



## **RFQ: Commercial and Residential Market Analysis for the Fond du Lac and North Area Plan**

*Please note: The Consultant is not responsible for all tasks. Some of the tasks listed below are initiated and completed by LISC or DCD staff. These are noted where applicable.*

### **Project Overview**

The Milwaukee office of the Local Initiative Support Corporation (LISC), in coordination with the City of Milwaukee's Department of City Development (DCD), is soliciting Requests for Qualifications for a commercial and residential market analysis for the area near Fond du Lac and North Avenue. A map is attached of the study boundaries. DCD will be updating the Fond du Lac and North Area Plan which is part of the City's comprehensive plan and will use the market analysis to inform the planning recommendations on land use and economic development in the area. The market analysis will also be used to inform the commercial corridor revitalization strategy for Brew City Match; which works to revitalize underutilized commercial properties and pair them with businesses that reflect the neighborhood. The intent of the Fond du Lac and North Area Plan is to create a framework that supports equitable development by planting the seeds required to lift up existing businesses and residents, and create new opportunities for a sustainable mix of housing, businesses, and institutions. These efforts should work toward stabilizing neighborhoods, rather than attempting to displace existing businesses or residents. The client team will be comprised of representatives from LISC, DCD, and the North Avenue Marketplace Business Improvement District. LISC will be primarily responsible for project management.

The focus will be on commercial and residential market trends. The Fond du Lac and North area is made up of a diverse group of neighborhoods with distinct identities, including Amani, Lindsay Heights, Metcalfe Park, Midtown, King Park, and Walnut Hill. The Marketplace, North Avenue Gateway, and Center Street Business Improvement Districts are all located within the study area and support commercial development in the area. The 30<sup>th</sup> Street Industrial Corridor traverses the study area, but an industrial market analysis is not a part of this Market Study.

The client team is looking for assistance in identifying and prioritizing those areas and opportunities where market potential is most viable to develop realistic and innovative strategies for encouraging future development that is inclusive, equitable, and consistent with community goals. Portions of the area have high vacancy rates and many current indicators lag behind the rest of the City and the region. However, a number of recent projects have generated momentum in the area that committed partners are hoping to capitalize on to spur further revitalization.

*Key services for the market analysis will require the Consultant to carry out the following general activities:*

- Review current land uses in the Fond du Lac and North area.
- Review current demographics and project future demographic trends.
- Review residential market data, including analyzing supply and demand of rental and for sale housing units, calculating vacancy rates, reviewing the existing housing options and analyzing the demand for new housing options in the Fond du Lac and North area.

- Carry out a commercial market study analyzing the supply and demand for commercial/retail space in the Fond du Lac and North area, including calculating vacancy rates, completing a trade area analysis, and analyzing the demand for new retail options in the Fond du Lac and North area.
- Determine which corridors and nodes are most viable for different types of commercial activity.
- Identify alternate uses where retail may no longer be viable.
- Conduct stakeholder interviews and/or focus groups with area developers, brokers, business owners and other key informants.
- Identify priority areas for commercial development and housing investment, based on the analysis.
- Determine areas where the housing stock will benefit the most from preservation efforts and areas where there is demand for new housing.
- Identify innovative housing and commercial corridor revitalizations strategies from around the country that have been successful in similar neighborhoods.

The market analysis shall consider and be informed by the following prior plans and studies to be provided the Consultant by DCD:

- City of Milwaukee Fond du Lac and North Area Plan (2004)
- Amani Revitalization Plan (2017)
- Lindsay Heights Quality of Life Plan (2009)
- Marketplace, Gateway, and Center Street BID Operating Plans (2018)
- CDS Lindsay Heights Design Charette (2015)
- CDS Marketplace BID Redevelopment Visioning & Façade Enhancements (2018)

A more detailed scope of work that the selected Consultant will be required to complete is below. Mutually agreeable adjustments to the scope may occur during contract negotiations with the selected consultant.

