

REQUEST FOR PROPOSALS

To participate in acquiring and rehabbing a Troubled Building Initiatives (TBI) program property in
the Humboldt Park Community Area

Chicago, IL



Release: August 12, 2019

Responses Due: August 30, 2019

Issued by:

City of Chicago

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**TBI Property Acquisition
Request for Proposal (RFP)**

**The City of Chicago Invites Developers
To Submit Their Proposals to Acquire and Rehab a Troubled Building Initiatives (TBI) Residential
Rental Housing Development, and Maintain as Long-Term Affordable Housing**

Overview

Program Summary

The City of Chicago (the "City"), through its Department of Housing (DOH), is requesting that developers submit proposals to develop a multi-family property located in the 27th Ward's Humboldt Park Community. The TBI program develops viable urban communities by removing blight, providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income.

Pursuant to this RFP, the City intends to select a developer to rehab/renovate as affordable rental, a multi-family property, located in the Humboldt Park community area. The property is currently owned by the City and identified in Exhibit D hereto.

Respondents to this RFP should present their qualifications and proposals to acquire and rehab/renovate this property, in order to help the City achieve one or more of the following TBI objectives:

- ✓ Reclaim troubled and/or vacant, abandoned multi-family housing stock
- ✓ Strengthen blocks and neighborhoods by eliminating blighting effects of vacant and troubled buildings
- ✓ Preserve existing, affordable, multi-unit rental properties
- ✓ Improve the comfort and safety of residents living in rental properties by assisting or remediating code violations, health and safety issues and deferred maintenance
- ✓ Properties to be returned to or rehabbed as affordable housing
- ✓ Economic integration of housing and other development
- ✓ Increase the real estate property tax base of the city

DOH will evaluate the qualifications and proposals of all respondents from the standpoint of ability to expeditiously rehab/renovate the building as quality, affordable rental property and maintain Long-Term Affordability.

Note:

The City of Chicago will NOT provide financing for rehabilitation or rental subsidies for this property.

Responses to this RFP must be signed, enclosed in sealed envelopes, addressed and submitted to the City of Chicago, DOH, 121 N. LaSalle St., Room 1000, Chicago, IL 60602.

Questions regarding RFP availability or about the Troubled Building Initiatives should be submitted in writing and delivered to DOH via fax (312-742-8549) or via e-mail to paul.elue@cityofchicago.org.

General Invitation

Developers are invited to present their qualifications and proposals to rehab/renovate the 506-08 N. Monticello building as affordable rental property as described in the Overview.

Selected respondent(s) must be able to provide documentation to support their ability to complete a rehabilitation of the city-owned property, provide decent housing and a suitable living environment, principally for persons of low and moderate income.

Key Dates

Request for Proposal Issued **August 12, 2019**
Response Due Date **August 30, 2019**

I. Introduction

The City seeks qualified entities ("Developers") to participate in the rehabilitation of a TBI property, located in the 27th Ward within the City of Chicago.

Respondents should present their qualifications and proposals to rehab/renovate affordable housing within the City of Chicago.

DOH will negotiate with the selected respondent(s) pursuant to terms of a *Redevelopment Agreement (RDA)*. The City's receipt of responses to this RFP does not in any way obligate the City to enter into any contract of any kind with any party or to convey any City-owned property to any party.

All respondents to this RFP must demonstrate their ability to execute their responsibilities in a timely fashion (demonstrated through timely completion of past projects as provided under Submittal Requirements). Completion of the rehab shall not typically exceed 12 months without DOH approval.

II. Summary of Developer Duties Upon Being Found Qualified

Once a Developer is approved by DOH, the Developer will enter into a Redevelopment Agreement with the City, detailing the responsibilities and obligations of the Developer, including but not limited to those responsibilities and obligations outlined below; and the project, RDA and transfer must be approved by the Chicago City Council.

Developer Responsibilities

A Developer shall be responsible for all activities as set forth in the Redevelopment Agreement, including but not limited to the following:

- a. Completion of all design and construction documents - including scope, Proforma, and obtaining all zoning, building permits, etc.;

- b. Physical planning including architecture and engineering;
- c. Rehabilitation/renovation of the property; timelines will be established to which the developer must conform;
- d. Furnishing of a proposed rehabilitation/renovation schedule which shall specify the completion and expected lease-up dates;
- e. Priority will be given to proposals submitted by certified Minority Business Enterprise/Women Business Enterprise (MBE/WBE) and/or which include an MBE or WBE certified GC and
- f. Compliance with insurance requirements (see Exhibit A.)
- g. Priority will be given to proposals that include a plan to hire local residents as part of the renovation project

III. Submittal Requirements

Each respondent shall submit five (5) bound copies of the following documents in a clear, legible, and 8 ½ x 11" format (unless otherwise indicated – i.e. some design documents are best presented in an 11" X 17" format). Costly submissions are neither required nor encouraged. Submissions must be complete in all respects. Incomplete submissions will be returned without consideration at the sole discretion of the City.

