------|--------|---------------------------|--------|-----------------------------------|--------|
| | | Male | Female | Male | Female | Male | Female | Male | Female | male | female |
| Management | | | | | | | | | | | |
| Business & Financial Ops | | | | | | | | | | | |
| Marketing & Sales | | | | | | | | | | | |
| Legal Occupations | | | | | | | | | | | |
| Computer Specialists | | | | | | | | | | | |
| Architecture/Engineering | | | | | | | | | | | |
| Office & Admin Support | | | | | | | | | | | |
| Bldg/ Grounds Cleaning/Maintenance | | | | | | | | | | | |
| Construction & Extraction | | | | | | | | | | | |
| Installation, Maintenance & Repair | | | | | | | | | | | |
| Material Moving Workers | | | | | | | | | | | |
| Production Occupations | | | | | | | | | | | |
| TOTALS ABOVE | | | | | | | | | | | |
| Total One Year Ago | | | | | | | | | | | |
| FORMAL ON THE JOB TRAINEES (ENTER FIGURES FOR THE SAME CATEGORIES AS ARE SHOWN ABOVE) | | | | | | | | | | | |
| Apprentices | | | | | | | | | | | |
| Trainees | | | | | | | | | | | |

*NOTE: JOB CATEGORIES CAN BE CHANGED OR ADDED TO (EX. SALES CAN BE ADDED OR REPLACE A CATEGORY NOT USED IN YOUR COMPANY)

PART V - Bidder Hiring and Recruitment Practices

(Page 5)

| 1. Which of the following recruitment sources are used by you? (Check yes or no, and report percent used) | | | | 2. Check (X) any of the below listed requirements that you use as a hiring qualification (X) | | 3. Describe below any other practices or actions that you take which show that you hire, train, and promote employees without discrimination |
|--|-----|----|------------------------------------|---|-----------------------------------|--|
| SOURCE | YES | NO | % of applicants provided by source | | | |
| State Employment Service | | | | | Work Experience | |
| Private Employment Agencies | | | | | Ability to Speak or Write English | |
| Schools and Colleges | | | | | Written Tests | |
| Newspaper Advertisement | | | | | High School Diploma | |
| Walk Ins | | | | | College Degree | |
| Present Employees | | | | | Union Membership | |
| Labor Organizations | | | | | Personal Recommendation | |
| Minority/Community Organizations | | | | | Height or Weight | |
| Others (please identify) | | | | | Car Ownership | |
| | | | | | Arrest Record | |
| | | | | | Wage Garnishments | |

Certification (Read this form and check your statements on it CAREFULLY before signing). I certify that the statements made by me on this BIDDER CONTRACT COMPLIANCE MONITORING REPORT are complete and true to the best of my knowledge and belief, and are made in good faith. I understand that if I knowingly make any misstatements of facts, I am subject to be declared in non-compliance with Section 4a-60, 4a-60a, and related sections of the CONN. GEN. STAT.

| | | | |
|-------------|---------|---------------|-------------|
| (Signature) | (Title) | (Date Signed) | (Telephone) |
|-------------|---------|---------------|-------------|

EXHIBIT B

BIDDER ASSURANCE FORM

STATEMENT OF ASSURANCES FORM

The undersigned Respondent affirms and declares that:

