

RESOLUTION NO. 55-2017

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT BY AND BETWEEN THE CITY OF MONROE AND THE UC ECONOMICS CENTER FOR THE PREPARATION OF A COMMUNITY HOUSING PLAN.

WHEREAS, staff advertised and received proposals for the preparation of a Community Housing Plan; and

WHEREAS, a Community Housing Plan will provide a measured assessment of housing supply, present and future, unmet housing demand across various demographic categories and provide a comprehensive understanding of short-to-mid-term housing supply and demand; and

WHEREAS, Council deems it in the best interest of the City of Monroe to proceed with the preparation of a Community Housing Plan.

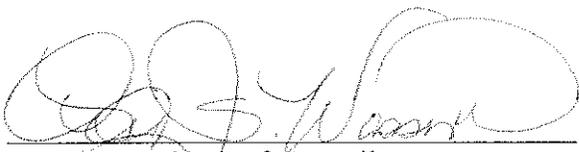
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MONROE, STATE OF OHIO, THAT:

SECTION 1: Council hereby authorizes the City Manager to enter into an agreement by and between the City of Monroe and the UC Economics Center for the preparation of a Community Housing Plan in amount not to exceed \$39,700.00 and pursuant to the terms and conditions substantially similar to Exhibit "A" attached hereto and made a part hereof.

SECTION 2: This measure shall take effect and be in full force from and after the earliest period allowed by law.

PASSED: November 14, 2017

ATTEST:


Clerk of Council

APPROVED:


Mayor

First Reading: October 10, 2017

"I, the undersigned Clerk of Council of the city of Monroe, Ohio, hereby certify the foregoing (ordinance or resolution) was published as required by Section 7.16 of the Charter of the City of Monroe.


Clerk of Council
City of Monroe, Ohio

This legislation was enacted in an open meeting pursuant to the terms and provisions of the Constitution, Law, Section 191.22 of the Ohio Revised Code.

SCOPE OF WORK

COMMUNITY HOUSING PLAN CITY OF MONROE, OHIO

September 29, 2017

Context

The City of Monroe, Ohio has published a request for proposals for a Comprehensive Community Housing Plan. This research project will provide community leaders, stakeholders, the community members at large with data that can guide public policy and drive the development of residential housing strategy.

The proposed analysis to be conducted by the Economics Center will provide the City of Monroe with unbiased, non-partisan research findings and data that can be used to develop and implement a comprehensive housing strategy to assist the City in its long-term growth. The research findings resulting from this proposed scope of work will assess the current and future housing supply and any market disequilibrium over the short- to mid- to long term. Additionally, the Economics Center will identify proposed action items and program interventions to assist in the promotion and creation of appropriate housing options within the City. *Ultimately, the Economics Center will answer this key research question: does the City of Monroe have or is it in the process of developing adequate housing of all types to meet the needs of its current and future residents?*

The Research and Consulting Division of the Economics Center will perform the following tasks to provide a comprehensive community housing plan for the City of Monroe:

Task A: Project Kick Off Meeting

Upon execution of the contract for services, members of the Economics Center team will participate in a Project Kick-off meeting with representatives of the City of Monroe. The meeting will confirm the scope and intent of the research, its deliverables, and milestones. Representatives of the City of Monroe should include at least one individual responsible for data procurement and an individual authorized to make decisions related to the confirmation of this project's timeline and deliverables. The outcome of the kickoff meeting is to reiterate initial research questions as well as explore whether there are additional questions that can be answered concurrent with the tasks proposed.

Task B: Housing Survey: Quantify the existing housing stock

To lay the proper quantitative foundation for the City of Monroe, the Economics Center will conduct an exhaustive survey of existing housing stock as well as historical trends in housing development, supply, and need. This comprehensive housing survey will quantify the existing housing stock in the City of Monroe. Such variables as the type of housing, property value, rental/owner, public assistance, aging population and differing needs for housing, as well as residential housing developments under construction or identified as pending will be included in the analysis. The survey will also examine the relationship between type, quality, and user for various housing units.

The research findings in this task will detail and describe the existing housing stock by type (single-family, multi-family), age of structure (including pending), value, tenure (owner-occupied, rental, market rate, affordable housing, and special needs).

