

REQUEST FOR PROPOSAL (RFP)
TOWN OF STEVENSVILLE
MARKET ANALYSIS

TOWN OF STEVENSVILLE
206 BUCK STREET
STEVENSVILLE, MT 59870

AUGUST 31, 2018

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1. SUMMARY AND BACKGROUND

The Town of Stevensville (hereafter referred to as The Town) is currently accepting proposals to conduct an in-depth Market Analysis examining socio-demographic and economic trends, including how money is flowing into, around, and out of the community, in order to implement effective business development and strategic community growth.

The purpose of this Request for Proposal (RFP) is to solicit proposals from various candidate organizations, conduct a fair and extensive evaluation based on criteria listed herein, and select the candidate who best represents the direction the Town wishes to go.

The Town Stevensville is located in the Bitterroot Valley, 25 miles south of Missoula in southwest Montana. Within the Town limit, the population is only 1,963, but its market area within the Stevensville zip code has a population of 10,222. Stevensville's trade area encompasses Florence and Victor, for a total population of 20,000+.

In November 2016, Stevensville's largest employer, Selway Corporation, laid off 110 employees--a payroll exceeding \$6.5 million annually--following a downturn in the natural resource industries that severely affected the steel fabrication company. The loss of a \$6.5 million payroll has had a significant impact on the Main Street business district.

As a destination for retirees, and employees who work in Missoula and Hamilton, Stevensville continues to see growth: from 2000 to 2015, the population grew about 20%, and the portion of citizens over the age of 60 grew from less than 18% to more than 30%. There have been 85 new residential properties constructed so far in 2017 within the Stevensville zip code area, including a dozen within the Town. According to the local Multiple Listing Service, a total of 100 residential properties sold in the second quarter of 2017 alone, totaling \$31 million, and 7 commercial properties sold, totaling \$1.1+ million.

To help address these diverse challenges, Stevensville completed an update of its Growth Policy in December 2016 with the help of the Montana Main Street grant program. The update identified several high priority projects as next steps to support business and community development, sustainable growth, and historic preservation in Stevensville.

As stated in the Growth Policy, "To keep the water flowing, bills paid, and maintain infrastructure, the Town of Stevensville requires stable revenue sources. The majority of the town's tax base is made up of residential property taxpayers rather than higher paying commercial and industrial properties. This, in turn, creates a financial hardship for the local government as it works to keep up with the high cost of replacing, extending, and maintaining public infrastructure, much of which is 100 years old."

There are numerous opportunities for new commercial development in and adjacent to the Stevensville downtown district: vacant lots, vacant buildings that are targets for redevelopment, and infill development in a TIFD Light Industrial District and a Targeted Economic Development District (TEDD) at the Stevensville Airport. Stevensville also has an opportunity to capture significantly more of the 271,000 nonresident travelers who are visiting Ravalli County

each year (many of them traveling between Glacier and Yellowstone National Parks). *The Market Analysis is intended to tell us which types of businesses and tourists are ideal targets for Stevensville, based on existing assets, workforce skills, business clusters, infrastructure, etc.*

The Town of Stevensville recently has successfully completed not only the Growth Policy, but also several public infrastructure projects (water treatment plant upgrades, airport upgrades, streetscape project, park upgrades, etc.).

The Stevensville Main Street Association frequently provides assistance in facilitating involvement in through its ability to communicate with 600+ businesses, property owners, public agencies, media, nonprofit organizations, churches, and individuals throughout the community and county.

2. PROPOSAL GUIDELINES

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until 5pm MDT September 7, 2018. Any proposals received after this date and time will be returned to the sender. All proposals must be signed by an official agent or representative of the company submitting the proposal.

If the organization submitting a proposal must outsource or contract any work to meet the requirements contained herein, this must be clearly stated in the proposal. Additionally, all costs included in proposals must be all-inclusive to include any outsourced or contracted work. Any proposals which call for outsourcing or contracting work must include a name and description of the organizations being contracted.

All costs must be itemized to include an explanation of all fees and costs.

Contract terms and conditions will be negotiated upon selection of the winning bidder for this RFP. All contractual terms and conditions will be subject to review by the Town's legal counsel and will include scope, budget, schedule, and other necessary items pertaining to the project.

3. PROJECT PURPOSE AND DESCRIPTION

The proposed project will address the issues outlined above as follows:

Effective business retention, expansion, and recruitment requires a thorough understanding of the market--how money is flowing into the community and how it is being spent, on which goods and services, and by whom, and how money is flowing (leaking) out of the community, to where, and on which goods and services. The Market Analysis will provide granular data that will help existing and potential businesses better understand how to "follow the money" and capture a larger share of both business and consumer expenditures. The market in Stevensville has changed significantly in the past decade--as have national and international market trends--and businesses need to understand those changes and trends to capitalize on new market opportunities. The results of the Market Analysis will be shared with the local business and property owners and developers via the Stevensville Main Street Association (SMSA), and with

Ravalli County Economic Development Authority, to aid business retention, expansion, and new business development. The results also will be used to help the SMSA define new modes of operations to strengthen its ability to support the town.

Project Description:

This project will incorporate the Main Street Center Four Point Approach as follows:

1. ORGANIZATION. This project is a partnership between the Town of Stevensville (Mayor, Council, Town Clerk) and the Stevensville Main Street Association. Others who will be involved include local business and property owners, Stevensville citizens, the Park Board, Planning and Zoning Board, Civic Club, American Legion, Garden Club, other local nonprofits, and Ravalli County Economic Development Authority. A robust, multi-channel public awareness and involvement process will encourage involvement and ownership in the Market Analysis and Master Plan.