- a. The Respondent accepts CRDA's Standard Contract Provisions, which are contained within the Personal Service Agreement (PSA) document.
 - b. This proposal is executed and signed with full knowledge and acceptance of the RFP TERMS AND CONDITIONS stated in the RFP.
 - c. The Respondent will deliver services to CRDA in accordance with the cost proposed in the RFP and within the timeframes therein.
 - d. The Respondent will seek prior approval from CRDA before making any changes to the location of services, such as changes to the service area or elimination of a care or service delivery site. (*Only applicable to those contracts/agreements where specific care sites, service delivery sites, or service areas have been established as part of the contract)
 - e. Respondent certifies that the proposer has not, within the three (3) years preceding the Contract, in any of its current or former jobs, been convicted of, or had a civil judgment rendered against it or against any person who would Perform under the Contract, for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a transaction or contract with any governmental entity. This includes, but is not limited to, violation of Federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property or made an admission of guilt of such conduct which is a matter of record.
- Respondent certifies that it has not within past three (3) years preceding the Contract been suspended or disbarred from any federal, state, local or Tribal programs, business, awards, contracts, agreements, grants or procurements.
- f. Neither the Respondent, nor any official of the Respondent organization has received any notices of debarment or suspension from contracting with the State of Connecticut, other states within the United States, or the Federal Government.
 - g. None of the Respondent organization's subcontractors, or any officials of such subcontractors, has received any notices of debarment or suspension from contracting with the State of Connecticut, other states within the United States, or the Federal Government.
 - h. All contractors and potential state contractors (bidders/proposers/respondents to a solicitation) are subject to the provisions outlined in the Contractors' Guide to the Code of Ethics. The Contractor, for itself and on behalf of all of its principals or key personnel who submits a bid or proposal, represents that such submission affirms the receipt of, understanding of and adherence to all provisions set forth in the Contractors' Guide to the Code of Ethics.
 - i. Campaign Contribution Restriction, C.G.S. § 9-612. For all State contracts, defined in section 9-612 of the Connecticut General Statutes as having a value in a calendar year of \$50,000 or more, or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to

the resulting contract hereby represents, as part of this RFP response, that they have received the State Elections Enforcement Commission’s notice advising state contractors of state campaign contribution and solicitation prohibitions, and that they shall inform their principals of the contents of the notice.

Legal Name of Organization:

Signature of Proposer’s Authorized Official

Date

Printed Name of Authorized Signatory

EXHIBIT C

CAMPAIGN CONTRIBUTION CERTIFICATION



STATE OF CONNECTICUT CAMPAIGN CONTRIBUTION CERTIFICATION

Written or electronic certification to accompany a bid or proposal or a non-competitive contract with a value of \$50,000 or more, pursuant to C.G.S. § 9-612.

INSTRUCTIONS:

Complete all sections of the form. Attach additional pages, if necessary, to provide full disclosure about any campaign contributions made to campaigns of candidates for statewide public office or the General Assembly, as described herein. Sign and date the form, under oath, in the presence of a Commissioner of the Superior Court or Notary Public. Submit the completed form to the awarding State agency at the time of submission of your bid or proposal (if no bid or proposal- submit this completed form with the earliest submittal of any document to the state or quasi-public agency prior to the execution of the contract), and if there is a change in the information contained in the most recently filed certification, such person shall submit an updated certification either (i) not later than thirty (30) days after the effective date of such change or (ii) upon the submittal of any new bid or proposal for a contract, whichever is earlier.

Check One:

- Initial Certification
- Updated Certification because of change of information contained in the most recently filed certification

CAMPAIGN CONTRIBUTION CERTIFICATION:

I certify that neither the contractor or prospective state contractor, nor any of its principals, have made any contributions to, or solicited any contributions on behalf of, any party committee, exploratory committee, candidate for state-wide office or for the General Assembly, or political committee authorized to make contributions to or expenditures to or for, the benefit of such candidates, in the previous four years, that were determined by the State Elections Enforcement Commission to be in violation of subparagraph (A) or (B) of subdivision (2) of subsection (f) of Section 9-612 of the General Statutes, without mitigating circumstances having been found to exist concerning such violation. Each such certification shall be sworn as true to the best knowledge and belief of the person signing the certification, subject to the penalties of false statement. If there is any change in the information contained in the most recently filed certification, such person shall submit an updated certification not later than thirty days after the effective date of any such change or upon the submittal of any new bid or proposal for a state contract, whichever is earlier.

All Campaign Contributions on behalf of any party committee, exploratory committee, candidate for state-wide office or for the General Assembly, or political committee authorized to make contributions to or expenditures to or for, the benefit of such candidate, for a period of four years prior to signing the contract or date of the response to the bid, whichever is longer, include:

| <u>Contribution Date</u> | <u>Name of Contributor</u> | <u>Recipient</u> | <u>Value</u> | <u>Description</u> |
|--------------------------|----------------------------|------------------|--------------|--------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

Printed Contractor Name

Printed Name of Authorized Official

Signature of Authorized Official

Subscribed and acknowledged before me this _____ day of _____, 20__.

