

# RFQ OVERVIEW WOODLAWN | 63<sup>RD</sup> STREET

CITY OF CHICAGO DEPARTMENT OF PLANNING & DEVELOPMENT (DPD)

August 15, 2022

# Today's agenda

Topic	Time
Welcome and Introductions	5 minutes
Presentation of 63 <sup>rd</sup> Street RFQ	10 minutes
Q&A	60 minutes
Conclusion & Next Steps	5 minutes

# What are the ISW RFPs?

The INVEST South/West (ISW) Request for Proposals (RFPs) **solicit development proposals** for City-owned land

Traditionally, RFPs simply provide details regarding the subject property (e.g., **size, zoning, appraised value**) and a brief indication of the preferred use (e.g., residential development)

The INVEST South/West RFPs go one step further and illustrate the **desired urbanism** of the site as well as a **more robust description of uses** desired by the community

The ISW RFPs are also built on an **understanding of available incentives** and partner those incentives with the proposed development to ensure **high-level financial feasibility**

## INVEST South/West RFPs Overview

Informational Presentation



City of Chicago  
Lori E. Lightfoot, Mayor

### Request for Qualifications East 63rd Street



Department of Planning and Development  
Maurice D. Cox, Commissioner  
City Hall Room 1000  
121 N. LaSalle St.  
Chicago, IL 60602

July 18, 2022







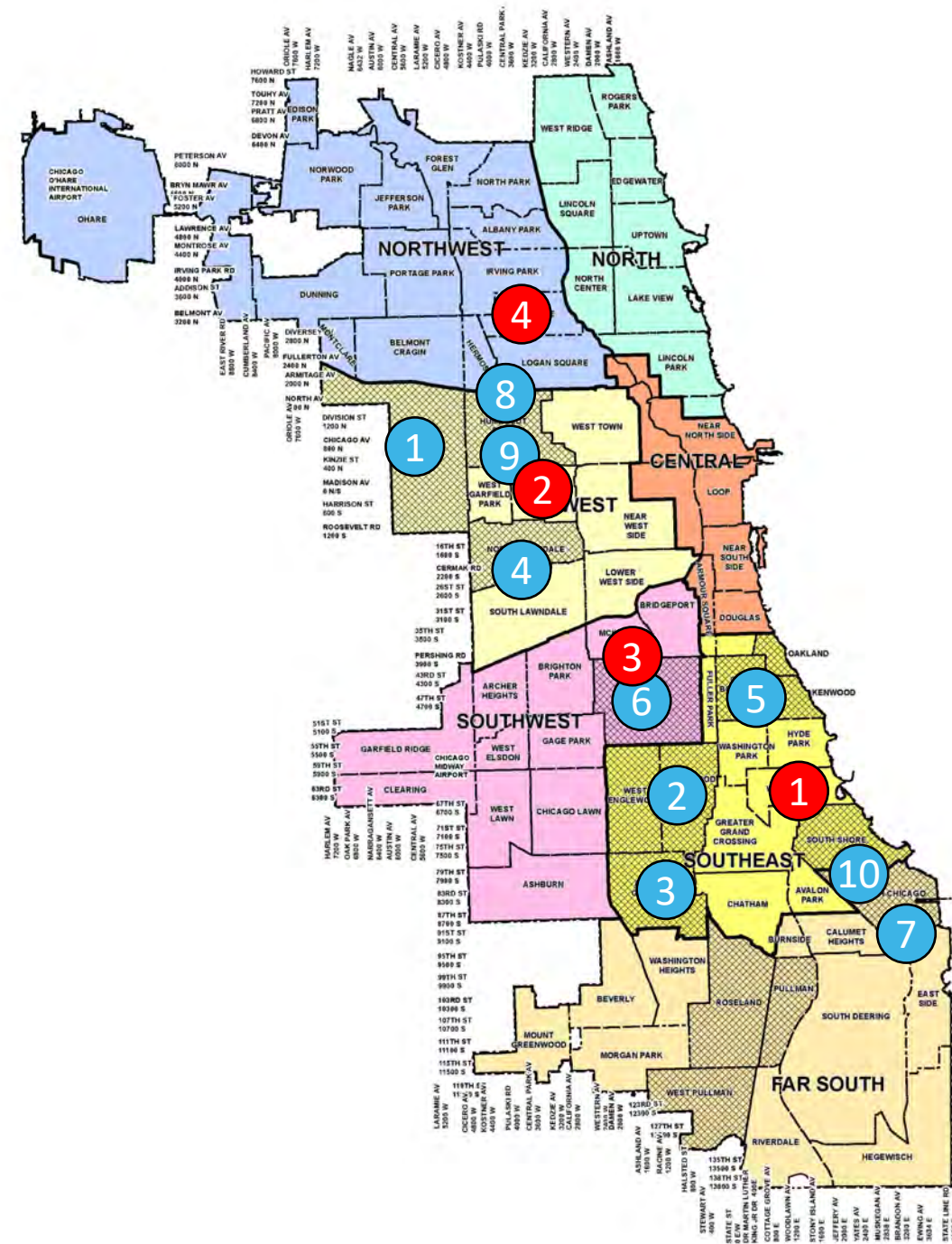
# Implementing INVEST South/West

## Previous INVEST South/West RFPs

- |                               |                                |
|-------------------------------|--------------------------------|
| 1. Austin                     | Chicago Ave & Laramie Ave      |
| 2. Englewood                  | 63 <sup>rd</sup> & Halsted     |
| 3. Auburn Gresham             | 79 <sup>th</sup> & Halsted     |
| 4. North Lawndale             | Ogden & Homan                  |
| 5. Bronzeville                | 47 <sup>th</sup> & Vincennes   |
| 6. New City/Back of The Yards | 47 <sup>th</sup> & Justine     |
| 7. South Chicago              | Commercial & 89 <sup>th</sup>  |
| 8. Humboldt Park              | Pioneer Bank – North & Pulaski |
| 9. Humboldt Park              | Chicago Ave & Central Park     |
| 10. South Shore               | 79 <sup>th</sup> & Exchange    |

## 2022 RFP/RFQs

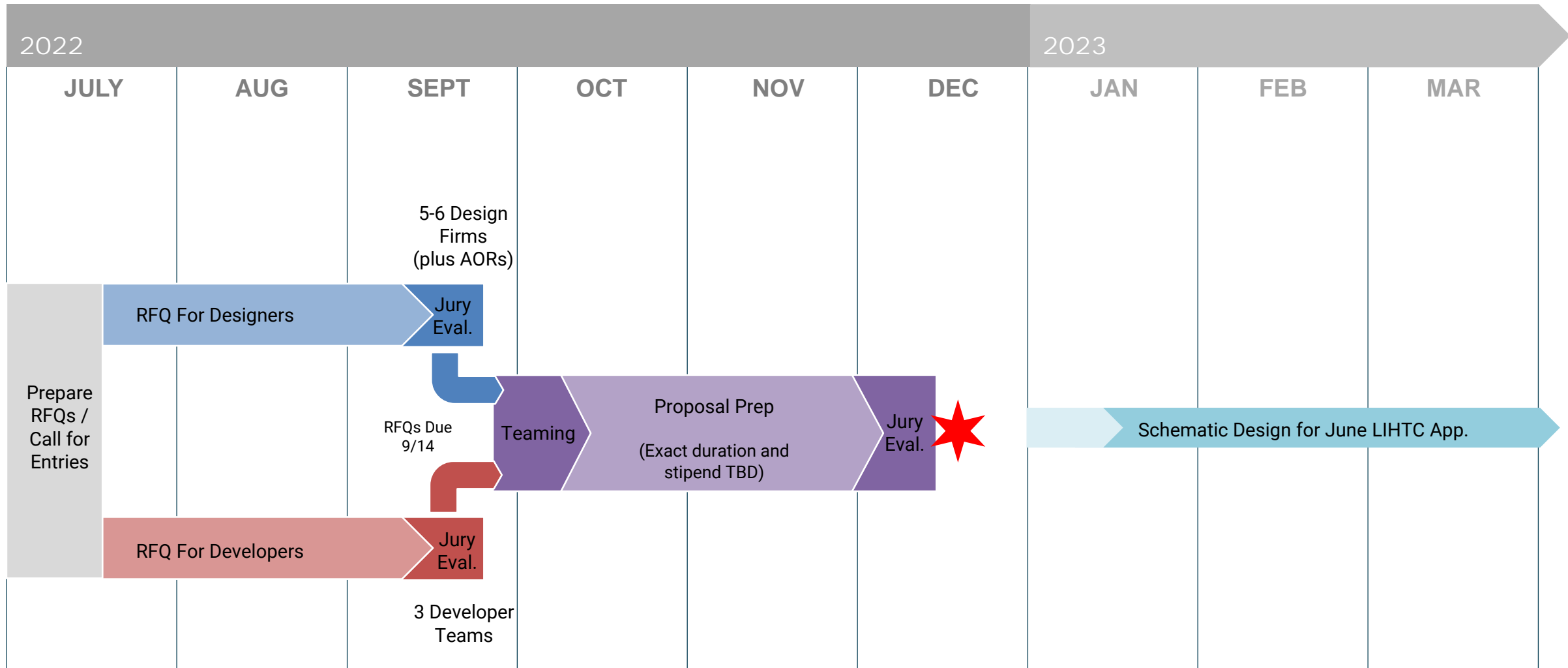
- |                        |                          |
|------------------------|--------------------------|
| 1. Woodlawn            | 63 <sup>rd</sup> & Ellis |
| 2. East Garfield Park  | Lake & Kedzie            |
| 3. McKinley Park (RFP) | Pershing Rd & Damen      |
| 4. Avondale (RFP)      | Belmont & Milwaukee      |



