

RAINIER VALLEY RETAIL /COMMERCIAL STUDY REQUEST FOR PROPOSALS

BACKGROUND

The Southeast Seattle Community Development Action Agenda is the outcome of a community process to develop strategies and actions needed to foster the revitalization of Southeast Seattle. It is the result of the collaboration of a diverse group of community and business leaders, community-based organizations and public and private sector organizations.

The community vision of the Action Agenda is:

“Southeast Seattle is a vibrant community where: racial, cultural and economic diversity is embraced and preserved; immigrants are welcomed; all residents have access to economic and educational opportunities, housing, and cultural and recreational amenities; and the economic benefits generated by public and private investments are shared with current residents, businesses and community institutions.”

The plan encompasses community goals addressing business and job creation, physical development, education and workforce development, public safety, arts, culture & public space. Community goals focused on business and job creation are summarized as follows:

Support existing businesses throughout the Rainier Valley and encourage investment in new businesses to:

- 1. Preserve the multi-ethnic mix of local entrepreneurs*
- 2. Provide opportunities for them to benefit from the increased economic activity that will result from the substantial public and private investment in the area*
- 3. Diversify and increase the availability of retail goods, services and jobs within the Rainier Valley.*

The Rainier Valley can be characterized as a largely minority, under-invested and low-income neighborhood located in Southeast Seattle. According to the 2000 US Census, the community has a population of approximately 24,000, and is 18% White, 28% Black, 40% Asian; and 40% are foreign-born. Recognized as the area of the City of Seattle with the greatest cultural diversity, Rainier Valley currently attracts more recent immigrants than any other part of the city.

Since the 1980's, many Southeast Asian businesses have opened establishments along Rainier Ave. S. and Martin Luther King Jr. Way S., the two main transportation corridors that form the backbone of the commercial corridors. More recently, refugees from East African countries have also settled in the area, further adding to the diverse mix of groups in the community. Rainier Valley now has over 90 language groups represented.

Martin Luther King Jr. Way S is the commercial corridor for many of the cultural communities who reside in the Valley. It is lined with small, locally owned businesses. It is also the alignment for the first phase of Seattle's light rail system, scheduled to start operating in 2009. The Othello station is at the center of the MLK Corridor defined for this study. Sound Transit projects 1,400 daily boardings by 2020 at the Othello Station, and ridership of 45,000 in this segment of the system.

Business located along the MLK Corridor have endured the construction impacts during the course of the project, however the sky-rocketing real estate values in this neighborhood are now starting to push them out of the City. Retention of this ethnic business mix along the corridor is an important goal of the Southeast Action Agenda. Strategies to ensure that existing businesses benefit from the development of the neighborhood are being implemented as part of the revitalization work.

With new light rail becoming operational in this corridor in 2009, nearly 700 units of new affordable and market rate housing developed over the course of the last 3 years, and new mixed-use developments underway with an anticipated 800 housing units and over 50,000 ft² of commercial space, the neighborhood is poised for change.

PROJECT

The City of Seattle's Office of Economic Development, community-based organizations, business and community leaders seek to influence the direction of this change by actively working to support retention and expansion of existing businesses, attract new businesses and address the retail mix of the neighborhood, with a particular focus on the Martin Luther King Way S Commercial Corridor.

For this reason, we seek a consultant to complete a commercial study of the Rainier Valley, which would include data collection and analysis, formulation and recommendations on appropriate retail mix, niche and cluster strategies and identification of implementation strategies.

Key goals of this project include:

- Develop potential cluster or niche opportunities for the MLK Corridor, capitalizing on existing strengths of the business corridor.
- Recommend retail merchandising mix to improve upon existing product offerings.
- Identify opportunities for existing businesses to strengthen their market position through expansion of product offerings to address gaps in retail mix.
- Identify areas of opportunity for recruitment of new goods and services offerings.
- Identify positioning for the MLK Corridor to help identify strengths
- Provide data analysis and "case for" so that the business district and community can better communicate and promote its retail potential to developers, property owners and retailers.
- Clearly define implementation strategies for using the study to improve the competitiveness and vibrancy of the business district.

