



Request for Proposal (RFP) No. 13-04

RENTAL HOUSING NEEDS ASSESSMENT

CITY OF NEWARK  
Delaware  
220 South Main Street  
Newark, Delaware 19711

**City of Newark**

**Delaware**

**RFP NO. 13-04**

**RENTAL HOUSING NEEDS ASSESSMENT**

**NOTICE**

The City of Newark will accept sealed proposals from qualified firms until 2:00 p.m., Tuesday, August 6, 2013 at the City of Newark, Purchasing Office, 220 South Main Street, Newark, DE 19711 and will be publicly acknowledged as received in the Council Chamber shortly thereafter.

Copies of this request may be obtained from the Purchasing Office on the second floor of the Newark Municipal Building or on the City website at [www.cityofnewarkde.us](http://www.cityofnewarkde.us).

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RFP 13- 04

**RENTAL HOUSING NEEDS ASSESSMENT**

**INTRODUCTION**

Over the recent past, the City of Newark, Delaware, home to the University of Delaware has experienced significant growth in off campus student rental housing, and the related community impacts associated with this growth. Since the 1980s, the City's strategy for addressing these impacts has been to limit insofar as possible the conversion of single family homes into student rentals and diligent enforcement of property and order maintenance regulations. At the same time and to the same end, the City has encouraged owner-occupancy through housing assistance programs, and approved the development of mixed use buildings in the downtown core district. Our efforts have met significant successes, but have also created some unintended negative impacts. As for successes, the effort has nearly completely revitalized downtown Newark into a National award-winning and vibrant mix of first floor retail, restaurants and service businesses with upper floor apartments (and even one owner-occupied condo building) through infill development or redevelopment of existing sites, within walking distance of campus. The strategy brought Newark through the recent recession with hardly a hiccup in development activities. The strategy, however, cannot be considered a complete success as increased regulation and restrictions on single family rentals have raised concerns with certain segments of Newark's constituency. As a result, the City has received numerous requests to consider changes in regulations imposed upon single family rental properties, particularly those involving inspection services and occupancy restrictions.

In addition to the above, during recent Council discussions regarding rental apartment development in Newark, the question of "how much is too much" rental housing has arisen. Previously, the City had relied on the developer to determine market viability of projects, however, the number and intensity of recent rental development projects has shed some doubt on the wisdom of that approach to housing needs analysis for this community. Specifically, Newark, a community of approximately 30,000 residents, has, in the first 5 months of 2013, approved 435 new apartment units through 8 different development projects, and will consider another 43 new apartment units through four other development projects by the end of summer, totaling a potential 478 new apartment units (in 9 months). This number is roughly equivalent to the number of units approved in the City from 2000-2012 (482), and 149 more rental units than have been approved in any one year since 1990 (1999 - 329 units) and perhaps, ever. Therefore, the question of how much can Newark's rental housing market bear is a timely one.

In addition to the rental housing market saturation concerns, there is also a question regarding the size and type of apartments units that will best meet the rental housing needs of the future, and where those units should be located. In response to proposals for very large townhouse-style apartments (5-6 bedrooms each), which appear attractive only to undergraduate students, the City has implemented

density bonuses for one and two bedroom apartment units in the downtown district in hopes of attracting graduate students, young professionals and couples. The effort has resulted in a large number of newly approved two bedroom units in the downtown core, with larger units on the outskirts of downtown, most within walking distance of UD campus.

Finally, regarding the rental housing needs, the City is in the process of updating our Comprehensive Development Plan and these questions should be answered in conjunction with the update of the Plan to guide future development in Newark.

In a related matter, as previously noted, the City has been asked by single family rental unit owners to consider revising our single family occupancy and maintenance controls. Landlords have also expressed concern regarding the impact of the new apartment units being built and indicate that the continued proliferation of apartments in Newark will adversely affect their investments and possibly, the City as a whole.

As a result, the City believes that the community would benefit from hiring an outside source to study and evaluate the City's housing needs, particularly as they relate to rental housing. While the question of how much is too much rental housing for this community is the major concern, a second phase of the study could also assist the City in an evaluation of its home ownership assistance programs; its single family rental occupancy and maintenance controls; and recommend best practices in other University communities.

The City of Newark, therefore, intends to hire a consulting firm to conduct a two phase study which will provide:

**Phase I**

- An assessment of student and non-student rental housing needs, including the current rental inventory and a determination of the number of additional units needed to ensure the economic feasibility of the market;
- Provide recommendations on the number of additional units needed to meet current and future demand: including the type and location of the units necessary, as well as strategies to update the determination of need as development continues.

**Phase II**

- An assessment of the current home owner assistance programs, single family occupancy and maintenance controls, and downtown mixed use development strategy as a tool to balance the impacts associated with off campus student rental housing growth.
- Provide examples of successful programs for the City to investigate regarding promotion of owner-occupancy.

## **SCOPE OF SERVICES**

The firm selected following the review of proposals will be required to provide the City with the following:

### **Phase I**

- A. A detailed analysis of the City's current rental supply and demand, including the review of historical and current data, and projections based on City and University of Delaware population growth, zoning designations, and economic development for the next twenty-five (25) years.
- B. Based on the long-term demand and supply analysis, the development of a detailed and comprehensive evaluation of rental housing needs in Newark, including detailed recommendations by housing type, size and location.