Commissioner of the Superior Court (or Notary Public)

My Commission Expires

EXHIBIT D

**CRDA CAMPAIGN CONTRIBUTION
AND SOLICITATION LIMITATIONS**



*Capital Region
Development Authority*

CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

“Principal of a state contractor or prospective state contractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

Please list all Principals of contractor or prospective CRDA contractor (use an additional sheet of paper if necessary).

| PRINCIPALS (as applicable) | NAME | TITLE/RELATIONSHIP |
|--|-------------|---------------------------|
| Members of Board of Directors | | |
| | | |
| President, Treasurer, and Executive Vice Presidents | | |
| | | |
| CEO or officer with comparable powers and duties | | |
| Employee who has managerial or discretionary responsibilities with respect to the CRDA contract | | |
| Applicable Spouses and/or Dependent Children | | |
| | | |
| Political Committees | | |

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

Name/Title:

Date

Appendix I

From : https://www.irs.gov/irb/2017-06_IRB#RP-2017-13

Rev. Proc. 2017-13

SECTION 1. PURPOSE

This revenue procedure provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) of the Internal Revenue Code or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. This revenue procedure modifies, amplifies, and supersedes Rev. Proc. 2016-44, 2016-36 IRB 316, to address certain types of compensation, the timing of payment of compensation, the treatment of land, and methods of approval of rates. Sections 2.11 through 2.14 of this revenue procedure generally describe the modifications and amplifications made to Rev. Proc. 2016-44 by this revenue procedure.

SECTION 2. BACKGROUND

.01 Section 103(a) provides that, except as provided in § 103(b), gross income does not include interest on any State or local bond. Section 103(b)(1) provides that § 103(a) shall not apply to any private activity bond that is not a qualified bond (within the meaning of § 141). Section 141(a) provides that the term “private activity bond” means any bond issued as part of an issue (1) that meets the private business use test and private security or payment test, or (2) that meets the private loan financing test.

.02 Section 141(b)(1) provides generally that an issue meets the private business use test if more than 10 percent of the proceeds of the issue are to be used for any private business use. Section 141(b)(6) defines “private business use” as use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit. For this purpose, any activity carried on by a person other than a natural person must be treated as a trade or business.

.03 Section 1.141-3(a)(1) of the Income Tax Regulations provides, in part, that the 10 percent private business use test of § 141(b)(1) is met if more than 10 percent of the proceeds of an issue is used in a trade or business of a nongovernmental person. For this purpose, the use of financed property is treated as the direct use of proceeds. Section 1.141-3(a)(2) provides that, in determining whether an issue meets the private business use test, it is necessary to look at both indirect and direct use of proceeds. Proceeds are treated as used in the trade or business of a nongovernmental person if a nongovernmental person, as a result of a single transaction or a series of related transactions, uses property acquired with the proceeds of an issue.

.04 Section 1.141-3(b)(1) provides that both actual and beneficial use by a nongovernmental person may be treated as private business use. In most cases, the private business use test is met only if a nongovernmental person has special legal entitlements to use the financed property under an

arrangement with the issuer. In general, a nongovernmental person is treated as a private business user as a result of ownership; actual or beneficial use of property pursuant to a lease, a management contract, or an incentive payment contract; or certain other arrangements such as a take or pay or other output-type contract.

.05 Section 1.141-3(b)(3) provides generally that the lease of financed property to a nongovernmental person is private business use of that property. For this purpose, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Section 1.141-3(b)(3) further provides that, in determining whether a management contract is properly characterized as a lease, it is necessary to consider all the facts and circumstances, including the following factors: (1) the degree of control over the property that is exercised by a nongovernmental person; and (2) whether a nongovernmental person bears the risk of loss of the financed property.

