ADDENDUM #1 - MARCH 18, 2025 REQUEST FOR QUALIFICATIONS AEROSPACE INDUSTRY CLUSTER DEVELOPMENT



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This Addendum is added to and shall become a part of the Request for Qualifications (RFQ) documents dated February 19, 2025. Proposers shall acknowledge receipt of this Addendum in the Letter of Transmittal. Failure to comply may result in rejection of the Proposal.

Note: The Response Due Date <u>has not</u> been changed. Due Date: **Friday, March 28, 2025**The Response Time <u>has not</u> been changed. Time Due: 2:00 PM (CDT)

*	This	Addendum	consists	of the	following:
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	Questio	ns and	Answers:
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1. RFQ mentions both a hard copy mailed (and received by 3/28 2PM CT) and an option for a PDF format over email. Is it both or does one suffice?

<u>Answer:</u> We require proposers to submit both in a sealed envelope; a printed hard copy of the proposal and an electronic PDF file of the proposal either on a CD or USB flash drive.

2. Is there a specific font size or line spacing expected for majority of the text?

<u>Answer</u>: There is no font size or spacing expectation for the text, however, it is recommended that the font size be adequately visible for reading on the hard copy.

3. Is there an expectation or preference of being more on-site? Would there be a location on premises that would support a project team?

<u>Answer</u>: It is anticipated that some components of the selected consultants work would occur on-site and in person, such as focus groups or meetings with stakeholders. The Airport will furnish meeting space at the Airport, or arrange other meeting space off-site for the consultant.

4. Is there a target begin by, or complete by date for the work?

<u>Answer</u>: It is anticipated that a consultant would be selected in April/May at a regularly scheduled Commission meeting and that the consultants work would commence shortly thereafter. It is anticipated that the consultants work would be 6-8 months. Notwithstanding, the specific timeline would be memorialized in a Professional Services Agreement and agreed to by the Consultant and the Commission.

5. Is there a list of specific stakeholder group from CID that will be regularly engaged throughout project? If so, who would be a part of the group responsible?

<u>Answer</u>: The Airport Commission is leading the project but will engage representatives from the Iowa Economic Development Authority and the City of Cedar Rapids – Economic Development Department on a steering committee for the engagement.

6. Is there a specific day to day project manager tasked from CID? Are there other individuals that can support the project team?

<u>Answer</u>: The day-to-day point of contact for the engagement will be Caleb Mason, Director of Properties & Business Development. The leadership team of the Airport – Airport Director, Director of Marking & Communications, Director of Finance & Administration, and Director of Operations will provide project support.

7. At what point (after submission, after shortlist, finalization) would references be notified?

<u>Answer</u>: Depending on the number of submissions, the process may involve shortlisting, in which case finalist firms would be notified on or before Friday, April 4. It is anticipated that finalist interviews would occur the week of April 7-11, subject to scheduling.

8. Is there a specific set of cities or airports that CID has in mind for comparison?

Answer: No specific cities or airports have been preselected for comparison.

9. Are there any specific criteria beyond those listed Section II of RFQ that CID is most interested in evaluating when comparing against other cities / airports?

<u>Answer</u>: Section II of the RFQ identifies some recommended criteria for evaluating CID to other cities & airports, which serve as a baseline for comparison. It is intended that the selected consultant would help refine and recommend additional criteria based on their expertise in site selection evaluation and the demonstrated knowledge of the industry sector.

10. Is there interest in understanding economic impact or economic value to the community and region of the clustering you are seeking to achieve?

Answer: There isn't a specific interest in economic impact

11. What is the allocated budget to perform this work?

<u>Answer</u>: No specific budget has been identified for the work. The Airport is focused on the outcomes of the work product.

12. What if any previous work been performed toward this goal? If so, how far along is the work in process and can this work be shared?

Answer: No previous work has been performed toward this goal.

13. What is the desired timeline for a strategic roadmap to be delivered?

Answer: See answer to #4.

14. What is the target date and expected timeline for this roadmap and recommendations to be activated on?

<u>Answer</u>: In addition to the response in #4 above, the Commission intends to begin acting upon the roadmap recommendations either through its own efforts or through stakeholders immediately upon its completion.

