

**MARKET STUDY
(ANALYSIS AND STRATEGY)
Bicentennial Bluffs Choice Neighborhood Plan**

SCOPE OF SERVICES

The focus of data analysis for this study should reflect current economic and market conditions in the City of Joliet and the broader Will County/greater Chicago region. The analysis should determine how market conditions impact the Bicentennial Bluffs Choice Neighborhood planning area and the feasibility of residential and non-residential development now and in the future. It should be informed by how markets within Bicentennial Bluffs—including Downtown Joliet and the target public housing, St. Mary's, and St. Pat's areas—interact with citywide and regional trends. The analysis should also provide the City of Joliet and the Housing Authority of Joliet with a clearer understanding of the highest and best uses for vacant or underutilized properties, particularly along the Des Plaines River and key downtown corridors.

This study will use demographic, employment, and market data to provide an understanding of the local economic, housing and land uses, and of the opportunities and challenges to revitalization and redevelopment in the planning area. Research for this study should include new data analysis as well as interviews with stakeholders, such as real estate developers, employers and small businesses.

The consultant will use a dynamic approach to the analysis of future market conditions within the Bicentennial Bluffs Neighborhood in order to further an understanding of the potential for transformational change within the planning area. This would include an analysis of potential improved market conditions based on the future implementation of catalytic redevelopment and neighborhood improvements. The analysis should consider a time frame for new development to occur and have a positive impact on Planning Area market conditions, to inform the Transformation plan process and implementation.

The scope of work includes a survey regarding housing types including market rate and affordable housing. The response should clearly state the proposed methodology, sources of data used in the analysis and limitations, if any.

As part of the Neighborhood element of the Plan, we are looking for a two-phase Market Study and Strategy to address the following:

Phase 1: A general overview of the demand for both market-rate and affordable housing within the Planning Area, to include information as to the current number of various types of multi-family and single-family rental and for-sale units, current values and rents, general estimates of demand, and known and anticipated estimates of emerging supply. Specifically the study should address:

- Market Area Definition: The consultant will identify any submarkets existing within the focus neighborhood as well as intersections with adjacent markets such as downtown Joliet. The consultant will identify the Joliet housing markets and submarkets and establish into which submarket the Bicentennial Bluffs Neighborhood (“Planning Area”) belongs.
- Housing Market Characteristics : Identification of current housing characteristics within the planning area, addressing type, rent level, occupancy rates, and characteristics of rental and for - sale housing serving the planning area, with special emphasis on the availability of affordable housing.
- Trends based housing forecast: Identification of anticipated growth of the rental and for - sale housing supply to respond to various markets within the planning area.
- Influence of downtown development: Identification of the impact of downtown Joliet’s development on housing demand, supply dynamics, and economic trends within the planning area, with particular shifts in affordability.
- Identification of obstacles and limits to the production of affordable housing under current market conditions: Identification of issues and suggestions to rectify any imbalance to achieve a mixed income neighborhood.

Phase 2: A site-based strategy which builds upon the results of Phase 1 and specifically addresses the redevelopment of HAJ’s target housing properties, and/or another selected opportunity site, as a mixed -income project to include a mix of market, affordable and public housing units. The strategy should help to establish the number and mix of units that could be built on the site and the immediate vicinity, and should include forecast absorption for various mixes of unit sizes and rents. The strategy should also include an assessment of the types and sizes of on -site supportive commercial uses that could be included in a mixed -use project.

DETAIL SCOPE OF WORK AND TECHNICAL SPECIFICATIONS

The market analysis should include, but not necessarily be limited to, the following tasks.

Phase 1

Task 1: Market Area Definitions

The consultant will identify the City of Joliet housing markets and submarkets and establish into which submarket the Choice Neighborhood (“Planning Area”) fits. This submarket is to be identified as the “Competitive Market Area.” The Competitive Market Area should comprise an area with similar market characteristics within which the Planning Area is an option for housing or non -residential development. The identification of a Competitive Market Area should not preclude consideration that households or businesses may be attracted to the Planning Area from beyond the Competitive Market Area. The consultant will also identify a regional market (“the region”) whose characteristics and trends may impact or provide context for the planning area, recognizing that this regional market may or may not be contiguous with the Chicago –Naperville –Elgin, IL–IN–WI Metropolitan Statistical Area (“MSA”). If a subset of Joliet is identified as the regional

market, the consultant shall distinguish between the regional market and Joliet when and if it is appropriate to consider trends and context provided by the entire MSA.

Task 2: Site Analysis, Community Amenities and Features

The consultant will review existing conditions documentation developed for the Plan, and conduct an analysis of the Planning Area in terms of geographic context, access, and availability to needed facilities and services including:

- Analyze current and proposed land uses in the Planning Area, looking at the general character of the surrounding neighborhoods, Downtown Joliet, and planned developments that can be identified.
- Examine the existing transportation infrastructure and any proposed major improvements.
- Investigate the location and types of public and private support facilities and services serving the population (i.e., schools, shopping, medical, public transportation, and recreation/leisure activities).

Task 3: Economic Context

The consultant will review the economic forces that are shaping the market and place them within the context of the region including:

- Examine trends in labor force and unemployment rates in the Competitive Market Area, the city and the region, as appropriate.
- Examine the size and nature of employment currently existing in and around the Planning Area and document the recent growth in employment by sector.
- Survey major employers in the area and collect the following information: A list of major employers in the area, including type of industry, number of employees, and proximity to the proposed development's location; expectations for employment changes over the next three to five years; and identify major stimuli or disruptions to the economy.

