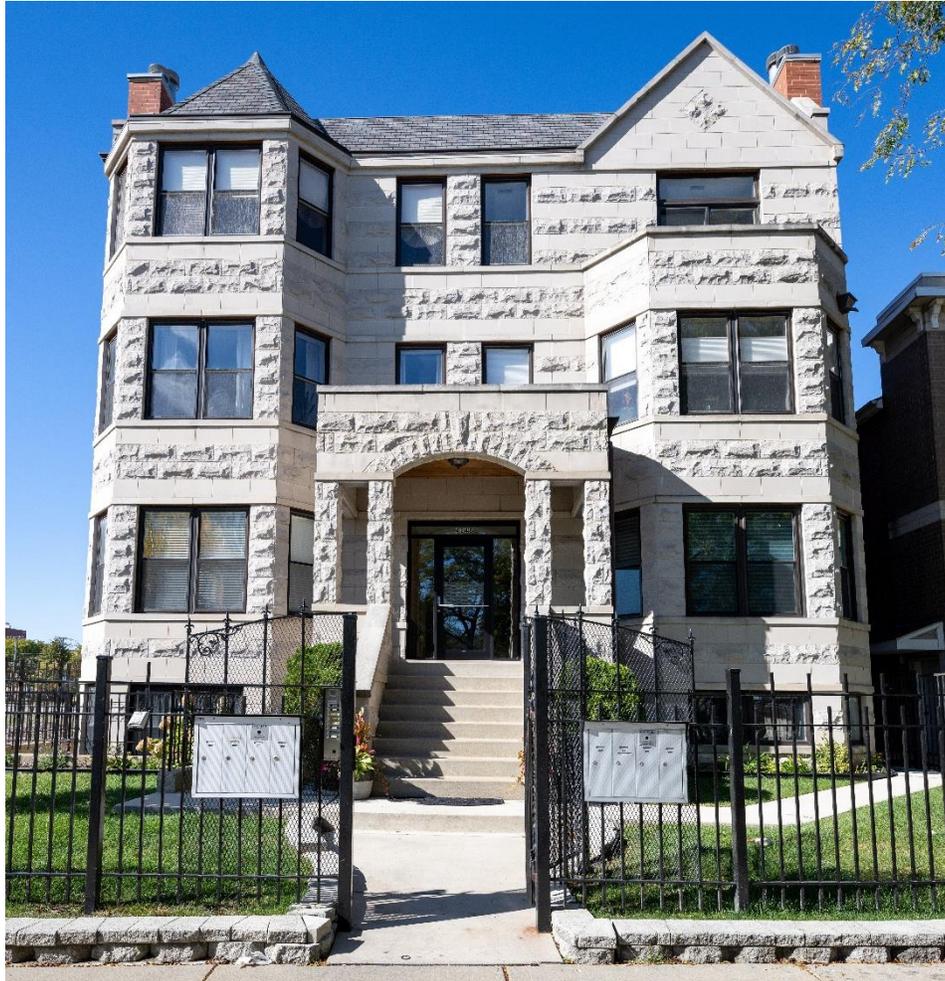


# REQUEST FOR PROPOSALS

**Shared Equity Investment Program**  
(Cooperatives & Community Land Trusts)



**Chicago Department of Housing**  
**James R. Horan, Acting Commissioner**  
2 N. LaSalle Street, Suite 600  
Chicago, IL 60602

RFP Issued on: **Tuesday, November 14, 2023**  
Pre-bidder's conference: **Tuesday, November 21, 2023**  
1-2 PM CST, on Zoom, [register here](#)

**RFP Responses due: Tuesday, January 16, 2024**

All responses and questions should be emailed to:  
[steph.o'connor@cityofchicago.org](mailto:steph.o'connor@cityofchicago.org)

# Introduction

## 1.1 Purpose

Through this Request for Proposals (“RFP”), the City of Chicago (“City” or “City of Chicago”) is seeking one or more Program Administrators to support the Department of Housing (“DOH”) in administering the **Shared Equity Investment Program**, aimed at 1) expanding homeownership; 2) creating community wealth building opportunities; and 3) supporting shared equity models of homeownership.

## 1.2 Background

In Chicago, homeownership has historically represented a critical aspect of wealth building. Not only does it provide stable housing, but it has often been the way that American families build generational wealth. However, it is important to note that there is significant inequity in homeownership attainment. There are many barriers to homeownership including lack of capital for down payment, lack of access to credit, regulatory burdens, and continued housing discrimination, among others. One tool to lessen these barriers is shared equity models of homeownership where the initial and ongoing cost to own is significantly lower than market-rate housing.

Shared equity models of homeownership offer pathways to homeownership and community-controlled affordable housing in perpetuity. Depending on the specific model, the buying and selling of shares or properties mitigates market-price increases that contribute to displacement and perpetuate the current affordability crisis, while allowing owners to build wealth and access the economic benefits of homeownership. There are a few different models of shared equity, including shared or limited equity housing cooperatives and community land trusts.