SCOPE OF WORK

The work program is outlined as follows:

Step 1: *Review and update available market research, demographics, psychographics, retail leakage and other information relevant to assessing the retail opportunity for Rainier Valley, including Othello and Rainier Beach commercial nodes, with additional analysis of the Martin Luther King Way Corridor.*

- A. Conduct one-on-one interviews with a representative number of South East Team stakeholders. Responses and input from stakeholders will be captured to evaluate neighborhood perceptions and feasibility for retail opportunity.
- B. OED will provide all available market information, neighborhood studies, plans for future development and/or transportation projects and architectural drawings, etc. to aid in the assessment of the market opportunity for retail.
- C. Prepare analysis of retail leakage and opportunities for Rainier Valley, MLK Corridor and Rainier Beach for each retail and service category.
- D. Contractor will procure available demographic and psychographic data as applicable to the Rainier Valley, MLK Corridor and Rainier Beach.

Step 2: *Formulate a conceptual merchandising plan and tenant mix strategy based upon neighborhood study.*

- A. Review and analyze existing retail tenants along the MLK Corridor by size, category, quality, stability and sales (if available). Also, compare the per square foot sales performance of retailers in the districts to peer retailers, to gauge overall performance. Baseline business inventory for MLK Corridor will be available to Consultant from work of community partner. City of Seattle to provide aggregate Business and Occupation Tax data.
- B. Identify barriers or issues to creating vibrant retail district that need to be addressed by the community stakeholders and local government. These could include issues of cleanliness and safety; aesthetics and standards i.e. signage criterion and sidewalk amenities; transportation and parking effecting implementation of retail plan.
- C. Develop a merchandising plan and overall positioning for the MLK Corridor. Identify opportunities for expansion for existing businesses and examples of “key” prospective tenants for retail gaps to illustrate the retail mix recommendation(s).
- D. Develop conceptual retail mix strategy(s) which will contribute to the improvement of the MLK Corridor and appropriately serve the resident market addressing destinations, anchors and sense of place.
- E. Based on business inventory, Consultant shall produce a map for the MLK Corridor highlighting existing business clusters or complementary uses within the existing business mix and identify potential development strategies that would leverage the strengths of the existing distribution of businesses. This should include any recommendation for niche positioning strategies.

Step 3: *Provide examples of marketing and positioning strategies for MLK Corridor targeting 1) resident/ consumer and 2) new retail tenants.*

- A. Develop “case for” marketing strategies based upon neighborhood study targeting local resident market.
- B. Develop “case for” marketing and positioning of MLK Corridor to be utilized to encourage existing retailers to take advantage of market gaps and to attract new retailers to the districts.

Step 4: *Provide research on Rainier Valley capacity to support additional commercial office and retail space.*

- A. Identify vacancy rates, lease rate average and ranges for commercial office and retail space.
- B. Determine capacity for Rainier Valley to support additional commercial office and retail space. In the supportable space analysis, consultant shall estimate the approximate number of additional feet of retail space that could be supported assuming that the target district were to succeed in capturing a reasonable share of the identified retail leakage. This analysis will also translate the supportable square footage into number of stores supportable in these categories.
- C. Identify key nodes or locations that would be appropriate for additional commercial and/or retail development.

Step 5: *Recommendations and Presentation of findings to SE Team.*

- A. Conduct progress check in meeting with SE Team after completion of Steps 1, 2 & 3 for feedback and refinement.
- B. After completing Steps 1, 2, 3 & 4 and based on the above analysis, consultant will provide client with recommendations for:
 - a. Expansion opportunities for existing retailers and types of new retail tenants that would be most likely to success in the target areas given the existing and expected market conditions.
 - b. Steps that community stakeholders and local government could take to improve the competitive position of the district and its marketability to prospective retailers of the recommended types.
 - c. Clearly outlined implementation strategies for recommendations that can be undertaken given existing capacity of stakeholder group.
 - d. Identify roles of SE Team and other community stakeholders to lead and support the implementation of the retail plan.
 - e. Further research tasks that could help refine client's business development strategy.
 - f. Future steps that the client should that to update the analysis over time.
- C. Consultant will present findings to stakeholder group at date, time and location to be mutually agreed upon.
- D. Written and electronic copies of report will be made available to client.

