

## EXECUTIVE SUMMARY

The Department of Community Development (DCD) of the City of Chicago requests the submission of proposals for the purchase and development of 2327-41 W. Erie St. PIN 17-07-113-010. The city-owned parcel is located in the West Town Community within the Ukrainian Village neighborhood. The subject site is located in an area, which is primarily residential within walking distance to parks, schools, small grocery stores, banks, and restaurants. The site represents a great opportunity for residential development based on its size and location.

Property Type:	Residential
Street Address:	2327-41 W. Erie St., Chicago IL 60612
Location:	The site is located just east of the intersection of Western Avenue and Erie Street
Redevelopment Area:	The property is not located in a TIF or Redevelopment Area
Ward and Alderman:	26 <sup>th</sup> Ward, Alderman Billy Ocasio
Development Goals and Objectives:	<ul style="list-style-type: none"><li>• Incorporation of green and sustainable design features into the design and construction of the site and building.</li><li>• Creation of an environment that will contribute to the health, safety, and general welfare of the City.</li><li>• Stimulate investment in new construction.</li><li>• Possible creation of affordable housing units, as consistent with City policies.</li><li>• Development of a project that reflects the basic scale and character of the West Town Community.</li><li>• Promote residential uses that support the needs of the community.</li></ul>
Site Description:	Size: 18,499 square feet or 0.42 acres Shape: regular shape Frontage: 150 feet along Erie Street and approximately 123.25 feet in depth
Condition:	The site is currently improved with three vacant buildings and will be sold as is.
Zoning:	RS-3, Residential Single Unit Development District

Building Description: The site is improved with three buildings described as follow: a) a former Fire Station, b) a one-story office building, and c) a one-story garage building. The City of Chicago does not require the use of the existing buildings, however proposals that include the adaptive reuse of the Fire Station building will be favorably considered. If needed, the applicant will be responsible for the demolition costs.

Target Price: \$1,850,000

The target price is not a minimum bid; however, applicants are advised that purchase price is an important consideration in DCD's evaluation of responses to the RFP.

Good Faith Deposit: \$185,000 of which \$92,500 will be credited to the purchase at closing and \$92,500 will be held as a performance deposit to be refunded upon issuance of a Certificate of Completion. The good faith deposit must be provided in the form of a cashier's or certified check, or a letter of credit. Please refer to the Offer to Purchase form provided in the addenda of this RFP.

Financial Incentives: Land-write down may be considered based on the level of affordability, LEED Certification and/or innovative sustainable features included in the development.

Evaluation and Selection: The Department of Community Development will review the proposals based on the evaluation criteria and submission requirements outlined in this RFP. Among the criteria to be considered will be the completeness of the submission, purchase price, quality of the development and responsiveness to goals of the RFP, appropriateness of the proposed use relative to the surrounding community, proposed design, and the experience and financial capacity of the development team.

Key Dates: Release of RFP .....April 14, 2009  
Pre-Submission Conference..... May 26, 2009 at 10 am  
Response Due Date .....**Monday July 14, 2009 at 12pm**

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## **ADDENDA**

### **Informational attachments**

- City and neighborhood location maps, aerials, photographs, tax plat, survey and zoning map.
- Excerpts from relevant neighborhood plan, or other redevelopment project area plans.
- City's affordable housing policy overview and affordable price calculator.
- Chicago Community Land Trust Overview.
- City of Chicago, Sustainable Development Policy Matrix.

### **Submission Forms and Affidavits *(to be completed and submitted with response)***

- Proposal Summary Form.
- Sources and uses of funds statement.
- Construction budget.
- Financial projections.
- Offer to Purchase Form.
- Confidentiality Agreements.

### **Provided Upon Request**

- Sample Redevelopment Agreement.
- Redevelopment Project Area Plan.

## **I. PROPERTY DESCRIPTION**

### Identification of the Property

The property is located at 2327-41 W. Erie Street just east of the intersection of Western Avenue and Erie Street. Property Identification Number (PIN) is 17-07-113-010.

The property is generally bounded by Western Avenue to the west, Oakley Avenue to the east, Ohio Street to the south and Erie Street on the north. The type of uses that surround the site are residential. Please refer to the addenda for maps and other site information.

### Ownership

The entire site is owned by the City of Chicago and will be conveyed to the selected respondent under the terms of the executed Redevelopment Agreement. The City will not provide assistance in acquiring or securing rights to any of the adjoining properties.

### Site Description

The subject site is a rectangular shaped improved parcel with a total area of 18,499 square feet or 0.42 acres. The site is level and at grade. It is a mid-block parcel with frontage on Erie Street. The property is fenced and served by a public alley. Please refer to the addenda for a survey, maps, and photographs.

### Existing Improvements

The site is fenced, mostly paved and improved with three buildings described as follow: a) a two-stories high former Fire Station likely to have been constructed between 1910 and 1920 (approx. 2,141 SF), b) a one-story office building (approx. 1,000 SF), and c) a one-story garage building (approx. 2,355 SF). The City of Chicago does not require the use of the existing buildings, however proposals that include the adaptive reuse of the Fire Station building will be favorably considered. If needed, the applicant will be responsible for the demolition costs.