This approach will not only give the City basic information about its housing stock, but will also provide detailed information pertaining to the quality, quantity, affordability, and interconnectedness of these factors within the housing market. The housing survey could be of use to planners, developers, homeowners, city officials, and others.

A survey this extensive will rely on a number of data sources including publicly available data from the American Community Survey, the American Housing Survey, the auditors of both Butler and Warren Counties, and EMSI.

Task C: Demographic and Socioeconomic Analysis

The inclusion of a demographic analysis informs housing decisions by helping to understand the changes in gross demographic shifts, as well as examples such as aging populations, changing household compositions, population trends, and wage growth/decline. These trends and scenarios will affect how residents interact with the housing stock. The Economics Center will provide this analysis of demographic and socioeconomic factors for residents within Monroe as well as within Butler and Warren Counties to offer additional contextualization. Factors examined will include, but are not limited to, overall population trends by age and gender, educational attainment, personal and household incomes, aging populations, rent/ownership rates, and cost of maintaining a household (mortgage, rent, etc.). This analysis will contrast the level of incomes across a wide spectrum, as well as examine levels of current burden that households may face. This burden will be examined in two ways: first, the vulnerability and financial requirements to own or rent a housing unit and second, the potential burden experienced by residential developers as well as the City in the case of an expanding

housing stock throughout possible economic downturns. Additionally, this analysis will detail the relationship between risk and income for individuals to help decision making.

Within this task, the Economics Center will provide thresholds of relative vulnerability to large macroeconomic events such as a recession relative to current households' income and household costs. This portion of the analysis can be used as a means of understanding potential changes to levels of development, employment, wages, and several other factors.

The Economics Center will combine the parcel level data from the auditors of Butler and Warren Counties with EMSI Demographic Overviews and American Community Survey Census block group data. This will enable the Economics Center to develop a histogram of burden as well as a geographic representation of burden at different levels.

As part of this research task, the Economics Center will provide additional analysis on the impact of seniors and the aging population on the housing market. The leading-edge of baby boomers (individuals born between 1946 and 1964, roughly) will be turning 75 years-old in 2021. This milestone, in conjunction with an increasing number of individuals aging in place, will result in substantial changes in housing needs. The additional insights provided by this portion of the analysis will allow the City to effectively differentiate between gross demographic shifts and shifts in consumer needs.

Overall, this task will answer questions relative to who the individuals and families have historically been in Monroe, who they are now, and what changes Monroe can expect in regards to its residential population. This analysis can be used to inform future development of households in general but also provide detailed information on what types of housing units are in demand and how financially capable residents may be in the future at varying levels of cost burden relative to tenure and household income.

Task D: Housing Supply and Demand

The crux of the analysis, an analysis of housing supply and demand and any disequilibrium, is crucial for the City to adopt an appropriate housing plan. Utilizing data provided by the auditors and recorders of Butler and Warren Counties, the Economics Center will evaluate housing tenure, residential property value trends over the ten-year period of 2006 – 2016, absorption rate, housing type, amenities, and a number of other factors. Additionally, this spatial analysis will show potential trends in development and growth patterns within Monroe. This information will be useful for the City to better understand the total “take-down” rate of vacant property, but also understand that property development may not be necessarily homogenous throughout the City. Other metrics such as sale prices opposed to list prices and length of time on market will be evaluated using local and national sources including, but not limited to the Multiple Listing Service of Greater Cincinnati, Dayton Area Board of Realtors, Trulia, and Zillow as well as county auditor and county recorder data.

Within the Housing Supply and Demand analysis, the Economics Center will explore factors such as consumer preferences for proximity to major transit options, levels of foreclosures over time, Monroe's building stock relative to the region, public assistance programs available in Butler and Warrant Counties such as Low Income Housing Tax Credits or housing vouchers. The analysis of public

assistance and housing will also contextualize the level of affordable housing in Monroe relative to other cities within Butler and Warren County.

Task E: Other Housing Topics: Other Housing Issues/Trends

In consultation with the City of Monroe, the Economics Center will facilitate up to five roundtable discussions with local real estate experts, major employers, and the Chamber of Commerce Serving Middletown, Monroe, and Trenton as well as other stakeholders identified by the City of Monroe. These roundtables will be utilized to address residential opportunities and challenges that require local knowledge. Panels/focus groups will be assembled to collect qualitative data on consumer preferences regarding housing, neighborhoods, and community amenities.