# **Lessons Learned from Invest S/W RFPs**

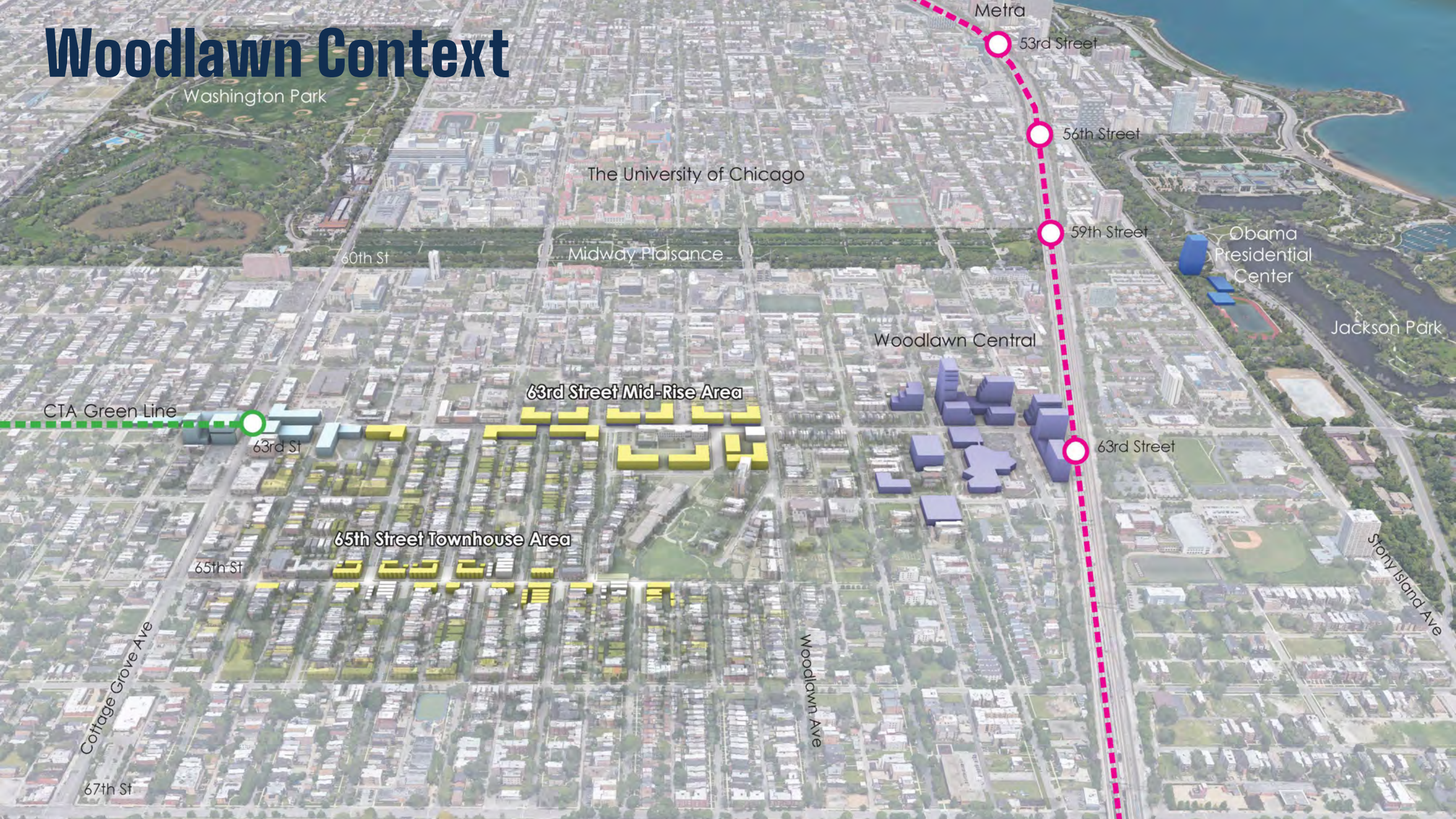
- **INVEST S/W RFPs set expectations for Design Excellence in mixed-use development across the City**
- **Traditional RFP process creates significant pre-development costs for Developers and Designers without a full confidence that they will be awarded the project**
- **Traditional RFP process creates barriers to entry for emerging design firms**

# Woodlawn RFQ Process Overview



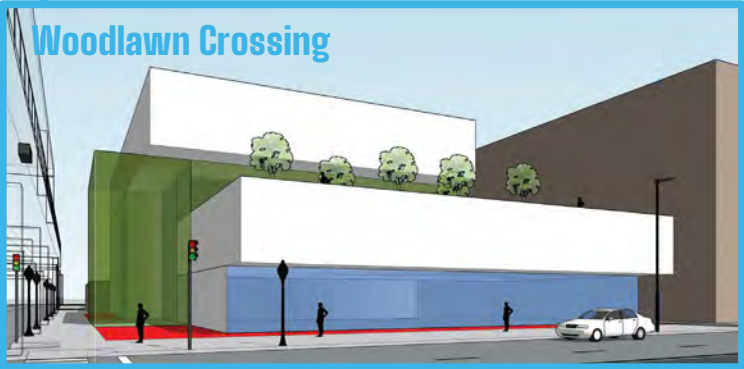
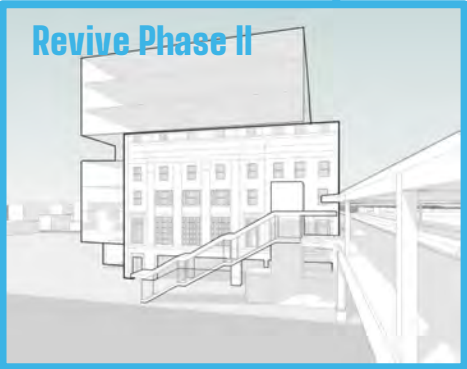
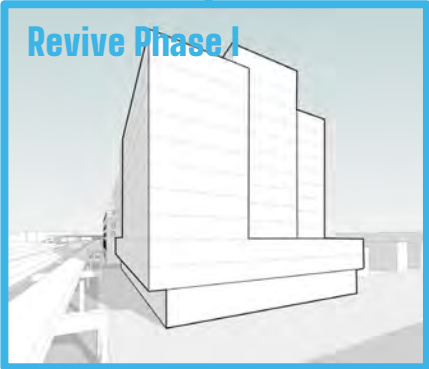
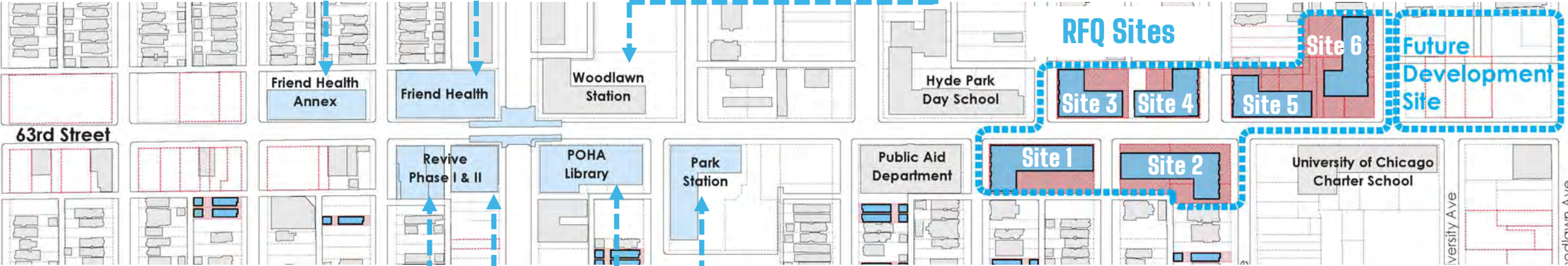


