



PHILADELPHIA REDEVELOPMENT  
AUTHORITY

**REQUEST FOR PROPOSALS**

INSURANCE BROKERAGE SERVICES

OCTOBER 20, 2015

**Contract Opportunity for  
Insurance Brokerage Services**

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# 1. Introduction

The Philadelphia Redevelopment Authority (the "PRA"), on behalf of itself and as agent for Housing Opportunities Program Philadelphia, Inc. ("HOPP"), HeadHouse Retail Associates, L.P. ("HHRA") and 12<sup>th</sup> and Market HeadHouse Condominium Owners Association ("HeadHouse Condo") (PRA, HOPP, HHRA and HeadHouse Condo shall each be referred to herein as "Entity" and collectively referred to hereinafter as the "Entities") invites competitive proposals from interested insurance brokerage firms (each a "Respondent," collectively, the "Respondents") to provide risk management, insurance, safety & loss control, claims and administrative services for each of the foregoing Entities. The PRA shall select one insurance brokerage firm to act as the insurance broker for the Entities.

Attachment A is a summary of the types of coverages each entity requires.

The Respondent's submission will recommend a conceptual structure of an insurance and risk management program, including proposed coverage, limits and deductibles. Respondent should provide his/her/its recommendations and cost estimates, deductible options and coverage enhancements.

**Interested Respondents are NOT permitted to contact any markets. Market contact will automatically eliminate a Respondent from consideration.**

For purposes of responding to this Request for Proposal ("RFP"), Respondents are required to list at least three (3) of the largest carriers used by their firm for the requested line of coverage and premium volume and the net of commissions or profit sharing arrangements that are generated with these carriers.

## General Information about the Entities

- A. The PRA is a State Agency organized under and pursuant to the Urban Redevelopment Law (35 P.S. 1701 et. seq.). The PRA is the public agency responsible for all urban redevelopment activities within the City of Philadelphia (the "City"). It was established by the State Legislature in 1945 and provided with broad powers, including the right of eminent domain and the ability to issue tax exempt bonds. Through the right of eminent domain, the PRA can acquire private property for a public purpose in neighborhoods designated as blighted by the City's Planning Commission. The PRA's purpose is to administer, implement and complete redevelopment activities necessary for the removal of blight, carried out in cooperation with public and private enterprises and a wide range of City, State and Federal agencies relating to housing renewal and economic development. As a public agency, the PRA is subject to the governmental immunity provisions of Act No.142 42 Pa.C.S. 8501 et. seq.
- B. HOPP is a non-profit corporation created by the PRA to assist the City to (i) acquire, maintain, and sell to third parties residential facilities that are no longer financially supported by the City; (ii) provide housing for individuals with behavioral health disabilities by providing loans or grants to developers who will develop residential facilities; and (iii) provide grants to entities operating and managing rental subsidy programs for individuals with behavioral health disabilities identified by the City.
- C. HeadHouse Condo is a condominium owners association for a condominium located at 1113-1131 Market Street, 1113-A-1131 Market Street and 1112-1140 Filbert Street. There are three units in the condominium – unit #1 is owned by Philadelphia Market Street Marriott Hotel II Limited Partnership and units #2 and #3 are owned by HHRA.
- D. HHRA is a limited partnership. RT HeadHouse Development Corporation is the general partner and the PRA is the limited partner. HHRA leases retail space in Condominium Unit #2 and is responsible for insuring the fit out of Condominium Units #2 and #3. The tenants are required to insure their tenant improvements.

Proposals will be reviewed to determine the most responsive proposal in accordance with the evaluation/selection criteria listed below.

## 2. Scope of Work

The successful Respondent will be expected to provide insurance coverage and risk management related services for each Entity, which will include, but not be limited to:

- A. provide for each Entity's consideration and selection, insurance policy coverages to adequately protect the respective Entity's interests and insurable assets. Respondent will represent and assist each Entity in all discussions and transactions with all insurers, provided that Respondent will not contact any insurers or place any insurance on behalf of any Entity until authorized by such Entity;
- B. perform all necessary insurance marketing services, including but not limited to the following:
  - (i) preparation and finalization of all materials required in connection with soliciting insurance carriers and assist with documentation and all other steps to obtain commitments for and implement the respective Entity's insurance program in accordance with such Entity's instructions;
  - (ii) development of criteria to identify qualified insurers and, when appropriate, reinsurers, giving due consideration to all insurance markets throughout the world, including, but not limited to, domestic stock and mutual companies, reciprocals, Lloyds, foreign companies and other markets acceptable to the respective Entity and/or the City;
  - (iii) solicit proposals from insurance carriers, review and evaluate proposals submitted, and make recommendations to the respective Entity as to such proposals;
  - (iv) place, cancel and otherwise process all binders, policies and endorsements at the respective Entity's direction;
  - (v) review policies upon receipt to verify conformance to the specifications and negotiations and request and monitor required changes;
  - (vi) monitor published financial information of the respective Entity's current insurers and alert such Entity when the status of one or more of such insurers falls below Respondent's minimum financial guidelines; and
  - (vii) utilize the services of other intermediaries to assist in the marketing of the respective Entity's insurance program when, in Respondent's professional judgment, those services are necessary or appropriate;
- C. administer and maintain insurance policies including but not limited to:
  - (i) review and evaluate all premium audit statements and invoices, including verification of all premiums, provide notice of changes in premiums or terms and conditions, cancellation and all pertinent communications from insurers;
  - (ii) review and process endorsements, exceptions and other changes to insurance policies, provide explanations and recommendations regarding the changes and use best efforts to implement the respective Entity's decisions with respect thereto; and
  - (iii) issue required certificates of insurance;

- D. work with the respective Entity personnel or their agent(s) to provide claims administration, handle and monitor losses and process claims under the insurance policies;
- E. conduct strategic planning sessions to review current performance and establish future objectives and strategies;
- F. assist the respective Entity in the review and development of provisions in contractual agreements relating to insurance, liability and risk allocation;
- G. provide the respective Entity personnel or their agent(s) with advice and guidance regarding the types of insurance to require from individuals or entities seeking to do business with such Entity and respond to all inquiries pertaining to insurance in general; and
- H. develop a mutually agreeable renewal action plan and timetable that highlights accountability and meets the respective Entity's objectives.

Respondent will designate a "Client Executive" who will have overall responsibility for supervision of Respondent's performance of this program. Respondent, including its designated Client Executive, will give prompt attention and regard to the instructions, directions and requests of the respective Entity. Respondent will also assign a responsive team of qualified client management, loss control and claims support staff to provide services enumerated.

Respondent will represent that the individuals identified in Respondent's submission are its full time employees (except when a subconsultant is involved) and will be assigned to complete Respondent's obligations.

As part of the PRA policy, Respondent is prohibited from discriminating and may be encouraged to establish subcontracting commitments with minority, women and disabled owned business enterprises on an equitable basis with other firms.

The Scope of Services to be provided by the Respondent will be subject to the execution of a Professional Services Agreement between each Entity and the successful Respondent. The Agreement will be for a term of one year, with three (3) successive one year renewal terms ("Additional Terms") to be exercised at the sole discretion of each Entity.

### 3. Schedule

The timeline for this Contract Opportunity is as follows:

<b>Event</b>	<b>Date</b>
RFP Posted	October 20, 2015
Questions and/or Requests for Additional Information Due	October 27, 2015
Proposals Due	November 03, 2015
Respondent Selected	November 10, 2015
Contract Executed	November 18, 2015

These dates are estimates only and the PRA reserves the right, in its sole discretion, to alter this schedule as it deems necessary or appropriate.