These discussions will help provide context for additional housing topics such as affordability when compared to other regions, affordable housing programs, permitting histories or potential issues within the permitting process, environmental and sustainable construction, pre-market sales, and a number of other topics. The roundtables will be used to provide a more complete local understanding of both development and consumer needs and wants within the City. Questions will be geared towards housing demand and supply but will also include information concerning neighborhood and city amenities that may result in a change to housing demand.

Task F: Business, Economic, and Fiscal Climate of Monroe

The Economics Center will examine the employment and industrial mix within the City of Monroe as well as other major employment centers within Butler, Warren, Hamilton, Greene, Miami, and Montgomery Counties. This analysis completed under this task will rely on a proprietary dataset from the Ohio Department of Jobs and Family Services (ES-202 data), and the unit of data is individual business entity by address as well as latitude and longitude. The Economics Center has an exclusive relationship with the Ohio Department of Jobs and Family Services for the southwestern Ohio region. This database has quarterly estimates of employment and wages by establishment by industry. Utilizing this powerful dataset allows the Economics Center to use actual information on all establishments in Butler, Warren, Hamilton, Greene, Miami, and Montgomery Counties instead of estimated data. This analysis will highlight historical trends in business growth and industrial shifts. This analysis will also explore potential relationships between the expansion of industries within or near Monroe and an increase in the number of households.

Changing economic climate and demographics do not simply affect the housing market. Recognizing the spillover effects of these shifts on the school systems is also critical. The Economics Center will evaluate how a growing youth population may affect local school district funding and needs. This portion of the analysis will provide Monroe as well as the local school district insights relative to how population and socioeconomic shifts can affect the levels of funding as well as potentially capacity driven school expansion. In order to accomplish this enrollment forecast, the Economics Center will utilize the cohort survival method, which uses current population and estimates of future changes in population based on predicted trends of birth, death, and in/out migration to the City of Monroe. This is an example of how the Economics Center will attempt in all ways possible to improve the understanding of elected officials, government employees, the public, and private developers of the

trends within Monroe to improve the likelihood of responsible and sustainable growth and development.

Task G: Project Deliverables and Tools

Building upon the previous four tasks, the Economics Center will produce a comprehensive overview of the housing market, demographic and socioeconomic conditions, local knowledge and expert opinions, and a business, economic, and fiscal evaluation of how changes in the housing market can affect the City of Monroe. This document will also feature a number of recommendations and estimates to how development policy may alter the course of housing construction and habitation within the City. Ultimately, the Economics Center will produce the formal document in the form of a white paper as well as multiple graphics that would be ready for public dissemination using social media and/or presentations.

The Economics Center will examine the implications of various housing policies and offer recommendations related to housing demand, multi-unit housing development, rental and owner-occupied housing, the type of housing required in the short-, medium-, and long-term, and property maintenance. Additionally, the Economics Center will identify strategies aimed at answering the following questions:

- How can the City of Monroe address potential shortcomings related to livability, marketability, and quality of life?
- How will anticipated local and regional economic trends affect housing demand in the City of Monroe?
- Does the existing housing stock pose any threats (currently and in the future) to the City of Monroe?

The Economics Center will prepare the following project deliverables:

1. A Preliminary Report, organized as a white paper, which will include the findings and elements of the comprehensive community housing study to be placed in the final report. Major topics in the report will include but are not limited to: housing survey, demographic and socioeconomic analysis, housing supply and demand, and business, economic, fiscal analyses of the City of Monroe.
2. A Final Report, organized as a white paper that will include the comprehensive community housing study, branded for the City of Monroe.
3. A custom-designed executive summary with infographics highlighting the findings and methodology of the research.
4. Additionally, research associates from the Economics Center will be available to participate in up to four public meetings to deliver the findings of the study at local venues and to audiences of the City's choosing.