# Woodlawn Context





# 63<sup>rd</sup> Street Pipeline Projects

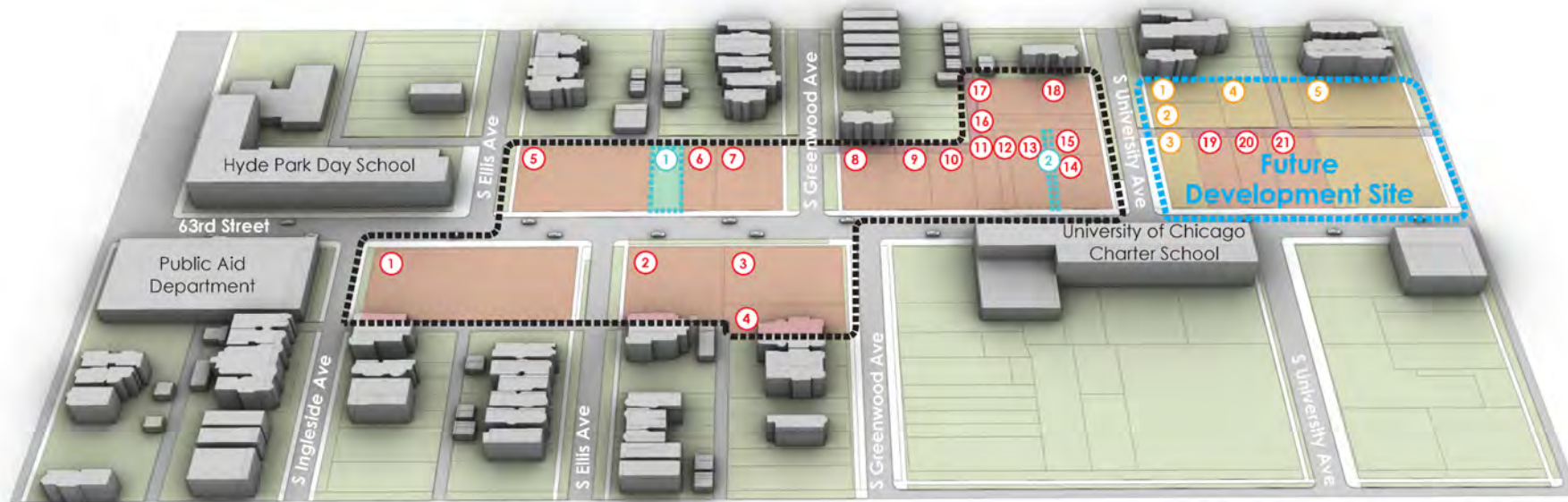
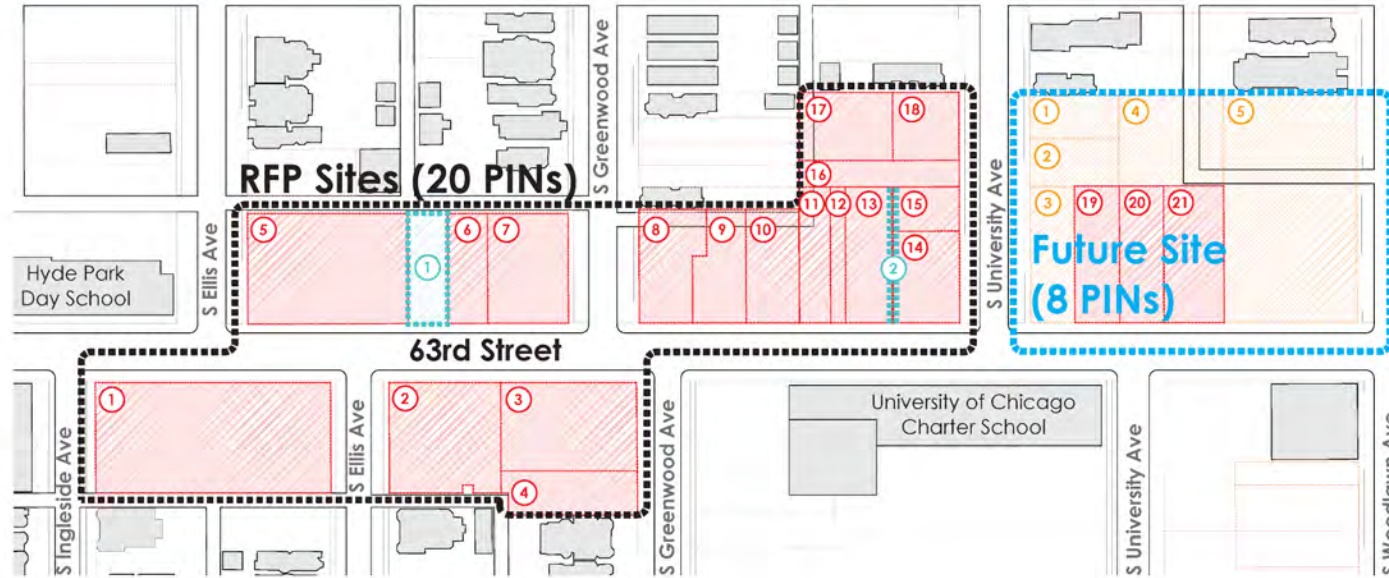




**63rd Sites:** 18 City-Owned PINs + 2 Acquisition = 20 PINs  
**Future Sites:** 3 City-Owned PINs + 5 CIC PINs = 8 PINs  
**= 28 PINs Total**

-  High Density City-Owned PINs
-  Community Investment Corporation<sup>1</sup> (CIC) PINs
-  PIN Needing Acquisition