### Site Preparation

The selected respondent will assume the cost of clearing and disposing of existing infrastructure and debris such as paved surfaces, foundations, curbs and gutters, fill, fencing, and lighting. The selected respondent is solely responsible for bearing all costs and making all arrangements associated with the abandonment, relocation or installation of private or public utilities. Respondents are advised to contact the Department of Transportation (312) 744-4828 and private utility companies for information concerning existing utility lines.

The selected respondent is also responsible for reconstructing sidewalks and relocating street lighting standards, fire hydrants, or other facilities within the public way if such work is necessitated by the redevelopment project. Any construction in the public way must be made according to the City's specifications, and the work must be fully bonded.

## Environmental and Soil Conditions

### **Environmental Conditions:**

The City may require the selected respondent to obtain a Phase I environmental report prior to closing (performed in accordance with ASTM 1527-05 and All Appropriate Inquiry standards). Based on the conclusions of the Phase I report, the City may also require submission of a Phase II analysis. The Department of Environment will review the reports and recommend appropriate action, which may require enrolling the site in the Illinois Environmental Protection Agency's Site Remediation Program (SRP). If the development proposal includes residential, DOE will require that the site be enrolled in SRP and receive a Comprehensive No Further Remediation letter prior to occupancy.

The land will be sold as-is with no warranties or representations as to its environmental condition, and it will be the responsibility of the selected respondent to complete any remediation required under the SRP. The redevelopment agreement with the selected respondent will include release and indemnification language protecting the City from liability.

The cost of environmental remediation of the property will be considered in negotiations with the selected respondent. The target price is based upon a market value appraisal of the property that assumes the property is free and clear of all environmental contamination.

**Soil Conditions:** The City has not performed a geotechnical analysis of the site, and the City makes no representations, warranties or covenants as to the suitability of the land for any purpose whatsoever.

**Additional Testing:** It is the responsibility of the selected respondent to investigate the environmental and geotechnical conditions of the site, and any studies performed will be at the respondent's cost. The City will grant the selected respondent a right-of-entry for the purpose of conducting geotechnical and environmental tests. The respondent must provide the City with an acceptable certificate of insurance, and the respondent must agree to provide the City with copies of any and all geotechnical, environmental or other test reports.

## **II. NEIGHBORHOOD CONTEXT**

### Overview

The site is located in the West Town Community area within the Ukrainian Village neighborhood. Its boundaries are Division Street to the north, Grand Avenue to the south, Western Avenue to the west, and Damen Avenue to the east.

In past decades, Ukrainian Village has been a low crime, middle-class neighborhood, populated by older citizens of Eastern European ethnicity. It was insulated somewhat from surrounding socioeconomic change by large industrial areas on its south and west borders, and by the staying power of the Orthodox churches. Although the gentrification of West Town is rapidly changing the demographics, Ukrainian Village continues to be home to

approximately 10,000 ethnic Ukrainians. Ukrainian institutions in the neighborhood include the Ukrainian Institute of Modern Art, the Ukrainian National Museum, and the Ukrainian Cultural Center.

Other notable local landmarks include St. Volodymyr and Olha Ukrainian Catholic Church, St. Nicholas Ukrainian Catholic Cathedral, Roberto Clemente High School, St Mary's Hospital, and Holy Trinity Russian Orthodox Cathedral, the latter having been commissioned by St. John Kochurov and designed by famed architect Louis Sullivan. The RFP site is not included in but is in close proximity to the Ukrainian Village Landmark District.

### Adjacent Land Uses

The site is surrounded by residential developments that range from single-family homes to two and three flat multi-unit buildings.

### New Developments

During the last five years, the neighborhood has experienced a significant amount of new construction including new multi-family condominiums (typically three flats) constructed on vacant parcels and on parcels that had single-family homes which were demolished. The area has also seen several apartment-to-condominium conversions. On Erie Street, immediately adjacent to the site, six single-family homes were constructed in 2005.

### Transportation and Access

**Street and Highway Access:** The primary access to the neighborhood via car is from Interstate 90 (Kennedy Expressway) from the east and north, and Interstate 290 from the west and south. One of the interesting aspects of the community is that it is surrounded by bicycle paths, which, significant number of residents use to commute by bike during the summer to downtown and surrounding neighborhoods.

**Public Transit:** The neighborhood is well served by three main CTA bus routes along Western, Grand and Chicago Avenues. Additionally, the METRA Milwaukee District North Line which has a station on Grand Avenue and Western Avenue, provides an option for commuting to the northwest and downtown of the City.

### Public Infrastructure

The area is serviced by the Chicago Police and Fire Departments and receives municipal and water sewer services. Public and parochial primary and secondary schools are scattered throughout the neighborhood. There is a retail center on Chicago Avenue from Noble Street to Wood Street. Smith Park is located one block east of the site. Attributes of the park include: gymnasium, playground, swimming pool, field house tennis courts and athletic field.