- **Shared or limited equity housing cooperatives (“Cooperatives”)** are a housing model in which low- or moderate-income buyers purchase a share in a development and commit to resell their share at a price determined by the cooperative that maintains affordability at purchase and for future buyers.
- **Community land trusts (“CLT(s)”)** are nonprofit, community-based organizations that are designed to ensure community stewardship of land. There are many types of CLTs, but this program will support CLTs that maintain long-term ownership of the land and sell or lease the improvements (housing units) to tenants or resident owners.

There are also homeownership programs that incorporate restrictive covenants to keep housing affordable for a set number of years, often controlled by the municipality and ensuring long-term affordability. While these properties or land are not held in a CLT, they maintain affordability for significant periods of time.

## 1. Shared Equity Investment Program Overview

The purpose of the Shared Equity Investment Program (the “Program”) is to support Cooperatives and CLTs in Chicago through two different tracks: **Shared Equity Purchase Price Assistance** and **Shared Equity Acquisition Support**. The Shared Equity Purchase Price

Assistance (“Track 1”) will support homeowners purchasing a share in a coop, a property with resale affordability restrictions, or a property in a land trust. The Shared Equity Acquisition Support (“Track 2”) will support Cooperatives and CLTs with acquisition of additional units of affordable housing. Both tracks support shared equity models and help make units of housing affordable to low-, moderate- and mixed-income buyers, expanding access to homeownership.

This program expands on DOH’s [Mission, Vision, and Values](#) and aims to be:

- **Equity-based:** DOH acknowledges the current and historic inequity in housing and prioritizes housing for those historically marginalized.
- **Community-led:** DOH centers residents in the decision-making process and allows control of housing to remain with community-based organizations through coops and land trusts.
- **Anti-displacement focused:** DOH is committed to supporting neighborhoods that are experiencing heightened levels of resident displacement.

The goals of this program are layered and includes the following intended outcomes:

- Creation of permanent affordable housing units
- Community wealth building through community-controlled homeownership
- Neighborhood stabilization and protection against displacement by diminishing market-price increases
- Development of a sustainable support pathway for Cooperatives and CLTs (and their residents) to access current and future government funding

## 2.1 Track 1: Shared Equity Purchase Price Assistance

This first track of the Program would expand opportunities for cooperative and land trust purchasers to access down payment assistance through the City of Chicago. It would also allow buyers of deed-restricted affordable housing to access these funds.

**For purchasers of CLT property and affordable housing with a deed or covenant restriction:** Grants would be made to eligible homebuyers at the time of their purchase. Each grant may include a project delivery fee to confirm eligibility and transfer funds. Purchase assistance grants must be:

- to homebuyers with combined household income at or below 120% of Area Median Income (AMI);
- to homebuyers purchasing a property in a CLT or housing trust with deed or covenant-restriction;
- to homebuyers who have completed at least 8 hours of HUD-approved home ownership counseling;
- to homebuyers with no outstanding City of Chicago debt (e.g. unpaid fines, tickets, etc.);
- provided at a maximum of amount of \$60,000 per household, maximizing the number of households assisted based on demand and market conditions;
- flexible for any type of purchase assistance, including but not limited to: principal write-down, closing costs, PMI premium, and down payment assistance;

- subject to an independent home inspection, with cost of inspection included as part of closing costs;
- subject to a covenant or lien requiring the homeowners to remain as an owner-occupant in the home for five years or sell only to a new buyer that meets all program eligibility requirements; and
- to homebuyers contributing a minimum 1% down payment and securing a pre-approval or mortgage approval from a reputable lender for a 30-year fixed interest mortgage loan. Grants cannot be paired with adjustable-rate mortgages (ARMs), interest-only loans or buydowns.

**For purchasers of shares in Cooperatives:** Grants will be made to Cooperatives to write down the share prices for individual homebuyers. Cooperatives will apply for purchase price assistance grants, rather than individual buyers. Cooperatives will be required to adhere to minimum affordability standards and meet technical assistance requirements to ensure the long-term feasibility of the Cooperative.

**Cooperative requirements:**

- *Affordability:* Units must be priced at rates affordable to 80% AMI households and sold to buyers at or below 120% AMI and are required to remain so for the entire grant term of not less than five years.
- *Technical assistance:* Cooperatives are required to directly contract with a third-party monitor/technical assistance provider for the first five (5) years of the cooperative phase of the project, to assist the CLT and Cooperative in meeting the compliance monitoring, resident engagement, and other requirements set forth in the City's grant agreement. Shorter periods may be considered at the City's sole discretion, based on the experience of the cooperative.
- *Subsidy:* Cooperatives may apply for a grant of up to \$60,000 per affordable unit, maximizing the number of shareholders assisted based on demand and market conditions.
- *Financial:* demonstrate financial feasibility through proforma, shareholder agreements, cooperative membership, and coop restrictions & covenants
- *Past performance:* examples (if applicable) of previous financing and acquisition

**Eligible shareowner requirements:**

- complete a City-approved Cooperative housing training;
- have no outstanding City of Chicago debt (e.g. unpaid fines, tickets, etc.).

