

REQUEST FOR PROPOSALS:

Fayette County Housing Market Demand Study

Release Date: Aug 2, 2016

Reponses Due: by 4:00 PM Eastern Time on Aug 30, 2016

The Division of Planning, Lexington Fayette County Property Valuation Administrator (PVA), Lexington Downtown Development Authority (LDDA), Lexington Bluegrass Association of Realtors (LBAR), the Home Builders Association of Lexington (HBAL), and the Fayette Alliance Foundation are soliciting a consulting firm to prepare a Housing Market Study for Fayette County, Kentucky.

Any questions and communication regarding this request for qualifications should be submitted via e-mail or in writing to:

**Hannah O'Leary
Lexington Downtown Development Authority
101 East Vine Street, Ste. 100
Lexington, KY 40507**

Parties interested in submitting a response must submit an e-mail stating their intent to holeary@lexingtonky.gov on or before Aug 12, 2016. The e-mail must contain contact information to communicate any clarifications regarding the RFP and answers to any questions received by Aug 19, 2016.

Section 1- Background

Lexington-Fayette County is a mid-sized rapidly growing community of over 305,000 residents in Central Kentucky. The majority of growth in the 1990's was in the eastern and southern parts of the City outside of New Circle Road. The population has grown 17 percent since 2000 and is expected to grow an additional five percent through 2019.

Lexington has seen a diversification of its population and economy in recent years but diversity of housing stock has not kept pace due in great part to the economic downturn. As Lexington prepares for the future, the sponsors of this study seek to identify which housing typologies and locations demand special attention in order to ensure Lexington's housing market matches the needs of current and future residents.

Lexington has shown consistent population and economic growth since the early 20th Century, tripling its population since 1950. Land-use has been at the forefront of local policy discussions for just as long. Lexington established the nation's first Urban Service boundary, adopted in 1958 and adjusted periodically as part of the Comprehensive Plan, with the last update completed in 2013.

Since the completion of the last Housing Market analysis in 2009, consumer preferences, the economy, mobility and demographics have changed. Lexington must strategically develop an equitable housing solution to accommodate its current and future households if we desire to be a competitive mid-sized City. The information obtained as a result of the study will help inform the City's future housing development strategy.

The express purpose of this study is to identify mid-term (10 years) housing demand for both market rate and affordable housing types, and identify economic and regulatory barriers to meeting projected demand.

Section 2- Scope of Work

Firms and/or teams should use the outcomes as a guide for their proposed approach and should be mindful that the schedule and budget for this effort is three months with consultant fees ranging from \$75,000 to \$80,000 inclusive of reimbursable expenses.

A. Geographic Area

The study will describe the home-ownership and rental demands for Fayette County.

B. Desired Outcomes

The study should identify the following:

- Demand for new product types including geographic preference
- Demand for existing product types
- Demand for affordable-housing
- Economic and regulatory barriers to delivery of new/updated market and affordable housing product

C. Deliverables

Report: A professional report or substantial slide deck with narrative and an appendix of charts, maps tables, calculations (including spreadsheet), photos and other attachments to substantiate the work and conclusions. The final report shall be provided in PDF format with ten (10) hard copies.

On-site Visits: The team should presume three (3) site visits inclusive of the presentations listed below.

Presentations: Up to Three (3) presentations of the final report, including a public presentation to government officials and presentation to the sponsoring organizations. Presentations will be coordinated to occur within a single trip.

D. Methodology

The proposal team should recommend a methodology for providing the outcomes listed, however, the study will include at minimum:

1. Documentation of historical and future demographic (including age, education, and income) and market trends, including those in surrounding counties that may affect housing demand in Fayette County;
2. Documentation of recent trends (10 years) in housing product types in Fayette County and a general survey of existing housing stock; and
3. Quantitative projection of 10 year market potential for new housing production by rental/ownership, typology, price, and geographic affinity based on demographic trends; and
4. Calculations of economic gap (if any) between desired housing product development and current market conditions.