Respondents are advised to adhere to the Submittal Requirements. Failure to comply with the instructions of this RFP may be cause for rejection of submittals. The City reserves the right to reject any or all responses and to disregard any informality in the submittal, when in the City's opinion the best interest of the City will be served thereby. The City reserves the right to accept any submittal and/or any part or parts thereof and/or to reject any or all submittals.

The City reserves the right to seek additional information to clarify responses to this RFP. Each proposal must include the following:

1. **A Cover Letter** up to two pages in length, signed by an authorized representative of the respondent, which provides a summary of the respondent's experience in similar endeavors.

2. Development Organization Description

- a. Description of the entity that will be signatory to the TBI program property's RDA (corporation, LLC, joint venture, or partnership, etc.) and percentage of ownership and division of responsibilities (if any.) Include agreements, organizational documents, and/or letter of intent.
- b. Organization chart clearly illustrating the role of all potential Team Members (joint

venture partners, architect, General Contractor, any subcontractors, sales agent, etc.).

3. **Development Team Qualifications**, specialized experience of the Developer and Team Members to be involved in the proposed TBI program property rehab:

- a. Describe current and previous experience on similar projects - include length of time from conception to project completion. Please provide details on up to five (5) projects completed within the last 15 years. Include all relevant experience, such as all aspects of the Team Members' experience in the design and implementation of urban residential redevelopment.
- b. Provide references including client name, address, and telephone number for each project.
- c. Include a list of qualifications for each Team Member and current resumes for key individuals with Project responsibility.
- d. Include an exhaustive list of any Redevelopments Agreements or similar agreements entered into with the City of Chicago, including dates of execution and performance therein.
- e. Certification letters (MBE/WBE), if applicable

4. **Financial History**

Respondent and/or each Team Member, if a joint venture or partnership, shall submit a complete set of independently audited financial statements for the last two years. If audited financial statements are not available, the respondent may substitute unaudited financial statements with copies of federal income tax returns for the last two years.

5. **Legal Actions**

Provide a listing and brief description of all legal actions for the past three years in which the respondent has been involved, including cases where the respondent has been:

- a. A debtor in bankruptcy; and/or
- b. A defendant in a lawsuit for deficient performance under a contract; and/or
- c. A defendant in an administrative action for deficient performance on a Project; and/or
- d. A defendant in any criminal action; and/or
- e. Debarred from doing business with the City.

6. **Completed Economic Disclosure Statement and Affidavit(s) to be provided by Developer**

This document and ancillary material can be found here:

http://www.cityofchicago.org/city/en/depts/dps/provdrs/comp/svcs/economic_disclosurestatementseds.html

7. Special Conditions

This section should contain a description of any and all special conditions that the Respondent may offer to or request from the City.

8. Confidentiality

With respect to confidentiality, the Respondent may designate portions of the response that contain proprietary data that Respondent deems confidential. Notwithstanding the foregoing, all information, including, but not limited to all records, reports, forms, writings, maps, and photographs are subject to public inspection and copying under the Freedom of Information Act, 5 ILCS 140/1 et seq. All submittals are the property of the City.

9. Development Proposal

Should include Scope of Work, Development Budget, Sources and Uses of funds, including evidence of funding and/or financing, Operating Proforma, Loan Proforma, Rent Schedule, etc. Rents should be based upon household incomes @ 80% AMI or below.

IV. Evaluation Criteria

In reviewing and evaluating the proposals submitted, DOH will consider the following (not listed in order of importance):

1. Completeness and responsiveness of the submittal.
2. Professional and technical competence as evidenced by
 - a. Professional qualifications and specialized experience;
 - b. Current and past performance on other City-sponsored endeavors similar to the rehabilitation of a TBI program property; and
 - c. Past performance on City-sponsored projects, if applicable.
 - d. Quality and completeness of Development Proposal, including thoroughness and quality of Scope of Work, accuracy and reasonableness of project budget, including both hard and soft costs, evidence of financing and proposed acquisition price.*

*Note: The successful proposal may or may not be the proposal with the highest proposed acquisition price. The proposed purchase price will be only one of multiple factors considered in evaluating the quality of proposals to ensure a high quality and affordable product

3. Respondent's financial qualifications and capacity.
4. Inclusion of provisions for use of MBE/WBE's and the hiring of local residents.
5. Legal actions, if any, against the Respondent and any division, subsidiary or parent company of Respondent, and Respondent's compliance with all laws, ordinances, and statutes.

6. As part of the evaluation process, the City will review the information required by Section III above for each response received. The City may also review any other information that is available to it, including but not limited to information gained by checking references and by investigating the Respondent's financial condition.