Geographic Definitions:

- **Rainier Valley** – boundaries run along the MLK & Rainier Ave corridors (commercial areas) with the I-90 overpass serving as the northern border and the City limits and Boeing Access Rd as the southern border. (GIS Shape file available)
- **Rainier Beach** – The intersection of Rainier & Henderson is the middle of the Urban Village. The boundaries are Rainier & Rose to the north, Renton Ave S and S Roxbury to the South, Henderson & Lake Washington (Seward Park Ave. S) to the east, and Henderson & MLK to the West.
<http://www.seattle.gov/neighborhoods/npi/maps/Rainier%20Beach.pdf>
- **MLK Corridor** - runs along Martin Luther King Way S from Kenyon to the south and Juneau to the north

PROPOSAL RESPONSES

Responses will be reviewed by a selection committee consisting of members of the SE Team and City of Seattle staff. Firms are asked in their proposals to address the following:

- Describe how your firm has successfully completed retail and commercial studies, with reference to any experience focusing on ethnically diverse communities, urban environments and/or those impacted by transit projects.
- Address your firm's experience creating recommendations for implementation in business districts, which will be undertaken in a collaborative, community-based approach.
- Describe any related experience creating recommendations for retention and expansion strategies for existing small businesses in a commercial corridor setting.
- Outline the budget, approach and timeline for completion of the proposed scope of work.

In your submission package, please include:

- Cover letter stating the name of the organization, contact information, and project name.
- Eight (8) copies of your response must arrive no later than 5:00 p.m. on Friday, October 3, 2008 to:

Tina Vlasaty
Office of Economic Development
City of Seattle
700 Fifth Avenue, Suite 5752 (deliveries)
P.O. Box 94708 (postal mail)
Seattle, WA 98124-4708

- Given the broad range of skills required to complete this project, OED welcomes the use of partnerships and sub-contracting for this project.
- OED retains the right to reject any and all proposals and is not required to award any contract if in its opinion the proposal failed to meet its requirements.
- All documents and any attachments should be 8-1/2" by 11".
- Electronic submissions are welcome in addition to hard copy submissions, but not in place of them. Faxes will not be accepted.

SCHEDULE

- Proposals due to Office of Economic Development: October 3, 2008
- Finalist interviews: October 15 - 17, 2008
- Notification of selection: October 24, 2008
- Project completed by: March 31, 2009

CONTRACTS

City of Seattle's Office of Economic Development will develop a contract with the successful firm. The contract will include a scope of work, project milestones and outcomes. Reimbursement will be based on achievement of project milestones and outcomes.

PROTEST PROCEDURES

In the event that an unsuccessful RFP respondent wishes to protest the selection of a successful respondent, they must do so by submitting in writing the reason for the protest to the Director of OED. Any such protest must be received within three (3) business days of receipt of notification of the successful respondent.

The decision of the Director will be final and conclusive unless the respondent affected makes a written request for reconsideration by the Director. Such a request must be received within three (3) business days after receipt of the Director's decision. A request for reconsideration will be denied unless the respondent affected shows the request is based on information that was not available prior to the protest. The Director shall consider all the facts available and issue a decision within five (5) business days after receipt of the request for rehearing, unless additional time is necessary, in which case, the affected respondent will be notified of the delay.

WOMEN AND MINORITY-OWNED USE REQUIREMENTS

There will be no Women and Minority-Owned Business (WMBE) set-aside requirements on the resulting contract. However, in accordance with the Seattle Municipal Code 20.46A, the selected contractor will be required to make affirmative action efforts to utilize WMBEs in performing the contract, whether as subcontractors, suppliers, or in any other capacity. The selected contractor must also comply with affirmative action and equal employment opportunity provisions mandated by the Seattle Municipal Code.

FAIR CONTRACTING PRACTICES ORDINANCE

The selected contractors will be required to comply with the Fair Contracting Practices Ordinance of the City of Seattle (Ordinance 119601), as amended. Conduct made unlawful by that ordinance constitutes a breach of contract. Engaging in an unfair contracting practice may also result in the imposition of a civil fine or forfeiture under the Seattle Criminal Code as well as various civil remedies.

ADDITIONAL INFORMATION

For questions regarding this RFP, please contact Tina Vlasaty at (206)684-3348 or at tina.vlasaty@seattle.gov.