## 4. Proposal Requirements

- A. Proposals must include a detailed plan, cost estimate and timeline and state whether Respondent is now qualified to do business in the Commonwealth of Pennsylvania. Proposal must also include the completed forms identified below in Section 6.
- B. With respect to insurance placed by the Respondent on each of the Entity's behalf, Respondent will disclose to the Entity any commissions, including but not limited to, contingent commissions or overrides received by Respondent attributable to applicable insurance program(s). Disclosure of all applicable commissions will be included in the Respondent's insurance program proposal submitted to PRA for consideration and acceptance.
- C. Please attach a description of Respondent's national/local experience in providing insurance, safety & loss control and administrative services for governmental/municipal authorities or other related entities the firm has negotiated and written. You must include dates, locations and scale of services. A list of three (3) previous contracts requiring work of the type identified in the Scope of Services must also be included which specifies the names, titles and telephone numbers of three (3) officials of those clients who may be contacted as references.
- D. Please provide a statement and/or information regarding your ability to satisfy state licensing and regulatory requirements.
- E. Please provide a copy of Respondent's errors and omissions insurance coverage. Each Entity will require the successful Respondent to provide evidence of errors and omissions (E&O) coverage of not less than five million dollars (\$5,000,000). Such insurance will extend to the Respondent and to its legal representatives in the event of death, dissolution or bankruptcy, and will cover the errors, omissions or negligent acts of the Respondent's agents and employees. Such insurance will extend to any covered act, error or omission in the performance of services under the Professional Services Agreement committed by the Respondent or alleged to have been committed by the Respondent or any person for whom the Respondent is responsible. The certificate of insurance will be issued by a corporation licensed or authorized by the Commissioner of Insurance to do business in Pennsylvania.
- F. Please attach a description of Respondent's financial status which is sufficient to enable to PRA to evaluate the financial qualifications of the Respondent. The description should include but not be limited to:
  - (i) a copy of Respondent's current financial statement and a current audited statement of conditions audited by a Certified Public Accountant; and
  - (ii) whether Respondent has any present overdue indebtedness to any governmental unit or agency, or any outstanding claim or demand of such indebtedness. If so, please specify.
- G. Please attach information which will identify the person who will serve as Client Executive, including his or her qualifications, resume, experience in performing and/or managing the work required in the Scope of Services, and a list of three (3) previous contracts in which said person served as Client Executive. Individuals must have at least five (5) years of experience in providing the services required.
- H. Please attach information which will identify other personnel who will be assigned to complete the work under the contract, indicating the role each will play in completion of the work, and including for each person a resume which sets forth his or her qualifications and relevant experience. Individuals must have at least five (5) years experience in providing the services required.

- I. If any work is to be subcontracted by the Respondent, the Respondent must identify the subcontractor, the work being subcontracted, the qualifications of the subcontractor to perform the work and three (3) references that may be contacted and can comment upon subcontractor experience in providing similar services.
- J. The Respondent will prepare a detailed proposed work plan and plan for completion of the tasks set forth, addressing each component of the work required to be done in the Scope of Services. The work plan should identify specific tasks offered to be performed by the Respondent, methodology for completion of the work, personnel assigned to complete each task and such other information as will be relevant to explaining the Respondent's approach to work required to be performed.
- K. The Respondent must submit a description of one or more methods by which the firm proposes to calculate the fee the Respondent would charge or would propose as compensation for providing insurance services to each of the Entities.

In view of the varying practices for compensation, please state your views on the advantages and disadvantages of customary current fee or commission arrangements. If the Respondent recommends additional services not outlined in this invitation, such services will be described separately. The Respondent will include an estimated dollar value of any anticipated subcontract, if applicable, including a detailed description of the services to be subcontracted. The Respondent will also identify the subcontractor and set forth the compensation to be paid thereunder.

## 5. Evaluation/Selection

Contracts will be awarded to the applicant who best demonstrates the level of experience, skill and competence required to perform the services called for in this RFP in the most efficient, cost-effective, and professional manner. The successful respondent will be willing to execute and work pursuant to the PRA's contract terms and conditions, which include – without limitation – non-discrimination requirements, indemnification of each respective Entity, insurance coverage and cost principles. The PRA reserves the right not to award contracts as a result of this RFP, or to award contracts for part of this scope.

The PRA will be guided by the following criteria in making a selection for award, and will use its professional judgment in determining which respondent best serves the interests of the Entities:

- Superior ability or capacity to meet particular requirements of this contract opportunity and needs of the PRA and the other Entities.
- Superior prior experiences of various scales; demonstrated relative strength, reputation and successful experience providing services and placing coverages such as those identified in Attachment A.
- Eligibility under Philadelphia Code provisions relating to campaign contributions.
- Compliance with the Entities' standards for contracting, such as indemnification and non-discrimination.
- Competence and proven track record working with private sector, governments and development organizations.
- Overall costs.
- Administrative and operational efficiency, requiring less oversight and administration by the Entities or their agent(s). Accessibility of the consultants to the Entities or their agent(s).
- Demonstrated ability to meet timelines and milestones.

- Any other factors the PRA considers relevant to the evaluation of the responses from applicants.

## 6. Declarations and Other Information

MBE/WBE/DBE Firms: The PRA strongly encourages and promotes the employment of qualified MBE/WBE/DBE firms in all aspects of its procurement of goods and services. If applicant is a Certified M/W/DBE, defined as Minority Business Enterprises (MBE), Woman Business Enterprises (WBE), or Disabled Business Enterprises (DBE); please submit information to confirm Certification as part of bid proposal.

