

**Request for Proposals
for an update to
AN AFFORDABLE HOUSING ASSESSMENT
OF THE LEHIGH VALLEY IN PENNSYLVANIA
April 4, 2007**

**and for preparation of a
JOBS/HOUSING BALANCE STUDY
FOR THE LEHIGH VALLEY**

A. Introduction

The Lehigh Valley Planning Commission (LVPC) is seeking a qualified consultant to provide affordable housing and jobs/housing balance analyses and recommendations described in this Request For Proposals (RFP). LVPC is the regional planning agency for the Lehigh Valley, Pennsylvania which includes Lehigh and Northampton counties. The Lehigh Valley is comprised of 62 municipalities including the cities of Allentown, Bethlehem and Easton, 27 boroughs and 32 townships.

This report is financed through a grant received by the LVPC under the US HUD Sustainable Communities Regional Planning Grant 2011 (Department of Defense and Full-Year Appropriations Act, 2011 — Public Law 112-10 enacted April 15, 2011). The primary grantee for administering this program is the Lehigh Valley Economic Development Corporation under that program. The LVPC is a subrecipient responsible for three housing studies. Following is a brief outline for two studies to be done under the Housing component of the grant. Consulting Assistance is requested for the two studies. The first is an update to a report entitled [*An Affordable Housing Assessment of the Lehigh Valley in Pennsylvania*](http://lvpc.org/pdf/affordableHousing/affordableHousing.pdf) (<http://lvpc.org/pdf/affordableHousing/affordableHousing.pdf>) prepared for the LVPC in 2007 by Mullin & Lonergan Associates, Inc. The second is a *Jobs/Housing Balance Study for the Lehigh Valley*. The first report is mainly an update of the 2007 study. The second report is completely new. In addition to these reports, the LVPC staff will update a report entitled *Housing in the Lehigh Valley 2008*. This study consists mainly of details compiled by the LVPC staff from County tax assessment records. The LVPC staff hopes to have much of this data available when a selected consultant begins some of the studies requested in this RFP.

For this RFP, the LVPC will solicit proposals from interested consultants and select the highest ranked respondent.

B. Study 1 – Affordable Housing Assessment

In April, 2007 the firm of Mullin & Lonergan Associates prepared an *Affordable Housing Assessment for the Lehigh Valley*. A copy of this report is included with this RFP. Since the publication of that report a number of situations have developed which require an update to the report.

1. The U.S. Census has completed most of the relevant data of interest in the 2010 Census. In addition new data is available from the American Community Survey and updated data on the economy is available from BEA and the Pennsylvania Department of Labor & Industry. All of this will be useful in updating the report.
2. The LVPC has updated its population, household, and economic forecasts for Lehigh and Northampton counties. The forecasts show significant increase in growth during the coming decades, especially demographic growth due to migration. Major growth in the population over 75 years of age is also expected.
3. The economy of the Lehigh Valley has been severely affected by the recent recession. Unemployment has soared from 4.5% at the time of preparation of the 2007 study to 7.5 to 8%. Poverty levels have increased from 7.9% in Lehigh County to 13.7%. In Northampton County increasing from 7.9% to 10.9%. These increases are particularly evident in the three cities and some small boroughs. The increases have contributed to an increase in household densities which may be temporary.
4. Development activity as measured by subdivision lots approved and building permits issued has dropped. In 2005 3,236 building lots were approved. This dropped to 442 in 2011. Residential building permits dropped from 3,717 in 2005 to 1,027 in 2010. To date there has been little to suggest a return to 2005 levels. See enclosed report entitled *Subdivision and Building Activity Report 2011*.
5. In the past residential subdivision activity in the Lehigh Valley has been dominated by relatively large single family homes on relatively large lots. There are questions today concerning the continued demand for this housing type in view of recent economic declines and predictions that future housing demand might focus on higher density development types (smaller homes on smaller lots) based on changes in the economy to demographic changes anticipated in the future. This is an issue that requires careful consideration in this update. We have little local data on these speculations. We would expect responders to the RFP to draw on state or national resources that deal with these issues.
6. Lehigh County, Northampton County, and the Cities of Allentown, Bethlehem, and Easton have agreed to prepare a joint Analysis of Impediments to meet HUD regulations under the Sustainability Grant. They will collect data required by HUD and will review all local zoning ordinances (61 ordinances, 1 municipality with no zoning) for compliance with Federal Fair Housing Law. The Lehigh Valley Planning Commission will not be directly involved in that effort. However, we have agreed to provide access to our data and information on this matter. We do not intend to duplicate the work under the regional AI. Respondents to this RFP need not include detailed zoning ordinance reviews in their proposal. There is a section of the 2007 plan that reviews a sample of local zoning ordinances. In the creation of this plan update it is expected that the consultant and LVPC staff will review analyses findings included in the regional AI. Based on our experience with the 2007 study and recent work we