In 2004, the City established the West Town Special Service Area (SSA) #29 along the neighborhood's commercial corridors, its boundaries are: Chicago Avenue from Halsted Street to California Avenue Damen Avenue from Chicago Avenue to Grand Avenue, Milwaukee Avenue from Racine Street to Erie Street, Ogden Avenue one block north and south of Chicago Avenue. The main goal of the SSA is to provide the business community

with the financial means to manage and maintain a clean environment to ensure an attractive and competitive commercial district. Some of the SSA programs include: a street pole banner program that provides a unique commercial identifier to help business' owners promote their business as well as funding a facade improvement program, which works to improve the physical appeal of the commercial corridor

### **III. PLANNING FRAMEWORK**

Development of the property is governed by the land use regulations contained in the Chicago Zoning Ordinance as well as other ordinances that govern specific aspects of development such as the Stormwater Management Ordinance. Chicago Landmarks or properties located in a Landmark District are governed by the Chicago Landmark Ordinance. Plans have been prepared for designated Redevelopment Project Areas to ensure that redevelopment activity contributes to the revitalization of the community. Comprehensive plans have also been developed for certain areas of the City to provide a general guide for development and to describe the long-range planning goals for the community. The following sections describe the zoning regulations, landmark requirements, and plans that affect the property. Copies of the ordinances and plans are available from DCD or the Department of Zoning and Land Use Planning (DZLUP).

#### Zoning

Development of the property is subject to the zoning ordinance adopted by the City of Chicago on May 26, 2004. The property is located in a RS-3 Residential Single-Unit District. This zoning designation will allow for development of the property according to the goals and objectives of the RFP. The Department of Zoning and Land Use Planning (DZLUP) will assist in this process.

Uses permitted in a RS-3 district consist of detached houses, two flats, community homes, convents and monasteries. The bulk and density standards are as follows: 0.90 FAR, minimum lot area 2,500 SF, minimum front set back 20 feet or 16% of lot depth, whichever is less and maximum building height 30 FT. The addenda contains a zoning map that displays the property and pertinent excerpts from the new zoning ordinance. The Chicago Zoning Ordinance text and interactive maps can be found at [www.cityofchicago.org/zoning](http://www.cityofchicago.org/zoning).

The following land-use ordinances may also affect development of the property. Booklets that offer guidelines to these ordinances can be obtained from DCD in Room 1003 City Hall.

The Chicago Landscape Ordinance establishes standards for on-site and parkway plantings. Landscaping permits are obtained as part of the normal process of building and zoning permit applications except that a separate permit is required from the Bureau of Forestry for actions regarding trees in the public way.

The Chicago Townhouse Ordinance establishes special zoning requirements for townhouse developments (two or more single family dwellings that share party walls). Townhouse permits are obtained as part of the zoning process.

### Stormwater Management Ordinance

The Stormwater Management Ordinance took effect on January 1, 2008. Regulated developments include projects that disturb over 15,000 square feet of land or projects that will create an at-grade impervious surface of 7,500 square feet or more. The developer of such projects will be required to prepare a stormwater management plan for submission to the City for review. The plan must include rate control (by using the City's calculations guideline or by using Chicago vortex restrictors) and volume control (by using stormwater BMPs to capture up to 0.5 inch of rain from impervious areas or by achieving a 15 percent reduction in impervious surfaces from an established baseline).

More information concerning the stormwater management ordinance can be obtained from the Chicago Center for Green Technology at 312-746-9642 (445 N. Sacramento Blvd.) or from CCGT's website at [www.cityofchicago.org/environment/GreenTech](http://www.cityofchicago.org/environment/GreenTech). CCGT also offers training courses and workshops concerning the new ordinance, and the website includes a 'Green Infrastructure Calculator' to help developers assess stormwater best management practices.

### Landmark Designation

The property is not a landmark nor is it located in a landmark district.

### Redevelopment Project Area Plans

The site is not located in a TIF or Redevelopment Area.

## **IV. DEVELOPMENT GOALS AND OBJECTIVES**

The Department of Community Development has established goals and objectives for the development of the property. These goals are intended to ensure that the project will be compatible with the City's objectives of revitalizing valuable urban land, creating new development in sympathetic relationship with the surrounding community, accommodating the needs of the community, and fostering additional new development along Erie Street and in the surrounding community. The development goals are as follows:

- Incorporation of green and sustainable design features into the design and construction of the site and building.
- Creation of an environment that will contribute to the health, safety, and general welfare of the City.
- Stimulate investment in new construction.
- Possible creation of affordable housing units, as consistent with City policies.
- Development of a project that reflects the basic scale and character of the West Town Community.
- Promote residential uses that support the needs of the community.

### Development Principles and Preferred Uses

The following major principles have been established to guide development of the property.

- The specific desired use for the site is residential market rate for sale and/or affordable for sale residential development. The maximum number of units allowed ranges from 5 to 6 (this is based on existing zoning and the reuse of the former Fire Station building).
- Only residential uses will be allowed for the project.
- If the proposal includes an affordable housing component, note that in order to preserve long-term affordability, respondents that include for-sale affordable housing units in any proposal, will be required to place those units in the Chicago Community Land Trust. The CCLT is a not-for-profit organization that is administered by the Department of Community Development. CCLT preserves affordability by monitoring deed covenants that restrict resale to qualified buyers. Resale prices are approved by the CCLT according to a prescribed formula. The CCLT also provides homebuyer counseling, income qualification, and a pool of ready lenders. More information on the CCLT is contained in the addenda.
- The proposal should incorporate parking to be accessed through the alley.
- The City expects that the proposed development will fulfill the urban design and environmental goals identified in a following section. Proposals that do not fulfill these goals will not be given favorable consideration in the evaluation process.

#### Development Incentives

Land-write down may be considered based on the level of affordability, LEED Certification and/or innovative sustainable features included in the development.