Tax Clearance and Conflict of Interest Form: Respondents, upon request of the PRA, must provide evidence satisfactory to the PRA that all municipal taxes, including business taxes, real estate, school, water and sewer charges, if applicable, are current for both the individual applicant and the applicant's firm and neither is currently indebted to the City; will at any time during the term of the agreement be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. Please complete the Philadelphia Tax Status Certification and Conflict of Interest form (Attachment B) and submit it with your proposal.

Campaign Contribution Disclosure Forms: Please complete the applicable disclosure forms (Attachment C) and submit with your proposal.

Insurance Requirements: In addition to the insurance coverage required under Section 4, please submit a certificate of insurance evidencing the required coverages as outlined in Attachment D with your proposal.

### Reservation of Rights

By submitting a proposal in response to this RFP, each Applicant affirmatively acknowledges: (i) its acceptance of the terms and conditions of this RFP; (ii) the PRA may exercise in its sole discretion the following rights; and (iii) the PRA may exercise the following rights at any time and without notice to any Applicant.

1. to reject any and all proposals;
2. to supplement, amend, substitute, modify or re-issue the RFP with terms and conditions materially different from those set forth here;
3. to cancel this RFP with or without issuing another RFP;
4. to extend the time period for responding to this RFP;
5. to solicit new proposals;
6. to conduct personal interviews with any Applicant to assess compliance with the selection criteria;
7. to request additional material, clarification, confirmation or modification of any information in any and all proposals;
8. to negotiate any aspect of a proposal, including price;
9. to terminate negotiations regarding any and all proposals at any time;
10. to expressly waive any defect or technicality in any proposal;
11. to rescind a selection prior to contract execution if the PRA determines that the proposal does not conform to the specifications of this RFP;
12. to rescind a selection prior to contract execution if the PRA determines that the



specifications contained in this RFP are not in conformity with law or that the process in selection of a proposal was not in conformity with law or with the legal obligations of the PRA;

13. in the event a contract is awarded, the successful Applicant or Applicants shall procure and maintain during the life of the contract liability insurance in an amount to be determined prior to the award of any contract;
14. in the event a contract is awarded, all Applicants agree to perform their services as an independent contractor and not as an employee or agent of the PRA or any of the other Entities;
15. in the event a contract is awarded with each of the Entities, all Applicants agree that no portion of performance of the contract shall be subcontracted without the prior written approval of the respective Entity; and
16. each Applicant agrees to indemnify, protect and hold harmless each Entity from any and all losses, injuries, expenses, demands and claims against such Entity or the City sustained or alleged to have been sustained in connection with or resulting from (i) the submission of the Applicant's proposal; (ii) the delivery by the Applicant to the PRA of any other documents or information; and (iii) any other conduct undertaken by the Applicant in furtherance of or in relation to the Applicant's proposal. Each Applicant agrees that its duty to indemnify and hold harmless shall not be limited to the terms of any liability insurance, if any, required under this RFP or subsequent contract.

## 7. Application Process

Applicants must submit **one (1) original and four (4) copies of the proposal and one (1) electronic copy of the proposal on CD to the PRA no later than 4:00 P.M. (EST) on November 6, 2015**; absolutely no proposals will be accepted after that time. Files on the CD may only be in Microsoft Word or Adobe PDF.

An applicant, whether an individual, partnership, LLC, non-profit, for profit or other business entity, may submit only one response to this RFP. Individuals that are related to each other or business entities that are legally related to each other or to a common entity may not submit separate proposals. The PRA, in its sole and absolute discretion, retains the right to reject any proposal where: 1) applicants or principals of applicants are substantially similar or substantially related parties; or 2) the PRA has determined that the applicant has violated these conditions or the spirit of these conditions.

Applicants may hand deliver or send proposals via registered mail to:

Melvis Dunbar  
Philadelphia Redevelopment Authority  
1234 Market Street, 16<sup>th</sup> Floor  
Philadelphia, PA 19107  
Phone: 215-854-6500

### Contact for Additional Information

All questions and requests for additional information should be directed in writing to Melvis Dunbar at ([Melvis.Dunbar@pra.phila.gov](mailto:Melvis.Dunbar@pra.phila.gov)). Questions will only be accepted until 4:00 P.M. (EST) on October 27, 2015. Questions and/or requests for additional information and the PRA's responses to them will be posted on the PRA website.

**NOTICE: The Philadelphia Redevelopment Authority is subject to the Pennsylvania Right to Know Law. Any information provided in your response to this Request for Proposals may be subject to disclosure to the public.**