15. Can you elaborate on specific policy or regulatory hurdles that have been identified as barriers to growth? Or required to address as part of this study?

<u>Answer</u>: One recent example of regulatory hurdle was prior to July 1, 2022, lowa implemented a sales tax on aircraft parts and labor. Prior to the legislation, companies bidding on or performing aircraft maintenance, such as avionics were, were at a 7% cost disadvantage as a result of the taxation compared to neighboring states without the tax or a tax exemption.

See reference article: https://www.aopa.org/news-and-media/all-news/2022/june/15/iowa-approves-sales-tax-exemption-for-aircraft-parts-and-labor

In addition, it is expected that the selected consultant will have knowledge of the industry to identify what policy characteristics are necessary for the growth of aviation and aerospace and what gaps may exist in current policy. For example, in lowa there are a series of favorable tax policies for manufacturing and bio-processing.

16. Are there any ongoing initiatives or programs aimed at addressing these barriers?

Answer: There are no formal ongoing initiatives or programs to addressing barriers.

17. What criteria should be used to prioritize the high growth subsegments of the aerospace industry?

<u>Answer</u>: In general, we do not have a preconceived notion as to the priority for aerospace subsegments. Generally, we would assume that workforce skillset of the region would play a role in determining fit. For example, given our high concentration of aerospace engineers (Collins Aerospace, BAE Systems, etc) and other manufacturing, we anticipate that aerospace manufacturing in some form or fashion would match.

18. Are there any specific subsegments or technologies that the region is particularly interested in attracting?

<u>Answer</u>: No predetermined targets have been identified. The Airport is open to exploring all opportunities that will result in physical development and job creation that fit within the region's existing and future workforce skillset.

19. What types of incentive packages have been successful in the past for attracting aerospace companies to the region?

<u>Answer</u>: The primary incentive tools have been local tax property tax incentives, coupled with State job creation incentives, R&D tax credits, and job training tax credits.

20. Are there any specific benchmarks or metrics that the consultant should use for the asset analysis and benchmarking?

<u>Answer</u>: We would rely on the expertise of the consultant to identify the appropriate benchmarks relevant to the analysis in this engagement.

21. What are the key performance indicators (KPIs) for evaluating the success of the strategic roadmap?

<u>Answer</u>: In general, the most desirable KPI is the number of leads or opportunities to compete for in RFI/RFP for specific projects; secondarily, would be the number of conversions to projects representing physical development and new job creation.

22. Has the client developed existing metrics or areas of focus already?

<u>Answer</u>: No, this project represent the initial work to develop a cohesive strategy to develop the aerospace industry cluster.

23. Are there any existing studies or data that the consultant can use for the initial assessment?

<u>Answer</u>: The Airport recently conducted a Master Plan, which generally focused on the development footprint of the airport campus and is tied to the Airport Layout Plan (ALP) as required by the FAA. In addition, there have been several local, regional and statewide studies for general economic development purposes, however, nothing that has specifically addressed aviation & aerospace sector specifically.

24. Has any work already started?

Answer: No work has started.

25. Will the engagement have access to existing, on-going, or completed studies and initiatives? i.e. feasibility studies, zoning expansion, projected budgets, etc.

Answer: Yes, the consultant will have access to all necessary studies.

26. Is there an existing template or past example (that program leaders use) that the Consultant team should plan to leverage and use as part of any analysis, plan, and recommendation? Or should the Consultant plan to use their own based on their own leading practice?

Answer: The consultant will be expected to use their own format for deliverables.

27. Can you provide examples of strategic partnerships that have been effective in similar projects that operate well within the context of this region?

Answer: This engagement is unique to this region.

28. Are there future plans within the scope of regional planning or related to ESG that the consultant team should understand or address as the team addresses this work?

<u>Answer</u>: This work is independent of any existing regional planning efforts. There are no scope targets related to ESG for this project.

29. What Local and State regulatory groups or stakeholders should the Consultant team be aware of and collaborate with throughout this study?

<u>Answer</u>: The Airport is leading this initiative and will help facilitate collaboration with stakeholders. The stakeholders for this project are anticipated to include: Iowa Economic Development Authority, City of Cedar Rapids – Economic Development, Cedar Rapids Metro Economic Alliance, existing industry in aviation/aerospace (BAE Systems, Collins Aerospace, MidAmerican Aerospace, etc), University of Iowa Operations Performance Lab. Other stakeholders may be identified in collaboration between the Airport and consultant.