#### Construction Requirements

The selected respondent must comply with the City of Chicago's construction requirements. During construction, at least 24 percent of qualified project costs must be paid to City-certified Minority Business Enterprises (MBE's) and at least four percent must be paid to City-certified Woman Business Enterprises (WBE's). In addition, Chicago residents must perform at least half of all construction-worker hours. Prior to the start of construction, the selected respondent will be required to meet with a representative of the City's monitoring and compliance division to review the respondent's plan for satisfying the City's construction hiring and MBE/WBE goals.

#### Urban Design and Environmental Goals

The City expects that the proposed development will fulfill the urban design and environmental goals identified in the following sections. Proposals that do not fulfill these goals will not be given favorable consideration in the evaluation process.

**Urban Design Guidelines:** The project should be designed, both in site and building, to be positively responsive to both existing construction as well as to anticipate the project's impact on future development of the surrounding community. There are no preconditions related to issues of specific design approach or expression. The project should be innovative in response to its programmatic needs, and a high level of invention should be

evident in all aspects of design including uses, site plan, open space, and architecture. The project should contribute to Chicago's tradition of excellence in design and should seek to create an improved public experience.

Landscape design shall comply, at a minimum, with the Chicago Landscape Ordinance. Special consideration will be given to those proposals, which exceed the minimum standard and include a variety of landscape materials and a range of details that give human-scale to the development and enhance the pedestrian experience at ground level.

The following points present the urban design guidelines for this RFP:

- The development must be characterized by visual interest and high-quality design, construction materials. While the city does not intend to dictate architectural design, architecture will be of special concern.
- The development must reflect the basic scale and character of the West Town Community. Building materials, color roof forms, proportions, ornamentation and fenestration must reflect established building traditions and architectural styles within the neighborhood.
- The development should be designed to respect the scale and proportions of nearby structures.
- Masonry construction is strongly encouraged. Preference will be given to proposals for solid masonry construction or masonry veneer on all four elevations of the structure. The use of either split-face block or exposed cinder block is prohibited. Architectural design and materials should be carried on each elevation.
- All parking areas and parkways should be screened and attractively landscaped. Landscape design must comply, at a minimum, with the Chicago Landscape Ordinance. However, preference will be given to those proposals, which exceed the minimum standard.
- Curb cuts are prohibited. Vehicular access from public alley is preferred.
- The structures and primary entrances should be oriented toward Erie Street.
- Consistent neighborhood streetscape improvements must be undertaken along the adjacent public streets.

Options for green design are encouraged and should be fully explored. The site design should promote tenets of green design, such as, but not limited to, the following:

1. The installation of roof top gardens;
2. The use of light-colored and reflective roofing and paving systems to avoid heat build-up.
3. The promotion of storm-water minimization, infiltration and reuse; and
4. The use of indigenous plant species to minimize future landscape maintenance.

## Environmental Goals:

The Department of Community Development expects that the proposals comply with the City of Chicago Sustainable Development Policy. (Attached)

The City expects that all proposals will employ, to the greatest practical extent, techniques that lessen the environmental impact of the project and result in a development that will be efficient to operate, require fewer resources to build and maintain, and that will protect building occupants' health and well-being. Identified below are several important techniques for enhancing the environmental benefits of development projects.

- **Roof Systems:** Environmentally responsible roof systems protect our valuable water resources and help to mitigate the urban heat-island effect. Green roofs provide the greatest benefits but hard-surfaced roof systems with a high reflectivity rating, such as Energy Star-rated roof surfaces, also help the environment.

A green roof system typically consists of a waterproof and root-repellant membrane, a drainage system, filter cloth, a lightweight growing medium and maintenance-free vegetation. Green roof systems may be modular or each component may be installed separately.

- **LEED Certification:** The U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) Green Building Rating System provides national standards for the development of high performance, environmentally sustainable buildings. Properties submitted for LEED certification are rated according to environmental performance in six categories: sustainable sites, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality, and innovation and design process.

Properties are awarded points for meeting or exceeding the requirements of each category. Those properties that meet the minimum requirements receive LEED Certification; properties that exceed the minimum requirements can achieve Silver, Gold, or Platinum ratings. The U.S. Green Building Council's website is [www.usgbc.org](http://www.usgbc.org)

- **Chicago Green Homes Program:** The City of Chicago has developed a certification program for residential construction based largely on LEED's categories for environmental performance. The program encourages residential developers to use technologies, products and practices that will provide greater energy efficiency and healthier indoor air, reduce water usage, preserve natural resources, improve durability and maintenance, and reduce waste and pollution. Checklists have been developed for the renovation or new construction of single family or multi-family projects. The Green Homes program is administered by the Department of Environment, and additional information can be found at: [www.cityofchicago.org/environment](http://www.cityofchicago.org/environment).
- **Energy Star:** The Energy Star program is administered by the U.S. Environmental Protection Agency (EPA). The program helps to protect the environment by promoting superior energy efficiency. The program rates the energy efficiency of building products, equipment, and appliances as well as the overall energy efficiency

of newly constructed residential buildings of less than four stories. Products and buildings that achieve a high level of efficiency are awarded an Energy Star label. The EPA's Energy Star website is [www.energystar.gov](http://www.energystar.gov).