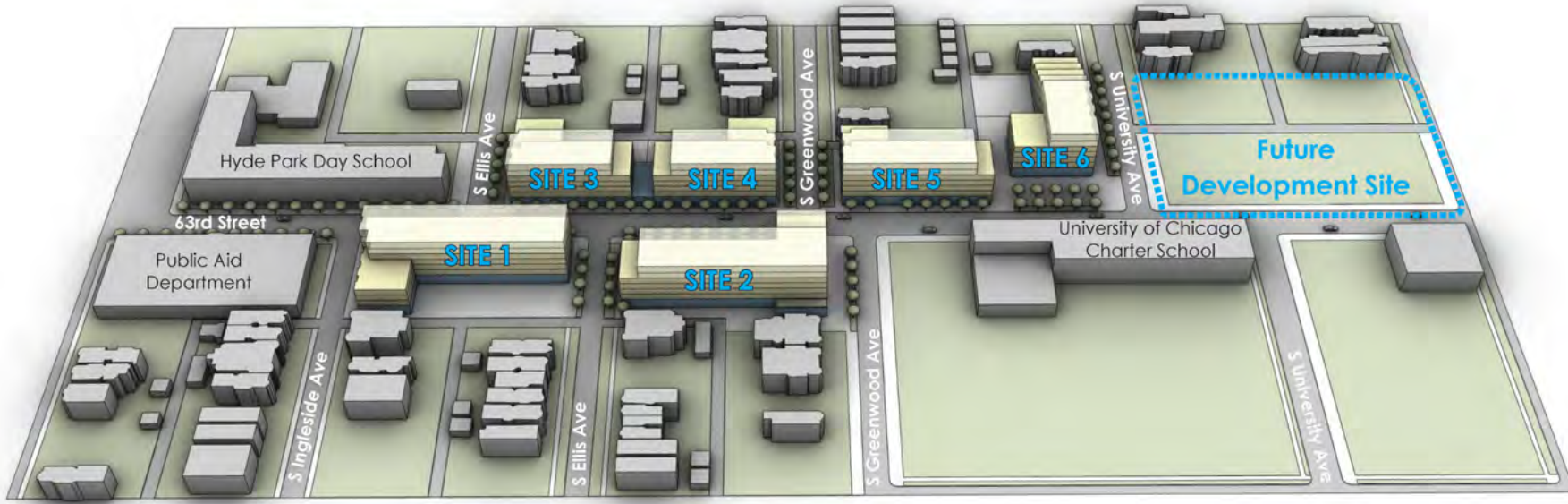
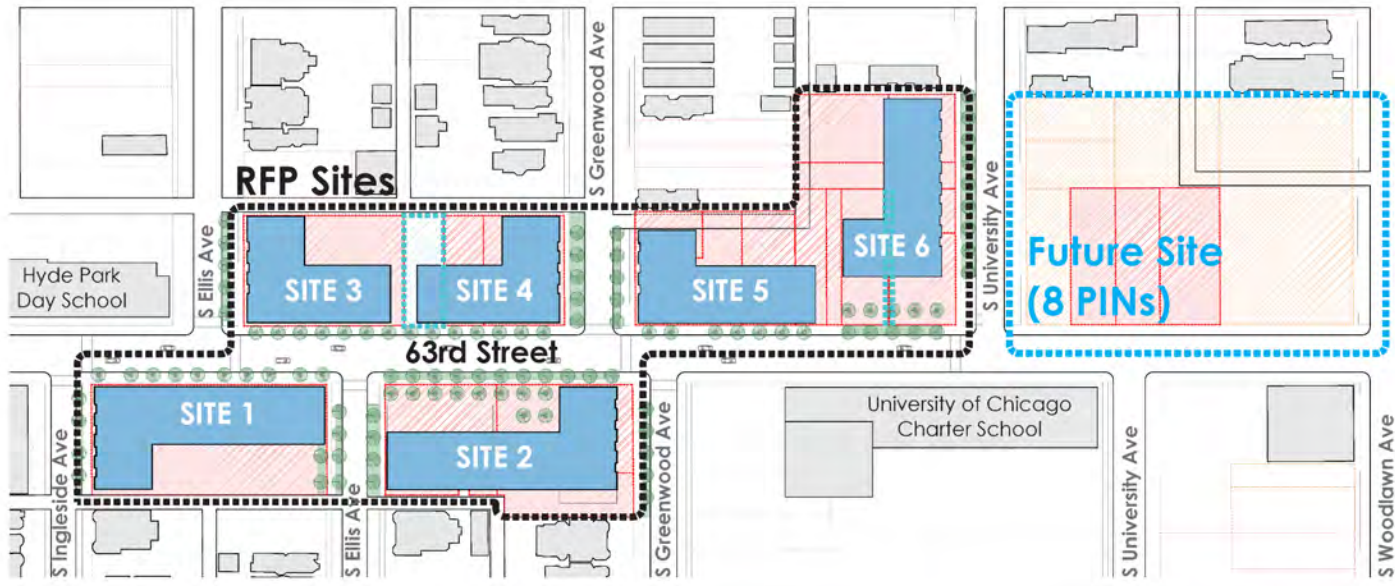
1) The Community Investment Corporation (CIC) is a non-profit corporation and one of Chicago's leading financial lenders for the acquisition, rehabilitation, and preservation of affordable rental housing. CIC is holding PINs on 63rd Street for future use by the City of Chicago for mix-use, multi-family buildings with affordable units as defined by the Woodlawn Housing Preservation Ordinance.





-  High Density City-Owned PINs
-  Community Investment Corporation (CIC) PINs
-  PIN Needing Acquisition

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Future  
Development  
Sites

Site 2

Site 1

63<sup>rd</sup>  
Street



# 63rd BUILD-OUT SCENARIO

Estimated Timeline Based on The City of Chicago's LIHTC Funding Rounds<sup>1</sup>

## SITE 1

- Total Site Area: 33,219 ft<sup>2</sup>
- Allowable FAR (3): 99,657 ft<sup>2</sup> (~ 70-80 units)
- Total FAR w/ Bonus (4): 132,876 ft<sup>2</sup> (~ 90-100 units)

YEAR 1



## Full Build-Out Massing (FAR = 3):

- Approximately 415-475 total units (Approximately 125-143 affordable units at 30%-50% of Area Mean Income)

## Full Build-Out Massing with FAR Bonus (FAR = 3.5 - 4):

- Approximately 495-555 total units (Approximately 149-157 affordable units at 30%-50% of Area Mean Income)

## SITE 2

- Total Site Area: 38,512 ft<sup>2</sup>
- Allowable FAR (3): 115,536 ft<sup>2</sup> (~ 80-90 units)
- Total FAR w/ Bonus (3.5): 134,792 ft<sup>2</sup> (~ 95-100 units)

YEAR 3



## SITE 3

- Total Site Area: 22,584 ft<sup>2</sup>
- Allowable FAR (3): 67,752 ft<sup>2</sup> (~ 50-60 units)
- Total FAR w/ Bonus (4): 90,336 ft<sup>2</sup> (~ 60-70 units)

YEAR 5



## SITE 4

- Total Site Area: 22,482 ft<sup>2</sup>
- Allowable FAR (3): 67,752 ft<sup>2</sup> (~ 50-60 units)
- Total FAR w/ Bonus (3.5): 78,687 ft<sup>2</sup> (~ 55-65 units)

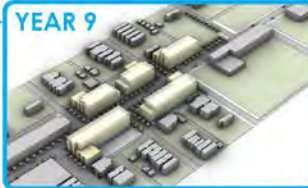
YEAR 7



## SITE 5

- Total Site Area: 28,690 ft<sup>2</sup>
- Allowable FAR (3): 86,070 ft<sup>2</sup> (~ 60-70 units)
- Total FAR w/ Bonus (3.5): 100,415 ft<sup>2</sup> (~ 70-80 units)