## 2.2 Track 2: Shared Equity Acquisition

The second track of this program will support acquisition grants for eligible Cooperatives or CLTs at the time of their purchase of a residential property. Each grant may include a project delivery fee to confirm eligibility and transfer funds.

**Project Eligibility Requirements:**

- Acquisition of buildings for the purpose of shared- or limited-equity resident shareholder ownership in a Cooperative, CLT, or affordable deed-restriction.

- Project type must be permanently affordable.
- Projects will be allowed to convert to limited-equity or shared-equity ownership tenures that are permanently affordable.
- Projects may be occupied or vacant.
- Property must be code compliant upon purchase. If building requires rehabilitation, a Certificate of Completion from the Dept. of Buildings must be submitted prior to occupancy.

**Maximum City Subsidy:**

- \$100K per affordable unit

**Affordability Requirements for Shareowners:**

- 51% of the total units must be priced and sold at rates affordable to households at 80% AMI or below

**Eligible Use of Funds:**

Most costs associated with acquisition are eligible uses of program grants including:

- Acquisition
- Holding costs such as taxes, insurance, and debt service
- Legal costs
- Appraisals
- Gap financing costs
- Temporary relocation as required by City, state or federal requirements
- Other costs associated with acquisition as approved by the administrator and City of Chicago

**Ineligible Use of Funds**

- New construction
- Rental operating subsidies
- Service provision
- Rehabilitation
- Capitalized operating reserves
- Furnishings
- Permanent tenant relocation

**Eligible Grantees**

All applicants must meet the experience requirements described below and must be one of the following types of entities:

- CLTs
- Cooperatives
- Affordable housing organizations in a documented partnership with a Cooperative or CLT

### **Cooperative/CLT Experience Requirements**

- Entity must have acquired or rehabilitated at least one (1) residential development project of similar size and scope or partner with a residential developer who has met this requirement.
- Project Manager assigned to project must have experience with at least one (1) comparable, successfully completed project, or be assisted by consultant or other staff with experience with at least three (3) comparable, successfully completed projects.
- Alternative experience may be proposed subject to selected administrator and City staff review and approval.

### **Technical Assistance Requirements**

- To ensure the long-term sustainability of the project and cooperative, CLTs and Cooperatives may be required to contract with a 3<sup>rd</sup> party monitor/technical assistance (TA) provider for the first five (5) years of the cooperative ownership of the project to assist with compliance monitoring, resident/board engagement, and other requirements set forth in the grant agreement. If applicable, the monitor/TA provider budget may be capitalized in the acquisition budget and is an eligible use of grant funds. The Cooperative or CLT may request a waiver of this requirement and the City may grant a waiver of reduction in the number of required number of years for TA provider, based on the entity's demonstration that it has the capacity to meet the monitoring requirements listed above.
- For CLTs, the form of the ground lease will be subject to City review and approval. The City must be an intended third-party beneficiary of the ground lease with the right to enforce its terms and conditions.

## **2.3 Grantee Duties & Responsibilities**

At a minimum, successful Respondents, as grantees ("Grantee") and their contractors and sub-contractors will be required to adequately staff and perform all of the following actions under the oversight of—but with minimal to no staffing support from—DOH:

1. Public Engagement
  - a. Respond to public inquiries regarding the program. Replies may be by phone or email and should be made within 1 business day of receipt of inquiry.
2. Program Administration
  - a. Maintain a project database with "real-time" records of
    - i. communications with applicants/awardees,
    - ii. application and project documents,
    - iii. project details/milestones/deadlines,
    - iv. project completion and grant funding status
    - v. Provide bi-weekly and monthly program reports regarding program status, work performance, and economic opportunity/development indicators as agreed upon with DOH
  - b. Develop and/or maintain as needed program documents such as workflows, calendars, process manuals, etc.

3. Application Review and Project Selection
  - a. Communicate with applicants to confirm initial receipt and final status of their application. If needed during application review, communicate with applicants for clarification, or obtain additional information regarding their application and/or proposed project.
  - b. Establish and manage an application review team (with a City staff contact for final review of Track 2 applicants.)
4. Sub-Grant Issuance and Project Monitoring
  - a. Request and gather application documentation from grant recipients.
  - b. Issue grant contracts (grant award letters) upon DOH'S review and approval.
  - c. Follow up on all grant applicants and log a summary of the interactions.
  - d. Review all grantee documents and respond to confirm acceptance or request corrections if needed.
  - e. For Track 2, verify that any rehabilitation associated with the acquisition has been properly completed, grant funds disbursed, construction project closed per Dept. of Buildings records, and all required permits and/or business licenses are issued.
  - f. Prepare a final project summary report.
  - g. Ensure that Grantees complete a required affidavit certifying that it has met program requirements and that grantee will fulfill affordability requirements as required by DOH.
  - h. Conduct annual check-ins with program grantees who have successfully completed their acquisitions to collect relevant economic development data, confirm compliance with post-project completion program requirements, and identify additional resources/support for success and growth.
5. Program and Project Funding
  - a. Maintain active "real-time" records of grant funds available, encumbered, awarded, and disbursed for the overall program, as well as each subgrant provided to applicants.
  - b. Receive requests for grant disbursement, review documentation and verify compliance with program rules and City requirements.