.06 Section 1.141-3(b)(4)(i) provides generally that a management contract with respect to financed property may result in private business use of that property, based on all of the facts and circumstances. A management contract with respect to financed property generally results in private business use of that property if the contract provides for compensation for services rendered with compensation based, in whole or in part, on a share of net profits from the operations of the facility. Section 1.141-3(b)(4)(iv) provides generally that a management contract with respect to financed property results in private business use of that property if the service provider is treated as the lessee or owner of financed property for federal income tax purposes.

.07 Section 1.141-3(b)(4)(ii) defines "management contract" as a management, service, or incentive payment contract between a governmental person and a service provider under which the service provider provides services involving all, a portion, or any function, of a facility. For example, a contract for the provision of management services for an entire hospital, a contract for management services for a specific department of a hospital, and an incentive payment contract for physician services to patients of a hospital are each treated as a management contract.

.08 Section 1.141-3(b)(4)(iii) provides that the following arrangements generally are not treated as management contracts that give rise to private business use: (A) contracts for services that are solely incidental to the primary governmental function or functions of a financed facility (for example, contracts for janitorial, office equipment repair, hospital billing, or similar services); (B) the mere granting of admitting privileges by a hospital to a doctor, even if those privileges are conditioned on the provision of de minimis services if those privileges are available to all qualified physicians in the area, consistent with the size and nature of the hospital's facilities; (C) a contract to provide for the operation of a facility or system of facilities that consists primarily of public utility property, if the only compensation is the reimbursement of actual and direct expenses of the service provider and reasonable administrative overhead expenses of the service provider; and (D) a contract to provide for services, if the only compensation is the reimbursement of the service provider for actual and direct expenses paid by the service provider to unrelated parties.

.09 Section 141(e) provides, in part, that the term "qualified bond" includes a qualified 501(c)(3) bond if certain requirements stated therein are met. Section 145(a) provides generally that "qualified 501(c)(3) bond" means any private activity bond issued as part of an issue if (1) all property that is to

be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit, and (2) such bond would not be a private activity bond if (A) 501(c)(3) organizations were treated as governmental units with respect to their activities that do not constitute unrelated trades or businesses, determined by applying § 513(a), and (B) § 141(b)(1) and (2) were applied by substituting “5 percent” for “10 percent” each place it appears and by substituting “net proceeds” for “proceeds” each place it appears. Section 1.145-2 provides that, with certain exceptions and modifications, §§ 1.141-0 through 1.141-15 apply to § 145(a).

.10 Rev. Proc. 2016-44 provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. Rev. Proc. 2016-44 modified and superseded Rev. Proc. 97-13, 1997-1 C.B. 632; Rev. Proc. 2001-39, 2001-2 C.B. 38; and section 3.02 of Notice 2014-67, 2014-46 I.R.B. 822.

.11 Section 5.02 of Rev. Proc. 2016-44 sets forth general financial requirements for management compensation arrangements eligible for the safe harbor. Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016-44 provide that the contract must neither provide to the service provider a share of net profits nor impose on the service provider the burden of bearing any share of net losses from the operation of the managed property. Before the publication of Rev. Proc. 2016-44, previously applicable revenue procedures expressly treated certain types of compensation, including capitation fees, periodic fixed fees, and per-unit fees (as defined therein), as not providing a share of net profits. Questions have arisen regarding whether these common types of compensation continue to be treated in a similar manner under Rev. Proc. 2016-44. Related questions have arisen about whether a service provider’s payment of expenses of the operation of the managed property without reimbursement from the qualified user (as defined in section 4.04 of Rev. Proc. 2016-44) affects the treatment of these types of compensation. To provide continuity with the previous safe harbors, this revenue procedure clarifies that these types of compensation and certain incentive compensation will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses.

.12 Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016-44 also provide that the timing of payment of compensation cannot be contingent upon net profits or net losses from the operation of the managed property. Questions have arisen about the effect of these restrictions on the timing of payment of compensation. This revenue procedure clarifies that compensation subject to an annual payment requirement and reasonable consequences for late payment (such as interest charges or late payment fees) will not be treated as contingent upon net profits or net losses if the contract includes a requirement that the qualified user will pay the deferred compensation within five years of the original due date of the payment.

