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COMMUNITY DEVELOPMENT

Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement

Date: January 30, 2017
To: Mayor and City Council
From: Dave Gobin, Community Development Director
Cc: Gregg Mandsager, City Administrator
Re: Request to Approve Housing Demand Study Agreement

INTRODUCTION: During the last budget cycle, the City decided and approved funding for the Community Development Department to conduct a Housing Demand Study. This is different than a traditional Housing "Needs" study that generates a significant amount of statistics and qualitative data and a Demand Study uses more qualitative data to come up with its recommendations.

BACKGROUND: We started in September advertising for RFQs from consultants so we could qualify whether we could invite them to prepare a final proposal. Over the last several months we whittled it down to a few firms that qualified. Our small internal group decided to contract RDG Planning & Design, Inc. <http://rdgusa.com/>. The reasons we decided on RDG was that they were more local than others across the country and more focused on the quantitative work than the qualitative data that we could already produce and provide.

We have attached a copy of the proposal and draft Agreement with RDG. We will continue to work with the Chamber to solicit contributions from realtor agencies, corporations that recruit to Muscatine and developers that have shown interest.

RECOMMENDATION: Staff is requesting Council approve that the City enter into an agreement with RDG Planning & Design, Inc., not-to-exceed \$32,000 (which was budgeted for \$25,000) to conduct a Housing Demand Study for the City of Muscatine.

**"I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them" — Mark Twain**

**AGREEMENT FOR CONSULTING SERVICES BETWEEN
CITY OF MUSCATINE, IA
AND RDG SCHUTTE WILSCAM BIRGE, INC.**

This Agreement is entered into this _____ day of _____, 2017, by and between the City of Muscatine, Iowa, hereinafter referred to as the "City" and RDG Schutte Wilscam Birge, Inc., 900 Farnam St., Suite 100, Omaha, Nebraska 68102, hereinafter referred to as the "Consultant."

WHEREAS, the City has identified the need to prepare a Housing Market Study as a major community priority; and

WHEREAS, the City is committed to a planning process that provides public and business involvement in the development of the plan; and

WHEREAS, the Consultant has indicated a willingness to provide professional planning services to the City in the preparation of this plan.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

Section One. Scope of Services

The Consultant agrees to provide in a complete and professional manner the work elements set forth in Attachment A: Scope of Services & Schedule, attached hereto and incorporated into this Agreement.

Section Two. Additional Services

2.1. If, during the progress or upon completion of the work outlined in the Scope of Services in this Agreement, it is desirable or necessary to cause the Consultant to perform additional services other than those outlined in the Scope of Services, an hourly schedule and reimbursable expense schedule may apply, or a fee may be negotiated.

2.2. Additional tasks may be added to this agreement by written amendment(s) at such time the City is prepared to proceed with each Task.

Section Three. Time of Performance

The schedule for completion of the project is shown on Attachment A: Scope of Services & Schedule.

Section Four. Responsibilities of the City

The City agrees to provide the Consultant with complete information and available maps and materials relevant to the completion of the services provided herein and to perform the services identified as the City responsibility on Attachment A.

4.1. Access to Work. The City shall make best efforts to arrange access to and make provisions for the Consultant to enter upon public and private lands as required for the Consultant to perform such work as inventories, field surveys, and inspections in the development of the plan.

4.2. Records, Files, and Previous Planning Efforts. The City shall make all records and files relevant to the plan available to the Consultant as needed and furnish all reasonable and necessary assistance in the use of such records and files. In addition, the City shall make previous reports and market studies available to the Consultant, along with all other studies and work that provide information pertinent to the completion of the plan.

4.3. Mapping. The City will provide all available electronic maps in a form usable by the Consultant, including recent plats.

4.4. Consideration of Consultant's Work. The City shall give thorough consideration to all reports, drawings, and other documents presented for review by the Consultant and shall inform the Consultant of all decisions and comments within 30 days to avoid undue delays.

4.5. Meetings. The City shall provide logistical support for all meetings, including arranging for meeting places and notification of participants and citizens. The City shall further hold all required public hearings, serve all required notices, and fulfill all legal requirements associated with the project. The Consultant agrees to attend meetings as identified on Attachment A: Scope of Services and Schedule.