## 2. Grant Agreement Details

### 3.1 Funding Sources

All final awards will be subject to the availability of funds from the sources identified below.

- Chicago Recovery Plan bond proceeds
- Or other funds identified by the Commissioner of DOH.

### 3.2 Compensation Structure

For Program Administrators, DOH anticipates each grant agreement to contain provisions for a project delivery fee-based compensation structure. In this model, grantees may bill the City a fixed, negotiated delivery fee per project. In this model, Respondents may not budget or charge a flat administrative and/or overhead fee. Respondents should provide justification for their proposed fee structures acceptable to DOH at its sole discretion.

Respondents may propose alternative structures and the City, at its sole discretion may consider proposed alternative structures, but City, State of Illinois (“State”) and federal laws, rules and regulations, including those related to eligible costs financed with tax-exempt bond proceeds, may limit the City’s ability to consider such alternatives.

### 3.3 Eligible Respondents

Respondents with demonstrated experience in the areas described below and with an interest in making their services available to the City of Chicago are invited to respond to this RFP. Applicants are required to deliver services within the city of Chicago and to Chicago residents only.

The City of Chicago expects to make one (1) award to a respondent for each track. Applicants may apply to administer either or both track(s) for which they are eligible.

**1. Track 1: Shared Equity Purchase Price Assistance**

This is a competitive process open to not-for-profit community-based organizations. Applicants must provide their federal 501(c)(3) tax-exempt designation and State of Illinois articles of incorporation as verification of their not-for-profit status.

**2. Track 2: Shared Equity Acquisition**

This is a competitive process open to Community Development Financial Institutions (“CDFI”). Applicants must provide proof of their status as a CDFI to be considered.

**For both Track 1 and Track 2:**

Respondents with existing contracts or other agreements with the City that are not in good standing will not be considered for this Program. In addition, Respondents that have had a City contract or agreement terminated for default, are currently debarred, or have been issued a final determination by a City, State, or federal agency for performance of a criminal act, or abridgement of human rights or illegal/fraudulent practices will not be considered for this Program.

### 3.4 Anticipated Term of Contract

A total of \$3,500,000 will be available through this RFP for the initial anticipated contract period beginning February 1, 2024 through December 31, 2024, with up to two extensions, each not to exceed one year, at the discretion of the City based on the availability of funds, the need to extend services, and the respondent’s performance. For the Chicago Shared Equity Investment Program, the City expects to award a total of \$3.5M, \$1.5M for Track 1 and \$2M for Track 2, though these amounts are subject to change.

### 3.5 Reporting and Record-Keeping Requirements

Grantees must provide requested data using a City-approved platform or alternate approved method to submit Grantee reports. Required reports include sharing qualitative and quantitative data and information the City leverages to assess Program impact. Furthermore,

providers must meet with DOH staff monthly at the beginning of the Program rollout, shifting to a quarterly meeting schedule as the Program is implemented.

In addition to the data outlined above, Grantees will be required to follow all local, State, and Federal requirements which govern all of the funding sources leveraged for the Program. DOH reserves the right to determine the appropriate funding source or sources for the Program.

Grantees will be required to keep separate records and documentation of all costs and expenditures. Providers will be required to periodically submit copies of all records and documentation with respect to both above-referenced categories to DOH.

### 3. Request for Proposal Content

#### 4.1 Instructions for Respondents

All eligible respondents are welcome to respond to this RFP. Respondents are advised to carefully review the RFP instructions and adhere to all requirements. To respond to this RFP, please submit a PDF package that includes answers to all the questions in Exhibit A. The deadline for submission is 11:59 PM on January 8, 2024. Responses should be submitted to [steph.o'connor@cityofchicago.org](mailto:steph.o'connor@cityofchicago.org).

Respondents must provide all information requested, provide thorough responses, and submit all requested documentation. Failure to fully comply may cause the submitted proposal to be categorized by the City as non-compliant and subsequently rejected.

The City reserves the right to request clarification or additional information from the Respondent 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 reject proposals for any of the following reason(s):

- Non-compliant proposals (e.g., required documents not uploaded).
- Respondent has DOH or other City departments performance-related concerns in the past five (5) years.
- The deadline for submissions for this RFP was missed.
- The proposal topic was not aligned with the requirements of the RFP.
- The budget was unrealistic in terms of the estimated requirements for the Program.
- Respondents proposed staffing is insufficient to carry out the scope of the Respondent's proposal for effectuating the Program.
- The Respondent's proposal for effectuating the Program does not meet DOH standards and/or is unrealistic in terms of the requirements for the Program.