.13 Section 5.03 of Rev. Proc. 2016-44 provides that the term of the contract, including all renewal options (as defined in § 1.141-1(b)), must be no greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, under Rev. Proc. 2016-44, economic life is determined in the same manner as under § 147(b), but

without regard to § 147(b)(3)(B)(ii), as of the beginning of the term of contract. Section 147(b)(3)(B)(i) provides that generally land is not taken into account, but § 147(b)(3)(B)(ii) provides that if 25 percent or more of the net proceeds of any issue is to be used to finance the acquisition of land, such land shall be taken into account and treated as having an economic life of 30 years. Questions have arisen about excluding land when the cost of the land accounts for a significant portion of the managed property. This revenue procedure provides that economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. Thus, land will be treated as having an economic life of 30 years if 25 percent or more of the net proceeds of the issue that finances the managed property is to be used to finance the costs of such land.

.14 Section 5.04 of Rev. Proc. 2016-44 provides that the qualified user must exercise a significant degree of control over the use of the managed property. Section 5.04 of Rev. Proc. 2016-44 further provides that this requirement is met if the contract requires the qualified user to approve, among other things, the rates charged for use of the managed property. Section 5.04 of Rev. Proc. 2016-44 also provides that a qualified user may show approval of rates charged for use of the managed property by either expressly approving such rates (or the methodology for setting such rates) or by including in the contract a requirement that service provider charge rates that are reasonable and customary as specifically determined by an independent third party. Questions have arisen about the requirement to approve the rates in various circumstances in which it may not be feasible to approve each specific rate charged, such as for a physician's professional services at a § 501(c)(3) hospital or hotel room rates at a governmentally-owned hotel. This revenue procedure clarifies that a qualified user may satisfy the approval of rates requirement by approving a reasonable general description of the method used to set the rates or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party.

SECTION 3. SCOPE

This revenue procedure applies to a management contract (as defined in section 4.03 of this revenue procedure) involving managed property (as defined in section 4.04 of this revenue procedure) financed with the proceeds of an issue of governmental bonds (as defined in § 1.141-1(b)) or qualified 501(c)(3) bonds (as defined in § 145).

SECTION 4. DEFINITIONS

For purposes of this revenue procedure, the following definitions apply:

.01 *Capitation fee* means a fixed periodic amount for each person for whom the service provider or the qualified user assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of services actually provided to such persons varies substantially. For example, a capitation fee includes a fixed dollar amount payable per month to a medical service provider for each member of a health maintenance organization plan for whom the provider agrees to provide all needed medical services for a specified period. A fixed periodic amount may include an automatic increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar

external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards. A capitation fee may include a variable component of up to 20 percent of the total capitation fee designed to protect the service provider against risk such as risk of catastrophic loss.

.02 *Eligible expense reimbursement arrangement* means a management contract under which the only compensation consists of reimbursements of actual and direct expenses paid by the service provider to unrelated parties and reasonable related administrative overhead expenses of the service provider.

.03 *Management contract* means a management, service, or incentive payment contract between a qualified user and a service provider under which the service provider provides services for a managed property. A management contract does not include a contract or portion of a contract for the provision of services before a managed property is placed in service (for example, pre-operating services for construction design or construction management).

.04 *Managed property* means the portion of a project (as defined in § 1.141-6(a)(3)) with respect to which a service provider provides services.

.05 *Periodic fixed fee* means a stated dollar amount for services rendered for a specified period of time. For example, a stated dollar amount per month is a periodic fixed fee. The stated dollar amount may automatically increase according to a specified, objective external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective external standards. Capitation fees and per-unit fees are not periodic fixed fees.