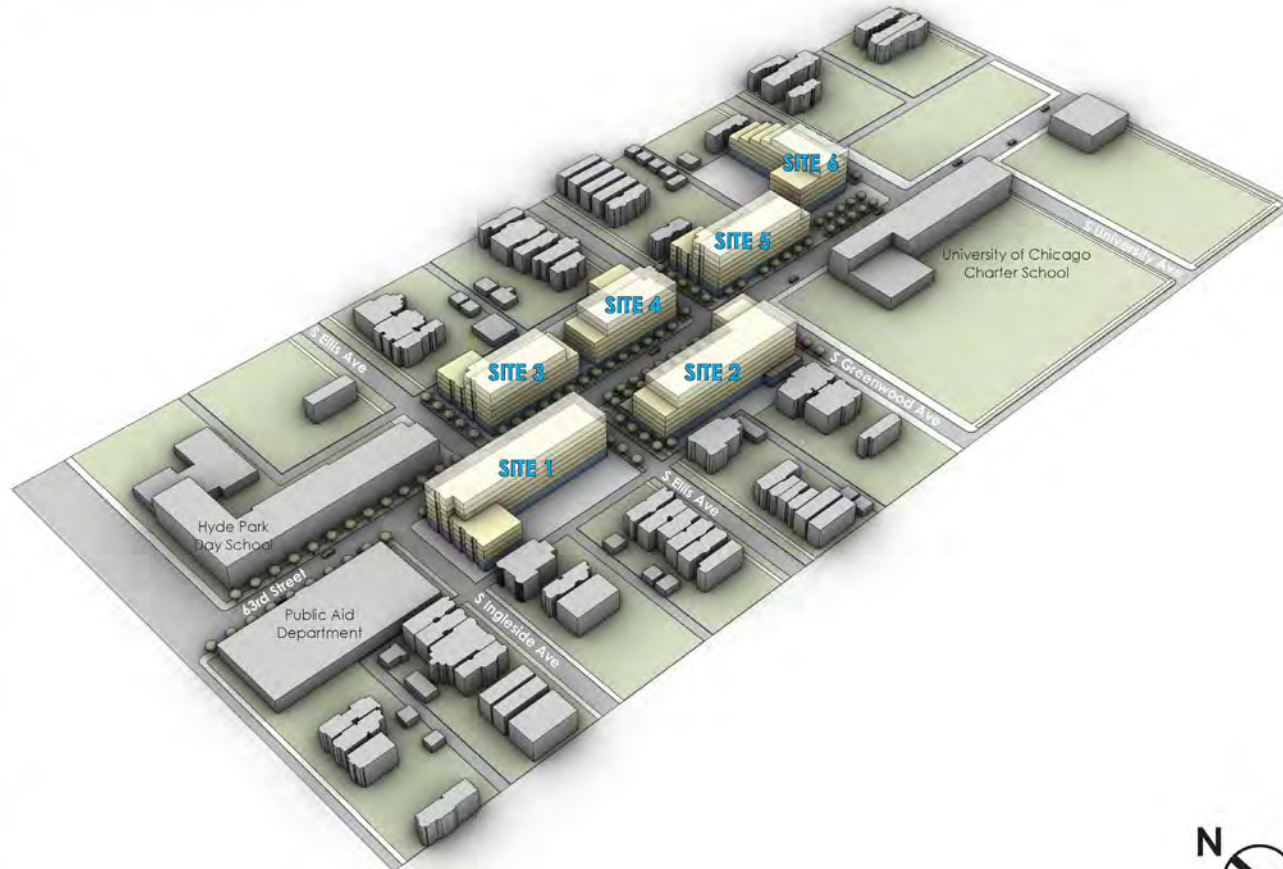
YEAR 9



## SITE 6

- Total Site Area: 49,581 ft<sup>2</sup>
- Allowable FAR (3): 148,743 ft<sup>2</sup> (~ 105-115 units)
- Total FAR w/ Bonus (3.5): 173,534 ft<sup>2</sup> (~ 125-135 units)

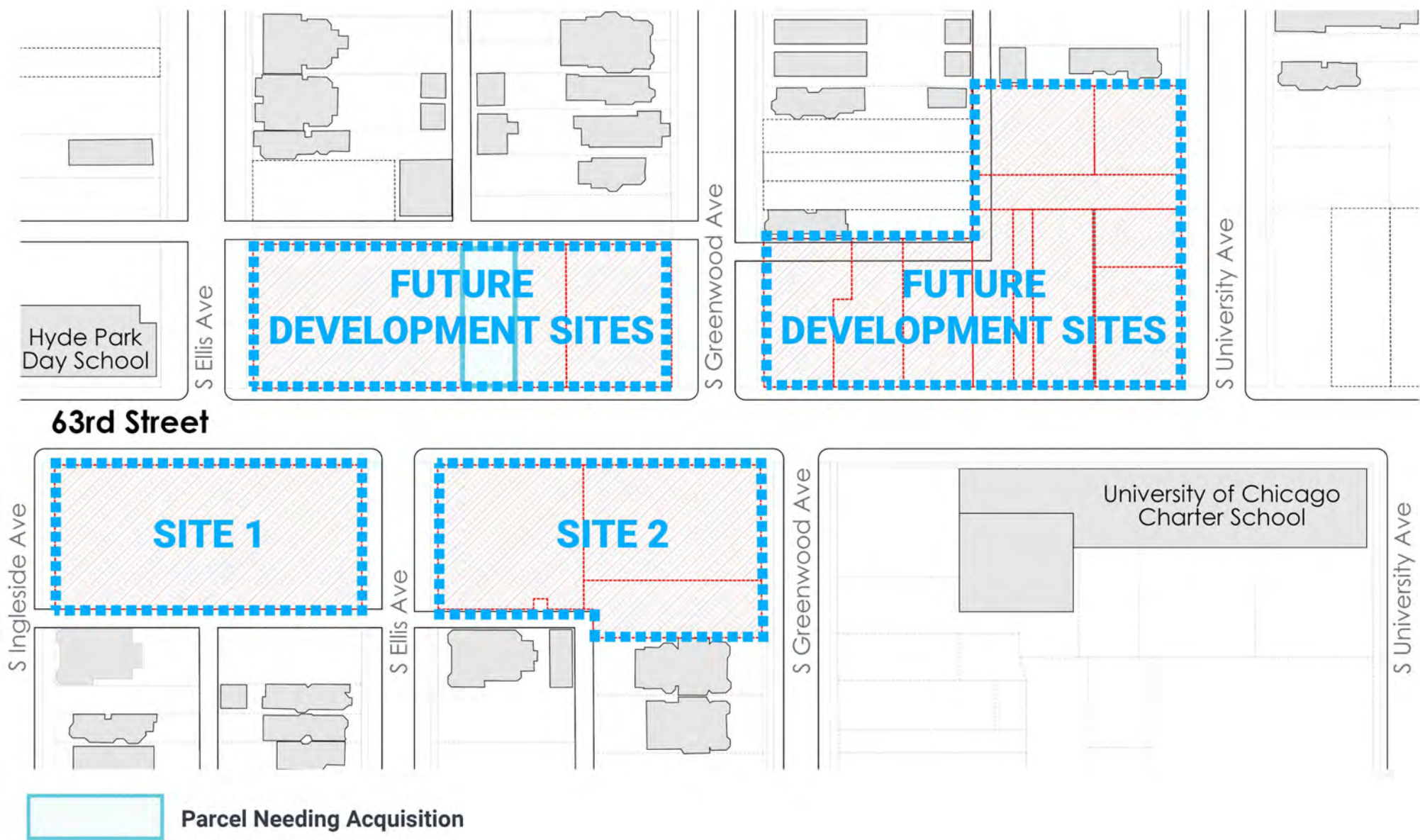
YEAR 11



<sup>1</sup>) The City of Chicago provides Low-Income Housing Tax Credit (LIHTC) funding every 2-years through a competitive process

<sup>2</sup>) Floor-Area-Ratio (FAR) is a measure of density. The number is a multiplier of the total site area. A 10,000 ft<sup>2</sup> site with an FAR of 3 is allowed to build 30,000 ft<sup>2</sup> of gross building area.