have done under contract with Northampton County on their Consolidated Plan we expect that there are still plenty of affordable housing issues that need to be addressed in the Lehigh Valley.

We believe that the organization structure of the April 4, 2007 *Affordable Housing Assessment* is still on track. Following are our comments and consultant expectations concerning updates of each part of that report:

Part 1 – Executive Summary

- Provide updates based on findings and recommendations in updated report chapters

Part 2 – Introduction

- Update

Part 3 – Population and Household Trends

- Update data based on new Census information and forecasts by the LVPC, LVPC staff update of *Housing in the Lehigh Valley 2008* and other data source local, state and national that may be relevant

Part 4 – Economic Profile

- Update based on data available from Census, Bureau of Labor Statistics, BEA, LVPC reports, and other useful sources

Part 5 – Housing Profile

This is a key section of the report. We expect responders to this RFP to deal comprehensively with all elements studied in the 2007 report, i.e.: Housing Inventory; Housing Vacancy; Home Owner Housing including Tenure, Median Housing Value and Cost Burden, Condition of Owner-Occupied Housing Stock, Market Conditions, Public/Private Partnerships for Home Ownership and Home Owner Rehabilitation, Act 137 Housing Trusts, Non-Profit Organizations, and Employer Assisting Housing Programs; Rental Housing including Tenure, Median Gross Rents and Cost Burden, Condition of Rental Stock, Market Conditions, Public and Assisted Housing; Housing Characteristics and Needs of Special Populations.

In addition to the above we would like to see a discussion of expected changes in housing markets in the next ten years. How does the Lehigh Valley compare with housing trends nationally and in the New York and Philadelphia markets? Should we expect major shifts in housing market to higher densities, greater concentration, smaller homes, reduced demand for single family housing on individual lots?

Part 6 – Housing Affordability Analysis

Another key chapter. What is meant by affordable housing? What income levels are necessary to afford owner or rental housing in the Lehigh Valley. Who is affected and/or excluded from access to affordable housing?

Part 7 – Evaluation of Market Pressures in Selected Municipalities

- As previously noted much data will be collected in the Regional AI.
- Responders to this RFP are not required to review local ordinances, but it is our intent to review findings of the Regional AI.
- We expect some of the AI findings to be the same as the 2007 report. Key findings dealt with: insufficient housing density in suburban townships, need to provide for a greater variety of housing types, group home definition, family definition.
- Since the publication of the 2007 report, the LVPC has published four guides dealing with the following issues: Inclusionary Zoning, Mixed Uses, Density Bonuses/Minimum Density; Cottage Housing. We have not had much success selling these ideas to local municipalities. We need to carefully consider strategies to get local municipalities to develop zoning ordinances that are more open to higher densities and more diverse housing stock.
- The Counties have requested that we develop a model Fair Housing ordinance as part of this Affordable Housing Study. Respondents must include preparation of this model ordinance in their proposal.