- ASHRAE Standards: The American Society of Heating, Refrigerating and Air Conditioning Engineers has established standards for energy efficient design. Standard 90.1-2004 provides standards, including criteria for determining compliance, for new construction or renovation of buildings (except for residential buildings of three or fewer floors) in such areas as building envelope, mechanical and electrical systems, and equipment. ASHRAE's website is located at [www.ashrae.org](http://www.ashrae.org).
- Stormwater Management: The City of Chicago promotes better management of stormwater runoff to protect our water resources, and the minimal requirements for stormwater management are prescribed in the Stormwater Management Ordinance described previously. All responses to the RFP are encouraged to exceed these minimum requirements by employing such features as natural landscaping, permeable paving, drainage swales, and naturalized detention basins. A guide to stormwater best management practices can be obtained from DZLUP in Room 900 City Hall or can be downloaded from the CCGT website (see below).
- Vehicular Use Area Shading: Large expanses of paved surfaces such as parking lots are significant contributors to the urban heat island effect. This effect can be mitigated through landscaped islands and perimeter strips that are planted with shade trees. DZLUP promotes shading that covers at least 50 percent of the paved VUA areas after five years of tree growth.

Proposals that incorporate the preceding environmental strategies to the maximum practical extent will be given favorable consideration. DZLUP has also established the following minimum requirements for proposals that request public assistance (such as land price write-down, TIF or other financial assistance) or that seek Planned Development (PD) status.

- Residential developments with four or more dwelling units where 20 percent or fewer of the units are affordable: If the proposal requests a land price write-down, TIF assistance, DCD housing assistance or an Empowerment Zone grant then it must include a green roof system on 100 percent of all flat roof surfaces and achieve either LEED or Chicago Green Homes certification (two-star level). If the proposal requests other forms of public assistance or seeks PD status, then it must include a green roof system on at least 50 percent of all flat roof surfaces and achieve either LEED or Chicago Green Homes certification (two-star level).
- Residential developments of any type or size where more than 20 percent of the units are affordable: All such proposals are required to achieve either LEED or Chicago Green Homes certification (two-star level).
- Community Centers and Schools: Proposals that request a land write-down, TIF assistance, or an Empowerment Zone grant must provide a green roof on 50 percent of all flat roof surfaces and achieve LEED certification. Proposals that seek other

forms of public assistance or that seek PD status must provide a green roof on 25 percent of all flat roof surfaces and achieve LEED certification.

The preceding environmental goals have been largely developed for new construction projects. Rehabilitation projects will be expected to achieve these goals to the greatest practical extent, and the Department of Zoning and Land Use Planning will advise the selected applicant on the means to achieve meaningful environmental benefits.

A green roof structural feasibility report will be required for rehabilitation projects, and where feasible the same green roof requirements will be applied. If the structural report indicates that the existing roof system cannot support a green roof, DZLUP will offer alternative techniques for reducing the heat-island effect and controlling runoff.

The department encourages all applicants to contact the Chicago Center for Green Technology at 312-746-9642 (445 N. Sacramento Blvd.) or visit CCGT's website at [www.cityofchicago.org/environment/GreenTech](http://www.cityofchicago.org/environment/GreenTech). CCGT offers a wealth of information concerning green building techniques and products, LEED Certification, the Energy Star program, and stormwater management.

## **V. TARGET PRICE**

The target price is \$1,850,000. The target price is equal to the fair market value of the property as estimated by an appraisal completed on November 7, 2008. The appraised value assumes that the property is free and clear of all improvements and environmental contamination. The allocation of demolition and environmental clean-up costs will be negotiated between the City and the selected respondent; therefore, the proposed purchase price should assume that the property is free and clear of environmental contamination.

If the proposed purchase price is less than the appraised value, then the development must provide tangible public benefits such as affordable housing, new or retained permanent jobs, new retail services in an underserved community, cultural activities, preservation of a historic building, social services, fiscal benefits, innovative environmentally sustainable features or other desired benefits identified in the redevelopment project area plan. The target price is not a minimum bid; however, applicants are advised that purchase price is an important consideration in DCD's evaluation of responses to the RFP.

## **VI. SUBMISSION REQUIREMENTS**

Respondents are advised to strictly adhere to the submission requirements described below. Failure to comply with the instructions may be cause for rejection.

### Pre-Submission Conference

A pre-submission conference will be held at 10 am on May 26, 2009 in Conference Room 1003 Large, City Hall, 121 N. LaSalle St., Chicago. Department staff will be available to answer questions regarding the property, the goals and objectives of the RFP, and the submission requirements. Attendance is not mandatory but is strongly encouraged.

### Communication with the Department

After the date of the pre-submission conference, questions concerning the RFP can be directed via e-mail to Luis Monterrubio, Project Manager. The department's response will

be returned by e-mail to all parties that have expressed interest in the RFP. Questions will be taken by phone only for those parties that do not have access to e-mail. Responses to phoned-in questions will be distributed to the other interested parties by e-mail (or by regular mail for those without e-mail access). The project manager's contact information is as follows: [imonterrubio@cityofchicago.org](mailto:imonterrubio@cityofchicago.org), and (312) 744-4162.

In order to ensure that you are included in the list of interested parties, provide your contact information when picking up a copy of the RFP document or complete the sign-in sheet available at the pre-submission conference.