# RFQ Sites

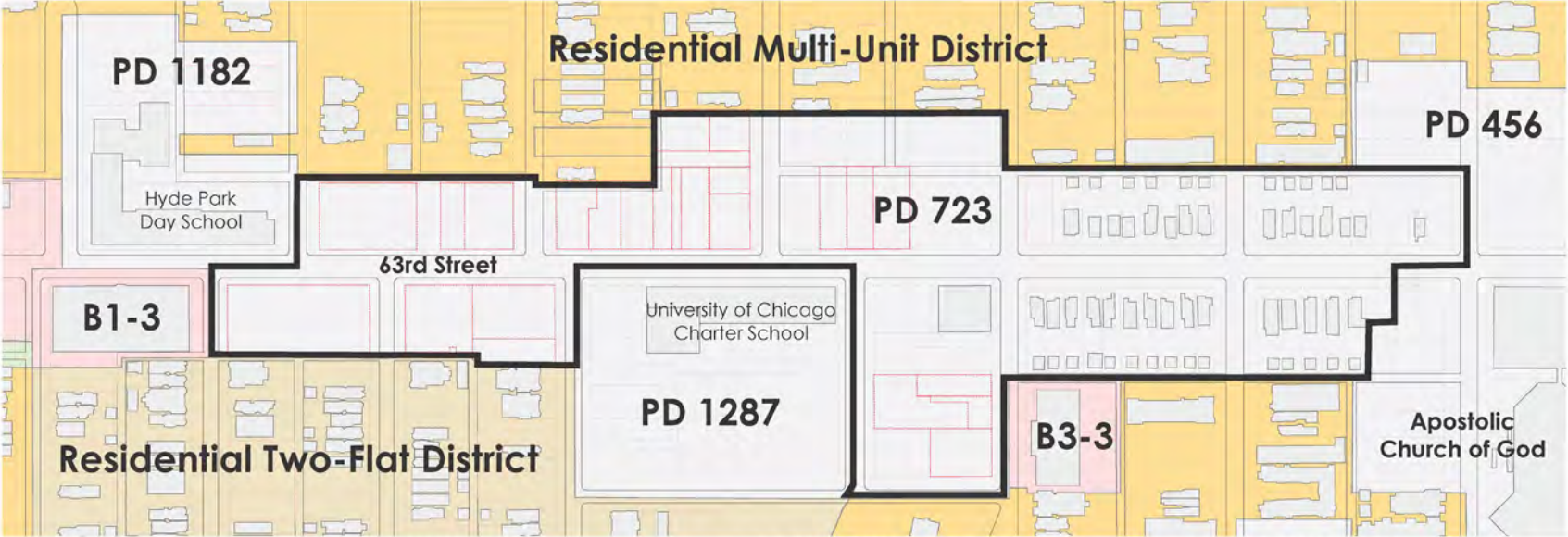




# Zoning and Land Ownership

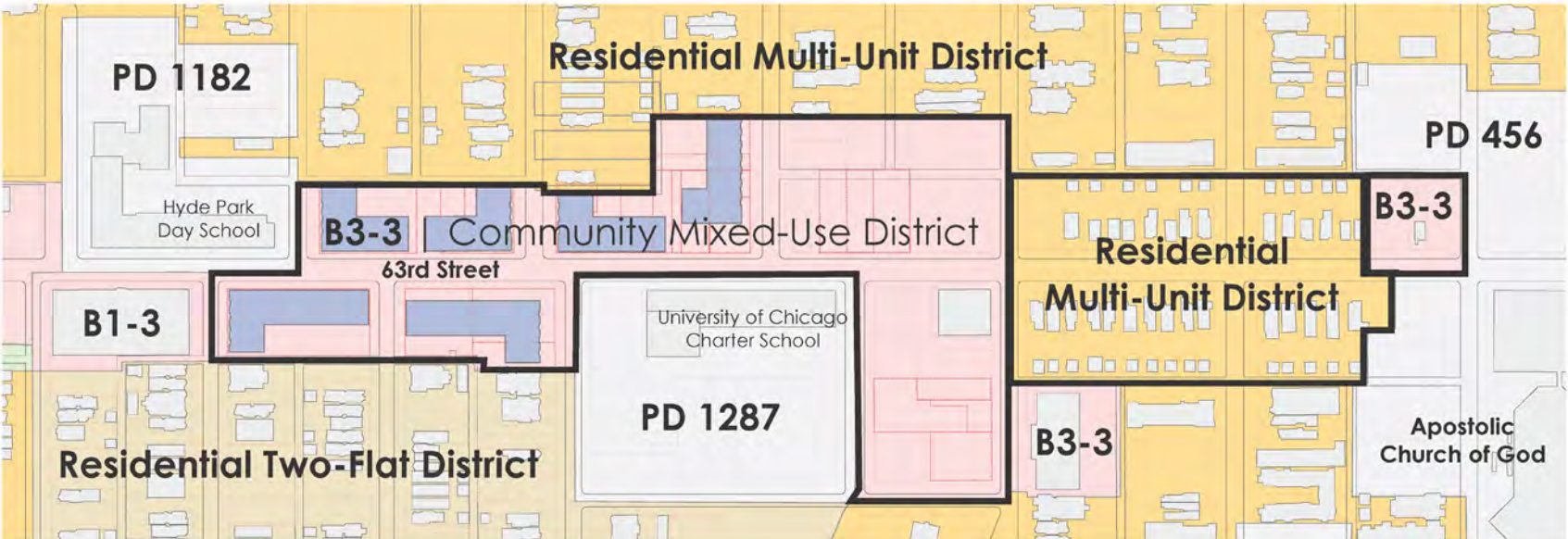
## CURRENT ZONING

- PD 723**
- Currently using RM-5 as base zoning
  - Allows maximum of 208 dwelling units



## RECOMMENDED ZONING

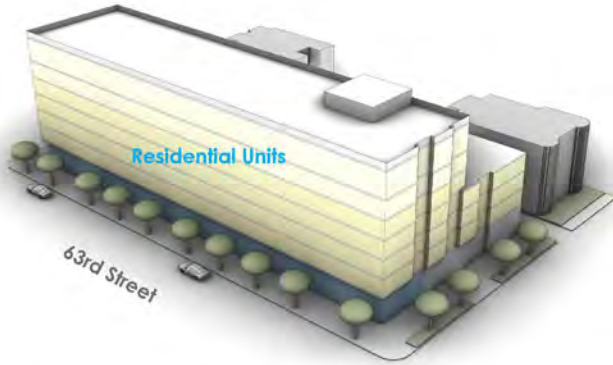
- B3 | Community Mixed-Use District**
- Accommodates a broad range of retail uses including full-service restaurants and larger buildings
  - Permits residential units above ground floor



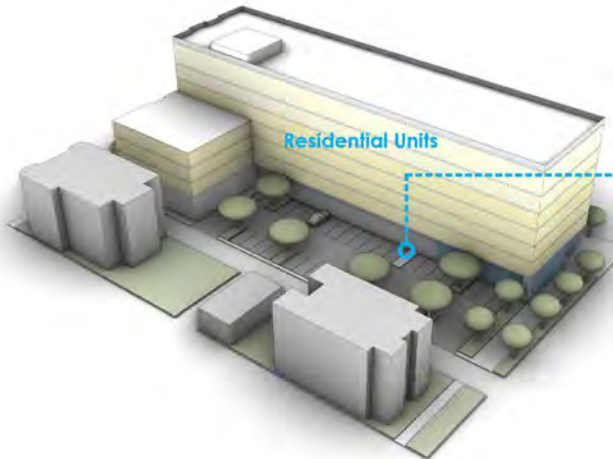


- + Cost effective construction
- + Maximizes residential and parking efficiencies
- + Holds street edge
- Creates extremely long, large scale building
- Might create impersonal interior residential experience

View from 63rd Street



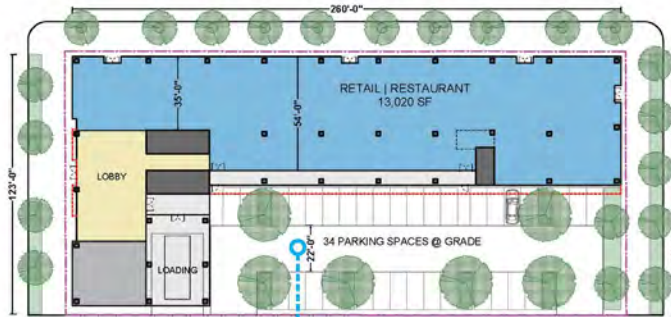
View from Alley Side



Example Residential Plan



Example Ground Floor Plan



Surface Parking  
Accessible from Alley

63rd Street Section



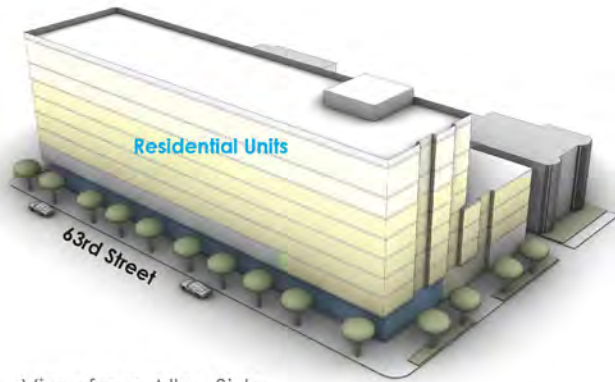


## DEVELOPMENT SCENARIO OPTION 2 | SINGLE BUILDING | PARKING DECK

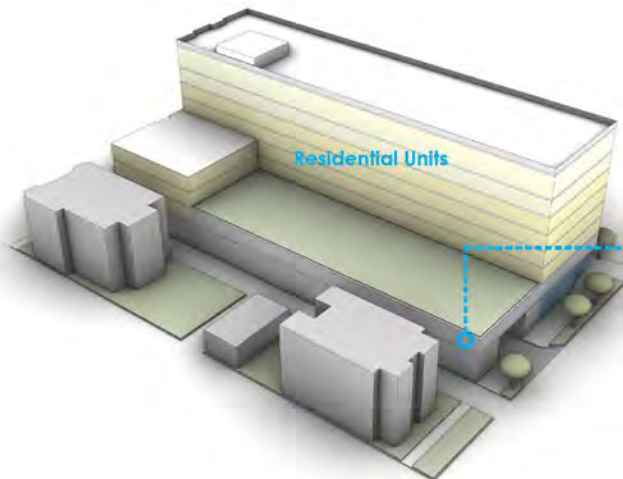
- + Can provide additional parking for destination oriented business, retail, restaurants, etc.
- + Efficient residential floor construction
- + Holds street edge

- Creates extremely long, large scale building
- Might create impersonal interior residential experience
- Parking deck adds to overall project cost, height & bulk

