



## **TOWN OF LA POINTE MADELINE ISLAND**

240 Big Bay Road  
PO Box 270  
LA POINTE, WI 54850  
715-747-6913

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### **Request for Proposal Housing Needs Assessment /Market Study**

#### **1. Summary and Background**

The Town of La Pointe, on Madeline Island, is accepting Proposals for a needs assessment and market-specific market study that will help the Town determine the viability of creating affordable workforce housing on the Island, and prioritizing what types of housing are likely to meet the needs of current and potential year-round residents.

The Town of La Pointe encompasses Madeline Island, the only Apostle Island that is inhabited year-round. The Lake Superior Island is a long-time seasonal and vacation destination that has grown increasingly popular, especially in the Covid era. La Pointe's population rose 64% in the last decade -- to 427, 2020 US Census figures show. The Town's growth runs counter to many rural communities in northern Wisconsin; for example, the Town saw the largest population increase – in percentage and raw numbers – of any municipality in Ashland County.

This growth, the widespread availability of short-term vacation rentals, the long tradition of seasonal residences, the attractiveness of the Island to remote workers, and broader market trends have made affordable housing difficult, if not impossible, for year-round residents to find or obtain.

The Town's Affordable Housing Advisory Committee is seeking to create the types of housing that the private market is not providing. The committee's initial emphasis is on "workforce housing" for year-round residents who earn between 60 percent and 120 percent of the area median income. The requested needs assessment is necessary so the committee, the Town Board, and potential development and financial partners know how much housing is necessary to add, who would utilize that housing, what kind of housing they are looking for, what kind of housing they can afford, and what kind of housing is financially buildable and sustainable from a development perspective.

## 2. Proposal Guidelines

### 2.1. Proposal Deadline

Proposals will be accepted until 4 p.m. Central Time on Tuesday Sept. 13, 2022.

### 2.2. Submission Requirements

Proposals must be sealed, marked with the Vendor's name and address, labeled **"RFP 22-03,"** and delivered by the Proposal deadline to:

Town Clerk  
Town of La Pointe  
PO Box 270  
240 Big Bay Road  
La Pointe, WI 54850

Hand-delivered copies will be accepted at the above address only between the hours of 8 a.m. and 4 p.m. Central Time, Monday through Friday, excluding holidays observed by the Town. Vendors are responsible for informing any commercial delivery service, if used, of all delivery requirements and for ensuring that the delivery service includes the required labeling information on the outer wrapper or envelope. Vendors should be aware that delivery to the Island may be affected by ferry schedules and other conditions beyond the Town's control.

### 2.3. RFP Timetable

The anticipated schedule for the Request for Proposal (RFP) is:

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| • RFP Available                            | July 27, 2022                          |
| • Proposal deadline                        | Sept. 13, 2022, 4:00 p.m. Central Time |
| • Proposals opened                         | Sept. 13, 2022, 5:30 p.m. Central Time |
| • Review of proposals                      | Sept. 14-21, 2022                      |
| • Town Board votes on recommended proposal | Sept. 27, 2022                         |
| • Contract developed                       | Sept. 28-Oct. 5, 2022                  |
| • Town Board approves contract             | Oct. 11, 2022                          |

After the Town Board opens submissions, Proposals will be reviewed by staff and the Affordable Housing Advisory Committee, which will make a recommendation to the Town Board of a preferred Proposal.

### 2.4. Content of Proposal

To facilitate evaluation of proposals, please submit the following:

- 2.4.1. The Submittal Form (see last page of this RFP)

- 2.4.2. A Proposal prepared with a straightforward, concise description of the Vendor's capabilities to satisfy the requirements of this RFP.
- 2.4.3. Two (2) printed versions of the Proposal.
- 2.4.4. A flash drive with one (1) fully executable electronic copy of the Proposal (signatures included) in PDF format.
- 2.4.5. An outline of the work proposed to complete the project, including a proposed Work Schedule and progress meetings.
- 2.4.6. At least two recent examples of comparable projects.
- 2.4.7. Three (3) references of previous clients; please provide name, address, date of project, email, and telephone of all references on a separate page.
- 2.4.8. The Proposal must be signed by a company officer who is legally authorized to enter into a contractual relationship in the name of the Vendor. Proposals must remain valid for a period of 60 days from the Proposal deadline (see Submittal Form on last page of this RFP).