30. Who are the key stakeholders that should be consulted on this within the city, local businesses, contractors etc.? Will client be able to facilitate introductions?

Answer: See answer to #29. The Airport will facilitate all introductions to stakeholders.

31. Recommendations may include material impacts to capital outlay, 10+ year budget projections, and policy changes. Will the appropriate stakeholders and decision makers for this level of decision making be accessible and engaged during this work?

Answer: Yes, representatives from CID's governing body will be engaged in the work.

32. Typically, we would bring a diverse set of skills as a team to accomplish the work. Is it acceptable to present our qualifications and approach, if asked to interview, as a team or would an interview be constrained to just one primary Consultant representative?

Answer: We expect the consultant to present as a team, particularly those that will be involved in the day-to-day work.

33. Do you envision this engagement to be best completed in person, remote, or in a hybrid model?

<u>Answer</u>: It is anticipated that there would be a combination of in-person and remote work as part of this engagement.

34. How does the committee define success for this consulting engagement? For example, what outcomes or metrics will indicate that the project was a success?

<u>Answer</u>: A successful outcome of this engagement will be a roadmap that identifies industry subsegments to focus the Airport and partners' efforts in business attraction, including specific know or anticipated projects within the subsegments.

35. Based on any previous similar projects, which aspects were most effective, and which proved challenging or less successful?

<u>Answer</u>: This engagement is unique, the Airport has not undertaken an initiative of this scale and scope. However, based on recent master planning, the most successful elements of those planning efforts were based on the high degree of collaboration and communication, with a shared understanding of the vision.

36. What qualities or areas of expertise are most valued in your consultant selection process for this project?

<u>Answer</u>: Specific experience working in aviation or aerospace industry. Of particular value would be firms that have either represented an airport, community, or industry project in the siting of an aviation or aerospace related project.

37. What budget range or cap for this project that we should be aware of?

Answer: See answer to #11.

38. Does the Commission have a preferred pricing structure for this engagement (for example, a fixed project fee, hourly rates, or milestone-based payments)?

Answer: The Commission does not have a preference.

39. Which elements of the strategic roadmap do you consider most urgent or likely to have the greatest immediate impact?

<u>Answer</u>: As this is the first of its kind of study for the Airport, the roadmap in and of itself will be a major win for focusing the efforts of the CID team. We will rely on the expertise of the consultant to help identify immediate, moderate, and long term objectives based on their expertise in the industry.

40. How would you like us to balance achieving short-term "wins" in cluster development with laying the groundwork for long-term growth?

<u>Answer</u>: As the question aptly acknowledges, there is a balance that will be needed to achieve some initial wins, with an understanding that there are long-term objectives.

41. Who are the primary stakeholders involved in the decision-making process for selecting a consultant and overseeing this project?

Answer: The Cedar Rapids Airport Commission

42. What level of involvement do you expect from key regional players like Collins Aerospace, the University of Iowa, or other local industry leaders throughout this project?

<u>Answer</u>: The work of this engagement is being driven by the Airport Commission, however, its efforts are not in isolation. The Airport is a regional entity has a high degree of collaboration with the region. We see the stakeholders listed above, and others, as providing valuable input and insights within this process.

43. What timeline do you consider realistic for initial deliverables and showing measurable progress on the strategic roadmap?

Answer: See answer to #4.

44. Are there existing economic development initiatives or programs in the region that this project should align with or complement?

<u>Answer</u>: While there are other broad economic development initiatives being undertaken within the region, there are no efforts that are specifically and exclusively focused on aviation and aerospace as a cluster. However, we don't anticipate that the work in this engagement will be at odds with any regional work.

45. After the strategic roadmap is developed, how does the Commission envision the transition from planning to execution? For instance, will the Commission lead implementation internally, or do you expect the consultant to continue supporting during the execution phase?

<u>Answer</u>: The Airport anticipates that it will shoulder the majority of the efforts to execute the plan in concert with other stakeholders, including state and regional economic development entities. Notwithstanding, the Commission would not rule out further engagement with the consultant on execution if it determined that was the best course of action.