Section 3 – Oversight

The study will be over overseen by a steering committee consisting of representatives of the study sponsors:

- Fayette Alliance
- Lexington-Bluegrass Association of Realtors (LBAR)
- Home Builders Association of Lexington (HBAL)
- Lexington Fayette Property Valuation Administrator (PVA)
- Lexington Downtown Development Authority
- Division of Planning – Lexington
- Council Members (2)
- Planning Commission Members (2)

Day to day management will be undertaken by the Division of Planning.

Section 4- Qualifications

While the steering committee reserves the right to choose the firm or team that is best suited to perform the requested scope of services, we anticipate that the ideal firm or team will have significant experience in housing data collection and forecasting for local governments.

The selection criteria for awarding this contract will be based on the following:

1. Experience (40 points)

Specialized experience and technical competence of the person or firm with the type of service required.

2. Methodology (30 points)

Elaborate on what method will be used to collect the housing data and forecast projections consistent with the requested outcomes in this RFP.

3. Clarity of Communication (20 points)

Proposals should clearly identify the housing issue(s) to be explored in the scope, the associated tasks needed to complete the project scope, timeline, and the anticipated outcomes.

4. Fee (10 points points)

Proposed fee is broken down by task and is rated based on the reasonableness of project costs.

Proposals shall contain the appropriate information necessary to evaluate based on these criteria. The steering committee will evaluate the proposals.

Section 5 - Submissions

All proposals must be submitted no later than **4:00 PM (Eastern Time), Aug. 30, 2016**, to:

**Hannah O’Leary
Lexington Downtown Development Authority
101 East Vine Street, Ste. 100
Lexington, KY 40507**

Submittals received after this time and date will not be considered. Six (6) copies of the proposals and one electronic version in pdf format (on CD, thumb drive or email) are required. The proposal should be divided into sections as described below.

- 1) Cover Letter. Include the full name and address of the organization and any branch office or other subordinate element that will perform or assist in performing the scope of services. Identify one Individual to serve as the primary point of contact and include their name, phone number, and e-mail address.
- 2) Firm/Team Description. Provide a description of the lead company in as much detail as necessary to demonstrate the company's ability to carry out the scope of services as requested in this RFP. Include a company profile/description for any sub-consultants that may be used for this effort.
- 3) Project Approach. Provide a concise summary of the firm or team's approach to the project. If your proposal is based upon any variation to the scope of work (reduced or additional services), please outline any clarifications or modifications.
- 4) Project Schedule. Provide a list of key milestones and proposed timing for all phases of the project.
- 5) Project Personnel. Please provide an organization chart of proposed team members and brief resumes for project leaders and managers.
- 6) Experience on similar projects. Provide information regarding previous project experience that is comparable to or include elements related to this effort. Include a contact name and telephone number for each project. Additionally, provide recent sample studies of housing studies prepared as part of your proposal submission which indicate the level of detail in the analysis and typical graphics.
- 7) Fee. Proposals should include a breakdown of the costs of the study, a total fee and a listing of standard hourly rates.

Section 6 - Terms and Conditions

The steering committee reserves the right to:

- Reject any and/or all submittals or portions of submittals,
- Reject a sub-consultant if necessary,
- Approve, disapprove, modify or cancel any of the scope of work to be undertaken

The project sponsors may select a consultant based upon the proposals or short-list up to five firms and conduct interviews if appropriate. The project sponsors will not reimburse any costs associated with the preparation or delivery of proposals or those incurred prior to a formal notice to proceed.

APPENDIX 1- Previous Plans & Studies

<https://www.dropbox.com/sh/ouonyczlz8905p/AABskP0SxPxQcifVJ2ihlSoua?dl=0>

- 1) Lexington's Affordable Housing Challenge and Potential Strategy , CBZ Associates (2014)
- 2) Lexington Fayette Urban County Government Comprehensive Plan, (2013)
- 3) LFUCG Housing Market Study Executive Summary, RCLCO (2009)
- 4) LFUCG Housing Market Study Final Report and Presentation 3-17-10, RCLCO (2009)
- 5) Downtown Master Plan, Addendum, Ayers, Saint, Gross (2007)