.06 *Per-unit fee* means a fee based on a unit of service provided specified in the contract or otherwise specifically determined by an independent third party, such as the administrator of the Medicare program, or the qualified user. For example, a stated dollar amount for each specified medical procedure performed, car parked, or passenger mile is a per-unit fee. Separate billing arrangements between physicians and hospitals are treated as per-unit fee arrangements. A fee that is a stated dollar amount specified in the contract does not fail to be a per-unit fee as a result of a provision under which the fee may automatically increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards.

.07 *Qualified user* means, for projects (as defined in § 1.141-6(a)(3)) financed with governmental bonds, any governmental person (as defined in § 1.141-1(b)) or, for projects financed with qualified 501(c)(3) bonds, any governmental person or any 501(c)(3) organization with respect to its activities which do not constitute an unrelated trade or business, determined by applying § 513(a).

.08 *Service provider* means any person other than a qualified user that provides services to, or for the benefit of, a qualified user under a management contract.

.09 *Unrelated parties* means persons other than either: (1) a related party (as defined in § 1.150-1(b)) to the service provider or (2) a service provider's employee.

SECTION 5. SAFE HARBOR CONDITIONS UNDER WHICH MANAGEMENT CONTRACTS DO NOT RESULT IN PRIVATE BUSINESS USE

.01 *In general.* If a management contract meets all of the applicable conditions of sections 5.02 through section 5.07 of this revenue procedure, or is an eligible expense reimbursement arrangement, the management contract does not result in private business use under § 141(b) or 145(a)(2)(B). Further, under section 5.08 of this revenue procedure, use functionally related and subordinate to a management contract that meets these conditions does not result in private business use.

.02 *General financial requirements.*

(1) *In general.* The payments to the service provider under the contract must be reasonable compensation for services rendered during the term of the contract. Compensation includes payments to reimburse actual and direct expenses paid by the service provider and related administrative overhead expenses of the service provider.

(2) *No net profits arrangements.* The contract must not provide to the service provider a share of net profits from the operation of the managed property. Compensation to the service provider will not be treated as providing a share of net profits if no element of the compensation takes into account, or is contingent upon, either the managed property's net profits or both the managed property's revenues and expenses (other than any reimbursements of direct and actual expenses paid by the service provider to unrelated third parties) for any fiscal period. For this purpose, the elements of the compensation are the eligibility for, the amount of, and the timing of the payment of the compensation. Incentive compensation will not be treated as providing a share of net profits if the eligibility for the incentive compensation is determined by the service provider's performance in meeting one or more standards that measure quality of services, performance, or productivity, and the amount and the timing of the payment of the compensation meet the requirements of this section 5.02(2).

(3) *No bearing of net losses of the managed property.*

(a) The contract must not, in substance, impose upon the service provider the burden of bearing any share of net losses from the operation of the managed property. An arrangement will not be treated as requiring the service provider to bear a share of net losses if:

- (i) The determination of the amount of the service provider's compensation and the amount of any expenses to be paid by the service provider (and not reimbursed), separately and collectively, do not take into account either the managed property's net losses or both the managed property's revenues and expenses for any fiscal period; and
- (ii) The timing of the payment of compensation is not contingent upon the managed property's net losses.

(b) For example, a service provider whose compensation is reduced by a stated dollar amount (or one of multiple stated dollar amounts) for failure to keep the managed property's expenses below a specified target (or one of multiple specified targets) will not be treated as bearing a share of net losses as a result of this reduction.

(4) *Treatment of certain types of compensation.* Without regard to whether the service provider pays expenses with respect to the operation of the managed property without reimbursement by the qualified user, compensation for services will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the compensation for services is: (a) based solely on a capitation fee, a periodic fixed fee, or a per-unit fee; (b) incentive compensation described in the last sentence of section 5.02(2) of this revenue procedure; or (c) a combination of these types of compensation.

(5) *Treatment of timing of payment of compensation.* Deferral due to insufficient net cash flows from the operation of the managed property of the payment of compensation that otherwise meets the requirements of sections 5.02(2) and 5.02(3) of this revenue procedure will not cause the deferred compensation to be treated as contingent upon net profits or net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the contract includes requirements that:

- (a) The compensation is payable at least annually;
- (b) The qualified user is subject to reasonable consequences for late payment, such as reasonable interest charges or late payment fees; and
- (c) The qualified user will pay such deferred compensation (with interest or late payment fees) no later than the end of five years after the original due date of the payment.