2.5. Additional Proposal Information

- 2.5.1. The Town of La Pointe (Town) will not change or supersede the written requirements in this RFP except by written addendum.
- 2.5.2. Submission of any Proposal indicates acceptance of the conditions contained in the RFP, unless clearly and specifically noted otherwise in the proposal.
- 2.5.3. All expenses involved with the preparation and submission of the RFP to the Town are the responsibility of the Vendor.
- 2.5.4. All materials submitted in connection with this RFP will be public documents and subject to the Open Records Law and related laws and policies of the State of Wisconsin and of the Town of La Pointe. All such materials shall remain the property of the Town and will not be returned to the respondent.
- 2.5.5. A list of names of Vendors responding to the RFP may be obtained from the Town Administrator after the Proposal deadline.
- 2.5.6. Inquiries to clarify any requirements of this RFP should be directed to Town Administrator Michael Kuchta at [administrator@townoflapointewi.gov](mailto:administrator@townoflapointewi.gov) or 715-747-6914.
- 2.5.7. The issuance of this RFP constitutes only an invitation to present a Proposal. The Town reserves the right to determine, at its sole discretion, whether any aspect of a respondent's Proposal meets the criteria in this RFP. The Town also reserves the right to seek clarifications, to negotiate with any vendor submitting a response, to modify the procurement process and schedule, to waive any technicalities or irregularities, to reject any or all responses with or without cause, and to accept the response that is determined to be in the best interest of the Town.
- 2.5.8. In the event that this RFP is withdrawn or the project canceled for any reason, the Town shall have no liability to any respondent for any costs or expenses incurred in connection with this RFP or otherwise. All respondents to this RFP shall hold

harmless the Town and any of their officers and employees from all suits and claims alleged to be a result of this RFP.

## **Project Purpose and Scope**

This request seeks Proposals for a needs assessment and market-specific market study that will help the Town determine the viability of creating affordable workforce housing on the Island, and prioritizing what types of housing are likely to meet the needs of current and potential year-round residents.

### **3.1. Background**

The Town's 10-member Affordable Housing Advisory Committee is seeking to spearhead the types of affordable housing that the marketplace is not providing. The committee's initial emphasis is on "workforce housing" for year-round residents who earn between 60 percent and 120 percent of the area median income. Many of these workers are in hospitality, property management, public service, and construction. We use the standard definition of "affordable": housing in which occupants do not spend more than 30 percent of their income on the costs of shelter.

Although many other communities also face a shortage of affordable housing, La Pointe has distinct challenges (beyond the fact that it is an Island community that has no bridge connections to the mainland). Population increased 63.6% in the past 10 years, the 2020 US Census shows. The substantial presence of seasonal residences and short-term vacation rentals shrinks the number of homes that can be purchased or rented for year-round living. This reality skews availability, market prices, and puts local residents at a disadvantage in a competitive real estate market. Property sales on Madeline Island rose 244% between 2019-2021, driven in part by Covid refugees and broadband availability that supports remote work.

The median home price rose 74% in the same 3-year period, to \$438,150. Under the standard definition of affordability, a median-price home in La Pointe in 2021 required a household income of \$104,000. But the median household income in Bayfield County – which has the closest socioeconomic ties to La Pointe – is only \$56,000. The median household income is even lower in Ashland County (in which La Pointe is statutorily located).

The impact on Island residents and businesses is widespread. The Affordable Housing Committee's surveys of Island employers suggest that only about 10% of Madeline Island's workers actually live on Madeline Island. Three-quarters of Island employers say the lack of affordable housing limits their ability to hire workers; 60% say it limits the days and hours they operate. More than half the Island's year-round workers say they must move at least twice a year to maintain housing.

Our requested needs assessment is necessary so the Affordable Housing Committee, the Town Board, and potential development and financial partners know how much housing is necessary to fill the existing gap, who would utilize that housing, what kind of housing they

are looking for, what kind of housing they can afford, and what kind of housing is financially buildable and sustainable from a development perspective. Ideally, we would build rental or ownership housing that does not rely on ongoing subsidies on the back end, but instead makes the housing affordable long-term by closing the development funding gap on the front end.

The Affordable Housing Committee has done extensive groundwork in the past year to build support. This includes participating both in the Chequamegon Bay Regional Housing Coalition and in the Rural Affordable Workforce Housing Initiative being conducted by the Wisconsin Department of Housing and Economic Development (details below). The committee has surveyed Island employers, surveyed Island employees, regularly submitted educational articles to the community newspaper, partnered with the Island's largest faith community, and received clearance from the Town Board to pursue next steps after it held a open workshop defining the housing challenge in quantitative and qualitative terms (see a recording at [tinyurl.com/3tft8cvf](https://tinyurl.com/3tft8cvf)). Committee members currently are exploring potential paths; these include identifying specific public and private parcels suitable for development, and researching land trusts and similar property arrangements.

Concurrently, the Town is in the midst of a 15-month revision of its Comprehensive Plan. During this project, the Affordable Housing Committee met both with the Town Plan Commission and the Comprehensive Plan Steering Committee to advocate for the kinds of zoning modifications that make new affordable housing development attainable. A community-wide survey led by the Comprehensive Plan Steering Committee shows broad community understanding and support for affordable housing. More than 500 people filled out the survey; initial analysis by Northland College's Center for Rural Communities shows that "housing affordability and availability" is among the top three priorities of survey respondents, and that two-thirds of respondents recognize that the Island's current housing options do not meet the needs of all residents. Initial analysis also suggests that substantial numbers would support tactics such as dedicating Town-owned land for affordable housing, and using public financing tools to help make affordable housing happen.