Part 8 – Non-Housing Factors Influencing the Regional Housing Market

- Update information and text as needed.

Part 9 – The Affordable Housing Market in the Lehigh Valley

- Update list of stakeholders, collect data and meet with key stakeholders to explore their ideas on how to create more affordable housing. (See Section D — *Public Participation*)

Part 10 – Strategic Housing Plan

- Update recommendations based on discussions with LVPC staff and representatives of the Counties and Cities working on the Region Analysis of Impediments.
- Cross reference recommendations from Analysis of Impediments report with recommendations of this study.

- Review the Housing Chapter of *Comprehensive Plan The Lehigh Valley ... 2030*. Make recommendations to Goals, Policies, and Implementation Strategies that aid in resolving Affordable Housing problems in the Lehigh Valley.

Appendices A. and B.

- Update

C. Study 2 – Jobs/Housing Balance Study

The second part of this RFP deals with the relationship between locations of jobs and locations of housing that define the commuting pattern in the Lehigh Valley. A commuting pattern that is in “balance” would involve short travel times and availability of various mode options. A commuting pattern that is out of “balance” would involve longer travel times related to distance and/or congestion and fewer mode options. Higher paying jobs create commuters with more location choices that often translates into longer commutes (one example is the Lehigh Valley to New York City/New Jersey commute). Lower paying jobs involve more commutes with fewer available choices including those dependent on transit from lower cost housing in the cities to jobs in the suburban areas. The LVPC staff has read a variety of articles dealing with balancing access to jobs with affordable housing or linking affordable housing with access to jobs. There are two aspects to this issue in the Lehigh Valley. Many people who are in poverty, unemployed, or underemployed, live in areas where jobs they can compete for are very limited. The other side of the issue relates to the problem of providing affordable housing that is close to places where jobs are being created. In the Lehigh Valley this includes many suburban locations where housing for low income people is not being developed.

The LVPC staff has boiled the jobs/housing planning process down to the following basic steps based on work published by the American Planning Association Planning Advisory Service and our review of jobs/housing balance RFP’s and studies in other parts of the country.

1. Determine the appropriate unit of geography for the study and application of jobs/housing balance. This is likely to include the Cities of Allentown, Bethlehem and Easton plus portions of neighboring suburban townships. This will also depend on the availability data in geographic units that can be measured in data categories relevant to job/housing balance problems.
2. Determine what jobs/housing balance measurement should be used, according to the available or obtainable data relevant to availability of jobs at various pay levels, availability of housing at various cost levels, transportation costs, location of concentrations of unemployed people, people with low incomes and concentrations of people below poverty levels. Our effort focuses on economic opportunity and housing affordability. The measures stated here may not adequately account for affordability. The measures noted here are examples that support some factors that should be considered to bring affordability into the equation.

3. Collect data on the jobs/housing measure selected for the study area or areas. Calculate the overall jobs/housing ratio for the area and analyze the results of the calculation. The data would either be based on census data or our travel model data.
4. Select a jobs/housing balance standard. Evaluate standards that fit the data collected and analyzed in tasks 2 and 3 above. We note that some areas have used a matrix of imbalance conditions to help describe the jobs/housing balance problem. We expect the selected consultant to suggest a variety of standards or measure for evaluation.
5. Review the *Comprehensive Plan The Lehigh Valley ... 2030* to determine the extent to which it promotes the jobs/housing goal. Staff of the LVPC will actively participate in this work.
6. Recommend changes or additions to LVPC Goals, Policies and Implementation measures in the *Comprehensive Plan* to include the analysis of jobs/housing balance and to include appropriate policy statements and strategic planning idea to improve Lehigh Valley jobs/housing balance problems.
7. Prepare a model regulation that implements local jobs/housing balance policies. Part 7 of our Affordable Housing Assessment calls for the preparation of a model Fair Housing ordinance. Jobs/housing balance issues should be considered and included in that model.