Task 4: Socioeconomic and Demographic Context

The consultant will analyze demographic and socioeconomic trends within the Planning and Competitive Market Areas, placing them in a citywide and regional context including:

- Based in part on Census data, examine recent trends in population and household growth, as well as current public projections of population and household growth over the next 15 years.
- Examine the characteristics of the current households including family type, tenure, age distribution, and household type.
- Examine current income characteristics of the population within the market area, including income by tenure.

Task 5: Rental Housing Market Conditions

The consultant will conduct a supply analysis that will assess the location, type, rent level, occupancy rates, and characteristics of rental housing serving the Planning Area, the Competitive Market Area and/or the city, as appropriate, including:

- Compile, map and analyze information on general occupancy, age-restricted rental apartments, rental townhouse and multi-family developments, and subsidized communities. Also, document the trends in rental housing pricing over the recent past.
- Compile and analyze data on rent levels, unit size, unit distribution, and occupancy rates.
- Examine features and amenities offered in the market.
- Document current offerings in the market and absorption experience of recently completed projects.
- Prepare individual profile sheets of existing rental communities in the market areas and include these in the final report.
- Identify new rental housing developments under construction and planned in the market areas.

Task 6: For-Sale Housing Market Conditions

The consultant will conduct a supply analysis that will assess the size and characteristics of the Planning Area's, the Competitive Market Area's and/or the city's existing and new for-sale markets, as appropriate.

- Compile and analyze information on the existing and new for-sale market, looking at current price position and geographic dispersion of sales by price position. Also, document the trends in housing pricing over the recent past.
- Present information about the market's currently active new home sales activity. This analysis will include summary data on housing types being built, age restrictions, sales by price position, inventory remaining in active subdivisions, and a price/square foot comparison of current offerings.
- Quantify and map new residential development anticipated in the area.

Task 7: Non-Residential Market Conditions

The consultant will conduct a supply analysis that will assess the non-residential landscape of the Planning Area in relation to the Competitive Market Area and the rest of the city and identify retail/small business gaps and identify and evaluate retail/small business locations within the Planning Area, as well as market opportunities for other types of non-residential development

- Compile and analyze information on existing conditions to develop market and retail gap analysis.
- Compile and analyze information on existing conditions to develop market analysis for non-retail business and development opportunities.
- Review City policies, land use designations, and zoning designations in the Planning Area.

- Identify potential growth and redevelopment sites and identify market potential with respect to non-housing market segments.

Task 8: Perceptions and Attitudes

The Planning Area contains a high concentration of low and very low-income households relative to the region. The consultant will conduct an analysis of perceptions and attitudes about the Planning Area in order to determine if and how these perceptions may limit the area's development potential.

- Interview stakeholders and decision influencers within and outside the Planning Area to include, but not be limited to, realtors, developers and business owners.
- Identify and assess the strength of perceptions and attitudes about the Planning Area that impact market conditions and development potential.
- Use the results of the perceptions and attitudes analysis to modify or qualify data driven market assessments, as appropriate.

Phase 2

Task 9: Analysis and recommendations for Target Housing Development Site(s)

Using information and analysis from Planning Area market study following Model Content Standards for Rental Housing Market Studies established and adopted by the National Council of Housing Market Analysts (NCHMA) including, but not limited to the following:

- Concise description of the site and the immediately surrounding area/surrounding land uses;
- Summary of the subject development, including the proposed targeted population to be served;
- Summary of economic conditions;
- Project description and support of the defined primary market area;
- Summary of key demographic data;
- Summary of competitive market conditions;
- Summary of demand for the proposed development including a concise statement of the analyst's opinion of market feasibility, determined by factors of market demand;
- Summary of positive and negative attributes and issues that will affect the property's marketability, performance, and lease-up. Mitigating factors of any negative attributes should be identified, if any;
- Precise statement of key conclusions reached by the analyst. This statement should provide a definitive evaluation of the proposed development and its prospect for success as proposed. This statement should reconcile any conflicting data indicators among the various sections of the report;
- If needed, recommendations and/or suggested modifications to the proposed project. It should be clear if these modifications would be necessary for the project's success.

- Absorption estimate for the subject property.

Task 10: Findings and Recommendations for Phase 1 and Phase 2.

The analysis and feasibility study will include:

- An evaluation of the strengths and weaknesses of the area, including its demographic and competitive environment.
- Projections for the number of households in the Planning Area in the short term and long term.
- Calculation of the balance of supply and demand for both rental and for - sale housing in the market area.
- Suggestions for suitable housing products for the Planning Area and any submarkets identified within the Planning Area. Suggestions should address target market structure types, unit sizes, appropriate mix of bedrooms, features and amenities, and rental and sales prices.
- Suggestions for suitable non - residential products for the Planning Area and any submarkets identified within the Planning Area. Suggestions should address unmet needs for which a commercially viable market exists and the existence or need to develop suitable real estate products to meet these needs.
- Quantification of future demand for all market segments over a defined time horizon (5 to 15 years) for non - residential square footage and number of housing units by housing type. All findings and recommendations should incorporate a dynamic approach as much as possible.

TIME OF PERFORMANCE

Phase 1: Market Analysis

The Market Analysis (Phase 1) shall commence upon authorization to proceed and be substantially completed no later than **May 2026**.

Phase 2: Market Strategy

The Market Strategy (Phase 2) shall commence in **early 2026**, concurrent with development of the Housing Plan, and shall be completed no later than **August 2026**.

BUDGET

The outlined Scope of Services is proposed as a **lump - sum fee of \$30,000** for the Market Analysis and Market Strategy, inclusive of **both Phase 1 and Phase 2 services**.