.03 *Term of the contract and revisions.* The term of the contract, including all renewal options (as defined in § 1.141-1(b)), must not be greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. A contract that is materially modified with respect to any matters relevant to this section 5 is retested under this section 5 as a new contract as of the date of the material modification.

.04 *Control over use of the managed property.* The qualified user must exercise a significant degree of control over the use of the managed property. This control requirement is met if the contract requires the qualified user to approve the annual budget of the managed property, capital expenditures with respect to the managed property, each disposition of property that is part of the managed property, rates charged for the use of the managed property, and the general nature and type of use of the managed property (for example, the type of services). For this purpose, for example, a qualified user may show approval of capital expenditures for a managed property by approving an annual budget for capital expenditures described by functional purpose and specific maximum amounts; and a qualified user may show approval of dispositions of property that is part of the managed property in a similar manner. Further, for example, a qualified user may show approval of rates charged for use of the managed property by expressly approving such rates or a general description of the methodology for setting such rates (such as a method that establishes

hotel room rates using specified revenue goals based on comparable properties), or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party (such as a medical insurance company).

.05 Risk of loss of the managed property. The qualified user must bear the risk of loss upon damage or destruction of the managed property (for example, due to force majeure). A qualified user does not fail to meet this risk of loss requirement as a result of insuring against risk of loss through a third party or imposing upon the service provider a penalty for failure to operate the managed property in accordance with the standards set forth in the management contract.

.06 No inconsistent tax position. The service provider must agree that it is not entitled to and will not take any tax position that is inconsistent with being a service provider to the qualified user with respect to the managed property. For example, the service provider must agree not to claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to the managed property.

.07 No circumstances substantially limiting exercise of rights.

(1) *In general.* The service provider must not have any role or relationship with the qualified user that, in effect, substantially limits the qualified user's ability to exercise its rights under the contract, based on all the facts and circumstances.

(2) *Safe harbor.* A service provider will not be treated as having a role or relationship prohibited under section 5.07(1) of this revenue procedure if:

- (a) No more than 20 percent of the voting power of the governing body of the qualified user is vested in the directors, officers, shareholders, partners, members, and employees of the service provider, in the aggregate;
- (b) The governing body of the qualified user does not include the chief executive officer of the service provider or the chairperson (or equivalent executive) of the service provider's governing body; and
- (c) The chief executive officer of the service provider is not the chief executive officer of the qualified user or any of the qualified user's related parties (as defined in § 1.150-1(b)).

(3) For purposes of section 5.07(2) of this revenue procedure, the phrase "service provider" includes the service provider's related parties (as defined in § 1.150-1(b)) and the phrase "chief executive officer" includes a person with equivalent management responsibilities.

.08 Functionally related and subordinate use. A service provider's use of a project (as defined in § 1.141-6(a)(3)) that is functionally related and subordinate to performance of its services under a management contract for managed property that meets the conditions of this section 5 does not result in private business use of that project. For example, use of storage areas to store equipment used to perform activities required under a management contract that meets the requirements of this section 5 does not result in private business use.

SECTION 6. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2016-44 is modified, amplified, and superseded.

SECTION 7. DATE OF APPLICABILITY

This revenue procedure applies to any management contract that is entered into on or after January 17, 2017, and an issuer may apply this revenue procedure to any management contract that was entered into before January 17, 2017. In addition, an issuer may apply the safe harbors in Rev. Proc. 97-13, as modified by Rev. Proc. 2001-39 and amplified by Notice 2014-67, to a management contract that is entered into before August 18, 2017 and that is not materially modified or extended on or after August 18, 2017 (other than pursuant to a renewal option as defined in § 1.141-1(b))

SECTION 8. DRAFTING INFORMATION

The principal authors of this revenue procedure are Johanna Som de Cerff and David White of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this revenue procedure, contact David White on (202) 317-6980 (not a toll-free number).