4.6. The City's Representative. The City's representative, David Gobin, Community Development Director, or such other person as designated by the City, shall be responsible for the City's portion of the project management.

Section Five. Compensation and Method of Payment

5.1. Total compensation pursuant to the services specified in this Agreement, except as provided in Section 2.1, shall not exceed the sum of \$32,000 without additional approval from the City.

5.2. Payment for services shall be made monthly in proportion to services performed.

5.3. All travel expenses for two (2) site visits are included in the fee. Additional visits will be billed at cost. Duplication costs for distribution of surveys, interim reports, and the draft plan document to staff and/or the public is the responsibility of the City and are not included in the fee. Consultant will provide the City with one digital and one hard copy of the final plan.

Section Six. Ownership of Materials

6.1. The City shall control all media releases or other publicity related to the completion of this project.

6.2. No report, map, or other document produced in whole or part under this agreement shall be the subject of a copyright application by the Consultants.

6.3. In addition to the one hard copy of the final plan referenced in Section 5.3., the Consultant agrees to provide the City with a digital copy of the document, including maps, and agrees that the City may make additional copies of the document or maps as needed. This plan and all end products of this plan belong to the City of Muscatine, to be used at their discretion.

Section Seven. Assignment

The Consultant agrees that they are prohibited from assigning an interest in this agreement or delegating the performance of any of its duties hereunder without the written consent of the City.

Section Eight. Amendments

Either party to this Agreement may request an amendment or modification. Such amendment will not take effect unless incorporated into this Agreement by written amendment executed by both parties.

Section Nine. Nondiscrimination

In the execution of this Agreement, the Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, disability, national origin, age, marital status, or receipt of public assistance.

Section Ten. Termination

This agreement may be terminated by either party upon ten (10) days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the other. In the event of such termination, due to the fault of others than this firm, this firm shall be paid for services and expenses to the date of such termination.

The City may terminate this Agreement for the City's convenience and without cause upon giving the Consultant not less than ten (10) days written notice. Upon termination for convenience, the City shall pay Consultant its fees earned to the date of the notice of termination.

Section Eleven. Independent Contractor

In relationship to the City of Muscatine, the status of the Consultant under and by virtue of this Agreement is that of independent contractor.

City of Muscatine

By:

Gregg Mandsager, City Administrator

RDG Schutte, Wilsam, Birge, Inc

By:



Amy A. Haase, Senior Partner

Attachment A: Scope & Fee

TASK I: Citizen Participation & Market Surveys

A. Technical Committee

A small group of city officials and key stakeholders should be formed to help guide the process. They will meet regularly to provide feed-back and guidance to the planning process.

B. Community and Market Survey

RDG will develop a general market survey for e-mail distribution, with paper versions provided to the City for distribution as appropriate. This survey will gather information on the current market and local/regional housing perceptions.

In addition to the general community survey, RDG will develop a **Workforce Housing Survey**, a short survey that will be distributed to the city's largest employers. This can be done online, with paper copies also available. In order to generate a successful response, the survey must be concise, and quickly identify their housing needs and impediments. It will include a short section specifically oriented to individuals over the age of 55.

C. Stakeholders/Key Person Interviews

RDG will conduct a two-day program of stakeholder group discussions. These small group discussions will last 60-90 minutes and will educate the planning team on the housing issues and opportunities. Participating groups may include:

- Lenders
- Builders and developers
- Employers
- Public sector – city and community representatives of the City of Muscatine
- Realtors and property managers
- Homebuyers identified by local real estate agents
- Renters identified by property managers and landlords
- Development corporations, service providers, and nonprofit organizations
- Representatives from target markets, including seniors and young professionals
- Housing and social service providers
- Economic development agencies

These groups should not be larger than 10 to 12 individuals.

D. Public Presentation

Following completion of Task IV, RDG will present study results to all city and community stakeholders. These include participants in the stakeholder groups, city officials, and other interested members of the public.

TASK II: Population & Market Analysis

The market analysis phase of the project examines detailed population and economic dynamics in Muscatine and quantifies specific demands and markets. The most recent American Community Survey; 2010 Census data; other Census Bureau supported data as needed; ESRI Community Analyst; and MLS data will be used, and access to additional County Assessor data will allow us to cross tabulate housing value, home ownership and demographic data into an atlas of the community. Any city data pertinent to the housing study including all GIS data will be used.