#### 4.2 Pre-Bidder's Conference

DOH will host an online pre-bidder's conference on Tuesday, November 21 from 1-2pm, register to attend [here](#). Please email any questions to [steph.o'connor@cityofchicago.org](mailto:steph.o'connor@cityofchicago.org). All

emailed questions and answers, as well as a recording of the pre-bidder's conference will be posted on the DOH website here.

#### 4. Application Review Criteria

All proposals received by the deadline will undergo a technical review to determine whether all required components have been addressed and included. Only complete proposals will be considered by DOH, and a formal notice of rejection will be provided to the Respondents submitting incomplete proposals. DOH reserves the right to waive minor irregularities across all submitted proposals. Minor irregularities include anything within the proposal that does not affect the quality of the proposed services or mandatory requirements. For example, spelling and grammatical errors may be classified as minor irregularities.

Additionally, DOH reserves the right to review the Respondent's DOH-performance-related and performance-related concerns in other City departments and remove from consideration Respondents without a proven track record of effective Program management.

Applications will be reviewed and scored using an evaluation committee ("Evaluation Committee") comprised of members selected by DOH. Evaluation Committee members may include DOH staff and non-staff. Evaluation Committee members will be responsible for reviewing applications and supporting documents and any additional information supplied by DOH staff to score applications based on the selection criteria outlined below.

DOH will then tabulate all Evaluation Committee scores and review any comments or concerns identified by Evaluation Committee members. Finally, DOH's Project Manager and Deputy Commissioner will work collaboratively to develop a suggested list of Respondent finalists in alignment with DOH's Mission, Vision, Values, Homeownership goals, and Evaluation Committee scores and comments.

A recommendation of Respondent finalists will be provided to the DOH Commissioner. Upon review, the DOH Commissioner may reject, deny, or recommend Respondents that have applied based on previous performance or based on area need.

Proposals will be scored based on the following criteria, with 100 points being the maximum score:

Selection Criteria	Points
<p><b><u>Organizational Capacity</u></b></p> <ul style="list-style-type: none"> <li>• Respondent provides evidence of successful past program performance, including success in initiating, maintain, and completing a similar program</li> <li>• Respondent outlines how qualified, responsible staff monitors program performance from all programmatic elements, including:               <ul style="list-style-type: none"> <li>○ Case management</li> <li>○ Procedures for following up with those engaged in services</li> <li>○ Monitoring expenditures and fiscal controls.</li> <li>○ Ensuring adequate technology and tracking systems are used</li> </ul> </li> <li>• Respondent has sufficient capacity and or staff assigned to the proposed program and can work within the schedule and budget outlined in this RFP</li> <li>• Respondent's organization reflects and engages the diverse people of the communities it serves through various techniques. This can be demonstrated through the following ways:               <ul style="list-style-type: none"> <li>○ Demographics of individuals served through similar program(s)</li> <li>○ Demographics of staff (training)</li> <li>○ Equity focused mission statement</li> </ul> </li> </ul>	35
<p><b><u>Program Implementation Design</u></b></p> <ul style="list-style-type: none"> <li>• Respondent clearly defined the activities to be undertaken, or the services to be provided and have a clearly defined plan to deliver the services under this RFP.</li> <li>• Respondent provides a well detailed description of how they will execute the program administration and provide services under this RFP to marginalized communities and has a thorough understanding of the needs of the communities, their experience, needs and challenges.</li> <li>• Respondent's organizations mission is aligned with the objectives of the program and historical activities undertaken by the organization align with serving vulnerable Chicagoans.</li> <li>• Respondent can engage with the community in a variety of methods, including providing in-person services and community outreach and engagement.</li> </ul>	30
<p><b><u>Organization Values &amp; Partnerships</u></b></p>	15

<ul style="list-style-type: none"> <li>• Respondent has documented collaborations or partnership with other public or private agencies that support or enhance resources for target populations</li> <li>• Respondents has a proven track record in providing services to Chicagoans who are marginalized by race, ethnicity, citizenship, ability, sexual orientation, arrest or conviction record, or income</li> <li>• Respondent is willing to collaborate with DOH and City funded initiatives, aligning with DOH's Mission, Vision, Values, including: <ul style="list-style-type: none"> <li>○ Expanding access and choice for residents</li> <li>○ Protecting residents right to quality homes that are affordable, safe, and healthy</li> <li>○ Prioritizing housing equity for Chicagoans who are marginalized</li> <li>○ Social justice and collaborative decision making</li> </ul> </li> <li>• Respondent uses an equity lens and incorporates equity and justice in their approach to service delivery. This includes having responsible program staff complete cultural competency, trauma informed service delivery, LGBTQIA+ inclusion trainings and other topics centered on racial equity.</li> </ul>	
<p><b><u>Budget Justification &amp; Capacity</u></b></p> <ul style="list-style-type: none"> <li>• Respondent demonstrates reasonable implementation costs and funding requests relative to its financial and human resources.</li> <li>• Respondents proposed budget supports the proposed scope of work or work plan.</li> <li>• Respondents proposed budget contains a reasonable cost per person per unit.</li> <li>• Overall, respondent is fiscally sound, as evidenced by the financial history and record of the organization, as well as audited financial statements (or the equivalent) from the current fiscal year.</li> </ul>	20
<p><b><u>Cooperation with the City in the Event of Any Legal, Administrative or Regulatory Proceedings</u></b></p> <ul style="list-style-type: none"> <li>• Respondent will be required to covenant in the grant agreement that the Respondent will cooperate with the City and provide all records and documentation requested by the City in connection with any legal, administrative or regulatory proceedings in connection with the Program or the sources of funds used to finance the Program.</li> </ul>	