As mentioned earlier, the Town is part of the Chequamegon Bay Regional Housing Coalition, which is convened by the University of Wisconsin Extension and includes organizations and jurisdictions in Ashland and Bayfield Counties, as well as the Bad River and Red Cliff bands of Lake Superior Chippewa. The Coalition conducted a regional housing survey and published a regional housing study in 2021; the selected vendor will have ready access to those reports to inform their work for La Pointe.

The Town is also participating in the Chequamegon Bay pilot project being led by the Wisconsin Department of Housing and Economic Development's Rural Affordable

Workforce Housing Initiative; depending on timing, the vendor may have access to research being done by that project.

In addition, in August, the selected vendor should be able to access the latest demographic information for the Town from the state Department of Administration, which expects to release demographic breakdowns and projections based on Census and American Community Survey data.

### 3.2. Scope of Work

- 3.2.1. Define the primary market area and overall market conditions for workforce housing in La Pointe
  - 3.2.1.1. Perform a demographic and socio-economic evaluation of the market area, utilizing data from the 2020 Census, the most recent American Community Survey, and other sources
  - 3.2.1.2. Evaluate market demand, housing patterns, supply, characteristics, trends, and unmet housing needs for the market area (and comparable regional markets as appropriate)
  - 3.2.1.3. Evaluate the impact in the market area of migration to and from the Island, and of seniors who are downsizing or relocating
- 3.2.2. Define the existing (and potential) Island workforce, as appropriate
  - 3.2.2.1. Supply an employment analysis
  - 3.2.2.2. Estimate the achievable rent or mortgage capability of the target population
  - 3.2.2.3. Perform a demand analysis of unit sizes and other amenities required for workers in different income and household situations. Include interviews or surveys of potential residents and others, as appropriate
- 3.2.3. Make recommendations on potential new or rehabilitated workforce housing in La Pointe
  - 3.2.3.1. Recommend timetables and phases for adding rental and ownership properties, in order to increase likelihood of their economic viability
  - 3.2.3.2. Define overall demand and estimated rates of absorption and stabilized occupancy for single-family and small-scale multifamily development
  - 3.2.3.3. Assess whether new development will be compatible with rent or mortgage payment capabilities of projected residents; recommend balance of income-restricted, non-income-restricted, and mixed-income development
  - 3.2.3.4. Assess what share of any new development(s) would qualify for low-income housing tax credits

3.2.3.5. Project the effect of new units on existing market(s)

3.2.4. Report findings and recommendations

3.2.4.1. Comply with Model Content Standards, where applicable, as published by the National Council of Housing Market Analysts. The report should include, at a minimum, sections containing an Executive Summary, an Introduction and Scope of Work, a Market Area Definition, Employment and Economy, Demographic Characteristics, Affordability and Demand Analysis, Local Perspective, and Analysis/Conclusions

3.2.4.2. Provide the Town a written report in both hard copy and electronic formats

3.2.4.3. Provide presentations to the Affordable Housing Advisory Committee and Town Board

3.3. Timeline

The selected Vendor should deliver a preliminary report and concepts to the Town no later than March 31, 2023.

**4. Information for Selected Vendor**

4.1. Required Documentation

4.1.1. The selected Vendor will be required to provide a current W-9.

4.1.2. The selected Vendor shall be an independent contractor in regard to the Town, not an employee of the Town; as such, the selected Vendor will be required to complete a 9-Point Test.

4.2. Taxes

The Town is exempt from sales and use taxes. Upon request, the selected Vendor will be provided with the Town's Sales and Use Tax Exemption Certificate and CES Number.

4.3. Insurance

4.3.1. The selected vendor (Contractor) will be required to provide proof of liability and workers compensation insurances before work can begin on this Town project.

4.3.2. General liability insurance should cover \$1,000,000 per incident, list the Town as an additional insured, meet all applicable state and federal laws, meet other conditions specified by the Town, and remain in effect for the duration of the project. In the event the selected vendor is a self-insured organization, different insurance requirements may apply.

4.3.3. Workers compensation insurance shall be as required by the State of Wisconsin. The selected vendor shall procure and maintain for the life of the contract workers



compensation insurance covering all employees, with limits meeting all applicable state and federal laws. This coverage shall extend to any subcontractor that does not have its own worker's compensation or employer's liability insurance.

#### 4.4. Jurisdiction

Any contract resulting from this RFP shall be governed in all respects by the laws of the State of Wisconsin and any litigation with respect thereto shall be brought in the courts of the State of Wisconsin. Then contractor shall comply with applicable federal, state, and local laws and regulations.



## Submittal Form

In compliance with the Town of La Pointe's **Request for Proposal**, and subject to all terms and conditions thereof, the undersigned offers and agrees, if this Proposal is accepted within sixty (60) days from the date of the opening, to furnish the services for the prices quoted within the anticipated timeframe.

Authorized Signature: \_\_\_\_\_

Printed Name and Title: \_\_\_\_\_

Date: \_\_\_\_\_

Vendor's Name: \_\_\_\_\_

Federal EIN: \_\_\_\_\_

Business Address: \_\_\_\_\_

Business Contact Representative: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_