### Good Faith Deposit

All responses must include a Good Faith Deposit of \$185,000 in the form of a cashier's check or certified check made payable to the City of Chicago. Respondents may also submit a letter of credit in lieu of the cashier's or certified check. Proposals submitted with an improper form of deposit or an insufficient dollar amount will be disqualified. Deposits will be returned to all non-selected respondents.

In the event a proposal is accepted, one-half of the deposit, or \$92,500, will be credited to the purchase of the property at closing and one-half, or \$92,500, will be retained by the City until the construction of the improvements is completed to the satisfaction of the City in accordance with the terms and conditions of the Redevelopment Agreement to be executed by the City and the selected developer. All respondents must complete and submit the Offer to Purchase form, which is provided in the addenda.

### Submission Format

Submissions must be prepared on 8.5-by-11 inch paper and bound on the long side. Drawings included with submissions must be no larger than 11-by-17 inches. If the respondent considers that certain portions of the submission contain proprietary information, such portions should be clearly marked CONFIDENTIAL. One original and five copies of the proposal must be submitted. The original must be left unbound, contain original signatures and be marked ORIGINAL.

### Submission Contents

The submission must be organized so that each of the following numbered sections is included in the report in order and identified by tabs. All of the items described on the next pages must be provided:

#### 1. Cover Letter and Proposal Summary Form.

This section must include a cover letter that briefly describes the proposed development project, indicates the offer price, identifies the benefits that the project will create for the city and the neighborhood, and describes the respondent's experience in similar development efforts. If a multi-parcel RFP, clearly identify the parcels proposed for purchase. The cover letter must be signed by an authorized representative of the responding entity. Insert the Proposal Summary Form, a sample of which is provided in the addenda, immediately following the cover letter.

## 2. Respondent's Organization.

This section must provide information concerning the respondent's organizational form. The following information must be provided.

- a) A statement describing the legal form of the development entity, including identification of the principal representatives and individuals authorized to negotiate on its behalf. Provide a description of the contractual structure of the respondent (joint venture, partnership, etc.), ownership percentages, and duties. DCD is likely to require copies of agreements, organizational documents, or letters of intent before selecting the winning proposal.
- b) An organizational chart that clearly illustrates the role of each team member.

## 3. Respondent's Qualifications.

This section must substantiate the ability of the development entity and key team members to successfully complete the proposed project. The following information must be provided.

- a) Qualifications and experience of each entity and key staff person involved in the project.
- b) A description of the project development capability of the entity as evidenced by the ability to complete projects of similar scope, use or complexity within the last 10 years. Submitted examples must include project identification, a brief description, duration, total development cost, and current status. Describe the involvement of the team or team member in the design, implementation or management of the project and the names and roles of key personnel. Provide contact information for references.
- c) A description of the financial capacity of the entity as evidenced by the ability to finance projects of similar scope, use or complexity completed within the last 10 years. Submitted examples must include project identification, a brief description, current status, type of financial structure, sources of debt financing, public financial support if any, and the size of the equity investment.

## 4. Project Narrative.

This section must provide a detailed description of the project and the ways in which it satisfies the goals and objectives of the RFP. The following information must be provided.

- a) A statement of the objectives of the project and the general approach the respondent will take in implementing the project, including (but not limited to) the general project components and compliance with the development program and design guidelines.
- b) A description of the respondent's understanding of the physical form of the community and its patterns of use, and how the proposed project will be consistent with the surrounding neighborhood and the City's redevelopment goals and objectives. Describe how the project will benefit the community and the city now and into the future.

- c) A detailed description of the proposed project.
- d) A description of how the project fulfills the goals and objectives of the RFP including urban design and environmental features.
- e) A description of intended users of the development, and identification of proposed tenants or end-users if known.
- f) A justification of any request for financial assistance (if allowed under this RFP) or land price write-down.

## 5. Plans and Drawings.

In this section, provide scaled drawings that illustrate the overall character and planning of the development. Each drawing should be no larger than 11-by-17 inches and be included in each of the submissions. The following drawings, plans and descriptions must be provided:

- a) Urban design plans showing the relationship of the site to the community and the surrounding urban context. A clear understanding of pertinent issues related to both urban form and circulation should be evident in these drawings.
- b) A site plan showing proposed site configuration, building footprint, landscaping, ingress and egress, parking and loading.
- c) Typical floor plans showing floor area totals.
- d) Elevations of all facades identifying building materials.
- e) Color rendering of the primary elevation.
- f) Other plans, drawings or models at the respondent's option.

## 6. Financial Information

Each respondent must submit a complete financial plan. In this section respondents must present the applicable financial forms, which must follow the format indicated in the sample documents presented in the addenda. The City reserves the right to request from the respondent and/or each team member a complete set of current audited financial statements or any other financial documentation. The following financial information must be provided:

- a) A narrative overview of the financial structure of the proposal. The respondent must identify the sources of equity investment and the sources and terms of lender financing. Include information concerning the marketing plan and pricing structure, and describe any proposed leases. If the property will be a rental development, describe the development team's management experience and plan. If the property will be owner-occupied, provide evidence of the financial capacity to maintain and operate the property long-term.
- b) Sources and uses of funds statement. (Sample format provided in addenda).

- c) Development budget. (Sample format provided in addenda).
- d) Pro-forma cash flow projection for rental projects or sales revenue projection for for-sale projects. Projected equity investor returns must be provided. (Sample formats provided in addenda).
- e) Evidence of ability to obtain financing consistent with the sources and uses statement.
- f) Project completion schedule key dates.