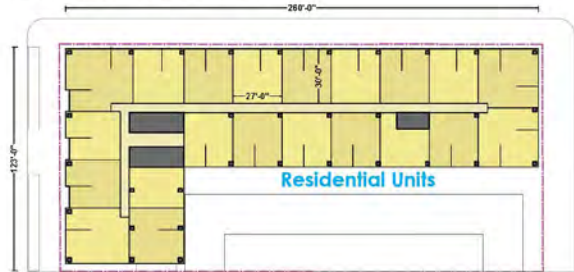
View from 63rd Street



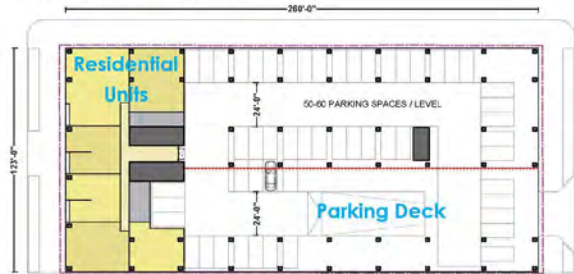
View from Alley Side



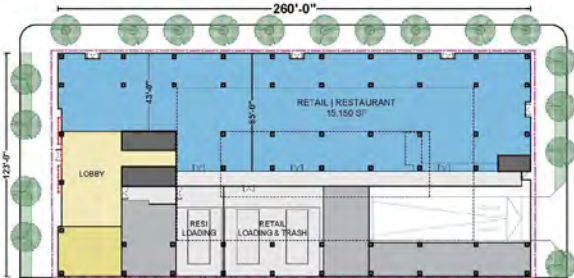
Example Residential Plan



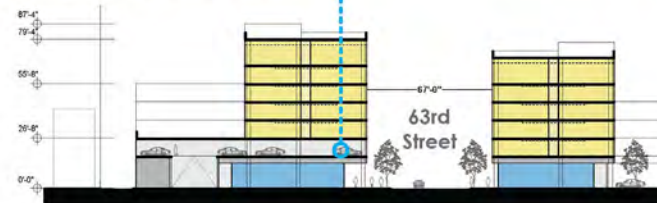
Example Residential Plan



Example Ground Floor Plan



63rd Street Section



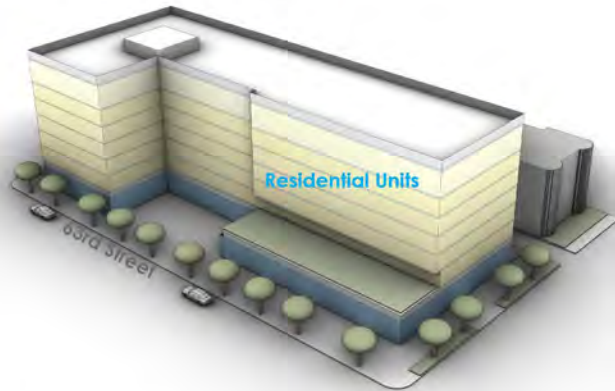


## DEVELOPMENT SCENARIO OPTION 3 | SINGLE BUILDING | TUCK-UNDER PARKING

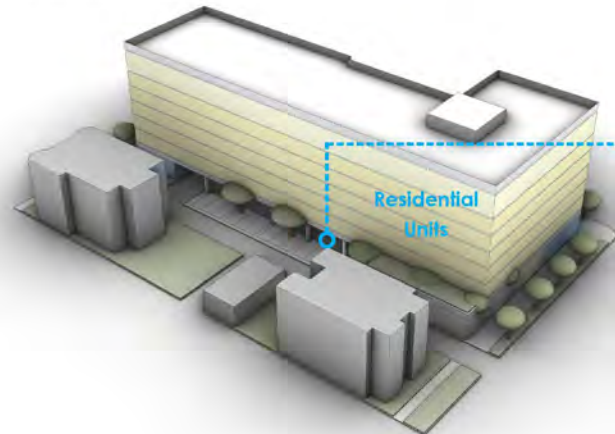
- + Sets bulk of building back from street for greater open space
- + Creates opportunities for expanded public realm and dining areas
- + Creates opportunity for street facing amenities and greater engagement between residents and street
- + Holds a prominent corner

- Doesn't define continuous street wall
- Might create impersonal interior residential experience

View from 63rd Street



View from Alley Side



Example Residential Plan



Example Ground Floor Plan



Surface Parking  
Under Building

63rd Street Section



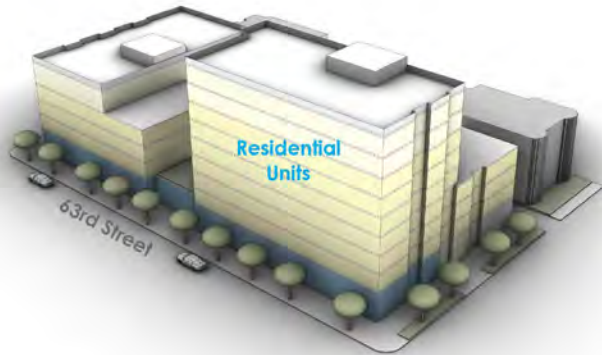


## DEVELOPMENT SCENARIO OPTION 4 | 2 BUILDINGS | TUCK-UNDER PARKING

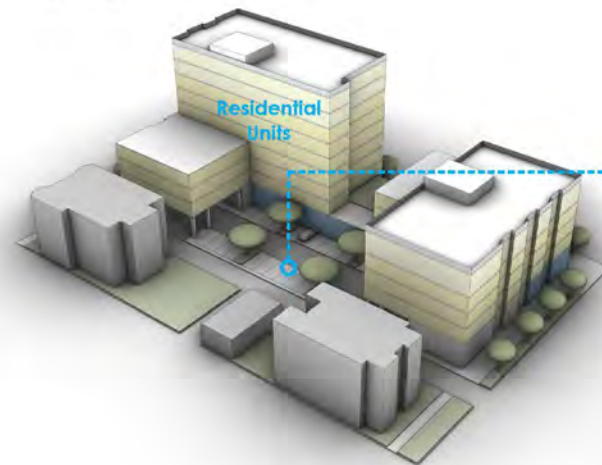
- + Holds prominent corners
- + Creates smaller buildings with more opportunity for differentiation, separate identities, residential intimacy, etc.
- + New construction is more consistent in scale with traditional urban fabric

- May not be as economically efficient as single building

View from 63rd Street



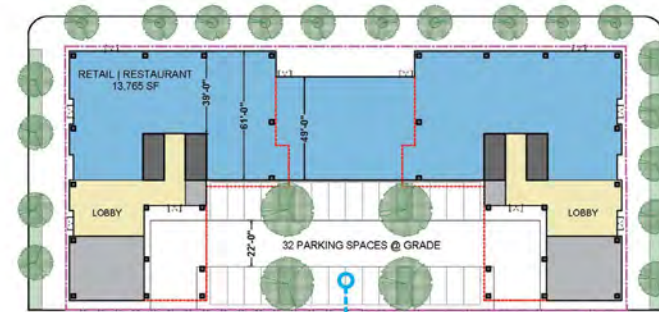
View from Alley Side



Typical Residential Plan



Typical Ground Floor Plan



63rd Street Section



Surface Parking  
Under Building



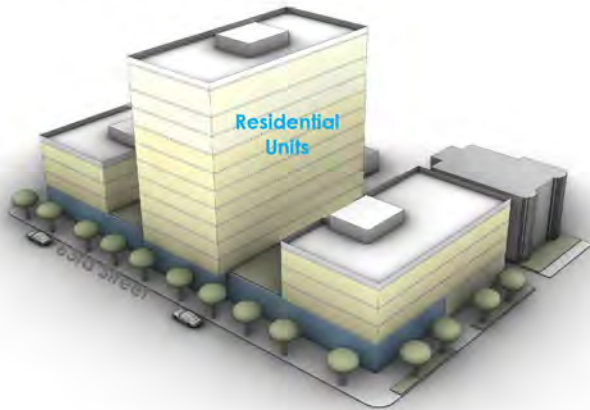


## DEVELOPMENT SCENARIO OPTION 5 | 3 BUILDINGS | TUCK-UNDER PARKING

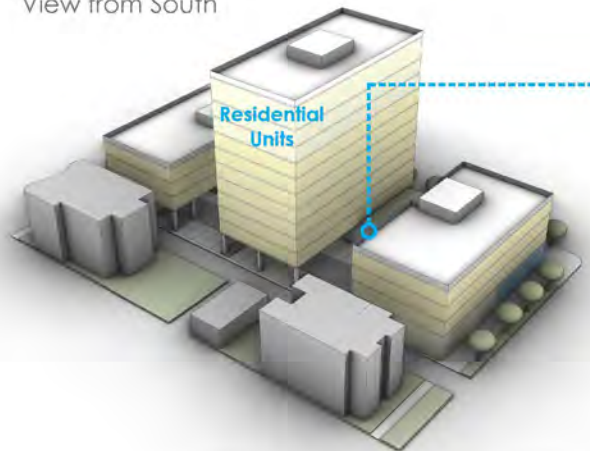
- + Holds prominent corners
- + Creates smaller buildings with more opportunity for differentiation, separate identities, residential intimacy etc.
- + New construction is more consistent in scale with traditional urban fabric