## 5. Basis of Award

DOH reserves the right to consider additional factors in the selection of Respondents to ensure Program-level needs are met, including prioritizing organizations whose proposals demonstrate they have a strong track record serving people marginalized by race, ethnicity, citizenship, ability, sexual orientation, arrest or conviction record, or income. DOH may also factor in the organization's geographic location to ensure residents in all of the City's wards can be provided services under the Program.

The selection of grantee[s] will not be final until the City and the selected Respondent[s] have fully negotiated and executed a grant agreement. The City assumes no liability for costs incurred in responding to this RFP or for costs by the Respondent chosen in anticipation of a fully executed grant agreement. Receipt of a final application does not commit the City to award a grant to pay any costs incurred in preparing an application. Furthermore, Respondents' history of prior executed contracts or agreements with DOH is not a guarantee of continued funding of grants under this RFP.

## 6. Compliance with Laws, Statutes, Regulations, Ordinances, and Executive Orders

The grant agreements will not be final until the City and the Respondent have fully negotiated and executed an agreement. All payments under a grant agreement are subject to annual appropriation and availability of funds. The City assumes no liability for costs incurred in responding to this RFP or for costs incurred by the Respondent in anticipation of a grant agreement. Here is a partial list of laws, statutes, and ordinance that Grantees will be required to comply with under the grant agreement:

1. **Conflict of Interest Clause:** No member of the governing body of the City or other unit of government and no other officer, employee, or agent of the City or other government unit who exercises any functions or responsibilities in connection with the carrying out of the Program shall have any personal interest, direct or indirect, in the grant agreement. The Respondent covenants that he/she presently has no interest, and shall not acquire any interest, direct, or indirect, in the project to which the grant agreement pertains which would conflict in any manner or degree with the performance of his/her work hereunder. The Respondent further covenants that in the performance of the grant agreement no person having any such interest shall be employed.
2. **Governmental Ethics Ordinance, Chapter 2-156:** All Respondents shall agree to comply with the Governmental Ethics Ordinance, Chapter 2-156 of the Municipal Code of Chicago ("Municipal Code") which includes the following provisions: a) a representation by the Respondent that he/she has not procured the grant agreement in violation of this order; and b) a provision that any grant agreement which the Respondent has negotiated, entered into, or performed in violation of any of the provisions of the Governmental Ethics Ordinance, Chapter 2-156 of the Municipal Code shall be voidable by the City.

3. **Drug-free Workplace:** Selected Respondents shall establish procedures and policies to promote a Drug-free Workplace. The selected Respondent shall notify employees of its policy for maintaining a drug-free workplace and the penalties that may be imposed for drug abuse violations occurring in the workplace. The selected Respondent shall notify the City if any of its employees are convicted of a criminal offense in the workplace no later than ten (10) days after such conviction.
4. **Business Relationships with Elected Officials:** Pursuant to Section 2-156-030(b) of the Municipal Code , it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a business relationship, or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship. Violation of Section 2-156-030(b) of the Municipal Code by any elected official with respect to the grant agreement shall be grounds for termination of the grant agreement. The term “business relationship” is defined as set forth in Section 2-156-080 of the Municipal Code.
  - a. Section 2-156-080 of the Municipal Code defines a “business relationship” as any contractual or other private business dealing of an official, or his or her spouse or domestic partner, or of any entity in which an official or his or her spouse or domestic partner has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; provided, however, a financial interest shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the
  - b. Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. A “contractual or other private business dealing” shall not include any employment relationship of an official’s spouse or domestic partner with an entity when such spouse or domestic partner has no discretion concerning or input relating to the relationship between that entity and the City.
5. **Legal Compliance:** Compliance with federal, State and City laws, regulations, ordinances, policies, procedures, rules, executive orders and requirements, including, but not limited to: Disclosure of Ownership Interests Ordinance (Chapter 2-154 of the Municipal Code); the State of Illinois - Certification Affidavit Statute (Illinois Criminal Code); State Tax Delinquencies (65 ILCS 5/11-42.1-1); Governmental Ethics Ordinance (Chapter 2-156 of the Municipal Code); Office of the Inspector General Ordinance (Chapter 2-56 of the Municipal Code); Child Support Arrearage Ordinance (Section 2-92-380 of the Municipal Code); and Landscape Ordinance (Chapters 32 and 194A of the Municipal Code).

