

# Networks Northwest

## REQUEST FOR PROPOSAL Target Market Housing Analysis

**Networks Northwest has issued a Request for Proposals (the “RFP”),** for the preparation of Target Housing Market Analyses for the ten-county Northwest Lower Michigan region including Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford counties, with the goal of helping communities in the region better understand the current market potential and need for various types of housing units for each county in the region. The analyses will also help to determine the characteristics of various types of households that represent the potential market for housing in a community and can be used to help guide both community and private sector developers toward adopting strategies for developing and sustaining new or rehabilitated housing in the Northwest Lower Michigan region.

**Responses will be due by 3:30 p.m. on April 22, 2019,** delivered to the following address:

Networks Northwest  
Attn: Kathy Egan  
PO Box 506  
Traverse City, MI 49685

### **General Statement of Work:**

**Objective:** To create market studies that show demand for housing units by price, household income, and community for use in planning activities. These analyses will look at trends and potentials at the county level, for each of the ten counties in Prosperity Region 2; with discussion and estimates relative to housing demand for “growth and investment centers” within the region.

### **Research Questions/Issues:**

1. What are the current demographic, income, employment and housing trends in the study area? What are they projected to be in five years?
2. What types of housing are currently available in the study area, in terms of price points, amenities offered, structure type?
3. What are the major transportation linkages in the study area?
4. What are the target markets for “growth and investment centers” – i.e. cities, villages, and urban townships? What is the housing demand respective to those target markets?

5. What types of projects (either owner or renter) would capture the broadest number of target market households? What types of building types would most appeal to the target market? What price points should be offered (sales prices and rents)?

Each completed TMA should have the following parts:

**1) Executive Summary**

- a) Should include (in a succinct format) the basic findings of the analysis, including
  - i) type and number of units that could be developed under the placemaking approach
  - ii) the locations where this type of development should see maximum success
  - iii) building types to include
  - iv) the size and composition of the target market for projects like this
  - v) an estimate of the absorption rate and period
  - vi) any major impediments to this type of development that can be described.

**2) Description of the study area**

- a) A map of the study area should be included, showing major transportation routes, important places, neighborhoods, and other basic geographic information.
- b) Current population and household counts should be noted, and five year estimates made. A description of the pattern of population and household change since the 2000 Census should be made as well.
- c) Current employment figures, as well as a breakdown of industries and occupations in the area, should be presented.
- d) Current housing conditions should be presented as well, describing:
  - i) The mix of owner and renter households in the area
  - ii) A description of building types in the area currently
  - iii) Contract rents being received in the market by existing projects
  - iv) Amenities on offer from existing projects
  - v) Vacancy rates from existing projects
  - vi) Prices for for-sale housing on offer in the area
  - vii) Amenities included in for-sale housing in the area
  - viii) A map showing the locations of rental housing projects in the study area
  - ix) A map showing recent sales of single-family housing in the area

**3) Placemaking Issues**

- a) A listing and description of the placemaking attributes and amenities in the study area should be provided.
- b) A description of the successes of these efforts in increasing the population or economic activity in the area (increased commercial occupancy rates, more foot traffic, recent housing construction, etc.).
- c) A description of the study area in terms of transportation networks and linkages, describing:

- i) Major transportation corridors, and development efforts around them;
- ii) Locations in the study area that exhibit high levels of walkability or “bikability”;
- iii) Existing public transportation opportunities.

#### **4) Target Market Analysis**

- a) Given the information in the previous sections, what would be the target market for new housing units? The following items should be included in this section:
  - i) A discussion of commuting and migration patterns into and out of the study area.
  - ii) A description of the likely types of households that would be attracted to new housing units in terms of their demographics, employment profile, economic situation and housing preferences.
  - iii) A defensible tie between migration patterns and the size of the in-migrating target market.
- b) “Gap Analysis”
  - i) Given the estimate of the target market and the description of current housing conditions, how much new product (again developed along placemaking principles) will be demanded by the target market?
  - ii) Estimates should be in the form of a range.

#### **5) Attributes of new housing**

- a) The following information should be presented:
  - i) A description of the locations within the study area that are most conducive to housing development
  - ii) A description of the building type that would result in the maximum capture of the target market demand
  - iii) A listing of the price points that would be most successful with target market households

#### **6) Impediments to Development**

- a) What exists in the study area that limits the possibility of development?

#### **7) Conclusions/Issues**

- a) A statement of the general findings of the study should be presented in this section
- b) In addition, other issues not in the scope, but deemed important by the analyst, should be included here as well.

#### **Samples:**

Links to examples of prior studies completed by the firm should be included with the proposal.

#### **Cost:**

The cost of the project should be included in the proposal as a **flat rate per county**, with estimates for travel and other expenses categorized separately.

The selected contractor will complete the above outline scope of work within the specified schedule and adhere to the terms and conditions set forth by Networks Northwest for an amount not to exceed seventy thousand dollars (\$70,000).

Proposals submitted with an alternative scope, schedule, and/or estimated cost will be considered, but are not preferred.