#### 6. Affirmative Action Plan.

The respondent must commit to implement an affirmative action program designed to promote equal opportunity in every aspect of procurement of goods and services. The affirmative action program shall include, but not be limited to the following:

- a) A statement of commitment to achieving the minimum participation in contract expenditures of 24 percent for MBEs and four percent for WBEs.
- b) Written plan outlining a strategy for utilization of women and minority business enterprises in the proposed development. The plan must include designation of sufficient staff to administer the program and a description of the procedures that will be instituted to assure achievement of the program's goals.

#### 8. Economic Impact.

The respondent must provide a discussion of the economic impact of the proposed project including fiscal impacts, construction and permanent employment, and potential economic impact on the surrounding community.

The respondent must provide an estimate of any new or retained permanent jobs that will be generated by the project and include an analysis in support of these claims. An estimate of the number of temporary construction jobs expected to be generated by the project must also be provided.

#### 9. Legal Actions.

The respondent must provide a listing and description of all legal actions of the past three years in which the firm (or any team member) has been:

- A debtor in bankruptcy.
- A defendant in a lawsuit for deficient performance under a contract.
- A defendant in an administrative action for deficient performance on a project.
- A defendant in any criminal action.

#### 10. Special Conditions

This section is reserved for a description of any special conditions that the respondent may offer to, or request from, the City.

11. Forms and agreements (refer to addenda for documents).

All necessary forms and agreements should be included in this section, as follows:

- a) Confidentiality Agreements signed by each principal, project manager, and key team member identified in the proposal. The signed confidentiality agreements must be received before the submission will be considered final.
- b) Offer to Purchase to be signed and dated by the authorized representative of the respondent. (A Good Faith Deposit in the proper amount and in the proper form must accompany the submission. See Section VI.)

12. Addenda

Use this section to present additional information such as copies of business agreements, organizational documents, or letters of intent; additional drawings or graphics; additional information concerning the project, the development team, or proposed tenants; and other information that supports the proposal.

Submission Address and Deadline

The original and five copies of the proposal must be delivered to the location below in a sealed envelope no later than noon, July 14, 2009. Upon request DCD will confirm acceptance of the delivery in writing. Late deliveries will not be accepted. The respondent is solely responsible for ensuring timely delivery, and any proposal received after the deadline will be returned unopened.

Submit proposals to the following address:

City of Chicago  
Department of Community Development  
Christine Raguso, Acting Commissioner  
City Hall Room 1003  
121 N. LaSalle St.  
Chicago, IL 60602  
Mary T. Bonome  
Deputy Commissioner

The outside of each envelope must be labeled as follows:

Request for Proposals  
For the Purchase and Development of  
2327-41 W. Erie Street

Respondent: *Name of Respondent*

Package Number \_\_\_ of \_\_\_

## **VII. SELECTION PROCESS**

### Evaluation and Approval

The Department of Community Development will review the submissions in accordance with the evaluation criteria described in Section VIII. The department may recommend a shortlist of respondents who may be asked to answer the department's questions, provide additional information, or make an oral presentation.

The DCD Commissioner may recommend that negotiations be commenced with the selected development team. As a result of these negotiations, the selected proposal may be amended or revised in order to best serve the city's interests. If recommended, a redevelopment agreement will be drafted for submission to the City Council. Only the City Council is empowered to provide final approval of the redevelopment agreement and permission for conveyance of the property. Following City Council approval, the redevelopment agreement will be executed and the property conveyed as described in the agreement.

### Cancellation

The City reserves the right, at any time and in its sole and absolute discretion, to reject any or all submissions, or to withdraw the RFP without notice. In no event shall the City be liable to respondents for any cost or damages incurred by respondents, team members, consultants, or other interested parties in connection with the RFP process, including but not limited to any and all costs of preparing the preliminary cost budget, architectural drawings and renderings or other submitted materials, and participation in any conferences, oral presentations or negotiations.

### Conditions of Acceptance

The City reserves the right to request clarification and/or additional information from the respondents during the evaluation and selection process. Any respondent that makes a material misrepresentation will be eliminated from further consideration. The City reserves the right to disregard any informality in the submission.

All submitted materials are the property of the City. Any release of these materials for publication without the prior written permission of DCD is cause for disqualification. Prior to consideration of the selected proposal by the CDC and the City Council, the respondent will be required to disclose additional information concerning the structure and ownership of the development entity. Before the proposal can be considered by either body, all individuals having an economic interest in the project must be free of all delinquent City fines, tickets, fees, or penalties, and must not be in arrears of child support payments. DCD will provide the necessary forms.

Prior to consideration of the selected proposal by the CDC, the respondent will be required to provide notification of the pending project to several minority and women contractor's associations (DCD will provide contact information), and to inform the department's workforce specialists of permanent job opportunities. Prior to the start of construction, the selected respondent will be required to meet with a representative of

the City's monitoring and compliance division to review the respondent's plan for satisfying the City's construction hiring and MBE/WBE goals.

The selection of a winning proposal does not commit the City to action until the redevelopment agreement has been executed. The redevelopment agreement must be consistent with the terms of the RFP and all representations made by the applicant regarding the identification of the development team and description of the redevelopment project. The redevelopment team must demonstrate, without limitation, the wherewithal to complete the proposed redevelopment project.