Project Timeline

The timeline for completion is as follows. The deadlines for completing the project’s deliverables will be determined at the Kick-off meeting. The timeline can be altered to omit and/or add any tasks prior to contract execution. This timeline may be adjusted if the City of Monroe requests the Economics Center to perform additional tasks.

| | Completed |
|--|----------------------------|
| Task A: Project Kick-off | <i>October, 2017 - TBD</i> |
| Task B: Housing Survey: Quantify the existing housing stock | <i>February 16, 2018</i> |
| Task C: Demographic and Socioeconomic Analysis | <i>March 9, 2018</i> |
| Task D: Housing Supply and Demand | <i>March 30, 2018</i> |
| Task E: Other Housing Topics: Other Housing Issues/Trends | <i>April 20, 2018</i> |
| Task F: Business, Economic, and Fiscal Climate of Monroe | <i>April 27, 2018</i> |
| Task G: Project Deliverables and Tools | |
| Task G.1: Preliminary Report | <i>June 1, 2018</i> |
| Task G.2: Presentation to Steering Committee | <i>June, 2018 - TBD</i> |
| Task G.3: Client Review and Comment | <i>June, 2018</i> |
| Task G.4: Presentation to City Council | <i>June 26, 2018</i> |
| Task G.5: Final Report | <i>July 13, 2018</i> |

CONSULTING AGREEMENT

The Economics Center, organized and incorporated in the State of Ohio as a not-for-profit corporation within the meaning of Section 501 (c)(3) of the Internal Revenue Code 1986, (“Consultant”) will provide consulting services for the City of Monroe (“Client”) the analysis described in “Scope of Work”.

Timeline and Deliverables

Assuming contract execution by October 11, 2017, the Client will receive a preliminary report of the comprehensive housing study by June 1, 2018. The final report will be delivered by July 13, 2018. If milestones within the timeline, established at the Kick-off Meeting, are not met as a result of missed project deadlines by Client, Consultant reserves the right to adjust the project timeline accordingly. It is understood by both parties that existing workload of Consultant is a factor in the establishment of a project’s timeline. Therefore, a timeline may not adjust exactly in relation to an extended milestone, but rather may require an additional 1-2 weeks to accommodate deliverables on other existing projects.

Consultant will deliver its Preliminary Report as an electronic Word file. The Client may submit comments and feedback to the Preliminary Report during the Client Comment period. These may be as tracked notes in the Preliminary Report, or as a separate document. If multiple parties are involved, the Client agrees to compile all notes into one organized document to be submitted to Consultant at one time. Upon review, Consultant reserves the right to make the final determination of the responsive action to each comment. Consultant will deliver the Final Report as an electronic PDF file.

Client Responsibilities

Client agrees to use the online project management and collaboration tool, BaseCamp, provided at no cost by Consultant. Consultant will establish the project calendar and make updates as necessary. Client will, by invitation, join BaseCamp to receive important messages and files uploaded by Consultant. Client will have the ability to automatically forward these updates to their own email, and request for other members to be added as project participants.

Consultant agrees to provide Client, one week prior to the project’s Kick-Off date, a data request worksheet that specifies data required for analysis. As of the Data Procurement Completed date set forth in the project’s Kick-Off Meeting, Client agrees to provide to the Economics Center this data and any other information available to the Client that may aid in the completion of the project. Client and Consultant agree that the Data Procurement Completed date indicates that the data has been received by Consultant, and approved by Consultant in regards to its content and form. In the case that delivery of this information is delayed, the Economics Center reserves the right to adjust the project timeline accordingly.

Budget and Payment

The price for this project as outlined in the attached scope of work is thirty nine thousand seven hundred dollars (\$39,700). An initial payment for this study in the amount of thirteen thousand two hundred dollars (\$13,200) will be invoiced upon contract execution. A second invoice will be submitted on April 27, 2018 in the amount of thirteen thousand two hundred dollars (\$13,200). A final invoice for the remaining balance of thirteen thousand three hundred dollars (\$13,300) will be submitted upon delivery of the final report.

All invoices are due within 30 days, and past due balances are subject to a late fee of 2 percent per month. Penalties will be assessed on all invoices not paid within 30 days of the date of issuance unless other arrangements have been made. Past due payments may also result in suspension of work.

Other Terms and Conditions

The Client retains all control over the disclosure of the Economics Center's analysis. While the Economics Center reserves the right to announce the project in its marketing materials, the release of findings and final reports will be done only after receiving the Client's consent.

All other terms and conditions are stated in the Attachment A, "General Terms and Conditions."