A. Demographic and Economic Atlas of Muscatine

The objective of this section will be to assemble and analyze basic data related to population trends and the economic and housing health of Muscatine. Components of this data that can be illustrated in an atlas format include:

- Population change
- Migration patterns, including migration and population change by age cohort
- Age composition
- Income distribution
- Employment characteristics
- Social statistics and family composition
- Property values, including relationships of land and improvement value
- Housing characteristics, including occupancy, values, affordability, and condition

Population change, income distribution and housing characteristics will be compared with other communities in the region and/or of similar size.

B. Market Assessment

RDG will use locally-provided data, national data sources, and our own projection modeling to complete housing and economic inventories and forecasts. The variables that we use and develop include:

- Population and development forecasts, based on demographic trends and development activity
- Development history and construction activity by price and type
- Housing cost trends, using Multiple Listing Service information if available, sales information and assessment trends; and the telephone survey of rental properties described in Task I
- Affordability analysis
- Projected housing demand for all types of housing, with a specific emphasis on affordable cost ranges
- Review of existing housing incentive programs for affordable housing
- Housing demand by occupancy type
- Housing demand by price point, pinpointing affordable housing needs both at present and projected
- Land demand by density classification/site analysis
- Special-population demands, including senior housing demand by price and occupancy
- Employment composition and change within the market area, identifying factors that could influence demand generated by predictable population change
- Review of the existing organizational structures relative to the provisions for housing services
- Review of regulatory environment related to housing construction and affordable housing, including zoning and subdivision regulations

C. Regional Housing Market

An analysis of data on regional employment and housing demand including peer communities. The analysis should include an extensive demographic analysis of this population to determine the type of housing most suitable to this market.

TASK III: Opportunities Map

During this step, RDG will complete an on-site field review of housing in Muscatine. Several of the scope elements detail mapping of housing issues and opportunities in the community. We propose that this is combined into an overall map that includes our own field assessment of housing and neighborhood opportunities. The purpose of this review will be to identify potential development and redevelopment areas in the city. The City's Comprehensive Plan will be reviewed to identify residential land use directions. Findings will be combined with citizen feedback gathered in Task I to create an Opportunities Map. This part of the process will include an analysis matrix of existing developments that are not fully built-out, examining size, available lots, lot costs, infrastructure service, and other factors.



TASK IV: Strategic Assessment, Housing Program and Implementation

A. Housing Goals

Building on the data and analysis collected in Tasks I - III, the city's long term housing goals will be identified. These goals will be reviewed and confirmed by the steering committee as the basis for future housing policies and initiatives. The goals should be strategic in nature and build on the city's assets and challenges.

B. Directions Forward

Specific directions to address the city's housing gaps and opportunities will be identified, this will include action items and milestones that can measure accomplishments and implementation progress.

RDG will provide a detailed overview of potential funding sources and strategies designed to address the goals laid out within the plan. Recommendations may be made regarding incentives for construction of new housing. In addition, organizational and regulatory recommendations will be made as needed to facilitate housing construction.

Task IV includes the production of the final housing study document, which will present all of the above information and recommendations. This step concludes with a Stakeholder Presentation that addresses the findings and results of the study (see Task I).

Schedule

Month 1

- Launch Surveys (Task I)
- Initial Population & Market Analysis, Housing Profiles (Task II)
- Community tour with staff to identify opportunity areas
- Technical Committee Meeting 1 (On-Site)

Months 2

- Stakeholder/Key Person Interviews (Task I)
- Technical Committee Meeting 2 (On-Site)
- Finalize opportunity map following Interviews

Month 3

- Completion of Population & Market Analysis, Housing Profiles (Task II)
- Strategic Assessment
- Housing Program/Incentive Recommendations (Task IV)
- Draft Plan for review
- Technical Committee Meeting 3 (Web-Conference)

Month 4

- Public Presentation (Task I)
- Study Refinement & Delivery of Final Study (Task IV)
- Governing Body Approval process begins