It is clear that the first three steps in this process involved the collection of a substantial amount of data that needs to be geographically organized to determine the location of people who need affordable housing relative to the location of where jobs are and job formation activities exist or will exist and establishes the existing transportation links between them. The planning commission has a highly developed geographic information system that can be used for data management purposes in this analysis. We also use a transportation model that may be able to process and analyze some of the transportation connections between the location of jobs and location of housing in the Lehigh Valley. We also have a long-standing working relationship with the Lehigh and Northampton Transportation Authority (LANta) that provides bus service in the Lehigh Valley. LANta is performing transit enhancement work associated with the sustainability grant. The LVPC will assist the consultant in coordinating with LANta as necessary to prepare the jobs/housing balance plan. We will need a lot of technical assistance in determining just what variables are available that may fit the tools needed to do the analysis.

Capabilities and experiences of consultants in undertaking these jobs will be a significant factor in consultant selection.

D. Public Participation

Public Meetings and Workshops – Responders to this RFP should include staff hours to cover up to eighteen (18) meetings with organizations and groups interested in

implementation of the affordable housing study and jobs/housing balance study. We need to build support for the plans as they are created. LVPC staff will provide guidance and assistance in arranging meetings. There is an expectation that there will be considerable interaction with the public in this program. Responders should expect to attend and present at an additional four (4) public presentations organized in cooperation with members of the Lehigh Valley Consortium.

These meetings will include: groups with an interest in Affordable Housing, staff personnel from the Counties and Cities who are involved in the regional AI, special committees created to work on the overall Sustainability Grant Program, representatives of local municipalities who are in municipal COGs in Lehigh and Northampton counties, representatives of the LVPC and County government. Meetings that may be necessary between the consultant and LVPC staff associated with this work are in addition to the meetings specified above.

E. Submission Instructions

Proposers shall submit an original and 2 copies of the Proposal to:

Lehigh Valley Planning Commission
c/o Michael N. Kaiser, AICP
Executive Director
961 Marcon Boulevard, Suite 310
Allentown, Pennsylvania 18109

by
Wednesday, August 1, 2012
5:00 p.m.

F. Required Proposal Elements

Proposers shall present a profile to include:

A cover letter identifying the RFP being responded to, that indicates the commitment of the responder in moving forward with the project if selected, whether the proposer's organization or any proposed sub-contractors meet the definition of small business, minority business or women's business enterprise, and signed by a duly authorized representative of the proposer.

A statement as to the location of the Proposer's place of business.

The range of experience performed by the Proposer(s), with particular emphasis on prior experience working under HUD funded projects performing these and similar studies.

Provide the name of the project manager and key staff to work on this project. The project manager will be our key contact person. Qualifications for key staff must be provided.

Provide a detailed scope of work.

Proposals may cover a period of up to 18 months.

The maximum length of any proposal is 25 pages single spaced excluding qualifications.

Proposers shall submit a minimum of three references familiar with the proposer's work and related to the proposer's business, including the names of the entity, contact person, address and telephone number.

Proposals must include a cost estimate of sufficient level of detail to document expenses by task in the following categories:

- Direct labor for each individual assigned, including hourly rate and number of hours proposed
- Overhead costs
- Fee
- Expenses
- Subcontractor costs (if necessary)
- Total

G. Evaluation Criteria

Proposal evaluations will be based upon completeness, quality, and level of detail of the following criteria:

Prior firm experience in developing housing affordability studies and jobs/housing balance studies. (20%)

Scope of work for preparation of the studies. (20%)

Overall qualifications, skills, and experience of the key personnel assigned to the project. (20%)

Cost of services. (20%)

Reference checks of current and past clients. (20%)

The Proposer with the highest ranked proposal, and whose price proposal is acceptable, may be contacted regarding any potential areas to be negotiated including price. If negotiations are determined not necessary, a contract may be awarded to that entity.