### **Phase II**

- A. A detailed review of the single family rental occupancy restrictions and property maintenance controls currently in place.
- B. An assessment of the effectiveness of those controls as they relate to the community's goals of limiting the impact of rentals on the quality of life in the community, and recommendations for alternative approaches to meet those goals, if applicable.

## **GENERAL PROPSOAL INFORMATION**

- A. Revisions to RFP 13-04 - In the event that it becomes necessary to revise any part of the RFP 13 - 04, revisions will be provided to all firms that received the initial RFP 13 - 04 in the form of a written addendum. Firms are responsible to confirm receipt of all addenda prior to proposal submittal.
- B. Acceptance of Proposal Content – The contents of the proposal of the consulting firm selected will become part of any contract awarded as a result of this RFP 13–04.
- C. Oral Presentation – Based upon the review of qualifications and references submitted, a maximum of five (5) firms will be invited to give an oral presentation of their proposal to the steering committee. This will provide an opportunity for the firm to clarify or elaborate on its proposal but will in no way change the original proposal. Selected firms should be prepared to meet with the steering committee for presentation and questions. Firms chosen to meet with staff will be notified about specific dates and times for the presentation.

- D. Firm's Responsibility – The selected firm will be required to assume sole responsibility for the complete effort as required by RFP 13-04. The City will consider the selected firm to be the sole point of contact in regard to all contractual matters.
- E. Termination of Contract – The City reserves the right to terminate for just cause a contract entered into as a result of RFP 13-04, provided written notice has been given at least 30 days prior to such termination.
- F. Rejection of Proposals – The City reserves the right to reject any and all proposals or to award in whole, or in part, if deemed to be in the best interest of the City to do so. The City shall have the authority to award the contract, in whole or in part, to the firm best meeting specifications and conditions.
- G. Ownership of Material – Ownership of all data, material, documentation, and related submittals originated and prepared for the City pursuant to this contract shall be transferred to the City upon completion of the contract in both hardcopy and digital format.
- H. Advertisement – No firm may use the name of the City in any advertisement without the written consent of the City Manager.
- I. Licensing – The successful consultant must comply with the appropriate Delaware Law to contract business in this State.
- J. Noncollusion – No firm shall directly or indirectly enter into any agreement, participate in any collusion, or otherwise take any action in restraint of free competition for this contract.

## **PROPOSAL REQUIREMENTS**

Firms interested in conducting the Rental Housing Needs Assessment Study for the City of Newark shall provide eight (8) copies of the following:

- A. Introduction – Background information of the firm including its history, size, number of registered professionals, services offered, and related information.
- B. Project Team
  1. Describe organization and management of team, including specific roles and responsibilities for this project.
  2. Resumes of all key professionals.
  3. Proposed use of any outside consultants, if applicable.

- C. Related Experience with other Community-Wide Rental Needs Assessments including:
  1. Type of Project
  2. Dates of completion
  3. Client contact (with address, email and phone numbers)
  
- D. Technical Information
  1. An introduction outlining the overall technical approach to completing the project.
  2. A project schedule.
  3. Each firm must explain their interpretation of the Scope of Services and how they suggest the work be accomplished.
  4. A detailed summary of the problem or challenges that the firm might expect in completing the project and the approach to solving them.
  
- E. Budget Proposal
 

In a separate and sealed envelope, all firms must include three copies of the budget estimate for the cost of the Rental Housing Needs Assessment Study. Each phase (I and II) must have its own separate and distinct budget. The budget envelope must be labeled "Budget Proposal for City of Newark, Delaware Rental Housing Needs Assessment Study." This envelope will not be opened until the firms have been evaluated by staff, and officially ranked. Firms not submitting a "Budget Proposal" will not be considered.

**PROPOSED EVALUATION CRITERIA**

- A. All responses to RFP 13-04 will be reviewed and evaluated against the following (or similar criteria:

Category	Weighting Factor
1. Capacity to meet project requirement	4
2. Expertise for particular project	3
3. Experience and reputation	2
4. Demonstrated Ability	3
5. Familiarity with public work	2
6. Geographical location of firm	1

- B. The weighting factor will be multiplied by a rating (0 to 5) value assigned by each Steering Committee member. The firms will be ranked based on the highest weighted score.

**STEERING COMMITTEE**

The proposals will be evaluated by the project Steering Committee. The Steering Committee will be appointed by the City Manager.

## **AWARD OF CONTRACT**

Upon completion of the rank ordering, negotiations will begin with the top-ranked firm to initiate a contract for the Rental Housing Needs Assessment Study. Should the City and firm be unable to mutually agree upon the requirements and the service to be provided, negotiations will begin with the second, rank-ordered firm and continue through the rank ordering until a mutual agreement has been obtained by the City and a qualified firm. The City however, reserves the right to reissue RFP 13-04. This agreement shall be subject to final approval by the City Council.

## **SUBMISSION OF PROPOSAL**

Proposals and the separate budget estimate envelope will be received in the City of Newark Purchasing Office, 220 South Main Street, Newark, DE 19711, Municipal Building until 2:00 PM, prevailing time, Tuesday, August 6, 2013.

## **QUESTIONS**

Any technical questions regarding the proposal may be directed to:

Maureen Feeney Roser, Director of Planning & Development  
Telephone: (302) 366-7030  
E-Mail: [mfroser@newark.de.us](mailto:mfroser@newark.de.us)

Contractual questions should be directed to:

Cenise Wright, Purchasing Administrator  
Telephone: (302) 366-7022  
E-Mail: [cwright@newark.de.us](mailto:cwright@newark.de.us)