2. PROMOTION. The Market Analysis will provide solid market information to facilitate more targeted planning and promotions for Main Street programs, as well as for targeted business development and recruitment, and tourism development. Business and property owners will be more successful with a better understanding of how the market has changed, the goods and services that businesses and consumers and travelers are buying, and how to reach them. The Town and Main Street Association will benefit from better market data in their planning efforts. The Master Plan will facilitate promotion and communication opportunities related to enhancements that result from the Master Plan process. Promotions for the Master Plan process will be multi-channel (newspaper, radio, Facebook, direct mail, etc.) to build awareness and buy-in from local residents.

3. DESIGN. The Master Plan and Park Site Plan will assist the Town, Park Board, and Design Committee in addressing priority objectives in the Growth Policy related to downtown planning, historic preservation, design guidelines, and public space development. It also will identify opportunities for additional streetscape improvements (such as irrigation, wayfinding/signage, public art, facade improvement assistance, etc.), ways to connect downtown to schools and parks, multi-modal transportation options, spaces for outdoor events, and opportunities linked to the three National Historic Trails that overlay Main Street through Stevensville. The Master Plan will contextualize the downtown in relation to surrounding business districts and attractions.

4. ECONOMIC RESTRUCTURING. The Market Analysis will provide the economic base assessment and market data (including socio-demographic, lifestyle, sales/expenditure data by category, and trends) to provide business and property owners the information they need to effectively refine their business models and product/service mix to increase profitability and competitiveness. It also will identify sales leakage, and opportunities to recapture spending in Stevensville, in order to maintain a balanced and sustainable business district. The Master Plan will help identify opportunities for business development, infrastructure needs (such as high-speed Internet capacity), and infill development.

4. PROJECT SCOPE

Effective business retention, expansion, and recruitment requires a thorough understanding of the market--how money is flowing into the community and how it is being spent, on which goods and services, and by whom, and how money is flowing (leaking) out of the community, to where, and on which goods and services.

The Market Analysis is intended to provide granular data that will help existing and potential businesses better understand how to "follow the money" and capture a larger share of both business and consumer expenditures. The market in Stevensville has changed significantly in the past decade--as have national and international market trends--and businesses need to understand those changes and trends in order to capitalize on new market opportunities.

The results of the Market Analysis will be shared with the local business and property owners and developers via the Stevensville Main Street Association (SMSA), and with Ravalli County Economic Development Authority, in order to aid business retention, expansion, and new business development. The results also will be used to help the Town government and SMSA strengthen their ability to support business development. The Market Analysis should include:

Demographic Trends (Stevensville area, vs. statewide trends, 2010, 2016, and future projected)

- Population by age, HH income, housing/ownership, employment, household type, education/skills
- Psychographics and lifestyle segments (e.g., Tapestry, PRIZM, etc.)
- Commuters to work, distances, and for types of jobs/skills
- Remote workers by sector

Economic trends

- Business inventory and employment by sector (NAICS codes), vs. statewide trends
- Key business and economic clusters—and potential clusters (munitions, ag, medical, aviation)
- Business sales by category, vs. statewide trends
- Business-to-business sales
- Sales leakage by category, Gap Analysis, positive and negative pull-factor sectors
- Housing data and trends (age of housing, types, remodel/new construction trends)
- From VISA Data Services, if possible:
 - Purchases by category made by Stevensville residents in Stevensville
 - Purchases by category made by Stevensville residents buying outside the community
 - Purchases made in Stevensville by people outside the primary trade area

Visitor Trends (Stevensville area, vs. statewide trends)

- Types and origins of visitors to Stevensville area, by season (from ITRR data, information from local lodging and dining businesses, outfitters, and attractions)

5. REQUEST FOR PROPOSAL AND PROJECT TIMELINE

Request for Proposal Timeline:

All proposals in response to this RFP are due no later than 5pm MDT September 7, 2018.

Evaluation of proposals will be conducted September 20, 2018. If additional information or discussions are needed with any bidders during this meeting, the bidder(s) will be notified.

The selection decision for the winning bidder will be made no later than September 12, 2018.

Upon notification, the contract negotiation with the winning bidder will begin immediately.

Notifications to bidders who were not selected will be completed by September 14, 2018.

Project Timeline:

Project initiation conference call with Stevensville Main Street Association Economic Development Committee September 17, 2018.

Progress meetings with Stevensville Main Street Association Economic Development Committee October 8, and November 5, 2018.

Project must be completed by November 16, 2018.

6. BIDDER QUALIFICATIONS

Bidders should provide the following items as part of their proposal for consideration:

- Description of experience in planning, preparing, and presenting in-depth market analyses.
- List of how many full-time, part-time, and contractor staff in your organization
- Examples of 3 or more market analysis reports prepared by your organization
- Anticipated resources you will assign to this project (total number, role, title, experience limited to one-page per team member)

7. PROPOSAL EVALUATION CRITERIA

The Town will evaluate all proposals based on the following criteria. To ensure consideration for this Request for Proposal, your proposal should be complete and include all the following criteria:

- Overall proposal suitability: proposed solution(s) must meet the scope and needs included herein and be presented in a clear and organized manner
- Organizational Experience: Bidders will be evaluated on their experience as it pertains to the scope of this project
- Previous work: Bidders will be evaluated on examples of their work pertaining to market analyses as well as client testimonials and references

- Value and cost: Bidders will be evaluated on the cost of their solution(s) based on the work to be performed in accordance with the scope of this project
- Technical expertise and experience: Bidders must provide descriptions and documentation of staff technical expertise and experience

Each bidder must submit 5 copies of their proposal to the address below by September 7, 2018 at 5pm MDT:

Town of Stevensville
P.O. Box 30
Stevensville, MT 59870-0030