6. **Economic Disclosure Statement:** If selected for grant award, Respondents are required to (a) execute the Economic Disclosure Statement and Affidavit and (b) indemnify the City as described in the grant agreement between the City and the Grantee.
7. **Prohibition on Certain Contributions, Mayoral Executive Order 2011-4:** Neither the Grantee nor any person or entity who directly or indirectly has an ownership or beneficial interest in the Grantee of more than 7.5% (Owners), spouses and domestic partners of such Owners, the Grantee's contractors, sub-contractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any contractor or sub-contractor of more than 7.5% (Sub-owners) and spouses and domestic partners of such Sub-owners (the Grantee and all the other preceding classes of persons and entities are together, the "Identified"), shall make a contribution of any amount to the Mayor of the City ("Mayor") or to the Mayor's political fundraising committee during (i) the bid or other solicitation process for the grant agreement or Other Contract (as defined below), including while the grant agreement or Other Contract is executory, (ii) the term of the grant agreement or any Other Contract between City and the Grantee, and/or (iii) any period in which an extension of the grant agreement or Other Contract with the City is being sought or negotiated.
  - a. The Grantee shall represent and warrant that since the date of public advertisement of the specification, request for qualifications, RFP or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Grantee or the date the Grantee approached the City, as applicable, regarding the formulation of the grant agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.
  - b. The Grantee shall not: (a) coerce, compel or intimidate the Grantee's employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse the Grantee's employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.
  - c. The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.
  - d. Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under the grant agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under the grant agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein. If the Grantee violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the grant agreement resulting

from this specification, the DOH Commissioner may reject the Respondent's response to the RFP. For purposes of this provision:

- i. "Other Contract" means any agreement entered into between the Grantee and the City that is (i) formed under the authority of Municipal Code Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.
- ii. "Contribution" means a "political contribution" as defined in Municipal Code Ch. 2-156, as amended.
- iii. "Political fundraising committee" means a "political fundraising committee" as defined in Municipal Code Ch. 2-156, as amended.

## **8. Hiring Practices**

- a. The City is subject to the June 24, 2011 "City of Chicago Hiring Plan" (the "2011 City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2011 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.
- b. The Grantee shall be aware that City policy prohibits City employees from directing any individual to apply for a position with the Grantee, either as an employee or as a sub-contractor, and from directing the Grantee to hire an individual as an employee or as a sub-contractor. Accordingly, the Grantee must follow the Grantee's own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by the Grantee under the grant agreement are employees or sub-contractors of the Grantee, not employees of the City. The grant agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by the Grantee.
- c. The Grantee will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under the grant agreement, or offer employment to any individual to provide services under the grant agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of the grant agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.
- d. In the event of any communication to the Grantee by a City employee or City official in violation of paragraph (b) above or advocating a violation of paragraph (c) above, the Grantee will, as soon as is reasonably practicable,

report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of DOH. The Grantee will also cooperate with any inquiries by IGO Hiring Oversight related to the grant agreement.

9. **Illinois Prevailing Wage Requirement:** The Grantee will ensure that construction contractors and sub-contractors shall not pay less than the prevailing rates of wages to all laborers, workmen, and mechanics performing work in connection with this Program, pursuant to the Illinois Prevailing Wage Act (820 ILCS 130/1-12).
10. **MBE/WBE Ordinance Requirements:** The Grantee must comply with the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE Ordinance"), Section 2-92-420 et seq. of the Municipal Code and with Section 2-92-586 (Contracts-Firms Owned or Operated by Individuals with Disabilities) of the Municipal Code.
11. **Chicago Residency Requirements:** The Grantee must comply with and shall cause its' contractors and sub-contractors to comply with the residential preference requirements of Section 2-92-330 of the Municipal Code.

## Exhibit A: Contents of a Complete Proposal

Written submissions must be submitted via email to [steph.o'connor@cityofchicago.org](mailto:steph.o'connor@cityofchicago.org) and include the following:

1. Cover Page to include:
  - a. Organization Information
  - b. Legal organization name
  - c. Doing Business As (if applicable)
  - d. Address
  - e. Federal Employer Identification number
  - f. Unique Entity Identifier (UEI) number
  - g. Website address and social media (if applicable)
  - h. Year organization established
  - i. Name, title, email, and phone number of contact person
  - j. Date of submission
  - k. Application Track selection (either Track 1, Track 2, or both)
2. Attachments as described below depending on your entity type. These can be attached to your submission email or combined into a pdf submission document.
  - a. For Track 1 respondents:
    - i. Certificate of Good Standing
    - ii. IRS Tax-Exempt Determination Letter
    - iii. Board Member Identification
    - iv. Recent 990, 990-N, 990-EZ (from the last three years) or Recent Tax Returns (from the last three years)
  - b. For Track 2 respondents, CDFI requirements:
    - i. Certificate of Good Standing
    - ii. Financial Statements for last three years
    - iii. Organizational Documents detailing CDFI status
3. Answers to the following questions. *Please note that questions are marked with a "1" or "2" or 1&2" to indicate which questions are required to apply for each track.*
  - a. **Organizational Capacity**
    - i. 1&2: Please provide a short statement describing your organization. What is your organization's mission, values, and core strategies?
    - ii. 1&2: Describe the leadership of the organization. How is your organization's leadership, staff, and board familiar with and accountable to the communities it serves?
    - iii. 1&2: Tell us about your organization's experience supporting shared equity models of homeownership (cooperatives, community land trusts, or deed-restricted homeownership). Please detail your operating definition of the shared equity model(s) you support.
    - iv. 1: What is your organization's experience in administering housing programs. Be specific and include details about any experience in purchase price assistance program(s).

- v. 2: What is your organization's experience in administering housing programs. Be specific and include details about any in acquisition support through grants, loans, or other financing structures.

**b. Program Implementation Design**

- i. 1&2: What communities does your organization serve? What problems, needs, or opportunities does this community face in the housing market of Chicago?
- ii. 1&2: Describe how you will implement the activities and goals of Shared Equity track for which you are applying. Please be specific and detail the timeline of your goals and milestones along the way.
- iii. 1: How do you propose to recruit potential homebuyers to receive support? Describe your process for homeowner selection and experience with income verification to ensure applicants meet the described guidelines above.
- iv. 2: How do you propose to recruit cooperatives and/or CLTs? Describe your process for project selection and experience with supporting shared equity models.
- v. 1&2: Describe your approach to community engagement and outreach for the program?
- vi. 1&2: What will your program management and coordination structure be?
- vii. 1&2: How will you track program outcomes and ensure effective use of the funding provide? Please detail what a successful program will look like for you.

**c. Organization Values & Partnerships**

- i. 1&2: Please document your partnerships with other organizations (private or public) that support or enhance resources for affordable homeownership, particularly shared equity models of homeownership.
- ii. 1&2: How does your program align with the Shared Equity Values detailed in the RFP?
- iii. 1&2: Please describe your experience providing services to Chicagoans who are marginalized by race, ethnicity, citizenship, ability, sexual orientation, arrest or conviction record, or income.

**d. Budget Justification & Capacity**

- i. 1&2: What is the total amount you are requesting? (Note: For the Chicago Shared Equity Investment Program, the City expects to award a total of \$3.5M, \$1.5M for Track 1 and \$2M for Track 2.)
- ii. 1&2: Please attach your budget and timeline according to the template provided.
- iii. 1&2: *DOH anticipates each grant agreement to contain provisions for a project delivery fee-based compensation structure. In this model, grantees may bill the City a fixed, negotiated delivery fee per project. This delivery fee is intended to cover indirect costs of Program administration, such as Program staff salary, community engagement, and other related costs. In this model, Respondents may not budget or charge a flat*

*administrative and/or overhead fee.* Please describe your proposed delivery fee and budget.

- iv. 1&2: Please describe your programmatic capacity to implement the proposed program. Specifically, how many staff (part time, full time, or hourly) will receive compensation? What are their salaries or hourly rates? What are their qualifications? Please attach the resumes of key staff members.
- v. 1&2: Please describe your financial capacity to implement the proposed program.
- vi. 1&2: Describe how you currently manage expenditures and keep financial records. How will you manage the project, monitor expenditures, and keep appropriate financial records? Please also describe your reporting, database management, and output monitoring practices.

## Exhibit B: Budget proposal & anticipated timeline

This exhibit presumes a one (1) year initial contracting window beginning on February 1, 2024 and ending on December 31, 2024. In practice, selected grantees may be eligible for other contracting windows. This may be negotiated after finalists are selected. Please complete the requisite table(s) for each track(s) for which you are applying.

### Track 1

<b>Quarter</b>	<b>Potential clients engaged</b> <i>Please list the number of expected Sub-grantees you expect to contact in each quarter, using the engagement strategy described in your proposal.</i>	<b>Purchase price grants administered</b> <i>Please list the number of purchase price Sub-grants you expect to produce each quarter.</i>
<b>2024 Q1</b>		
<b>2024 Q2</b>		
<b>2024 Q3</b>		
<b>2024 Q4</b>		
<b>Total</b>		

### Track 2

<b>Quarter</b>	<b>Potential cooperatives/CLTs engaged</b> <i>Please list the number of expected Sub-grantees you expect to contact in each quarter, using the engagement strategy described in your proposal.</i>	<b>Acquisition support - # units supported</b> <i>Please list the number of units acquired you expect to support each quarter.</i>
<b>2024 Q1</b>		
<b>2024 Q2</b>		
<b>2024 Q3</b>		
<b>2024 Q4</b>		
<b>Total</b>		