## **Deliverables**

### **Task 1: Plan Initiation**

**1.1 Contract Negotiation.** LISC and DCD will conduct contract negotiations finalizing scope/budget/schedule with the Consultant, through e-mail and regular mail.

**1.2 Contract Finalization.** LISC and Consultant will sign the contract with the scope/budget/schedule attached. LISC will submit to Consultant a signed final copy of the contract.

**1.3 Project Initiation Meeting.** Consultant will conduct one (1) project initiation meeting with LISC, DCD, and the North Avenue Marketplace BID staff to review the overall work plan, coordination with ongoing community efforts, desired outcomes and expectations, project budget, and timetable.

a) Project initiation meeting will be coordinated by DCD. Consultant will attend the Project Initiation Meeting.

b) Consultant will verify proposed contents of final Market Analysis Briefing Book

- c) Consultant will verify stakeholder involvement approach and details of the meetings
- d) Consultant will provide notes to LISC for preparation of minutes of the meeting.

## **Task 2: Information Gathering and Analysis**

**2.1 Tour.** Consultant team will participate in one guided tour with LISC, DCD, the North Avenue Marketplace BID, and other stakeholders. Logistics will be arranged by DCD.

- a) Consultant will coordinate itinerary with LISC and DCD.
- b) Consultant will provide notes to LISC and DCD for preparation of meeting minutes.

**2.2 Reconnaissance.** Consultant will review past planning efforts listed above and provide written summary of relevant information to be included in draft report.

**2.3 Review Land Use.** Consultant will review current land use trends and conditions, analyze supply and demand, review the quality and quantity of existing commercial and residential land uses within the Fondy/North area, along with, institutional, non-profit, and office uses within the study area and identify the advantages and challenges for new development and redevelopment.

- a) DCD will work with Consultant to secure updated City of Milwaukee parcel level data. DCD will provide pertinent real estate data as available from the Fond du Lac and North area, adjacent planning areas and select commercial corridors in the City of Milwaukee. This may include publicly available MPROP data and other selected city-maintained data requested by Consultant, if available. The data should be provided in GIS-compatible formats where applicable.
- b) Consultant will analyze the data to identify land use and development trends in the Fond du Lac and North area and adjacent planning areas, focusing on area requirements, amenities and services, and relationship to important institutions and current and proposed transportation facilities.
- c) Consultant will document the results of the analysis in the draft report.

**2.4 Focus Group.** Consultant will conduct two focus group of developers, brokers, and lenders to discuss real estate and development potential and impediments, business needs, strengths and weaknesses of the area, and development trends within the area. One focus group will focus on commercial markets and one will focus on residential markets. DCD will be responsible for all meeting logistics and content. These focus groups will be coordinated with DCD.

- a) Consultant will provide LISC and DCD with questions for the focus groups and follow up questions.

The Consultant will refine and revise the questions in consultation with LISC and DCD.

The questions will address the specific strengths, weaknesses, opportunities and threats for development in the Fond du Lac and North area and be used to verify development, land use and workforce trends identified in task 2.3. Discussion topics will include identifying opportunities for new development and redevelopment.

b) LISC and DCD, in coordination with Consultant, will identify invitees for the focus groups. Invitees may include representatives local developers and property owners, neighborhood leaders, real estate brokers, small business owners, etc.; and others as identified in collaboration with LISC and DCD.

c) LISC and DCD will organize the focus group, secure a location, invite attendees, provide logistical items to host and facilitate the focus group. The Consultant will facilitate the focus group. LISC and DCD will attend the focus group and aid in facilitation as necessary.

d) Consultant will provide DCD with minutes of the focus group.

e) Consultant will summarize and document the results of the focus groups in the draft PowerPoint presentation.