V. Selection Process

The City may at any time, at its sole and absolute discretion:

- ❖ Revise and/or clarify the terms, conditions, or requirements under this RFP
- ❖ Reject or accept any or all submissions
- ❖ Withdraw this RFP without notice
- ❖ Request any additional information regarding submissions

The City may decide that negotiations should commence with one or more respondents whose qualifications are considered the most advantageous to the City. Ultimately, the respondents selected will be those deemed to be in the City's best interest.

The City reserves the right to request clarification, additional information and/or revisions from the respondents or to modify or supplement Program requirements during the evaluation, selection and negotiation process. The City reserves the right to accept any submittal and/or any part or parts thereof and/or reject any or all submittals.

Cancellation:

The City reserves the right to terminate this RFP at any time. In no event shall the City be liable to respondent or potential respondents for any cost or damages incurred by Developers or other interested parties in connection with the RFP process, including but not limited to, any and all costs of preparing a Response to this RFP and/or oral presentation or negotiations.

Exhibit A: Insurance Requirements

Selected respondents will be required to comply with the terms of this exhibit.

NOTE: The City, at its sole and absolute discretion, reserves the right to modify, delete, alter or change these insurance requirements at any time.

The Developer must provide and maintain at Developer's own expense during the Term of the Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement.

(i) Workers Compensation and Employers Liability

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide work or a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident, illness or disease

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the Agreement.

(iii) Builder's Risk Insurance

ACORD 28; Evidence of property insurance (builder's risk), naming the City as a loss payee (subject to any senior lender)

(b) Other Requirements

The Developer must furnish to the City of Chicago, Department of Housing, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Agreement. The failure of the City to obtain certificates or other insurance evidence from the

Developer must not be deemed to be a waiver by the City. The Developer must advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance must not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work until proper evidence of insurance is provided, or the Agreement may be terminated.

The Developer must provide for 30 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages must be borne by the Developer.

The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by the Developer must in no way limit the Developer's liabilities and responsibilities specified within the Agreement documents or by law.

Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in the Agreement or any limitation placed on the indemnity therein given as a matter of law.

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Developer must require Contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the Contractor or subcontractors. General Contractor and all subcontractors are subject to the same requirements of Developer unless otherwise specified herein.

If Developer, Contractor or subcontractor desires additional coverages, the party desiring the coverages is responsible for the acquisition and cost.

Notwithstanding any provision to the contrary, the City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

Exhibit B: Principal Profile

Upon selection, respondents will be required to provide the information indicated in this exhibit.

Project Name: 2019 27th Ward TBI Program Property

Project Address: 506-08 N. Monticello

Date:

Principal Profile

Name: Home Address: Date of Birth Social Security Number: Driver's License Number: License Plate Number:
Name: Home Address: Date of Birth: Social Security Number: Driver's License Number: License Plate Number:
Name: Home Address: Date of Birth: Social Security Number: Driver's License Number: License Plate Number:

Exhibit C: Map

The screenshot shows a web browser window with multiple tabs open, including 'Cook County Recorder of Deeds', 'Cook County Property Tax Portal', 'Real Info', 'GIS Geocoder', 'Community Central', 'CPD Grants Portal', and 'Property Details'. The address bar shows 'gisapps.cityofchicago.org/GeoCoderWeb/'. The page header includes the City of Chicago logo and the text 'Department of Innovation & Technology' and 'Geographical Information Systems'.

The main content area is titled 'The Geocoder Website' and provides instructions: 'allows addresses and properties to be uploaded, geocoded and exported to shapefiles.' Below this are navigation links: 'Quick Lookup', 'Bulk Geocode', 'Bulk Lines', 'SFTP Geocode', 'Site Help', 'Contact Us', and 'Previous Lookups'.

A 'Quick Lookup Report' section is displayed, providing geographic details and a map. The report includes the following information:

- Input Address: 506 N MONTICELLO AVE [Print this Page](#)
- Cleaned Address: 506 N MONTICELLO AVE
- Actual Address: TRUE

The 'ELS Results' table is as follows:

ELS Results	
Community Area Name	HUMBOLDT PARK
Ward	27
Zip Code (5 digit)	60624
Census Tract	231500
DHED Micro-market Recovery Program	---

To the right of the table is an aerial map showing the location of 506 N Monticello Ave. The map labels include Ohio St, Lawndale Ave, Ferdinand St, Monticello Ave, Garfield Square Dr, Central Park Ave, Franklin B, and Central Park Blvd. A red square on the map indicates the specific address location.

At the bottom of the page, there is a copyright notice: '© City of Chicago 2019'. The Windows taskbar is visible at the very bottom of the screenshot, showing icons for various applications like Internet Explorer, Firefox, and Google Chrome.