If negotiations are conducted and are not successful with the top ranked Proposer, then negotiations may be conducted with the next highest ranking Proposer and so on down the line.

H. Terms and Conditions

1. PURPOSE

The Lehigh Valley Planning Commission (LVPC) is seeking proposals from qualified individuals/firms/corporations to provide affordable housing and jobs/housing balance analyses and recommendations. The proposer must have prior experience in the service areas proposed, and shall be prepared to demonstrate sufficient capacity to accomplish the work.

2. HUD REQUIREMENTS

This RFP is issued under a program funded by HUD. Respondents should be aware that any eventual contract is subject to terms and conditions as specified by HUD and included in the LVPC contract with LVEDC to perform the work.

3. DURATION OF CONTRACT

The projected duration of the contract is for a period of up to eighteen (18) months. The RFP process assumes the contract start date would be September 12, 2012 or soon thereafter depending on the ability of the contractor to respond and begin operations.

4. REJECTION OF PROPOSALS

LVPC reserves the right to reject any and all proposals received as a result of this request.

5. INCURRING COSTS

LVPC is not liable for any costs incurred by an individual/firm/corporation prior to issuance of a contract.

6. ADDENDA TO THE RFP

If it becomes necessary to revise any part of this RFP, addenda will be provided to all proposers who received the basic RFP.

7. RESPONSE DATE

To be considered, proposals must arrive at LVPC on or before the time and date specified in the announcement. Individuals/firms/corporations mailing proposals should allow sufficient mail delivery time to insure timely receipt of their proposals.

8. PROPOSALS

To be considered, individuals/firms/corporations must submit a complete response to this RFP using the format provided in Section F. above. Each proposal must include an original and two (2) copies. An official authorized to bind the individual/firm/corporation to its provisions must sign proposals. Hard copy proposals are required. E-mailed or faxed proposals will not be accepted.

9. ECONOMY OF PREPARATION

Proposals should be prepared simply and economically providing a straightforward concise description of the individual/firm/corporation's ability to meet the requirements of the RFP.

10. ORAL PRESENTATION

Proposing individuals/firms/corporations may be required to make an oral presentation of their proposal. Such presentations provide an opportunity for the individual/firm/

corporation to clarify its proposal to insure thorough mutual understanding. LVPC will schedule these presentations.

11. PRIME CONTRACTOR RESPONSIBILITIES

The proposer will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the proposer will be the sole point of contact with regard to the contractual matters.

12. NONDISCRIMINATION

In the connection with the execution of a contract, the contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin. The individual/firm/corporation shall take actions to insure that minority applicants are employed, and that employees are treated during their employment without regard to their race, color, sex, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment of compensation; and selection for training, including apprenticeship.

13. INTEREST OF PUBLIC OFFICIALS

No member or delegate of the U.S. Congress, or member, officer, employee of LVPC shall have any interest, direct or indirect, in this contract or the proceeds thereof during his/her tenure or one year thereafter.

14. MINORITY/WOMEN'S BUSINESS ENTERPRISES

LVPC solicits and encourages Minority Business Enterprise (MBE) and Women's Business Enterprise (WBE) participation. No percentage goal is set for this contract. However, it should be noted that a "good faith effort" will be made to involve such enterprises in any contract/subcontract work that is part of the scope set forth. MBE/WBE are encouraged to apply.

15. FURTHER INFORMATION

Informational requests are to be directed to Geoffrey A. Reese, P.E., Assistant Director, Lehigh Valley Planning Commission, 961 Marcon Blvd., Suite 310, Allentown, PA 18109-9397, (610) 264-4544 or gar@lvpc.org.

16. PROPOSAL SUBMISSION

Proposals shall be submitted to the Lehigh Valley Planning Commission, 961 Marcon Blvd., Suite 310, Allentown, PA 18109-9397 by 5:00 p.m. August 1, 2012.