**2.5 Stakeholder Interviews.** Consultant will participate in up to 6 (six) stakeholder interview sessions. DCD will be responsible for all meeting logistics and will try to schedule interviews on the same day. These interviews will be conducted by the Consultant.

a) In collaboration with LISC and DCD, Consultant will recommend candidates for interview. LISC and DCD will assist the consultant to arrange interviews at times and locations to be determined at the Project Initiation Meeting.

b) Consultant will provide LISC and DCD with stakeholder interview questions and follow up questions. The Consultant will refine and revise the questions in consultation with LISC and DCD. The questions will address the specific strengths, weaknesses, opportunities and threats for development in the Fond du Lac and North area and be used to verify development and land use trends identified in task 2.3.

c) Consultant will conduct confidential interviews.

d) Consultant will summarize interview results and document them in the draft report.

e) Upon mutual agreement between LISC, DCD and Consultant, additional focus groups may be substituted for stakeholder interviews at a ratio one focus group to three stakeholder interviews.

**2.6 Residential Market Analysis.** Review residential market data, including analyzing supply and demand of rental and for-sale housing units, calculating vacancy rates, reviewing existing housing options and analyzing the demand for new housing options in the Fond du Lac and North area.

This will include identifying the areas of the study area where a demand for new or substantially rehabilitated housing may exist, and recommending the specific housing types that should be created to meet this demand.

a) DCD, in consultation with the Consultant, will provide data on the supply of both rental and for-sale housing in the Fond du Lac and North area. This may include housing characteristics (number of bedrooms, age of building, etc.), vacancy rates, percentage of owner-occupied homes, number of rent/income restricted units, data on monthly rental rates, and historic rental rate and housing sales trends. The Consultant shall provide basic demographic information on area residents in this inventory. To the greatest

degree possible, this data should be presented for the individual neighborhoods within the Plan area.

b) The Consultant will analyze the neighborhood housing data to develop a summary of relevant housing market trends, develop a series of maps/graphs/infographics that convey this information to the general public, and identify the implications of these trends and market conditions on land use planning. This should include identifying and recommending priority areas for residential development that have the greatest potential to spur additional private investment in the area. The Consultant will also identify the housing types for which there is the most demand. If the Consultant concludes that there are areas where there is not a market for new, market-rate residential development, the Consultant will discuss other potential alternative uses based on knowledge of the both the local market and national best practices. To the greatest degree possible, this data should be presented for the individual neighborhoods within the Plan area.

c) The Consultant, based on the data collected in the previous tasks and knowledge of the national market and of the City's existing programs, will evaluate housing needs in the study area and present additional or alternative programs, for DCD's consideration related to:

- Innovative forms of home ownership
- Housing rehabilitation programs
- Potential uses for vacant properties

The City of Development will supply the Consultant with information related to existing housing assistance and vacant lot programs.

d) Consultant will document the results of analysis in a briefing book/ detailed PowerPoint.

**2.7 Commercial Market Analysis.** Review the market analysis section of the Fond du Lac and North Area plan, as well as more recent planning efforts.

a) Consultant will work with LISC and DCD to verify the various Fond du Lac and North area commercial corridor boundaries for analysis and will identify the overall Fond du Lac and North trade area and its relationship to surrounding commercial areas. Commercial corridors of focus are likely to include the Gateway, Marketplace, and Center Street BID areas, as well as a portion of West Vliet Street and Burleigh Street.

b) Consultant will provide a summary of existing commercial space, including vacancies.

Information to be included: types of commercial uses present (including non-profit/social service users), approximate lease rate, area, age of building.

c) Consultant will complete retail gap analysis to determine whether there is an over or under supply of specific retail options in the planning area.

d) Consultant will analyze current and future retail demands in the area and space requirements by retail category.

e) Consultant will identify opportunities for commercial development in the Fond du Lac and North area. This will include identifying which commercial corridors or nodes may be best

positioned to attract those categories of new businesses for which there is demand in the Fond du Lac and North area and where investment in attracting retail/commercial users should be prioritized.

f) Consultant will provide a review and assessment of potential sources of capital, both conventional and creative.

g) Consultant will document results of analysis in briefing book or detailed PowerPoint.