- May not be as economically efficient as one or two building

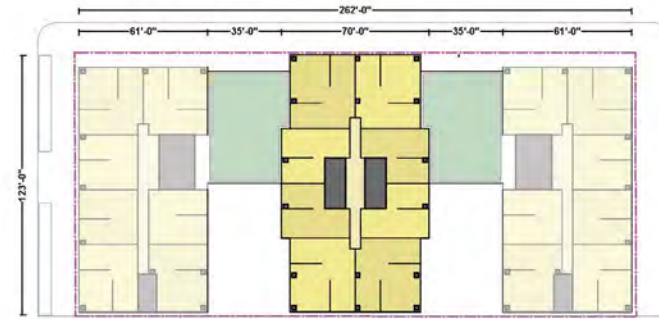
View from 63rd Street



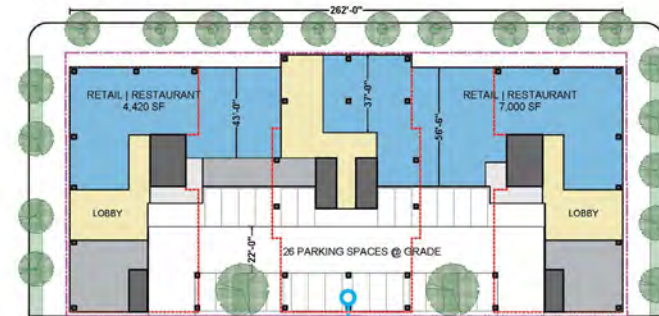
View from South



Typical Residential Plan



Typical Ground Floor Plan



Surface Parking  
Under Building

63rd Street Section



Detroit Example | OOMBA Architects





# Financial Incentives Overview

Incentive	Type	Description
Neighborhood Opportunity Fund (NOF)	City	Grant funding that will pay for the development or rehabilitation of real estate and projects that support new or expanding businesses or cultural assets in many of Chicago's South and West side neighborhoods
Tax Increment Financing (TIF)	City	TIF assists development projects by using the increased property tax revenue generated by these projects. TIF may provide reimbursement for eligible development costs such as land acquisition, site preparation, environmental remediation, building rehabilitation and repair, public infrastructure, professional fees, leasing commissions, up to 30% of the construction period interest costs, and job training
Property Tax Incentive Classifications <i>Class 7a, 7b, 7c, and L</i>	County	7a/b/c: Encourage the full utilization and new construction of commercial buildings in areas in need of commercial development L: Encourage the preservation and rehabilitation of historically and architecturally significant buildings
New Market Tax Credits (NMTC)	Federal	Commercial or industrial development of the property can benefit by attracting investment from a qualified Community Development Entity; the investment can consist of a loan or equity participation.
Historic Tax Credits	Federal	A 20 percent income tax credit is available for the rehabilitation of historic, income-producing buildings that are determined by the Secretary of the Interior, through the National Park Service, to be "certified historic structures."
Low Income Housing Tax Credits (LIHTC)	Federal	A competitive DOH financing source that can only be applied for through its funding round under the guidelines of the Qualified Action Plan (QAP). All proposals that require additional DOH funding, other than TEB or TIF, are required to apply through DOH's funding round. The next round is currently scheduled to open in June 2023.

**Full details in RFQ package**

# Woodlawn Ordinance Programs

Target population	Program name	Program description	Program status
Developers	Neighborhood Hiring Plan/Local Developer	Residents of Woodlawn and developers from Woodlawn preference in development projects stated in the ordinance	Working Group and program administrators are sharing opportunities with local developers, and DOH staff is prepared to ensure compliance with local hiring plans.
	City Lots for Working Families	Homebuyer income cannot exceed 140% AMI and home prices cannot exceed 120% AMI for new home construction on city-owned land	RFA launch in Q2 2022.
	Woodlawn Loan Fund	For sale homes cannot exceed 120%AMI and rents cannot exceed 80% AMI for buildings constructed from the low interest construction loan fund	Loan fund launched in April 2021 and has already closed on one property for 9-12 units with ½ of the units affordable to families at 80%AMI. Several other developers are in the loan fund pipeline.
	Development on City Owned Land	Buildings with 6+ units restricted lots for low-income people	Deeply affordable RFP launch in Q2 2022.
	Preserving Existing Affordable Rentals	Buildings with 6+ units 20% of units are affordable through private debt refinancing	Program has launched, but we have yet to receive any applications.



# Evaluation Criteria and Partnerships

## Overview of evaluation criteria

### Community Wealth Building

- Equitable control, ownership, and/or decision-making authority of historically disadvantaged business partners reflecting the demographics of community areas,
- Bidder(s) that are Latino and Black owned businesses, and/or bidder(s) that prioritize employment of Latino and Black employees,
- A proven track record of **working and making investments** in South and West Side communities of Chicago
- **Collaboration** and **support** from **community-based organization**, **community residents**, **historically disadvantaged business owners**, and **Alderman**.
- **Promote local small business** development, **arts/cultural-based businesses**, **community space**, and/or entrepreneurial opportunities for community residents

### Professional and technical competence

- Professional qualifications and specialized experience of development team
- Adherence to the recently released **Neighborhood Design Guidelines** and **Design Excellence Principles**

### Economic feasibility

- Purchase price, financial qualifications, total project cost

## Partnership model explanation

- The City of Chicago and DPD are committed to **inclusive economic development** that increases the capacity of and participation from **racial and ethnic minorities**, and **residents who are members of other historically disadvantaged groups**.
- As part of INVEST South/West, this RFQ has dual goals:
  - 1) To **build development sites** in an identified community area
  - 2) To **maximize the participation and ownership of local Latino and Black residents in all phases of a project** – including, but not limited to, design, development, construction, financing, and operations. **The expectation is that bidding teams/partnerships reflect the demographics of the community area where the development will take place**

**Full details in RFQ package**



# Design Excellence

Prioritize inclusive design processes to foster equitable development





# Build Local Wealth

## **Build wealth in the community by involving local partners in development team**

- Local developers hire local contractors and lease to local businesses

## **Four potential levels of local involvement:**

- Developer Teams / Designer Teams / Contractor & Trades (26/6) / Tenants & Businesses

# RFQ process and next steps

	Jul-22				Aug-22					Sep-22				Oct-22					Nov-22				Dec-22			
week starting:	7/4	7/11	7/18	7/25	8/1	8/8	8/15	8/22	8/29	9/5	9/12	9/19	9/26	10/3	10/10	10/17	10/24	10/31	11/7	11/14	11/21	11/28	12/5	12/12	12/19	12/26
Woodlawn 63rd St			STEP 1					STEP 2					STEP 3													
			RFQ Issued					Resp. Due 9/14	Short List Selected	Team Pairing	Submit Teams	Concept Design											Public Pitch	Dev. Team Selected	Press Event	

The above timeline is preliminary and may be subject to change, with adequate notice given to relevant parties.

Interested parties are encouraged to participate in a pre-submission meeting with City staff at 9:30 am on Monday, August 15th (a recording of the meeting can be found at <https://www.chicago.gov/rfps>). Any questions during the qualification stage question-and-answer period (August 1st - August 31, 2022) should be directed via email to:

**JUSTIN PETERSEN**

Email: [Justin.Petersen@cityofchicago.org](mailto:Justin.Petersen@cityofchicago.org)



# RFQ Q&A