Kevin Chesar
Director of Development
City of Monroe

Date

Julie Heath, Ph.D.
Executive Director
Economics Center

Date

ATTACHMENT A: GENERAL TERMS AND CONDITIONS

Furtherance of Consultant's Mission and Purpose

Client acknowledges that the performance of services by Consultant under this Agreement is in furtherance of the following purposes of Consultant: *to provide the knowledge building blocks that help clients make better finance, policy and economic development decisions. Its custom approach and critical data analysis empower business and civic leaders to respond to changing economic conditions, strengthen local economies and improve the quality of life for their communities.*

In the event that Client's usage of the work becomes inconsistent with the foregoing purposes of Consultant, Consultant may immediately terminate this Agreement.

Independent Contractor

Consultant is an independent contractor and all persons employed or contracted by Consultant in connection herewith shall be employees or contractors of Consultant and not employees of the Client in any respect. Nothing in this Agreement shall be deemed to create any contractual relation between the employees or subcontractors of the Consultant and the Client.

Confidentiality

Consultant acknowledges that some or all of the material disclosed by the Client for this scope of work is of a sensitive and/or proprietary nature. Accordingly, any reports, information, data, etc., given to or prepared or assembled by the Consultant under this Agreement, which the Client requests to be kept as confidential, shall not be made available to any individual or organization by the Consultant without prior written approval of the Client. If disclosure is required by court order or law, Consultant will provide written notice to Client and work with Client in preparing responses to such requirements. Any additional Confidentiality provisions specified in writing by the Client and agreed to by the Consultant are also part of this Agreement.

Professional Responsibilities

Consultant shall perform all Work using the standards of care, skill, and diligence normally provided by a professional in the performance of similar Services, and shall comply with all codes and standards applicable to the Work.

Warranties and Correction of Deficiencies

Consultant warrants that its employees, representatives and subcontractors shall at all times maintain the highest ethical standards and avoid conflicts of interest in the conduct of Work for the Client. Consultant shall at all times comply with all applicable laws, statutes, regulations, rules, ordinances, codes, and standards known to Consultant. Consultant shall comply with equal opportunity laws and regulations to the extent that they are applicable.

Changes and Termination of Services

The Client may by written notice delivered not less than one week prior to the effective date hereof, terminate or suspend this Agreement in whole or in part for any reason. In the event of termination, all finished or unfinished documents, data, studies, surveys, and reports or other material prepared by the Consultant under this Agreement, shall become the property of the Client, and the Consultant shall be entitled to receive just and equitable compensation for any work completed on such documents and other materials. If this Agreement is terminated by the Client as provided herein, the Consultant shall be paid for all portions of the Work actually performed prior to termination.

Ownership of Work Product

Draft reports and final reports delivered by Consultant or its employees under this Agreement, including technical appendixes and tools, shall be considered the property of the Client. Consultant may retain copies of such material for furtherance of its professional knowledge. Consultant reserves the right of ownership to calculations, models, and notes developed during the research and which may be considered proprietary, third-party and/or confidential.

Indemnification

Consultant agrees to protect, indemnify and hold harmless Client from and against any and all claims, suits, actions, penalties, assessments, damages or losses of any kind or description, on account of any act or omission of the Consultant or its agents in the course of rendering services under this Agreement to the extent that the Consultant or its agents have acted negligently, in violation of applicable laws or regulations or contrary to the terms of this Agreement.

The indemnifying party agrees to reimburse any expenses, penalties or costs incurred by the indemnified party in defending any such claim, suit or action. The indemnified party agrees to promptly notify the other parties in writing of any claim, lawsuit or action made or instituted against such party arising out of acts or omissions hereunder or those of its agents.

Agreement with Affiliate with the University of Cincinnati

Client agrees and acknowledges that this Consulting Agreement is solely between it, and Consultant, a corporate entity separate and distinct from the University of Cincinnati. Client further agrees and acknowledges that the University of Cincinnati is not a party to this Consulting Agreement and bears no legal, financial, or any other responsibility to Client under this Consulting Agreement. Client additionally acknowledges that it has entered into this Consulting Agreement freely and voluntarily, without any inducement by the University of Cincinnati, or its Trustees, officers, or employees, and waives any claims against the University of Cincinnati, or its Trustees, officers, or employees concerned with or related to this Consulting Agreement.