**2.8 Land Use Change Analysis.** Review of sites susceptible to change, including vacant and underutilized properties to identify opportunity sites and corridors with the highest potential for redevelopment. Consultant will identify market opportunities within the plan area and determine where and what types of investment and development will most likely be long-term economically successful.

a) Using data gathered in tasks 2.2-2.7, Consultant will identify key opportunity sites in the Fond du Lac and North area. Consultant will identify corridor specific recommendations for investment and phasing to maximize redevelopment potential.

b) In coordination with DCD and LISC, Consultant will make policy recommendations to preserve desirable mix of uses in the Fond du Lac and North area.

**2.9. Public Presentation.** Consultant will participate in three public meetings to present results of the market study. (This may include a presentation to the Plan Advisory Group for the larger comprehensive planning effort.)

### **Task 3: Report**

**3.1 Draft and Final Report.** The Consultant will prepare a Draft briefing book, with text, tables, graphs, maps, and photographs to illustrate and help communicate the details of the market analysis. This briefing book can be in the form of a detailed PowerPoint presentation, if that is preferred by the Consultant. This Draft will be reviewed by LISC and DCD. Consultant will incorporate any changes from this review into a Final report. The plan document will include an executive summary.

a) Consultant will provide report to LISC and DCD in either PowerPoint or InDesign format.

b) The draft and final reports will include the content specified in this Scope of Services, or as revised by LISC in consultation with Consultant.

c) The Final Market Study document may be adopted as an update to the Fond du Lac and North Avenue Area Plan.

d) It is anticipated that the draft report will be submitted within four months of notice to proceed. If delays arise, Consultant will coordinate with LISC to submit the draft report in as timely a fashion as possible. The final report will be submitted within one month of receipt of all comments and revision of the draft document.

### **Task 4: Project Management and Quality Assurance**

**4.1 Project Management.** The Consultant will manage the project in accordance with standard Consultant practices, providing regular invoicing, along with budget and schedule reviews.

**4.2 Progress and Coordination Meetings.** In addition to periodic check in phone calls, The Consultant will attend up to three progress meetings during the course of the project, to coordinate with LISC and DCD. One meeting is recommended to be used to prepare for the focus groups detailed in task 2.4, one meeting to present preliminary findings to LISC and DCD in advance of submission of the draft report, and one to review comments on the draft report.

**4.3 Quality Management.** Prior to submission of the draft report, the Consultant will provide an internal technical review of the draft report by a Consultant staff member not associated with the project with expertise in economic and market evaluation. The reviewer's comments will be resolved in accordance with Consultant's quality management system and the draft report will be revised accordingly. The client team expects a fully-proofed final product.

### **Budget**

The Leadership Team plans to allocate \$40,000 to the development of the Fond du Lac and North Area Plan Market Analysis Update. This amount includes consultant fee, travel reimbursements and all material costs.

### **Project Timeline**

This is a 4-month project and all project goals and deliverables must be delivered within a 4 month time period starting on date of hire.

Market Analysis Consultant must have the following proven abilities:

- Solid writing and communication skills
- Skilled facilitation practices
- Knowledge of and experience with neighborhood-level development issues. Familiarity with the neighborhoods within the study area is not required, but is helpful.
- In-depth knowledge and experience in preparing market analysis for both commercial and residential contexts.
- Ability to think creatively and collaboratively about complex and challenging urban market environments.

### **Principal Point of Contact & Submission Guidelines**

Ms. Beth Haskovec, Program Officer, LISC Milwaukee

Please submit a cover letter indicating interest, project understanding, and composition of team; your resume; and the following:

- Examples of similarly-complex market analyses (please include previous project timeline with major tasks and milestones).
- Two client references and note whether email or phone is better for reaching your references.

Materials may be submitted to [bhaskovec@lisc.org](mailto:bhaskovec@lisc.org). Subject line – ATTN. Market Analysis RFQ.

### **Deadline for Submission**

January 10, 2019