Prior to completion of the project and issuance of a Certificate of Completion by the City, the developer may not, without the prior written consent of the City, directly or indirectly do any of the following: sell the property or any interest in it; create any assignment with respect to the proposal or the redevelopment agreement; contract or agree to sell the property or any interest in it; or contract or agree to create any assignment with respect to the proposal or the redevelopment agreement. The City may require that the preceding conditions extend for a period of time beyond the issuance of a Certificate of Completion.

Nothing in this RFP is intended, nor shall be deemed to operate, to limit or otherwise constrain the authority, powers, and discretion of the Purchasing Agent as set forth in the Municipal Purchasing Act for Cities of 500,000 or More in Population, 65 ILCA 5/8-10-1 et. Seq., as amended, and in the Municipal Code of the City of Chicago, as amended.

### **VIII. EVALUATION CRITERIA**

The Department of Community Development will consider all of the following criteria in its review and evaluation of the submitted proposals. The criteria are not listed in order of importance.

1. Completeness and responsiveness of the proposal.
2. Quality of the development concept and conformity of that concept to the development program, goals, objectives, requirements, and parameters set forth in the RFP.
3. Innovation demonstrated by the project in terms of achieving programmatic goals, urban design objectives, and environmental benefits. Special consideration will be given to those proposals that exhibit new and creative ways of attaining the goals stated in the RFP.
4. Professional and technical competence as evidenced by the professional qualifications and specialized experience of development team, current and past performance of the development team on projects similar to the proposed project, and current and past performance on other projects.
5. Respondent's financial qualifications as evidenced by the proven ability to obtain financing for similar projects, by the ability to raise equity capital, by indications of lender interest in the proposed development, and by financial statements, annual

reports or other submitted documentation.

6. Purchase price.
7. Project completion schedule.
8. Total project cost, amount of equity contribution, and proportion of equity contribution to the total project cost.
9. Amount of public assistance requested, if any, and the proportion of public assistance to the total project cost.
10. Economic feasibility of the project.
11. Economic development and other benefits to the city and surrounding community.
12. The level and quality of the affirmative action plan for participation by Minority- and Women-owned Business Enterprises (MBE/WBE), and the quality and completeness of hiring strategy for Chicago residents in conjunction with the Chicago Residency Ordinance.
13. Compliance with applicable Laws, Ordinances and Statutes, including without limitation: the City of Chicago Disclosure of Ownership Interests Ordinance (Chapter 2-154 of the Municipal Code of Chicago); the Anti-Bribery Ordinance (Section 2-92-320 of the Municipal Code of Chicago); the State of Illinois Anti-Collusion Statute (Illinois Criminal Code); the State Tax Delinquencies Statute (65 ILCS 5/11-42.1); the Government Ethics Ordinance (Chapter 2-156 of the Municipal Code of Chicago); the Anti-Scofflaw Ordinance (Section 2-292-380 of the Municipal Code of Chicago); the Affordable Housing Ordinance (Section 2-44-090 of the Municipal Code of Chicago); the Civil Rights Act of 1964, 42 U.S.C. sec 2000 et seq (1988) as amended; the Civil Rights Act of 1991, P.L. 102-166; Age Discrimination Act, 42 U.S.C. sec, 6101-6106 (1988); Rehabilitation Act of 1973, 29 U.S.C. sec 793-794 (1988); Americans with Disabilities Act, 42 U.S.C. sec. 12101 et seq., and 41 CFR Part 60 et seq. (1990); the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities, 36 CFR 1191 et seq. (1993); the Architectural Barriers Act 42 U.S.C. 4151 et seq. (1993); the Uniform Federal Accessibility Standards 36, CFR 1190 et seq.; the Illinois Environmental Barriers Act, 410 ILCS 25/1 et seq.; (1992); and the Illinois Accessibility Code, 71 Admin. Code, Ch. 1, Sec 400.100 et seq. (1992), Fair Housing Amendment Act, 42 U.S.C. 3601 Note Sec. 800 and 24 CFR, the Chicago Fair Housing Ordinance (Chapter 5-08-101 of the Municipal Code of Chicago); Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1992), as amended; the Chicago Human Rights Ordinance (Chapter 2-160, section 2-160-010 et seq., of the Municipal Code of Chicago); the Uniform Federal Accessibility Standards, the Fair Housing Act (42 USC 3601 et seq.), Section 504 of the Rehabilitation Act and implementing regulations 24 CFR Part 8 (Nondiscrimination Based on Handicap@); and all other applicable equal opportunity and labor requirements.

## **ADDENDA**

### **Informational Attachments**

- City and neighborhood location maps, aerials, photographs, tax plat, survey and zoning map.
- Excerpts from relevant TIF plan or other redevelopment project area plans.
- City's affordable housing policy overview and affordable price calculator.
- Chicago Community Land Trust Overview.
- City of Chicago, Sustainable Development Policy Matrix.

### **Submission Forms and Affidavits (to be completed and submitted with response)**

- Proposal Summary Form.
- Sources and uses of funds statement.
- Construction budget.
- Financial projections.
- Good Faith Deposit Form.
- Confidentiality Agreements.

### **Provided Upon Request**

- Sample Redevelopment Agreement.
- Redevelopment Project Area Plan.